



# Annual Report

# 2020

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

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## 1. Introductory Word of the Managing Director

Dear Ladies and Gentlemen,

Centrálny depozitár cenných papierov SR, a. s. (hereinafter „CDCP“ or „central depository“) ended next exceptionally successful and important year. We achieved great profit after tax („economic result“) in amount of 7.52 million EUR. Therefore this year we can pay out dividends to our shareholder, the Bratislava Stock Exchange. The high profit enabled us to set off the remaining losses carried forward that we were battling with for almost entire decade. So without any exaggeration we can tell that this was the breakthrough year. Even despite the fact that the world and our economy were hit by the COVID-19 pandemics. There are several reasons for such excellent result. The economic result was markedly influenced by cancelled provisions for major legal disputes. However, CDCP SR would achieve profit in amount of 2.9 million euro even without this circumstance. The substantial part of last year’s revenues, that contributed to the achieved result the most, was created by fees for issuance of government bonds by the Debt and Liquidity Management Agency of SR (ARDAL). The government responded to the current crisis by issuance of special issues. Nevertheless, we would show increase in profit by 6.6 percent also after deducting these extraordinary incomes.



Due to exceptional situation and declared emergency status we were forced to activate the business continuity plan and to prepare specific scenarios related to the current pandemics. I gladly state, that we quite managed to adopt the preventive measures to protect health of our employees and to prevent spreading of respiratory diseases. We recorded only one COVID-19 positive case among our employees, however, nobody was infected in the office and activity of the central depository was not interrupted. Majority of colleagues got used to changed regime and to work from home. We apologise, that we had to decrease the comfort of provision of services to our clients, but many of them understand the situation and also adapted to current changes. I believe that these limitations are only temporary and soon we will be able to restore standard way of provision of services.

The project of unification of the Slovak central depositories advanced from the analytical phase towards important decisions. Opinion makers involved in the project have agreed to realise unification of the central depositories. It will be CDCP who will proceed to operate after the unification. Therefore Národný centrálny depozitár cenných papierov a.s. (hereinafter “NCDCP”) on 31 December 2020 notified the regulator, i.e. the National Bank of Slovakia, of the intention to wind down its activity and submitted its plan for termination of central depository operation in the year 2021.

During the last year we focused on activities aimed to economy revival, maintaining of interest and issuers’ motivation. This was also the reason why we amended the Scale of Fees; prices were slightly decreased and significant volume discounts were introduced. This was possible thanks to aforesaid higher activity of ARDAL and of other major Slovak issuers in course of the previous year in connection with further maximising of costs-efficiency.

I would like to thank to all clients who decided to use our services during the last year and showed comprehension for changed way of their provision. I also would like to thank to all colleagues from CDCP for accepting necessary measures flexibly and responsibly and for their contribution to achieved results. Appreciation belongs also to all co-operating institutions and to our shareholder - Burza cenných papierov in Bratislava, a.s. (hereinafter only “BCPB”). It’s my privilege and honour to co-operate with competent team, dedicated to the company. Thanks to you, today I can proudly present achieved results and view the future with optimism.

Yours faithfully

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

## 2. Core Activities

### 2.1. Processing of Transfer Instructions

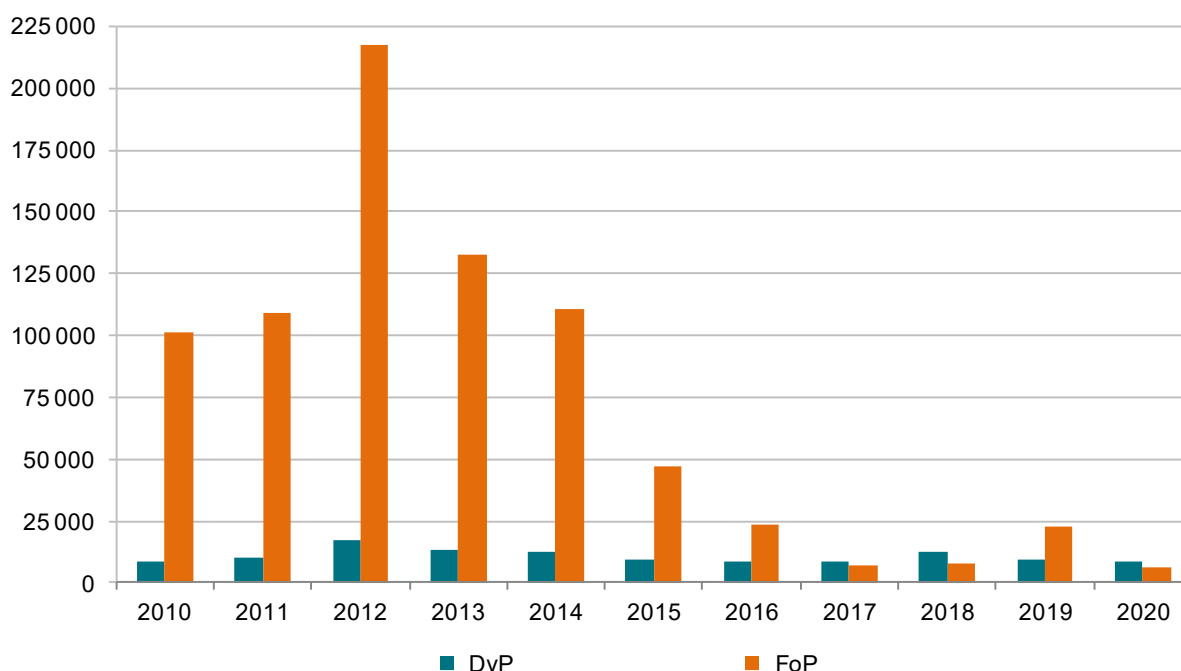
During 258 operating days in 2020, the total value of transfers reached 63 832 million EUR, what represented increase by 85.09 % compared to the year 2019. The average daily value of processed transfers reached 247 million EUR. On the contrary, the number of transfers decreased by almost 52 % compared to the year 2019. The average daily number of transfers fell to 59.

Value and Number of Transfers - Total in 2020						
	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
01.2020	944	597	1 780	639	2 724	1 236
02.2020	699	676	1 739	566	2 438	1 242
03. 2020	1 528	778	4 678	549	6 206	1 327
04.2020	5 565	747	5 195	435	10 760	1 182
05.2020	7 236	937	6 846	456	14 082	1 393
06.2020	2 922	750	4 452	553	7 374	1 303
07.2020	772	660	2 457	406	3 229	1 066
08.2020	378	467	1 606	517	1 984	984
09.2020	749	797	4 142	428	4 891	1 225
10.2020	542	667	3 403	447	3 945	1 114
11.2020	513	663	1 897	364	2 410	1 027
12.2020	1 004	803	2 786	1 239	3 790	2 042
<b>SUM</b>	<b>22 851</b>	<b>8 542</b>	<b>40 981</b>	<b>6 599</b>	<b>63 832</b>	<b>15 141</b>

Value and Number of Transfers Total	2020	2019
Number of Days of Operation	258	256
Total Value in EUR	63 832	34 486
Average Daily Value in EUR	247	135
Number of Transfers	15 141	31 494
Average Daily Number of Transfers	59	123

## Number of DvP and FoP\* transfers in 2010 - 2020:

\* see Glossary (page 80)



### 2.1.1. Delivery versus Payment Transfers

In 2020, the central depository executed DvP transfers of securities in the total market value of 22 851 millions euro. In terms of the number of instructions, the central depository processed a total of 8 542 instructions in its settlement system. The average daily value of securities settled in the CDCP system as DVP transfers reached 88.57 million euro, and the daily number of these transfer instructions averaged at 33 instructions. Compared to a situation in the year 2019, the total value of securities transferred as DVP increased by 179.22 %, which makes a year-on-year increase by 14 667 millions euro. The number of transfer orders processed decreased by 478 orders in comparison to the year 2019; i.e. decrease by 5.3 %.

Value and Number of DvP Transfers	2020	2019
Total Value in EUR - Market Value	<b>22 851</b>	<b>8184</b>
Average Daily Value in EUR	89	32
Number of Transfers	8 542	9 020
Average Daily Number of Transfers	33	35

### 2.1.2. Free of Payment Transfers

The value of securities transferred in 2020 as FoP transfers, expressed in the nominal value, amounted to 40 981 million euro and the average daily value of these transfers amounted to 158.84 million euro. In total 6 599 instructions for FoP transfer of securities was processed in the year 2020 and the average daily number of the processed orders was 26. Compared to the previous year, the value of FoP transfers increased by 14 679 million euro, what represents a year-on-year growth by 55.81%. In

comparison to the year 2019, the number of FoP transfer instructions decreased by 15 875 instructions, what means a year-on-year fall by 70.64 %.

Value and Number of FoP Transfers	2020	2019
Total Value in EUR - Nominal Value	<b>40 981</b>	<b>26 302</b>
Average Daily Value in EUR	159	102
Number of Transfers	6 599	22 474
Average Daily Number of Transfers	26	87

## 2.2. Value of Securities in CDCP Registry

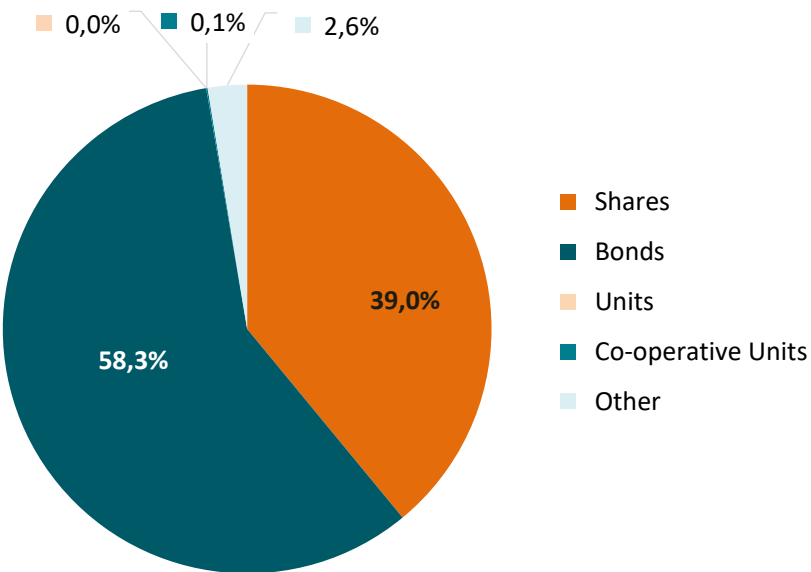
### 2.2.1. Year-end Balance in Owner's Accounts

As of 31 December 2020 the book-entry securities with the total nominal value of 94 691 millions euro 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 55 195 million euro. The total value of shares registered in the accounts was 36 954 million euro and the value of the other securities, which include also issues of government treasury bills, reached total value of 2 451 million euro. Total number of issues of book-entry shares issued in CDCP as of 31 December 2020 amounted to 1 732 issues. The number of issues of bonds was 551, and 224 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 2020 - 16 issues with the total value of 3.35 million euro were registered. In the category of other securities was registered 34 issues at the end of December 2020.

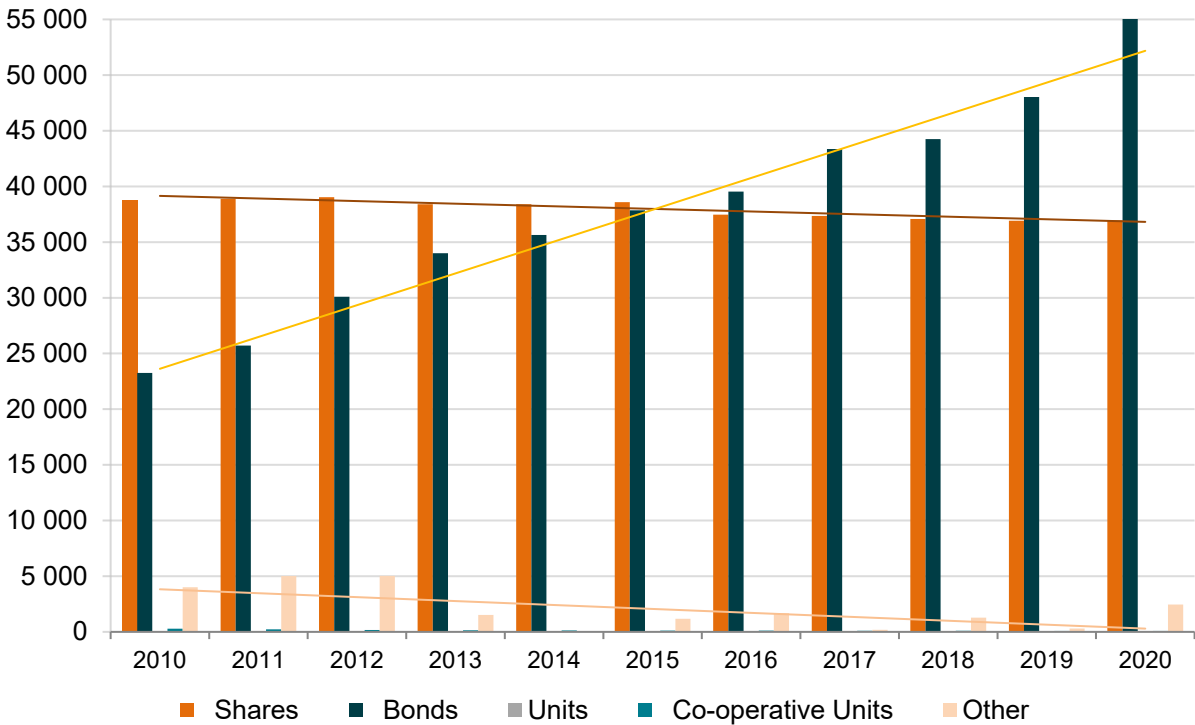
The total value of book-entry securities issued in CDCP increased by 10.94 % compared to the previous year, and the increase expressed in the nominal value equals 9 337 million euro. In the year 2020, the biggest increase was recorded in value of the bonds which rose by 7 156 million euro. The nominal value of Other securities raised by 2 150 million euro. Value of issues of book-entry shares increased by 31 million euro and the value of co-operative units fell by 0.864 million euro. In 2020 the units of the unit trust did not show any change compared to the previous year and their value was 3.35 million euro.

Nominal Value of Book-entry Securities - as of EOY			
	2020	2019	2018
Value Total in EUR	<b>94 691</b>	<b>85 354</b>	<b>82 700</b>
Shares	36 955	36 924	37 079
out of that: non-converted shares*	1 477	1 624	1 779
Bonds	55 195	48 039	44 246
Units	3	3	3
Co-operative Units	86	87	93
Other	2 452	301	1 279

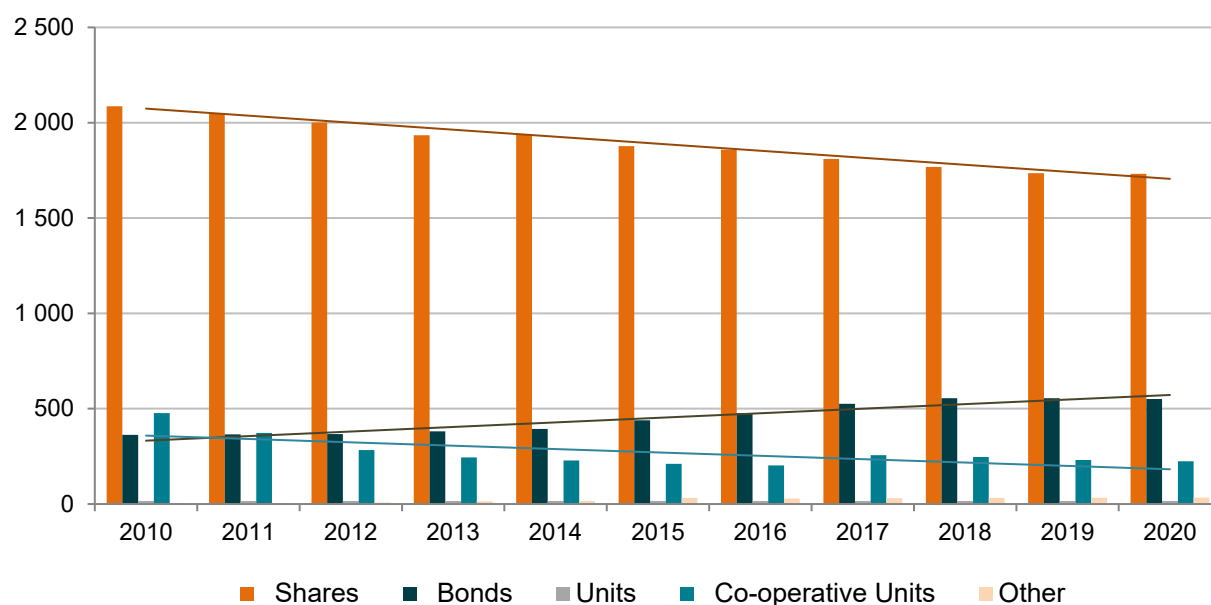
Structure of book-entry securities in 2020 (by value of issued securities):



Value of book-entry securities in the nominal value in 2010 – 2020 (millions EUR):



Number of issues of book-entry securities in 2010 – 2020:



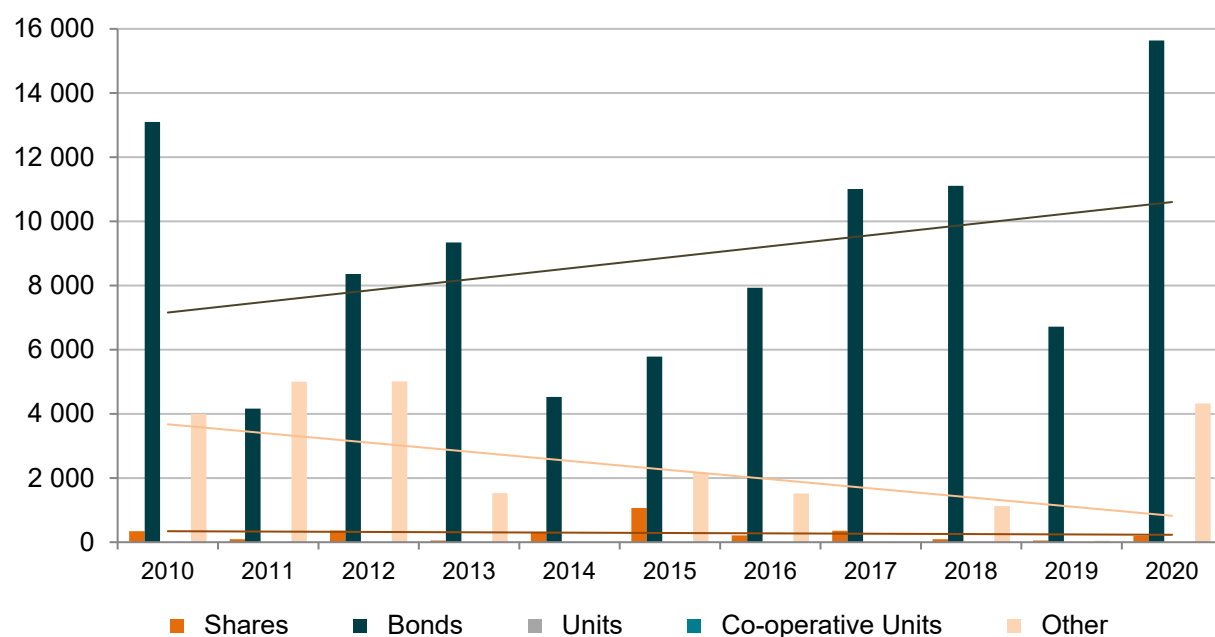
### 2.2.2. New Issues in the year 2020

In 2020, in CDCP the total of 142 new issues of book-entry securities with the total nominal value of 20 149 million euro were issued. As of the end of the year in question, out of these issues the securities with the value of 12 224 million euro were credited to the accounts. The highest increase in the value of new securities was recorded in bonds, i.e. in the amount of 15 635 million euro. It was followed by new issues from category of other securities in the value of 4 322 million euro and the category of shares amounted to 193 million euro. In 2020, 38 new issues of shares, 87 issues of bonds and 17 issues from group of Other Securities were issued whereas this year four new issues in this category were treasury bills. In the year 2020 was not issued a single issue of book-entry units of unit trust or co-operative units.

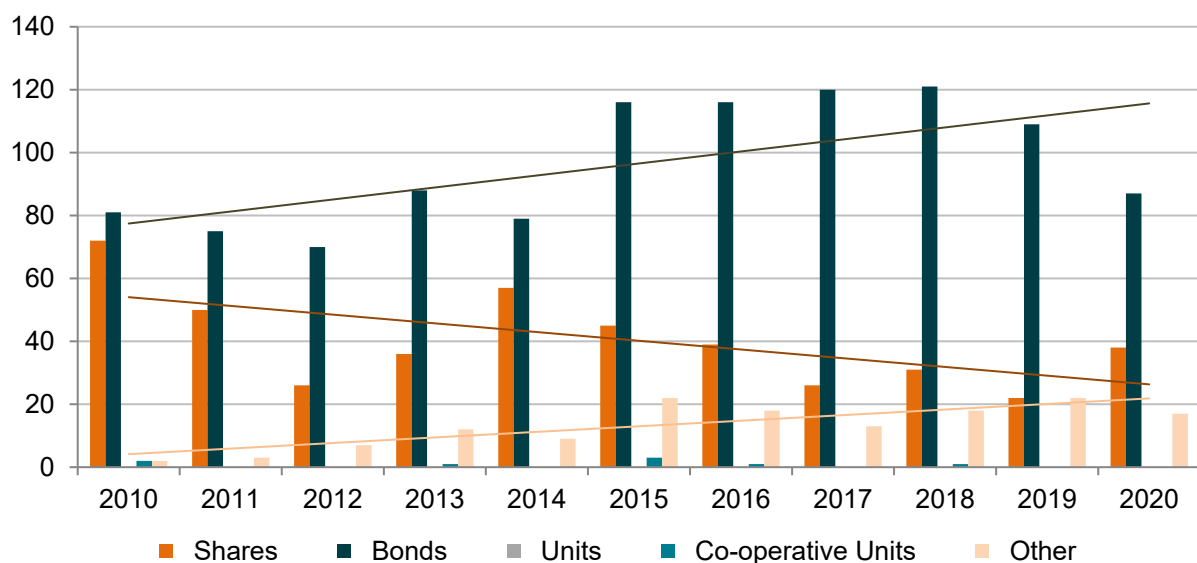
New Issues of Book-entry Securities issued in CDCP - Nominal Value		
	Value in EUR	No. of Issues
<b>Value Total</b>	<b>20 150</b>	<b>142</b>
Shares	193	38
Bonds	15 635	87
Units	0	0
Co-operative Units	0	0
Other	4 322	17



Value of new issues of book-entry securities in 2010 – 2020 (millions EUR):



Number of new issues of book-entry securities in 2010 – 2020 (units):



### 2.2.3. Issues Cancelled in the year 2020

In the course of 2020, securities with the nominal value of 6 764 million euro were cancelled in issuer's register of book-entry securities. The cancelled securities comprised of 155 issues in total, and out of this number, 24 issues were deleted from the issuer's register based on data from the electronic commercial register. The largest decline occurred in bonds where 91 issues were cancelled with the total value of 4 575 million euro. This was followed by 41 issues of shares with the value of 166 million euro, 16 cancelled issues of other securities with the value of 2 018 million euro and, at last, co-operative units with the value of 3.95 million which amounted to 7 issues. No issue of units of unit trust was cancelled in 2020.

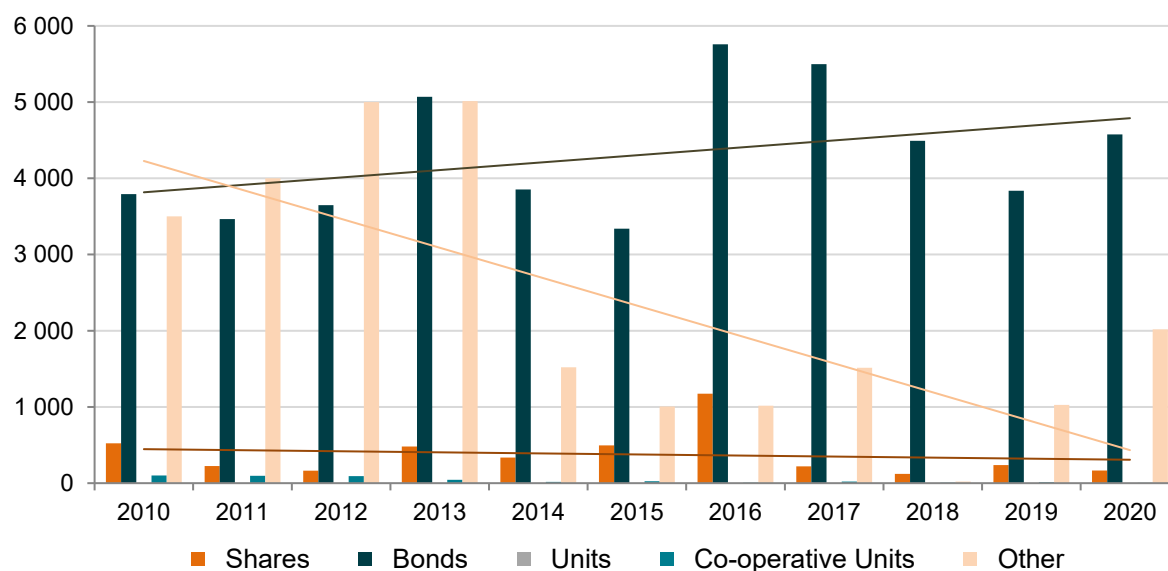
### Cancelled Issues of Book-entry Securities including issues with change of form to paper securities - Nominal Value

	Value in EUR	No. of Issues
<b>Value Total</b>	<b>6 764</b>	<b>155</b>
Shares	166	41
Bonds	4 575	91
Units	0	0
Co-operative Units	4	7
Other	2 018	16

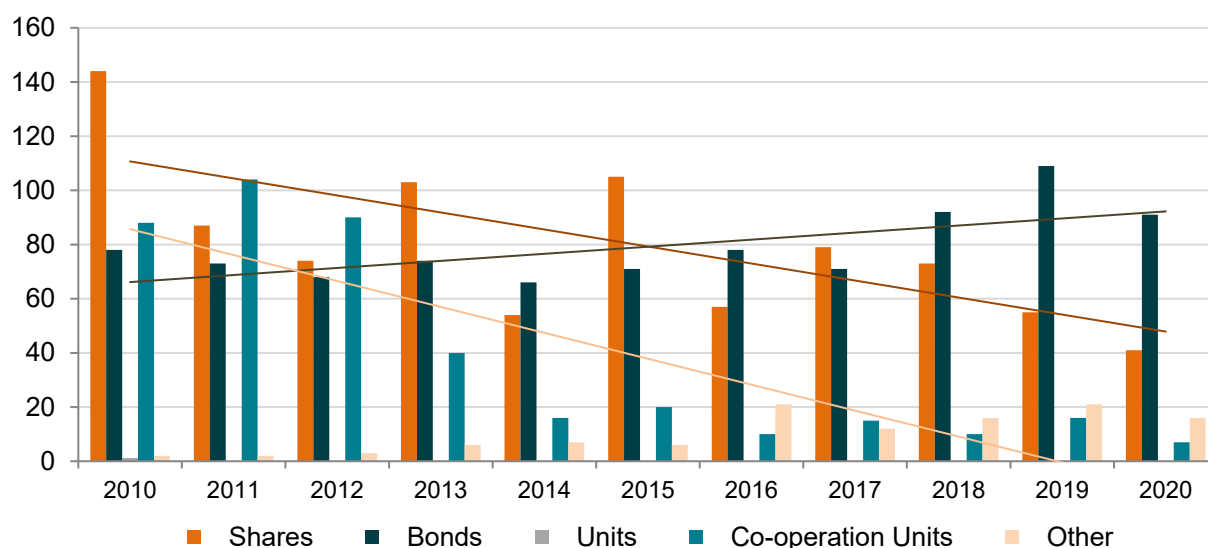
### Issues deleted from the issuer's registration on the basis of data from electronic companies register

	2020
<b>Number of issues</b>	<b>24</b>

Value of cancelled issues of book-entry securities in 2010 – 2020 (million EUR):



Number of cancelled issues of book-entry securities in 2010 – 2020 (units):



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

### 2.3.1. Administration of Issuer's Registry

As of 31 December 2020, CDCP kept issuer's register for 1 414 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 domestic 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 12 (-0.84 % y-o-y) compared to 2019.

### 2.3.2. Issuers of Physical Shares

In 2020, the central depository administered a list of shareholders for 3 702 issuers of paper-form shares, which represents an increase by 21 issuers (increase by 0.57 % y-o-y) compared to the previous year.

Issuer's Registers and Lists of Shareholders	2020	2019	2018
Number of Issuers for whom the CDCP administers the issuer's register	1 414	1 426	1461
Number of Issuers of registered paper shares for whom the CDCP administers the List of Shareholders	3 702	3 681	3652

### 2.3.3. Services based on Written Request

In the year 2019, CDCP handled a total of 15 500 written requests concerning birth registration number or Company ID submitted by authorised persons pursuant to the Article 110 of Act No.566/2001 Coll. on Securities and Investment Services as amended. This figure involves 8 030 request by the courts, 2 852 requests placed by executors, requests delivered from PF/NBS/NSA and 479 requests were submitted by tax and customs offices to which the services are provided free of

charge. Compared to 2019, CDCP handled 1 095 requests less what makes a year-on-year decrease by 6.6 %.

In the year 2020, CDCP also handled a total of 17 200 written requests submitted by natural persons and legal entities for the services such as change in owner, account statement or change in personal data and the like.

### **3. CDCP Information Systems**

In course of the year 2020 CDCP ensured that services of IT systems essential for provision of services to the clients were available and reliable. As regards innovation and development, services according to SRD II requirements for shareholder identification and exercise of certain shareholder rights related to shares with voting right with respect to General Meeting of issuers whose shares were admitted to trading on the regulated market were extended, impact of T2S modifications from releases 3.0, 3.2 and 4.0 to the services of CDCP IT system was implemented, communication methods were extended by new SWIFT FINPlus protocol for exchange of messages, and aggregated statistics for participants were added.

Within the innovative digitalisation project, in the year 2020 new Retention Schedule was introduced, electronic circulation and approving of intra-company economic documents was launched, and prepared were conditions for start of pilot operation of entire project by beginning of 2021.

#### **3.1. Information Safety**

In area of preventive measures against cyber threats CDCP performed in 2020 series of actions, primarily repeated penetration testing of its critical information system, which confirmed improved resistance to cyber-attacks, IT infrastructure penetration testing and staff test in order to identify weak points and possibilities of potential penetration or simpler penetration to CDCP infrastructure.

Standard activity in the year 2020 was disaster simulation and functional testing of the critical information system operation switch from the primary to back-up locality with involvement of the participants.

### **4. Compliance**

#### **4.1. Compliance Department Activities**

In the year 2020 CDCP continued to maintain compliance of the internal organisation, rules, processes and provision of services with legal regulations valid on both the national and the European level. The compliance function with respect to legal regulations and internal control was performed and coordinated by the Compliance Department. We can state that in course of the year 2020 no materialisations of compliance risk were identified.

The Compliance and Internal Control Function is part of the internal control system of CDCP within non-processing control performing (control of compliance with legal regulation and internal control). Therefore, on one hand, the purpose of this control activity is to ensure compliance, i.e. control and assessing whether CDCP executes its activities in compliance with legal regulation, whether the internal regulations and processes are compliant with the applicable regulation and sufficiently implement such regulation, timely identification of discrepancies and shortcomings and their consequent removal. On the other hand, purpose of the internal control is to ascertain actual status of controlled areas, i.e. whether the employees of CDCP perform their duties in compliance with valid regulation, internal rules and other rules of CDCP, and subsequent removal of identified shortcomings. In the year 2020 the control activities focused on different areas of the regulation / rules of CDCP so that execution of obligations under respective legal regulation is applied, regulation for IT area, risk

management and provision of selected CDCP services. Completed controls contributed to removal of identified shortcomings, and also to improvement of processes in controlled areas.

In 2020 the Compliance Department within its activities constantly acted according to adopted rules governing area of conflict of interests, prevention of legalisation of proceeds of criminal activity and terrorist financing (AML), international sanctions, protection of anti-social activity whistle-blowers, fraud prevention. Fulfilment of other tasks was ensured equally, namely continuous monitoring of legislation, staff education, examination of suggestions / solicitations from the National Bank of Slovakia with respect to consumer protection on the financial market.

## 4.2. Local and European Legislation

In course of the year 2020 CDCP implemented to its processes amendments of legal regulation related to CDCP activities. For example, CDCP implemented new rules for AML area, or approved measures in connection with COVID-19.

Important change in the regulation is postponement of application of the settlement discipline rules under the CSDR. This delay relates to postponed application of respective Delegated Regulation No 2018/1229. The change enlarged time for implementation of these rules in CDCP, as well as for co-operation within the ECSDA regarding preparation of rules and agreements for this area. According to the amendment the regulation should be applicable from 1 February 2022.

In connection with the register administered by CDCP, it applies rules under new Act No 318/2020 Coll. regulating exercise of decision on asset freezing and administration of assets seized based on criminal proceeding or other actions (as tax proceeding, application of international sanctions, or declaration of asset origination). Possibilities for improving the processes, including technical solutions, for freezing and administration of seized assets are still analysed in order to ensure trouble-free fulfilling of obligation under new act.

Another amendment that shall enhance quality of CDCP services is Act No. 340/2020 Coll. enabling access of CDCP to register of legal entities for purpose of synchronisation and update of data by referencing (of data kept in register of the central depository to the reference register of legal entities, entrepreneurs and public authorities) also without consent of subject persons, in scope of data recorded in the register of legal entities, entrepreneurs and public authorities.

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 and relevant delegated regulation to the internal processes of CDCP. In the year 2021 CDCP plans to fully implement regulation of the Simple Joint-Stock Company to ensure complex services under legislation of the Slovak Republic. CDCP shall work also on implementation of other rules pursuant to special regulations with impact to operation of CDCP. New revision of CSDR is continuously monitored. The Legislative Intent of Recodification of the Company Law shall bring substantial changes in the future and relevant is also new Proposal of measures for effective functioning of the Business Register.

## 5. Risk Management

Centrálny depozitár cenných papierov SR, a.s., in compliance with the applicable Slovak law while respecting requirements of legal regulations of the European Union, has developed and established 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 the risk management processes in CDCP, ensures implementation of and monitors adherence to approved strategy and risk management processes. The Risk Committee is established in CDCP and is operating as an 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. The Internal Audit Department assesses effectiveness of risk management processes and contributes to their improvement, helps the company to maintain effective control mechanisms by assessing their effectiveness and efficiency, and by supporting their continual improvement.

In course of the year 2020 execution of the internal audit in CDCP aimed to provision of assurance on risk management procedures related to securing of adequacy and effectiveness 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, efficiency, effectiveness and economy of operations, protection of assets and adherence to generally binding legal regulations, internal regulations and agreements.

Audits conducted in 2020 proved that the risk management in audited areas is sufficiently effective in Centrálny depozitár cenných papierov SR, a.s. Internal control procedures and processes are set and functional, and in business continuity area a significant progress was made with respect to quality of business continuity plans and disaster recovery plans. Audit showed good results of the financial institution in field of prevention against legalisation of proceeds from criminal activity and terrorist financing. Regarding the personal data protection, procedures are set up adequately.

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 by the internal audit. 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.

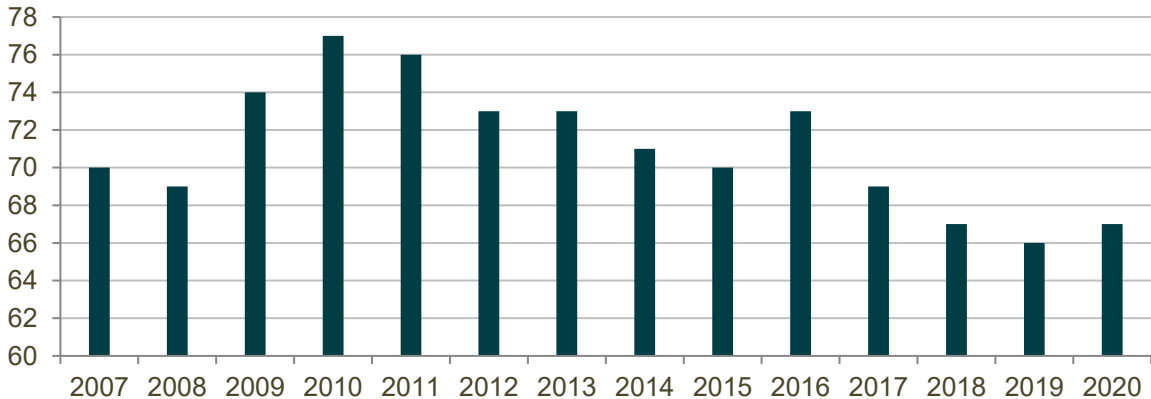
In 2014 CDCP started to assign LEI codes according to the international standard ISO 17442. From 21 May 2014 when CDCP was approved as the Local Operating Unit, it is possible to use the LEI codes assigned by CDCP for identification of entities within the EU legislation (e.g. EMIR, MIFIR, SOLVENCY I. 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 the 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 accreditation verification process was performed from March until July 2020 and the verification was successfully completed by the final report dated July 7, 2020.

**8. Human Resources**

In the year 2020 the total number of employees in CDCP was 73 persons. The average number of employees was 67 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. Fluctuation rate was 2%, and it decreased by 5% compared to the previous year.

*Average number of employees:*



*Structure of employees in the year 2020:*

Average number of employees	66 total
Out of that:	32 men
	35 women
and	3 women – maternity leave
Entries	3 employees
Terminations	3 employees
Average age of all employees	45 years
Average age of new employees	37,5 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. 24 employees attended 19 educational activities in course of the year 2020, namely seminars, trainings, conferences, and workshops. From March 2020 several planned and ordered activities were cancelled by the suppliers due to spreading of virus COVID-19; however, some of them were later realised online. Total education expenses dropped by 50% compared to the previous year, as well as interest of employees in these activities.

### 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 2020, each employee was granted 5 days of leave in addition to the leave entitled under the Labour Code. We care about good relationships among the colleagues; however, mutual relations and eventual teambuilding activities were largely restricted by COVID-19 pandemic. Based on measures imposed by the Government of SR possibility to perform work from home was implemented also in our company, and this regime was applied to 41 employees in form of supplements to the employment contract.

## 9. Strategic Vision

We managed to complete fully the strategy for years 2016-2019 set by our shareholder. The more difficult 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 increase effectiveness.



3. To decrease risk exposure, to terminate remaining long-term litigations what will enable us to cancel provisions and decrease need to create reserves to contingency items.
4. To prepare and realise development projects bringing higher effectiveness 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 latest 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 crisis caused by the COVID-19 virus 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 period of next 3 years 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,
6. Introduction of new services and getting of new clients (as are SJC, unit trust).

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. And next is provision of corporate actions and support for organising, execution and voting in remote – electronic general meetings (remote voting)

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 July 2020 CDCP granted to the central depository Clearstream Banking AG, registered in Germany, access of central depository to the securities settlement system with the effect from 31 July 2020. On 22 June 2020 became effective a withdrawal of the access of a participant granted to the company Infinity ELITE, o.c.p., a.s. So at the end of 2020 CDCP had 26 participants (14 banks, including the National Bank of Slovakia; 6 securities brokers; 4 foreign central depositories; NCDCP – National central securities depository, Debt and Liquidity Management Agency).

In 2020 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 2019. 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.

### **Foreign central depositories:**

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

### **Banks:**

- Citibank Europe, plc., branch office of a foreign bank
- Československá obchodná banka, a.s.
- Erste Group Bank AG
- J & T BANKA, a.s., branch office of a foreign bank
- National Bank of Slovakia
- OTP Banka Slovensko, a.s.
- Poštová banka, a.s.
- Prima banka Slovensko, a.s.
- Privatbanka, a.s.
- Raiffeisen Bank International AG
- Slovenská sporiteľňa, a.s.

- Tatra banka, a.s.
- UniCredit Bank Czech Republic and Slovakia, a.s., branch office of a foreign bank
- Všeobecná úverová banka, a.s.

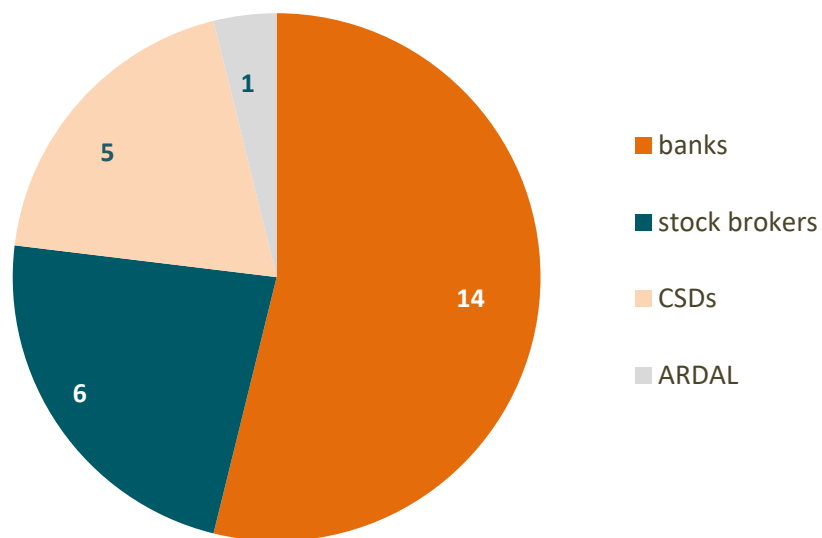
**Securities dealers:**

- Arca Brokerage House o.c.p. a.s.
- DLHOPIS, 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.

**Other:**

- Debt and Liquidity Management Agency (ARDAL)

*CDCP Participants in 2020*



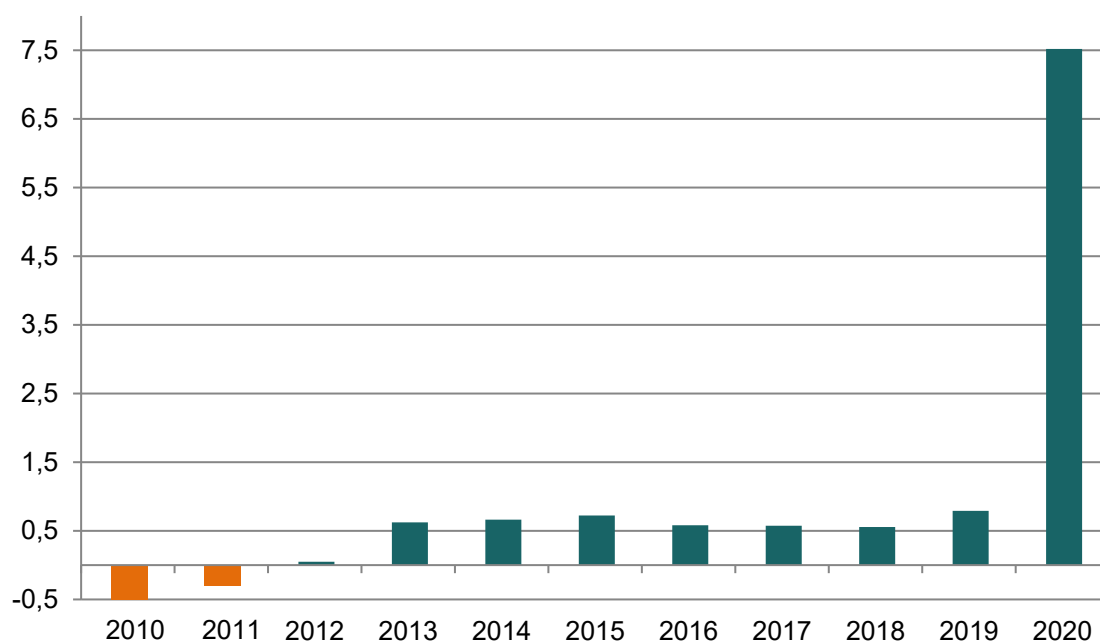
## 11. Economic Results - year 2020

### a) Economic result:

In the year 2020 CDCP retained the positive trend of the economic results achieved in previous years, which exceeded sum of 7.52 million EUR after taxation.

The year-on-year change of the economic result was affected by exceptional decrease in expenses by 75 percent due to cancelled provisions for legal proceeding closed to benefit of CDCP and lower adjusting entries, and concurrent grow of revenues, which increased by 9% than in the year 2019.

*Economic results for years 2010 – 2020 (millions EUR):*



*Economic results (millions EUR):*

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
RESULT	-0.50	-0.30	0.02	0.62	0.66	0.72	0.58	0.57	0.56	0.79	7.52

Total value of CDCP expenses in the year 2020 was influenced mainly by decrease of other expenses for business activities by 243% caused by cancelled provisions for legal proceeding closed to benefit of CDCP and lower adjusting entries to receivables. Costs for service decreased by 5% and expenses on tax and fees are lower by 75% compared to the year 2019 due to lower number of court fees.

CDCP noted opposite trend in income tax, which is higher by 99% compared to previous year, in financial expenses that grew by 28% and in increase of consumption purchases that are higher by 23% than in previous year, staff costs grew by 5% and long-term assets depreciation is higher by 4% than in the year 2019 due to investments activation.

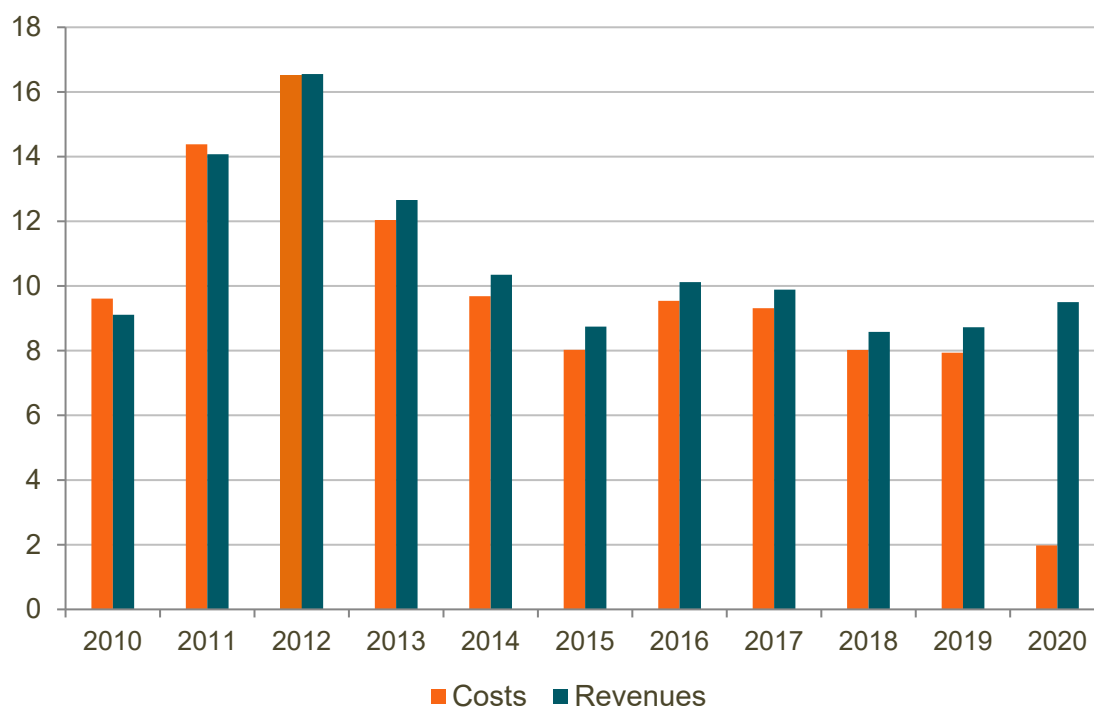
Total revenues were affected primarily by the sales from own services which increased by 7%. These are, similarly as in last years affected mostly by revenues from registration services for issuers of book-

entry securities, administration of securities owner's accounts and business services to issuers of paper form securities which altogether create 87% of total revenues in CDCP.

Other revenues from economic activity increased by 131% in comparison to the previous accounting period as depositories unification project costs were re-invoiced.

Financial revenues grew by 20 % compared to the previous year due to more effective valuation and higher available liquidity.

*Costs and Revenues for the years 2010 – 2020 (millions EUR):*



*Costs and Revenues (millions EUR):*

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
EXPENSES	9.61	14.38	16.53	12.03	9.68	8.02	9.54	9.31	8.02	7.93	1.98
REVENUES	9.11	14.08	16.55	12.66	10.34	8.74	10.12	9.89	8.58	8.72	9.50

#### **b) Financial position of CDCP**

In the year 2020 total capital of CDCP increased by 5 % compared to the year 2019.

Current assets grew by 4 % in comparison to previous year, whereas the long-term receivables decreased by 26%, short term receivables decreased by 12%, and financial accounts increased by 7 %.

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

Year-on-year increase in own capital by 81 % was affected by positive economic result of 7.52 million EUR. Liabilities fell by 25 % compared to previous year.

### c) Investment activities

The capital investments of CDCP in the year 2020 reached value of 1.428 million EUR. The investments concerned primarily modifications of the production software and the digitalisation project.

Next 0.08 million EUR were invested to low-value tangible and intangible assets.

### Distribution of 2020 profit

The General Meeting shall decide on distribution of profit for the 2020 accounting period in the amount of 7.52 million EUR. The proposal of statutory body to the General Meeting is the following:

- contribution to the statutory reserve fund (10%) 0.752 million EUR,
- contribution to the social fund 0.02 million EUR,
- offset with prior year losses 1.828 million EUR,
- contribution to forwarded profit 1.764 million EUR,
- dividends paid to the shareholder 3.160 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. From the year 2018 CDCP uses recycled.

### b) Research and development expenses

The company did not have expenses for research and development in the year 2020.

### c) Own shares

The company didn't acquire own shares in the year 2020 and does not have any own shares.

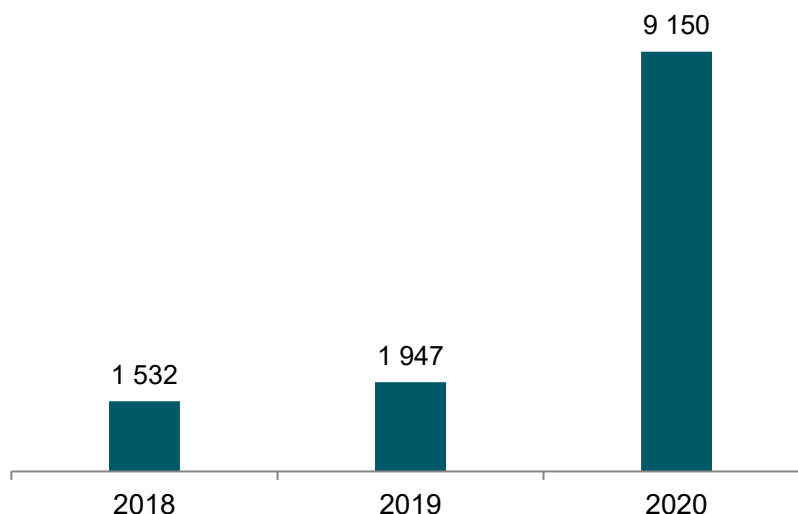
### d) Foreign branch of the company

The company does not have a foreign branch.

### e) EBITDA 3 year development

Much like the economic result, the EBITDA development in the year 2020 is influenced by cancellation of provisions for legal disputes closed to benefit of CDCP and lower adjusting entries to receivables. However, value of this indicator would be higher than it was last two years even without this fact.

*EBITDA:*

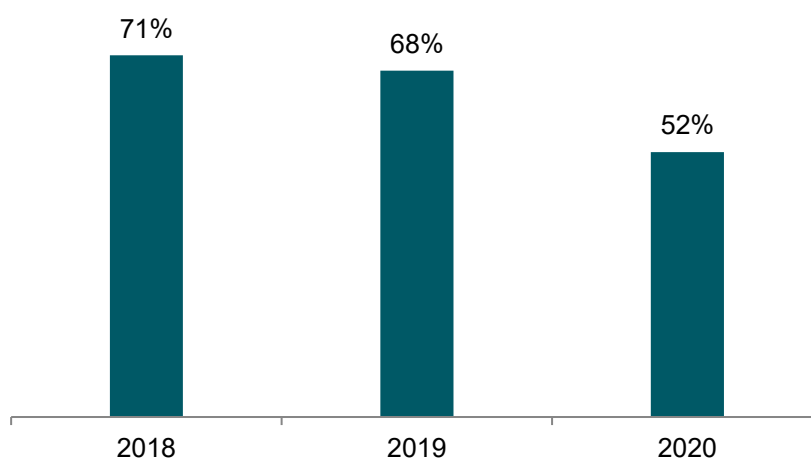


**f) Capital adequacy 3 year development**

According to the CSDR the company monitors this indicator (compliance with the capital requirements), i.e. CDCP verifies whether it is adequately capitalised against the risks it is exposed to and that it is able to conduct an orderly winding-down or restructuring of its activities if necessary.

The indicator is ratio of capital requirements and own resources. Lower ratio in the year 2020 is result of positive economic result and higher own resources.

*Capital adequacy:*





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

**13. Independent Auditor's Report and Financial Statements  
as of 31 December 2020**



### **13.1. Independent Auditor's Report**



KPMG Slovensko spol. s r.o. Telephone +421(0)2 59 98 41 11  
Dvořákovo nábrežie 10 Internet: www.kpmg.sk  
P.O. Box 7  
820 04 Bratislava 24  
Slovakia

## 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 2020, the profit and loss statement for the year ending on the same date, and notes which include summary 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 2020 and of its economic result for the year that ended on given 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 a 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 to 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.

#### *Liability of the statutory body and persons responsible for governance and management 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.

The persons responsible for governance and management are liable for supervision of financial records of the Company



### *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 high level assurance, which however does not guarantee that audit performed in compliance with the International Standards on Auditing shall always disclose material incorrectness, if existent. Incorrectness can arise as consequence of fraud or error, and is deemed material in case of reasoned expectation that these, individually or collectively, could impact economic decisions of users made on basis of these financial statements.

We apply expert judgment and retain professional scepticism during entire audit performed pursuant to the International Standards for Auditing. Beyond that:

- We identify and assess risks of material incorrectness in the financial statements, whether due to fraud or error, propose and perform 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, as fraud can include collusion, falsification, intentional omission, untrue declaration or avoidance of internal control.
- We get acquainted with internal controls relevant to the audit to be able to propose audit procedures appropriate for given circumstances, but not for purpose of provision of opinion on effectiveness of the Company's internal controls.
- 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 whether the statutory body applies a going concern assumption to the accounting appropriately, and based on obtained audit evidence we conclude whether material uncertainty as regards events or circumstances that could cast significant doubts on ability of the Company to pursue its activities continuously exists. If we come to conclusion that material uncertainty exists, we shall highlight the fact in our auditor report of related information stated in the financial statements, or to modify our opinion if the information is not sufficient. Our conclusions are based on audit evidence obtained before the audit report date. However, future events or circumstances may cause that the Company shall cease 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

We communicate with persons responsible for governance and management also planned extent and schedule of the audit and significant findings of the audit, including all considerable insufficiencies of the internal control identified during our audit.

### **Report on other requirements of the acts and other legal regulations**

#### *Report on information stated in the Annual Report*

The Statutory body is liable for other information. Other information include information stated in the Annual Report prepared in compliance with requirements of the Act on Accounting, but do not include the financial statements and our auditor report to these financial statements. Our opinion to the financial statements does not apply to those other information in the Annual Report.

With respect to audit of the financial statements our responsibility is to obtain knowledge on these other information stated in the Annual Report delivered before issuing the audit report to audited



financial statements, and to assess whether there is no significant discrepancy between included other 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. If, based on our works, we come to a conclusion that these other information are notably incorrect, it is required to state such facts.

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, based on work performed during audit of the financial statements, we shall give our opinion in all significant aspects whether:

- other information stated in the Annual Report for 2020 is compliant with the financial statements for given accounting period,
- the Annual Report includes information pursuant to the Act on Accounting.

In addition, we shall state whether we have found material incorrectness in these other information in the Annual Report based on our knowledge on the Company and its situation obtained during the financial statements audit.

26 March 2021

In Bratislava, the Slovak Republic

*round stamp: Slovak Chamber of Auditors,  
SKAU, Licence No. 96  
KPMG Slovensko spol. s r.o.*

*(signature)*

Audit company:  
KPMG Slovensko spol. s r.o.  
SKAU licence No. 96

Auditor in charge:  
Ing. Martin Kršjak  
UDVA licence No. 990

## **13.2. Financial Statements for the year ending on 31 December 2020**

Final Accounts  
As of 31. 12. 2020

Tax ID 2 0 2 0 3 1 2 8 3 3 Identification Number 3 1 3 3 8 9 7 6 Code SK NACE 6 6 . 1 1 . 0	Financial statements x proper extraordinary current	Accounting Unit small x large	month year	For period from until 1 2020 12 2020	Previous period from until 1 2019 12 2019
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<input checked="" type="checkbox"/> Balance sheet in euro	<input checked="" type="checkbox"/> Profit & loss statement in euro	<input checked="" type="checkbox"/> Notes in euro or euro cents
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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  
Number  
1 / A

Postal Code  
8 1 4 8 0  
Place  
B R A T I S L A V 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: 26.3.2021	Approved on:	Signature of the statutory body of accounting unit:
---------------------------	--------------	---

Tax office notes:

Registration Number Tax office stamp

### Balance Sheet as of 31 December 2020 – The Assets Side (in EUR)

Title	ASSETS	Line No.	In current acc. period			Previous acc. period
			Gross	Corre- ction	Net	
	TOTAL ASSETS (lines 002+ 033+074)	001	44 408 330	10 241 627	34 166 703	32 406 805
A.	Fixed assets (lines 003+ 011+ 021)	002	13 134 268	5 810 585	7 323 683	6 676 311
A.I	Total long-term intangible assets (lines 004 through 010)	003	8 423 174	2 897 187	5 525 987	4 790 087
A.I.1	Capitalized development costs	004				
2.	Software	005	7 347 391	2 884 825	4 462 566	4 366 288
3.	Valuable rights	006	17 429	12 362	5 067	6 809
4.	Goodwill	007				
5.	Other long-term intangible assets	008				
6.	Acquisition of long-term intangible assets	009	1 058 354		1 058 354	416 990
7.	Advance payments for long-term intangible assets	010				
A.II.	Total long-term tangible assets (lines 012 through 020)	011	4 709 855	2 913 398	1 796 457	1 884 985
A.II.1	Land	012	431 521		431 521	431 521
2.	Buildings	013	3 829 742	2 654 271	1 175 471	1 272 059
3.	Stand-alone movable objects and groups of movable objects	014	337 180	245 244	91 936	85 990
4.	Perennial crops	015				
5.	Breeding and draught animals	016				
6.	Other long-term tangible assets	017	61 378	13 883	47 495	80 897
7.	Acquisition of long-term tangible assets	018	50 034		50 034	14 518
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		1 239	1 239
A.III.1	Stocks and shares in linked acc. units	022				

2.	Stocks and shares with interests excluding linked acc. units	023				
3.	Other long-term securities and shares	024	1 239		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	31 148 193	4 431 042	26 717 151	25 663 678
B.I.	Total inventories (lines 035 through 040)	034	9 294		9 294	11 882
B.I.1	Stocks	035	9 294		9 294	11 882
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	989 021		989 021	1 330 051
B.II.1	Total trade receivables (lines 43 +44+ 45)	042	21 100		21 100	21 200
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	21 100		21 100	21 200
2.	Net order value	046				
3.	Other receivables from linked accounting units	047				
4.	Other receivables within share participation excl.	048				



	linked accounting units					
5.	Receivables from partners, members and association	049				
6.	Receivables from derivative operations	050				
7.	Other receivables	051	13 151		13 151	11 749
8.	Deferred tax receivable	052	954 770		954 770	1 297 102
B.III.	Total short-term receivables (lines 054 + 058 thr. 065)	053	7 560 286	4 431 042	3 129 244	3 199 969
B.III.1	Total trade receivables	054	7 548 794	4 431 042	3 117 752	3 185 655
1.a.	Trade receivables within linked accounting units	055	45 291		45 291	46 285
1.b.	Trade receivables within share participation except linked accounting units	056				
1.c.	Other trade receivables	057	7 503 503	4 431 042	3 072 461	3 139 370
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	11 492		11 492	14 314
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	22 589 592		22 589 592	21 121 776
B.V.1	Cash	072	11 894		11 894	7 703
2.	Bank accounts	073	22 577 698		22 577 698	21 114 073

C.	Accruals (line 075 +76 + 77+ 078)	074	125 869		125 869	66 816
C.1	Deferred expenses – long-term	075	23 818		23 818	611
2.	Deferred expenses – short-term	076	49 817		49 817	31 134
3.	Accrued revenues – long-term	077				
4.	Accrued revenues – short-term	078	52 234		52 234	35 071

### Balance Sheet as of 31 December 2020 – The Liabilities Side

Title	LIABILITIES	Line no.	Current acc. period	Previous acc. period
	TOTAL EQUITY AND LIABILITIES (line 080+ 101+ 141)	079	34 166 703	32 406 805
A.	Own equity (lines 081+ 085+ 086+ 087+ 090 +93 +97 +100)	080	16 756 971	9 243 739
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	569 509	490 495
A.IV.1	Legal reserve fund and Indivisible fund	088	569 509	490 495
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	- 1 827 996	-2 527 996

A.VII.1.	Retained profit from previous years	098		
2.	Accumulated loss from previous years	099	- 1 827 996	-2 527 996
A.VIII.	Profit or loss for accounting period after tax +/- (line 001- (081+ 085+ 086+ 087+ 090+ 093 +097 +101 +141))	100	7 524 355	790 137
B.	Total payables (line 102+ 118 + 121+ 122+ 136 + 139 +140)	101	17 373 775	23 132 193
B.I.	Total long terms payables (lines 103 + 107 through 117)	102	164 184	151 420
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	23 869	11 079
10.	Other long-term payables	115		
11.	Long-term payables from derivative operations	116		
12.	Deferred tax payable	117	140 315	140 341
B.II.	Long-term reserves (lines 119 + 120)	118	15 736 825	21 518 632
B.II.1	Legal reserves	119		
2.	Other reserves	120	15 736 825	21 518 632
B.III.	Long-term bank loans	121		
B.IV.	Total short-term payables (lines 123 + 127 through 135)	122	1 228 123	1 220 289
B.IV.1.	Total trade payables (lines 124 through 126)	123	432 862	355 457
1.a	Trade payables to linked accounting units	124	938	907
1.b	Trade payables within share with interest excl. linked accounting units	125		

1.c	Other trade payables	126	431 924	354 550
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	82 769	89 105
7.	Payables to social insurance	132	67 059	68 675
8.	Tax payables and subsidies	133	603 577	664 020
9.	Payables from derivative operations	134		
10.	Other payables	135	41 856	43 032
B.V.	Short-term reserves (lines 137 + 138)	136	244 643	241 852
B.V.1	Legal reserves	137	83 008	68 935
2.	Other reserves	138	161 635	172 917
B.VI.	Current bank loans	139		
B.VI.	Short-term financial grant	140		
C.	Total accruals (lines 142 through 145)	141	35 957	30 783
C.1.	Accrued expenses, long-term	142		
2.	Accrued expenses, short-term	143	9 943	6 664
3.	Deferred revenues, long-term	144		
4.	Deferred revenues, short-term	145	26 014	24 209

### Profit and Loss Statement as of 31 December 2020

Title	ITEM	Line no.	Current acc. period	Previous acc. period
*	Net turnover	01	9 146 695	8 537 150
**	Total revenues from economic activity (lines 03 through 09)	02	9 422 942	8 656 863
I.	Returns from sale of goods	03		
II.	Returns from own products	04		
III.	Returns from services	05	9 146 695	8 537 150

IV.	Change in inventories	06		
V.	Capitalization (acc. group 62)	07		
VI.	Returns from sale of long-term assets (tangible/intangible) and material	08	5 962	34
VII.	Other revenues from economic activity	09	270 285	119 679
**	Total expenses on economic activity (lines 11 through 15 + 20 through 26)	10	1 023 175	7 434 084
A	Cost of goods sold	11		
B	Consumption of material, energy and other non-storable supplies	12	110 088	89 665
C	Adjustment entries to inventory	13		
D	Services (acc. group 51)	14	2 379 141	2 495 731
E	Total personnel expenses (lines 16 through 19)	15	2 305 595	2 199 147
E.1.	Wages and salaries	16	1 558 000	1 464 703
2.	Remuneration of company body members	17	55 306	56 970
3.	Social insurance expenses	18	597 723	568 121
4.	Social expenses	19	94 566	109 353
F.	Taxes and fees (acc. group 53)	20	14 760	58 396
G.	Depreciation and adjustments to long-term intangible assets and long-term tangible assets (l. 22+23)	21	750 035	724 506
G.1.	Depreciation to long-term intangible assets and long-term tangible assets	22	750 035	724 506
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	22 778	
I.	Creation of Adjustment entries to Receivables (+/- 547)	25	752 491	413 302
J.	Other expenses on economic activity	26	-5 311 713	1 453 337
***	Profit or loss from economic activity (line 02 – 10)	27	8 399 767	1 222 779
*	Added value ((lines 03 through 07) – (lines 11 through 14))	28	6 657 466	5 951 754
**	Revenues from financial activity (lines 30 + 31 + 35 + 39 + 42 + 43 + 44)	29	80 746	67 361
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	33		

	excl. linked accounting units			
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	80 741	67 317
XI.1.	Interests received within consolidated whole	40		
XI.2.	Other interests received	41	80 741	67 317
XII.	Exchange rate gains	42	5	42
XIII.	Revenues from revaluation of securities and revenues from derivative operations	43		
XIV.	Other revenues from financial activity	44		2
**	Total expenses on financial activity (lines 46 through 49 +52+53+54)	45	70 104	54 961
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	74	3
P.	Expenses on revaluation of securities and expenses on derivative operations	53		
Q.	Other expenses on financial activity	54	70 030	54 958
***	Profit or loss from financial activity (line 29 - 45)	55	10 642	12 400
****	Profit or loss for accounting period before tax (line 27 - 55)	56	8 410 409	1 235 179
R.	Income tax (line 58 + 59)	57	886 054	445 042
R.1.	- due	58	543 748	514 029
2.	- deferred	59	342 306	-68 987
S.	Transfer of shares on profit or loss to partners	60		
****	Profit or loss for accounting period after tax (+/-) [lines 56 - 57 - 60]	61	7 524 355	790 137

**Financial Statements**  
**according to the Slovak legal regulation**  
**as of 31 December 2020**

			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:

- Initial recording of securities in book-entry system („notary service“).
- Providing and maintain securities accounts at the top tier level („central maintenance service“).
- Operating a securities settlement system („settlement service“).
- Services related to the settlement service, such as: settlement matching, instruction routing, trade confirmation, trade verification.
- Services related to the notary and central accounts maintenance services, such as: services related to shareholders' registers; supporting the processing of corporate actions, including tax, general meetings and information services; new issue services, including allocation and management of ISIN codes and similar codes; instruction routing and processing, fee collection and processing and related reporting.
- Establishing CSD links, providing, maintaining or operating securities accounts in relation to the settlement service, collateral management, other ancillary services.
- Other services: providing information required by legal regulation; providing information, data and statistics to market/census bureaus or other governmental or inter-governmental entities; keeping of pledge registry; keeping of special registry of collateral transfers; keeping of list of shareholders of registered paper-form shares; services relating to allocation and management of LEI codes.

### 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	67
Number of staff at balance sheet date of which:	67	67
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	34 166 703	32 406 805	Yes
Net to turnover – total	9 146 694	8 537 150	Yes
Number of employees	67	67	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).



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

**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 2020 to 31 December 2020.

**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 2019, i.e. for the previous accounting period, on 29 May 2020.

**8. Approval of the auditor**

On 29 September 2020 the General Meeting approved the company KPMG Slovensko spol. s r.o. as an auditor of the financial statements for the accounting period from 1 January 2020 to 31 December 2020.

**B. INFORMATION ON THE COMPANY BODIES****Current accounting period****Prior accounting period**

Board of Directors:

Board of Directors:

Chairman: Ing. Martin Wiedermann - from 27.10.2020

Chairman: Ing. Martin Wiedermann - from 26.10.2015

Vice-chairman: Ing. Ľudmila Boboková - from 04.2.2020

Vice-chairman: Ing. Ľudmila Boboková - from 03.2.2015

Member: Ing. Tomáš Novanský - from 29.2.2016

Member: Ing. Tomáš Novanský - from 29.2.2016

Supervisory Board:

Supervisory Board:

Chairman: Ing. Igor Lichnovský - from 3.9.2015 till 3.9.2020 and from 29.9.2020

Chairman: Ing. Igor Lichnovský - from 3.9.2015

Member: Ing. Ivan Gránsky - from 3.9.2015 till 3.9.2020 and from 29.9.2020

Member: Ing. Ivan Gránsky - from 3.9.2015

Member: JUDr. Katarína Malíková - till 21.8.2020

Member: JUDr. Katarína Malíková - from 21.8.2015

Member: Ing. Anna Samuelová from 9.9.2020

**C. INFORMATION ON THE COMPANY PARTNERS**

The structure of the Company's shareholders as of 31 December 2020:

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
Burza cenných papierov v Bratislave, a.s.	10 489 304	100	100	-
Total	10 489 304	100	100	-

According to the Slovak Act on Accounting, the parent company Burza cenných papierov v Bratislava, a.s. (Bratislava Stock Exchange) is not compiling the consolidated financial statements for the year 2020 (§22 of the Act 431/2002 Coll.).

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

#### D. INFORMATION ON ADOPTED PROCEDURES

##### 1. Financial statement basis

The financial statements were prepared under assumption that the Company shall pursue its activities continuously. Management of the Company continually reasonably expects that the Company has resources to continue its operation next 12 months and that assumption of continuous pursuing of its activities is correct.

##### 2. Application of estimations and conclusions

Preparation of the financial statements requires that management of the Company makes conclusions, estimations and assumptions. Estimations and related conclusions are based on previous experience and other factors considered adequate as regards the circumstances, based on which are structured data for estimation of accounting values for assets and liabilities that are not evident from other sources. Therefore real results may vary from estimations. As for estimations and assumptions the Company did not identify uncertainty implying significant risk that their considerable adjustments would be required in next accounting period.

*Provisions for receivables* – the key assumption for calculation of receivables provisions are trend analyses of previous receivables and expected impact of COVID pandemics to payments of receivables by natural persons and legal entities.

*Reserves for litigations* – calculation of the reserve is based on the risk and probability of non-/success of individual litigations from view of the Company. The data are verified by external lawyer and the company's risk manager.

##### 3. Long-term intangible and tangible assets

Purchased long-term assets are valued with purchase price that includes purchase price and procurement costs (transport, installations). The company did not create the long term assets by own activity. Amortisation of long-term assets is given based on estimated utilisation period and depletion. The Company begins to amortise the assets in the month when it is recorded. The Company applies only linear depreciation method. The Company records tangible assets with value up to 1 700 EUR as expenses, intangible assets with value up to 2 400 EUR are recorded as expenses too, but are recorded in operational records. Estimated life span, amortisation method and amortisation rate are specified in following table: 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.

	Estimated life span / years	Amortisation method	Annual amortisation rate in %
Software	10	linear	10
Valuable Rights	5	linear	20
Trademark	10	linear	10
Buildings	40	linear	2.5
Machines, Equipment, Devices	4 to 8	linear	12,5 – 25
Vehicles	4	linear	25

##### 4. Stock/Supplies

The company values stocks with purchase price. The purchase price includes price of stocks, reduced by discounts and credit notes. Decrease in stocks is booked according to FIFO method (first price used to evaluate first supplies of given asset is used as the first price to value decrease in supplies of given asset).

##### 5. Long term financial assets

The company books units and shares in associated accounting units, units and shares with shareholder participation and other negotiable securities as long-term financial assets.

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

## 6. Receivables

Receivables are valued by the nominal value at the moment of their origination. Transferred claims and claims acquired by contribution to registered capital are valued by purchase price including costs related to provision. This valuation is reduced by dubious and unredeemable claims.

Decrease in valued of Receivables

Real valued of receivables is assessed on each day when the final accounts are prepared in order to identify objective evidence for decreasing of their value. The objective evidence for decreasing of value includes failure to settle debt or illegal acting of a debtor, restructuring of receivables of the Company under conditions that would not considered under normal state. The correcting entry shall be cancelled if consequent increase in estimated future economic benefit can be objectively related to event that occurred after booking the correcting entry.

## 7. Financial accounts

**Financial accounts are created by cash, valuables, current accounts balances, and are valued by the nominal value.** Decrease in their values is made by correcting entry.

## 8. Deferred expenses and accrued revenues

Deferred expenses and accrued revenues are recorded in amount necessary to comply with matching a time period principles in given accounting period.

## 9. Decreasing of asset value and correcting entries

Correcting entries are created based on prudential principle if there is a reason to assume that value of the asset, compared to its price in accounting, decreased. The correcting entry is accounted in value of reasoned estimation of decreased asset value in comparison to its book value.

## 10. Reserves

Reserve is a liability representing existing obligation of the Company arising from past events and is probable that it will decrease its economic benefits. The reserves are liabilities with indefinite time limit or amount and are value is set by estimation in amount required to meet existing obligation on the day when the financial statements are prepared.

## 11. Benefits to employees

Wages, payrolls, allowances to government pension and insurance funds, paid annual leave and paid sick leave, bonuses and other non-cash benefits are reported in related time and matching accounting period

## 12. Deferred taxes

Deferred taxes (deferred tax receivable and deferred tax liability) relate to temporary differences between accounting value of assets and accounting value of liabilities reported in statements and their tax basis. An income tax rate, which is assumed to be valid at the moment of deferred tax settlement is applied to calculate the deferred tax. The deferred tax receivable and deferred tax liability are reported separately in the final statement. In case the deferred income tax concerns the same tax entity and the same tax office, only the final balance of the account 481 – deferred tax liability or deferred tax receivable can be reported.

## 13. Deferred costs

Deferred costs and Accrued Revenues are recorded in amount required to comply with the matching and time period principles of given the accounting period.

## 14. Leasing

Operative leasing (the Company as a leaseholder) – assets leased based on operative leasing are reported as asset by the owner, not the leaseholder. Leasing in form of the operative leasing is accounted in expenses continuously during the leasing contract.

## 15. Foreign currency

The assets and liabilities recorded in a foreign currency are converted to euro on the day when the final statements are prepared; applied is referential exchange rate set and published by the European Central Bank or NBS on the day when the final statements are prepared and these are recorded with impact on economic result.

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	

**16. Revenues**

Revenues from services do not include VAT. The revenues are also decreased by discounts the clients were entitled to. The revenues from services are reported in the accounting period during which they were provided.

**17. Comparable data**

In case data for previous accounting period are not comparable in respective parts of the final statements due to change in accounting procedures and principles, explanation on incomparable values is provided in accounting notes.

**18. Correcting entries for previous years**

In case the Company detects in current accounting period a significant error related to previous accounting periods, it will correct such error through account Retained Earnings and Retained Loss, i.e. without impact on economic result of the current accounting period. Corrections of insignificant errors of previous accounting periods are recorded in the current accounting period on respective costs or expenses account. In the year 2020 the Company did not make correcting entry due to significant errors of previous years

**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 2020 to 31 December 2020 and for the comparable period from 1 January 2019 to 31 December 2019 is presented in the tables below.

			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	Current accounting period				Advances paid for non-current intangible assets	Total
				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	-	6 640 099	17 429	-	-	416 990	-	7 074 518	
Additions	-	-	-	-	-	1 353 477	-	1 353 477	
Disposals	-	4 821	-	-	-	-	-	4 821	
Transfers	-	712 113	-	-	-	-712 113	-	-	
Closing balance	-	7 347 391	17 429	-	-	1 058 354	-	8 423 174	
Accumulated depreciation									
Opening balance	-	2 273 811	10 620	-	-	-	-	2 284 431	
Additions	-	615 835	1 742	-	-	-	-	617 577	
Disposals	-	4 821	-	-	-	-	-	4 821	
Transfers	-	-	-	-	-	-	-	-	
Closing balance	-	2 884 825	12 362	-	-	-	-	2 897 187	
Valuation allowances									
Opening balance	-	-	-	-	-	-	-	-	
Additions	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	-	-	-	
Transfers	-	-	-	-	-	-	-	-	
Closing balance	-	-	-	-	-	-	-	-	
Net book value									
Opening balance	-	4 366 288	6 809	-	-	416 990	-	4 790 087	
Closing balance	-	4 462 566	5 067	-	-	1 058 354	-	5 525 987	

In 2020 assets in value of EUR 712 113,- were included to non-current intangible assets - technical appreciation 1268 SW- Migration of CSD to EU settlement system Target2 Securities –T2S. Balance of Non-current intangible asset account is 1 058 354 EUR /as of 31.12.2020/. It includes items related to digitisation project and analysis of required changes as regards implementation of new type of SJC within T2S. Decrease in non-tangible assets in total amount of 4 821 EUR due to discarded SW-SQL Svr Std 2008 SNGL MVL 1Proc with residual value in amount of 0 EUR.

			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	Prior accounting period			Non-current assets in the process of acquisition	Advances paid for non-current intangible assets	Total
				Goodwill	Other non-current intangible assets				
a	b	c	d	e	f	g	h	i	
Acquisition cost									
Opening balance	-	7 505 928	17 429			323 500		7 846 857	
Additions	-	-	-	-	-	449 987	-	449 987	
Disposals	-	1 222 326	-	-	-		-	1 222 326	
Transfers	-	356 497	-	-	-	-356 497	-	-	
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	8 522			323 500		4 941 003	
Closing balance	-	4 366 288	6 809	-	-	416 990	-	4 790 087	

In 2019 assets in value of 356 497 EUR were included to non-current intangible assets – technical appreciation, SW-extension of IS T2S CDCP in value of 250 451,50 EUR, incorporation on T2S changes to IS CDCP in value of 106 045,50 EUR. Balance of the account Non-current intangible assets was 416 990 EUR as of 31/12/2019. It includes items related to digitising and analyses 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 value of 27 086 EUR with residual value of 0 EUR.



			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	1 439 564	-	-	92 392	-	-	5 778 859
Additions	-	-	-	-	-	-	56 384	-	56 384
Disposals	-	-	1 147 770	-	-	-	-	-	1 147 770
Transfers	-	14 360	27 506	-	-	-	-41 866	-	-
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	-	-	1 147 770	-	-	-	-	-	1 147 770
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.



		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 2020 to 31 December 2020 and for the period from 1 January 2019 to 31 December 2019 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					
Accounting units with a substantial influence					
<i>Joint undertakings</i>					
Associates					
Other realisable securities and ownership interests					
A.N.N.A	1	1	151 270	0	1 239
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					
Accounting units with a substantial influence					
<i>Joint undertakings</i>					
Associates					
Other realisable securities and ownership interests					
A.N.N.A	1	1	151 270	0	1 239
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. 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.

### 4. Receivables

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

Receivables	Current accounting period				
	Valuation allowance as of 01/01/2020	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 31/12/2020
a	b	c	d	e	f
Trade receivables	4 615 698	4 230 803	3 478 312	937 147	4 431 042
Receivables from subsidiaries and parent company	-	-	-	-	-
Other receivables within the consolidated group	-	-	-	-	-
Receivables from partners, members, and association	-	-	-	-	-
Other receivables	-	-	-	-	-
<b>Total receivables</b>	<b><u>4 615 698</u></b>	<b><u>4 230 803</u></b>	<b><u>3 478 312</u></b>	<b><u>937 147</u></b>	<b><u>4 431 042</u></b>

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 within the original maturity period.

Receivables of the Company are not covered by pledge or other form of – e.g. security.

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

Receivables	Prior 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	-	-	-	-	-
<b>Total receivables</b>	<b>5 564 873</b>	<b>4 386 329</b>	<b>3 973 028</b>	<b>1 362 477</b>	<b>4 615 698</b>

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 within the original maturity periods.

Receivables of the Company are not covered by pledge or other form – e.g. security.

		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 31/12/2020	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	13 151		13 151
<b>Total long-term receivables</b>	<b>34 251</b>		<b>34 251</b>
Short-term receivables			
Trade receivables	4 879 391	2 624 112	7 503 503
Receivables from subsidiaries and parent company	45 291		45 291
Other receivables within the consolidated group			
Receivables from partners, members, and association			
Social security			
Tax receivables and contributions			
Other receivables	11 492		11 492
<b>Total short-term receivables</b>	<b>4 936 174</b>	<b>2 624 112</b>	<b>7 560 286</b>

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

		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 31/12/2019	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
<b>Total long-term receivables</b>	<b>32 949</b>		<b>32 949</b>
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
<b>Total short-term receivables</b>	<b>5 076 942</b>	<b>2 738 725</b>	<b>7 815 667</b>

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

## 5. 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 14 058 950 Eur.

Overview of individual items of financial accounts:

Item	Current accounting period	Prior accounting period
Cash and cash equivalents	11 894	7 703
Current accounts in bank or in a branch of foreign bank	8 518 748	3 803 650
Deposit accounts in bank or in a branch of foreign bank	14 058 950	17 310 423
Funds in transit		
<b>Total</b>	<b>22 589 592</b>	<b>21 121 776</b>

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

## 6. 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
<b>Deferred costs – long-term of which:</b>	<b>23 818</b>	<b>611</b>
Licence subscription fee	23 818	611
<b>Deferred costs – short-term of which:</b>	<b>49 817</b>	<b>31 134</b>
Insurance	15 617	16 441
Software service and support fees	29 312	9 953
Advance payments	2 155	2 158
Debit cards fee	138	84
Other	2 595	2 498
<b>Accrued income – long-term of which:</b>	<b>0</b>	<b>0</b>
	-	-
<b>Accrued income – short-term of which:</b>	<b>52 234</b>	<b>35 071</b>
Interest revenues	52 234	35 071
<b>Total</b>	<b>125 869</b>	<b>66 816</b>

		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 31/12/2020
	Balance as of 01/01/2020	Set-up	Use	Release	
a	b	c	d	e	f
Long-term provisions of which:	21 518 632	232 201	352 222	5 661 786	15 736 825
Other long-term provisions					
Litigations	19 935 714	220 966	0	5 644 482	14 512 198
Bonuses	166 568	-	0	0	166 568
Litigations fees	1 381 268	-	352 222	14 875	1 014 171
Severance payments	35 082	11 235	0	2 429	43 888
<b>Total other long-term provisions</b>	<b>21 518 632</b>	<b>232 201</b>	<b>352 222</b>	<b>5 661 786</b>	<b>15 736 825</b>
Short-term provisions of which:	241 852	244 643	234 754	7 098	244 643
Legal short-term provisions					
Wages for holiday including social welfare	68 935	83 008	61 837	7 098	83 008
Audit of financial statements and preparation of tax return	-	-	-	-	-
<b>Total legal short-term provisions</b>	<b>68 935</b>	<b>83 008</b>	<b>61 837</b>	<b>7 098</b>	<b>83 008</b>
Other short-term provisions					
Onerous contracts	-	-	-	-	-
Onerous service contracts					
Other tax disallowed entries					
Bonuses for employees	61 693	62 035	61 693	-	62 035
Sanctions and penalties					
Other	111 224	99 600	111 224	-	99 600
Unbilled supplies	-	-	-	-	-
<b>Total other short-term provisions</b>	<b>172 917</b>	<b>161 635</b>	<b>172 917</b>	<b>0</b>	<b>161 635</b>

The Company replenished the reserves for litigations with interest on late payment. Reserve in amount of 219 311 EUR was created for litigation with the company GENERIX, a.s. and in amount of 1 655 EUR for litigation with ReVa. The company terminated litigations against company PREASIDIUM CONSULTING&INVESTMENT Ltd. over payment of principal with interests (cancelled reserve in amount of 4 985 844 EUR and 14 875 EUR) and with company GENERIX (cancelled reserve in amount of 647 211 EUR).

		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 unbilled assets supplies 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 31/12/2019
	Balance as of 01/01/2019	Set-up	Use	Release		
	a	b	c	d	e	
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
<b>Total other long-term provisions</b>	<b>20 191 022</b>	<b>1 370 037</b>	<b>-</b>	<b>-</b>	<b>42 426</b>	<b>21 518 632</b>
Short-term provisions of which:	299 235	241 852	298 652	-	583	241 852
Legal short-term provisions						
Wages for holiday including social insurance	67 751	68 935	67 168	-	583	68 935
Audit of financial statements and preparation of tax return	-	-	-	-	-	-
<b>Total legal short-term provisions</b>	<b>67 751</b>	<b>68 935</b>	<b>67 168</b>	<b>-</b>	<b>583</b>	<b>68 935</b>
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
Supplies not invoiced	-	-	-	-	-	-
<b>Total other short-term provisions</b>	<b>231 484</b>	<b>172 917</b>	<b>231 484</b>	<b>-</b>	<b>0</b>	<b>172 917</b>

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/Mrs Rajčanyová in amount of 42 255 EUR. The Highest Court of SR rejected the motions by decision of 20 February 2019. By that the litigation was definitely resolved in favour of CDCP.



		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 credits, loans and repayable financial allowance, social fund liabilities, deferred tax liability and reserves) by remaining maturity period is shown in the following table:

Item	Current accounting period	Prior accounting period
Overdue liabilities	9 000	2 190
Due Liabilities	1 219 123	1 218 099
	1 228 123	1 220 289

The structure of liabilities (except for bank credits, loans and repayable financial allowance, social fund liabilities, deferred tax liability and reserves) by remaining maturity period as of 31 December 2020 is shown in the following table:

Item	Accounting value	Less than 1 year	1-5 year	More than 5 years
Trade liabilities towards linked accounting units	938	938	-	-
Trade liabilities within share participation except liabilities towards linked accounting units	-	-	-	-
Other trade liabilities	431 924	431 924	-	-
Net order value			-	-
Other liabilities towards linked accounting units			-	-
Other liabilities within share participation except liabilities towards linked accounting units			-	-
Other long-term liabilities			-	-
Long-term received prepayments			-	-
Long-term bills to be paid			-	-
Issued bonds			-	-
Other long-term liabilities			-	-
Liabilities towards associates and association			-	-
Liabilities towards employees	82 769	82 769	-	-
Liabilities towards social insurance	67 059	67 059	-	-
Tax liabilities and subsidies	603 577	603 577	-	-
Liabilities from derivative operations			-	-
Other liabilities	41 856	41 856	-	-
	<b>1 228 123</b>	<b>1 228 123</b>	-	-

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

The structure of liabilities (except for bank credits, loans and repayable financial allowance, social fund liabilities, deferred tax liability and reserves) by remaining maturity period as of 31 December 2019 is shown in the following table:

Item	Accounting value	Less than 1 year	1-5 year	More than 5 years
Trade liabilities towards linked accounting units	907	907	-	-
Trade liabilities within share participation except liabilities towards linked accounting units	-	-	-	-
Other trade liabilities	354 550	354 550	-	-
Net order value			-	-
Other liabilities towards linked accounting units			-	-
Other liabilities within share participation except liabilities towards linked accounting units			-	-
Other long-term liabilities			-	-
Long-term received prepayments			-	-
Long-term bills to be paid			-	-
Issued bonds			-	-
Other long-term liabilities			-	-
Liabilities towards associates and association			-	-
Liabilities towards employees	89 105	89 105	-	-
Liabilities towards social insurance	68 675	68 675	-	-
Tax liabilities and subsidies	664 020	664 020	-	-
Liabilities from derivative operations			-	-
Other liabilities	43 032	43 032	-	-
	<b>1 220 289</b>	<b>1 220 289</b>	-	-

		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:		
deductible	- 3 762 875	- 3 947 408
taxable	- 4 431 042	- 4 615 698
	668 167	668 290
Temporary differences between the book value of liabilities and their tax base of which:		
deductible	- 15 935 580	- 21 714 592
taxable	- 15 935 580	- 21 714 592
	-	-
Tax loss carried forward	-	-
Unused tax deductions	-	-
Income tax rate (in %)	21	21
Deferred tax receivable calculated	<b>4 276 991</b>	<b>5 529 361</b>
Deferred tax receivable recognized	<b>342 332</b>	<b>68 568</b>
Recorded as expense reduction	- 342 332	68 568
Recorded in equity		
Deferred tax liability	<b>140 315</b>	<b>140 341</b>
Change in deferred tax liability	-26	- 419
Recorded as cost	-26	- 419
Recorded as equity	-	-
Other	-	-

		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	11 079	5 189
Contributions charged to costs	13 546	12 640
Contributions from profit	11 124	-
Other contributions	-	-
Total social fund contributions	24 670	12 640
Withdrawal	11 880	6 750
<b>Closing balance</b>	<b>23 869</b>	<b>11 079</b>

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, recreational, and other needs of employees.

## 6. 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:	9 917	6 664
Interests from LT deposit payable in 2016	9 917	6 664
<b>Long-term deferred revenues of which:</b>	-	-
SW re-invoiced to MH – SW application - ECP	-	-
SW re-invoiced to MH – Fees module	-	-
<b>Short-term deferred revenues of which:</b>	<b>26 014</b>	<b>24 209</b>
SW re-invoiced to MH – SW application – ECP	-	-
SW re-invoiced to MH – Fees module	-	2 160
SW re-invoiced to MH – SPOZUS	-	-
CD-125 LEI code administration (renewal)	26 014	22 049
<b>Total</b>	<b>26 014</b>	<b>24 209</b>

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".

		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	8 463 047	7 895 292
EU	674 559	630 854
Other	9 089	11 004
<b>Total</b>	<b>9 146 695</b>	<b>8 537 150</b>

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	2 968 610	3 060 220
Registration services to issuers of book-entry securities	4 147 908	3 197 631
Trade services to issuers of paper-form securities	1 136 283	1 127 187
Registration services to issuers of paper-form securities	138 767	174 019
Information services to issuers of book-entry securities	229 085	251 430
Pledge	150 501	229 515
Changer of owner transfer/transition	139 043	198 842
Use of IS by members	0	2 600
National Numbering Agency	48 900	55 770
Information services for subjects pursuant to §110	13 236	14 329
Account statements	15 578	18 943
Information services to issuers of paper-form securities	2 100	1 700
Trade services to issuers of book-entry securities	49 998	83 431
Other services	106 686	121 533
<b>Total</b>	<b>9 146 695</b>	<b>8 537 150</b>

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

## 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:

Item	Current accounting period	Prior accounting period
<b>Capitalisation of costs – material items of which:</b>	-	-
Tangible assets capitalised from own work		
Other capitalisation		
<b>Other material items of operating income of which:</b>	<b>270 285</b>	<b>119 477</b>
Sale of material	-	-
Sale of tangible and intangible assets	5 962	34
Re-invoicing of costs from RMS to NPF (Note N)	-	-
Revenues from depreciation of IS used for the project “transfer without consideration” (NPF)	2 160	6 480
Short-term provision for false service contracts	-	-
Contractual surcharges, penalties and interests on late payments	628	2 770
Other surcharges, penalties and interests on late payments	3 486	11 468
Revenues from amortized and transferred claims	24 192	82 831
Other	233 857	15 894
<b>Financial income of which:</b>	<b>80 746</b>	<b>67 359</b>
Foreign exchange gains of which:	5	42
Foreign exchange gains at balance sheet date	5	42
Other material items of financial income of which:	80 741	67 317
Interests from current accounts	-	117
Interests from short-term term deposits	80 452	66 966
Interests from provided loans	289	234
Gains from non-current financial assets – ANNA/GIAM	-	-
Other financial income	-	-
<b>Extraordinary income of which:</b>		
Compensation of damage from natural disasters from insurance company	-	-

		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	9 146 695	8 537 150
Sale of goods	-	-
Revenue from contracts	-	-
Revenue from real estate for sale	-	-
Other income related to ordinary activities	-	-
<b>Total net turnover</b>	<b>9 146 695</b>	<b>8 537 150</b>

#### I. INFORMATION ON COSTS

##### 1. Personnel costs

Item	Current acc. period	Prior acc. period
Wage	1 558 000	1 464 703
Other dependent work cost	55 306	56 970
Social insurance	442 745	421 097
Health insurance	154 978	147 024
Social security	94 566	109 353
<b>Total</b>	<b>2 305 595</b>	<b>2 199 147</b>

##### 2. 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
<b>Costs of services received of which:</b>	<b>2 379 141</b>	<b>2 495 731</b>
<i>Auditor or audit firm costs of which:</i>	11 000	9 130
<i>Financial statements audit costs</i>	11 000	9 130
<i>Other assurance and audit services</i>	34 056	37 016
<b>Other material costs items of services received of which:</b>	<b>2 334 085</b>	<b>2 449 585</b>
<i>Service works</i>	752 128	855 001
<i>Software maintenance</i>	650 381	652 392
<i>Expert opinions and analyses</i>	243 575	226 100
<i>Postal money order fees ("U" PO)</i>	65 000	61 438
<i>PR services</i>	30 300	22 897
<i>Postal charge</i>	67 769	97 397

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

<i>Security and cleaning services</i>	117 911	108 715
<i>Legal services</i>	10 350	19 437
<i>Translating services</i>	340	1 753
<i>Tax and economic consultancy</i>	8 117	7 967
<i>Rent</i>	164 817	167 981
<i>Repairs and maintenance</i>	61 586	56 046
<i>Telecommunication services</i>	28 378	27 695
<i>Travel costs</i>	1 364	11 809
<i>Promotion costs</i>	5 717	8 403
<i>Small intangible assets</i>	30 670	9 572
<i>Other</i>	95 500	114 982
<b>Other material items of cost of operations of which:</b>	<b>- 4 536 444</b>	<b>1 866 639</b>
Creation and posting of valuation allowance for receivables	752 491	413 302
Other reserve for litigations	- 5 438 391	1 316 878
Liability for damage insurance	40 228	40 229
Receivables depreciation	36 306	69 612
Net book value of sold tangible and intangible assets	22 778	0
Other	50 144	26 618
<b>Financial costs of which:</b>	<b>70 104</b>	<b>54 961</b>
<i>Exchange rate loss of which:</i>	74	3
<i>Exchange rate loss at balance sheet date</i>	74	2
<i>Other material items of financial costs of which:</i>	70 030	54 958
<i>Banking fees, VAKUP fees, NBS Target2</i>	70 030	54 958



		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:	8 410 409	-	100%	1 235 179		100%
Expected tax		1 766 186	21%		259 388	21%
Tax non-deductible expenses	1 679 361	352 666	4%	2 776 227	583 008	47%
Non-taxable income	-7 573 370	- 1 590 408	-19%	-1 624 344	- 341 112	-28%
Impact of unrecognised deferred tax receivable						
Tax loss carried forward						
Tax rate change						
Other						
<b>Total</b>	<b>2 516 400</b>	<b>528 444</b>	<b>6%</b>	<b>2 387 062</b>	<b>501 284</b>	<b>41%</b>
Due income tax		543 748	6%		514 029	42%
Deferred income tax		342 306	4%		-68 987	- 6%
<b>Total income tax</b>		<b>886 054</b>	<b>11%</b>		<b>445 042</b>	<b>36%</b>

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	-	-

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

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

3 934 659

5 460 793

Deferred income tax relating to items recognised directly inequity without recognising it in income and expenses

-

-

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

**K. INFORMATION ON OFF-BALANCE SHEET ACCOUNTS**Property leased from other parties

Item	Current accounting period	Prior accounting period
Rented assets	-	-
Assets under operating lease	18 742	20 728
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, including print-out invoicing in the year 2020 are 10 156 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 2020 are 8 586 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	15 526 369	-
From guarantees provided	-	-
From generally binding legal regulations	-	-
From subordinated debt contract	-	-
From guarantees	-	-
Other contingent liabilities	-	-
	Prior accounting period	
Type of contingent liability	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	-	-

The Company has the following possible other obligations that are not reflected in a routine 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 with the total claimed amount of € 15 526 369 (including extras). Material part of litigations lasts 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. As of 31 December 2020 the Company created reserves on risks resulting from litigations in the amount of 14 512 198 EUR. Estimation of

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	

probable loss done by the management of the Company was based on available information on status of such litigations, advise 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. 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 1 014 171 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 based on performance of their duties for the Company were in the amount of 37 440 EUR (in 2019: 37 440 EUR), remuneration for supervisory bodies of the Company were in the amount of 16 866 EUR (in 2019: 17 800 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 2020 (in 2019: 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	132 269	16 866	1 000	-	-	-
	142 777	17 880	1 650	-	-	-
Non-cash income	8 083	30	-	-	-	-
	6 570	30	-	-	-	-
Cash advances	-	-	-	-	-	-
	-	-	-	-	-	-
Non-cash advances	-	-	-	-	-	-
	-	-	-	-	-	-
Loans provided	-	-	-	-	-	-
	-	-	-	-	-	-
Guarantees provided	-	-	-	-	-	-
	-	-	-	-	-	-
Other	-	-	-	-	-	-

			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
		c	d
MF SR – Sale of services	03	2 339 644	1 108 619
MH Man – Depreciation of SW application for "transfer without consideration"	11	2 160	6 480
MH Man – Sale of services	03	58 231	38 369
DLHOPIS – Sale of services	03	6 024	8 997
Železničná spoločnosť Cargo Slovakia, a.s.	03	45	45
SHIFT, a.s.	03	310	310
National Development Fund II., a.s.	03	45	45

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
		c	d
BCPB – Purchase of services	01	113 668	111 498
BCPB – Sale of services	03	13 159	13 478
BCPB – Other revenues from economic activity	11	-	-

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			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:

	<b>Current accounting period</b>	<b>Prior accounting period</b>
Trade receivables	45 291	45 285
Other receivables within the consolidated group	-	-
Accrued income	-	-
Deferred costs	-	-
Loans given	-	-
<b>Total assets</b>	<b>46 291</b>	<b>46 285</b>
Trade liabilities	938	907
Other liabilities within the consolidated group	-	-
Unbilled supplies	-	-
Provisions	-	-
Deferred revenues	-	-
Accrued expenses	-	-
Loans received	-	-
<b>Total liabilities</b>	<b>938</b>	<b>907</b>

			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
<b>Revenues</b>		
MH Man – Depreciation of SW application for "transfer without consideration"	2 160	6 480
<b>Total revenues</b>	<b>2 160</b>	<b>6 480</b>
<b>Costs</b>		
Other services - RMS	-	-
MH Man – Depreciation of SW application for "transfer without consideration"	2 160	6 480
Rent	-	-
ORACLE license	-	-
<b>Total costs</b>	<b>2 160</b>	<b>6 480</b>

**P. INFORMATION ON POST-BALANCE SHEET EVENTS**

No events with significant influence on fair presentation of facts subject to bookkeeping occurred after 31 December 2020.

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.

		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 31/12/2020
	Balance as of 01/01/2020	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	490 495	-	-	79 014	569 509
Legal reserve funds (non-distributable reserve)	490 495	-	-	79 014	569 509
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	- 2 527 996	-	-	700 000	-1 827 996
Retained earnings	-	-	-	-	-
Loss carried forward	- 2 527 996	-	-	700 00	-1 827 996
Profit/loss for current accounting period	790 137	<b>7 524 355</b>	- 11 123	<b>-779 014</b>	<b>7 524 355</b>
<b>Total</b>	<b>9 243 739</b>	<b>7 524 355</b>	<b>- 11 123</b>	<b>-</b>	<b>16 756 971</b>

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 2020 is 23 811 EUR (Profit per share in the year 2019: 2 500 EUR).



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

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

Item	Prior 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
<b>Total</b>	<b>8 453 603</b>	<b>790 137</b>		<b>-</b>	<b>9 243 739</b>

**Settlement of the accounting profit****Current accounting period**

Legal reserve fund	79 014
Statutory fund and other reserves	-
Social fund	11 123
Increase of registered capital	-
Settlement of loss carried forward	700 000
Retained earnings	-
Dividends – partners, members	-
Other	-
<b>Total</b>	<b>790 137</b>

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

The General Meeting shall decide on distribution of profit for the 2020 accounting period in the amount of **7 524 355 EUR**. According to the Commercial Code a company shall contribute to legal reserve fund with amount of 10% of the net profit at least, until value of the fund reached 20% of the registered capital value.

The statutory body proposes to distribute the profit as follows:

- contribution to reserve fund (10%)	752 436 EUR
- compensation of loss carried forward	1 827 995 EUR
- contribution to social fund	20 000 EUR
- amount for dividend payments	3 160 000 EUR
- transfer to outstanding lost of previous years	1 763 924 EUR

## S. CASH FLOW STATEMENT AS OF 31 DECEMBER 2020

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

	Current accounting period	Prior accounting period
	EUR	EUR
<b>Net profit (before deducting tax and extraordinary entries)</b>	<b>8 410 409</b>	<b>1 235 179</b>
Adjustments for non-cash transactions:		
Depreciation of non-current assets	750 035	724 506
Inventories write-off		
Change in provisions for non-current assets		
Change in provisions for receivables	-184 656	-949 176
Change in provisions for inventories		
Change in provisions	-5 779 016	1 270 226
Change in accruals/deferrals of costs/revenues	-36 807	5 582
Interest returns (net)	-80 741	-67 317
Exchange rate difference	69	-39
Loss / (gain) from the sale of non-current assets	17 047	0
Yields from long-term financial assets		-
Correction of previous years		-
Other non-cash entries	44 543	69 612
<b>Profit from operating activities before changes in working capital</b>	<b>3 140 885</b>	<b>2 288 573</b>
Changes in working capital:		
Increase (decrease) of trade receivables	217 772	1 236 085
Decrease (increase) of inventories	2 588	-10 257
Increase (decrease) of payables	87 739	-108 398
Other		
<b>Operating cash flows</b>	<b>3 448 984</b>	<b>3 406 003</b>

		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
<b>Cash flows from operating activities</b>		
Operating cash flows	3 448 984	3 406 003
Interest paid		
Interest received	63 577	32 701
Corporate income tax paid	-621 984	-742 440
Dividends paid		
Receipts from extraordinary items		
Other items not included in operating activities		
<b>Net cash from operating activities</b>	<b>2 890 577</b>	<b>2 696 264</b>
<b>Cash flows from investing activities</b>		
Purchase of non-current assets	-1 428 423	-506 371
Receipts from the sale of non-current assets	5 731	-
Term deposits	-	-
Long-term loans granted	-	-
Dividends received	-	-
<b>Net cash from investing activities</b>	<b>1 467 885</b>	<b>2 189 893</b>
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	-	-
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>
<b>Increase (decrease) of cash and cash equivalents</b>	<b>1 467 885</b>	<b>2 189 893</b>
Cash and cash equivalents at the beginning of the period	21 121 776	18 931 844
Exchange rate difference	-69	39
<b>Cash and cash equivalents at the end of the year</b>	<b>22 589 592</b>	<b>21 121 776</b>

			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:  26 March 2021	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 Director	Name Position Ing. Pavol Vaník Financial Director

**14. Supplement to the Auditor's Report on audit of the Annual Report  
with the financial report of 31 December 2020**



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P.O. Box 7  
820 04 Bratislava 24  
Slovakia

**Supplement to the independent auditor's report issued on 26 March 2021  
on the Annual Report**  
**in compliance with §27(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")**

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

We have audited financial statements of the company Centrálny depozitár cenných papierov SR, a.s. ("the Company") as of 31 December 2020, presented on page 31-81 in the attached Annual Report. We have issued unmodified independent auditor's report on financial statements on 26 March 2021.

This is to supplement the aforementioned auditor report only with respect to following information:

**Report on other requirements of the acts and other legal regulations**

*Report on other information stated in the Annual Report*

The Statutory body is liable for other information. Other information includes information stated in the Annual Report prepared in compliance with requirements of the Act on Accounting, but do not include the financial statements and our auditor report to the financial statements. Our opinion to the financial statements does not apply to other information in the Annual Report.

With respect to audit of the financial statements our responsibility is to obtain knowledge on other information stated in the Annual Report delivered to us before issuing the audit report to audited financial statements, and to assess whether there is no significant discrepancy between other 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. If, based on our works, we come to a conclusion that the other information are notably incorrect, it is required to state such facts.

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.

With respect to the Annual Report the Act on Accounting requires that after receiving the Annual Report we provide opinion if other information stated in it are in compliance with the financial statements for given accounting period, and if the Annual Report includes information required by the Act on Accounting.

Based on work performed during the audit of financial statements, our opinion in all significant aspects is that:

- other information stated in the Annual Report for 2020 is compliant with the financial statements for given accounting period,
- the Annual Report includes information pursuant to the Act on Accounting.



In addition, the Act on Accounting requires that we state whether we have found material incorrectness in these other information stated in the Annual Report based on our knowledge on the Company and its situation obtained during the financial statements audit. In that respect no founding to be stated exist.

13 April 2021  
In Bratislava, the Slovak Republic

*(round stamp): Slovak Chamber of Auditors,  
SKAU, Licence No. 96  
KPMG Slovensko spol. s r.o.*

*(signature)*

Audit company:  
KPMG Slovensko spol. s r.o.  
SKAU licence No. 96

Auditor in charge:  
Ing. Martin Kršjak  
UDVA licence No. 990

## **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 a 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, unmistakable 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.