Annual Report 2021

Pages: 90

Centrálny depozitár cenných papierov SR, a.s.

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1. Introductory Word of the Managing Director

Dear Ladies and Gentlemen,

we may consider the year 2021 as difficult, but also successful and remarkable for Centrálny depozitár cenných papierov SR, a.s. ("CDCP" or "central depository") for several reasons. As regards the value of book-entry securities, we have exceeded the level of 100 billion EUR. We achieved the economic result after taxation in amount of 6 million EUR. It means that also this year we can pay dividends to our shareholder - Burza cenných papierov in Bratislava, a.s. (BCPB). The economic result was markedly influenced by cancelled provisions for major legal disputes, that we are successfully eliminating gradually. Despite decrease in revenues, compared to 2020, and apart from the impact of cancelled provisions, we achieved profit of 0.8 million EUR.

Regardless of continuing COVID-19 pandemic we maintained stable operation and ensured stable provision of the central depository services.

We successfully realised the depositories unification project, met the specified deadlines and from 15 November 2021 CDCP provides services also to clients whose assets were transferred from Národný centrálny depozitár cenných papierov, a.s. (hereinafter "NCDCP") to CDCP, as the single central securities depository on the Slovak market.

We also accomplished implementation of the penalty mechanism, what will assist in achieving a higher settlement discipline. The penalty mechanism was put to operation after performing the dry-run tests with our settlement system participants. Additionally, we are proceeding with implementation of digitisation and automation of processes.

I would like to thank to all clients who decided to use our services during the last year and this way loyally support functionality of basic infrastructures of the capital market. I also want to extend thanks to all colleagues from CDCP for accepting necessary measures flexibly and responsibly and for their contribution to achieved results. Recognition belongs also to colleagues from the Board of Directors and the Supervisory Board for constructive co-operation. We are grateful to the NBS for placing trust in us and for support from our shareholder - Burza cenných papierov in Bratislava, a.s. This calls for our responsibility also in the future. 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

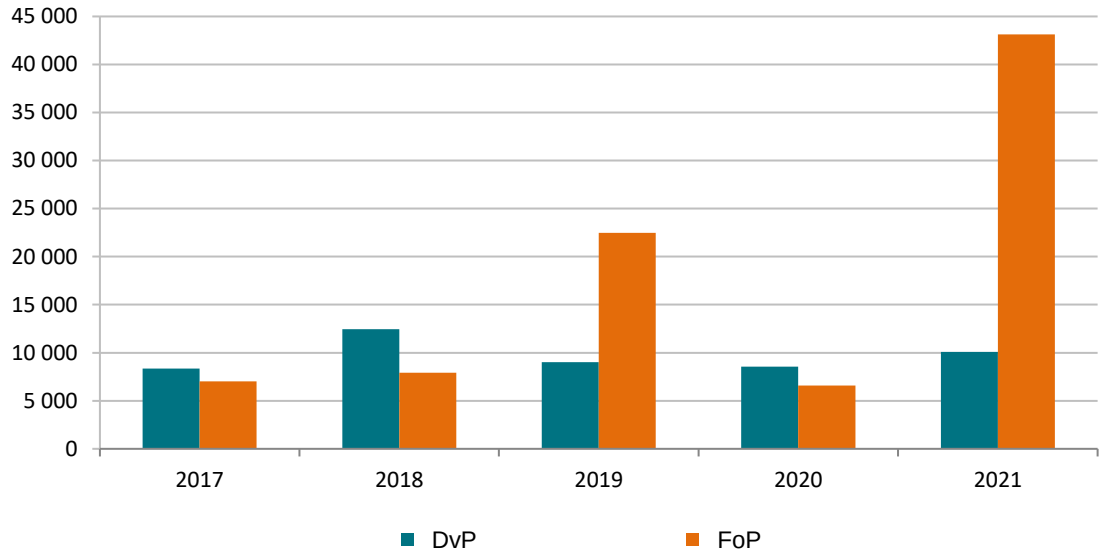
During 258 operating days in 2021, the total value of transfers reached 49 494 million EUR, what represented decrease by 22.46 % compared to the year 2020. The average daily value of processed transfers reached 192 million EUR. On the contrary, the number of transfers increased by almost 251.67 % (53 246 transfers) compared to the year 2020. The daily average raised to 206 transfers.

Value and Number of Transfers - Total in 2021						
	DvP Transfers - Market Value		FoP Transfers - Nominal Value		Transfers Total	
	Value in mil. EUR	No.of Transfers	Value in mil. EUR	No.of Transfers	Value in mil. EUR	No.of Transfers
01.2021	393	499	3 731	658	4 125	1 157
02.2021	541	1 727	2 945	571	3 486	2 298
03.2021	651	675	8 057	717	8 708	1 392
04.2021	1 772	1 019	6 045	521	7 817	1 540
05.2021	520	726	2 290	542	2 809	1 268
06.2021	857	746	4 083	35 633	4 940	36 379
07.2021	353	728	2 034	543	2 387	1 271
08.2021	276	676	2 122	537	2 398	1 213
09.2021	479	685	2 884	983	3 364	1 668
10.2021	1 852	1 112	3 199	657	5 052	1 769
11.2021	676	816	1 468	995	2 143	1 811
12.2021	391	693	1 873	787	2 264	1 480
SUM	**8 762**	**10 102**	**40 731**	**43 144**	**49 494**	**53 246**

Value and Number of Transfers Total	2021	2020
Number of Days of Operation	258	258
Total Value in mil. EUR	49 494	63 832
Average Daily Value in mil. EUR	192	247
Number of Transfers	53 246	15 141
Average Daily Number of Transfers	206	59

Number of DvP and FoP* transfers in 2017 - 2021:*

* see Glossary (page 88)



2.1.1. Delivery versus Payment Transfers

In 2021, the central depository executed DvP transfers of securities in the total market value of 8 762 million EUR. In terms of the number of instructions, the central depository processed a total of 10 102 instructions in its settlement system. The average daily value of securities settled in the CDCP system as DvP transfers reached 33.96 million EUR, and the daily number of these transfer instructions averaged at 39 instructions. Compared to a situation of the year 2020, the total value of securities transferred as DvP decreased by 61.65 %, what makes a year-on-year decrease by 14 088 million EUR. The number of transfer orders processed increased by 1 560 orders in comparison to the year 2020 (i.e. raised by 18.26 %).

Value and Number of DvP Transfers	2021	2020
Total Value in mil. EUR - Market Value	**8 762**	**22 851**
Average Daily Value in mil. EUR	34	89
Number of Transfers	10 102	8 542
Average Daily Number of Transfers	39	33

2.1.2. Free of Payment Transfers

The value of securities transferred in 2021 as FoP transfers, expressed in the nominal value, amounted to 40 731 million EUR and the average daily value of these transfers amounted to 157.9 million EUR. In total 43 144 instructions for FoP transfer of securities was processed in the year 2021 and the average daily number of the processed orders was 167. Compared to the previous year, the value of FoP transfers decreased by 249.86 million EUR, which represents a year-on-year fall by 0.61 %. In comparison to the year 2020, the number of FoP transfer instructions increased by 36 545 instructions, which represents a year-on-year growth by 553.8 %.

Value and Number of FoP Transfers	2021	2020
Total Value in mil. EUR - Nominal Value	**40 731**	**40 981**
Average Daily Value in mil. EUR	158	159
Number of Transfers	43 144	6 599
Average Daily Number of Transfers	167	26

2.2. Value of Securities in CDCP Registry

2.2.1. Year-end Balance in Owner's Accounts

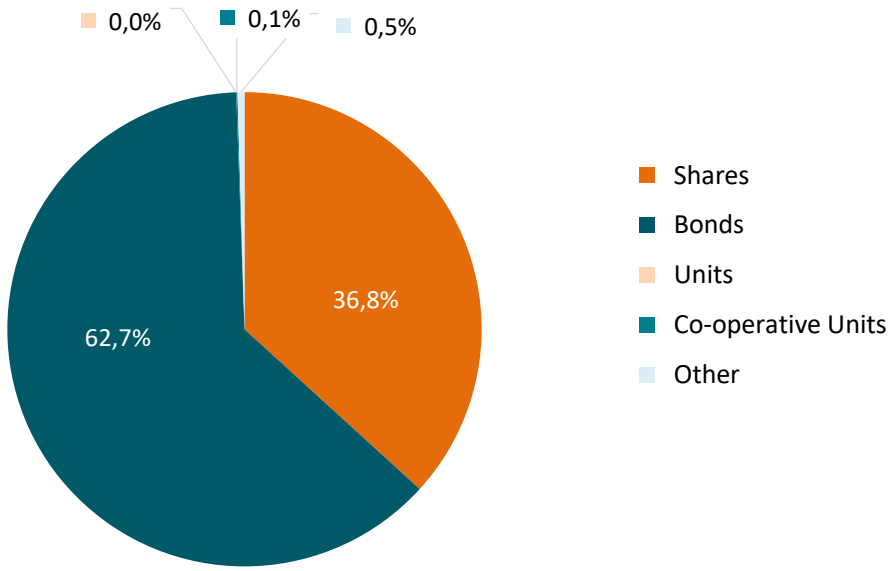
As of 31 December 2021, the book-entry securities with the total nominal value of 102 304 million EUR were held in the owners' accounts, clients' accounts and holders' accounts. The highest share of that value was represented by bonds in the total value of 64 115 million EUR. The total value of shares registered in the accounts was 37 615 million EUR and the value of the other securities, which include also issues of government treasury bills, reached total value of 484 million EUR. Total number of issues of book-entry shares issued in CDCP as of 31 December 2021 amounted to 2 073 issues. The number of issues of bonds was 571, and 223 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 2021 - 16 issues with the total value of 3.35 million EUR were registered. In the category of Other Securities was registered 55 issues at the end of December 2021.

The total value of book-entry securities issued in CDCP increased by 8.04 % compared to the previous year, and the increase expressed in the nominal value equals 7 613 million EUR. In the year 2021, the biggest increase was recorded in value of the bonds which rose by 8 920 million EUR. The nominal value of Other securities dropped by 1 968 million EUR. Value of issues of book-entry shares increased by 660.8 million EUR and the value of co-operative units fell by 0.05 million EUR. In 2021 the units of the unit trust did not show any change compared to the previous year and their value was 3.35 million EUR.

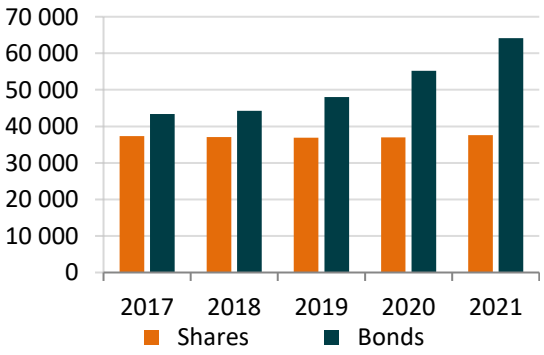
Nominal Value of Book-entry Securities - as of EOY	2021	2020	2019
Value Total in mil. EUR	**102 304**	**94 691**	**85 354**
Shares	37 615	36 955	36 924
out of that: non-converted shares*	1 444	1 477	1 624
Bonds	64 116	55 195	48 039
Units	3	3	3
Co-operative Units	86	86	87
Other	484	2 452	301

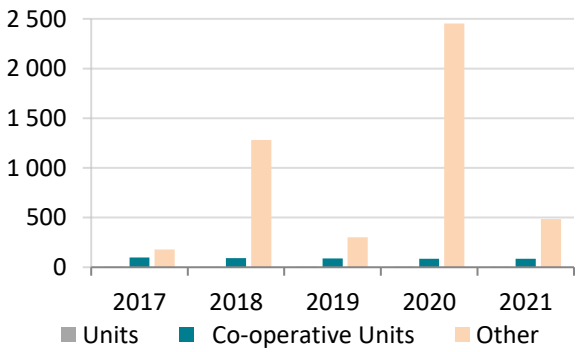
* issues in SKK converted to EUR for information purpose at a conversion rate

Structure of book-entry securities in 2021 (value of issued securities):

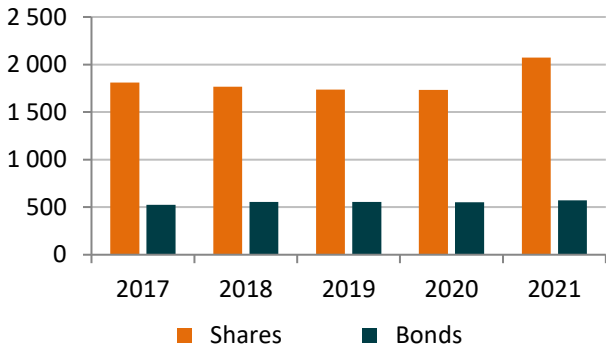


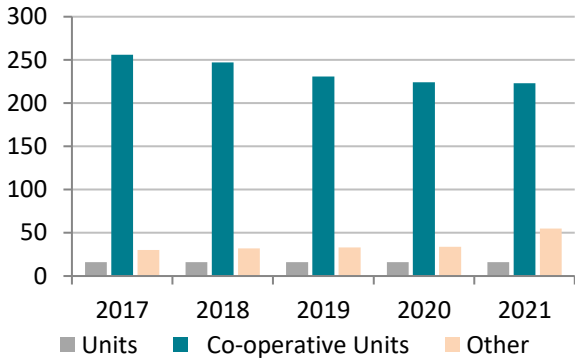
Value of book-entry securities in the nominal value in 2017 – 2021 (million EUR):





Number of issues of book-entry securities in 2017 – 2021:



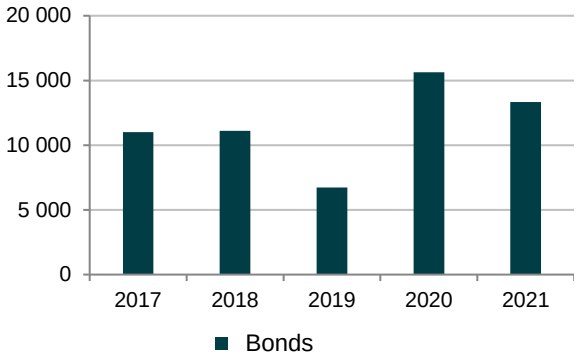


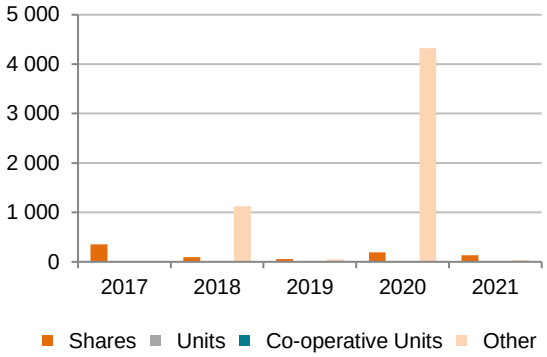
2.2.2. New Issues

In 2021, in CDCP the total of 179 new issues of book-entry securities with the total nominal value of 13 501 million EUR were issued. As of the end of the year in question, out of these issues the securities with the value of 12 725 million EUR were credited to the accounts. The highest increase in the value of new securities was recorded in bonds, i.e. in the amount of 13 335 million EUR. It was followed by new issues of shares in the value of 130.9 million EUR and the category of other securities amounted to 34.7 million EUR. In the year 2021, 61 new issues of shares, 103 issues of bonds and 15 issues from group of other securities were issued; in course of this year no new issue of government treasury bill was issued. Not a single issue of book-entry units of unit trust or co-operative units was issued in the year 2021.

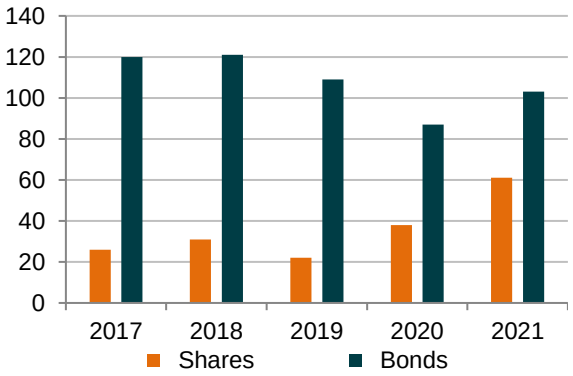
New Issues of Book-entry Securities issued in CDCP - Nominal Value	Value in mil. EUR	No. of Issues
Value Total	**13 501**	**179**
Shares	131	61
Bonds	13 335	103
Units	0	0
Co-operative Units	0	0
Other	35	15

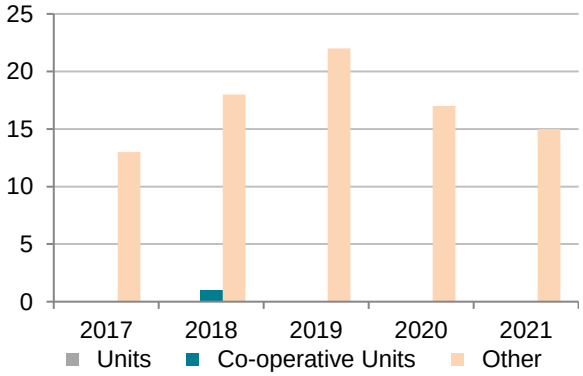
Value of new issues of book-entry securities in 2017 – 2021 (millions EUR):





Number of new issues of book-entry securities in 2017 – 2021 (units):





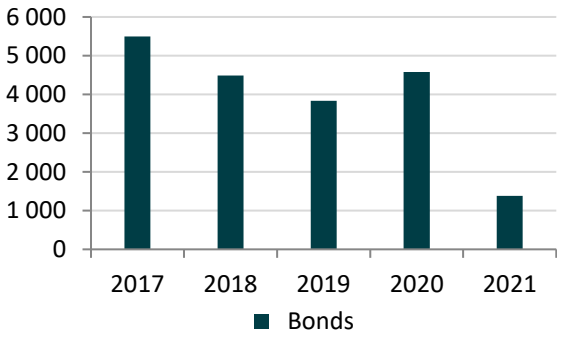
2.2.3. Cancelled Issues

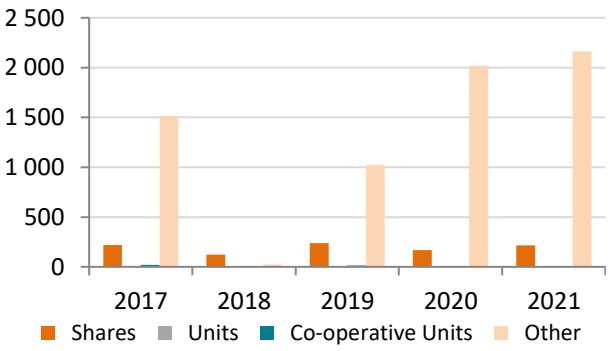
In the course of 2021, securities with the nominal value of 3 757 million EUR were cancelled in issuer's register of book-entry securities. The cancelled securities comprised of 164 issues in total, and out of this number, 18 issues were deleted from the issuer's register based on data from the electronic commercial register. The largest decline occurred in the category of other securities where 12 issues were cancelled with the total value of 2 163 million EUR, out of that 2 were issues of government treasury bills. This was followed by 103 issues of bonds with the value of 1 378 million EUR, 48 cancelled issues of shares with the value of 214 million EUR and, at last, 1 issue of co-operative units with the value of 1.2 million. No issue of units of unit trust was cancelled in 2021.

Canceled Issues of Book-entry Securities including issues with change of form to paper securities - Nominal Value		
	Value in mil. EUR	No. of Issues
Value Total	**3 757**	**164**
Shares	214	48
Bonds	1 378	103
Units	0	0
Co-operative Units	1	1
Other	2 163	12

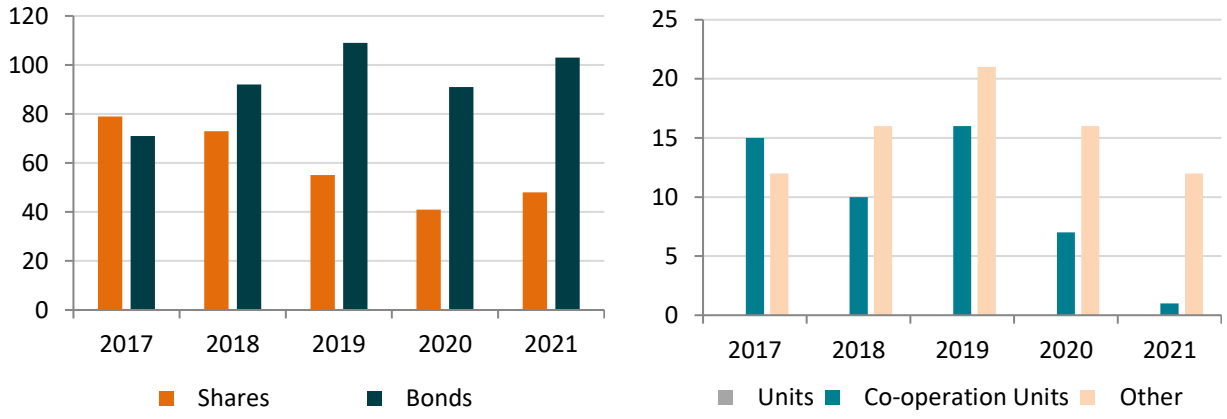
Issues deleted from the issuer's registration on the basis of data from electronic companies register	
	2021
Number of issues	18

Value of cancelled issues of book-entry securities in 2017 – 2021 (million EUR):





Number of cancelled issues of book-entry securities in 2017 – 2021 (units):



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

2.3.1. Administration of Issuer's Registry

As of 31 December 2021, CDCP kept issuer's register for 1 641 issuers of book-entry securities and in a special registry is registered an 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 increased by 227 (16.05 % y-o-y) compared to 2020.

2.3.2. Issuers of Physical Shares

In 2021, the central depository administered a list of shareholders for 3 931 issuers of paper-form shares, which represents an increase by 229 issuers (increase by 6.19 % y-o-y) compared to the previous year.

Issuer´s Registers and Lists of Shareholders	2021	2020	2019
Number of Issuers for whom the CDCP administers the issuer´s register	1 641	1 414	1426
Number of Issuers of registered paper shares for whom the CDCP administers the List of Shareholders	3 931	3 702	3681

2.3.3. Services based on Written Request

In the year 2021, CDCP handled a total of 11 376 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 requests by the courts, executors, requests delivered from PF/NBS/NSA and tax and customs offices to which the services are provided free of charge. Compared to 2020, CDCP handled 4 124 requests less what makes a year-on-year decrease by 26.61 %.

In the year 2021, CDCP also handled a total of 16 985 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 the year 2021, CDCP ensured that services of IT systems essential for provision of services to the clients were available and reliable all the year round. As regards innovation and development, services for Simple Joint-stock Companies were introduced as a part of the preparation for migration of assets of NCDCP's clients; implemented was batch of functionalities related to the penalty mechanism, upgraded set of LEI services and impact of T2S 5.0 on the IT system of CDCP was incorporated.

The remaining modules – portal and DMS with activated integration links to other elements of IT infrastructure of CDCP were launched within the innovative digitalisation project at the beginning of 2021.

As regards transfer of assets of NCDCP's clients in digital form the preparatory works were conducted from June 2020 till November 2021 in co-operation with NCDCP and the supplier of the information systems. Arranged were 34 meetings of the project team, author testing and 2 rounds of organised acceptance testing.

Date of the migration of NCDCP clients' assets was agreed and announced in advance; the migration took place in the days from 8 November till 12 November 2021:

a) The first two days were dedicated to the pre-migration phase, during which the static data were migrated, i.e. the client register was transferred to CDCP, empty securities accounts were opened and securities were registered.
b) On Friday 12 November 2021 the migration weekend activities were performed; the main goal was to transfer assets of the clients, i.e. current balances on accounts in NCDCP to CDCP.
c) Over the weekend 13 – 14 November 2021 the post-migration activities were performed, e.g. service archives were migrated from NCDCP and important check-ups of migration results in CDCP were conducted.

3.1. Information Security

In area of preventive measures against cyber threats CDCP performed series of actions in 2021, primarily iterative penetration testing of the critical information system, which confirmed good 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 2021 included also a disaster simulation and functional testing of the critical information system operation switch from the primary to back-up locality with the participants involved.

Substantial security incidents that might threaten availability, integrity or confidentiality of services or information assets of CDCP were not recorded in course of the year 2021.

4. Compliance

4.1. Compliance Department Activities

In the year 2021 CDCP maintained 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.

The Compliance and Internal Control Function is part of the internal control system of CDCP falling under the off-process control. Therefore, on one hand, the purpose of this control activity is to ensure compliance, i.e. control and assessing if CDCP executes its activities in compliance with the 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 2021 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. Performed controls contributed to removal of identified shortcomings, and also to improvement of processes in controlled areas.

In 2021 the Compliance Department always acted according to adopted rules governing the 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 motions / solicitations from the National Bank of Slovakia with respect to consumer protection on the financial market. We can state that materialisation of the compliance risk was not identified in course of the year 2021.

4.2. Local and European Legislation

As regards impact to CDCP activities, the most important was implementation of CSDR provisions related to the settlement discipline and respective Commission Delegated Regulation (EU) of 25 May 2018 supplementing Regulation (EU) No 909/2014 of the European Parliament and of the Council with regard to regulatory technical standards on settlement discipline effective from 1 February 2022. The rules in case of settlement failure and the rules for application of the penalty mechanism were incorporated to the Rules of Operation during the implementation.

Important part of the implemented regulations was legal regulation related to the COVID-19 pandemic.

In the future CDCP expects implementation of significant proposed and the existing regulations that will affect CDCP activities. Principal will be implementation of the act on the central register of accounts based on which CDCP will have obligation to send data from CDCP register to the account register from 1 January 2023; proposed legislative intent to recodify commercial companies law; preparation for implementation of proposed Regulation of the European Parliament and of the Council on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014 and (EU) No 909/2014 (DORA), that will harmonise the rules for financial entities regarding consolidation and modernising of requirements for information and communication technologies. CDCP at the same time takes steps in connection with implementation of legal regulations allowing access of CDCP to the Register of Natural Persons and the Register of Legal Persons, what will enable automatic update of data in CDCP register. CDCP activities will be significantly affected also by proposed legislative regulation enhancing the EU rules for AML area.

5. Risk Management

CDCP 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 in the strategy for risk management area, risk appetite and ethical principles of CDCP. As regards the risk management system, CDCP applies requirements of relevant binding legal regulations, namely the act No 566/2001 Coll. on Securities and Investment Services and on amendments and supplements of certain laws, Regulation (EU) No 909/2014 of the European Parliament and of the Council 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 and relevant implementing regulations.

CDCP provides for stable and functional risk management system that includes mainly clear organisational structure with strictly defined transparent and consistent responsibility lines and effective procedures for identification, monitoring, reporting and management of risk to which CDCP is or may be exposed.

As regards the risk management, CDCP takes in account all known risks it is or may be exposed to, including risks posed by the external entities (namely key participants in the securities settlement system which are linked to CDCP, external suppliers, other central depositories or another market infrastructures). In doing so, CDCP considers mainly possible impact of respective risk to ability of CDCP to provide services in approved form and value of possible economic loss 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 acting 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 the risk management, primarily regarding approach of CDCP to present and future risks that CDCP is or can be exposed to, or risks that CDCP poses to 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 ensuring a control independent from operational and business processes. The Internal Audit Department assesses effectiveness of the risk management processes and contributes to their improvement, helps the company to maintain effective control mechanisms by assessing their effectiveness and efficiency, and by facilitating their continual improvement.

In course of the year 2021 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.

In compliance with the Internal Audit operative plan, four proper audits and one follow-up audit were conducted in course of the year 2021. The first audit focused on risks related to administration of records and creation of billing supporting documents at the Settlement System Operation Department and control processes related to customer invoices. The second audit was conducted at the 1.A.3 Department – Security, and was aimed to IT systems and the business continuity management; the audit was performed also to meet the SWIFT requirement to conduct regular independent assessment of compliance with the security measures according to applicable SWIFT Customer Security Controls Framework in 2021. Purpose of the third audit at the Department 7.1 – Compliance Section was to verify the client care processes pursuant to provisions of the Act No 297/2008 Coll. of 1 November 2020. The last planned audit in the year 2021 at the Division 3 – Economics was focused to procedures relevant to meeting the capital requirements pursuant to the Regulation (EU) of the EP and of the Council No 909/2014 and the Commission Delegated Regulation (EU) 2017/390.

The Internal Audit asserts, that final statement on the risk management was "effective" in three cases and "sufficiently effective" in one case. The follow-up audit performed at the end of the year showed, that all reported completed corrective measures were realised such way, that they met requirements for elimination of identified risks.

Audits conducted in 2021 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 of 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 observe any activities contra the Internal Audit which could 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". The ISO standard 6166 was amended in February 2021 and according to requirements from ANNA, the NNAs shall report the mandatory changes from February 2023 at the latest.

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. This standard was amended in May 2021 by new requirements of the markets and supervisory authorities; the implementation date for ANNA is the same as in case of the standard ISO 6166, i.e. February 2023.

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.

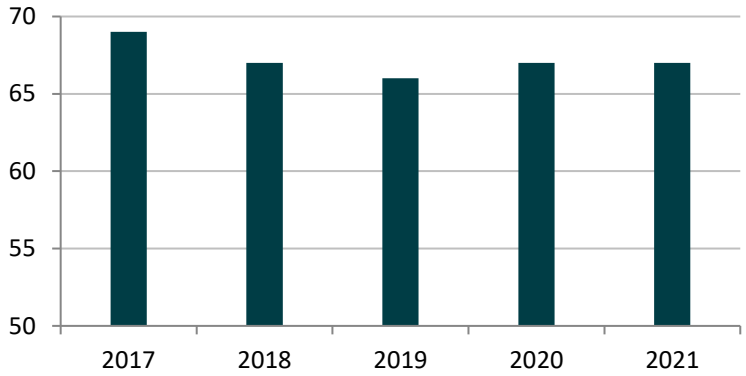
On 30 January 2018 CDCP has received a certificate from the GLEIF (Global Legal Entity Identifier Foundation), which confirms successful accreditation of CDCP for allocation of the LEI codes to legal entities from Slovakia and the Czech Republic. Accreditation is process during which the GLEIF assesses 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 assessment of the accreditation. In CDCP the annual accreditation assessment process was performed in lesser degree thanks to the superior quality of data delivered from May until August 2021 and the assessment was successfully completed by the final report dated 4 August 2021.

Several new regulations were adopted in 2021 related to data content and structure, initiated by the Regulatory Oversight Committee. Changes resulted to completely new structure of delivered files, which is valid from 31 March 2022. Changes will affect also the governmental institutions, funds or corporate actions. In September 2021 CDCP started the accreditation process for allocation of LEI codes to the investment funds for the Slovak Republic jurisdiction.

8. Human Resources

In the year 2021 the total number of employees in CDCP was 71 persons. The average number of employees was 67 persons. The long-term trend is decreasing the quantity of employees and increasing the effectivity. This development is supported also by effective distribution of activities among positions as well as by costs reduction. Fluctuation rate was 4%.

Average number of employees:



Structure of employees in the year 2021:

Average number of employees	67
Out of that:	32 men
	35 women
and	3 women – maternity leave
Entries	2 employees
Terminations	3 employees
Average age of all employees	46 years
Average age of new employees	24 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. 20 employees attended 73 educational activities in course of the year 2021, namely seminars, trainings, conferences, and workshops that had mainly on-line form due to measures with regard to spreading of virus COVID-19. The education expenses reached value of 5 248 EUR. The amount dropped by 46% compared to the previous year.

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 2021, 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 applicable to 45 employees in form of supplement to the employment contract.

9. Strategic Vision

CDCP plays important part in maintaining trustworthy infrastructures providing for activities performed before and after conclusion of trades in securities, which protect financial markets and give confidence to market participants that transactions with securities will be processed properly and timely also in moments of extreme turmoil. Therefore, its interlocked with the BSSE functions, together creating the basis of the Slovak capital market infrastructure.

The securities settlement system operated by the securities central depository is systemically important for functioning of the capital market due to its fundamental position in the settlement process. Due to CDCP's key role in the securities holding system through which the participants inform on securities held by the investors, the securities settlement system operated by CDCP serves as the primary instrument for verification of the security issue integrity what prevents inadequate creation or deletion of issued securities, so it plays essential part in maintaining the trust of investors.

Moreover, the securities settlement system operated by the central depository tightly participates in realisation of collateral for purposes of the monetary policy operations, and also among the credit institutions, thus CDCP is a critical actor in the securing process.

In 4Q 2021 the company's governing bodies and the shareholder approved reviewed strategy of CDCP for years 2021 – 2023, which is formed by following synopses:

1. To ensure continuous fulfilling of conditions to retain the authorisation to act as a central depository according to the requirements under the CSDR, ZoCP and proceed with harmonisation of the market standards in view of the harmonisation of the EU capital markets.
2. To maintain the economic surplus in long-term horizon and create adequate resources for financing of development and innovations.
3. To decrease risk exposure, primarily to find solution for termination of long-term litigations, reduce provisions as well as the 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 NCDCP in sense of the amendment of 30 October 2019, i.e. to create one functional central securities depository in the SR built on latest technologies, that will be client oriented, cost-effective and will respect interests of clients and participants of the financial or capital market.

The unchanging strategy of CDCP in next period of time remains enhancing of services and increasing of efficiency in achieving positive economic result. The aim is to simplify provided services and make them more attractive in order to bring added value to our clients and also address new clients. That requires favourable conditions on the market and consistent legislative environment attractive for the investors. CDCP wants to contribute by stable (safe, trustworthy and foreseeable) infrastructure. We want to be reliable partner for our members (participants in the settlement system), clients and suppliers.

The central depository is the systemically important institution in given segment of the European Union market, irrespective of size and current intensity of activities. This importance is given by its functions among which dominates legal security of registered ownership of specific assets.

CDCP business orientation is not primarily a profit maximisation. However, CDCP pursues the balanced economy, ensures growth of the shareholder value and offers solutions based on real needs and expectations of the capital or the financial market and investors. It is essential that each core service of the central depository is competitive

and each information affecting ownership relations, and is guaranteed be the central depository, is provided in legally sustainable and transparent way.

The central depository faces several 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. For these services are characteristic strong harmonisation demands from side of the European institutions (CMU – Capital Markets Union, i.e. the vision of the capital market unification) 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 robotization, DLT - 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 the regulated market, non-standard method of provision of certain services and high-cost infrastructure due to low possibility to apply economies of scale.

As a consequence, becoming one of the best financial institutions in Slovakia has to be CDCP's ambition and strategic goal.

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 connection with preparation to migration of assets of NCDCP clients and start of provision of services to this group of clients, CDCP granted access of a participant to the securities settlement system and the membership in the central depository to the company Across Private Investments, o.c.p., a.s. with the effect from 8 November 2021. On 1 October 2021 became effective a withdrawal of the access of a participant and membership granted to the company OTP Banka Slovensko, a.s. and on 17 December 2021 became effective a withdrawal of the participant access of Arca Brokerage House o.c.p., a.s. On 6 December 2021 became effective a withdrawal of participant's access granted to the linked depository Národný centrálny depozitár cenných papierov, a.s. what means that also the standard and interoperable link of this depository to CDCP ceased to exist. As a result, at the end of 2021 CDCP had 24 participants (13 banks, including the National Bank of Slovakia; 6 securities brokers; 4 foreign central depositories, Debt and Liquidity Management Agency).

In 2021, 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 2020. 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)

Banks:

- 365.bank, a.s. (until 03.07.2021 acting under the business name „Poštová banka, a.s.")
- 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
- 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.

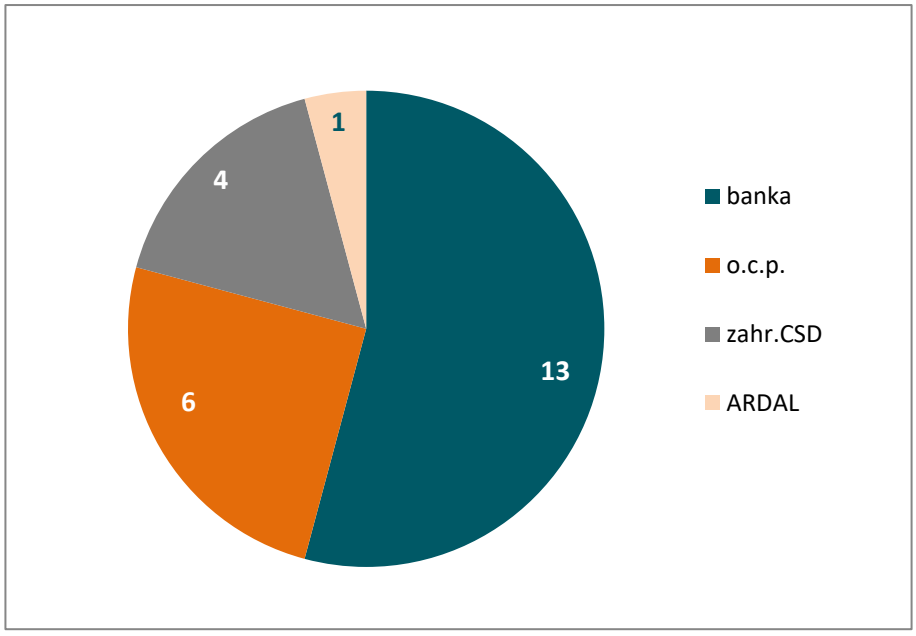
Securities dealers:

- Across Private Investments o.c.p. a.s. (participant from 8 August 2021)
- DLHOPIS, o.c.p., a.s.
- RM-S Market o.c.p., a.s (until 24.06.2021 acting under the business name 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 2021



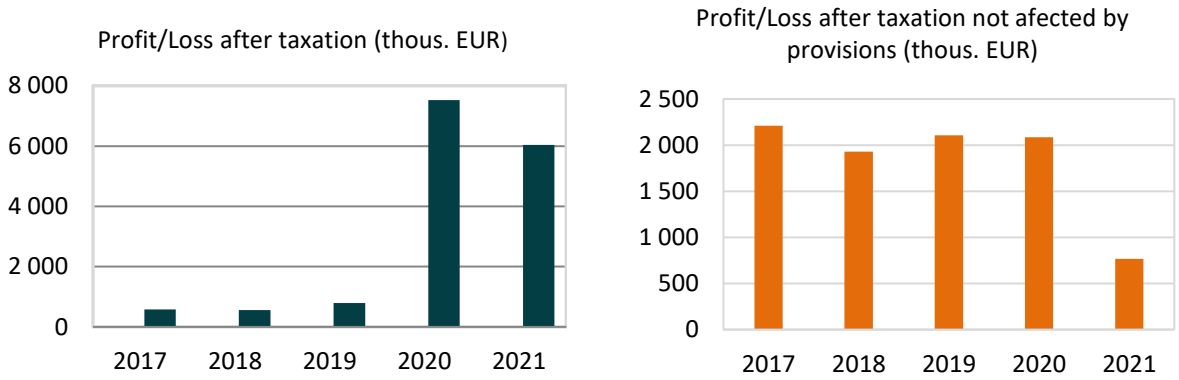
11. Economic Results - year 2021

a) Economic result:

In the year 2021 CDCP retained the positive trend of the economic results achieved in previous years, with sum of 6.04 million EUR after taxation.

The year-on-year change of the economic result was affected by decrease in revenues by 16 percent, which in 2021 were affected mainly by revenues from own services which dropped by 15 % compared to previous year and concurrent decrease of gross expenses by 1%.

Economic results for years 2017 – 2021 (thousand EUR):



Economic results (millions EUR):

	2017	2018	2019	2020	2021
Profit / Loss	0.57	0.56	0.79	7.52	6.04

Compared to the previous year the total revenues decreased by 16% and in the year 2021 were affected primarily by the sales from own services which dropped by 15%.

These are, similarly as in last years affected mostly by revenues from registration services for issuers of book-entry securities that fell by 35% compared to the previous year, administration of securities owner's accounts that fell by 6% compared to the previous year and business services to issuers of paper form securities which are around the level of the year 2020. These 3 groups of revenues altogether create 83% of total revenues in CDCP.

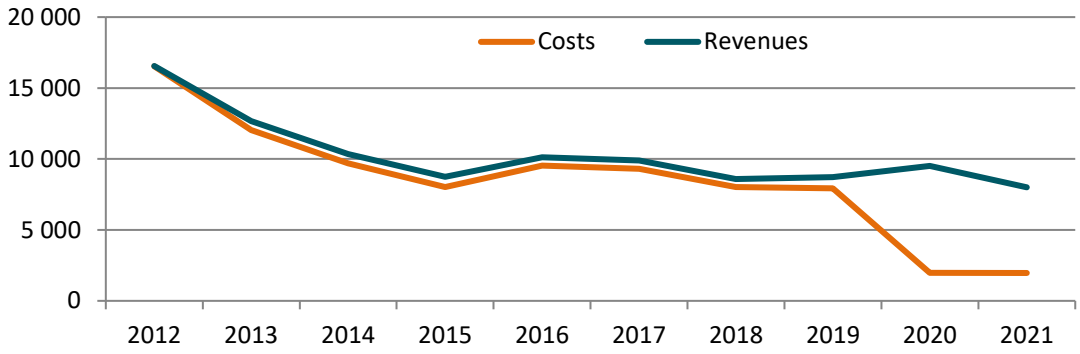
Other revenues from economic activity decreased by 55% in comparison to the previous accounting period as reinvoicing of depositories unification project costs ended.

Financial revenues fell by 8 % compared to the previous year due to lower available liquidity and lower interest rates of fixed-term deposits.

In 2021 the year-to-year decrease in total costs of CDCP by 1% was caused mainly by decrease of the income tax expenses which are lower by 36% compared to the previous period, by 3% fall of operation costs caused by cancellation of provisions for terminated litigations decided in favour of CDCP and by lower adjusting entries to receivables and also by decrease in area materials and energies consumption by 15%.

On the other hand, CDCP recorded growth in costs for services by 10%, depreciation grew by 27%, taxes and fees by 66%.

Costs and Revenues for the years 2012 – 2021 (thousand EUR):



	2017	2018	2019	2020	2021
EXPENSES	9.31	8.02	7.93	1.98	1.96
REVENUES	9.89	8.58	8.72	9.50	8.00

b) Financial position of CDCP

In the year 2021 the total capital of CDCP decreased by 8 % compared to the year 2020.

Current assets fell by 16 % in comparison to previous year, whereas the long-term receivables decreased by 34%, short term receivables decreased by 1%, and financial accounts increased by 18 %.

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 17 % was affected by positive economic result of 6.04 million EUR. Liabilities fell by 33 % compared to previous year.

c) Investment activities

The capital investments of CDCP in the year 2021 reached value of 2.47 million EUR. The investments were directed primarily to acquisition of valuable rights (migration of assets from NCDCP) and modifications of the production software and the digitalisation project.

Distribution of 2021 profit

The General Meeting shall decide on distribution of profit for the 2021 accounting period in the amount of 6.04 million EUR. The proposal of statutory body to the General Meeting is the following:

- contribution to the statutory reserve fund (10%) 0.6 million EUR,
- contribution to the social fund 0.02 million EUR,
- contribution to forwarded profit 3.83 million EUR,
- dividends paid to the shareholder 1.58 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 office paper.

b) Research and development expenses

The company did not have expenses for research and development in the year 2021.

c) Own shares

The company didn't acquire own shares in the year 2021 and does not have any own shares.

d) Foreign branch of the company

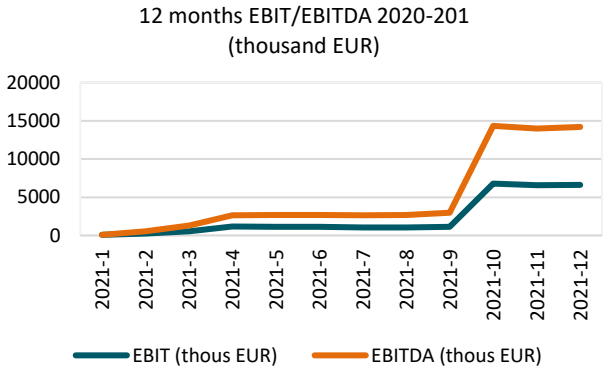
The company does not have a foreign branch.

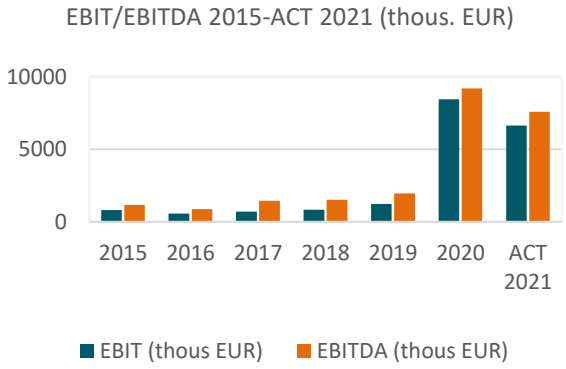
e) Events of special importance that occurred after the accounting period for which the Annual Report is prepared

The company adheres to approved internal regulations and measures for purpose of fulfilment of obligation under the Act No 289/2016 Coll. on exercise of international sanctions as amended; included are also international sanctions and restrictive measures with regard to current military conflict in Ukraine. CDCP does not assume that sanctions will have significant impact to CDCP activities or provision of CDCP services.

f) EBITDA 3 year's development

Much like the economic result, also the EBITDA development in the year 2021 is influenced by lower revenues compared to 2020, lessened cancellation of provisions for legal disputes decided to favour of CDCP and low adjusting entries to receivables.

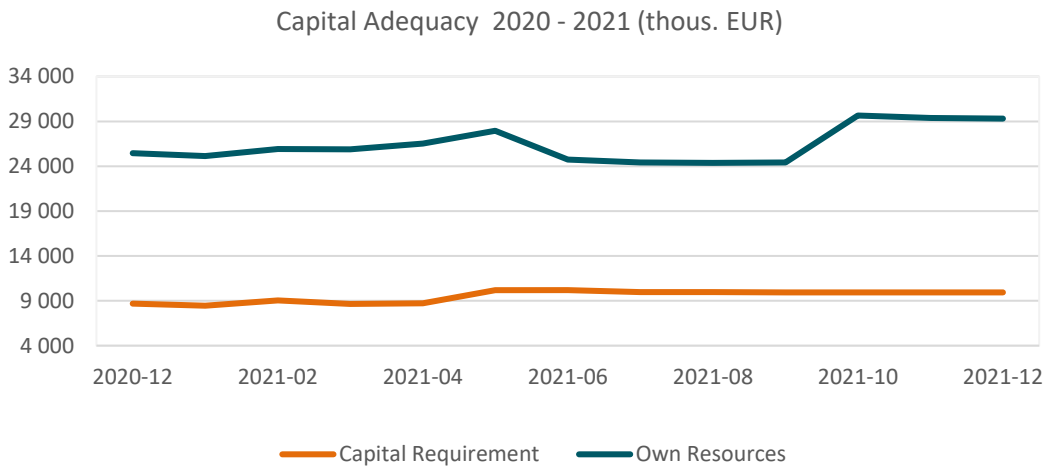




g) Capital adequacy development

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 perform an orderly winding-down or restructuring of its activities if necessary.

The indicator is ratio of capital requirements and own resources. Increased ratio in the year 2021 is result of higher capital requirement compared to the previous year.


Capital Adequacy 2020 - 2021 (thous. EUR)
34 000
29 000
24 000
19 000
14 000
9 000
4 000
2020-12
2021-02
2021-04
2021-06
2021-08
2021-10
2021-12
Capital Requirement
Own Resources

Centrálny depozitár cenných papierov SR, a.s.

13. Independent Auditor's Report and Financial Statements as of 31 December 2021

13.1. Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

on audit of proper individual financial statements
of 31 December 2021

Centrálny depozitár cenných papierov SR, a.s.

ul. 29. augusta 1/A, 814 80 Bratislava
ID: 31 338 976

Bratislava, March 2022

INDEPENDENT AUDITOR'S REPORT

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

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 2021, the profit and loss statement for the year ending on the same date, and notes which include overview of relevant accounting principles and accounting methods.

In our opinion, the financial statements present true and reliable image of the financial situation of the Company as of 31 December 2021 and of its economic result for the year which ended on stated date in compliance with the Act No. 431/2002 Coll. on Accounting as amended (hereinafter only „Act on Accounting").

Basis for opinion

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

Other fact

The financial statements for the year 2020 were audited by other Auditor, who in its report dated 26 March 2021 presented unmodified opinion on that financial statement.

Responsibility of the statutory body, and those charged with governance, for the financial statements

The management of the Company is responsible for the preparation of these financial statements so that it 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 operate as a going concern, for description of facts related to continuous pursuit of activities if necessary, and for application of the going concern assumption in the accounting, unless it has an intention to liquidate the Company or discontinue the operation, or it would not have other realistic option than to do so.

The persons charged with governance are responsible for supervision over the Company's financial reporting process.

Auditor's responsibility for audit of the financial statements

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

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

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

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

Report on information stated in the Annual Report

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

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

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

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

- information stated in the Annual Report for 2021 is compliant with the financial statements for given year
- the Annual Report includes information pursuant to the Act on Accounting.

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

In Bratislava, on 15 March 2022

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

(signature)

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

Auditor in charge:
Ing. Branislav Bača, CA
SKAU licence No. 955

13.2. Financial Statements for the year ending on 31 December 2021

Final Accounts

As of 31. 12. 2021

Tax ID	Financial statements	Accounting Unit		month	year
2 0 2 0 3 1 2 8 3 3					
Identification Number	x proper	small	For period from	1	2021
3 1 3 3 8 9 7 6	extraordinary	x large	until	12	2021
			Previous period from	1	2020
Code SK NACE	current				
6 6 . 1 1 . 0			until	12	2020

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

Trade Name of the accounting unit

Centrálny depozitár cenných papierov SR, a.s.

Seat of the accounting unit

Street	Number
2 9 . A U G U S T A	**1 / A**

Postal Code Place

8 1 4 8 0 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:	Approved on:	Signature of the statutory body of accounting unit:
14.3.2022		

Tax office notes:

Registration Number Tax office stamp

Balance Sheet as of 31 December 2021 – The Assets Side (in EUR)

Title	ASSETS	Line No.	In current acc. period			Previous acc. period
			Gross	Correction	Net	
	TOTAL ASSETS (lines 002+ 033+074)	001	42 181 366	10 822 410	31 358 956	34 166 703
A.	Fixed assets (lines 003+ 011+ 021)	002	15 587 099	6 733 408	8 853 691	7 323 683
A.I	Total long-term intangible assets (lines 004 through 010)	003	10 879 712	3 698 429	7 181 283	5 525 987
A.I.1	Capitalized development costs	004				
2.	Software	005	9 403 514	3 673 165	5 730 349	4 462 566
3.	Valuable rights	006	1 356 421	25 264	1 331 157	5 067
4.	Goodwill	007				
5.	Other long-term intangible assets	008				
6.	Acquisition of long-term intangible assets	009	119 777		119 777	1 058 354
7.	Advance payments for long-term intangible assets	010				
A.II.	Total long-term tangible assets (lines 012 through 020)	011	4 706 148	3 034 979	1 671 169	1 796 457
A.II.1	Land	012	431 521		431 521	431 521
2.	Buildings	013	3 829 742	2 750 852	1 078 890	1 175 471

3.	Stand-alone movable objects and groups of movable objects	014	375 497	267 857	107 640	91 936
4.	Perennial crops	015				
5.	Breeding and draught animals	016				
6.	Other long-term tangible assets	017	61 378	16 270	45 108	47 495
7.	Acquisition of long-term tangible assets	018	8 010		8 010	50 034
8.	Advance payments for long-term tangible assets	019				
9.	Adjustment to acquired assets	020				
A.lll.	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	26 468 412	4 089 002	22 379 410	26 717 151
B.I.	Total inventories (lines 035 through 040)	034	3 576		3 576	9 294
B.I.1	Stocks	035	3 576		3 576	9 294
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 - 052)	041	652 119		652 119	989 021
B.II.1	Total trade receivables (lines 43 +44+ 45)	042	4 503		4 503	21 100
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	4 503		4 503	21 100
2.	Net order value	046				
3.	Other receivables from linked accounting units	047				
4.	Other receivables within share participation excl. linked accounting units	048				
5.	Receivables from partners, members and association	049				
6.	Receivables from derivative operations	050				
7.	Other receivables	051	22 344		22 344	13 151
8.	Deferred tax receivable	052	625 272		625 272	954 770
B.III.	Total short-term receivables (lines 054 + 058 thr. 065)	053	7 180 861	4 089 002	3 091 859	3 129 244
B.III.1	Total trade receivables	054	6 880 880	4 089 002	2 791 878	3 117 752
1.a.	Trade receivables within linked accounting units	055	28 191		28 191	45 291
1.b.	Trade receivables within share participation except linked accounting units	056				
1.c.	Other trade receivables	057	6 852 689	4 089 002	2 763 687	3 072 461
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	285 463		285 463	
8.	Receivables from derivative operations	064				
9.	Other receivables	065	14 518		14 518	11 492
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	18 631 856		18 631 856	22 589 592
B.V.1	Cash	072	7 641		7 641	11 894
2.	Bank accounts	073	18 624 215		18 624 215	22 577 698

C.	Accruals (line 075 +76 + 77+ 078)	074	125 855		125 855	125 869
C.1	Deferred expenses – long-term	075	17 050		17 050	23 818
2.	Deferred expenses – short-term	076	59 074		59 074	49 817
3.	Accrued revenues – long-term	077				
4.	Accrued revenues – short-term	078	49 731		49 731	52 234

Balance Sheet as of 31 December 2021 – The Liabilities Side

Title	L I A B I L I T I E S	Line no.	Current acc. period	Previous acc. period
	TOTAL EQUITY AND LIABILITIES (line 080+ 101+ 141)	079	31 358 956	34 166 703
A.	Own equity (lines 081+ 085+ 086+ 087+ 090 +93 +97 +100)	080	19 615 735	16 756 971
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	1 321 944	569 509
A.IV.1	Legal reserve fund and Indivisible fund	088	1 321 944	569 509
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	1 763 924	- 1 827 996
A.VII.1.	Retained profit from previous years	098	1 763 924	
2.	Accumulated loss from previous years	099		- 1 827 996
A.VIII.	Profit or loss for accounting period after tax +/-(line 001-(081+ 085+ 086+ 087+ 090+ 093 +097 +101 +141))	100	6 038 764	7 524 355
B.	Total payables (line 102+ 118 + 121+ 122+ 136 + 139 +140)	101	11 712 544	17 373 775
B.I.	Total long terms payables (lines 103 + 107 through 117)	102	185 811	164 184
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	45 744	23 869
10.	Other long-term payables	115		
11.	Long-term payables from derivative operations	116		
12.	Deferred tax payable	117	140 067	140 315
B.II.	Long-term reserves (lines 119 + 120)	118	10 378 675	15 736 825
B.II.1	Legal reserves	119		

2.	Other reserves	120	10 378 675	15 736 825
B.III.	Long-term bank loans	121		
B.IV.	Total short-term payables (lines 123 + 127 through 135)	122	897 275	1 228 123
B.IV.1.	Total trade payables (lines 124 through 126)	123	357 072	432 862
1.a	Trade payables to linked accounting units	124	1 038	938
1.b	Trade payables within share with interest excl. linked accounting units	125		
1.c	Other trade payables	126	356 034	431 924
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	83 280	82 769
7.	Payables to social insurance	132	67 476	67 059
8.	Tax payables and subsidies	133	355 555	603 577
9.	Payables from derivative operations	134		
10.	Other payables	135	33 892	41 856
B.V.	Short-term reserves (lines 137 + 138)	136	250 783	244 643
B.V.1	Legal reserves	137	87 342	83 008
2.	Other reserves	138	163 441	161 635
B.VI.	Current bank loans	139		
B.VI.	Short-term financial grant	140		
C.	Total accruals (lines 142 through 145)	141	30 677	35 957
C.1.	Accrued expenses, long-term	142		
2.	Accrued expenses, short-term	143		9 943
3.	Deferred revenues, long-term	144		
4.	Deferred revenues, short-term	145	30 677	26 014

Profit and Loss Statement as of 31 December 2021

Title	I T E M	Line no.	Current acc. period	Previous acc. period
*	Net turnover	01	7 804 906	9 146 695
**	Total revenues from economic activity (lines 03 through 09)	02	7 929 184	9 422 942
I.	Returns from sale of goods	03		
II.	Returns from own products	04		
III.	Returns from services	05	7 804 906	9 146 695
IV.	Change in inventories	06		
V.	Capitalization (acc. group 62)	07		
VI.	Returns from sale of long-term assets (tangible/intangible) and material	08	1 314	5 962
VII.	Other revenues from economic activity	09	122 964	270 285
**	Total expenses on economic activity (lines 11 through 15 + 20 through 26)	10	1 309 844	1 023 175
A	Cost of goods sold	11		
B	Consumption of material, energy and other non-storable supplies	12	94 088	110 088
C	Adjustment entries to inventory	13		
D	Services (acc. group 51)	14	2 614 178	2 379 141
E	Total personnel expenses (lines 16 through 19)	15	2 312 163	2 305 595
E.1.	Wages and salaries	16	1 546 952	1 558 000
2.	Remuneration of company body members	17	72 970	55 306
3.	Social insurance expenses	18	602 591	597 723
4.	Social expenses	19	89 650	94 566
F.	Taxes and fees (acc. group 53)	20	24 499	14 760
G.	Depreciation and adjustments to long-term intangible assets and long-term tangible assets (l. 22+23)	21	948 859	750 035
G.1.	Depreciation to long-term intangible assets and long-term tangible assets	22	948 859	750 035
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	445 806	752 491

J.	Other expenses on economic activity	26	-5 129 749	-5 311 713
***	Profit or loss from economic activity (line 02 – 10)	27	6 619 340	8 399 767
*	Added value ((lines 03 through 07) – (lines 11 through 14))	28	5 096 640	6 657 466
**	Revenues from financial activity (lines 30 + 31 + 35 + 39 + 42 + 43 + 44)	29	74 175	80 746
VIII.	Returns from sale of securities and ownership interests	30		
IX.	Revenues from long-term financial assets (lines 32+ 33+ 34)	31		
IX.1.	Revenues from securities and ownership interests from linked accounting units	32		
2.	Revenues from securities and ownership interests within interest share excl. linked accounting units	33		
3.	Other revenues from securities and ownership interests	34		
X.	Total revenues from short-term financial assets (lines 36 +37+ 38)	35		
X.1	Revenues from short-term financial assets from linked accounting units	36		
2.	Revenues from short-term financial assets within share with interest excl. linked accounting units	37		
3.	Other revenues from short-term financial assets	38		
XI.	Interests received (lines 40 + 41)	39	74 098	80 741
XI.1.	Interests received within consolidated whole	40		
XI.2.	Other interests received	41	74 098	80 741
XII.	Exchange rate gains	42	76	5
XIII.	Revenues from revaluation of securities and revenues from derivative operations	43		
XIV.	Other revenues from financial activity	44	1	
**	Total expenses on financial activity (lines 46 through 49 +52+53+54)	45	84 717	70 104
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	2	74

P.	Expenses on revaluation of securities and expenses on derivative operations	53		
Q.	Other expenses on financial activity	54	84 715	70 030
***	Profit or loss from financial activity (line29 - 45)	55	-10 542	10 642
****	Profit or loss for accounting period before tax (line 27 - 55)	56	6 608 798	8 410 409
R.	Income tax (line 58 + 59)	57	570 034	886 054
R.1.	- due	58	240 783	543 748
2.	- deferred	59	329 251	342 306
S.	Transfer of shares on profit or loss to partners	60		
****	Profit or loss for accounting period after tax (+/-) [lines 56 - 57 - 60]	61	6 038 764	7 524 355

Financial Statements
according to the Slovak legal regulation
as of 31 December 2021

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 staffs at balance sheet date of which:	65	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	31 358 956	34 166 703	Yes
Net to turnover – total	7 804 906	9 146 694	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 (Measure No. MF/23377/2014-74).

5. Data on unlimited liability

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

6. Legal reason for preparing the financial statements

The Company's financial statements as of 31 December 2019 have been prepared as ordinary financial statements under Section 17(6) of the National Council of the Slovak Republic Act No. 431/2002 Coll. on Accounting for the accounting period from 1 January 2021 to 31 December 2022.

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 2020, i.e. for the previous accounting period, on 29 June 2021.

8. Approval of the auditor

On 14 October 2021 the General Meeting approved the company ACCEPT AUDIT & CONSULTING, s.r.o. as an auditor of the financial statements for the accounting period from 1 January 2021 to 31 December 2021.

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 Vice-chairman: Ing. Ľudmila Boboková - from 04.2.2020 till 31.05.2021 Vice-chairman: RNDr. Pavel Ferianc - from 01.06.2021 Member: Ing. Tomáš Novanský - from 29.2.2016 till 31.05.2021 Member: Ing. Lukáš Bonko - from 01.06.2021	Chairman: Ing. Martin Wiedermann - from 27.10.2020 Vice-chairman: Ing. Ľudmila Boboková - from 04.2.2020 Member: Ing. Tomáš Novanský - from 29.2.2016
Supervisory Board: Chairman: Ing. Igor Lichnovský - from 29.09.2020 till 31.05.2021 Chairman: Ing. Martin Barto, CSc. From 01.06.2021	Supervisory Board: Chairman: Ing. Igor Lichnovský - from 3.9.2015 till 03.09.2020, and from 29.09.2020

Member: Ing. Anna Samuelová from 9.9.2020
Member: Ing. Ivan Gránsky - from 29.09.2020 till 26.02.2021
Member: Ing. Martin Barto, CSc. - from 27.02.2021 till 31.05.2021
Member: Ing. Igor Lichnovský - from 01.06.2021

Member: Ing. Ivan Gránsky - from 3.9.2015 till 03.09.2020 and from 29.09.2020
Member: JUDr. Katarína Malíková – till 21.8.2020

Member: Ing. Anna Samuelová - from 09.09.2020

C. INFORMATION ON THE COMPANY PARTNERS

The structure of the Company's shareholders as of 31 December 2021:

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

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 2021 (§22 of the Act 431/2002 Coll.).

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:

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

4. Stock/Supplies

The company valuates 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 valuate 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.

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 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.

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 2021 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 2021 to 31 December 2021 and for the comparable period from 1 January 2020 to 31 December 2020 is presented in the tables below.

In November, the Company finalised the project of single securities central depository in the SR which resulted to transfer of assets of clients of Národný centrálny depozitár cenných papierov to portfolio of the Company and increased assets of the Company. The depreciation of acquired valuable rights was set to 20 years.

	Current accounting period							
Non-current intangible assets	**Capitalised development costs**	**Software**	**Valuable rights**	**Goodwill**	**Other non-current intangible assets**	**Non-current assets in the process of acquisition**	**Advances paid for non-current intangible assets**	**Total**
a	b	c	d	e	f	g	h	i
Acquisition cost	-	-	-	-	-	-	-	-
Opening balance	-	**7 347 391**	**17 429**	-	-	**1 058 354**	-	**8 423 174**
Additions	-	-	-	-	-	2 463 521	-	2 463 521
Disposals	-	6 983	-	-	-	-	-	6 983
Transfers	-	2 063 106	1 338 992	-	-	-3 402 364	-	-
Closing balance	-	**9 403 514**	**1 356 421**	-	-	**119 777**	-	**10 879 712**
Accumulated depreciation		-	-	-	-	-	-	
Opening balance	-	**2 884 825**	**12 362**	-	-	-	-	**2 897 187**
Additions	-	795 323	12 901	-	-	-	-	808 224
Disposals	-	6 983	-	-	-	-	-	6 983
Transfers	-	-	-	-	-	-	-	
Closing balance	**-**	**3 673 165**	**25 263**	**-**	**-**	**-**	**-**	**3 698 428**
Valuation allowances	-	-	-	-	-	-	-	-
Opening balance	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Closing balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net book value	-	-	-	-	-	-	-	-
Opening balance	-	**4 462 566**	**5 067**	-	-	**1 058 354**	-	**5 525 987**
Closing balance	-	**5 730 349**	**1 331 158**	-	-	**119 777**	-	**7 181 284**

In 2021 assets in value of 2 063 106 EUR were included to non-current intangible assets: SW – digitisation and electronisation of CDCP processes - 1 300 497 EUR, technical appreciation: SW- Migration of CSD to EU payment syst. Target Securities – value 97 505 EUR, SW-Digitisation & electronis. of CDCP processes – 43 607 EUR, SW-CSD migration to EU payment syst. Target Securities – 33 878 EUR; SW – Digitisation& electronis. of CDCP processes – val. 91 643 EUR, TARGET2 connector licence – val. 42 000 EUR, SW-migration to EU payment syst. Target Securities – 302 564 EUR, SW-digitisation & electronisation of CDCP processes – val. 117 535

EUR, SW-migration to EU payment syst. Target Securities- val. 33 878 EUR. Increase of valuable rights-migration of clients from IS NCDCP to IS CDCP – 1 338 992 EUR.

					Prior accounting period			
Non-current intangible assets	**Capitalised development costs**	**Software**	**Valuable rights**	**Goodwill**	**Other non-current intangible assets**	**Non-current assets in the process of acquisition**	**Advances paid for non-current intangible assets**	**Total**
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.

Current accounting period

Non-current tangible assets	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	Total
a	b	c	d	e	f	g	h	i	j
Acquisition cost	-	-	-	-	-	-	-	-	-
Opening balance	**431 521**	**3 829 742**	**337 180**	-	-	**61 378**	**50 034**	**-**	**4 709 855**
Additions	-	-	-	-	-	-	15 348	-	15 348
Disposals	-	-	19 054	-	-	-	-	-	19 054
Transfers	-	-	57 372	-	-	-	-57 372	-	-
Closing balance	**431 521**	**3 829 742**	**375 497**	-	-	**61 378**	**8 010**	**-**	**4 706 148**
Accumulated depreciation	-	-	-	-	-	-	-	-	-
Opening balance	**-**	**2 654 271**	**245 244**	-	-	**13 883**	**-**	**-**	**2 913 398**
Additions	-	96 581	41 667	-	-	**2 386**	-	-	140 634
Disposals	-	-	19 054	-	-	-	-	-	19 054
Transfers	-	-	-	-	-	-	-	-	
Closing balance	**-**	**2 750 852**	**267 857**	-	-	**16 270**	**-**	**-**	**3 034 979**
Valuation allowances	-	-	-	-	-	-	-	-	-
Opening balance	**-**	**-**	**-**	-	-	**-**	**-**	**-**	-
Additions	-	**-**	-	-	-	-	-	-	-
Disposals	-	**-**	-	-	-	-	-	-	-
Transfers	-	**-**	-	-	-	-	-	-	-
Closing balance	**-**	**-**	**-**	-	-	**--**	**-**	-	-
Net book value	-	-	-	-	-	-	-	-	-
Opening balance	**431 521**	**1 175 471**	**91 936**	-	-	**47 495**	**50 034**	**-**	**1 796 457**
Closing balance	**431 521**	**1 078 890**	**107 640**	-	-	**45 108**	**8 010**	**-**	**1 671 169**

In 2021 were included following assets to non-current tangible assets in value of 57 372 EUR (germicidal lamp Beewair BW 60 – 2pcs/ 2 655 EUR, Server HP ProLiant DL360 G10 – 1pc/ 3 206 €, Scanner Fujitsu fi-7240 – 3pcs/ 1 930,00 €, Document reader Regula 7024M / 3 623 €; Data storage Synology - RS3618xs-Synology RackStation + accessories – 1pc/ 2 559 €, condensing gas boiler – 2pc / 1 745 €).: Discarded was inventory with value of 19 054 €, (1 pc PC HP Compaq dx7400 MT, Server HP DL380G6 CTO Chassis OC 13 661 €, Server THECUS N8900V, Notebook Thinkpad X201T-NU823XS, all with residual value in amount of 0 EUR).

Non-current tangible assets	Land	Buildings	Individual movable assets and sets of movable items	Perennial crops	Breeding and draught animals	Other non-current tangible assets	Assets under construc-tion	Advances paid for non-current tangible assets	Total
	Prior accounting period								
a	b	c	d	e	f	g	h	i	j
Acquisition cost	-	-	-	-	-	-	-	-	-
Opening balance	431 521	3 829 742	319 300	-	-	92 392	14 518	-	4 687 473
Additions	-	-	-	-	-	-	74 945	-	74 945
Disposals	-	-	21 549	-	-	31 014	-	-	52 565
Transfers	-	-	39 429	-	-	-	-39 429	-	-
Closing balance	**431 521**	**3 829 742**	**337 180**	**-**	**-**	**61 378**	**50 034**	**-**	**4 709 855**
Accumulated depreciation	-	-	-	-	-	-	-	-	-
Opening balance	-	2 557 683	233 310	-	-	11 497	-	-	2 802 490
Additions	-	96 588	33 483	-	-	2 386	-	-	132 457
Disposals	-	-	21 549	-	-	-	-	-	21 549
Transfers	-	-	-	-	-	-	-	-	-
Closing balance	**-**	**2 654 271**	**245 244**	**-**	**-**	**13 883**	**-**	**-**	**2 913 398**
Valuation allowances									
Opening balance	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-	-
Net book value	-	-	-	-	-	-	-	-	-
Opening balance	**431 521**	**1 272 059**	**85 990**	**-**	**-**	**80 895**	**14 518**	**-**	**1 884 983**
Closing balance	**431 521**	**1 175 471**	**91 936**	**-**	**-**	**47 495**	**50 034**	**-**	**1 796 457**

In 2020 were included following assets to non-current tangible assets: 2 units of Switch CISCO WS-C2960X +accessories- value 3 344 EUR/unit, car Volkswagen Arteon – purchase cost 32 741 EUR. Discarded was inventory with value of 21 549 EUR – VOLKSWAGEN GOLF/BL035IO in purchase value 20 150 EUR and PC HP Compaq dc799CMT, 8 GB in value 1 399 EUR. Discarded was non-depreciable tangible assets in purchase value 31 015 EUR.

2. Non-current financial assets

The overview of changes in non-current financial assets from 1 January 2021 to 31 December 2021 and for comparable period from 1 January 2020 to 31 December 2020 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					
Joint undertakings			-	-	-
Associates	-	-	-	-	-
Other realisable securities and ownership interests					
A.N.N.A	1	1	151 270	-	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			-	-	-
Joint undertakings			-	-	-
Associates			-	-	-
Other realisable securities and ownership interests					
A.N.N.A	1	1	151 270	-	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, scrl.). 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. 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:

	Current accounting period				
Receivables	**Valuation allowance as of 01/01/2021**	**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 31/12/2021**
a	b	c	d	e	f
Trade receivables	4 431 042	3 896 504	3 450 698	787 846	4 089 002
Receivables from subsidiaries and parent company	-	-	-	-	-
Other receivables within the consolidated group	-	-	-	-	-
Receivables from partners, members, and association	-	-	-	-	-
Other receivables	-	-	-	-	-
Total receivables	**4 431 042**	**3 896 504**	**3 450 698**	**787 846**	**4 089 002**

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 a security, for example.

	Prior accounting period				
Receivables	**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	-	-	-	-	-
Total receivables	**4 615 698**	**4 230 803**	**3 478 312**	**937 147**	**4 431 042**

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

Receivables as of 31/12/2021	Within due period	Overdue	Total receivables
a	b	c	d
Long-term receivables			
Trade receivables	4 503	-	4 503
Receivables from subsidiaries and parent company	-	-	-
Other receivables within the consolidated group	-	-	-
Receivables from partners, members, and association	-	-	-
Other receivables	22 344	-	22 344
Total long-term receivables	**26 847**	**-**	**26 847**
Short-term receivables	-	-	-
Trade receivables	3 426 439	3 426 250	6 852 689
Receivables from subsidiaries and parent company	28 191	-	28 191
Other receivables within the consolidated group	-	-	-
Receivables from partners, members, and association	-	-	-
Social security	-	-	-
Tax receivables and contributions	-	-	-
Other receivables	14 518	-	14 518
Total short-term receivables	**3 469 148**	**3 426 250**	**6 895 398**

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

The age structure of receivables for the prior 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
Total long-term receivables	**34 251**	**-**	**34 251**
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
Total short-term receivables	**4 936 174**	**2 624 112**	**7 560 286**

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 8 343 180 EUR.

Overview of individual items of financial accounts:

Item	Current accounting period	Prior accounting period
Cash and cash equivalents	7 641	11 894
Current accounts in bank or in a branch of foreign bank	10 281 035	8 518 748
Deposit accounts in bank or in a branch of foreign bank	8 343 180	14 058 950
Funds in transit	-	-
Total	**18 631 856**	**22 589 592**

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
Deferred costs – long-term of which:	**17 050**	**23 818**
Licence subscription fee	17 050	23 818
Deferred costs – short-term of which:	**59 074**	**49 817**
Insurance	16 083	15 617
Software service and support fees	38 315	29 312
Advance payments	2 326	2 155
Debit cards fee (insurance)	137	138
Other	2 213	2 595
Accrued income – long-term of which:	**0**	**0**
	0	0
Accrued income – short-term of which:	**49 731**	**52 234**
Interest revenues	49 731	52 234
Total	**125 855**	**125 869**

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 01/01/2021	**Set-up**	**Use**	**Release**	**Balance as of 31/12/2021**
a	b	c	d	e	f
Long-term provisions of which:	**15 736 825**	**15 382**	**100 418**	**5 273 114**	**10 378 675**
Other long-term provisions	-	-	-	-	-
Litigations	14 512 198	1 650	-	5 187 966	9 325 882
Bonuses	166 568	-	-	-	166 568
Litigations fees	1 014 171	-	100 418	85 846	827 907
Severance payments	43 888	13 732	-	-698	58 318
Total other long-term provisions	**15 736 825**	**15 382**	**100 418**	**5 273 114**	**10 378 675**
Short-term provisions of which:	**244 643**	**250 783**	**242 070**	**2 573**	**250 783**
Legal short-term provisions	-	-	-	-	-
Wages for holiday including social welfare	83 008	87 342	79 646	3 544	87 342
Audit of financial statements and preparation of tax return	-	-	-	-	-
Total legal short-term provisions	**83 008**	**87 342**	**79 464**	**3 544**	**87 342**
Other short-term provisions	-	-	-	-	-
Onerous contracts	-	-	-	-	-
Onerous service contracts	-	-	-	-	-
Other tax disallowed entries	-	-	-	-	-
Bonuses for employees	62 035	68 225	63 006	-971	68 225
Sanctions and penalties	-	-	-	-	-
Other	99 600	95 216	99 600	-	95 216
Unbilled supplies	-	-	-	-	-
Total other short-term provisions	**161 635**	**163 441**	**162 606**	**-971**	**163 441**

The Company terminated a litigation with the company GENERIX, a.s. (the suitor withdrew the action to the full extent) and cancelled provision in amount of 5 187 966 EUR. In connection with terminated litigation the provision for positive reward in amount of 85 846 EUR and used created reserves in amount of 100 418 EUR.

Supplies of assets not invoiced

The reserves for unbilled asset 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:

	Prior accounting period				
Item	**Balance as of 01/01/2020**	**Set-up**	**Use**	**Release**	**Balance as of 31/12/2020**
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	-	5 644 482	14 512 198
Bonuses	166 568	-	-	-	166 568
Litigations fees	1 381 268	-	352 222	14 875	1 014 171
Severance payments	35 082	11 235	-	2 429	43 888
Total other long-term provisions	**21 518 632**	**232 201**	**352 222**	**5 661 786**	**15 736 825**
Short-term provisions of which:	**241 852**	**244 643**	**234 754**	**7 098**	**244 643**
Legal short-term provisions	-	-	-	-	-
Wages for holiday including social insurance	68 935	83 008	61 837	7 098	83 008
Audit of financial statements and preparation of tax return	-	-	-	-	-
Total legal short-term provisions	**68 935**	**83 008**	**61 837**	**7 098**	**83 008**
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
Supplies not invoiced	-	-	-	-	-
Total other short-term provisions	**172 917**	**161 635**	**172 917**	**-**	**161 635**

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. 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	0	9 000
Due Liabilities	897 275	1 219 123
	897 275	**1 228 123**

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 2021 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	1 038	1 038	-	-
Trade liabilities within share participation except liabilities towards linked accounting units	-	-	-	-
Other trade liabilities	356 034	356 034	-	-
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	83 280	83 280	-	-
Liabilities towards social insurance	67 476	67 476	-	-
Tax liabilities and subsidies	355 555	355 555	-	-
Liabilities from derivative operations			-	-
Other liabilities	33 892	33 892	-	-
	897 275	**897 275**	**-**	**-**

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	-	-
	1 228 123	**1 228 123**	**-**	**-**

4. Deferred tax liability

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

Item	Current accounting period	Prior accounting period
Temporary differences between the book value of assets and their tax base of which:	- 3 422 015	- 3 762 875
deductible	- 4 089 002	- 4 431 042
taxable	666 987	668 167
Temporary differences between the book value of liabilities and their tax base of which:	- 10 558 394	- 15 935 580
deductible	- 10 558 394	- 15 935 580
taxable	-	-
Tax loss carried forward	-	-
Unused tax deductions	-	-
Income tax rate (in %)	21	21
Deferred tax receivable calculated	**3 075 953**	**4 276 991**
Deferred tax receivable recognized	**329 498**	**342 332**
Recorded as expense reduction	- 329 498	- 342 332
Recorded in equity		
Deferred tax liability	**140 068**	**140 315**
Change in deferred tax liability	-247	-26
Recorded as cost	-26	-26
Recorded as equity	-	-
Other	-	-

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	23 869	11 079
Contributions charged to costs	13 425	13 546
Contributions from profit	20 000	11 124
Other contributions	-	-
Total social fund contributions	33 425	24 670
Withdrawal	11 550	11 880
Closing balance	**45 744**	**23 869**

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:	-	9 943
Interests from LT deposit payable in 2021	-	9 943
Long-term deferred revenues of which:	**-**	**-**
Short-term deferred revenues of which:	**30 677**	**26 014**
LEI code renewal for one-year period	30 677	26 014
Total	**30 677**	**26 014**

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:

	Type of products, goods, services (Services)	
Sales territory	**Current accounting period**	**Prior accounting period**
Slovakia	7 195 892	8 463 047
EU	559 419	674 559
Other	9 595	9 089
Total	**7 804 906**	**9 146 695**

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	2 777 743	2 968 610
Registration services to issuers of book-entry securities	2 710 365	4 147 908
Trade services to issuers of paper-form securities	1 141 315	1 136 283
Registration services to issuers of paper-form securities	151 926	138 767
Information services to issuers of book-entry securities	229 290	229 085
Pledge	187 590	150 501
Changer of owner transfer/transition	269 330	139 043
Use of IS by members	0	0
National Numbering Agency	54 750	48 900
Information services for subjects pursuant to §110	12 322	13 236
Account statements	11 709	15 578
Information services to issuers of paper-form securities	1 780	2 100
Trade services to issuers of book-entry securities	88 790	49 998
Other services	167 996	106 686
Total	**7 804 906**	**9 146 695**

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
Capitalisation of costs – material items of which:	**-**	**-**
Tangible assets capitalised from own work	-	-
Another capitalisation	-	-
Other material items of operating income of which:	**124 278**	**270 285**
Sale of material	-	-
Sale of tangible and intangible assets	1 314	5 962
Revenues from depreciation of IS used for the project "transfer without consideration" (NPF)	-	2 160
Contractual surcharges, penalties and interests on late payments	56	628
Other surcharges, penalties and interests on late payments	7 856	3 486
Revenues from amortized and transferred claims	32 810	24 192
Other	82 242	233 857
Financial income of which:	**74 173**	**80 746**
Foreign exchange gains of which:	75	5
Foreign exchange gains at balance sheet date	75	5
Other material items of financial income of which:	**74 098**	**80 741**
Interests from current accounts	-	-
Interests from short-term term deposits	73 899	80 452
Interests from provided loans	199	289
Gains from non-current financial assets – ANNA/GIAM	-	-
Other financial income	-	-
Extraordinary income of exceptional volume or occurrence of which:	**-**	**-**
Compensation of damage from natural disasters from insurance company	-	-

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	7 804 906	9 146 695
Sale of goods	-	-
Revenue from contracts	-	-
Revenue from real estate for sale	-	-
Other income related to ordinary activities	-	-
Total net turnover	**7 804 906**	**9 146 695**

I. INFORMATION ON COSTS

1. Personnel costs

Item	Current acc. period	Prior acc. period
Wage	1 546 952	1 558 000
Other dependent work cost	72 970	55 306
Social insurance	448 534	442 745
Health insurance	154 057	154 978
Social security	89 650	94 566
Total	**2 312 163**	**2 305 595**

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
Costs of services received of which:	**2 614 178**	**2 379 141**
Auditor or audit firm costs of which:	8 980	11 000
Financial statements audit costs	8 980	11 000
Other assurance and audit services	28 160	34 056
Other material costs items of services received of which:	**2 577 038**	**2 334 085**
Service works	1 133 415	752 128
Software maintenance	639 612	650 381
Expert opinions and analyses	100 069	243 757
Postal money order fees ("U" PO)	89 317	65 000
PR services	37 610	30 300
Postal charge	50 138	67 769

Security and cleaning services	118 268	117 911
Legal services	5 609	10 350
Translating services	5 120	340
Tax and economic consultancy	7 967	8 117
Rent	165 626	164 817
Repairs and maintenance	34 354	61 586
Telecommunication services	29 134	28 378
Travel costs	485	1 364
Promotion costs	4 288	5 717
Small intangible assets	38 958	30 670
Other	117 071	95 500
Other material items of cost of operations of which:	**- 4 683 943**	**- 4 536 444**
Creation and posting of valuation allowance for receivables	445 806	752 491
Other reserve for litigations	- 5 272 161	- 5 438 391
Liability for damage insurance	40 238	40 228
Receivables depreciation	53 021	36 306
Net book value of sold tangible and intangible assets	0	22 778
Other	49 153	50 144
Financial costs of which:	**84 717**	**70 104**
Exchange rate loss of which:	2	74
Exchange rate loss at balance sheet date	2	74
Other material items of financial costs of which:	84 715	70 030
Banking fees, VAKUP fees, NBS Target2	75 899	70 030
Other	8 816	0

J. INFORMATION ON INCOME TAXES

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

	Current accounting period			Prior accounting period		
Item	**Tax base**	**Tax**	**Tax in %**	**Tax base**	**Tax**	**Tax in %**
a	b	c	d	e	f	g
Profit(loss) before taxes of which:	6 608 797	-	100%	8 410 409	-	100%
Expected tax	-	1 387 847	21%	-	1 766 186	21%
Tax non-deductible expenses	1 127 489	236 773	4%	1 679 361	352 666	4%
Non-taxable income	-6 611 567	- 1 388 429	-21%	-7 573 370	-1590 408	-19%
Impact of unrecognised deferred tax receivable	-	-		-	-	
Tax loss carried forward	-	-		-	-	
Tax rate change	-	-		-	-	
Other	-	-		-	-	
Total	**1 124 719**	**236 191**	**4%**	**2 516 400**	**528 444**	**6%**
Due income tax	-	240 783	4%	-	543 748	6%
Deferred income tax	-	329 251	5%	-	342 306	4%
Total income tax	**-**	**570 034**	**9%**	**-**	**886 054**	**11%**

Additional information about deferred tax:

Item	Current accounting period	Prior accounting period
Deferred tax receivable posted as cost or revenue, resulting from the change in income tax rate	-	-
Deferred tax liability recorded as cost or revenue, resulting from the change in income tax rate	-	-
Deferred tax receivable relating to tax loss carried forward, unused tax deductions and other claims, including temporary differences from preceding accounting periods to which deferred tax receivable was not recognised in prior periods	-	-
Deferred tax liability due to not recognising part of tax receivable in the current accounting period that had been recognised in preceding accounting periods	-	-
Unclaimed tax losses, unused tax deductions and other claims and deductible temporary differences for which an deferred tax receivable was not recognised	2 450 682	3 934 659
Deferred income tax relating to items recognised directly inequity without recognising it in income and expenses	-	-

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	20 045	18 742
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 2021 are 10 229 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 2021 are 9 816 EUR.

L. INFORMATION ON OTHER ASSETS AND OTHER LIABILITIES

Currently the Company participates in several litigations resulting from transactions effected in the past periods with the total claimed amount of 9 325 833 EUR (including extras). The Company created reserves for litigations in 100 % of the amount. 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 2021, the Company created reserves on risks from litigations in the amount of 9 325 833 EUR. Estimation of 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. The 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 827 907 EUR.

Due to the fact that many areas of Slovak tax law 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 2020: 37 440 EUR), remuneration for supervisory bodies of the Company were in the amount of 24 293 EUR (in 2020: 16 866 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 2021 (in 2020: none).

Type of income, benefit	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
a	Part 1 – Current accounting period Part 2 – Prior accounting period			Part 1 – Current accounting period Part 2 – Prior accounting period		
Cash income	114 274 132 269	24 293 16 866	1 250 1 000	9 600 -	- -	10 000 -
Non-cash income	7 344 8 083	45 30	- -	30 -	- -	- -
Cash advances	- -	- -	- -	- -	- -	- -
Non-cash advances	- -	- -	- -	- -	- -	- -
Loans provided	- -	- -	- -	- -	- -	- -
Guarantees provided	- -	- -	- -	- -	- -	- -
Other	-	-	-	-	-	-

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.
- PPS – distribúcia, 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	Value of transaction: Prior accounting period
a	b	c	d
MF SR – Sale of services	03	1 158 664	2 339 644
MH Man – Depreciation of SW application for "transfer without consideration"	11	-	2 160
MH Man – Sale of services	03	27 291	58 231
DLHOPIS – Sale of services	03	8 235	6 024
Železničná spoločnosť Cargo Slovakia, a.s.	03	45	45
SHIFT, a.s.	03	310	310
National Development Fund II., a.s.	03	385	45
PPS – distribúcia, a.s.	03	355	-

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

Subsidiary/Parent company	Transaction type code	Value of transaction: Current accounting period	Value of transaction: Prior accounting period
a	b	c	d
BCPB – Purchase of services	01	113 076	113 668
BCPB – Sale of services	03	17 041	13 159
BCPB – Other revenues from economic activity	11	-	-

Note:

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

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

	Current accounting period	Prior accounting period
Trade receivables	32 141	45 291
Other receivables within the consolidated group	-	-

Accrued income	-	-
Deferred costs	-	-
Loans given	-	-
Total assets	**32 141**	**45 291**
Trade liabilities	1 038	938
Other liabilities within the consolidated group	-	-
Unbilled supplies	-	-
Provisions	-	-
Deferred revenues	-	-
Accrued expenses	-	-
Loans received	-	-
Total liabilities	**1 038**	**938**

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

	Current accounting period	Prior accounting period
Revenues		
MH Man – Depreciation of SW application for "transfer without consideration"	-	2 160
Total revenues	**-**	**2 160**
Costs		
MH Man – Depreciation of SW application for "transfer without consideration"	-	2 160
Total costs	**-**	**2 160**

P. INFORMATION ON POST-BALANCE SHEET EVENTS

No events with significant impact on fair presentation of facts subject to accounting occurred after 31 December 2021.

We assessed potential impact of COVID 19 to our business activities and we concluded that they have not major impact to our ability to continue to operate as a going concern and function as sound entity for next 12 months.

The company has in place approved and adheres to the internal regulations and measures for purpose of fulfilment of obligation under the Act No 289/2016 Coll. on exercise of international sanctions as amended; included are also international sanctions and restrictive measures with regard to current military conflict in Ukraine. CDCP does not assume that sanctions will have significant impact to CDCP activities or provision of CDCP services.

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 01/01/2021	Additions	Disposals	Transfers	Balance as of 31/12/2021
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	**569 509**	**-**	**-**	**752 436**	**1 321 945**
Legal reserve funds (non-distributable reserve)	569 509	-	-	752 436	1 321 945
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	**-1 827 996**	**-**	**-**	**3 591 290**	**1 763 924**
Retained earnings	-	-	-	1 763 924	1 763 924
Loss carried forward	-1 827 996	-	-	1 827 966	-
Profit/loss for current accounting period	**7 524 355**	**6 038 764**	**- 3 180 000**	**-4 344 355**	**6 038 764**
Total	**16 756 971**	**6 038 764**	**- 3 180 000**	**0**	**19 615 736**

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 2021 is 19 110 EUR (Profit per share in the year 2020: 23 811 EUR).

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

Item	Prior accounting period				
	Balance as of 01/01/2020	**Additions**	**Disposals**	**Transfers**	**Balance as of 31/12/2020**
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**	**7 524 355**	**-11 123**	**-779 014**	**7 524 355**
Total	**9 243 739**	**7 524 355**	**-11 123**	**0**	**16 756 971**

Settlement of the accounting profit	**Current accounting period**
Legal reserve fund	752 436
Statutory fund and other reserves	-
Social fund	20 000
Increase of registered capital	-
Settlement of loss carried forward	1 827 995
Retained earnings	1 763 924
Dividends – partners, members	3 160 000
Other	-
Total	**7 524 355**

The General Meeting shall decide on distribution of profit for the 2021 accounting period in the amount of **6 038 764 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%) 603 875 EUR
- contribution to social fund 20 000 EUR
- amount for dividend payments 1 580 000 EUR
- transfer to outstanding loss of previous years 3 834 889 EUR

S. CASH FLOW STATEMENT AS OF 31 DECEMBER 2021

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

	Current accounting period	Prior accounting period
	EUR	EUR
Net profit (before deducting tax and extraordinary entries)	**6 608 798**	**8 410 409**
Adjustments for non-cash transactions:		
Depreciation of non-current assets	948 859	750 035
Inventories write-off	-	-
Change in provisions for non-current assets	-	-
Change in provisions for receivables	-342 040	-184 656
Change in provisions for inventories	-	-
Change in provisions	-5 352 009	-5 779 016
Change in accruals/deferrals of costs/revenues	-7 767	-36 807
Interest returns (net)	-74 098	-80 741
Exchange rate difference	-72	69
Loss / (gain) from the sale of non-current assets	-1 314	17 047
Yields from long-term financial assets	-	-
Correction of previous years	-	-
Other non-cash entries	53 021	44 543
Profit from operating activities before changes in working capital	**1 833 378**	**3 140 885**
Changes in working capital:		
Increase (decrease) of trade receivables	333 809	217 772
Decrease (increase) of inventories	5 718	2 588
Increase (decrease) of payables	-16 354	87 739
Other	-	-
Operating cash flows	**2 156 551**	**3 448 984**

	Current accounting period	Prior accounting period
	EUR	**EUR**
Cash flows from operating activities		
Operating cash flows	2 156 551	3 448 984
Interest paid	-	-
Interest received	76 602	63 577
Corporate income tax paid	-553 407	-621 984
Dividends paid	-	-
Receipts from extraordinary items	-	-
Other items not included in operating activities	-	-
Net cash from operating activities	**1 679 746**	**2 890 577**
Cash flows from investing activities	-	-
Purchase of non-current assets	-2 478 868	-1 428 423
Receipts from the sale of non-current assets	1 314	5 731
Term deposits	-	-
Long-term loans granted	-	-
Dividends received	-	-
Net cash from investing activities	**-797 808**	**1 467 885**
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	-	-
Expenses on paid dividends	-3 160 000	-
Net cash from financing activities	**-3 160 000**	**-**
Increase (decrease) of cash and cash equivalents	**-3 957 808**	**1 467 885**
Cash and cash equivalents at the beginning of the period	22 589 592	21 121 776
Exchange rate difference	72	-69
Cash and cash equivalents at the end of the year	**18 631 856**	**22 589 592**

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: 14 March 2022	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. Lukáš Bonko Member 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 2021

SUPPLEMENT TO THE INDEPENDENT AUDITOR'S REPORT

on audit of the Annual Report for 2021

Centrálny depozitár cenných papierov SR, a.s.
ul. 29. augusta 1/A, 814 80 Bratislava
ID: 31 338 976

Bratislava, April 2022

SUPPLEMENT TO THE INDEPENDENT AUDITOR'S REPORT

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

Add part II - Report on information stated in the Annual Report

We have audited the financial statements of the company Centrálny depozitár cenných papierov SR, a.s. (hereinafter also „Company") as of 31 December 2021 stated29 on pages 34 – 83 of the Annual Report of the Company on which we issued the report of the Independent Auditor's Report on 15 March 2022, which is on pages 29-32 of the Annual Report of the Company. This Supplement was prepared pursuant to section 6 of the article 27 of the Act 423/2015 Coll. on Statutory Audit and on amendments and supplements of the Act 431/2002 Coll. on Accounting as amended (hereinafter only „Act on Statutory Audit").

Based on works performed and specified in the part II of the Report of the Independent Auditor – Report on information stated in the Annual Report, based on our opinion:

- information stated in the Annual Report for 2021 is compliant with the financial statements for given year
- the Annual Report includes information pursuant to the Act on Accounting.

In addition, based on our knowledge on the accounting unit and its situation we have obtained during the audit of the financial statements, we have to state whether we have identified material incorrectness in the Annual Report. In this connection we state that we didn't identify material incorrectness in the Annual Report.

In Bratislava on 22 April 2022

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

(signature)
Auditor in charge:
Ing. Branislav Bača, CA
SKAU licence No. 955

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

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, unmistakeable and unique identification of legal entity in global scale.

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

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

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

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

TARGET2-Securities (T2S): The Eurosystem's single technical platform enabling central securities depositories (CSDs) and national central banks to provide core, borderless and neutral securities settlement services in central bank money in Europe. TS2 went live in the year 2015.