

# Zagreb Stock Exchange

Investor Presentation

FY19 – FY20



**ZAGREBAČKA  
BURZA**

*Zagreb Stock Exchange*

February, 2021

# Operating and financial highlights

## Operating highlights (ZSE)

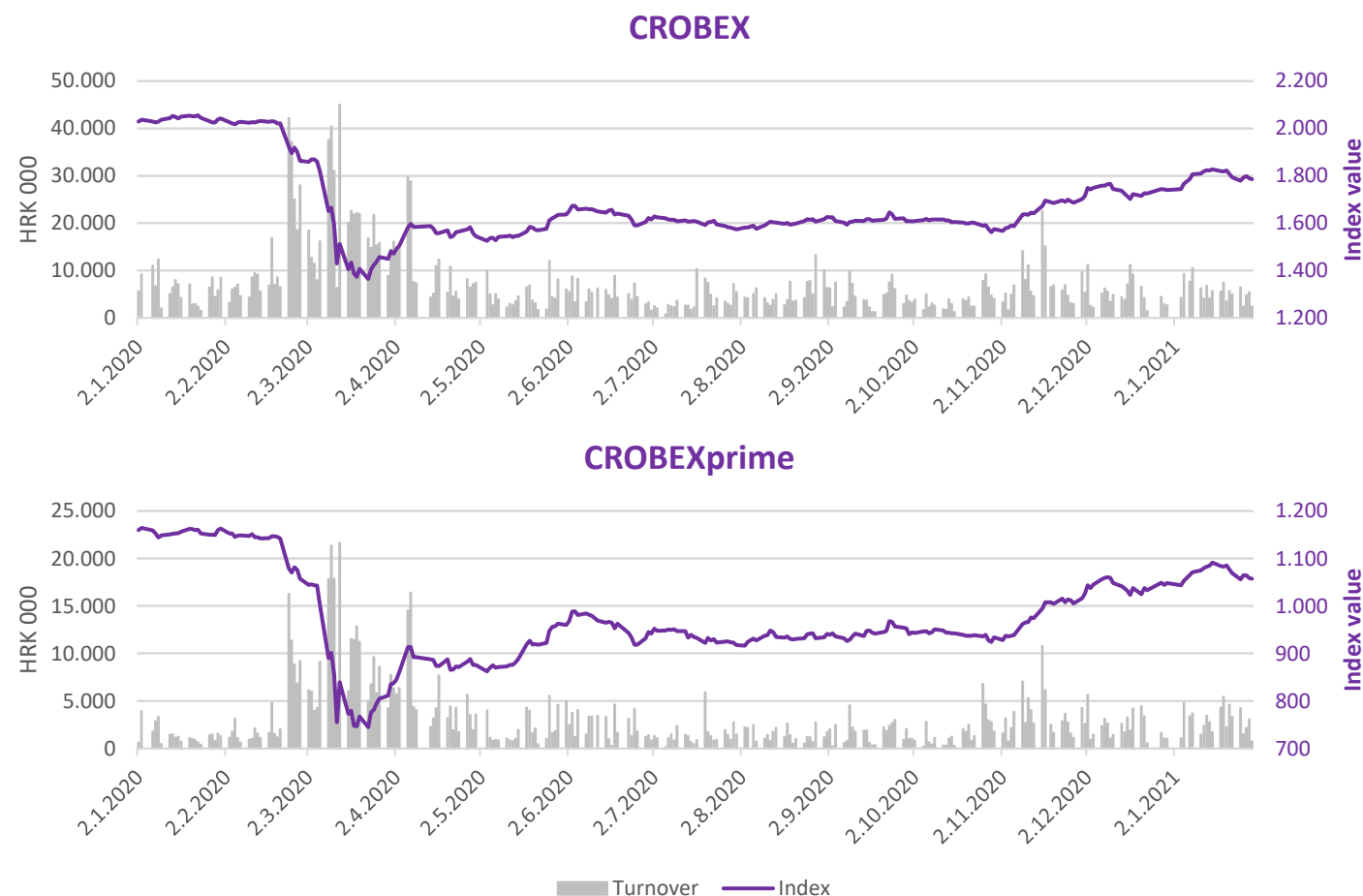
	2019	2020	change
Orderbook turnover (HRK mil.)	2.472	2.556	3,4%
<i>Stocks</i>	2.179	2.300	5,6%
<i>Bonds</i>	293	256	-12,6%
<i>ETFs</i>	-	22	
Block Turnover (HRK mil.)	523	551	5,5%
<i>Equity</i>	523	551	5,5%
<i>Debt</i>	-	-	
TOTAL Turnover (HRK mil.)	2.994	3.107	3,8%
TOTAL Volume (HRK mil.)	321	276	-14,3%
CROBEX©	2.017	1.739	-13,8%
Market capitalization (HRK mil.)	263.802	270.915	2,7%
Average Daily			
<i>Turnover (HRK mil.)</i>	12,1	12,6	3,8%
<i>Volume (mil.)</i>	1,3	1,1	-14,3%
<i>Trading days</i>	247	250	0,0%

## Financial performance (Consolidated)

HRK 000, unless stated otherwise	2019	2020	change
Operating revenue	24.988	26.310	5,3%
Operating expenses	(25.402)	(24.147)	-4,9%
EBITDA	1.459	4.136	183,4%
Net profit	941	2.152	128,8%
EPS (HRK)	0,20	0,46	128,8%

## Profitability ratios (Consolidated)

	2019	2020
EBITDA margin	5,84%	15,72%
Net profit margin	3,76%	8,18%
Return on equity (ROE)	2,32%	5,01%





In 2020, total turnover reached a +4% higher amount than in 2019. Mostly due to COVID-19 pandemic influence, the first and the beginning of the second quarter brought above-average turnovers.

In 2020, stock turnover increased by +6%, and bond turnover decreased by -13% in comparison to the previous year. New ETFs achieved an excellent turnover of almost HRK 22 million in merely a few trading weeks.

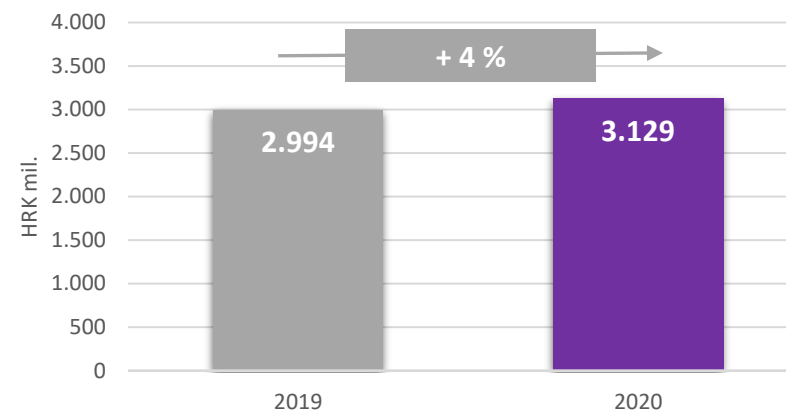
In 2020, despite the increase in total turnover, the total volume decreased by -14% compared to 2019. In both observed periods, most of the volume relates to bonds (2019; 82%, 2020; 77%).

## Turnover

HRK mil.	2019	2020	change
<i>Stocks</i>	2.179	2.300	6%
<i>Bonds</i>	293	256	-13%
<i>ETFs</i>	0	22	0%
<i>Equity Block Turnover</i>	523	551	5%
<i>Debt Block Turnover</i>	0	0	0%
<b>Total turnover</b>	<b>2.994</b>	<b>3.129</b>	<b>4%</b>
<b>Total volume (mil.)</b>	<b>321</b>	<b>276</b>	<b>-14%</b>
<b>OTC trades turnover</b>	<b>11.558</b>	<b>27.784</b>	<b>140%</b>

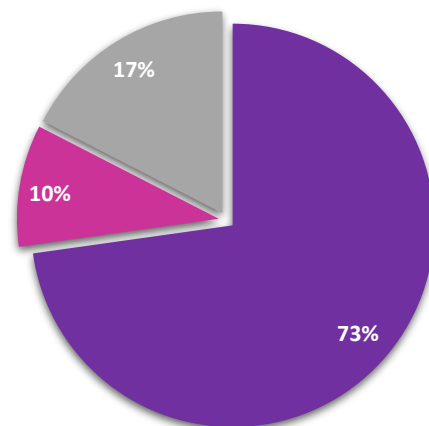
Source: Trading Summary; 2019 and 2020

## Total turnover

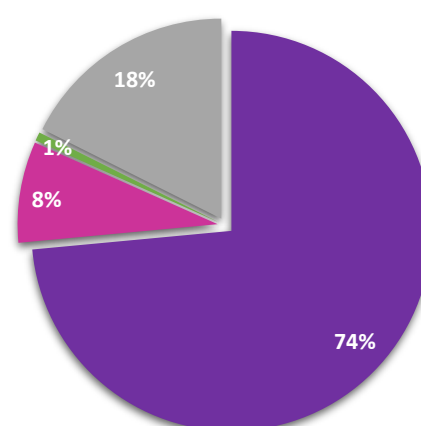


Source: Trading Summary; 2019 and 2020

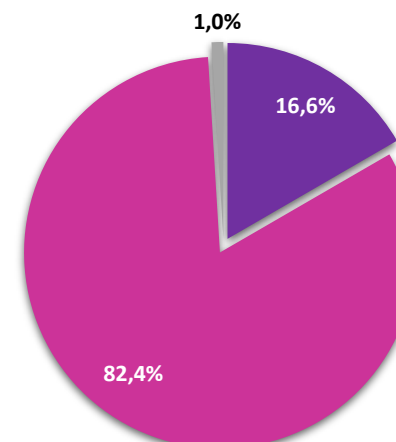
## Total turnover; 2019



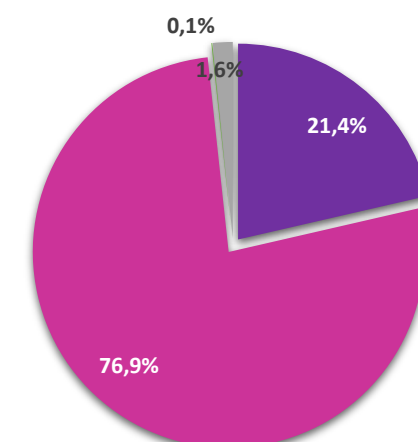
## Total turnover; 2020



## Total volume; 2019



## Total volume; 2020

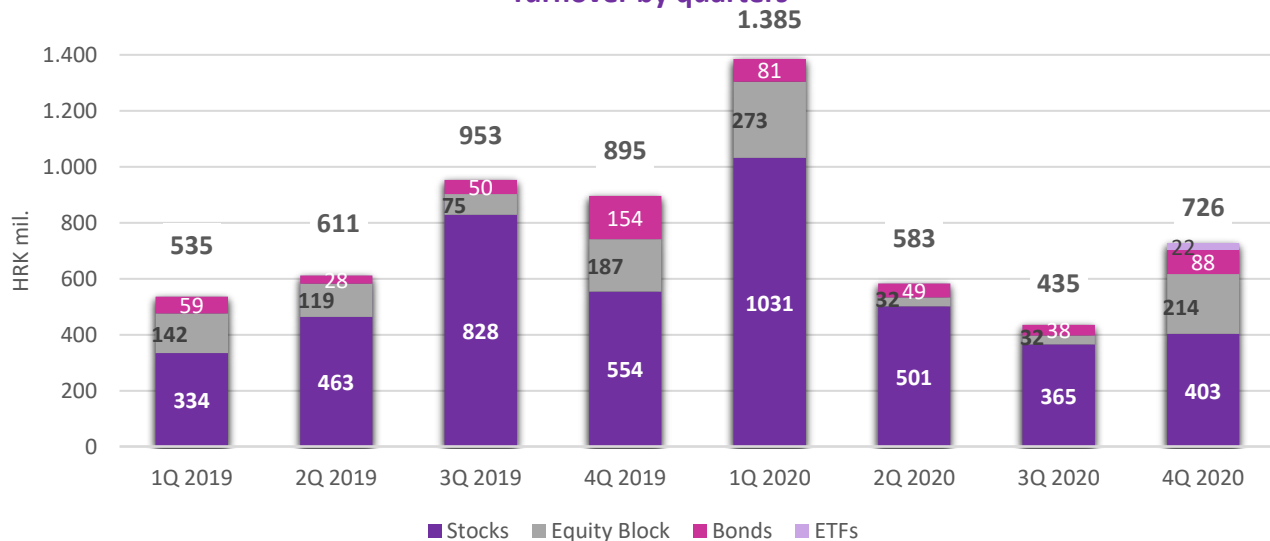


- Stocks
- Bonds
- ETFs
- Equity Block Turnover
- Debt Block Turnover

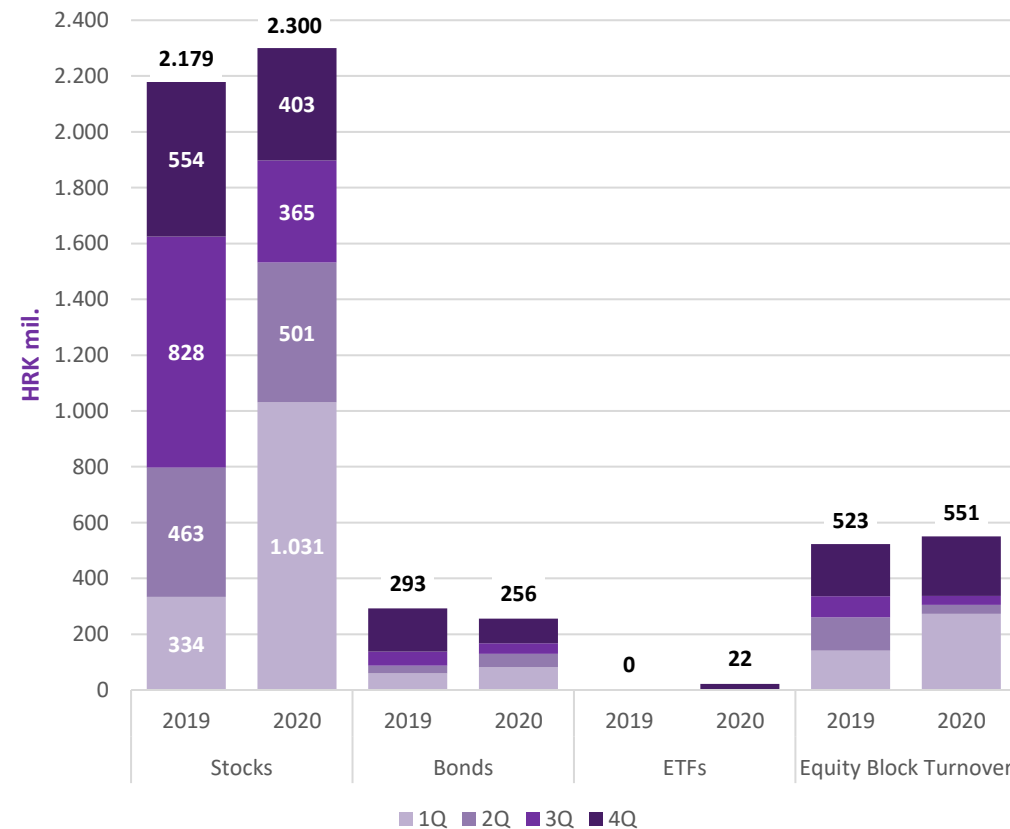
Source: Trading Summary; 2019 and 2020



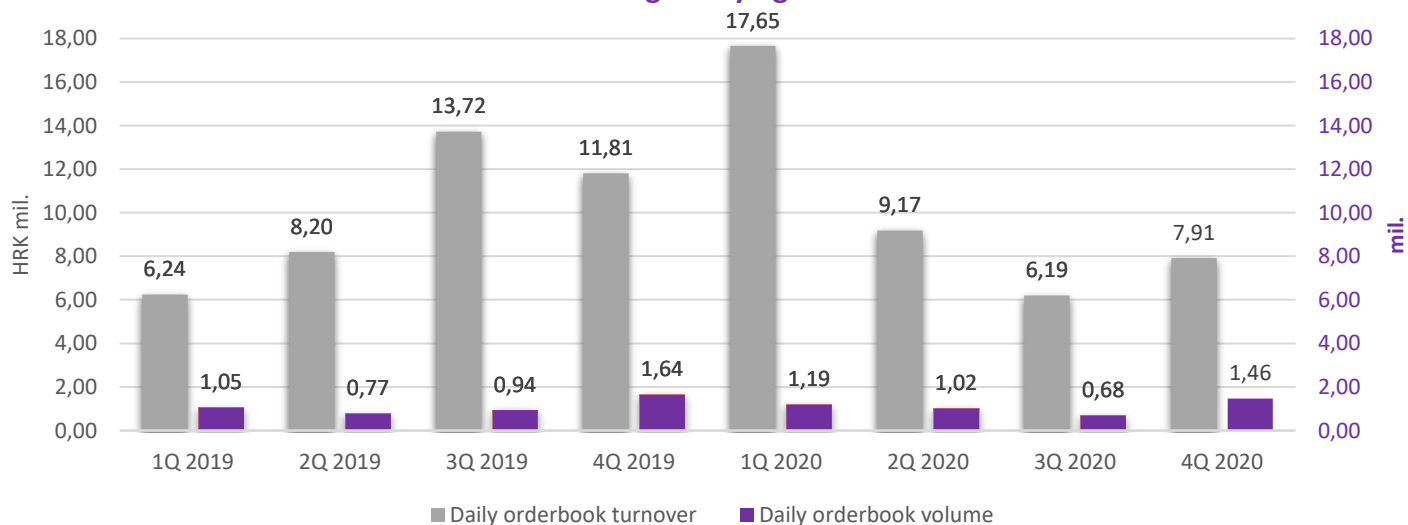
Turnover by quarters



Securities turnover



Average daily figures



Source: Trading Summary; 2019 and 2020



## Market capitalization

HRK mil.	31.12.2019	31.12.2020	change
<i>Stocks</i>	147.983	137.359	-7%
<i>Bonds</i>	115.818	133.529	15%
<i>ETFs</i>	0	27	0%
<b>Total</b>	<b>263.802</b>	<b>270.915</b>	<b>3%</b>

## Listed Financial Instruments

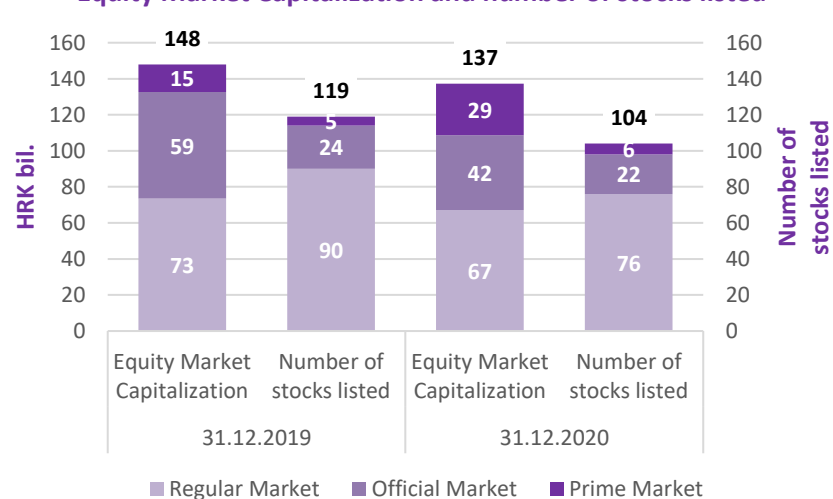
Prime, Official & Regular Market	145	130	-10%
<i>Stocks</i>	119	104	-13%
<i>Bonds</i>	26	26	0%
<i>ETFs</i>	0	2	
Progress	1	4	300%

Compared to the previous year, the total market capitalization increased by +3% to HRK 271 b. as of 31 December 2020. Equity market capitalization decreased by -7%, while debt market capitalization increased by +15%.

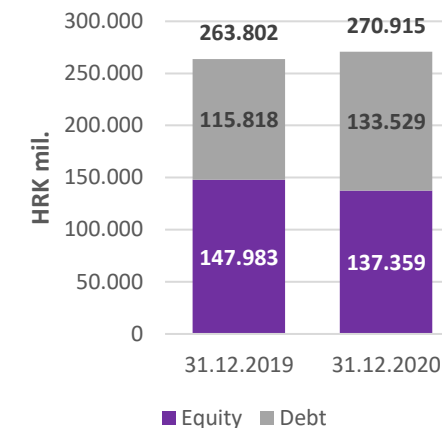
In 2020, the sector with the largest share in total turnover was 'I - Accommodation and food service activities' (22%). At the end of 2020, 'K - Financial and insurance activities had the largest share in total market capitalization (28%).

Based on the Management Board's decisions, a total of 15 shares were delisted from 01/01/2020 to 31/12/2020.

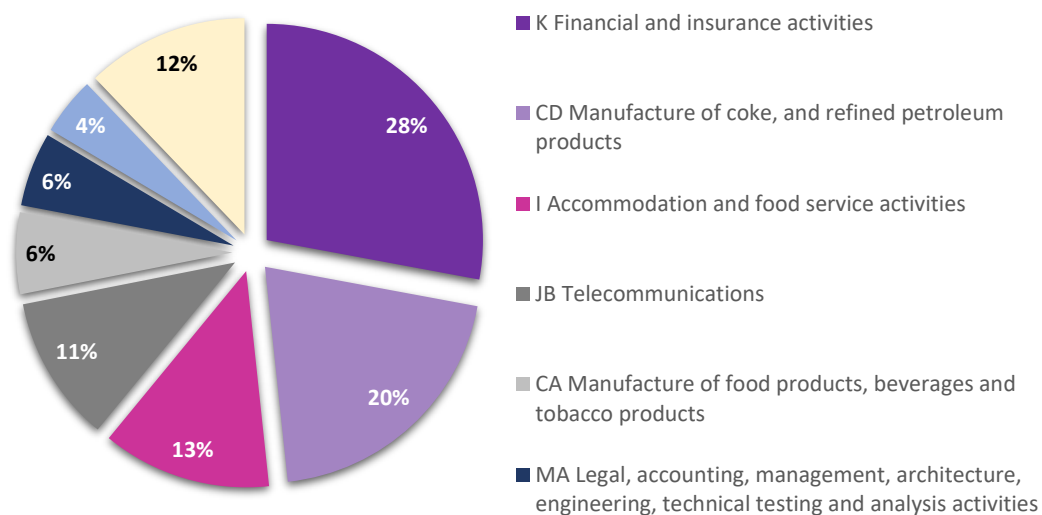
## Equity Market Capitalization and number of stocks listed



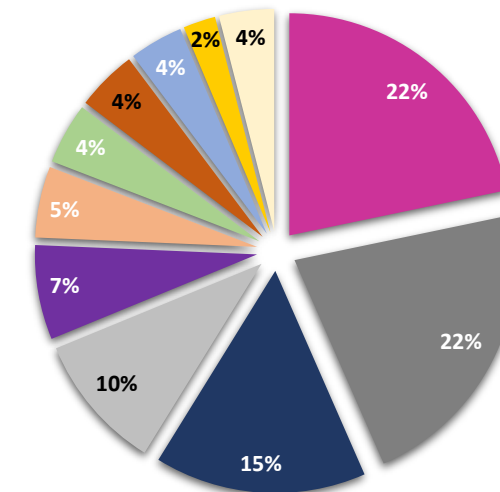
## Market capitalization



## 31/12/2020 Market capitalization per Sectors

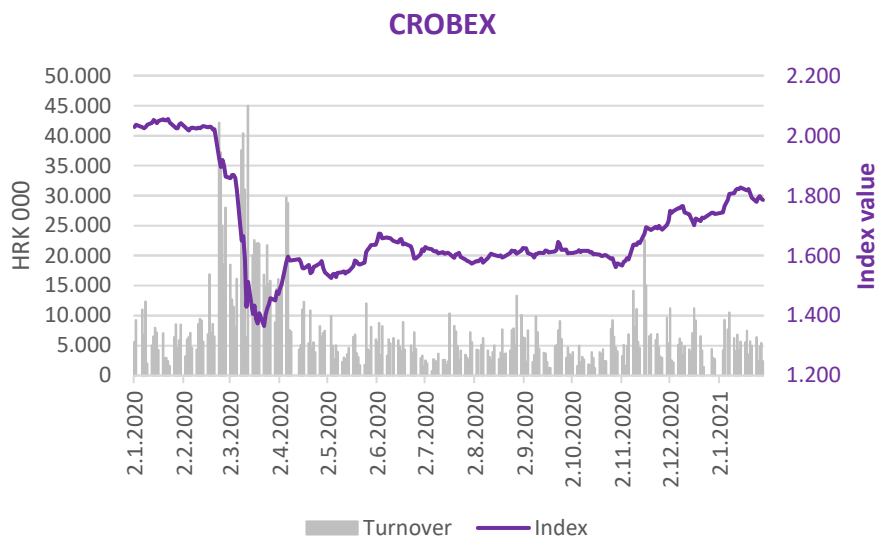


## 2020 Turnover per Sectors

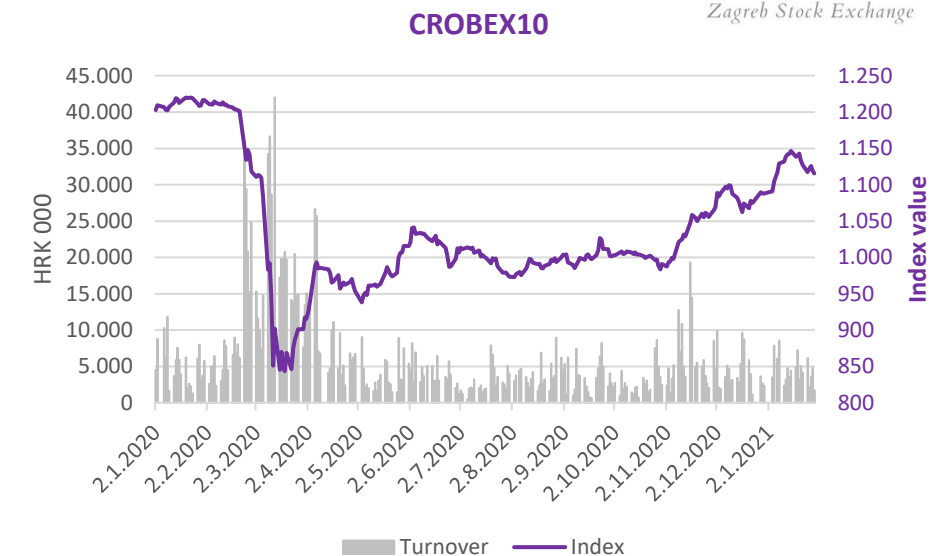




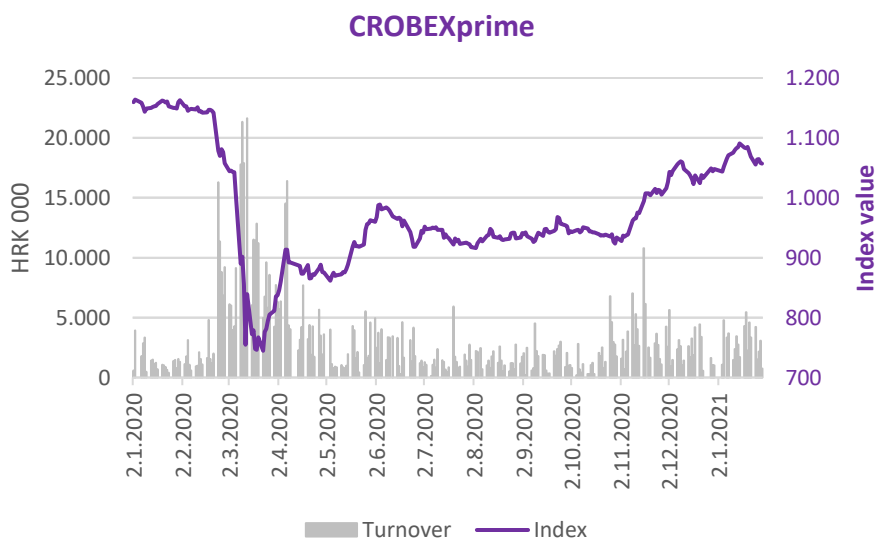
CROBEX		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	2.029	5.626
<b>Last</b>		
29.1.2021	1.786	2.402
<b>The Highest Index Value</b>		
23.1.2020	2.055	2.403
<b>The Highest Index Turnover</b>		
13.3.2020	1.512	45.012
<b>The Lowest Index Value</b>		
23.3.2020	1.365	16.800
<b>The Lowest Index Turnover</b>		
6.7.2020	1.621	758
<b>13 Months Average</b>		
	1.687	7.408
<b>13 Months Change</b>		
	-11,98%	



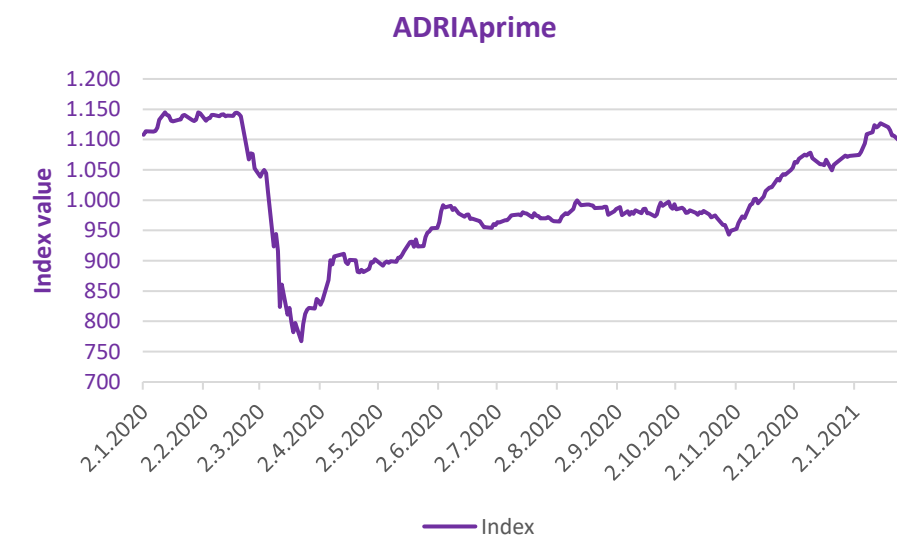
CROBEX10		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	1.203	4.549
<b>Last</b>		
29.1.2021	1.116	1.740
<b>The Highest Index Value</b>		
23.1.2020	1.220	2.237
<b>The Highest Index Turnover</b>		
13.3.2020	902	42.023
<b>The Lowest Index Value</b>		
19.3.2020	843	20.753
<b>The Lowest Index Turnover</b>		
6.7.2020	1.014	468
<b>13 Months Average</b>		
	1.040	6.195
<b>13 Months Change</b>		
	-7,21%	



CROBEXprime		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	1.160	599
<b>Last</b>		
29.1.2021	1.057	751
<b>The Highest Index Value</b>		
3.1.2020	1.164	3.933
<b>The Highest Index Turnover</b>		
13.3.2020	839	21.623
<b>The Lowest Index Value</b>		
23.3.2020	745	4.977
<b>The Lowest Index Turnover</b>		
6.7.2020	948	135
<b>13 Months Average</b>		
	977	3.077
<b>13 Months Change</b>		
	-8,83%	

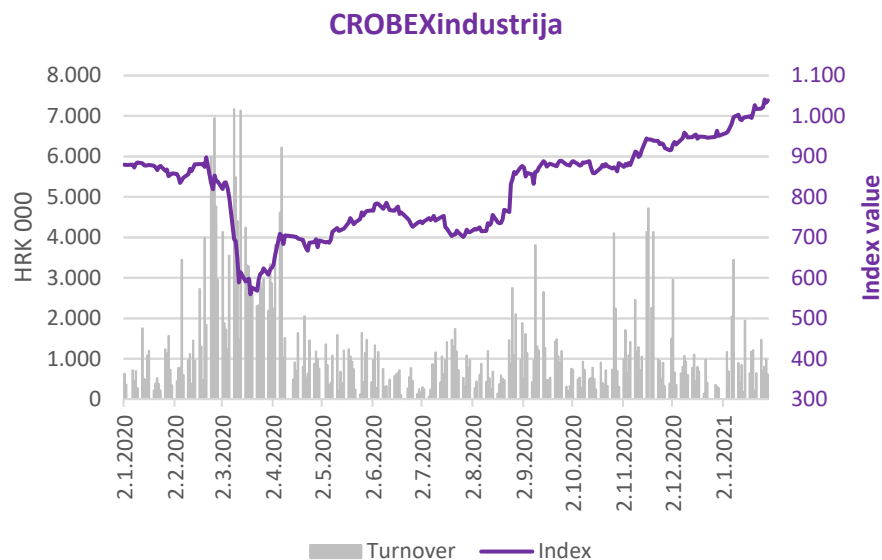


ADRIAprime		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	1.108	0
<b>Last</b>		
29.1.2021	1.101	0
<b>The Highest Index Value</b>		
30.1.2020	1.145	0
<b>The Lowest Index Value</b>		
23.3.2020	767	0
<b>13 Months Average</b>		
	999	0
<b>13 Months Change</b>		
	-0,60%	



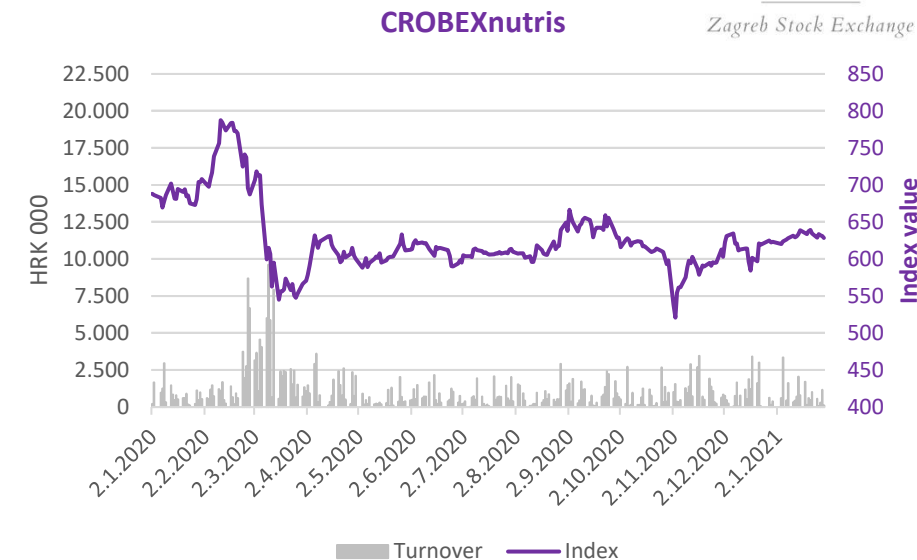


CROBEXindustrija		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	880	631
<b>Last</b>		
29.1.2021	1.039	615
<b>The Highest Index Value</b>		
27.1.2021	1.041	806
<b>The Highest Index Turnover</b>		
9.3.2020	695	7.164
<b>The Lowest Index Value</b>		
19.3.2020	560	2.971
<b>The Lowest Index Turnover</b>		
6.7.2020	747	64
<b>13 Months Average</b>		
	819	1.281
<b>13 Months Change</b>		
	18,09%	



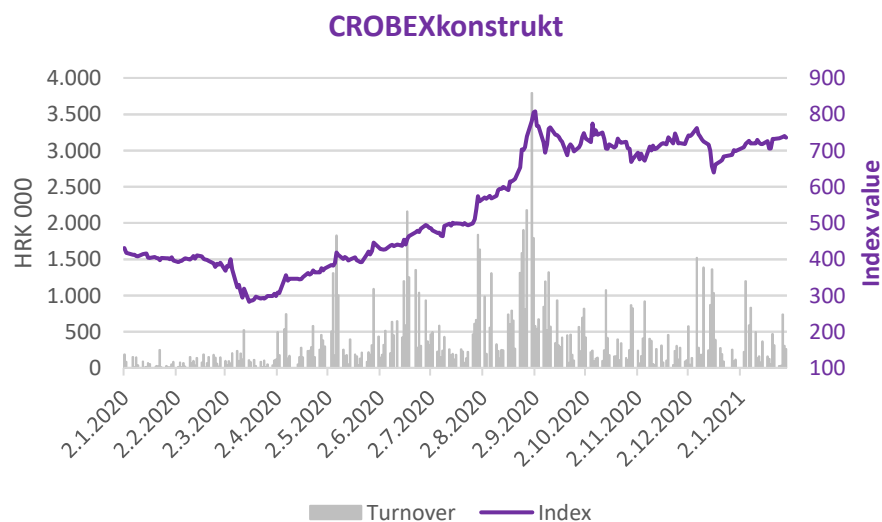
Source: ZSE Trading data

CROBEXnutris		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	688	219
<b>Last</b>		
29.1.2021	628	104
<b>The Highest Index Value</b>		
11.2.2020	787	1.097
<b>The Highest Index Turnover</b>		
10.3.2020	615	9.620
<b>The Lowest Index Value</b>		
3.11.2020	521	1.544
<b>The Lowest Index Turnover</b>		
6.7.2020	604	24
<b>13 Months Average</b>		
	628	1.127
<b>13 Months Change</b>		
	-8,66%	



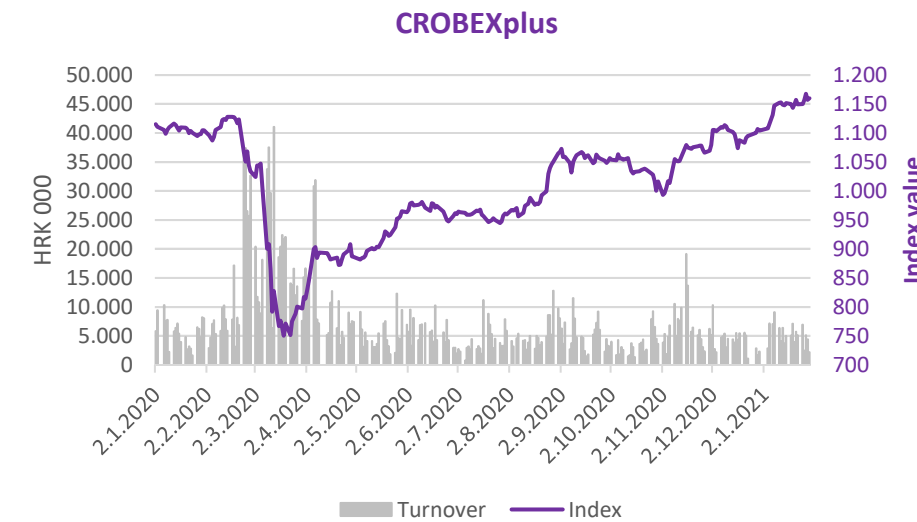
Source: ZSE Trading data

CROBEXkonstrukt		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	431	185
<b>Last</b>		
29.1.2021	736	262
<b>The Highest Index Value</b>		
2.9.2020	808	580
<b>The Highest Index Turnover</b>		
31.8.2020	781	3.796
<b>The Lowest Index Value</b>		
16.3.2020	283	108
<b>The Lowest Index Turnover</b>		
18.3.2020	286	0
<b>13 Months Average</b>		
	542	385
<b>13 Months Change</b>		
	70,80%	



Source: ZSE Trading data

CROBEXplus		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	1.115	5.819
<b>Last</b>		
29.1.2021	1.160	2.221
<b>The Highest Index Value</b>		
27.1.2021	1.168	5.101
<b>The Highest Index Turnover</b>		
13.3.2020	828	41.026
<b>The Lowest Index Value</b>		
19.3.2020	750	21.635
<b>The Lowest Index Turnover</b>		
6.7.2020	962	764
<b>13 Months Average</b>		
	1.011	7.309
<b>13 Months Change</b>		
	4,01%	

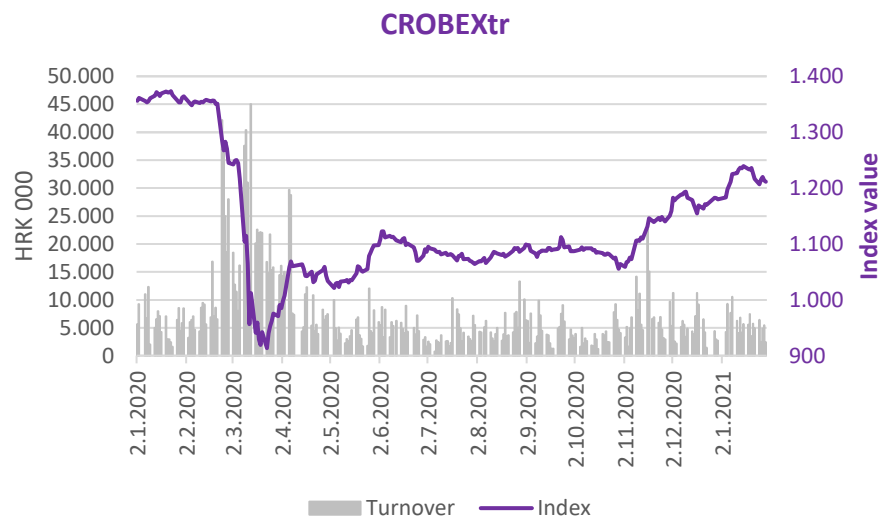


Source: ZSE Trading data



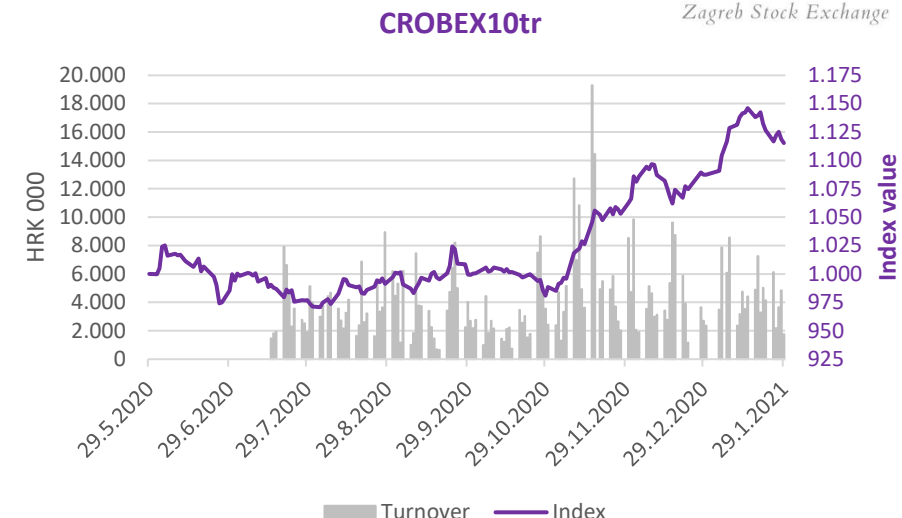


CROBEXtr		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	1.356	5.626
<b>Last</b>		
29.1.2021	1.212	2.402
<b>The Highest Index Value</b>		
23.1.2020	1.374	2.403
<b>The Highest Index Turnover</b>		
13.3.2020	1.012	45.012
<b>The Lowest Index Value</b>		
23.3.2020	914	16.800
<b>The Lowest Index Turnover</b>		
6.7.2020	1.090	758
<b>13 Months Average</b>		
	1.135	7.408
<b>13 Months Change</b>		
	-10,67%	



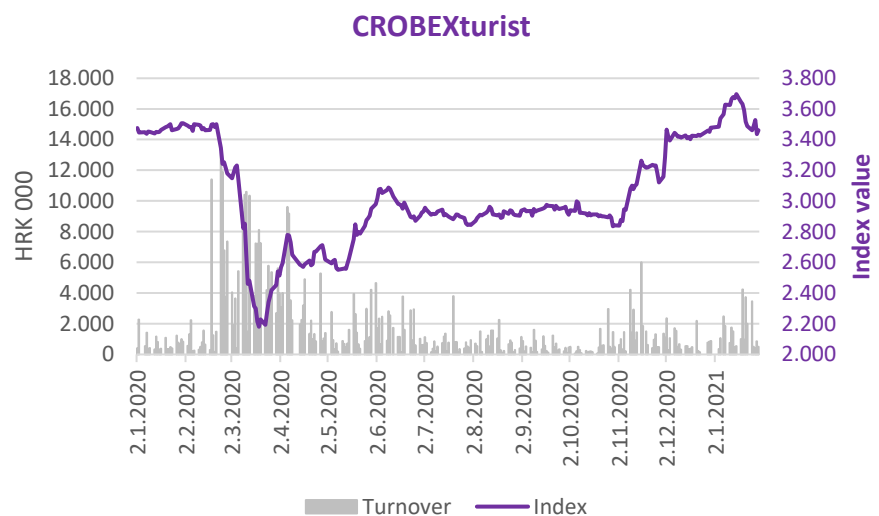
Source: ZSE Trading data

CROBEX10tr		
Date	Index	Turnover (000 HRK)
<b>First</b>		
29.5.2020	1.000	0
<b>Last</b>		
30.9.2020	999	2.695
<b>The Highest Index Value</b>		
15.1.2021	1.146	4.418
<b>The Highest Index Turnover</b>		
16.11.2020	1.046	19.300
<b>The Lowest Index Value</b>		
3.8.2020	971	2.995
<b>The Lowest Index Turnover</b>		
14.7.2020	988	0
<b>8 Months Average</b>		
	1.025	3.421
<b>8 Months Change</b>		
	-0,08%	



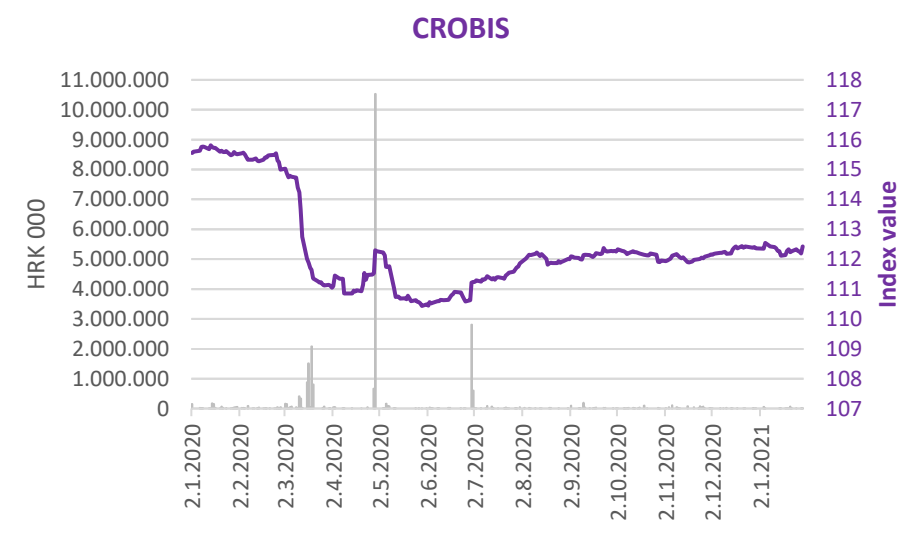
Source: ZSE Trading data

CROBEXturist		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	3.475	392
<b>Last</b>		
29.1.2021	3.460	494
<b>The Highest Index Value</b>		
15.1.2021	3.695	544
<b>The Highest Index Turnover</b>		
24.2.2020	3.346	13.149
<b>The Lowest Index Value</b>		
19.3.2020	2.181	8.106
<b>The Lowest Index Turnover</b>		
5.10.2020	2.935	58
<b>13 Months Average</b>		
	3.038	1.722
<b>13 Months Change</b>		
	-0,43%	



Source: ZSE Trading data

CROBIS		
Date	Index	Turnover (000 HRK)
<b>First</b>		
2.1.2020	116	150.741
<b>Last</b>		
29.1.2021	112	8.797
<b>The Highest Index Value</b>		
14.1.2020	116	9.553
<b>The Highest Index Turnover</b>		
29.4.2020	112	10.528.91
<b>The Lowest Index Value</b>		
29.5.2020	110	3.510
<b>The Lowest Index Turnover</b>		
27.1.2021	112	0
<b>13 Months Average</b>		
	112	93.840
<b>13 Months Change</b>		
	-2,70%	



Source: ZSE Trading data

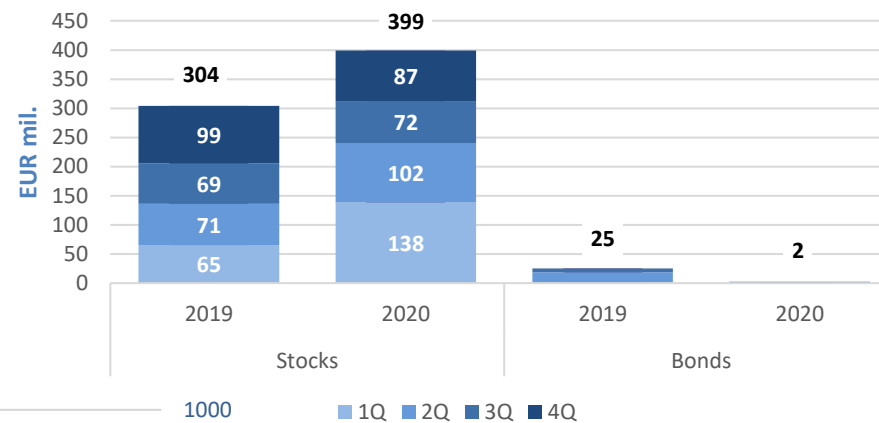




## LJSE overview

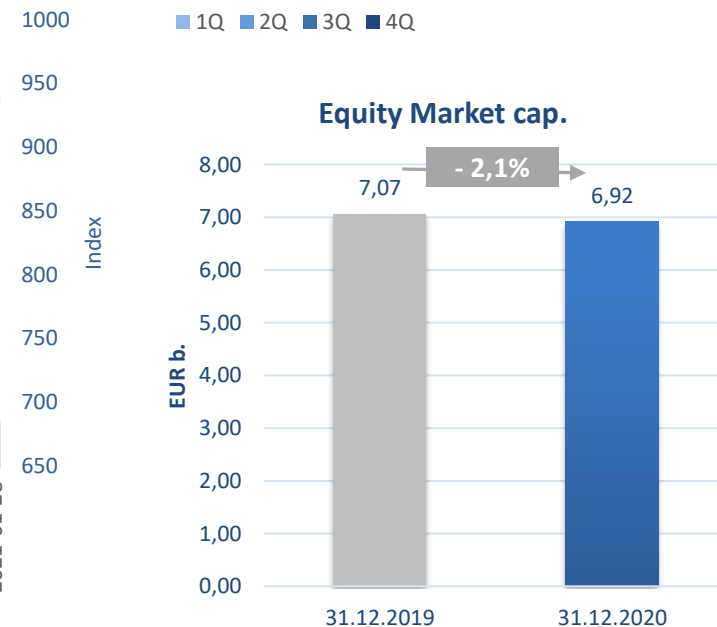
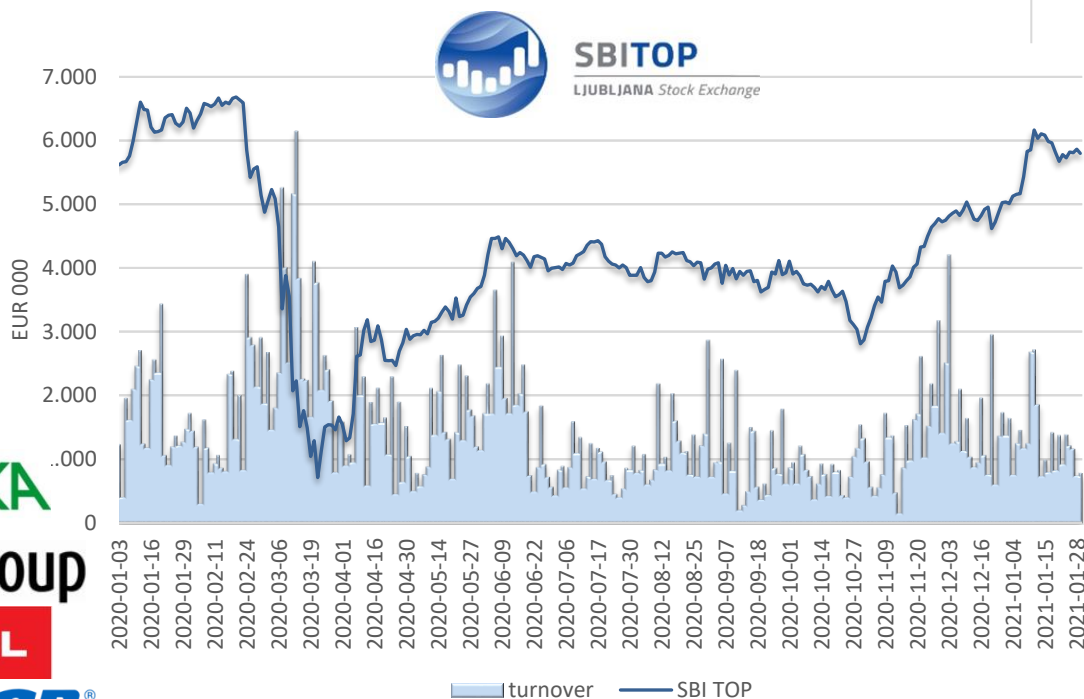
	EUR	2019	2020	change
<b>Total turnover</b>		<b>329.506.363</b>	<b>400.941.645</b>	<b>21,68%</b>
Stocks		304.372.015	399.091.846	31,12%
Bonds		25.131.378	1.849.800	-92,64%
Commercial Papers		2.970	0	-100,00%
<b>Equity Market cap. on 31 Dec.</b>		<b>7.067.579.297</b>	<b>6.919.359.198</b>	<b>-2,10%</b>
<b>SBI TOP on 31 December (value)</b>		<b>926</b>	<b>900</b>	<b>-2,78%</b>

## Ljubljana Stock Exchange Turnover



## Ljubljana Stock Exchange

- LJSE was successfully acquired by ZSE in December 2015.
- As of 31 December 2020, the total turnover amounted to **EUR 300.9 mil.** which is a significant **increase** compared to the previous year (**+21.7%**). The Equity market capitalization on 31 December 2020 amounted to **EUR 6.9 b.** which is a **-2.1% decrease** compared to the same time the year before.
- Out of the total turnover achieved during 2020, more than **99%** relates to shares and less than **1%** to bonds.
- From January 1, 2020, until January 31, 2021, **SBI TOP**, Slovenian Blue Chip index, increased by **+1%**.



Source: LJSE Statistical Dana; 2019 and 2020





## Consolidated P&amp;L

HRK 000	2019	2020	change
<b>Operating revenue</b>	<b>24.988</b>	<b>26.310</b>	<b>5,29%</b>
<i>Sales revenue</i>	15.475	18.642	20,47%
<i>Other operating income</i>	9.513	7.668	-19,39%
<b>Operating expenses</b>	<b>-25.402</b>	<b>-24.147</b>	<b>-4,94%</b>
<i>Staff costs</i>	-10.619	-11.721	10,38%
<i>Material costs</i>	-7.854	-6.770	-13,80%
<i>Value adjustment</i>	-388	-308	-20,51%
<i>Other costs</i>	-4.668	-3.375	-27,70%
<i>Depreciation and amortization</i>	-1.873	-1.973	5,34%
<b>EBIT</b>	<b>-414</b>	<b>2.163</b>	<b>-622,84%</b>
<b>EBITDA</b>	<b>1.459</b>	<b>4.136</b>	<b>183,43%</b>
Net finance income	1.374	198	-85,58%
Share in profit/loss of associates and subsidiaries	75	-25	
<b>EBT</b>	<b>1.035</b>	<b>2.336</b>	<b>125,60%</b>
Income tax credit	-95	-184	0,00%
<b>Profit for the year</b>	<b>941</b>	<b>2.152</b>	<b>128,77%</b>
Other comprehensive income	95	239	
<b>Total comprehensive profit for the year</b>	<b>1.035</b>	<b>2.391</b>	<b>130,97%</b>

Source: 2019 and 2020 annual reports

Total consolidated revenue in 2020 amounts to HRK 26.3 mil., which is an increase compared to the previous year by +11.7%. **Commissions**, with 45%, make the largest part of sales revenue.

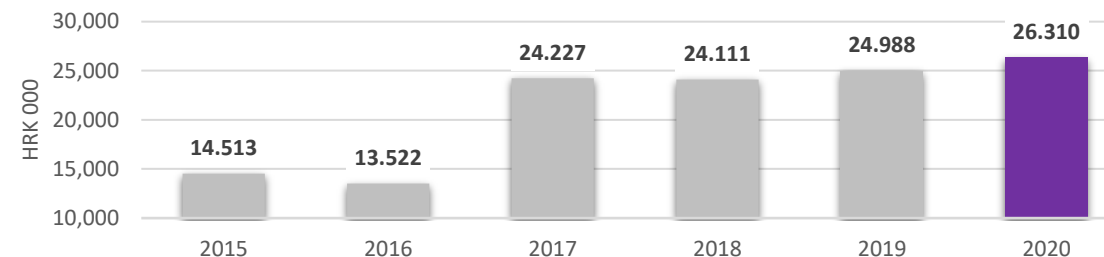
**Other operating revenue** decreased by -19,4% in comparison to the 2019, while income from the supply of information remained the most important other operating income with a share of around 76%.

In 2020, Group's **operating expenses** were equal to HRK 24.1 mil. which represents a decrease of -4.9% compared to the year before.

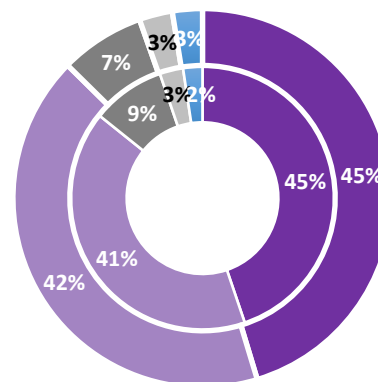
The most important costs are **staff costs** (HRK 11.7 mil.) and **material costs** (HRK 6.8 mil.). As of 31 December 2020, Group employs 36 employees.

**Other expenses** include consultancy, legal, audit and accounting fees, postal and communication services, utilities, entertainment, business trips, write-offs, etc.

## ZSE Revenues 2015 - 2020\*

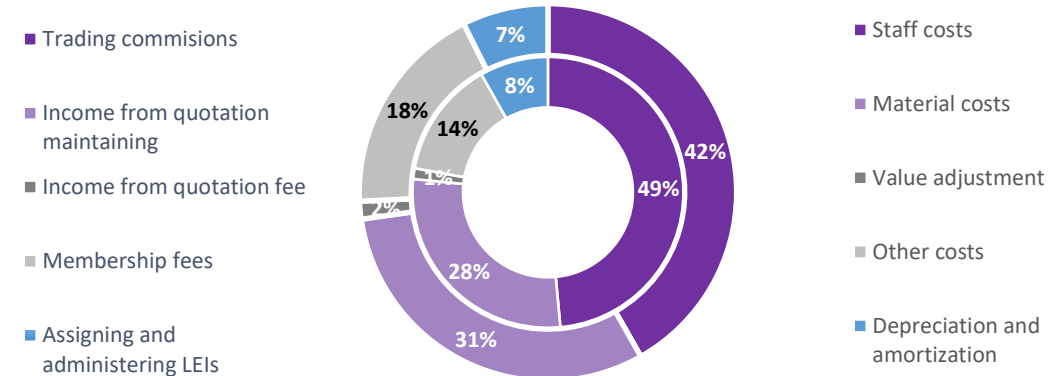
Source: annual reports  
\*since 2017 revenue is consolidated

## Sales revenue (2020 vs 2019)



Source: 2019 and 2020 annual reports

## Operating costs (2020 vs 2019)



## Consolidated P&amp;L

HRK 000	2019	2020	change
<b>Operating revenue</b>	<b>24.988</b>	<b>26.310</b>	<b>5,29%</b>
<i>Sales revenue</i>	15.475	18.642	20,47%
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<i>Staff costs</i>	-10.619	-11.721	10,38%
<i>Material costs</i>	-7.854	-6.770	-13,80%
<i>Value adjustment</i>	-388	-308	-20,51%
<i>Other costs</i>	-4.668	-3.375	-27,70%
<i>Depreciation and amortization</i>	-1.873	-1.973	5,34%
<b>EBIT</b>	<b>-414</b>	<b>2.163</b>	<b>-622,84%</b>
<b>EBITDA</b>	<b>1.459</b>	<b>4.136</b>	<b>183,43%</b>
Net finance income	1.374	198	-85,58%
Share in profit/loss of associates and subsidiaries	75	-25	
<b>EBT</b>	<b>1.035</b>	<b>2.336</b>	<b>125,60%</b>
Income tax credit	-95	-184	0,00%
<b>Profit for the year</b>	<b>941</b>	<b>2.152</b>	<b>128,77%</b>
Other comprehensive income	95	239	
<b>Total comprehensive profit for the year</b>	<b>1.035</b>	<b>2.391</b>	<b>130,97%</b>

Source: 2019 and 2020 annual reports

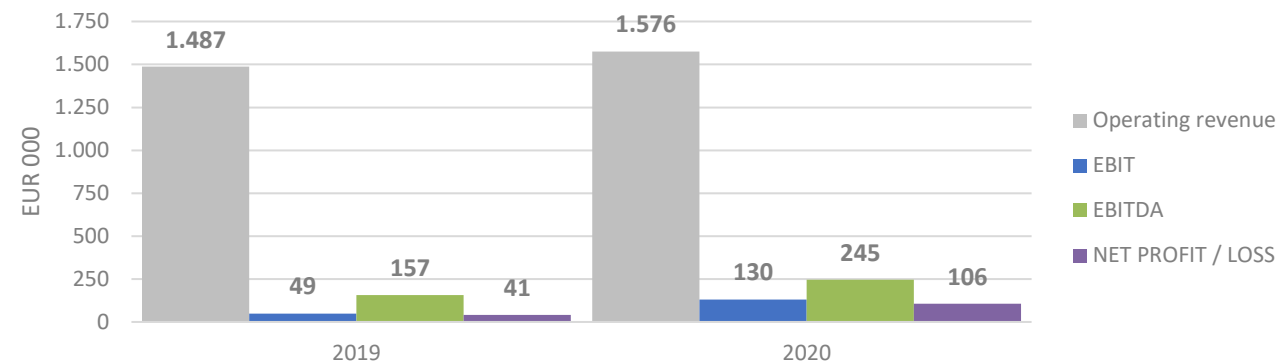
ZSE Group's **EBITDA** considerably improved and for 2020 it amounts to HRK 4.1 mil.

In 2020, ZSE Group achieved a **profit** in the amount of HRK 2,1 mil.

**LJSE stand-alone** results show a +6% increase in **operating revenue**, +57% increase in **EBITDA**, while **Net profit** amounts to EUR 106 thousand.

The mentioned increase in turnover and revenue on stand-alone and Group's level as well is mainly the result of trading under the influence of the emergence of COVID-19 in Croatia and Slovenia. That influence was considerable in 1Q 2020 on the ZSE, while the LJSE continued to achieve higher turnover during next periods of 2020.

## LJSE operating revenue and profitability



## Financial results (LJSE stand alone)

EUR 000	2019	2020	change
Operating revenue	1.487	1.576	5,97%
Operating expenses	1.438	1.445	0,52%
<b>EBIT</b>	<b>49</b>	<b>130</b>	<b>165,33%</b>
<b>EBITDA</b>	<b>157</b>	<b>245</b>	<b>56,63%</b>
<b>NET PROFIT / LOSS</b>	<b>41</b>	<b>106</b>	<b>157,87%</b>

Source: LJSE 2019 and 2020 annual reports

## Consolidated Balance Sheet

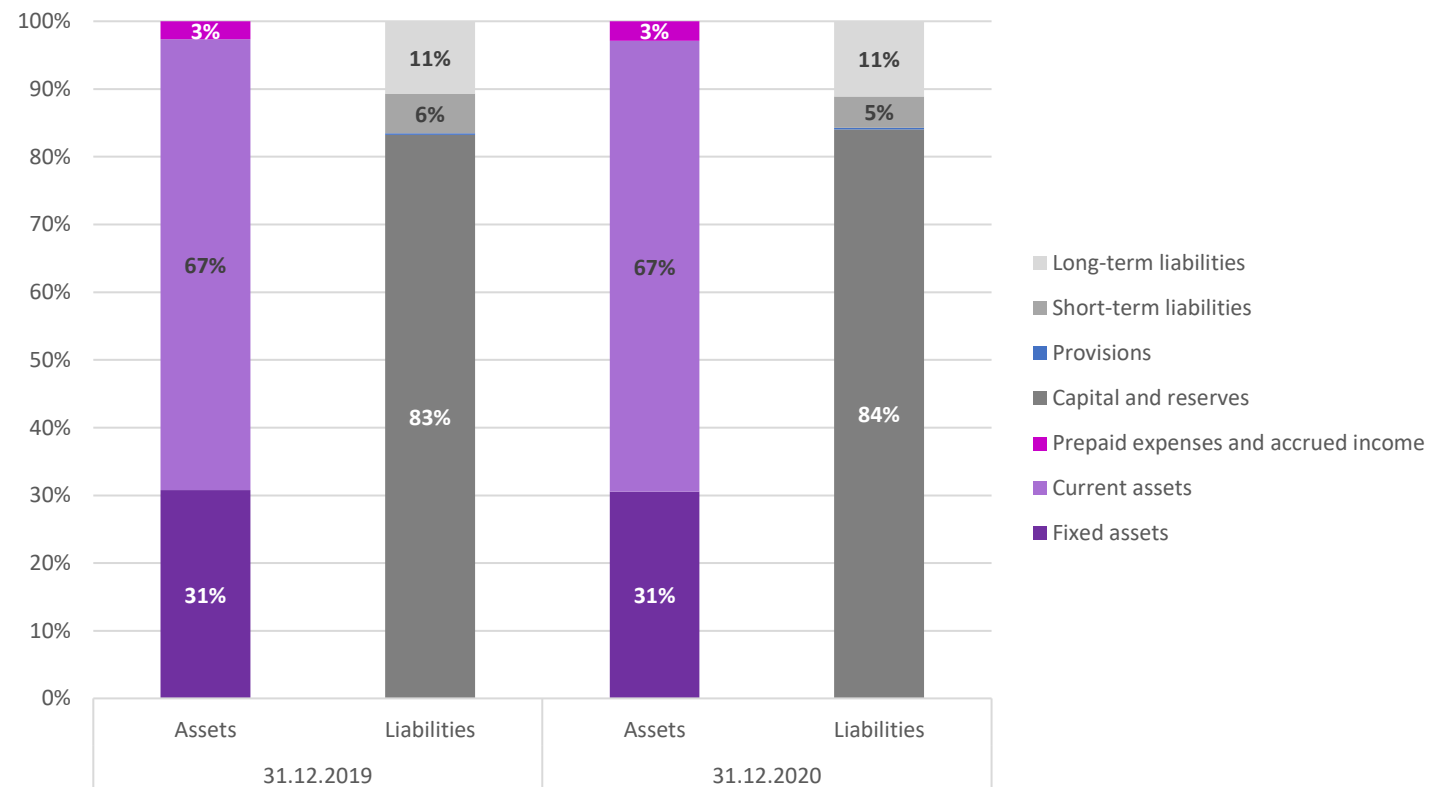
000 HRK	31.12.2019	31.12.2020	% change
<b>Fixed assets</b>	14.982	15.620	4,3%
<b>Current assets</b>	32.426	34.060	5,0%
<i>Receivables</i>	3.758	2.952	-21,5%
<i>Current financial assets</i>	21.075	21.785	3,4%
<i>Cash and cash equivalents</i>	7.593	9.324	22,8%
<b>Prepaid expenses and accrued income</b>	1.297	1.413	9,0%
<b>Total assets</b>	48.705	51.094	4,9%
<b>Capital and reserves</b>	40.539	42.931	5,9%
<b>Provisions</b>	103	118	
<b>Short-term liabilities</b>	2.858	2.363	-17,3%
<b>Long-term liabilities</b>	568	275	-51,5%
<b>Deferres tax liability</b>	188	189	0,5%
<b>Accrued expenses and deferred income</b>	4.448	5.217	17,3%
<b>Total equity &amp; liabilities</b>	48.705	51.094	4,9%

Source: 2018 and 2019 annual report

Compared to 2019, ZSE Group's **total assets** increased by +4.9% by the end of 2020. On 31 December 2020, it amounts to HRK 51 mil.

The **asset structure** has not been significantly changed compared to 2019. Current assets make 67% of assets, while on the liabilities side, there was a slight increase in the proportion of capital and reserves versus short-term and long-term liabilities.

## Balance Sheet structure

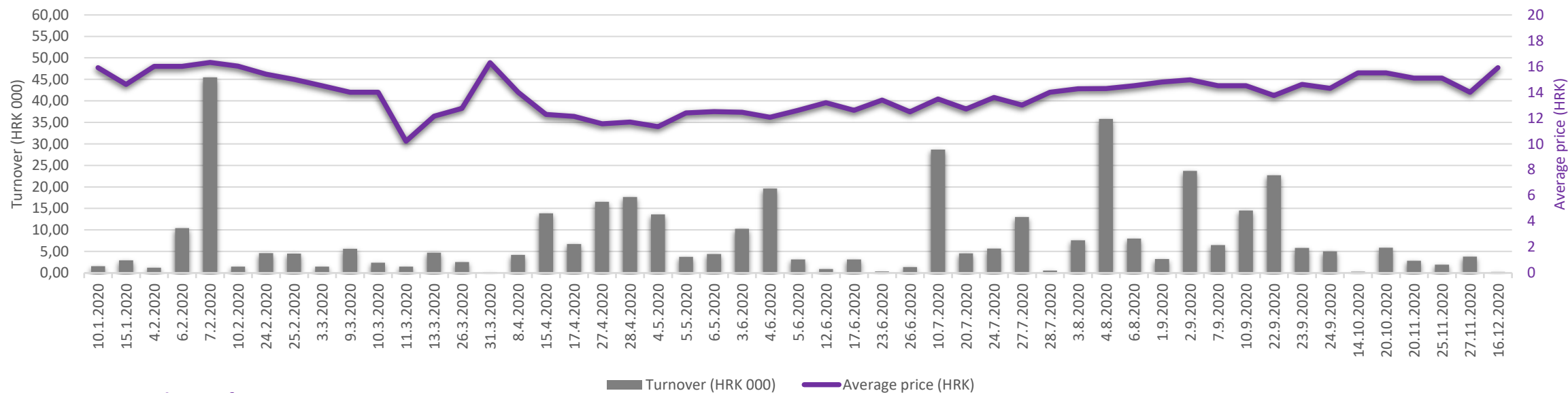


The group is significantly capitalized and has a significant amount of cash and fast-selling financial assets. It only invests in low-risk investments. Also, LJSE and ZSE meet their legal requirements regarding minimum capital adequacy under the Capital Market Act.



## Share Statistics

### ZB Turnover and Share Price (01/01/2020 - 31/12/2020)



#### Share information

Symbol	ZB-R-A
ISIN	HRZB00RA0003
Last price (16 Dec 2020)	HRK 15,90
52 WK High	HRK 16,30
52 WK Low	HRK 10,20
Total volume	30.017,00
Total turnover	HRK 410.135,90
Shares outstanding	4.635.700,00

On 22nd of October 2020, first coverage report for ZSE made by WOOD & Company was published.  
(click on the logo to follow the report)



# Thank you

**Ivana Gažić**

**President of the Management Board**

**Tomislav Gračan**

**Member of the Management Board**

**Presentation prepared by**

**Mario Golub**

**Head of Investor relations**