



Annual Report

2019

Number of pages: 82

Centrálny depozitár
cenných papierov SR, a.s.

ul. 29. augusta 1/A, 814 80 Bratislava 1

Companies Register of the District Court in Bratislava I., Section Sa, File No. 493 B

ID No.: 31 338 976

Tax ID No.: 2020312833

VAT ID No.: SK2020312833

CONTENTS

1. Introductory Word of the Managing Director	3
2. Core Activities	4
2.1. Processing of Transfer Instructions.....	4
2.2. Value of Securities in CDCP Registry	6
2.3. Issuer's Registers, Lists of Shareholders and Other Services	11
3. CDCP Information Systems	12
3.1. Information Safety	12
4. Compliance	12
4.1. European Legislation	12
5. Risk Management.....	14
6. Internal Audit	14
7. International Standards	15
8. Human Resources	16
8.1. Education.....	17
8.2. Employee Benefits	17
9. Strategic Vision.....	17
10. List of CDCP Participants	18
11. Economic Results in the year 2019	20
12. Additional Information	23
13. Independent Auditor's Report and Financial Statements as of 31 December 2019	24
13.1. Independent Auditor's Report	25
13.2. Financial Statements for the year ended on 31 December 2019	30
14. Supplement to the Auditor's Report on audit of the Annual Report with the financial report of 31 December 2019.....	75
15. Glossary	80

1. Introductory Word of the Managing Director

Dear Ladies and Gentlemen,

in previous year the economic results of Centrálny depozitár cenných papierov SR, a.s. achieved historic levels. Gradually it becomes a tradition that our end-year balance standardly reaches very high levels. Anyway, the last year results surpassed our reasonable expectations yet more. We achieved the all time highest profit which outgrew the last year profit by 40 %. This excellent economic result in amount of almost 750 thousand euro can be assigned mainly to higher activity of issuers, increase in revenues and decrease in costs.



I am writing these lines at the time when not only Slovakia but also the global economy is hit by the COVID crisis. Yet we are not able to foresee consequences of the crisis sufficiently. For last hundred years there was no exceptional situation as this one. Therefore it will be very important to face new challenges, to continue with previous excellent results and use reserves created in CDCP. All these activities shall create basis for us to remain the stabilising element on the capital market. Extensive economic measures for preservation and restart of economy have to include not only new government bonds issues by ARDAL, but also support and guarantee tools provided by banks. Task of the central depository is to stay in the centre of these activities as fixed point between investors and issuers, between creditors and debtors in order to help create trustworthy environment.

In the last years we observed growing interest of the issuers to issue bond securities. We believe that this trend shall continue. The leading segment of the last year were the covered bonds which replaced the mortgage bonds. Due to the actual situation the structure of issues shall undoubtedly change this year. Also the corporate bonds shall pass the stress test. Value of their issues and transfers didn't reach remarkable numbers neither in the year 2019. We had to be flexible and adjust structure of our price list to this fact, specific to our capital market.

Last year we started the digitalisation and electronization project and we expect it will bring higher quality and speed to our services as well as higher effectivity. After finalisation of the project and implementation of all modules we will be able to provide our services with higher flexibility. To be successful in the future the ability of management to make decisions and ability to react swiftly to changed market conditions shall be preconditions. Equally important is intention to unify two Slovak depositories that shall bring higher certainty and transparency to the domestic market.

I would like to thank to all clients who decided to use our services during last year. Your trust is a commitment for us to provide valuable and quality services also in future. I would like to thank also to all colleagues from CDCP who are working hardly and are building our image and reputation. Appreciation belongs also to all co-operating institutions and to our shareholder - Burza cenných papierov v Bratislave, a.s. (hereinafter only "BCPB"). It's my honour to team up with the experts being in the right place. Also thank to you I can present proudly and honourably the achieved results today which represent for us a great challenge and future commitment at the same time.

Yours faithfully

Martin Wiedermann
Chairman of the Board and the Managing Director of CDCP

2. Core Activities

2.1. Processing of Transfer Instructions

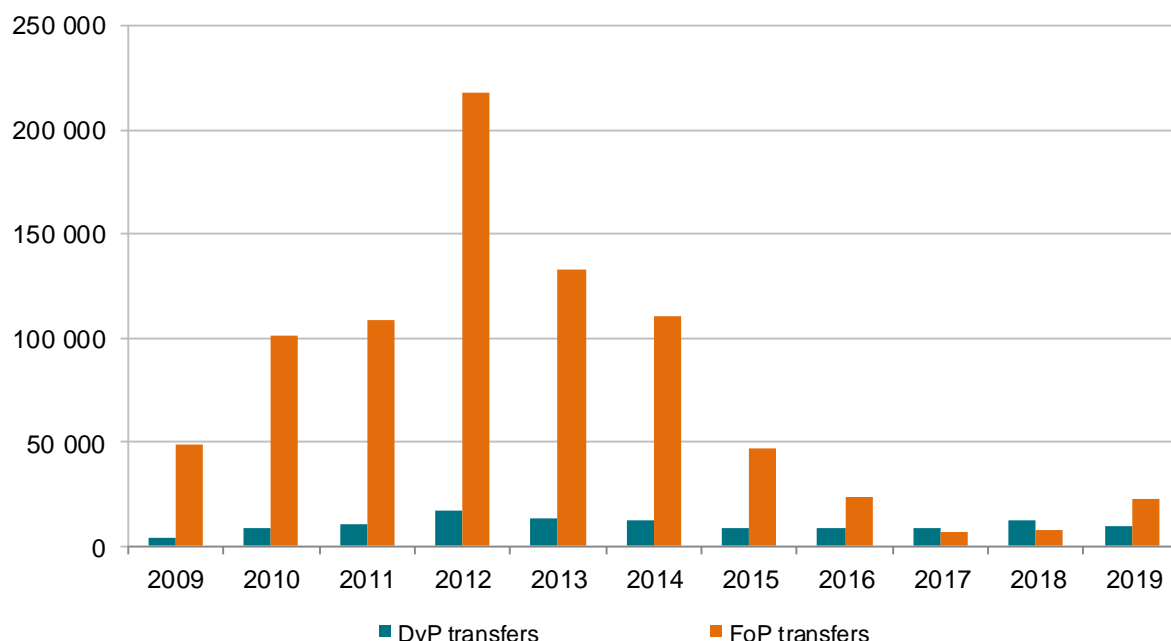
During 256 operating days in 2019, the total value of transfers reached 34 486 million EUR, what represented decrease by 13.29 % compared to the year 2018. The average daily value of processed transfers reached 135 million EUR. On the contrary, the number of transfers increased by almost 55 % compared to the year 2018. The average daily number of transfers rose to 123.

Value and Number of Transfers - Total in 2019						
	DvP Transfers - Market Value		FoP Transfers - Nominal Value		Transfers Total	
	Value in EUR	No.of Transfers	Value in EUR	No.of Transfers	Value in EUR	No.of Transfers
01.2019	405	789	2 284	467	2 689	1 256
02.2019	521	840	1 743	689	2 264	1 529
03. 2019	787	970	1 857	703	2 644	1 673
04.2019	1 798	682	1 727	497	3 525	1 179
05.2019	395	696	2 563	709	2 958	1 405
06.2019	900	675	3 598	1 211	4 498	1 886
07.2019	596	735	2 263	643	2 859	1 378
08.2019	585	744	1 079	509	1 664	1 253
09.2019	557	605	2 112	597	2 669	1 202
10.2019	402	957	2 942	548	3 344	1 505
11.2019	210	700	2 331	576	2 541	1 276
12.2019	1 028	627	1 803	15 325	2 831	15 952
SUM	8 184	9 020	26 302	22 474	34 486	31 494

Value and Number of Transfers Total	2019	2018
Number of Days of Operation	256	255
Total Value in EUR	34 486	39 774
Average Daily Value in EUR	135	156
Number of Transfers	31 494	20 346
Average Daily Number of Transfers	123	80

Number of DvP and FoP* transfers in 2009 - 2019:

* see Glossary (page 80)



2.1.1. Delivery versus Payment Transfers

In 2019, the central depository executed DvP transfers of securities in the total market value of 8.18 million EUR. In terms of the number of instructions, the central depository processed a total of 9 020 instructions in its settlement system. The average daily value of securities settled in the CDCP system as DVP transfers reached 31.97 million EUR, and the daily number of these transfer instructions averaged at 35 instructions. Compared to situation in the year 2018, the total value of securities transferred as DVP decreased by 17.02 %, which makes a year-on-year decrease by 1.68 million EUR. The number of transfer orders processed decreased by 3 419 orders in comparison to the year 2018 (i.e. decreased by 27.49 %).

Value and Number of DvP Transfers	2019	2018
Total Value in EUR - Market Value	8 184	9863
Average Daily Value in EUR	32	39
Number of Transfers	9 020	12439
Average Daily Number of Transfers	35	49

2.1.2. Free of Payment Transfers

The value of securities transferred in 2019 as FoP transfers, expressed in the nominal value, amounted to 26.3 million EUR and the average daily value of these transfers amounted to 102.7 million EUR. In total 22 474 instructions for FoP transfer of securities was processed in the year 2019 and the average daily number of the processed orders was 88. Compared to the previous year, the value of FoP transfers decreased by 3.61 million EUR, which represents a year-on-year fall by 12.06 %.

In comparison to the year 2018, the number of FoP transfer instructions increased by 14 567 instructions, which represents a year-on-year increase by 184.23 %.

Value and Number of FoP Transfers	2019	2018
Total Value in EUR - Nominal Value	26 302	29 911
Average Daily Value in EUR	103	117
Number of Transfers	22 474	7907
Average Daily Number of Transfers	88	31

2.2. Value of Securities in CDCP Registry

2.2.1. Year-end Balance in Owner's Accounts

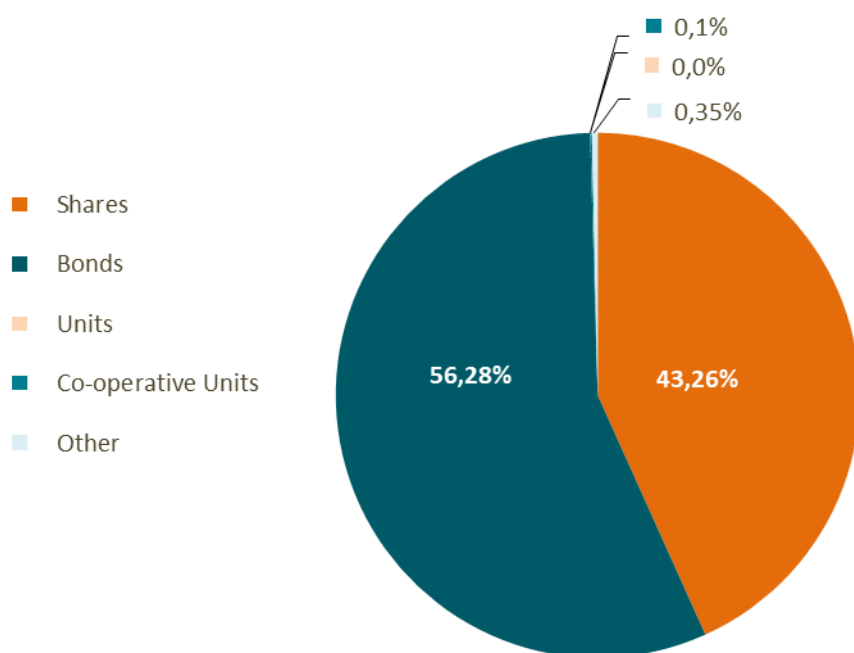
As of 31 December 2019 the book-entry securities with the total nominal value of 85 354 million EUR were held in the owners' accounts, clients' accounts and holders' accounts. The highest share of that value was represented by bonds in the total value of 48 038 million EUR. The total value of shares registered in the accounts was 36 923 million EUR and the value of other securities, which include also issues of government treasury bills, reached total value of 301 million EUR. Total number of issues of book-entry shares issued in CDCP as of 31 December 2019 amounted to 1 735 issues. The number of issues of bonds was 555, and 231 issues of co-operative units were registered. The number and value of issues of book-entry units of the unit trust did not change in the course of the year 2019 - 16 issues with the total value of 3.35 million EUR were registered. In the category of Other Securities were registered 33 issues at the end of December 2019.

The total value of book-entry securities issued in CDCP increased by 3.21 % compared to the previous year, and the increase expressed in the nominal value equals 2 654 million EUR. In the year 2019, the biggest decrease was recorded in value of other securities which fell by 978 million EUR. Only the nominal value of bonds rose by 3 793 million EUR. Value of issues of book-entry shares decreased by 156 million EUR and the value of co-operative units fell by 5.96 million EUR. In 2019 the units of the unit trust did not show any change compared to the previous year and their value was 3.35 million EUR.

Nominal Value of Book-entry Securities - as of EOY			
	2019	2018	2017
Value Total in EUR	85 354	82 700	80 992
Shares	36 924	37 079	37 356
out of that: non-converted shares*	1 624	1 779	1 852
Bonds	48 039	44 246	43 357
Units	3	3	3
Co-operative Units	87	93	98
Other	301	1 279	178

* issues in SKK converted to EUR for information purpose at a conversion rate

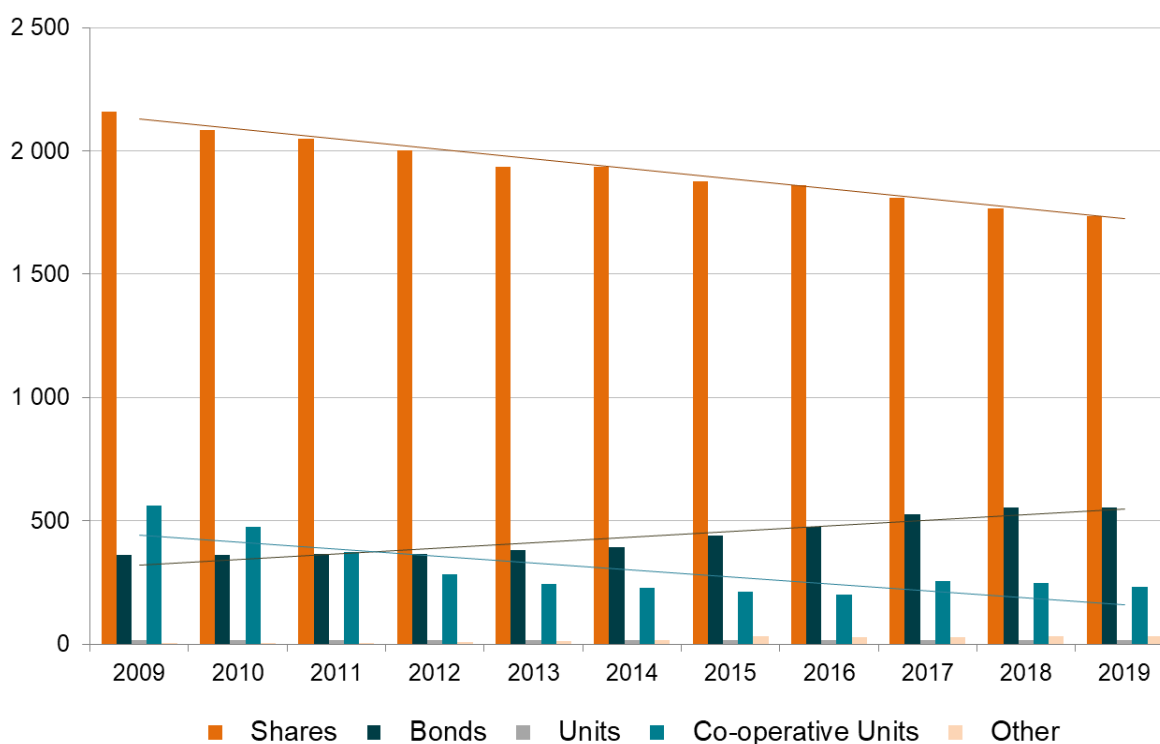
Structure of book-entry securities in 2019 (by value of issued securities):



Value of book-entry securities in the nominal value in 2009 – 2019 (millions EUR):



Number of issues of book-entry securities in 2009 – 2019:

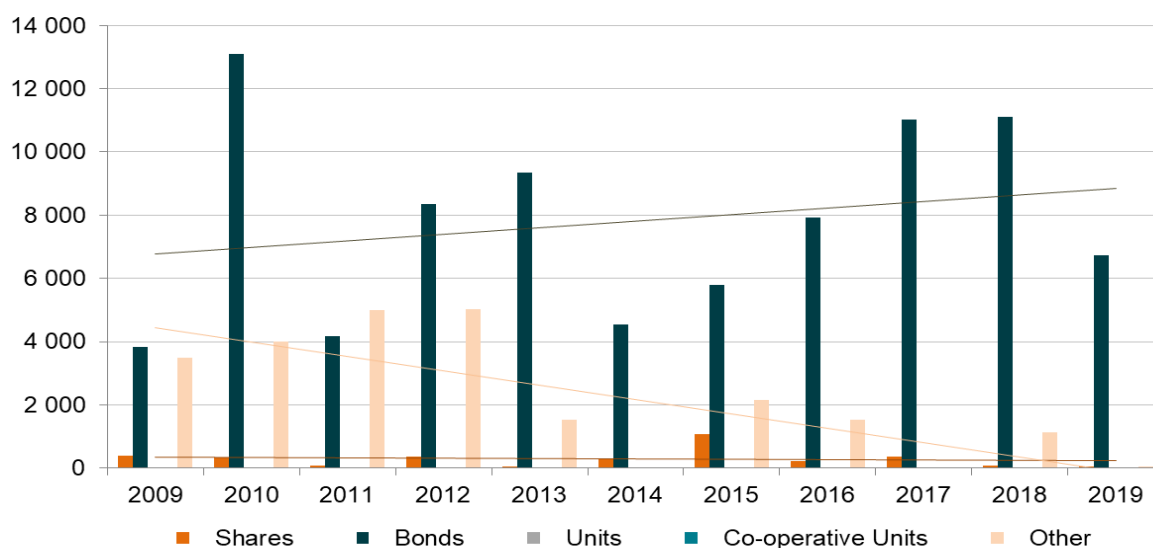


2.2.2. New Issues in the year 2019

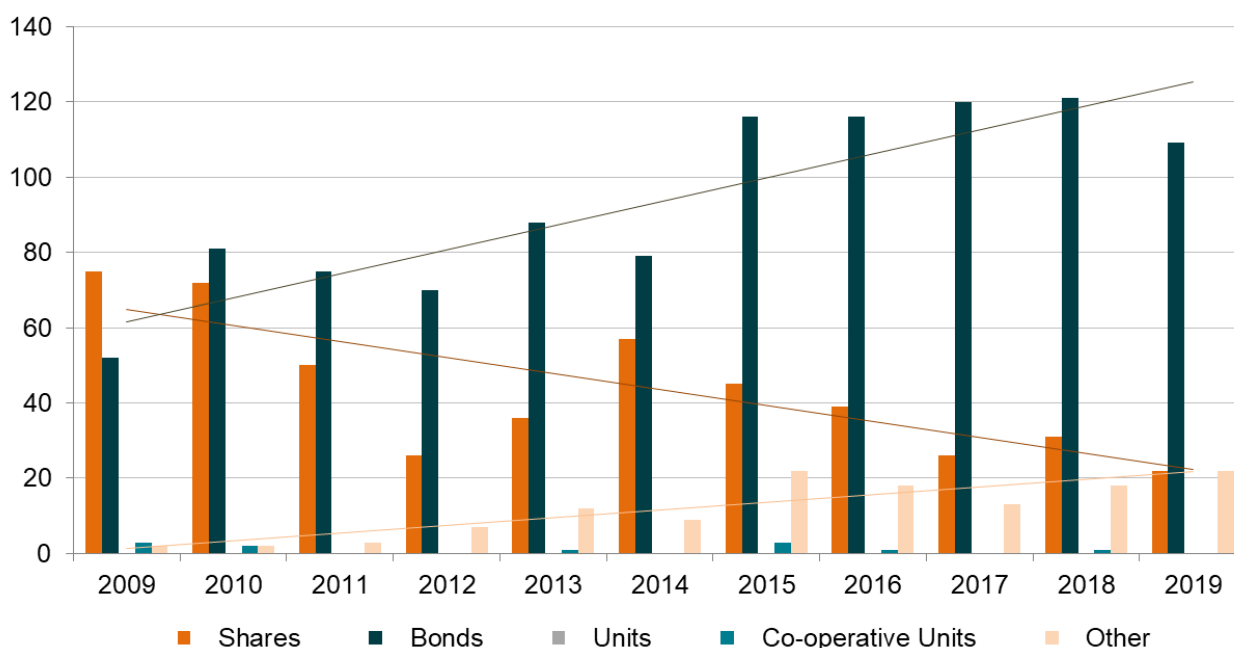
In 2019, in CDCP the total of 153 new issues of book-entry securities with the total nominal value of 6 822 million EUR were issued. As of the end of the year in question, out of these issues the securities with the value of 5 098 million EUR were credited to the accounts. The highest increase in the value of new securities was recorded in bonds, i.e. in the amount of 6 719 million EUR. It was followed by new issues from category of shares in the value of 55.5 million EUR and the category of other securities amounted to 48.3 million EUR. In 2019, 22 new issues of shares, 109 issues of bonds and 22 issues from group of other securities were issued whereas this year neither of new issues in this category were treasury bills. Not a single issue of book-entry units of unit trust or co-operative units was issued in the year 2019.

New Issues of Book-entry Securities issued in CDCP - Nominal Value		
	Value in EUR	No. of Issues
Value Total	6 823	153
Shares	56	22
Bonds	6 719	109
Units	0	0
Co-operative Units	0	0
Other	48	22

Value of new issues of book-entry securities in 2009 – 2019 (millions EUR):



Number of new issues of book-entry securities in 2009 – 2019 (units):



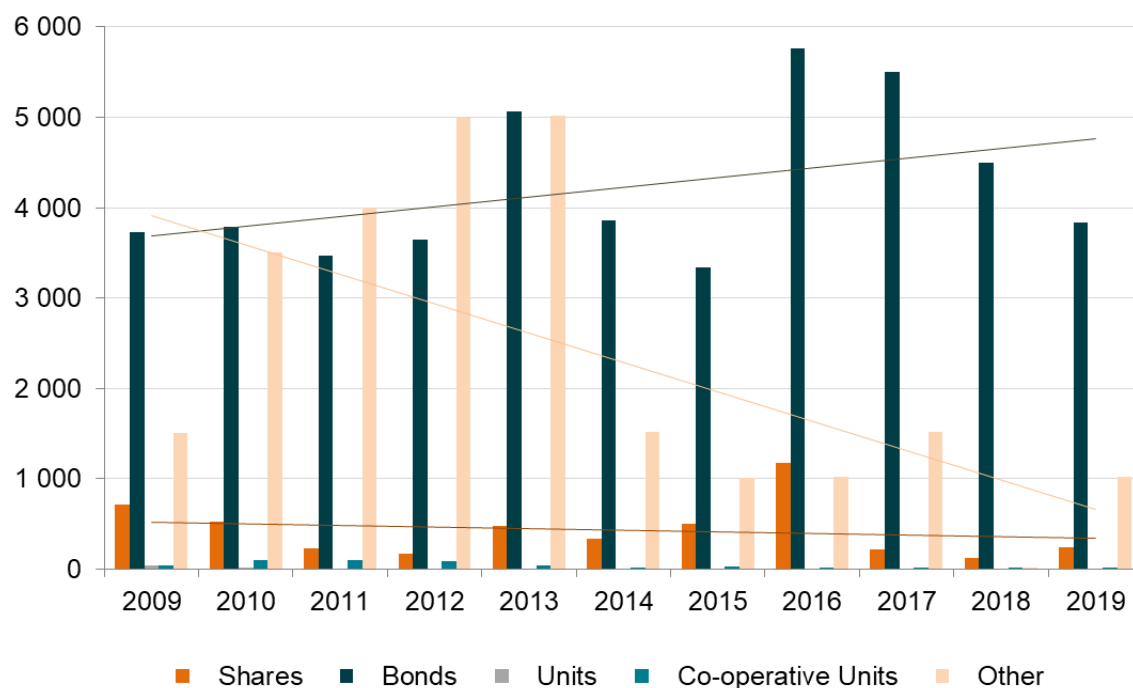
2.2.3. Issues Cancelled in the year 2019

In the course of 2019, securities with the nominal value of 5 114 million EUR were cancelled in issuer's register of book-entry securities. The cancelled securities comprised of 201 issues in total, and out of this number, 36 issues were deleted from the issuer's register based on data from the electronic commercial register. The largest decline occurred in bonds where 109 issues were cancelled with the total value of 3 837 million EUR. This was followed by 55 issues of shares with the value of 238 million EUR, 21 cancelled issues of other securities with the value of 1 026 million EUR and, at last, co-operative units with the value of 12.3 million EUR which amounted to 16 issues. No issue of units of unit trust was cancelled in 2019.

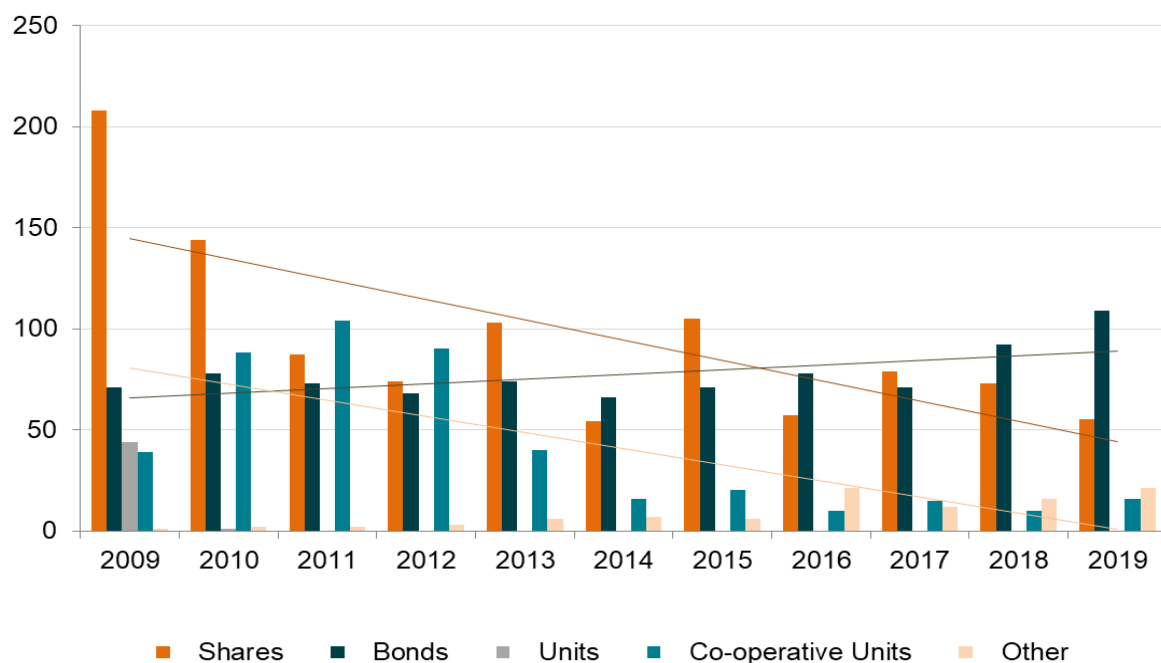
Canceled Issues of Book-entry Securities including issues with change of form to paper securities - Nominal Value		
	Value in EUR	No. of Issues
Value Total	5 114	201
Shares	238	55
Bonds	3 838	109
Units	0	0
Co-operative Units	12	16
Other	1 026	21

Issues deleted from the issuer's registration on the basis of data from electronic companies register 2019	
Number of issues	36

Value of cancelled issues of book-entry securities in 2009 – 2019 (millions EUR):



Number of cancelled issues of book-entry securities in 2009 – 2019 (units):



2.3. Issuer's Registers, Lists of Shareholders and Other Services

2.3.1. Administration of Issuer's Registry

As of 31 December 2019, CDCP kept issuer's register for 1 426 issuers of book-entry securities and in a special registry is registered issue for one foreign issuer. Out of the mentioned number of issues issued by local issuers at least one security was credited to the owner's account, client account or holder's account. The number of issuers for whom CDCP administered an issuer's register decreased by 35 subjects (-2.40 % y-o-y) compared to 2018.

2.3.2. Issuers of Physical Shares

In 2019, the central depository administered a list of shareholders for 3 681 issuers of registered paper-form shares, which represents an increase by 29 issuers (increase by 0.79 % y-o-y) compared to the previous year.

Issuer's Registers and Lists of Shareholders	2019	2018	2017
Number of Issuers for whom the CDCP administers the issuer's register	1 426	1 461	1475
Number of Issuers of registered paper shares for whom the CDCP administers the List of Shareholders	3 681	3 652	3633

2.3.3. Services based on Written Request

In the year 2019, CDCP handled a total of 16 595 written requests concerning birth registration number or Company ID submitted by authorised persons pursuant to the Article 110 of the Act No.566/2001 Coll. on Securities and Investment Services as amended. This figure involves 4 747 requests placed by executors, 6 224 request by the courts and 958 requests were submitted by tax and customs offices to which the services are provided free of charge. Compared to 2018, CDCP handled 3 761 requests more which makes a year-on-year increase by 29.30 %.

In the year 2019, CDCP also handled a total of 19 781 written requests submitted by natural persons and legal entities for the services such as change in owner, statement of account or change in personal data and the like.

3. CDCP Information Systems

In course of the year 2019 CDCP ensured reliable services of IT systems essential for provision of services to the clients. As regards changes and innovations made in the year 2019 we would like to mention implementation of two-factor authentication mechanism in March 2019, integration of related batch of services for allocation of ISIN codes to the core information service, further automation of Corporate Action services in CDCP framework (e.g. automated processing and informing of participants on general Corporate Action events and processing of squeeze-out during night-time settlement cycle), implementation of changes resulting from T2S versions 3.0 and 3.2. The digitalisation project has been launched, and its positive impact to optimisation of company internal processes is expected already in the year 2020.

3.1. Information Safety

In order to guarantee adequate cyber-attack safety and resilience, CDCP performed also in 2019 external penetration test of its core information system. In comparison to the year 2018 the testing was extended by other eventual types of attacks and vulnerabilities, both interfaces of the information system (U2A and A2A) were subject to testing and test included also scenario of attack by an authorised user. Testing resulted to identification of vulnerabilities that will be corrected by implementation of various technological measures, including configuration changes and software modifications of the information system.

The Information safety Policy of CDCP was supplemented by more detailed provisions on cyber security in order to continuously improve the overall information safety framework of CDCP and the amended Policy was approved by the Board of Directors.

With aim to examine level of safety awareness of the employees in CDCP they were exposed to prearranged simulated attack in form of social engineering from external environment. Results and finding of the simulated attack provided valuable inputs for consequent employee training focused on this area.

4. Compliance

4.1. European Legislation

Also in the year 2019 CDCP maintained compliance of internal organisation, rules, processes and provision of services with legal regulations valid on both national and the European level. The compliance function with respect to legal regulations and internal control was performed and coordinated by the Compliance Department.

In the beginning of 2019 the procedure to obtain authorisation to operate as a central securities depository from the National Bank of Slovakia under the CSDR Regulation was successfully completed. By obtaining the new authorisation CDCP approved compliance with the European legislation.

In course of the year 2019 several new legal regulations and amendments had been adopted that had to be implemented to CDCP procedures and was necessary to ensure their proper application.

The most important change brought the Act 156/2019 Coll. amending the Commercial Code and the Act 566/2001 Coll. on Securities and Investment Services and on amendments and supplements to certain laws (hereinafter only Act on Securities). By this amendment is transposed the European Directive SRD II facilitating communication between the shareholders and issuers or companies with registered office in the EU Member State and whose shares were admitted to trading on a regulated market situated or operating within the EU Member State. The national legislation/regulation is directly connected to the relevant Commission Implementing Regulation (EU) 2018/1212 laying down specific requirements under this regulation. The legal regulation shall be applicable from 3 September 2020. In order to become compliant with the new regulation and relevant standards, preparations for information system change, of new rules and communication method with relevant clients of CDCP is in progress in CDCP. To operation of CDCP are related primarily the change in shareholders' identification, as the issuer shall be obtaining data on a shareholder through entire chain of intermediaries (which register relevant shares), next is change in transmission of information from the issuer to the shareholder and vice versa, so as to exercise the shareholder rights resulting from his/her shares and also the amendment which simplifies exercise of the shareholder rights.

CDCP welcomed adoption of the Act 390/2019 Coll. amending the Commercial Code and some other acts with aim to implement measures improving operation of the Business Registry and realisation of measures which shall make the liquidation process of business companies and co-operatives more effective. CDCP believes that new rules shall „clean out“ not only the Business Register but also the registry of CDCP, especially as regards companies not fulfilling their legal or contractual obligations towards CDCP or securities owners.

Another amendment that shall enhance quality of CDCP services is Act No. 211/2019 Coll. changing the identification method of CDCP clients and shall facilitate access to the register of natural persons also for purposes of service provision and update of data already stored by CDCP.

At the European level the legislation introducing new rules for harmonised requirements with respect to covered bonds and covered bonds supervision in order to ensure high level of investor protection was published in the Official Journal of the EU in the year 2019. It concerns the Regulation (EU) 2019/2160 of the European Parliament and of the Council of 27 November 2019 amending Regulation (EU) No 575/2013 as regards exposures in the form of covered bonds and the Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU. It is assumed that the harmonised regulatory framework shall provide for stable financial source to the credit institutions, which on this basis shall have better conditions to provide the consumers and businesses affordable mortgages, while enabling safe alternative investment for the investors. The regulation is expected to be applicable from 8 July 2022 at the latest. Changes in CDCP shall depend on the national legislation transposing the directive.

In the coming months CDCP shall focus on long-term projects related primarily to implementation of rules with respect to the settlement discipline under the CSDR Regulation and relevant delegated regulation and to implementation of the SRD II to internal procedures of CDCP. CDCP shall work also

on implementation of regulation on simple joint stock company shareholders and on implementation of the rules pursuant to other regulations influencing operation of CDCP.

5. Risk Management

Centrálny depozitár cenných papierov SR, a.s. has developed and established, in compliance with valid Slovak law while respecting requirements of legal regulations of the European Union, the Risk Management System, which is explicitly stipulated and identified by the strategy for risk management area, risk appetite and ethical principles of CDCP.

The Board of Directors is liable for development of effective and efficient risk management system. Risk management efficiency is monitored by the Supervisory Board of the company. In CDCP was established an independent function of the Risk Manager liable for risk management area. The Risk Manager coordinates risk management processes in CDCP, ensures implementation of and monitors adherence to approved strategy and risk management processes. The Risk Committee was established as advisory body of the Board of Directors. The Risk Committee offers recommendations and opinions to the Board of Directors in all issues related to risk management, primarily regarding approach of CDCP to present and future risks that CDCP is or can be exposed to, or risks to which CDCP exposes its clients.

Risk management in CDCP is stable, functional and effective risk management system which creates part of effective internal control system, including implementation of strategies for management of particular risks.

6. Internal Audit

The Internal Audit Function is part of the internal control system of Centrálny depozitár cenných papierov SR, a.s. It is, together with the Compliance and Internal Control Function, the off-process part of the internal control providing for control independent from operational and business processes. Role of the internal audit function is to provide assurance on risk management procedures related to securing of adequacy and effectivity of managerial, operational and informational processes and systems as regards the goals and objectives of the central depository, reliability and integrity of financial and operational information, effectivity, effectiveness and economy of operations, protection of assets and adherence to generally binding legal regulations, internal regulations and agreements and proposes recommendations for improvements. The Section of Internal Audit assess effectiveness of risk management processes and contributes to their improvement and helps the company to maintain effective control mechanisms by evaluation of their effectivity and effectiveness by supporting their continual development.

In the year 2019 the Section of Internal Audit of CDCP conducted four scheduled audits and one consequent audit. According to the Internal Audit Operational Plan for 2019 the Section of Internal Audit conducted audit of operational risk management and integrity of security issues at the Department of Settlement System Operation. Second audit related to the information security framework and was aimed at procedures comprising allocation and maintenance of user accounts, procedures for their verification and monitoring and procedures of network administrators who manage the domains, users and entities within the computer network through the Active Directory. In the third quarter of 2019 the Section of the Internal Audit conducted internal audit at the Department 1.1 - Human Resources in order to obtain assurance on functionality of risk management in the area of personal data protection at this organisational unit. The audit was based on current setting of the personal data protection in the company but the risk management in this area has been reviewed only at audited department. Purpose of the last audit was to get information on overall set-up of risk

management with respect to the personal data protection in the company and this audit was based on the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and the Act No 18/2018 Coll. on Personal Data Protection. In the 4Q was executed ex post audit in order to check implementation of corrective measures from the „Legal risks and compliance“ audit and audit at the Department of Issues and Business Services. Performed audits proved that in Centrálny depozitár cenných papierov SR, a.s. the risk management in audited areas is sufficiently effective.

The internal audit states that internal processes in Centrálny depozitár cenných papierov SR, a.s. are performed in compliance with approved internal company management rules and breach of the Act 566/2001 Coll. on Securities and Investment Services as amended and of the Regulation (EU) No 909/2014 on improving securities settlement in the European Union and on central securities depositories was not identified. When performing its function the Head of the Section of the Internal Audit didn't observed any activities against the Internal Audit which would actually or apparently threatened independence and objectivity of the internal audit in CDCP. Neither breach of the Act No 297/2008 Coll. on the prevention of legalization of proceeds of criminal activity and terrorist financing as amended has been identified by the audit.

7. International Standards

CDCP assigns the ISIN code to issues of book-entry securities and paper-form securities which allows identification of an issue of securities or other financial instruments. ISIN code is assigned in compliance with the international standard ISO 6166 which stipulates specific structure and mechanism for generation of this code. ISIN code is used as a basic identifier of an issue not only in the central depository register, but also in any information system processing securities. ISIN codes assigned to securities issued in the Slovak Republic begin with the prefix "SK".

Moreover, CDCP allocates the CFI and FISN codes as identifiers required for all book-entry and paper-form securities to which ISIN code was allocated. The ISIN code is assigned in the moment when it is generated. CDCP assigns CFI code in accordance with the international standard ISO 10962, and it is not a unique code identifying a particular issue of securities, but the code which identifies the category of securities and their relevant attributes in detail. CFI code is assigned due to existing need for consistent and uniform approach to categorisation of securities into groups mainly in cross-border trading.

CDCP assigns FISN code in compliance with the international standard ISO 18774. FISN code identifies in detail the short name of the financial instrument and is assigned in order to ensure consistent and uniform approach to standardisation of the issuer's short name and description of securities. FISN code together with ISIN and CFI codes give clear identification of and information on securities to the capital market participants making the financial transactions, both at national and international level.

In the Slovak Republic ISIN, CFI and FISN codes are assigned by CDCP acting as the National Numbering Agency.

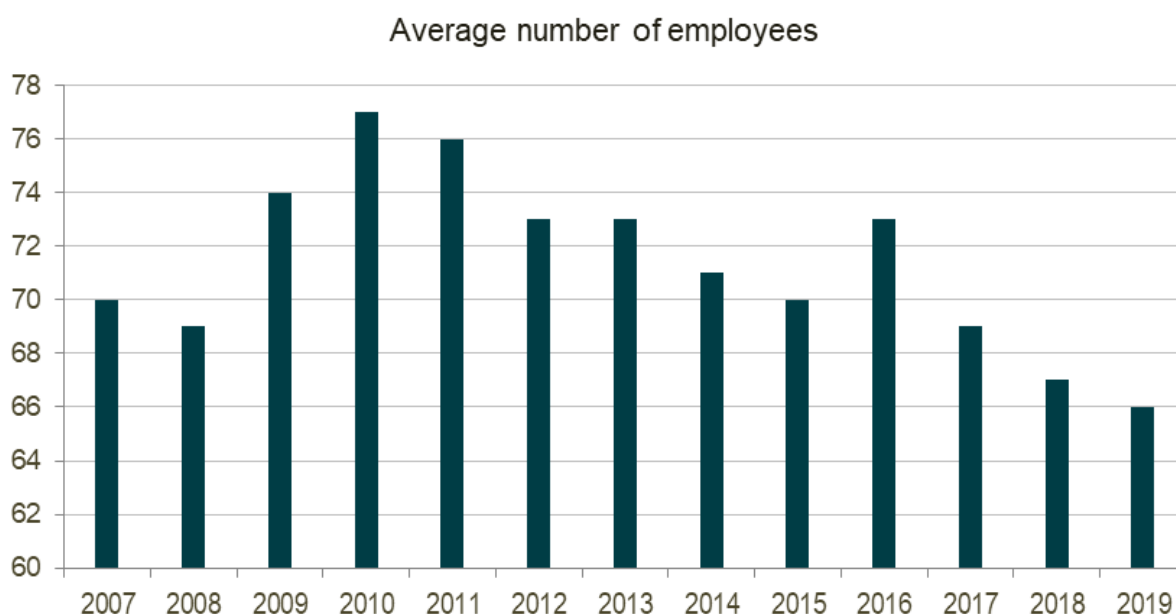
In 2014 CDCP started to assign LEI codes according to the international standard ISO 17442. From 21 May 2014 when CDCP was approved as the Local Operating Unit, it is possible to use the LEI codes assigned by CDCP for identification of entities within the EU legislation (e.g. EMIR, MIFIR, SOLVENCY I. and II.) and also other standards for regulation of international financial market.

On 30 January 2018 CDCP has received a certificate from the GLEIF (Global Legal Entity Identifier Foundation), which confirms successful accreditation of CDCP for allocation of the LEI codes to legal

entities from Slovakia and Czech Republic. Accreditation is process during which the GLEIF assesses preparedness of the organisation interested in operating within the LEI Global System and wants to assign the LEI codes, and manage the reference data of entities with allocated LEI code. The GLEIF performs annual verification of the accreditation. In CDCP the annual verification process of was performed from February until June 2019 and the verification was successfully completed by final report dated June 17, 2019.

8. Human Resources

In the year 2019 the total number of employees in CDCP was 80 persons. The average number of employees was 66 persons. The long-term trend shows decrease in number of employees and increase of effectivity. This development is supported also by effective distribution of activities among positions as well as by costs reduction.



Structure of employees in the year 2019:

Average number of employees	66 total
Out of that:	31 men
	35 women
and	4 women – maternity leave
Entries	8 employees
Terminations	9 employees
Average age of all employees	44 years
Average age of new employees	37 years

8.1. Education

The employees are regarded the most valuable asset which directly affects the quality of CDCP results. We are interested in employing competent employees who understand their function, thus are performing it well. We expect mainly competence, loyalty and client-oriented approach from our current employees and also from the applicants.

To provide our employees with the opportunity to improve continually, we invest into education activities and support both professional and personal growth of our proficient employees. In 2019 we prepared 50 educational activities for our staff, mainly seminars, trainings, conferences, and workshops, which were attended by 45 employees altogether.

8.2. Employee Benefits

We do our best to acquire and maintain the proficient employees by co-ordinating the benefits and corporate culture, and our goal is to achieve balance between their private and working life. In 2019, each employee was granted 5 days of leave in addition to the leave entitlement under the Labour Code. We care about good relationships among colleagues and Christmas Party for all employees also helped to strengthen the relations.

9. Strategic Vision

We managed to complete fully the strategy for years 2016-2019 set by our shareholder. The more difficult it will be to set and fulfil new goals. Our ambition is to become one of the best financial institutions in Slovakia. Besides maintaining the current trends it will be necessary:

1. To ensure continuous fulfilling of conditions to retain the authorisation according to the requirements under the Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012.
2. To preserve the economic surplus in medium-term horizon and amortize cumulated loss
3. To decrease risk exposure, to search for solutions to terminate the long-term litigations and to decrease reserves to contingency items as well as need to create these reserves.
4. To prepare and realise development projects bringing higher effectivity and comfort to the capital market participants as regards provided services.
5. Actively support objectives of the Memorandum of Understanding and Mutual Co-operation dated 28 June 2018 concluded among BSSE, SZRB, CDCP and NCDP in sense of the amendment of 30 October 2019, i.e. to create one functional central securities depository built on modern technologies, that shall be client oriented, cost-effective and shall respect interests of clients and participants of the financial or capital market.

In following days the central depository shall face further challenges. It has to respond not only to COVID crisis and be prepared for changes of the landscape due to the crisis but also to development in area of post-trade services. These services are characterized by strong harmonisation demands from side of the European institutions to provide yet wider scope of services by standardised method, tendency to concentrate certain services to single entities with Pan-European or world-wide impact, increasing requirements to regulate activities of the central depositories, issuers and other participants in the capital market. Important factor in area of post-trade services is application of

trends from field of information technologies as are block-chain or artificial intelligence. Last but not least, the company has to take in consideration also specificity of the local capital market, low interest of issuers of shares to enter regulated market, non-standard method of provision of certain services and high-cost infrastructure due to low possibility to apply economies of scale.

For the years 2019-2021 we set tasks that should ensure fulfilment of strategic goals while taking into consideration requirements of law, market participants and trends in the capital market. The strategic tasks are:

1. Harmonisation of processes with the market standards for processing of corporate actions;
2. Implementation of sanction mechanism in compliance with Commission Delegated Regulation (EU) 2018/1229 supplementing CSDR regulation with regard to regulatory technical standards on settlement discipline;
3. Implementation of Directive (EU) 2017/828 of the European Parliament and of the Council amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (SRD II);
4. Harmonisation of processing of collateral accepted in connection with monetary policy operations of the Eurosystem;
5. Digitalisation and computerisation of processes and services of the company.

Except the above specified goals the company intends to analyse interest of market participants in provision of new or innovated services and consequently shall make decision whether services the clients are interested in will be developed. This concerns for example provision of innovated registration services for units of unit trusts, registration of new types of securities or securities supporting investments to ecological projects, so called green bonds.

Accordingly, CDCP plans to assess also other possibilities which might contribute to fulfilment of the strategic goals of the company, e.g. optimisation of own infrastructure functionalities with respect to functionalities provided by T2S, and introduce fee for information duties provided pursuant to the Act on Securities and Investment Services. Except that the company shall regularly analyse level of fees for services to assure the fees follow the company's costs for provision of respective service, and that the fees services do not cover costs for provision of other services.

Last but not least, CDCP has to be ready to invest also to development projects not reflecting requirements of the market or legislation, but shall bring new features and approach to provision of services. We have to be confident enough to be ready to undergo reasonable risk, to be open to experiment and search new paths to higher comfort as long as safety and high stability of service provision remain preserved.

10. List of CDCP Participants

CDCP provides services mainly through its participants. In compliance with the Act No 566/2001 Coll. on Securities and Investment Services as amended and in compliance with the CSDR Regulation, the bank, foreign bank, securities broker, foreign securities broker, central counterparty, clearing agent, clearing house, operator of a settlement system or payment system, state administration body, company with guarantee provided by the state in connection with participation in the settlement system or in the payment system, and a central depository may become a participant.

In February 2019 CDCP granted to the company MTS S.p.A., registered in Italy, access of other market infrastructure to the securities settlement system with the effect from 25 February 2019. As a consequence of the change of the MTS Cash Domestic Market MTF operator due to preparation for

Brexit, CDCP in 2019 terminated, on basis of a request, access of other market infrastructure to the settlement system for the EuroMTS Limited (the United Kingdom). On 31 January 2019 became effective access of a participant granted to the company Privatbanka, a.s. in previous year. In course of the year 2019 CDCP has not granted or rejected an access of participant to any applicant. So at the end of 2019 CDCP had 26 participants (13 banks, 7 securities brokers, 3 foreign central depositories, ARDAL, the National Bank of Slovakia and NCDCP).

In 2019 CDCP in compliance with the Executory Decree No 3 to the Rules of Operation conducted annual monitoring of compliance of the participants and entities that were granted access of other market infrastructure with the participation criteria during period from January to December 2018. All entities reviewed by CDCP as regards compliance with the participation criteria demonstrated that they were meeting the applicable participation criteria during the evaluated period, except one participant. The participant who has not demonstrated its compliance with all participation criteria does not pose any risk to CDCP. Referred participant is addressed individually.

ARDAL

The National Bank of Slovakia

NCDCP

Foreign central depositories:

- Centrální depozitář cenných papírů, a. s. (the Czech Republic)
- Clearstream Banking S.A. (Luxemburg)
- Euroclear Bank SA/NV (Belgium)

Commercial banks:

- Citibank Europe, Plc., acting through organizational unit Citibank Europe, Plc., branch office of a foreign bank
- Československá obchodná banka, a.s.
- J & T BANKA, a.s., acting through organizational unit J & T BANKA, a.s., branch office of a foreign bank
- OTP Banka Slovensko, a.s.
- Poštová banka, a.s.
- Prima banka Slovensko, a.s.
- Privatbanka, a.s. (effective from 31 January 2019)
- Slovenská sporiteľňa, a.s.
- Tatra banka, a.s.
- UniCredit Bank Czech Republic and Slovakia, a.s., acting through organizational unit UniCredit Bank Czech Republic and Slovakia, a.s., branch office of a foreign bank
- Všeobecná úverová banka, a.s.

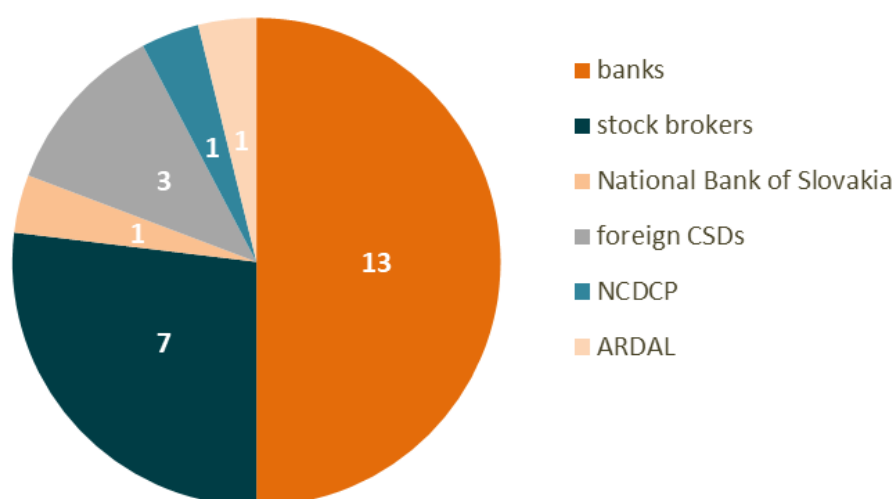
Foreign commercial banks:

- Erste Group Bank AG (effective from 22 February 2018)
- Raiffeisen Bank International AG

Securities dealers:

- Arca Brokerage House o.c.p. a.s.
- DLHOPIS, o.c.p., a.s.
- Infinity ELITE, o.c.p., a.s.
- JELLYFISH o.c.p., a.s.
- Patria Finance, a.s.
- SLÁVIA CAPITAL, o.c.p., a.s.
- Sympatia Financie, o.c.p., a.s.

CDCP Participants in 2019



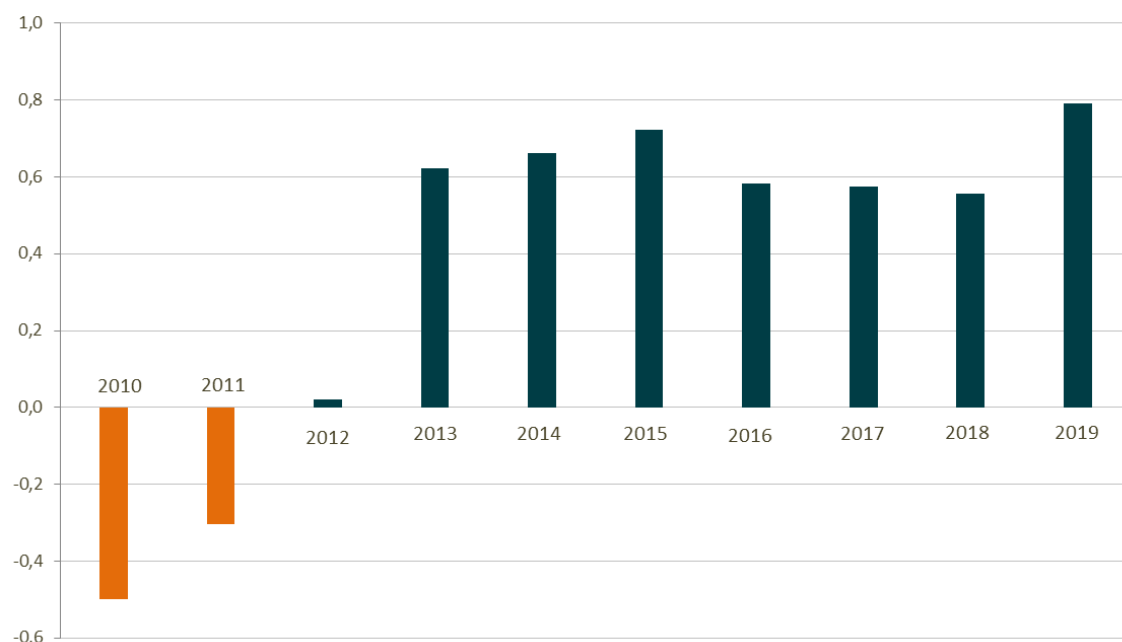
11. Economic Results - year 2019

a) Economic result:

In the year 2019 CDCP retained the positive trend of the economic results achieved in previous years, which exceeded sum of 0.79 million EUR after taxation. The economic result increased by 42 percent compared to previous year.

The year-on-year change of the economic result was affected by decrease in expenses by 1 percent and concurrent grow of revenues, which increased by 2% than in the year 2018.

Economic results for years 2010 – 2019 (millions EUR):



Economic results (millions EUR):

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
RESULT	-0.50	-0.30	0.02	0.62	0.66	0.72	0.58	0.57	0.56	0.79

Total value of CDCP expenses in the year 2019 was influenced mainly by decrease in expenses for services by 17% as billing services provided by the related entity was terminated in July 2018.

CDCP noted opposite trend in income tax, which is higher by 15% compared to previous year, in tax and fees that grew by 25% and in increase of consumption purchases that are higher by 15% than in previous year.

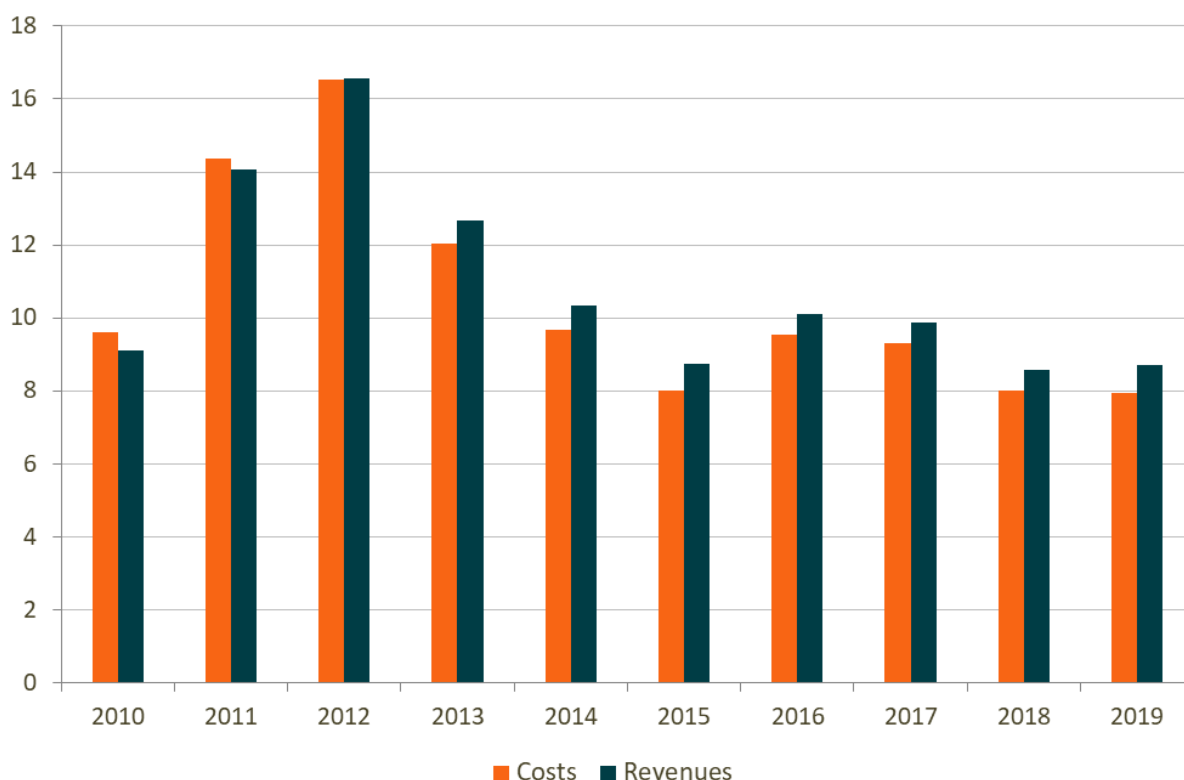
Total revenues were affected primarily by the sales from own services which increased by 12%.

These are, similarly as in last years affected mostly by revenues from registration services for issuers of book-entry securities, administration of securities owner's accounts and business services to issuers of paper form securities which altogether create 85% of total revenues in CDCP.

Other revenues from economic activity decreased by 87% in comparison to the previous accounting period as services delivered by related entity were not re-invoiced any longer.

Financial revenues grew by 76 % compared to the previous year due to more effective valuation and higher available liquidity.

Costs and Revenues for the years 2010 – 2019 (millions EUR):



Costs and Revenues (millions EUR):

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
EXPENSES	9.61	14.38	16.53	12.03	9.68	8.02	9.54	9.31	8.02	7.93
REVENUES	9.11	14.08	16.55	12.66	10.34	8.74	10.12	9.89	8.58	8.72

b) Financial position of CDCP

In the year 2019 total capital of CDCP increased by 6 % compared to the year 2018

Current assets grew by 8 % in comparison to previous year, whereas the long-term receivables increased by 6%, short term receivables decreased by 10%, and financial accounts increased by 12 %.

The financial situation of CDCP was stable during whole year. Current and capital costs were covered by own resources

Year-on-year increase in own capital by 9 % was affected by positive economic result of 0.79 million EUR. Liabilities grew by 4 % compared to previous year.

c) Investment activities

The capital investments of CDCP in the year 2019 reached value of 0.5 million EUR. The investments were used primarily to amend the production software and for digitalisation project. Further 0.04 million EUR were invested to low-value tangible and intangible assets.

Distribution of 2019 profit

The General Meeting shall decide on distribution of profit for the 2019 accounting period in the amount of 0.79 million EUR. The proposal of statutory body to the General Meeting is the following:

- contribution to the reserve fund (10%) 0.079 million EUR,
- contribution to the social fund 0.011 million EUR,
- offset with prior year losses 0.70 million EUR.

12. Additional Information

a) Impact of the accounting entity on the environment

The accounting entity does not have special impact on the environment. CDCP uses recycled paper from the year 2018.

b) Research and development expenses

The company did not have expenses for research and development in the year 2019.

c) Own shares

The company didn't acquire own shares in the year 2019 and does not have any own shares.

d) Foreign branch of the company

The company does not have a foreign branch.



**Centrálny depozitár
cenných papierov SR, a.s.**

**13. Independent Auditor's Report and Financial Statements
as of 31 December 2019**

13.1. Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

on audit of the financial statements

as of 31 December 2019

Centrálny depozitár cenných papierov SR, a.s.

ul. 29. augusta 1/A, 814 80 Bratislava

Identification No: 31 338 976

Bratislava, March 2020



INDEPENDENT AUDITOR'S REPORT

To the shareholder, the Supervisory Board, and the Board of Directors of the company
Centrálny depozitár cenných papierov SR

Report on audit of the financial statements

Opinion

We have performed the audit of the financial statements of the company Centrálny depozitár cenných papierov SR, a.s. ("the Company") which consists of the balance sheet as of 31 December 2019, the profit and loss statement for the year ending on the same date, and notes which include overview of relevant accounting principles and accounting methods.

In our opinion, the financial statements present true and reliable image of the financial situation of the Company as of 31 December 2019 and of its economic result for the year which ended on stated date in compliance with the Act No. 431/2002 Coll. on Accounting as amended (hereinafter only „Act on Accounting“).

Basis for opinion

We have performed the audit in compliance with the International Standards on Auditing (ISA). Our responsibility pursuant the standards is defined in section Auditor's responsibility for audit of the financial statements. We are independent from the Company in accordance with the provisions of the Act No. 423/2015 Coll. on Statutory Audit and on Amendments and Supplements to the Act No. 431/2002 Coll. on Accounting as amended (hereinafter only "Act on Statutory Audit") with respect to ethics, including Auditor Code of Conduct, relevant for our audit of the financial statements, and we were compliant also with other requirements of these provisions related to ethics. We are convinced that obtained audit evidence is providing sufficient and acceptable basis for our opinion.

Responsibility of the statutory body for the financial statements

Management of the Company is responsible for the preparation of these financial statements so that provides true and authentic image pursuant to the Act on Accounting and for the internal controls regarded necessary for preparation of the financial statements that are free from material incorrectness, whether due to fraud or error.

At preparing the financial statements, the statutory body is responsible for assessment of Company's ability to pursue its activities continuously, for description of facts related to continuous pursuit of activities if necessary, and for application of presumption of continual pursuit of activities in the accounting, unless it has an intention to liquidate the Company or terminate the operation, or it would not have other realistic option than to do so.

Auditor's responsibility for audit of the financial statements

Our responsibility is to obtain adequate assurance that the financial statements as a whole does not includes material incorrectness, whether due to fraud or error and to issue auditor report, including the opinion. Reasonable assurance is assurance of high level, but is not guarantee that audit



performed in compliance with the International Standards on Auditing shall always disclose material incorrectness if existent. Incorrectness can arise in consequence of fraud or error, and are deemed material in case of reasonable expectation that these could have, individually or cumulatively, impact on economic decisions of users made on basis of these financial statements.

Within audit performed pursuant to the International Standards for Auditing, we apply expert judgment and retain professional scepticism during whole audit. Beyond that:

- We identify and assess risks of material incorrectness in the financial statements, whether due to fraud or error, propose and exercise audit procedures reacting to these risks and are obtaining audit evidence which is sufficient and suitable to provide basis for our opinion. Risk that material incorrectness is not detected is higher in case of fraud than in case of error, because fraud can include collusion, falsification, intentional omission, untrue declaration or avoidance of internal control.
- We get acquainted with internal controls relevant for audit to be able to propose audit procedures appropriate for given circumstances, but not to provide opinion on effectiveness of internal controls of the Company.
- We are assessing suitability of applied accounting principles and accounting methods and adequacy of accounting estimations and related information made by the statutory body.
- We make conclusion if the statutory body properly applies the going concern assumption to the accounting adequately, and based on obtained audit evidence conclusion whether material uncertainty in connection with events or circumstances which could cast significant doubts on ability of the Company to pursue its activities continuously exists. If we come to conclusion that material uncertainty exists, in our auditor report we have to call attention to related information stated in the financial statements, or to modify our opinion if the information is not sufficient. Our conclusions arise from audit evidence obtained before date of the audit report. However, future events or circumstances may cause that the Company shall stop to be a going concern.
- We are assessing overall presentation, structure and content of the financial statements including information stated in it, and also whether the financial statements reflect realised transactions and events in a way allowing true representation.

Report on other requirements arising from the acts and other legal regulations

Report on information stated in the Annual Report

The Statutory body is responsible for information stated in the Annual Report prepared in compliance with requirements of the Act on Accounting. Our above stated opinion to the financial statements does not apply to other information in the Annual Report.

In connection with audit of the financial statements our responsibility is to obtain knowledge on information stated in the Annual Report and to assess whether there is no significant discrepancy between contained information and the financial statements or our knowledge we have obtained during audit of the financial statements, or whether these are not notably incorrect in any other way.



The Annual Report of the Company was not at our disposal on the date when the auditor report on audit of the financial statements was issued.

After receiving the Annual Report we will assess, if the Annual Report of the Company includes information required by the Act on Accounting and based on work performed during audit of the financial statements we shall give our opinion whether:

- information stated in the Annual Report for 2019 is compliant with the financial statements for given year
- the Annual Report includes information pursuant to the Act on Accounting.

In addition, we will state whether we have found material incorrectness in the Annual Report based on our knowledge on the accounting unit and situation obtained during audit of the financial statements.

In Bratislava on 19 March 2020

round stamp:

Slovak Chamber of Auditors, ACCEPT AUDIT & CONSULTING, s.r.o.

Licence No. 124

(signature)

ACCEPT AUDIT & CONSULTING, s.r.o.

Baštová 38, 080 01 Prešov

SKAU licence No. 000124

Commercial Register of DC Prešov, file No. 2365/P

Auditor in charge:

Ing. Ivan Bošela, CA, MBA

SKAU licence No. 962

13.2. Financial Statements for the year ending on 31 December 2019

Final Accounts
As of 31. 12. 2019

Tax ID 2 0 2 0 3 1 2 8 3 3	Financial statements x proper extraordinary current	Accounting Unit small x large	month year
Identification Number 3 1 3 3 8 9 7 6			For period from 1 2 0 1 9 until 1 2 2 0 1 9
Code SK NACE 6 6 . 1 1 . 0			Previous period from 1 2 0 1 8 until 12 2 0 1 8

x Balance sheet in euro	x Profit & loss statement in euro	x Notes in euro or euro cents
----------------------------	--------------------------------------	-------------------------------------

Trade Name of the accounting unit Centrálny depozitár cenných papierov SR, a.s.
--

Seat of the accounting unit Street 2 9 . A U G U S T A Postal Code Place 8 1 4 8 0 B R A T I S L A V A	Number 1 / A
--	---------------------

Companies register and registration number
Companies register of District Court Bratislava I., Section Sa, File: 493/B

Phone Number Fax Number

E-mail address

Prepared on:	Approved on:	Signature of the statutory body of accounting unit:
--------------	--------------	---

Tax office notes:

Registration Number	Tax office stamp
---------------------	------------------

Balance Sheet as of 31 December 2019 – The Assets Side (in EUR)

Title	ASSETS	Line No.	In current acc. period			Previous acc. period
			Gross	Correc tion	Net	
	TOTAL ASSETS (lines 002+ 033+074)	001	42 109 423	9 702 618	32 406 805	30 681 678
A.	Fixed assets (lines 003+ 011+ 021)	002	11 763 231	5 086 920	6 676 311	6 894 445
A.I	Total long-term intangible assets (lines 004 through 010)	003	7 074 518	2 284 431	4 790 087	4 941 003
A.I.1	Capitalized development costs	004				
2.	Software	005	6 640 099	2 273 811	4 366 288	4 608 951
3.	Valuable rights	006	17 429	10 620	6 809	8 552
4.	Goodwill	007				
5.	Other long-term intangible assets	008				
6.	Acquisition of long-term intangible assets	009	416 990	0	416 990	323 500
7.	Advance payments for long-term intangible assets	010				
A.II.	Total long-term tangible assets (lines 012 through 020)	011	4 687 474	2 802 489	1 884 985	1 952 203
A.II.1	Land	012	431 521	0	431 521	431 521
2.	Buildings	013	3 829 742	2 557 683	1 272 059	1 353 587
3.	Stand-alone movable objects and groups of movable objects	014	319 300	233 310	85 990	83 812
4.	Perennial crops	015				
5.	Breeding and draught animals	016				
6.	Other long-term tangible assets	017	92 393	11 496	80 897	83 283
7.	Acquisition of long-term tangible assets	018	14 518	0	14 518	0
8.	Advance payments for long-term tangible assets	019				
9.	Adjustment to acquired assets	020				
A.III.	Total long-term financial assets (lines 022 through 032)	021	1 239	0	1 239	1 239
A.III.1	Stocks and shares in linked acc. units	022				
2.	Stocks and shares with interests excluding linked acc.	023				

	units					
3.	Other long-term securities and shares	024	1 239	0	1 239	1 239
4.	Loans to accounting entity in consolidated whole	025				
5.	Loans within share with interest except linked accounting units	026				
6.	Other loans	027				
7.	Debt securities and other long-term financial assets	028				
8.	Loans and other long-term financial assets with maturity max. 1 year	029				
9.	Bank accounts with fixation longer than 1 year	030				
10.	Acquisition of long-term financial assets	031				
11.	Advance payments for long-term financial assets	032				
B.	Current assets (line 034+ 041+ 053+ 066+ 071)	033	30 279 376	4 615 698	25 663 678	23 751 442
B.I.	Total inventories (lines 035 through 040)	034	11 882	0	11 882	1 625
B.I.1	Stocks	035	11 882	0	11 882	1 625
2.	Work-in-process and semi-finished products	036				
3.	Finished products	037				
4.	Animals	038				
5.	Goods	039				
6.	Advance payments for stocks	040				
B.II.	Total long-term receivables (lines 42 + 046 thr. 052)	041	1 330 051	0	1 330 051	1 257 124
B.II.1	Total trade receivables (lines 43 +44+ 45)	042	21 200	0	21 200	21 333
1.a.	Trade receivables in linked accounting units	043				
1.b.	Trade receivables within share participation except linked accounting units	044				
1.c.	Other trade receivables	045	21 200	0	21 200	21 333
2.	Net order value	046				
3.	Other receivables from linked accounting units	047				
4.	Other receivables within share participation excl. linked accounting units	048				

5.	Receivables from partners, members and association	049				
6.	Receivables from derivative operations	050				
7.	Other receivables	051	11 749	0	11 749	7 257
8.	Deferred tax receivable	052	1 297 102	0	1 297 102	1 228 534
B.III.	Total short-term receivables (lines 054 + 058 thr. 065)	053	7 815 667	4 615 698	3 199 969	3 560 849
B.III.1	Total trade receivables	054	7 801 353	4 615 698	3 185 655	3 540 347
1.a.	Trade receivables within linked accounting units	055	46 285	0	46 285	54 703
1.b.	Trade receivables within share participation except linked accounting units	056				
1.c.	Other trade receivables	057	7 755 068	4 615 698	3 139 370	3 485 644
2.	Net order value	058				
3.	Other receivables from linked accounting units	059				
4.	Other receivables within share participation excl. linked accounting units	060				
5.	Receivables from partners, members and association	061				
6.	Social insurance	062				
7.	Tax receivables	063				
8.	Receivables from derivative operations	064				
9.	Other receivables	065	14 314	0	14 314	20 502
B.IV.	Total short-term financial assets (lines 067 thr. 070)	066				
B.IV.1	Short-term financial assets within consolidated whole	067				
2.	Short-term financial assets w/o financial assets in linked accounting units	068				
3.	Own stocks and own trade shares	069				
4.	Acquisition of short-term financial assets	070				
B.V.	Financial accounts (lines 072 + 073)	071	21 121 776	0	21 121 776	18 931 844
B.V.1	Cash	072	7 703	0	7 703	18 568
2.	Bank accounts	073	21 114 073	0	21 114 073	18 913 276

C.	Accruals (line 075 +76 + 77+ 078)	074	66 816	0	66 816	35 791
C.1	Deferred expenses – long-term	075	611	0	611	465
2.	Deferred expenses – short-term	076	31 134	0	31 134	34 870
3.	Accrued revenues – long-term	077				
4.	Accrued revenues – short-term	078	35 071	0	35 071	456

Balance Sheet as of 31 December 2019 – The Liabilities Side

Title	LIABILITIES	Line no.	Current acc. period	Previous acc. period
	TOTAL EQUITY AND LIABILITIES (line 080+ 101+ 141)	079	32 406 805	30 681 678
A.	Own equity (lines 081+ 085+ 086+ 087+ 090 +93 +97 +100)	080	9 243 739	8 453 603
A.I.	Total registered capital (lines 082 through 084)	081	10 489 304	10 489 304
A.I.1.	Registered capital	082	10 489 304	10 489 304
2.	Change in registered capital	083		
3.	Receivables for subscribed registered capital	084		
A.II.	Share premium	085		
A.III.	Other capital funds	086		
A.IV.	Legal reserve funds (lines 88 + 89)	087	490 495	434 884
A.IV.1	Legal reserve fund and Indivisible fund	088	490 495	434 884
2.	Reserve fund for own stocks and shares	089		
A.V.	Total profit generated funds (lines 091 + 092)	090	1 942	1 942
A.V.1.	Statutory funds and other funds	091		
2.	Other funds	092	1 942	1 942
A.VI.	Adjustments due to revaluation (lines 94 through 96)	093	-143	-143
A.VI.1	Adjustments of assets and liabilities due to revaluation	094	-143	-143
2.	Adjustments of capital interests	095		
3.	Adjustments due to revaluation at merger, fusion or split	096		
A.VII.	Profit or loss of previous years (line 098 + 099)	097	- 2 527 996	-3 028 495
A.VII.1.	Retained profit from previous years	098		

2.	Accumulated loss from previous years	099	- 2 527 996	-3 028 495
A.VIII.	Profit or loss for accounting period after tax +/- (line 001- (081+ 085+ 086+ 087+ 090+ 093 +097 +101 +141))	100	790 137	556 111
B.	Total payables (line 102+ 118 + 121+ 122+ 136 + 139 +140)	101	23 132 193	22 199 194
B.I.	Total long terms payables (lines 103 + 107 through 117)	102	151 420	145 948
B.I.1.	Total long-term trade payables (line 104 through 106)	103		
1.a.	Trade payables towards linked accounting units	104		
1.b.	Trade payables within share with interest excl. linked accounting units	105		
1.c.	Other trade payables	106		
2.	Net order value	107		
3.	Other payables to linked accounting units	108		
4.	Other payables within share with interest excl. linked accounting units	109		
5.	Other long-term payables	110		
6.	Long-term advance payments received	111		
7.	Long-term bills of exchange to be paid	112		
8.	Bonds issued	113		
9.	Payables from social fund	114	11 079	5 189
10.	Other long-term payables	115		
11.	Long-term payables from derivative operations	116		
12.	Deferred tax payable	117	140 341	140 759
B.II.	Long-term reserves (lines 119 + 120)	118	21 518 632	20 191 022
B.II.1	Legal reserves	119		
2.	Other reserves	120	21 518 632	20 191 022
B.III.	Long-term bank loans	121		
B.IV.	Total short-term payables (lines 123 + 127 through 135)	122	1 220 289	1 562 808
B.IV.1.	Total trade payables (lines 124 through 126)	123	355 457	360 735
1.a	Trade payables to linked accounting units	124	907	1 515
1.b	Trade payables within share with interest excl. linked accounting units	125		
1.c	Other trade payables	126	354 550	359 220

2.	Net order value	127		
3.	Other payables to linked accounting units	128		
4.	Other payables within share with interest excl. linked accounting units	129		
5.	Payables to partners and association	130		
6.	Payables to employees	131	89 105	82 310
7.	Payables to social insurance	132	68 675	73 223
8.	Tax payables and subsidies	133	664 020	1 008 258
9.	Payables from derivative operations	134		
10.	Other payables	135	43 032	38 282
B.V.	Short-term reserves (lines 137 + 138)	136	241 852	299 235
B.V.1	Legal reserves	137	68 935	67 751
2.	Other reserves	138	172 917	231 484
B.VI.	Current bank loans	139	0	181
B.VI.	Short-term financial grant	140		
C.	Total accruals (lines 142 through 145)	141	30 783	28 881
C.1.	Accrued expenses, long-term	142		
2.	Accrued expenses, short-term	143	6 664	87
3.	Deferred revenues, long-term	144		2 160
4.	Deferred revenues, short-term	145	24 209	26 634

Profit and Loss Statement as of 31 December 2019

Title	I T E M	Line no.	Current acc. period	Previous acc. period
*	Net turnover	01	8 537 150	7 595 619
**	Total revenues from economic activity (lines 03 through 09)	02	8 656 863	8 540 127
I.	Returns from sale of goods	03		
II.	Returns from own products	04		
III.	Returns from services	05	8 537 150	7 595 619
IV.	Change in inventories	06		

V.	Capitalization (acc. group 62)	07		
VI.	Returns from sale of long-term assets (tangible/intangible) and material	08	34	3 309
VII.	Other revenues from economic activity	09	119 679	941 199
**	Total expenses on economic activity (lines 11 through 15 + 20 through 26)	10	7 434 084	7 700 732
A	Cost of goods sold	11		
B	Consumption of material, energy and other non-storable supplies	12	89 665	78 015
C	Adjustment entries to inventory	13		
D	Services (acc. group 51)	14	2 495 731	3 003 896
E	Total personnel expenses (lines 16 through 19)	15	2 199 147	2 158 657
E.1.	Wages and salaries	16	1 464 703	1 459 389
2.	Remuneration of company body members	17	56 970	61 571
3.	Social insurance expenses	18	568 121	554 403
4.	Social expenses	19	109 353	83 294
F.	Taxes and fees (acc. group 53)	20	58 396	46 662
G.	Depreciation and adjustments to long-term intangible assets and long-term tangible assets (l. 22+23)	21	724 506	692 936
G.1.	Depreciation to long-term intangible assets and long-term tangible assets	22	724 506	693 936
2.	Adjustments to long-term intangible assets and long-term tangible assets	23		
H.	Net book value of sold long-term assets and material	24		1 172
I.	Creation of Adjustment entries to Receivables (+/- 547)	25	413 302	258 083
J.	Other expenses on economic activity	26	1 453 337	1 461 311
***	Profit or loss from economic activity (line 02 – 10)	27	1 22 779	839 395
*	Added value ((lines 03 through 07) – (lines 11 through 14))	28	5 951 754	4 513 708
**	Revenues from financial activity (lines 30 + 31 + 35 + 39 + 42 + 43 + 44)	29	67 361	38 173
VIII.	Returns from sale of securities and ownership interests	30		
IX.	Revenues from long-term financial assets (lines 32+ 33+ 34)	31		
IX.1.	Revenues from securities and ownership interests from linked accounting units	32		
2.	Revenues from securities and ownership interests within interest share excl. linked accounting units	33		
3.	Other revenues from securities and ownership interests	34		

X.	Total revenues from short-term financial assets (lines 36 +37+ 38)	35		
X.1	Revenues from short-term financial assets from linked accounting units	36		
2.	Revenues from short-term financial assets within share with interest excl. linked accounting units	37		
3.	Other revenues from short-term financial assets	38		
XI.	Interests received (lines 40 + 41)	39	67 317	38 152
XI.1.	Interests received within consolidated whole	40		
XI.2.	Other interests received	41	67 317	38 152
XII.	Exchange rate gains	42	42	21
XIII.	Revenues from revaluation of securities and revenues from derivative operations	43		
XIV.	Other revenues from financial activity	44		
**	Total expenses on financial activity (lines 46 through 49 +52+53+54)	45	54 961	55 025
K.	Securities and ownership interests sold	46		
L.	Expenses on short-term financial assets	47		
M	Adjustment entries on financial assets	48		
N.	Interests paid (lines 50 + 51)	49		
N.1.	Interests paid within consolidated whole	50		
2.	Other interests paid	51		
O.	Exchange rate losses	52	3	48
P.	Expenses on revaluation of securities and expenses on derivative operations	53		
Q.	Other expenses on financial activity	54	54 958	54 977
***	Profit or loss from financial activity (line 29 - 45)	55	12 400	-16 852
****	Profit or loss for accounting period before tax (line 27 - 55)	56	1 235 179	822 543
R.	Income tax (line 58 + 59)	57	445 042	266 432
R.1.	- due	58	514 029	403 056
2.	- deferred	59	-68 987	-136 624
S.	Transfer of shares on profit or loss to partners	60		
****	Profit or loss for accounting period after tax (+/-) [lines 56 - 57 - 60]	61	790 137	556 111

Financial Statements
according to the Slovak legal regulation
as of 31 December 2019

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

A. INFORMATION ON THE COMPANY**1. Establishment of the Company**

The company Centrálny depozitár cenných papierov SR, a.s. (hereinafter only the "Company") was established on 12 November 1992 and incorporated in the Companies Register on 22 December 1992 (Companies Register of the District Court Bratislava I., Section Sa, Insertion No. 493/B).

2. Core activities of the Company are:

- registration of owners of book-entry securities in owner's accounts and data on securities in client's accounts of members in the extent stipulated by the Act on Securities
- registration of changes in owner's accounts in the extent stipulated by the Act on Securities and in client's accounts of members
- registration of data related to book-entry securities and immobilized securities in the extent stipulated by the Act on Securities
- allocation, changes, and deletions of ISIN
- supply of services to members of central depository, issuers of securities, to stock exchange, to foreign stock exchange related to activities according to letter a) to e) and according to Section 99(4)(a) and (f) of the Act on Securities
- provision and management of the system for technical processing of data for administration of the registry according to letter a) to d) and pursuant to Section 104(2)(a) to (c) of the Act on Securities
- administration of lists of shareholders for registered paper-form securities
- registration of other data if stipulated by the Act on Securities or by the special act
- provision of redemption of the nominal value of securities and paying out yields of securities after maturity as well as other related activities at issuer's request
- provision of other services related to activity of the central depository according to the Act on Securities
- opening and administration of holder's accounts for members
- registration of book-entry securities and immobilized securities in issuer's registers
- provision of clearing and settlement of stock exchange trades with financial instruments and clearing and settlement of trades with financial instruments on request of a client or organizer of multilateral trading system; provision of clearing and settlement of such trades is understood as organizing and administration of system for clearing and settlement of trades with financial instruments (hereinafter only the "settlement system") for at least three participants of the settlement system.
- registration of changes in holder's accounts
- opening and administration of owner account for a central depository and provision of related services
- provision of custody services for financial instruments on client's account in relation to foreign transferable securities
- opening of account with foreign legal entity with similar scope of activities as central depository, with foreign bank or foreign stock broker and provision of related services; this account is administered according to legislation according to which the foreign legal entity was founded, foreign bank or foreign stock broker who opened the account for the central depository, and registration of data on securities owner is administered according to law of the Slovak Republic
- registration of book-entry foreign securities issued or issuing by European Central Bank or by European Central Bank in collaboration with the National Bank of Slovakia, as well as provision of related activities and services of the central depository, the administration of registration is governed by this Act, special regulations, rules of operations of the Central Depository, and agreement concluded between the central depository and the European Central Bank or the central depository and the National Bank of Slovakia

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

3. Number of employees

Data on the number of employees for the current accounting period and prior accounting period are shown in the following table:

	Current accounting period	Prior accounting period
Average number of employees	67	68
Number of staff at balance sheet date of which:	67	69
Management	5	5

4. Test of group size of the accounting unit

The accounting unit is included in the "large accounting unit" group if it meets, in two consequent account periods, at least two of three conditions – net sum of assets exceeded 4 000 000 EUR, net turnover overreached 8 000 000 EUR and average full-time-equivalent exceeded 50 during the accounting period.

Item	Current accounting period	Prior accounting period	Yes/No
Net to assets – total	32 406 805	30 681 678	Yes
Net to turnover – total	8 537 150	7 595 619	Yes
Number of employees	67	68	Yes

The accounting unit meets size requirements to be included to size group – large accounting unit, therefore it compiles the financial statement pursuant to methodology for this size group (Measures No. MF/23377/2014-74).

5. Data on unlimited liability

The Company is not a shareholder with unlimited liability in other legal entities under Section 56(5) of the Commercial Code.

6. Legal reason for preparing the financial statements

The Company's financial statements as of 31 December 2019 have been prepared as ordinary financial statements under Section 17(6) of the National Council of the Slovak Republic Act No. 431/2002 Coll. on Accounting for the accounting period from 1 January 2019 to 31 December 2019.

7. Date of approving the financial statements for the previous accounting period

The General Meeting of the Company approved the Company's financial statements as of 31 December 2018, i.e. for the previous accounting period, on 26 June 2019.

8. Approval of the auditor

On 24 August 2017 the General Meeting approved the ACCEPT AUDIT & CONSULTING, s.r.o. company as the auditor of the financial statements for the accounting period from 1 January 2019 to 31 December 2019.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

B. INFORMATION ON THE COMPANY BODIES**Current accounting period****Prior accounting period****Board of Directors:**

Chairman: Ing. Martin Wiedermann - from 26.10.2015

Vice-chairman: Ing. Ľudmila Boboková - from 03.2.2015

Member: Ing. Tomáš Novanský - from 29.2.2016

Board of Directors:

Chairman: Ing. Martin Wiedermann - from 26.10.2015

Vice-chairman: Ing. Ľudmila Boboková - from 03.2.2015

Member: Ing. Tomáš Novanský - from 29.2.2016

Supervisory Board:

Chairman: Ing. Igor Lichnovský - from 3.9.2015

Member: Ing. Ivan Gránsky - from 3.9.2015

Member: JUDr. Katarína Malíková - from 21.8.2015

Supervisory Board:

Chairman: Ing. Igor Lichnovský - from 3.9.2015

Member: Ing. Ivan Gránsky - from 3.9.2015

Member: JUDr. Katarína Malíková - from 21.8.2015

C. INFORMATION ON THE COMPANY PARTNERS

The structure of the Company's shareholders as of 31 December 2019:

Partner, shareholder	Share in the registered capital		Share in voting rights	Other share in equity items other than registered capital
	absolute	in %	in %	in %
a	b	c	d	e
Burza cenných papierov v Bratislave, a.s.	10 489 304	100	100	-
Total	10 489 304	100	100	-

D. INFORMATION ON THE CONSOLIDATED GROUP

Burza cenných papierov v Bratislave, a.s. (Bratislava Stock Exchange), the parent company, is not compiling the consolidated financial statements for the year 2019 according to the Slovak Act on Accounting.

E. INFORMATION ON ASSETS**1. Non-current intangible and tangible assets**

The overview of non-current intangible assets and non-current tangible assets from 1 January 2019 to 31 December 2019 and for the comparable period from 1 January 2018 to 31 December 2018 is presented in the tables below.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Non-current intangible assets	Current accounting period							Advances paid for non-current intangible assets	Total
	Capitalised development costs	Software	Valuable rights	Goodwill	Other non-current intangible assets	Non-current assets in the process of acquisition			
a	b	c	d	e	f	g	h	i	
Acquisition cost									
Opening balance	-	7 505 923	17 429	-	-	323 500	-	7 846 857	
Additions	-	356 497	-	-	-	449 987	-	806 484	
Disposals	-	1 222 326	-	-	-	356 497	-	4 578 823	
Transfers	-	-	-	-	-	-	-	-	
Closing balance	-	6 640 099	17 429	-	-	416 990	-	7 074 518	
Accumulated depreciation									
Opening balance	-	2 896 977	8 877	-	-	-	-	2 905 854	
Additions	-	599 160	1 743	-	-	-	-	600 903	
Disposals	-	1 222 326	-	-	-	-	-	1 222 326	
Transfers	-	-	-	-	-	-	-	-	
Closing balance	-	2 273 811	10 620	-	-	-	-	2 284 431	
Valuation allowances									
Opening balance	-	-	-	-	-	-	-	-	
Additions	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	-	-	-	
Transfers	-	-	-	-	-	-	-	-	
Closing balance	-	-	-	-	-	-	-	-	
Net book value									
Opening balance	-	4 608 951	8 552	-	-	323 500	-	4 941 003	
Closing balance	-	4 366 288	6 809	-	-	416 990	-	4 790 087	

In 2019 assets in the value of EUR 356 497,- were included to non-current intangible assets - technical appreciation, SW- extension of IS T2S CDCP in amount of EUR 250 451.50 and implementation of changes of T2S version to IS CDCP system in amount of EUR 106 045.50. Balance of account Non-current intangible asset is 416 990 EUR /as of 31.12.2019/. It includes items related to digitalisation project and analysis of required changes as regards implementation of new type of SJC in T2S. Decrease in non-tangible assets in total amount of 1 222 326 EUR due to discarded Archive of transfers w/o consideration in amount of 1 195 240 EUR and SW-HP Data Projector in amount of 27 086 EUR.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Non-current intangible assets	Capitalised development costs	Software	Valuable rights	Goodwill	Prior accounting period		Non-current assets in the process of acquisition	Advances paid for non-current intangible assets	Total
					Other non-current intangible assets				
a	b	c	d	e	f		g	h	i
Acquisition cost									
Opening balance	-	13 930 562	17 429	-	-		132 700	-	14 080 691
Additions	-	600 341	-	-	-		791 141	-	1 391 482
Disposals	-	7 024 975	-	-	-		600 341	-	7 625 316
Transfers	-	-	-	-	-		-	-	-
Closing balance	-	7 505 928	17 429	-	-		323 500	-	7 846 857
Accumulated depreciation									
Opening balance	-	9 354 043	7 127	-	-		-	-	9 361 170
Additions	-	567 909	1 750	-	-		-	-	569 659
Disposals	-	7 024 975	-	-	-		-	-	7 024 975
Transfers	-	-	-	-	-		-	-	-
Closing balance	-	2 896 977	8 877	-	-		-	-	2 905 854
Valuation allowances									
Opening balance	-	-	-	-	-		-	-	-
Additions	-	-	-	-	-		-	-	-
Disposals	-	-	-	-	-		-	-	-
Transfers	-	-	-	-	-		-	-	-
Closing balance	-	-	-	-	-		-	-	-
Net book value									
Opening balance	-	4 576 519	10 302	-	-		132 700	-	4 719 521
Closing balance	-	4 608 951	8 552	-	-		323 500	-	4 941 003

In 2018 assets in the value of EUR 600 341,- were included to non-current intangible assets – technical appreciation, new modules and components to investment “Migration of CDCP” to settlement system of EU Target-T2-Securities, sum 4 354 EUR was technical valorisation of SW licences, and 1 050 EUR extension of economic SW SPIN. Discarded was information system SPOZUS that is not used anymore in total sum of 202 344 EUR with depreciation value 0.00 EUR. Balance of the account Non-current intangible assets was 323 500 EUR as of 31/12/2018. It includes items related to digitising and analyses of required changes in connection with implementation of new type of simple JSC (joint stock company) in T2S.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Non-current tangible assets	Current accounting period								Total
	Land	Buildings	Individual movable assets and sets of movable items	Perennial crops	Breeding and draught animals	Other non-current tangible assets	Assets under construction	Advances paid for non-current tangible assets	
a	b	c	d	e	f	g	h	i	j
Acquisition cost									
Opening balance	431 521	3 815 382	1 439 564	-	-	92 392	-	-	5 778 859
Additions	-	14 360	27 506	-	-	-	56 384	-	98 250
Disposals	-	-	1 147 770	-	-	-	41 866	-	1 189 636
Transfers	-	-	-	-	-	-	-	-	-
Closing balance	431 521	3 829 742	319 300	-	-	92 392	14 518	-	4 687 473
Accumulated depreciation									
Opening balance	-	2 461 795	1 355 752	-	-	9 110	-	-	3 826 657
Additions	-	95 888	25 328	-	-	2 387	-	-	123 603
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Closing balance	-	2 557 683	233 310	-	-	11 497	-	-	2 802 490
Valuation allowances									
Opening balance	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-
Net book value									
Opening balance	431 521	1 353 587	83 812	-	-	83 282	-	-	1 952 202
Closing balance	431 521	1 272 059	85 990	-	-	80 895	14 518	-	1 884 983

In 2019 were included following assets to non-current tangible assets: Queue Management System in the value of EUR 5 056,-, Disk Array Dell EMCE ME 4024 in value of 22 450 EUR and 8 Air-condition units with acquisition cost 14 360 EUR. Discarded was inventory with value of 1 147 770 EUR – obsolete and unused server room equipment and furniture.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Non-current tangible assets	Prior accounting period								Total
	Land	Buildings	Individual movable assets and sets of movable items	Perennial crops	Breeding and draught animals	Other non-current tangible assets	Assets under construction	Advances paid for non-current tangible assets	
a	b	c	d	e	f	g	h	i	j
Acquisition cost									
Opening balance	431 521	3 815 382	1 758 073	-	-	95 314	1 284	-	6 101 574
Additions	-	-	48 406	-	-	-	47 431	-	95 837
Disposals	-	-	366 915	-	-	2 922	48 715	-	418 552
Transfers	-	-	-	-	-	-	-	-	-
Closing balance	431 521	3 815 382	1 439 564	-	-	92 392	0	-	5 778 859
Accumulated depreciation									
Opening balance	-	2 366 369	1 699 024	-	-	6 652	-	-	4 072 045
Additions	-	95 426	23 643	-	-	4 027	-	-	123 276
Disposals	-	-	366 915	-	-	1 750	-	-	368 665
Transfers	-	-	-	-	-	-	-	-	-
Closing balance	-	2 461 795	1 355 752	-	-	9 109	-	-	3 826 656
Valuation allowances									
Opening balance	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-
Net book value									
Opening balance	431 521	1 449 013	59 049	-	-	88 662	1 284	-	2 029 529
Closing balance	431 521	1 353 587	83 812	-	-	83 283	0	-	1 952 203

In 2018 inventory in sum of 366 915 EUR was discarded. One car was sold and new car has been purchased in January 2018. Entry price didn't exceeded limit according to article 17(34) of the Act 595/2003 Coll. on income tax. Work of art was sold to employee with total entry price of 1 172 EUR, and old inventory was discarded during refurbishment of the premises. Balance of an account "acquisition of long-term tangible assets" was 0.00 EUR as of 31 December 2018. Majority of discarded assets was created by non-functional and obsolete data processing equipment (306 337 EUR).

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

2. Non-current financial assets

The overview of changes in non-current financial assets from 1 January 2018 to 31 December 2019 and for the period from 1 January 2017 to 31 December 2018 is presented in the table below.

Current accounting period					
Business name and registered office of the company in which the accounting unit has invested non-current financial assets	Share of accounting unit in registered capital in %	Share of accounting unit in voting rights in %	Amount of equity of the accounting unit in which the accounting unit has invested non-current financial assets	Profit/loss of the accounting unit in which the accounting unit has invested non-current financial assets	Book value of non-current financial assets
a	b	c	d	e	f
Subsidiaries					
A.N.N.A	1	1	151 270	0	1 239
Accounting units with a substantial influence					
Joint undertakings					
Associates					
Other realisable securities and ownership interests					
Acquired non-current financial assets in order to perform influence in other accounting entity					
Total non-current financial assets					1 239
Prior accounting period					
Business name and registered office of the company in which the accounting unit has invested non-current financial assets	Share of accounting unit in registered capital in %	Share of accounting unit in voting rights in %	Amount of equity of the accounting unit in which the accounting unit has invested non-current financial assets	Profit/loss of the accounting unit in which the accounting unit has invested non-current financial assets	Book value of non-current financial assets
a	b	c	d	e	f
Subsidiaries					
A.N.N.A	1	1	151 270	0	1 239
Accounting units with a substantial influence					
Joint undertakings					
Associates					
Other realisable securities and ownership interests					
Acquired non-current financial assets in order to perform influence in other accounting entity					
Total non-current financial assets					1 239

The Company is a member of the international numbering agency A.N.N.A. (Association of National Numbering Agencies, srl.). The value of share arising from membership in the international numbering agency A.N.N.A. (Association of National Numbering Agencies, srl.) was calculated at acquisition costs.

The Company did not identify a difference between fair value and acquisition cost in current, neither in prior accounting period.

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

3. Stock

The Company has not created any correction entries to stock.

6. Receivables

Changes in the correction entries during the accounting period are shown in the following table:

Receivables	Current accounting period				
	Valuation allowance as of 01/01/2019	Set-up of valuation allowance	Release of valuation allowance due to cease of justification	Release of valuation allowance due to de-recognition of the assets	Valuation allowance as of 31/12/2019
a	b	c	d	e	f
Trade receivables	5 564 873	4 386 329	3 973 028	1 362 477	4 615 698
Receivables from subsidiaries and parent company	-	-	-	-	-
Other receivables within the consolidated group	-	-	-	-	-
Receivables from partners, members, and association	-	-	-	-	-
Other receivables	-	-	-	-	-
Total receivables	5 564 873	4 386 329	3 973 028	1 362 477	4 615 698

Correction entry for decrease of value of receivables is set-up if there is objective evidence that Company will not be able to enforce all due receivables under the original maturity periods.

Receivables of the Company are not covered by pledge or other form of collateral security.

Prior accounting period

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Receivables	Valuation allowance as of 01/01/2018	Set-up of valuation allowance	Release of valuation allowance due to cease of justification	Release of valuation allowance due to de-recognition of the assets	Valuation allowance as of 31/12/2018
a	b	c	d	e	F
Trade receivables	5 983 033	6 192 610	5 934 529	676 241	5 564 873
Receivables from subsidiaries and parent company	-	-	-	-	-
Other receivables within the consolidated group	-	-	-	-	-
Receivables from partners, members, and association	-	-	-	-	-
Other receivables	-	-	-	-	-
Total receivables	5 983 033	6 192 610	5 934 529	676 241	5 564 873

Correction entry for decrease of value of receivables is set-up if there is objective evidence that Company will not be able to enforce all due receivables under the original maturity periods.

Receivables of the Company are not covered by pledge or other form of collateral security.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

The age structure of receivables for the current accounting period is presented in the table below:

Receivables as of 31/12/2019	Within due period	Overdue	Total receivables
a	b	c	d
Long-term receivables			
Trade receivables	21 200		21 200
Receivables from subsidiaries and parent company			
Other receivables within the consolidated group			
Receivables from partners, members, and association			
Other receivables	11 749		11 749
Total long-term receivables	32 949		32 949
Short-term receivables			
Trade receivables	5 016 343	2 738 725	7 755 068
Receivables from subsidiaries and parent company	46 285		46 285
Other receivables within the consolidated group			
Receivables from partners, members, and association			
Social security			
Tax receivables and contributions			
Other receivables	14 314		14 314
Total short-term receivables	5 076 942	2 738 725	7 815 667

Deferred tax receivable (account 481) is not included in the table on age structure of receivables of current and prior accounting period.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

The age structure of receivables for the prior accounting period is presented in the table below:

Receivables as of 31/12/2018	Within due period	Overdue	Total receivables
a	b	c	d
Long-term receivables			
Trade receivables	21 333		21 333
Receivables from subsidiaries and parent company	-	-	-
Other receivables within the consolidated group	-	-	-
Receivables from partners, members, and association	-	-	-
Other receivables	7 257		7 257
Total long-term receivables	28 590		28 590
Short-term receivables			
Trade receivables	4 453 095	4 597 422	9 050 517
Receivables from subsidiaries and parent company	54 703	-	54 703
Other receivables within the consolidated group	-	-	-
Receivables from partners, members, and association	-	-	-
Social security	-	-	-
Tax receivables and contributions	-	-	-
Other receivables	20 502	-	20 502
Total short-term receivables	4 528 300	4 597 422	9 125 722

Deferred tax receivable (account 481) is not included in the table on age structure of receivables of current and prior accounting period.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

7. Financial accounts

The financial accounts include cash, bank accounts, and securities. The bank accounts are fully available to the Company's use, except for a term deposit in the value of 15 100 926 Eur.

Overview of individual items of financial accounts:

Item	Current accounting period	Prior accounting period
Cash and cash equivalents	7 703	18 568
Current accounts in bank or in a branch of foreign bank	3 803 650	6 922 102
Deposit accounts in bank or in a branch of foreign bank	17 310 423	11 991 174
Funds in transit		
Total	21 121 776	18 931 844

10. Prepaid expenses and accrued income

The structure of prepaid expenses and accrued income is presented in the table below:

Item	Current accounting period	Prior accounting period
Deferred costs – long-term of which:	611	465
Licence subscription fee	611	465
Deferred costs – short-term of which:	31 134	34 870
Insurance	16 441	16 525
Software service and support fees	9 953	2 057
Advance payments	2 158	20
Debit cards fee	84	22
Other	2 498	-
Accrued income – long-term of which:	0	-
	-	-
Accrued income – short-term of which:	35 071	11 984
Interest revenues	35 071	11 984
Total	66 816	53 065

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

F. INFORMATION ON LIABILITIES**1. Equity**

The information on equity is included in Section Q.

2. Reserves

The overview of reserves for the current accounting period is presented in the table below:

Item	Current accounting period				Balance as of 31/12/2019
	Balance as of 01/01/2019	Set-up	Use	Release	
a	b	c	d	e	f
Long-term provisions of which:	20 191 022	1 370 037	-	42 426	21 518 632
Other long-term provisions					
Litigations	18 618 837	1 359 133	-	42 255	19 935 714
Bonuses	166 568	-	-	-	166 568
Litigations fees	1 381 268	-	-	-	1 381 268
Severance payments	24 349	10 904	-	171	35 082
Total other long-term provisions	20 191 022	1 370 037	298 652	42 426	21 518 632
Short-term provisions of which:	299 235	241 852	298 652	583	241 852
Legal short-term provisions					
Wages for holiday including social welfare	67 751	68 935	67 168	583	68 935
Audit of financial statements and preparation of tax return	-	-	-	-	-
Total legal short-term provisions	67 751	68 935	67 168	583	68 935
Other short-term provisions					
Onerous contracts	-	-	-	-	-
Onerous service contracts					
Other tax disallowed entries					
Bonuses for employees	88 474	61 693	88 474	-	61 693
Sanctions and penalties					
Other	143 010	111 224	143 010	-	111 224
Unbilled supplies	-	-	-	-	-
Total other short-term provisions	231 484	172 917	231 484	0	172 917

The company replenished the reserves for litigations with interest on late payment. Reserve in amount of 952 700 EUR was created for litigation with the company FORUM INVEST, for interests from litigations, replenished the reserves with sum of 406 433 EUR. The Company cancelled reserves for litigation with Mr Rajčany/Rajčanyová in amount of 42 255 EUR. The Highest Court of SR rejected the motions by decision of 20 February 2019. Thus the litigation was definitely resolved in favour of CDCP.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Supplies of assets not invoiced

The reserves for supplies of assets not yet invoiced that are not shown as having impact on economic result.

The overview of provisions for the prior accounting period is presented in the table below:

Item	Prior accounting period				
	Balance as of 01/01/2018	Set-up	Use	Release	Balance as of 31/12/2018
a	b	c	d	e	f
Long-term provisions of which:	18 814 216	1 379 824	3 018	-	20 191 022
Other long-term provisions					
Litigations	17 246 105	1 372 732	-	-	18 618 837
Bonuses	166 568				166 568
Litigations fees	1 381 268	-	-	-	1 381 268
Severance payments	20 275	7 092	3 018	-	24 349
Total other long-term provisions	18 814 216	1 379 824	3 018	-	20 191 022
Short-term provisions of which:	215 952	299 235	209 272	6 679	299 235
Legal short-term provisions					
Wages for holiday including social insurance	68 456	67 751	66 226	2 230	67 751
Audit of financial statements and preparation of tax return					
Total legal short-term provisions	68 456	67 751	66 226	2 230	67 751
Other short-term provisions					
Onerous contracts					
Onerous service contracts	-	-	-	-	-
Other tax disallowed entries					
Bonuses for employees	61 932	88 474	57 482	4 449	88 474
Sanctions and penalties					
Other	85 564	143 010	85 564	-	143 010
Supplies not invoiced					
Total other short-term provisions	147 496	231 484	143 046	4 449	231 484

The Company replenished the reserves for interests on late payment related to litigations. Reserve in amount of 952 700 EUR was created for litigation with the company FORMU INVEST.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

3. Liabilities

The structure of liabilities (except for bank loans) by remaining maturity period is shown in the following table:

Item	Current accounting period	Prior accounting period
Total long-term liabilities	151 420	145 948
Liabilities due after five years	11 079	5 189
Liabilities due from one to five years	140 341	140 759
Total short-term liabilities	1 220 289	1 562 808
Liabilities due within one year including	1 218 099	1 557 716
Overdue liabilities	2 190	5 092

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

4. Deferred tax liability

The calculation of deferred tax liability is shown in the following table:

Item	Current accounting period	Prior accounting period
Temporary differences between the book value of assets and their tax base of which:	- 3 953 514	- 4 902 607
deductible	- 4 615 698	- 5 564 873
taxable	662 184	662 266
Temporary differences between the book value of liabilities and their tax base of which:	- 21 714 592	- 20 455 532
deductible	- 21 714 592	- 20 455 532
taxable	-	-
Tax loss carried forward	-	-
Unused tax deductions	-	-
Income tax rate (in %)	21	21
Deferred tax receivable calculated	-	-
Deferred tax receivable recognized	1 297 102	1 228 533
Recorded as expense reduction	68 568	135 956
Recorded in equity		-
Deferred tax liability	140 341	140 759
Change in deferred tax liability	-419	- 668
Recorded as cost	-419	- 668
Recorded as equity	-	-
Other	-	-

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

5. Social fund

Contributions to and withdrawals from the social fund during the accounting period are shown in the following table:

Item	Current accounting period	Prior accounting period
Opening balance	5 189	5 883
Contributions charged to costs	12 640	7 325
Contributions from profit	-	-
Other contributions	-	-
Total social fund contributions	12 640	7 325
Withdrawal	6 750	8 019
Closing balance	11 079	5 189

According to the Act on Social Fund, creation of one part of the social fund is mandatory as expense and other part may be created from the profit. According to the Act on Social Fund, the social fund may be used for social, health and other needs of employees.

8. Accruals and deferrals

The structure of accruals and deferrals is shown in the following table:

Item	Current accounting period	Prior accounting period
Long-term accrued expenses of which:	-	-
	-	-
Short-term accrued expenses of which:	6 664	87
Interests from LT deposit payable in 2016	6 664	87
Long-term deferred revenues of which:	-	2 160
SW re-invoiced to MH – SW application - ECP	-	-
SW re-invoiced to MH – Fees module	-	2 160
Short-term deferred revenues of which:	24 209	26 634
SW re-invoiced to MH – SW application – ECP	-	-
SW re-invoiced to MH – Fees module	2 160	6 480
SW re-invoiced to MH – SPOZUS	-	-
CD-125 LEI code administration (renewal)	22 049	20 154
Total	24 209	28 794

Expenses were re-invoiced based on the “Frame agreement on cooperation on technical and administrative support in ensuring book-entry securities transfer from owner’s accounts in CDCP’s registration to MH”.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

H. INFORMATION ON REVENUES**1. Revenues from the sale of the Company's own work and goods**

Revenues from the sale of the Company's own work and goods by individual segments, i.e. by product and services types, and by main territories are presented in the following table:

Sales territory	Type of products, goods, services (Services)	
	Current accounting period	Prior accounting period
Slovakia	7 895 292	7 050 625
EU	630 854	535 083
Other	11 004	9 911
Total	8 537 150	7 595 619

Revenues from the sale of the Company's own work by particular services are shown in following table (in EUR):

	Current accounting period	Prior accounting period
Administration of securities owner account	3 060 220	3 198 456
Registration services to issuers of book-entry securities	3 197 631	2 243 234
Trade services to issuers of paper-form securities	1 127 187	1 273 557
Registration services to issuers of paper-form securities	174 019	219 277
Information services to issuers of book-entry securities	251 430	208 324
Pledge	229 515	142 481
Changer of owner transfer/transition	198 842	139 552
Use of IS by members	2 600	1 400
National Numbering Agency	55 770	58 470
Information services for subjects pursuant to §110	14 329	15 862
Account statements	18 943	21 510
Information services to issuers of paper-form securities	1 700	1 545
Trade services to issuers of book-entry securities	83 431	-
Other services	121 533	71 951
Total	8 537 150	7 595 619

2. Capitalisation of costs, income from operational and financial activities

Overview of the income from capitalisation of costs and operational, financial and extraordinary activities is presented in the table below:

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Item	Current accounting period	Prior accounting period
Capitalisation of costs – material items of which:	-	-
Tangible assets capitalised from own work		
Other capitalisation		
Other material items of operating income of which:	119 477	941 199
Sale of material	-	17
Sale of tangible and intangible assets	34	3 291
Re-invoicing of costs from RMS to NPF (Note N)	-	-
Revenues from depreciation of IS used for the project “transfer without consideration” (NPF)	6 480	6 480
Short-term provision for false service contracts	-	-
Contractual surcharges, penalties and interests on late payments	2 770	18 920
Other surcharges, penalties and interests on late payments	11 468	10 673
Revenues from amortized and transferred claims	82 831	130 855
Other	15 894	770 963
Financial income of which:	67 359	38 173
Foreign exchange gains of which:	42	21
Foreign exchange gains at balance sheet date	42	21
Other material items of financial income of which:	67 317	38 152
Interests from current accounts	117	227
Interests from short-term term deposits	66 966	37 512
Interests from provided loans	234	413
Gains from non-current financial assets – ANNA/GIAM	-	-
Other financial income	-	-
Extraordinary income of which:		
Compensation of damage from natural disasters from insurance company	-	-

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

3. Net turnover

In order to check whether the Company is obliged to have the financial statements audited by the auditor [Section 19(1)(a) of the Act on Accounting] the net turnover of the Company is presented in the following table:

Item	Current accounting period	Prior accounting period
Sale of own products	-	-
Sale of services	8 537 150	7 595 619
Sale of goods	-	-
Revenue from contracts	-	-
Revenue from real estate for sale	-	-
Other income related to ordinary activities	-	-
Total net turnover	8 537 150	7 595 619

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

I. INFORMATION ON COSTS**4. The costs of services received, other cost of operations, financial, and extraordinary costs**

The overview of costs of services received, other cost of operations, financial, and extraordinary costs:

Item	Current accounting period	Prior accounting period
Costs of services received of which:	2 495 731	3 003 896
Auditor or audit firm costs of which:	9 130	8 830
Financial statements audit costs	9 130	8 830
Other assurance and audit services	37 016	30 976
 Other material costs items of services received of which:	 2 449 585	 2 964 090
Service works	855 001	783 940
Software maintenance	652 392	638 765
Expert opinions and analyses	226 100	23 030
Postal money order fees ("U" PO)	61 438	61 993
PR services	22 897	22 814
Postal charge	97 397	113 857
Security and cleaning services	108 715	83 011
Legal services	19 437	40 224
Translating services	1 753	0
Tax and economic consultancy	7 967	7 966
Rent	167 981	153 755
Repairs and maintenance	56 046	36 161
Telecommunication services	27 695	24 661
Travel costs	11 809	10 633
Promotion costs	8 403	7 204
Small intangible assets	9 572	4 931
Other	114 982	951 145
 Other material items of cost of operations of which:	 1 866 639	 1 720 566
Creation and posting of valuation allowance for receivables	413 302	258 083
Other reserve for litigations	1 316 878	1 372 731
Liability for damage insurance	40 229	40 054
Receivables depreciation	69 612	26 580
Unimplemented investments	0	0
Investment reserves and reserves for risk contracts	0	0
Net book value of sold tangible and intangible assets	0	1 172
Other	26 618	21 946
 Financial costs of which:	 54 961	 55 025
Exchange rate loss of which:	3	48
Exchange rate loss at balance sheet date	2	47
Other material items of financial costs of which:	54 958	54 977
Banking fees, VAKUP fees, NBS Target2	54 958	54 977
Other	0	0

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

J. INFORMATION ON INCOME TAXES

The reconciliation of expected to reported income tax is shown in the following table:

Item	Current accounting period			Prior accounting period		
	Tax base	Tax	Tax in %	Tax base	Tax	Tax in %
a	b	c	d	e	f	g
Profit(loss) before taxes of which:	1 235 179	-	100%	822 542		100%
Expected tax		259 388	21%	-	172 734	21%
Tax non-deductible expenses	2 776 227	583 008	47%	2 867 604	602 197	73%
Non-taxable income	-1 624 344	- 341 112	- 28%	-1 804 975	- 379 045	-46%
Impact of unrecognised deferred tax receivable				39 209	-	0%
Tax loss carried forward				-	-	0%
Tax rate change				0	0	0%
Other				-	-	0%
Total	2 387 062	501 284	41%	1 924 380	395 886	48%
Due income tax		514 029	42%		403 056	49%
Deferred income tax		-68 987	- 6%		-136 624	-17%
Total income tax		445 042	36%		266 432	32%

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Additional information about deferred tax:

Item	Current accounting period	Prior accounting period
Deferred tax receivable posted as cost or revenue, resulting from the change in income tax rate	-	-
Deferred tax liability recorded as cost or revenue, resulting from the change in income tax rate	-	-
Deferred tax receivable relating to tax loss carried forward, unused tax deductions and other claims, including temporary differences from preceding accounting periods to which deferred tax receivable was not recognised in prior periods	-	-
Deferred tax liability due to not recognising part of tax receivable in the current accounting period that had been recognised in preceding accounting periods	-	-
Unclaimed tax losses, unused tax deductions and other claims and deductible temporary differences for which an deferred tax receivable was not recognised	4 232 259	4 235 751
Deferred income tax relating to items recognised directly inequity without recognising it in income and expenses	-	-

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

K. INFORMATION ON OFF-BALANCE SHEET ACCOUNTSProperty leased from other parties

Item	Current accounting period	Prior accounting period
Rented assets	-	-
Assets under operating lease	20 728	20 548
Assets taken in custody	-	-
Receivables from derivatives	-	-
Liabilities from option derivatives	-	-
Receivables written-off	-	-
Receivables from the lease	-	-
Liabilities from the lease	-	-
Other items	-	-

The property in lease

- 6 copy machines. Annual costs for the rent and print-outs in the year 2019 are 11 104 Eur. The contracts are concluded for the period of 48 months with automatic prolongation by 12 months. The notice period is 3 months.
- 1 leased car. Annual rental costs for the year 2019 are 9 624 Eur.

L. INFORMATION ON OTHER ASSETS AND OTHER LIABILITIES**1. Conditional liabilities**

Type of contingent liability	Current accounting period	
	Total amount	To related parties
From court decisions	21 316 982	-
From guarantees provided	-	-
From generally binding legal regulations	-	-
From subordinated debt contract	-	-
From guarantees	-	-
Other contingent liabilities	-	-
Type of contingent liability	Prior accounting period	
	Total amount	To related parties
From court decisions	19 994 939	-
From guarantees provided	-	-
From generally binding legal regulations	-	-
From subordinated debt contract	-	-
From guarantees	-	-
Other contingent liabilities	-	-

The Company has the following possible other obligations that are not reflected in a common accounting and they are not included in the balance sheet:

- Currently the Company participates in several litigations resulting from transactions effected in the past periods in the total claimed amount of € 21 316 982 (including extras). Most of the litigations last for longer period and decisions may not be made yet for several years. It is not possible to predict with sufficient adequacy the final result of these litigations. The final decision in these litigations to the detriment of the Company may have unfavourable impact on its financial results, liquidity, and ability of the Company to meet requirements set by the law (limits)

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

concerning its activity and uninterrupted continuation of its activities. Under these circumstances an additional financing and support of the owner and of the final owner of the Company could be needed.

- As of 31 December 2019 the Company created reserves on risks resulting from litigations in the amount of 19 935 715 EUR. Estimation of probable loss done by the management of the Company was based on available information on status of such litigations, advice of external legal advisors, and internal assessment of probable result of litigations. Management of the Company estimated reserves only for cases where it expects the possible loss for the Company. The Company also registers disputes for which a probability, respectively the amount of loss, at this stage cannot be determined or estimated. The final result of litigations can differ from estimates and this difference can be substantial.
- For litigations, where the company expects decision made in favour of the Company, the Company has created a reserve for (share) bonus in favour of external defence attorney in the amount of 1 381 267 EUR.
- Due to the fact that many areas of Slovak tax law (e. g. legislation concerning transfer pricing) have not been sufficiently tested in practice, there is an uncertainty on how the tax authorities will apply them. It is not possible to quantify the level of such uncertainty and it shall cease only when legal precedents or official interpretations of the relevant authorities are available. The management of the Company is not aware of any circumstances that would result to a material cost in the future.

M. INFORMATION ON INCOME AND BENEFITS OF MEMBERS OF THE STATUTORY, SUPERVISORY AND OTHER COMPANY'S BODIES

During the respective accounting period the remuneration for members of Company's statutory bodies for discharge of their functions in the Company were in the amount of 37 440 EUR (in 2018: 37 440 EUR), remuneration for supervisory bodies of the Company were in the amount of 17 880 EUR (in 2018: 22 781 EUR).

No loans, guarantees, other forms of security or other performance was provided to members of statutory body and members of supervisory bodies for private purposes in 2019 (in 2018: none).

Type of income, benefit a	Income and benefit of current members of Company's bodies			Income and benefit of former members of Company's bodies		
	Statutory	Supervisory	Other	Statutory	Supervisory	Other
	Part 1 – Current accounting period			Part 1 – Current accounting period		
	Part 2 – Prior accounting period			Part 2 – Prior accounting period		
Cash income	142 777	17 880	1 650	-	-	-
	129 927	22 781	1 350	-	-	-
Non-cash income	6 570	30	-	-	-	-
	4 772	50	-	-	-	-
Cash advances	-	-	-	-	-	-
	-	-	-	-	-	-
Non-cash advances	-	-	-	-	-	-
	-	-	-	-	-	-
Loans provided	-	-	-	-	-	-
	-	-	-	-	-	-
Guarantees provided	-	-	-	-	-	-
	-	-	-	-	-	-
Other	-	-	-	-	-	-

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

N. INFORMATION ON ECONOMIC RELATIONS BETWEEN THE COMPANY AND ITS RELATED PARTIES

During the accounting period the Company executed the transactions with the following related parties:

- Bratislava Stock Exchange, a.s. (hereinafter only "BCPB")
- MH Manažment, a.s. (hereinafter only "MH Man") - National Property Fund of the Slovak Republic was cancelled pursuant to the Act 375/2015 on destabilization of the National Property Fund of the Slovak Republic and on change and amendment of certain acts of 12 November 2015
- Ministry of Finance of the Slovak Republic (hereinafter only "MF SR")
- DLHOPIS, o.c.p., a.s. (hereinafter only "DLHOPIS")
- Železničná spoločnosť Cargo Slovakia, a.s.
- SHIFT, a.s.
- National Development Fund II., a.s.

Transactions with related parties (except for parent company and subsidiaries) are shown in the following table:

Related party	Transaction type code	Value of transaction	
		Current accounting period	Prior accounting period
a	b	c	d
MF SR – Sale of services	03	1 108 619	921 220
MH Man – Other revenues - economic activity	11	-	744 023
MH Man – Depreciation of SW application for "transfer without consideration"	11	6 480	6 480
MH Man – Sale of services	03	38 369	38 503
DLHOPIS – Sale of services	03	8 997	9 529
Železničná spoločnosť Cargo Slovakia, a.s.	03	45	45
SHIFT, a.s.	03	310	355
National Development Fund II., a.s.	03	45	235

Transactions with parent company and subsidiaries are shown in the following table:

Subsidiary/Parent company	Transaction type code	Value of transaction	
		Current accounting period	Prior accounting period
a	b	c	d
BCPB – Purchase of services	01	111 498	99 211
BCPB – Sale of services	03	13 478	22 483
BCPB – Other revenues from economic activity	11	-	-

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Note:

Transaction type code	Type of transaction:
01	Purchase
02	Sale
03	Provision of services
04	Sales representation
05	Licence
06	Transfer
07	Know –how
08	Loan, borrowing
09	Financial assistance
10	Guarantee
11	Other transaction

Selected assets and liabilities resulting from transactions with related parties are presented in the table below:

	Current accounting period	Prior accounting period
Trade receivables	46 285	54 703
Other receivables within the consolidated group	-	-
Accrued income	-	-
Deferred costs	-	-
Loans given	-	-
Total assets	46 285	54 703
Trade liabilities	907	1 515
Other liabilities within the consolidated group	-	-
Unbilled supplies	-	-
Provisions	-	-
Deferred revenues	-	-
Accrued expenses	-	-
Loans received	-	-
Total liabilities	907	1 515

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

O. PROJECT "TRANSFER OF SECURITIES FROM SECURITIES OWNER'S ACCOUNTS TO NPF SR WITHOUT CONSIDERATION"

	Current accounting period	Prior accounting period
Revenues		
MH Man – Other revenues from economic activity (Note G2)	-	744 023
MH Man – Depreciation of SW application for "transfer without consideration"	6 480	6 480
Total revenues	6 480	750 503
Costs		
Other services - RMS	-	-
MH Man – Depreciation of SW application for "transfer without consideration"	6 480	6 480
Rent	-	-
ORACLE license	-	-
Total costs	6 480	6 480

In the year 2018, services of DLHOPIS were re-invoiced to MH Man through Other revenues from economic activity (account 648) without impact on the economic result in the amount of 744 023 EUR. Along with accounting of costs in the form of depreciation of software re-financed by MH Man (NPF), the Company accounted the revenue in the respective amount so that it does not influence the economic result of the current year.

P. INFORMATION ON POST-BALANCE SHEET EVENTS

No events with significant influence on fair presentation of facts subject to bookkeeping occurred after 31 December 2019. We assessed potential impact of COVID 19 to our business activities and we concluded that they have not major impact to our capability to continually operate and function as sound entity for next 12 months.

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Q. INFORMATION ON OWNER'S EQUITY

Movements in equity in the course of the year are shown in the following table:

Item	Current accounting period				Balance as of 31/12/2019
	Balance as of 01/01/2019	Additions	Disposals	Transfers	
a	b	c	d	e	f
Share capital	10 489 304	-	-	-	10 489 304
Share capital	10 489 304	-	-	-	10 489 304
Changes in share capital					
Receivables from subscribed equity					
Share premium					
Other capital reserves					
Legal reserve funds	434 884	55 611	-	-	490 495
Legal reserve funds (non-distributable reserve)	434 884	55 611	-	-	490 495
Reserve fund for own shares and own ownership interests	-	-	-	-	-
Other reserves from profit	1 942	-	-	-	1 942
Statutory funds	-	-	-	-	-
Other funds from profit	1 942	-	-	-	1 942
Valuation adjustments from revaluation	-143	-	-	-	-143
Valuation adjustments from revaluation of assets and liabilities	-143	-	-	-	-143
Valuation adjustments from equity investments	-	-	-	-	-
Valuation adjustments from revaluation in case of mergers, fusions or demergers	-	-	-	-	-
Profit/loss for previous accounting periods	- 3 028 495	-	500 499	-	-2 527 996
Retained earnings	-	-	-	-	-
Loss carried forward	- 3 028 495	-	500 499	-	-2 527 996
Profit/loss for current accounting period	556 111	790 137	- 556 111	-	790 137
Total	8 453 603	845 748	- 55 612	-	9 243 739

- The Company share equity consists of 316 shares in the nominal value of 33 194 EUR. The same shareholder rights are attached to all shares.
- Profit per one share for the year 2019 is 2 500 EUR (Profit per share in the year 2018: 1 760 EUR).

The overview of changes in equity for the prior accounting period is presented in the following table:

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Item	Prior accounting period				Balance as of 31/12/2018
	Balance as of 01/01/2018	Additions	Disposals	Transfers	
a	b	c	d	e	f
Share capital	10 489 304	-	-	-	10 489 304
Share capital	10 489 304	-	-	-	10 489 304
Changes in share capital	-	-	-	-	-
Receivables from subscribed equity	-	-	-	-	-
Share premium	-	-	-	-	-
Other capital reserves	-	-	-	-	-
Legal reserve funds	377 457	57 427	-	-	434 884
Legal reserve funds (non-distributable reserve)	377 457	57 427	-	-	434 884
Reserve fund for own shares and own ownership interests	-	-	-	-	-
Other reserves from profit	1 942	-	-	-	1 942
Statutory funds	-	-	-	-	-
Other funds from profit	1 942	-	-	-	1 942
Valuation adjustments from revaluation	- 143	-	-	-	- 143
Valuation adjustments from revaluation of assets and liabilities	- 143	-	-	-	- 143
Valuation adjustments from equity investments	-	-	-	-	-
Valuation adjustments from revaluation in case of mergers, fusions or demergers	-	-	-	-	-
Profit/loss for previous accounting periods	-3 545 335	-	516 840	0	-3 028 495
Retained earnings	-	-	-	-	-
Loss carried forward	-3 545 335	-	516 840	0	-3 028 495
Profit/loss for current accounting period	574 266	566 111	- 574 266	-	566 111
Total	7 897 491	613 538	- 57 426	-	8 453 603

Settlement of the accounting profit	Current accounting period
Legal reserve fund	55 611
Statutory fund and other reserves	-
Social fund	-
Increase of registered capital	-
Settlement of loss carried forward	500 500
Retained earnings	-
Dividends – partners, members	-
Other	-
Total	556 111

The General Meeting shall decide on distribution of profit for the 2019 accounting period in the amount of 790 137 EUR. The statutory body proposes to distribute the profit as follows:

- contribution to reserve fund (10%) in the amount of 79 014 EUR

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

- contribution to social fund in amount of 11 123 EUR
- transfer to outstanding loss of previous years in the amount of 700 000 EUR

S. CASH FLOW STATEMENT AS OF 31 DECEMBER 2019

The Company has prepared the cash flow statement using the indirect method.

	Current accounting period	Prior accounting period
	EUR	EUR
Net profit (before deducting tax and extraordinary entries)	1 235 179	822 542
Adjustments for non-cash transactions:		
Depreciation of non-current assets	724 506	692 936
Inventories write-off		-
Change in provisions for non-current assets		-
Change in provisions for receivables	-949 176	-418 160
Change in provisions for inventories		
Change in provisions	1 270 226	1 460 089
Change in accruals/deferrals of costs/revenues	5 582	-1 560
Interest returns (net)	-67 317	-38 152
Exchange rate difference	-39	26
Loss / (gain) from the sale of non-current assets	0	-2 120
Yields from long-term financial assets		-
Correction of previous years		-
Other non-cash entries	69 612	26 580
Profit from operating activities before changes in working capital	2 288 573	2 542 181
Changes in working capital:		
Increase (decrease) of trade receivables	1 236 085	1 012 508
Decrease (increase) of inventories	-10 257	29
Increase (decrease) of payables	-108 398	-91 960
Other		
Operating cash flows	3 406 003	3 462 758

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

	Current accounting period	Prior accounting period
	EUR	EUR
Cash flows from operating activities		
Operating cash flows	3 406 003	3 462 758
Interest paid		-
Interest received	32 701	52 616
Corporate income tax paid	-742 440	20 855
Dividends paid		-
Receipts from extraordinary items		-
Other items not included in operating activities		-
Net cash from operating activities	2 696 264	3 536 229
Cash flows from investing activities		
Purchase of non-current assets	-506 371	-838 263
Receipts from the sale of non-current assets	0	3 291
Term deposits	-	-
Long-term loans granted	-	-
Dividends received	-	-
Net cash from investing activities	2 189 893	2 701 257
Cash flows from financing activities		
Receipts from the increase of share capital and other capital funds	-	-
Receipts / repayments of bank loans	-	-
Receipts / repayments of borrowings from Group companies	-	-
Repayments of long-term liabilities	-	-
Net cash from financing activities	-	-
Increase (decrease) of cash and cash equivalents	2 189 893	2 701 257
Cash and cash equivalents at the beginning of the period	18 931 844	16 230 613
Exchange rate difference	39	-26
Cash and cash equivalents at the end of the year	21 121 776	18 931 844

Notes: Úč POD 3 - 01

Company ID

Tax ID

			3	1	3	3	8	9	7	6
2	0	2	0	3	1	2	8	3	3	

Cash

Cash means cash on hand, cash equivalents, and cash in current bank accounts, an overdraft facility, and the part of Cash in transit which relates to transfer between current account and cash register or between two bank accounts.

Cash equivalents

Cash equivalents are short-term financial assets that are readily convertible to a known amount of cash, and which are subject to insignificant risk of changes in value during the next three months after the financial statements preparation date, for example term deposits on bank accounts with a maximum of a three-month notice, liquid securities held for trading, or preference shares that the accounting unit has acquired and which are due within three months after the financial statements date.

Prepared on: 16 March 2020	Signature of the member of the Company statutory body: (signature)	Signature of a person responsible for preparing the financial statements (signature)	Signature of a person responsible for bookkeeping (signature)
Approved on:	Name Position Ing. Martin Wiedermann Chairman of the BoD Ing. Ľudmila Boboková Vice-chairman of the BoD	Name Position Ing. Pavol Vaník Financial Manager	Name Position Ing. Pavol Vaník Financial Manager

**14. Supplement to the Auditor's Report on audit of the Annual Report
with the financial report of 31 December 2019**



SUPPLEMENT TO THE AUDITOR'S REPORT
on audit of the Annual Report for the year 2019

Centrálny depozitár cenných papierov SR, a.s.

ul. 29. augusta 1/A, 814 80 Bratislava

Company ID: 31 338 976

In Bratislava, April 2020



SUPPLEMENT TO THE AUDITOR'S REPORT

To the shareholder, the Supervisory Board, and the Board of Directors of the company
Centrálny depozitár cenných papierov SR

to the Annual Report

in compliance with §27, section 6 of the Act No. 423/2015 Coll. on Statutory Audit and on Amendments and Supplements to Act No. 431/2002 Coll. on Accounting, as amended (hereinafter only "Act on Statutory Audit")

We have audited the financial statements of the company Centrálny depozitár cenných papierov SR, a.s. (hereinafter only "the Company") as of 31 December 2019, presented in the attached Annual Report of the Company to which we have issued the following independent auditor's report on financial statements on 16 March 2020:

I. Report on audit of the financial statements

"Opinion"

We have performed audit of the financial statements of the company Centrálny depozitár cenných papierov SR, a.s. ("the Company") which consists of the balance sheet as of 31 December 2019, the profit and loss statement for the year ending on the same date, and notes which include overview of relevant accounting principles and accounting methods.

In our opinion, the financial statements present true and reliable image of the financial situation of the Company as of 31 December 2019 and of its economic result for the year which ended on stated date in compliance with the Act No. 431/2002 Coll. on Accounting as amended (hereinafter only „Act on Accounting“).

Basis for opinion

We have performed the audit in compliance with the International Standards on Auditing (ISA). Our responsibility pursuant the standards is defined in section Auditor's responsibility for audit of the financial statements. We are independent from the Company pursuant to the provisions of the Act No. 423/2015 Coll. on Statutory Audit and on Amendments and Supplements to the Act No. 431/2002 Coll. on Accounting as amended (hereinafter only "Act on Statutory Audit") with respect to ethics, including Auditor Code of Conduct, relevant for our audit of the financial statements, and we were compliant also with other requirements of these provisions related to ethics. We are convinced that obtained audit evidence is providing sufficient and acceptable basis for our opinion.

Responsibility of the statutory body for the financial statements

Management of the Company is responsible for the preparation of these financial statements so that provides true and authentic image pursuant to the Act on Accounting and for the internal controls regarded necessary for preparation of the financial statements that are free from material incorrectness, whether due to fraud or error.



At preparing the financial statements, the statutory body is responsible for assessment of Company's ability to pursue its activities continuously, for description of facts related to continuous pursuit of activities if necessary, and for application of presumption of continual pursuit of activities in the accounting, unless it has an intention to liquidate the Company or terminate the operation, or it would not have other realistic option than to do so.

Auditor's responsibility for audit of the financial statements

Our responsibility is to obtain adequate assurance that the financial statements as a whole does not includes material incorrectness, whether due to fraud or error and to issue auditor report, including the opinion. Reasonable assurance is assurance of high level, but is not guarantee that audit performed in compliance with the International Standards on Auditing shall always disclose material incorrectness if existent. Incorrectness can arise in consequence of fraud or error, and are deemed material in case of reasonable expectation that these, individually or collectively, could have impact on economic decisions of users made on basis of these financial statements.

Within audit performed pursuant to the International Standards for Auditing, we apply expert judgment and retain professional scepticism during whole audit. Beyond that:

- We identify and assess risks of material incorrectness in the financial statements, whether due to fraud or error, propose and exercise audit procedures reacting to these risks and are obtaining audit evidence which is sufficient and suitable to provide basis for our opinion. Risk that material incorrectness is not detected is higher in case of fraud than in case of error, because fraud can include collusion, falsification, intentional omission, untrue declaration or avoidance of internal control.*
- We get acquainted with internal controls relevant for audit to be able to propose audit procedures appropriate for given circumstances, but not to provide opinion on effectiveness of internal controls of the Company.*
- We are assessing suitability of applied accounting principles and accounting methods and adequacy of accounting estimations and related information made by the statutory body.*
- We make conclusion if the statutory body properly applies the going concern assumption to the accounting adequately, and based on obtained audit evidence conclusion whether material uncertainty in connection with events or circumstances which could cast significant doubts on ability of the Company to pursue its activities continuously exists. If we come to conclusion that material uncertainty exists, in our auditor report we have to call attention to related information stated in the financial statements, or to modify our opinion if the information is not sufficient. Our conclusions arise from audit evidence obtained before date of the audit report. However, future events or circumstances may cause that the Company shall stop to be a going concern.*
- We are assessing overall presentation, structure and content of the financial statements including information stated in it, and also whether the financial statements reflect realised transactions and events in a way allowing true representation."*



II. Report on other requirements of the acts and other legal regulations

Report on information stated in the Annual Report – supplement to the independent auditor report
The Statutory body is responsible for information stated in the Annual Report prepared in compliance with requirements of the Act on Accounting. Our above stated opinion to the financial statements does not apply to other information in the Annual Report.

In connection with audit of the financial statements our responsibility is to obtain knowledge on information stated in the Annual Report and to assess whether there is no significant discrepancy between information and the financial statements or our knowledge we have obtained during audit of the financial statements, or which seems to be notably incorrect in any other way.

We have assessed if the Annual Report of the Company includes information required by the Act on Accounting.

Based on work performed during audit of the financial statement and based on our opinion:

- information stated in the Annual Report for 2019 is compliant with the financial statements for given year
- the Annual Report includes information pursuant to the Act on Accounting.

In addition, based on our knowledge on the accounting unit and its situation we have obtained during the audit of the financial statements, we are obliged to state whether we have found material incorrectness in the Annual Report we received after issuing this audit report. In this connection no findings exist we should state.

In Bratislava on 20 April 2020

*Slovak Chamber of Auditors, ACCEPT AUDIT & CONSULTING, s.r.o.
Licence No. 124
(round stamp)*

ACCEPT AUDIT & CONSULTING, s.r.o
Baštová 38, 080 01 Prešov
SKAU licence No. 000124
Commercial Register of DC Prešov, file No. 2365/P

(signature)
Auditor in charge:
Ing. Ivan Bošela, CA, MBA
SKAU licence No. 962

15. Glossary

CFI code (ISO 10962 - Classification of Financial Instruments): The CFI consists of six alphabetical characters, assigned in compliance with the standard ISO 10962 Classification of Financial Instruments (CFI code). The CFI reflects characteristics of a financial instrument defined at issuance of the security and remain unchanged during its entire lifetime. CFI code is assigned by the agency which assigned the ISIN code to the financial instrument.

Central securities depository (CSD): An entity that: 1) enables securities transactions to be processed and settled by book entry; 2) provides custodial services (e.g. the administration of corporate actions and redemptions); and 3) plays an active role in ensuring the integrity of securities issues.

Clearing: The process of transmitting, reconciling and, in some cases, confirming transfer instructions prior to settlement, potentially including the netting of instructions and the establishment of final positions for settlement.

Dematerialisation: The elimination of physical certificates or documents of title indicating ownership of financial assets, such that the financial assets exist only as accounting records.

Delivery versus payment (DVP): A securities settlement mechanism which links a securities transfer and a funds transfer in such a way as to ensure that delivery occurs if – and only if – the corresponding payment occurs.

Financial Market Infrastructure (FMI): A multilateral system among participating institutions, including the operator of the system, used for the purposes of clearing, settling, or recording payments, securities, derivatives, or other financial transactions.

FISN code (ISO 18774 - Financial Instrument Short Name): code with 35 alphanumeric characters issued in compliance with standard ISO 18774 Financial Instrument Short Name. ISO standard implements consistent and uniform approach to standardize short names for financial instruments.

Free-of-payment delivery (FOP): Type of instruction for transfer specified by delivery of securities which is not linked to a corresponding transfer of funds.

GLEIF - The Global LEI Foundation: GLEIF is a not-for-profit organization established in June 2014 under view of ROC as operational branch of the global LEI system supporting the implementation and use of the Legal Entity Identifier (LEI). GLEIF grants accreditation and is monitoring Local Operating Units involved in the GLEIS system. GLEIF also makes available the technical infrastructure required for unification of publicly available information on LEI published by the Local Operating Unit.

GLEIS - Global Legal Entity Identifier System: GLEIS is a federated system including Local Operating Units (LOUs), end users and other partners collaborating with GLEIF in LEI codes allocation, data maintenance and publishing.

ISIN code (ISO 6166 International securities identification numbering system): 12 digit alphanumeric code for identification of securities and financial instruments issued in compliance with standard ISO 6166. International numbering system for identification of securities. The Registration Authority for standard ISO 6166 is Association of National Numbering Agencies (ANNA). ISIN code in compliance with the standard ISO 6166 and ANNA Guidelines is assigned by the National Numbering Agencies (NNA) associated in ANNA.

LEI – Legal Entity Identifier: LEI is standardised 20-digit, alpha-numeric code with structure defined by the international standard (ISO 17442). The code enables clear, unmistakeable and unique identification of legal entity in global scale.

LOU – Local Operating Unit: Entity accredited by (ROC) as Local Operating Unit authorised to allocate LEI codes. In first phase of creating of the international system of LEI codes – GLEIS all entities authorised to allocate LEI are identified as pre-LOU.

Participant: An entity which is identified / recognised by a transfer system and – either directly or indirectly – is allowed to send transfer instructions to that system and is capable of receiving transfer instructions from the system.

Securities Settlement System (SSS): A system which allows the transfer of securities, either free of payment (FOP) or against payment (delivery versus payment).

Settlement: The completion of a transaction or of processing with the aim of discharging participants' obligations through the transfer of funds and/or securities.

TARGET2-Securities (T2S): The Eurosystem's single technical platform enabling central securities depositories (CSDs) and national central banks to provide core, borderless and neutral securities settlement services in central bank money in Europe. T2S went live in the year 2015.