



ZAGREBAČKA BURZA
Zagreb Stock Exchange



LJUBLJANSKA BORZA
LJUBLJANA Stock Exchange

Zagreb Stock Exchange Group

Consolidated unaudited financial results for
01/01/2020 – 30/06/2020

27 July 2020

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1 INTERIM MANAGEMENT REPORT FOR THE PERIOD BETWEEN 01/01/2020 AND 30/06/2020

1.1 Significant business events of the Group in the period between 01/01/2020 and 30/06/2020

In the first half of 2020, the Zagreb Stock Exchange Group (hereinafter: the Group) recorded the following significant business events:

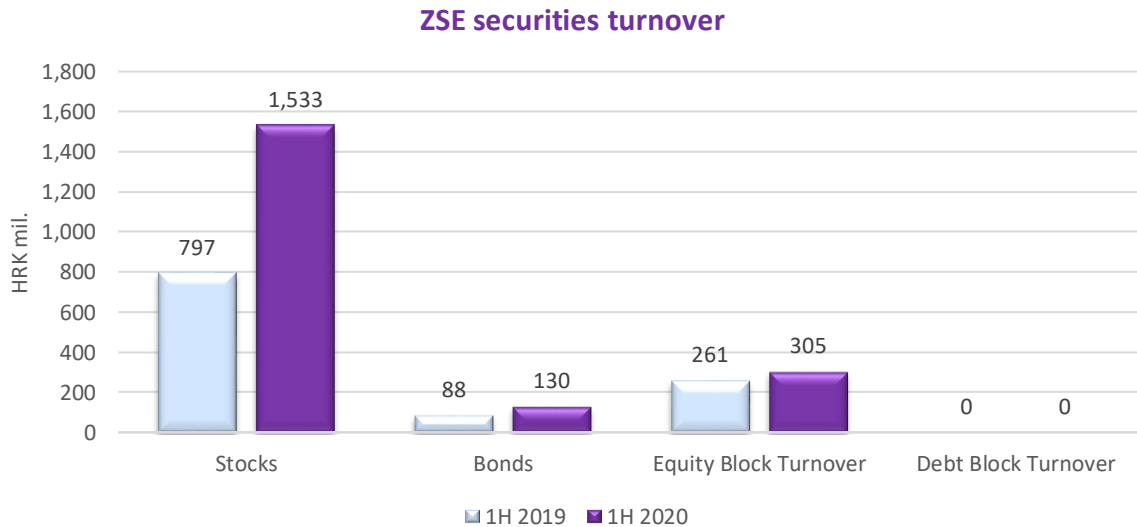
- On January 7, 2020, the Company made a decision on termination of the listing of the stocks of HOTELI BRELA d.d., HOTEL TUČEPI d.d. and ZLATNI RAT HOTELI d.d. due to merging the said companies with the joint-stock company SUNCE HOTELI d.d., which led to terminating the Issuer and the financial instrument.
- On January 8, 2020, the stock of ALPHA ADRIATIC d.d. has been moved to a lower market segment, from Official to Regular Market.
- On January 10, 2020, the Company made a decision on termination of the listing of the stocks of AGROMEDIMURJE d.d. following the decision of the General Assembly to withdraw all stocks from listing on the regulated market.
- On January 16, 2020, the Company made a decision on termination of the listing of the stocks of TERMES GRUPA d.d. following the decision of the General Assembly to withdraw all stocks from listing on the regulated market.
- In January 2020, a campaign for the company STEMI was completed on the Funderbeam SEE platform, raising EUR 318,000.
- On March 3, 2020, two new bonds of the Ministry of Finance of the Republic of Croatia were listed on the Official Market of the Exchange.
- On March 6, 2020, the “Ring the bell for gender equality” event was attended by the President of the Republic of Croatia, Mr. Zoran Milanović, and a significant media presence of the event and the Zagreb Stock Exchange was achieved.
- On March 16, 2020, following the opinion of the Market Protection Measures Committee, the level of severity and effects of breaches of the Exchange Rules on investors and the proper functioning of the market, the Company made a decision on the termination of the listing of the following Agrokor d.d. issuer's stocks: BELJE d.d., JAMNICA d.d., LEDO d.d., PIK-VINKOVCI d.d., TISAK d.d., VUPIK d.d. and STAR d.d.
- As of March 16, 2020, the Zagreb and Ljubljana Stock Exchange has been operating out of the office. The offices of the exchanges are closed until further notice, and business is regularly carried out at secondary locations and employees work from home. The objective of the Management Boards of both exchanges is to ensure continuous trading throughout the trading

day, as long as objective circumstances permit. The decision was made in order to protect the health of employees and clients as well as the long-term sustainability of the business. On May 4, 2020, the Zagreb Stock Exchange started operating in two teams in such a way that the first team works in the offices of the Stock Exchange for one week, and the second team works in secondary locations during that time. The Ljubljana Stock Exchange started operating in two teams on May 11, 2020. In accordance with favorable epidemiological conditions, on May 18, 2020, all employees of the Ljubljana Stock Exchange began working in offices, while the operations of the Zagreb Stock Exchange began to take place again at the primary location on June 1, 2020.

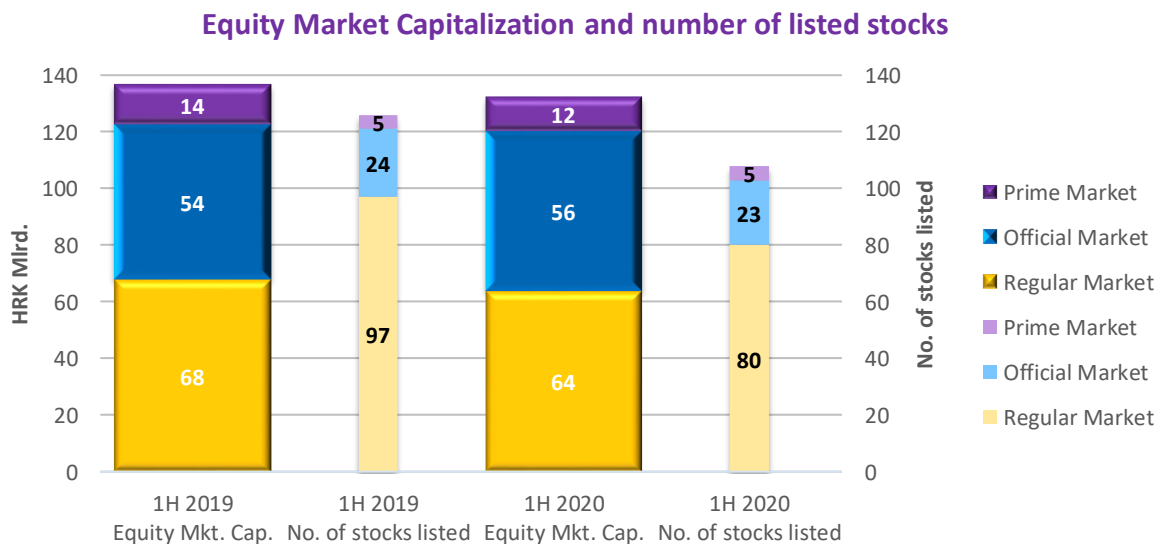
- On March 20, 2020, following the opinion of the Market Protection Measures Committee, the level of severity and effects of breaches of the Exchange Rules on investors and the proper functioning of the market, the Company made a decision on the termination of the listing of ELEKTROPROMET d.d.
- On March 23, 2020, the Ljubljana Stock Exchange hosted a webcast called Presenting Slovenian Listed Companies Online.
- On April 21, 2020, the Zagreb Stock Exchange successfully completed the annual accreditation process for a local operator LEI (Local Operating Unit (LOU)) by the Global Legal Entity Identifier Foundation (GLEIF), which once again confirmed the quality Exchange services as a local operator of LEI tags.
- On April 30, 2020, the shares of HELIOS FAROS d.d. were listed on the Regular Market of the Exchange.
- On May 6, 2020, a new bond of the Ministry of Finance of the Republic of Croatia was listed on the Official Market of the Stock Exchange.
- On May 20, 2020, issuers from the Zagreb Stock Exchange, namely AD Plastik, Arena Hospitality Group, Ilirija and Zagreb Stock Exchange, and the issuer SavaRe from the Ljubljana Stock Exchange, were included in the EBRD research program aimed at increasing public availability of analytical materials for small and medium enterprises listed on regional Stock Exchanges.
- On May 28, 2020, the Ljubljana Stock Exchange held a webcast entitled "Where to make money in times of crisis."
- On June 9, 2020, the shares of THE GARDEN BREWERY d.d. were listed on the Regular Market of the Exchange.
- On June 10, 2020, the 11th annual training for issuers was held, organized by the Zagreb Stock Exchange, the Croatian Financial Services Supervisory Agency and the Central Depository and Clearing Company, and the educational meeting was held virtually for the first time, with a record 160 representatives.

1.2 Zagreb and Ljubljana Stock Exchange Trading overview

The first half of 2020 was marked by a higher securities turnover since the end of February until the end of April under the influence of the Covid-19 appearance in the Republic of Croatia.



Orderbook book turnover was almost +88% higher than in the same period last year, with equity turnover up +92%. Overall, half-on-half traffic was almost +72% higher than last year.



The Market value measured by market capitalization decreased by -0.26% in total, with equity market capitalization down -3.13%.

Trading overview

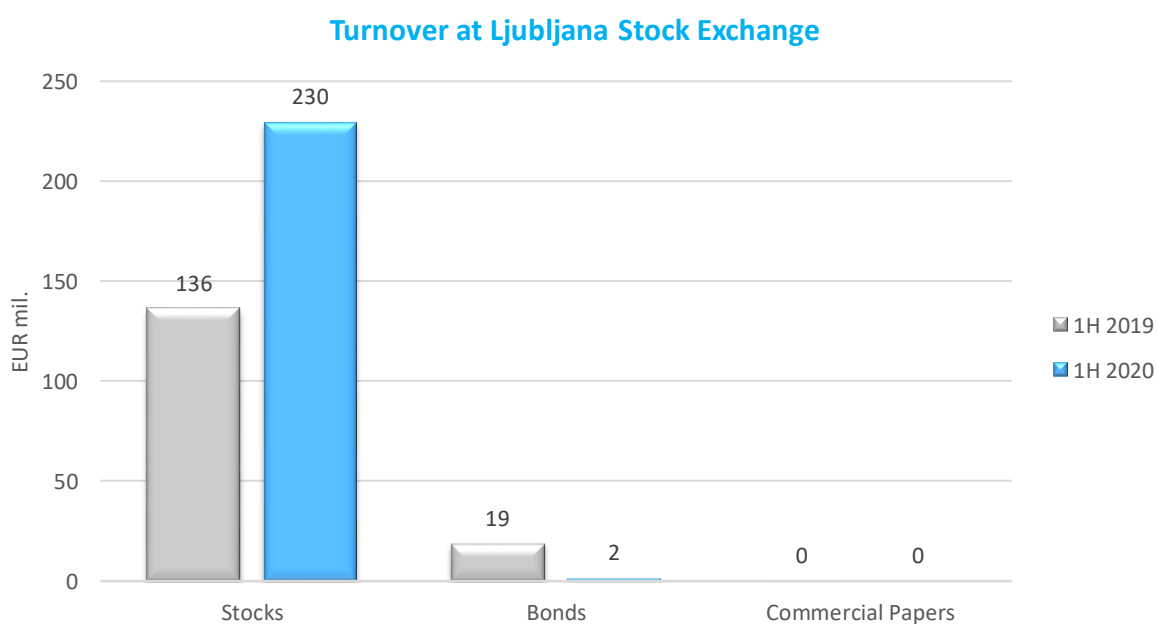
	1H 2019	1H 2020	change
Securities trading (HRK)			
Orderbook turnover	885,162,027	1,662,698,798	87.84%
Stocks	797,338,996	1,532,526,868	92.21%
Bonds	87,823,031	130,171,930	48.22%
Equity Block Turnover	260,751,347	304,975,792	16.96%
Debt Block Turnover	0	0	
TOTAL	1,145,913,375	1,967,674,590	71.71%
Equity Market Capitalization (HRK)			
Prime market	14,344,870,437	12,267,273,260	-14.48%
Official market	54,318,090,189	56,245,716,664	3.55%
Regular market	68,025,451,417	63,890,772,379	-6.08%
TOTAL	136,688,412,043	132,403,762,303	-3.13%
Number of listed securities			
Stocks	126	108	-14.29%
Prime market	5	5	0.00%
Official market	24	23	-4.17%
Regular market	97	80	-17.53%
Bonds	25	27	8.00%
TOTAL	151	135	-10.60%

With the exception of CROBEXkonstrukt, which increased by +22.26%, and CROBEXnutris, which increased by +15.54%, all other stock indices fell in comparison to the same last year's period. The largest decrease was recorded by CROBEXindustrija (-18.99%), followed by CROBEXturst (-18.24%), CROBEX (-13.89%), CROBEXtr (-12.78%), CROBEXprime (-10.39%), CROBEX10 (-8.16%), CROBEXplus (-5.83%). The new ADRIAprime regional index is down -6.19% from its value from June 30 last year. Debt indices also recorded a decline compared to the same period last year: CROBIS (-3.15%), CROBIStr (-0.26%).

Indices – value and turnover

Index	30.6.2019	30.6.2020	Change	Turnover (HRK) 1H 2019	Turnover (HRK) 1H 2020	change
CROBEX	1.883,11	1.621,55	-13,89%	676.008.647	1.247.181.626	84,49%
CROBEXtr	1.250,11	1.090,39	-12,78%	676.008.647	1.247.181.626	84,49%
CROBEX10	1.102,67	1.012,72	-8,16%	544.636.419	1.076.935.496	97,73%
CROBEXprime	1.054,36	944,77	-10,39%	176.347.133	516.852.949	193,09%
CROBEXplus	1.021,33	961,80	-5,83%	674.484.477	1.246.227.548	84,77%
CROBEXindustrija	911,07	738,03	-18,99%	96.310.663	198.958.873	106,58%
CROBEXkonstrukt	402,15	491,68	22,26%	8.618.170	33.248.445	285,79%
CROBEXnutris	515,02	598,00	16,11%	86.946.354	174.886.501	101,14%
CROBEXtransport	622,03	\		13.230.664	\	
CROBEXturst	3.577,18	2.924,62	-18,24%	184.126.277	330.520.043	79,51%
CROBIS	114,84	111,22	-3,15%	5.540.667.107	22.580.124.877	307,53%
CROBIStr	183,20	182,72	-0,26%	5.540.805.887	22.580.124.877	307,52%
ADRIAprime	1.023,85	960,48	-6,19%	\	\	\

Total orderbook turnover on the Ljubljana Stock Exchange in the first half of 2020 increased by almost +50% compared to the same period in 2019. As in Croatia, the increase in turnover is influenced by the appearance of Covid-19 in Slovenia, with equity turnover reaching almost EUR 230 million in the first half of 2020 (+68% increase over the first half of 2019 when equity turnover reached just over EUR 136 million), while bond turnover amounted to EUR 1.8 million (a decrease of -90% compared to the same period in 2019 when it amounted to almost EUR 19 million).



Compared to June 30, 2019, the Equity Market Capitalization fell by -3.7% and as of June 30, 2020, amounted to EUR 6.5 billion. From the last value on June 30, 2019, the SBI TOP index fell by -3.6%.

LJSE Trading overview

	1H 2019	1H 2020	change
Total Orderbook Turnover (EUR)	155,168,895	231,334,352	49.09%
Stocks	136,251,044	229,510,878	68.45%
Bonds	18,914,881	1,823,474	-90.36%
Commercial Papers	2,970	0	-100.00%
Equity Market Capitalization on 30 June (EUR)	6,775,504,092	6,525,290,749	-3.69%
Index value on 30 June	882	850	-3.60%

1.3 Expected future development of the Group

In 2020, the Group will continue to focus on restoring confidence and raising Corporate Governance standards and reporting on a regulated market. The Group will also focus on greater promotion of existing issuers, with a focus on Prime Market.

The Group will press on with previously initiated projects, placing the greatest emphasis on the project of regional SME capital market development (Progress), and further activities related to financing and investing in start-ups (Funderbeam SEE).

In 2020, the Group plans to launch new websites, common to the Zagreb and Ljubljana Stock Exchange, for the first time since 2007.

1.4 Research & Development activities

The Group invests constant efforts into developing and improving its own service offering and at expanding service provision to the Slovenian market as well.

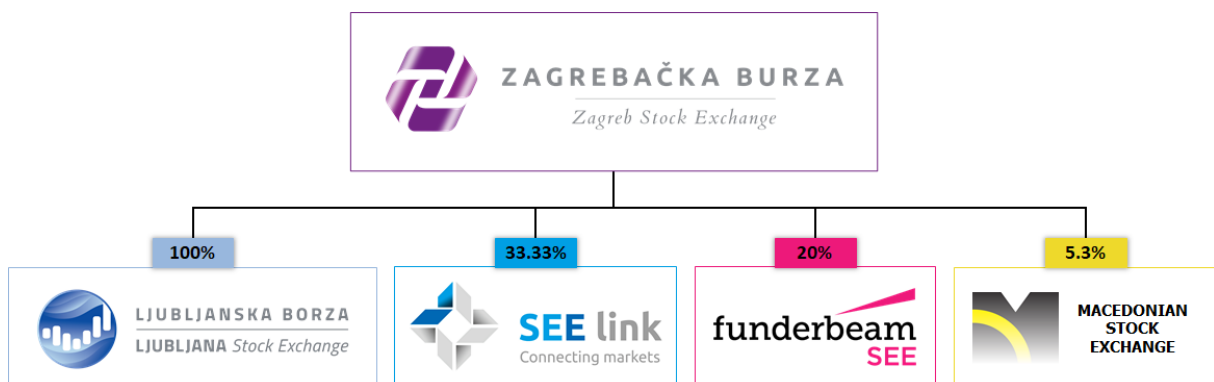
During the second half of 2019, the Zagreb Stock Exchange began migrating the Ljubljana Stock Exchange's downstream system to the Zagreb Stock Exchange's internally developed data warehouse system. Work on the full implementation of this system has also been carried over to the first part of 2020.

1.5 Information on repurchase of own shares

As of June 30, 2020, the companies in the Group held no own shares.

The companies in the Group did not acquire own shares between 1 January 2020 and 30 June 2020.

1.6 Zagreb Stock Exchange Group



The Ljubljana Stock Exchange, Inc., a company domiciled in Ljubljana. The issued share capital of the Ljubljana Stock Exchange is EUR 1,401,000, in which the Zagreb Stock Exchange, Inc. participates with 100 %.

SEE Link d.o.o., a company domiciled in Skopje. The issued share capital of SEE LINK is EUR 80,000, in which the Zagreb Stock Exchange, Inc. participates with 33.33 %.

Funderbeam South East Europe d.o.o., a company domiciled in Zagreb. The issued share capital of Funderbeam South East Europe d.o.o. is HRK 244,000, and as of 30 June 2020, the Zagreb Stock Exchange, Inc. participates with 20%¹.

On December 18, 2019, the Zagreb Stock Exchange acquired 148 shares, or 5.3% of the Macedonian Stock Exchange's share capital.

1.7 Financial instruments used by the Group

The Group is fully funded by its own capital. The financial instruments the companies in the Group invest in are investment funds (money market and bond funds) and deposits (a vista and fixed-term deposits).

1.8 Group's objectives and policies related to financial risk management

All employees of the companies in the Group, including their Management and Supervisory Board, are involved in the implementation of internal control and risk management systems.

The companies in the Group manage risks, including financial risks, particularly through cooperation and coordination of two mutually independent control functions that exist at Zagreb Stock Exchange and Ljubljana Stock Exchange: monitoring of compliance with relevant regulations and internal audit function.

These control functions process and monitor the work of all organizational units, Company activities and support services.

1.9 Group's exposure to price risk, credit risk, liquidity risk and cash flow risk

The companies in the Group, Zagreb Stock Exchange and Ljubljana Stock Exchange, place their excess cash on deposits and invest in open-end money market and bond investment funds. Their investments are carried at fair value. Zagreb Stock Exchange and Ljubljana Stock Exchange mitigate the price risk by

¹ On July 7, 2020, the Zagreb Stock Exchange signed Share purchase and transfer agreement representing 10% of the share capital of Funderbeam SEE d.o.o. Following the acquisition, the share of the Zagreb Stock Exchange in the total share capital of Funderbeam SEE d.o.o. is 30%.

diversifying their portfolio of open-end investment funds by investing in different types of funds managed by different fund management companies, and by investing in low-risk funds.

SEE Link and Funderbeam SEE are not exposed to the risks mentioned in this paragraph.

The companies in the Group have no loans received from external financial institutions, rather their cash and financial assets exceed substantially the liabilities of the companies in the Group, and consequently, their liquidity position is satisfactory.

1.10 Statement of transactions and transfers within the Group and between the Group and its shareholders

The Group confirms that in 2019 there were no transactions within the Group and between the Group and its shareholders in excess of EUR 100,000.

1.11 Statement of events which might have an adverse effect on Group operations

The emergence and spread of Covid-19 virus in the Republic of Croatia and the Republic of Slovenia and the measures taken to stop the spread and suppression of the virus will certainly have negative effects on the entire economy. To mitigate these effects, the Governments of both countries have introduced a series of measures to support the economy. The Group companies do not currently qualify for any of these measures.

With its infrastructure and working procedures, the Group is fully trained and ready to ensure business continuity so that trading can proceed smoothly. Infrastructure and work processes are adapted to work in crisis situations, employees are on standby, and tests related to work in such circumstances have been successfully carried out, ensuring that trading and business are carried out without difficulty even in emergency situations. The Group will continue to closely monitor the development of the situation to ensure the orderly functioning of the market, financial stability and protection of investors.

1.12 Business results for 01/01/2020 – 30/06/2020

In the first half of 2020, the Group generated a total of HRK 13,815 thousand of operating revenues, which is HRK +2,464 thousand or +21.7% more than in the same period last year when they amounted to HRK 11,351 thousand. Compared to the first half of 2019, sales revenue increased from HRK 7,227 to HRK 9,954 thousand, ie by HRK +2,726 thousand or +37.7%. The significant increase in sales revenue is primarily the result of an increase in income from commission and membership fees, which, following the increase in securities turnover from the end of February to mid-April 2020, reached HRK 5,355 thousand in the first half of the year (HRK +2,079 thousand or +63.5% more compared to the first half of 2019 when they amounted to HRK 3,276 thousand). Income from listing maintenance fees was also increased to HRK 3,684 thousand; an increase of HRK +654 thousand or +21.6% compared to the same period last year when they amounted to HRK 3,030 thousand, is the effect of the increase in

maintaining fees at the last change in the Price List in August 2019. Continuing with the larger number of newly listed securities than in the same period last year (three shares and three bonds were listed on the Zagreb Stock Exchange and five bonds on the Ljubljana Stock Exchange in the first half of 2020, while in the first half of 2019, one share and one bond were listed on the Zagreb Stock Exchange, and two bonds on the Ljubljana Stock Exchange), income from quotation maintenance amount to HRK 730 thousand, which is HRK +13 thousand or 1.8% more than in the same period last year. A decrease of HRK -20 thousand or -9.7% compared to the first half of last year was recorded in revenue from assigning and administering LEIs amounting to HRK 185 thousand. Compared to the first half of 2019, other operating revenues fell by HRK -263 thousand or -6.4%, or from HRK 4,124 to HRK 3,861 thousand. Although income from the supply of information increased from HRK 2,761 to HRK 3,007 thousand (HRK +246 thousand or +8.9%), the decrease in other operating income is the result of a decrease in other income from HRK 1,362 to HRK 854 thousand or -37,3%). Within the item other revenues, revenues from OTC data disclosure fees and revenues from Progress increased, while revenues from seminars and other revenues decreased.

Looking only at the second quarter of 2020, the Group's total operating income amounted to HRK 6,239 thousand, which is HRK -9 thousand (-0.1%) less than in the second quarter of last year when operating income amounted to HRK 6,248 thousand. Sales revenue increased from HRK 3,943 thousand in the second quarter of 2019 to HRK 4,362 thousand in the same period of the current year. This increase is due to the increase in income from listing maintenance fees from HRK 1,552 to HRK 1,853 thousand, ie by HRK +301 thousand or +19.4%, which is related to the already mentioned last change in the Price List. Although commissions and membership fees of the Zagreb Stock Exchange fell significantly due to daily securities turnover decrease in May and June 2020, the Ljubljana Stock Exchange's turnover did not decrease in the same period and revenues from commissions and membership fees at the Group level increased from HRK 1,793 thousand in the second quarter of 2019 to HRK 2,083 thousand in the same period this year (HRK +290 thousand or +16.2%). In the second quarter of 2020, other items of sales revenue decreased compared to the same period last year. Income from quotation maintenance fell from HRK 496 thousand to HRK 353 thousand (HRK -143 thousand or -28.9%), and revenue from assigning and administering LEIs from HRK 102 to 93 thousand (HRK -9 thousand or -8,5%). The decline in operating income is also due to the decline in other operating income from HRK 2,305 to HRK 1,857 thousand (HRK -448 thousand or -19.4%). Compared to the second quarter of 2019, income from the supply of information increased from HRK 1,343 to HRK 1,420 thousand (HRK +77 thousand or +5.7%), while other revenues decreased from HRK 961 to HRK 437 thousand (HRK -534 thousand or -54.6%).

The Group's total operating expenses in the first half of 2020 amounted to HRK 12,075 thousand, which is a slight increase of HRK +3 thousand or +0.03% compared to the same period last year when operating expenses amounted to HRK 12,071 thousand. The decrease in material costs (HRK -349 thousand or -9.3%, ie from HRK 3,770 to HRK 3,421 thousand) and other costs (HRK -510 thousand or -26.5%, ie from HRK 1,928 to HRK 1,418 thousand), is directly related with a changed way of working due to a Coronavirus pandemic, primarily working from home. The decrease in other costs is mainly due to the reduction in the costs of translation, legal, notary and consulting services, royalties, entertainment, business trips and PR. In addition, the value adjustment of fixed and current assets fell from HRK 160 thousand to HRK 152 thousand (HRK -8 thousand or -5.2%). The increase in operating expenses was mostly due to the increase in staff costs, which, compared to the same period last year

when they amounted to HRK 5,255 thousand, in the first half of 2020 amounted to HRK 6,075 thousand (HRK +820 thousand or +15.6%), and the increase in depreciation for HRK +52 thousand or +5.6% (from HRK 928 to HRK 980 thousand).

In the second quarter of 2020 alone, the Group's total operating expenses amounted to HRK 6,150 thousand, which is a decrease of HRK -375 thousand (-5.8%) compared to the second quarter of last year when operating expenses amounted to HRK 6,525 thousand. As at the half-year level, other expenses (HRK -440 thousand or -38.3%; from HRK 1,152 to HRK 711 thousand), material costs (HRK -274 thousand or -14%), and value adjustment of long-term and short-term assets (HRK -59 thousand or -37.5%; from HRK 158 to HRK 99 thousand) decreased, while staff costs (HRK +406 thousand or +14.7%; from HRK 2,762 to HRK 3,168 thousand) and depreciation (HRK +26 thousand or +5.6%, from HRK 466 to HRK 492 thousand) increased.

The Group's key business indicators

	1H 2019	2Q 2019	1H 2020	2Q 2020
Capital and reserves	39.467.973	39.467.973	51.007.140	51.007.140
Total assets	46.887.340	46.887.340	46.553.788	46.553.788
Operating income	11.350.999	6.247.785	13.814.749	6.238.801
<i>sales revenue</i>	7.227.191	3.943.270	9.953.664	4.382.194
<i>other operating income</i>	4.123.808	2.304.515	3.861.085	1.856.607
Operating expenses	12.071.370	6.525.313	12.074.584	6.150.317
<i>material costs</i>	3.770.068	1.957.915	3.420.720	1.683.414
<i>staff costs</i>	5.254.580	2.762.057	6.074.566	3.168.461
<i>depreciation and amortization</i>	928.027	465.736	979.901	491.817
<i>other costs</i>	2.118.695	1.339.605	1.599.397	806.625
EBIT	-720.371	-277.528	1.740.165	88.484
EBITDA	207.656	188.208	2.720.066	580.301
Financial income	890.567	419.389	116.728	102.560
Financial expenses	106.349	87.169	543.213	-202.421
Pre-tax profit or loss	57.172	57.468	1.355.082	370.058
Income tax	18.943	28.866	171.627	171.627
Profit or loss for the period	38.229	28.602	1.183.455	198.431
Number of employees	35	35	38	38

The Group's operating profit in the first half of 2020 amounts to HRK 1,740 thousand, while in the same period last year the operating loss amounted to HRK -720 thousand. At the level of the second quarter, the Group's operating profit amounted to HRK 88 thousand, while the operating loss in the same period last year amounted to HRK -277 thousand. Financial revenues recorded a significant decline at the level of the first half of the year as well as at the level of the second quarter compared to the same last year's periods. In the first half of the year, financial revenues amounted to HRK 116 thousand (HRK -774 thousand or -86.9%), while the second quarter's financial revenues alone accounted for HRK 103 thousand (HRK -317 thousand or -75.6%). In the first half of this year, financial expenses amounted to

HRK 543 thousand (HRK +447 thousand or +410.8%), while in the second quarter unrealized losses on financial assets decreased and financial expenses amounted to HRK 202 thousand (HRK -290 thousand). Changes in the movement of financial income and expenses are primarily the result of significantly reduced or even negative returns of bond funds in which the Group has invested free funds. At the end of the first half of the year, this loss was partially canceled, and the income from the sale of financial assets that the Zagreb Stock Exchange received in the process of pre-bankruptcy settlement of one issuer was realized.

Given the above, the Group's net profit in the first half of 2020 amounted to HRK 1,183 thousand, which is HRK +1,145 thousand more than in the first half of 2019, when the Group's net profit amounted to HRK 38 thousand. In the second quarter of 2020, the Group's net profit amounted to HRK 198 thousand, which is HRK +170 thousand more than the HRK 28 thousand net profit for the same period last year.

Operating profit before interest, taxes, depreciation and amortization is positive and in the first half of 2020 amounts to HRK 2,720 thousand, or HRK +2,512 thousand more than in the first half of 2019, while in the second quarter of 2020 it amounts to HRK 580 thousand, or HRK +392 thousand more than in the same period last year.

2 Declaration of responsibility for the preparation of financial statements

Financial statements of the Group prepared for the period between 01/01/2020 and 30/06/2020 give a fair and true account of facts in accordance with the International Standards of Financial Reporting and the Croatian Accounting Act.

Consolidated financial statements for the period between 01/01/2020 and 30/06/2020 give an objective, complete and true statement of assets and liabilities, financial position and operations of the Group.

The management report for the first half of 2020 contains a true and fair view of the development and results of operations, with a description of the principal risks and uncertainties to which the Group is exposed.

Consolidated financial statements for the first half of 2020 have not been audited.


Ivana Gažić
President of the Management Board


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Zagreb


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Member of the Management Board

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Consolidated unaudited financial statements of the Group
for 01/01/2020 – 30/06/2020

Annex 1

ISSUER'S GENERAL DATA

Reporting period:	1.1.2020	to	30.6.2020
Year:	2020		
Quarter:	2		

Quarterly financial statements

Registration number (MB):	03749606	Issuer's home Member State code:	HR
Entity's registration number (MBS):	080034217		
Personal identification number (OIB):	84368186611	LEI:	7478000050A040C0D041
Institution code:	4		
Name of the issuer:	Zagreb Stock Exchange, Inc		
Postcode and town:	10000	Zagreb	
Street and house number:	Ivana Lučića 2a/22		
E-mail address:	sandra.semuga@zse.hr		
Web address:	www.zse.hr		
Number of employees (end of the reporting period):	38		
Consolidated report:	KD	(KN-not consolidated/KD-consolidated)	
Audited:	RN	(RN-not audited/RD-audited)	
Names of subsidiaries (according to IFRS):	Registered office:	MB:	
Ljubljanska borza vrednostnih papirjev d.d.	Ljubljana, Slovenija	5316081	
Bookkeeping firm:	Yes	(Yes/No)	Sigma Tax Consulting d.o.o. (name of the bookkeeping firm)
Contact person:	Martina Butković (only name and surname of the contact person)		
Telephone:	01/4699-555		
E-mail address:	martina.butkovic@sigmabc.eu		
Audit firm:			
	(name of the audit firm)		
Certified auditor:			
	(name and surname)		

BALANCE SHEET			
balance as at 30.6.2020			
			in HRK
Submitter: Zagreb Stock Exchange, Inc			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
ASSETS			
FIXED ASSETS 002+003+009+012	1	14.982.290	16.378.547
I INTANGIBLE ASSETS	2	2.950.730	2.919.061
II TANGIBLE ASSETS 004+...+008	3	9.882.399	9.744.140
1 Land and buildings	4	7.208.909	7.147.049
2 Computer equipment	5	160.729	555.759
3 Other tangible assets	6	1.115.814	1.045.141
4 Leasehold improvements	7	1.396.947	996.191
5 Assets under construction	8	0	0
III FIXED FINANCIAL ASSETS 010+011	9	1.886.546	3.438.572
1 Investments in associates, subsidiaries and joint ventures	10	117.119	157.381
2 Financial assets at amortised cost	11	1.769.427	3.281.191
DEFERRED TAX ASSETS	12	262.615	276.774
B CURRENT ASSETS 014+020+024	13	32.425.983	32.270.921
I RECEIVABLES 015+...+019	14	3.758.157	2.663.884
1 Trade receivables	15	3.009.814	1.885.344
2 Receivables from employees and members of the undertaking	16	390	2.499
3 Receivables from government and other institutions	17	169.253	184.505
4 Receivables from connected undertakings	18	0	-124
5 Other receivables	19	578.700	591.660
III SHORT-TERM FINANCIAL ASSETS 021+...+023	20	21.074.626	21.530.365
1 Financial assets at amortised cost	21	1.491.567	2.270.745
2 Financial assets at fair value through other comprehensive	22	0	0
3 Financial assets at fair value through statement of profit or	23	19.583.059	19.259.620
III CASH AND CASH EQUIVALENTS	24	7.593.200	8.076.672
C PREPAID EXPENSES AND ACCRUED INCOME	25	1.296.633	2.357.672
D TOTAL ASSETS 001+013+025	26	48.704.906	51.007.140
E OFF-BALANCE SHEET ITEMS	27	0	0
LIABILITIES			
A CAPITAL AND RESERVES 029+030+031+036+037+038	28	40.539.321	42.020.506
I INITIAL CAPITAL	29	46.357.000	46.357.000
II CAPITAL RESERVES	30	13.860.181	13.860.181
III PROFIT RESERVES 032+...+035	31	681.243	978.973
1 Legal reserves	32	141.000	141.000
2 Reserves for treasury shares	33	0	0
3 Fair value reserves	34	0	0
4 Other reserves	35	540.243	837.973
IV RETAINED PROFIT OR LOSS BROUGHT FORWARD	36	-21.300.251	-20.359.103
V PROFIT OR LOSS FOR THE YEAR	37	941.148	1.183.455
VI MINORITY INTEREST	38	0	0
B PROVISIONS	39	103.028	104.637
C SHORT-TERM LIABILITIES 041+...+046	40	2.857.784	2.709.149
1 Liabilities for advance payments	41	17.007	0
2 Trade payables	42	950.881	774.243
3 Liabilities to employees	43	683.834	665.504
4 Taxes, contributions and similar liabilities	44	438.106	646.098
5 Liabilities to connected undertakings	45	0	0
6 Other short-term liabilities	46	767.956	623.304
D LONG-TERM LIABILITIES	47	567.952	304.314
E DEFERRED TAX LIABILITY	48	188.394	191.336
F ACCRUALS AND DEFERRED INCOME	49	4.448.427	5.677.198
G TOTAL LIABILITIES 028+039+040+047+048+049	50	48.704.906	51.007.140
H OFF-BALANCE SHEET ITEMS	51	0	0
Appendix to the balance sheet (position for consolidated financial statements)			
I Capital and reserves 053+054	52	40.539.321	42.020.506
1 Attributable to owners of the parent	53	40.539.321	42.020.506
2 Attributable to non-controlling interest	54	0	0

STATEMENT OF PROFIT OR LOSS

For the period 01.01.2020. to 30.6.2020

in HRK

Submitter: Zagreb Stock Exchange, Inc

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
A OPERATING INCOME 002+009	1	11.350.999	6.247.785	13.814.749	6.238.801
I Sales revenue 003+...+008	2	7.227.191	3.943.270	9.953.664	4.382.194
1 Commissions and membership fees	3	3.275.661	1.792.655	5.354.930	2.082.979
2 Listing maintenance fees	4	3.029.987	1.552.487	3.683.968	1.853.213
3 Income from quotation maintenance	5	716.880	496.076	729.877	352.609
4 Income from auctions	6	0	0	0	0
5 Income from memberships	7	0	0	0	0
6 Revenue from assigning and administering LEIs	8	204.663	102.052	184.889	93.393
II Other operating income 010+...+012	9	4.123.808	2.304.515	3.861.085	1.856.607
1 Income from application programming interface (API) services	10	0	0	0	0
2 Income from the supply of information	11	2.761.292	1.343.519	3.006.801	1.420.088
3 Other income	12	1.362.516	960.996	854.284	436.519
B OPERATING EXPENSES 014+017+021+022+023+026+027	13	12.071.370	6.525.313	12.074.584	6.150.317
I Material costs 015+016	14	3.770.068	1.957.915	3.420.720	1.683.414
1 Costs of raw materials	15	283.475	139.402	336.801	183.651
2 Other external costs	16	3.486.593	1.818.513	3.083.919	1.499.763
II Staff costs 018+...+020	17	5.254.580	2.762.057	6.074.566	3.168.461
1 Net salaries and wages	18	3.405.167	1.733.503	4.178.230	2.121.141
2 Tax and contributions from salary costs	19	1.381.700	773.956	1.427.695	790.965
3 Payroll contributions	20	467.713	254.598	468.641	256.355
III Depreciation	21	928.027	465.736	979.901	491.817
IV Other costs	22	1.928.154	1.151.786	1.417.736	710.858
V Value adjustment 024+025	23	160.336	157.866	151.981	98.696
1 fixed assets (other than financial assets)	24	0	0	0	0
2 current assets (other than financial assets)	25	160.336	157.866	151.981	98.696
VI Provisions	26	0	0	0	0
VII Other operating expenses	27	30.205	29.953	29.680	-2.929
C FINANCIAL INCOME 029+...+034	28	890.567	419.389	116.728	102.560
1 Interest, exchange rate differences, dividends and similar	29	11.557	11.543	5.669	1.223
2 Interest, exchange rate differences, dividends and similar	30	34.545	24.476	11.343	9.002
3 Income share from associates and participating interests	31	0	0	0	0
4 Unrealised gains (income) from financial assets	32	844.465	385.755	0	0
5 Profit from reversal of provisions for impairment for expected	33	0	0	0	0
6 Other financial income	34	0	-2.385	99.716	92.335
D FINANCIAL EXPENSES 036+...+040	35	106.349	87.169	543.213	-202.421
1 Interest, exchange rate differences and other expenditures with	36	20.231	20.231	4.115	2.096
2 Interest, exchange rate differences and other expenditure from	37	54.126	34.946	58.114	14.090
3 Unrealised losses (expenses) from financial assets	38	0	0	267.670	-218.535
4 Loss on impairment for expected credit losses	39	0	0	0	0
5 Other financial expenses	40	31.992	31.992	213.314	-72
E TOTAL INCOME 001+028	41	12.241.566	6.667.174	13.931.477	6.341.361
F TOTAL EXPENDITURE 013+035	42	12.177.719	6.612.482	12.617.797	5.947.896
G Share in profit/loss of associates and subsidiaries	43	-6.675	2.776	41.402	-23.407
H PRE-TAX PROFIT OR LOSS 041-042+043	44	57.172	57.468	1.355.082	370.058
I INCOME TAX	45	18.943	28.866	171.627	171.627
J PROFIT OR LOSS FOR THE PERIOD 044-045	46	38.229	28.602	1.183.455	198.431
1 Change in revaluation reserves (property, plant,	47	0	0	0	0
2 Actuarial gains/losses on defined benefit pension plans	48	0	0	0	0
3 Unrealised gains/losses on financial assets at fair value through other comprehensive income	49	0	0	0	0
4 Gains/losses on hedging instruments in a cash flow hedge	50	0	0	0	0
5 Gains/losses arising from translation of financial	51	-73.866	-85.968	297.730	-140.738
6 Income tax on other comprehensive income	52	0	0	0	0
K OTHER COMPREHENSIVE INCOME 047+...+052	53	-73.866	-85.968	297.730	-140.738
TOTAL COMPREHENSIVE INCOME 046+053	54	-35.637	-57.366	1.481.185	57.693
M RECLASSIFICATION ADJUSTMENTS	55	0	0	0	0
Appendix **					
Attributable to owners of the parent	56	-35.637	-57.366	1.481.185	57.693
Attributable to non-controlling interest	57	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method

for the period 01.01.2020. to 30.6.2020

in HRK

Submitter: Zagreb Stock Exchange, Inc

Item	ADP code	Same period of the previous year	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1 Pre-tax profit	1	57.172	1.355.082
2 Depreciation	2	928.027	979.901
3 Increase in short-term liabilities	3	0	0
4 Decrease in short-term receivables	4	216.980	1.093.996
5 Decrease in inventories	5	0	273
6 Loss on impairment for expected credit losses	6	0	0
7 Other cash flow increase	7	0	0
I Total cash flow increase from operating activities 001+...+007	8	1.202.179	3.429.252
1 Decrease in short-term liabilities	9	918.174	119.354
2 Increase in short-term receivables	10	0	0
3 Increase in inventories	11	0	0
4 Profit from reversal of provisions for impairment for expected	12	0	0
5 Other cash flow decrease	13	709.867	229.559
II Total cash flow decrease from operating activities 009+...+013	14	1.628.041	348.913
CASH FLOW FROM INVESTMENT ACTIVITIES			
1 Cash receipts from sale of fixed tangible and intangible assets	15	0	0
2 Cash receipts the from sale of equity instruments and debt	16	0	0
3 Interest received	17	0	0
4 Dividends received	18	0	0
5 Other cash receipts from investment activities	19	500.013	342.455
III Total cash receipts from investment activities 015+...+019	20	500.013	342.455
1 Cash payments for the purchase of fixed tangible and intangible	21	351.790	635.776
2 Cash payments for the acquisition of equity financial	22	0	0
3 Other cash payments from investment activities	23	1.547.025	500.000
IV Total cash payments from investment activities 021+...+023	24	1.898.815	1.135.776
CASH FLOW FROM FINANCING ACTIVITIES			
1 Cash receipts from the issue of equity financial instruments and debt financial instruments	25	0	0
2 Cash receipts from credit principals, debentures, loans and other borrowings	26	0	0
3 Other cash receipts from financing activities	27	0	0
V Total cash receipts from financing activities 025+...+027	28	0	0
1 Cash payments for credit principals and bonds	29	0	0
2 Cash payments for dividends	30	0	0
3 Cash payments for finance lease	31	0	29.284
4 Cash payments for the redemption of treasury shares	32	0	0
5 Other cash payments from financing activities	33	387.959	1.774.262
VI Total cash payments from operating activities 029+...+033	34	387.959	1.803.546
VII Cash and cash equivalents at the beginning of period	35	2.441.171	7.593.200
VIII Increase of cash and cash equivalents	36	0	483.472
IX Decrease of cash and cash equivalents	37	2.212.623	0
X Cash and cash equivalents at the end of period	38	228.548	8.076.672

STATEMENT OF CHANGES IN EQUITY										
Item	ADP	for the period from 1.1.2020 to 30.6.2020							in HRK	
		Attributable to owners of the parent							Attributable to non-controlling interests	Total capital and reserves
		Subscribed capital	Capital reserves	Profit reserves	Profit or loss for the year (period)	Retained profit or loss brought forward	Fair value reserves	Other revaluation reserves		
1	2	3	4	5	6	7	8	9	10	11
Balance on the first day of the previous business year	1	46.357.000	13.860.181	141.000	189.554	-21.639.001	0	594.876	0	0
Change in accounting policies	2	0	0	0	0	0	0	0	0	0
Correction of errors from prior periods	3	0	0	0	0	0	0	0	0	0
Balance on the first day of the previous business year (restated)	4	46.357.000	13.860.181	141.000	189.554	-21.639.001	0	594.876	0	39.503.610
Profit or loss for the period	5	0	0	0	941.148	0	0	0	0	941.148
Unrealised gains or losses on financial assets at fair value through other comprehensive income	6	0	0	0	0	0	0	0	0	0
Other changes in equity unrelated to owners	7	0	0	0	0	0	0	94.563	0	94.563
Total directly recognized income and expenses of the previous year (previous year periods)	8	0	0	0	941.148	0	0	94.563	0	1.035.711
Increase/decrease in subscribed capital	9	0	0	0	0	0	0	0	0	0
Other contributions by owners	10	0	0	0	0	0	0	0	0	0
Payment of share in profit/dividend	11	0	0	0	0	0	0	0	0	0
Other distribution to owners	12	0	0	0	-189.554	338.750	0	-149.196	0	0
Balance on the last day of the previous business year reporting period	13	46.357.000	13.860.181	141.000	941.148	-21.300.251	0	540.243	0	40.539.321
Balance on the first day of the current business year	14	46.357.000	13.860.181	141.000	941.148	-21.300.251	0	540.243	0	40.539.321
Change in accounting policies	15	0	0	0	0	0	0	0	0	0
Correction of errors from prior periods	16	0	0	0	0	0	0	0	0	0
Balance on the first day of the current business year (restated)	17	46.357.000	13.860.181	141.000	941.148	-21.300.251	0	540.243	0	40.539.321
Profit or loss for the period	18	0	0	0	1.183.455	0	0	0	0	1.183.455
Unrealised gains or losses on financial assets at fair value through other comprehensive income	19	0	0	0	0	0	0	0	0	0
Other changes in equity unrelated to owners	20	0	0	0	0	0	0	297.730	0	297.730
Total directly recognised income and expenses of the current year (current period)	21	0	0	0	1.183.455	0	0	297.730	0	1.481.185
Increase/decrease in subscribed capital	22	0	0	0	0	0	0	0	0	0
Other contributions by owners	23	0	0	0	0	0	0	0	0	0
Payment of share in profit/dividend	24	0	0	0	0	0	0	0	0	0
Other distribution to owners	25	0	0	0	-941.148	941.148	0	0	0	0
Balance on the last day of the current business year reporting period	26	46.357.000	13.860.181	141.000	1.183.455	-20.359.103	0	837.973	0	42.020.506

NOTES TO FINANCIAL STATEMENTS - TFI
(drawn up for quarterly reporting periods)

Name of the issuer: Zagreb Stock Exchange, Inc

Personal identification number (OIB): 84368186611

Reporting period: 1.1.2020-30.6.2020

Notes to financial statements for quarterly periods include:

a) an explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the quarterly reporting period of the issuer with respect to the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the quarterly reporting period c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the quarterly reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes d) a description of the financial performance in the case of the issuer whose business is seasonal.

AOP 11 Financial assets at amortized costs

The balance sheet position AOP 11 "2 Financial assets at amortised cost" as of 30 June 2020 in total amount of HRK the amount of HRK 3.281.191 (31 December 2019: HRK 1.769.427) consists of the long term financial assets other than investments in associates, subsidiaries and joint ventures which are reported at position AOP 10. Financial assets at AOP 11 consists of:

- 1) Given loans and deposits at amortised cost in the amount of HRK 1.978.926 (31 December 2019: HRK 467.161), and
- 2) Financial assets at fair value through other comprehensive income in the amount of HRK 1.769.427 (31 December 2019: HRK 1.302.265)