

Annual Report 2024

Ljubljana Stock Exchange



LJUBLJANSKA BORZA
LJUBLJANA *Stock Exchange*

Ljubljana, 31 March 2025



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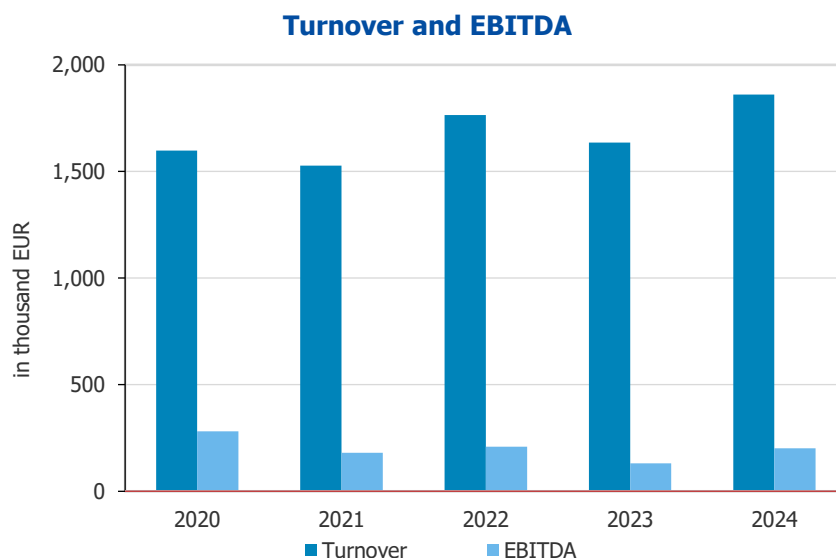
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Ljubljana Stock Exchange Highlights

EUR 1,860,213
SALES REVENUE

EUR 202,202
EARNINGS BEFORE
INTEREST, TAXES,
DEPRECIATION, AND
AMORTISATION
(EBITDA) 2024



(in EUR)

Key financial figures for the company Ljubljana Stock Exchange

	2024	2023	2022	2021	2020
Called-up capital	1,400,893	1,400,893	1,400,893	1,400,893	1,400,893
Equity	2,469,107	2,393,886	2,472,500	2,435,243	2,521,857
Assets	2,826,611	2,678,304	2,792,173	2,719,836	2,879,438
Revenues (total)	1,911,957	1,657,441	1,765,490	1,528,145	1,601,857
- revenues from trading fees	695,462	487,069	610,311	521,805	595,719
- other revenues	1,216,495	1,170,372	1,155,179	1,006,340	1,006,138
Costs (total)	1,780,626	1,621,210	1,644,509	1,472,309	1,446,314
- labour costs	899,296	772,069	850,517	757,420	734,280
- other costs	881,330	849,141	793,992	714,889	712,034
EBITDA	202,202	131,021	209,095	180,223	281,813
Operating profit / loss (EBIT)	89,010	16,915	124,043	55,824	152,476
Profit / loss before tax	131,331	36,231	120,981	55,836	155,543
Taxes	-31,148	-11,386	-14,952	-13,120	-27,642
Net profit / loss for the period	100,182	24,845	106,029	42,716	127,901
SHARE INFORMATION					
Nr. of shares	33,571	33,572	33,573	33,574	33,575
Net profit per shares in EUR ¹	2.98	0.74	3.16	1.27	3.81
Dividend per share in EUR	2.98	0.74	3.16	1.27	3.81
Book value in EUR ²	73.55	71.31	73.65	72.54	75.12
NUMBER OF EMPLOYEES					
Year-end	12 (+1 ³)	11 (+2 ³)	14	12	12 (+1 ³)
Average ³	12.1	11.82	12.56	11.88	11.5

¹ Profit of the year/Average number of shares issued in the year

² Equity as at 31 Dec/Total number of shares issued

³ Excluding a worker on maternity leave

BUSINESS REPORT



LJUBLJANSKA BORZA
LJUBLJANA *Stock Exchange*



Letter from the President of the Management Board

The year 2024 was marked by significant achievements, new opportunities, and challenges for the Ljubljana Stock Exchange. In an environment characterized by a slowdown in the global economy, falling interest rates, and geopolitical tensions, the Slovenian capital market stood out in terms of returns. The SBITOP stock market index, including dividends, reached a new all-time high in 2024, which contributed positively to increased trading volume and improved overall business performance at the Ljubljana Stock Exchange. At the same time, we ensured stable operations and, through various activities, further strengthened investor confidence. Our efforts were focused on creating a fair, transparent, and secure securities market—principles that remain our core commitments. These values are also a fundamental prerequisite for the future development of the Slovenian capital market.

The Capital Market Development Strategy for Slovenia until 2030, adopted in March 2023, represents a key step forward in accelerating the development of the capital market. The strategy's ultimate objective is for Slovenia to achieve emerging market status by 2030.

A major milestone was reached in February 2024 with the issuance of the first retail government bond aimed at individual investors. The issuance was a success, with 9,427 citizens subscribing to bonds with a total nominal value of EUR 258.4 million, and 5,659 new trading accounts were opened. This initiative sparked public interest in the capital market and offered an alternative to traditional investments such as bank deposits.

Thus, 2024 brought important steps toward the development and strengthening of Slovenia's financial and capital markets, with a focus on greater public inclusion, digitalization, and adaptation to global financial trends. Despite the positive developments, the Slovenian capital market still faces challenges, such as the need to improve financial literacy, regulatory adjustments to encourage investment, and enhancing market competitiveness. Stimulating the Slovenian capital market will also require further digitalization, user-friendly financial services, a tax-efficient and stable environment for long-term financial investments, and a stronger presence of institutional investors.

Despite improved business performance, we maintained a prudent approach to cost growth, which allowed us to keep cost ratios at planned levels.

In 2024, the Ljubljana Stock Exchange generated total revenue of EUR 1,911,957, representing a 15.4% increase compared to the previous year. Operating expenses increased by 9.8%, amounting to EUR 1,780,626. EBITDA reached EUR 202,202, marking a 54.3% increase year-over-year, while profit before tax amounted to EUR 131,331 – a 263% increase compared to 2023. Return on equity was 4.2%. A key driver of the Exchange's performance was trading income, which amounted to EUR 695,462 – up 42.8% year-over-year. Revenue from listing and maintenance fees reached EUR 443,719, an increase of 1.0%. Data sales generated EUR 416,571, representing a 6.7% year-on-year growth. Meanwhile, revenue from services related to the SEO and INFO HRAMBA systems amounted to EUR 141,400, which is 3.6% lower than in the previous year.

At the end of 2024, the Ljubljana Stock Exchange employed 13 people. Despite the small team, the Company successfully fulfills all its responsibilities, a testament to strong internal organization, high efficiency, and employee motivation. As in previous years, special attention was given to compliance and corporate governance, which we strive to continuously improve in line with changing external conditions and internal



processes. No extraordinary measures were issued to the Exchange by the Securities Market Agency (ATVP) in 2024.

In addition to regular market management activities, the Exchange in 2024:


- undertook regulatory and technical alignment with DORA,
- optimized the process of implementing measures during extended volatility auctions,
- implemented alignment with the ATVP ordinance and recommendations following the 2023 supervision process,
- participated in the implementation of the government strategy for capital market development in Slovenia.

Movements on the Slovenian regulated capital market resulted in a 33.0% increase in the SBI TOP index in 2024. Total trading volume amounted to EUR 505.6 million, representing a 53.1% increase compared to the previous year. International investors accounted for 53.2% of total trading volume, making them a key group of active investors in the Prime Market segment. The trend of a declining number of companies in the Standard Market continued in 2024, but it is encouraging to note that this year we listed 1 share, 2 ETFs, 5 bonds, and 25 treasury bills on the Exchange.

Looking ahead, we remain committed to sustainable development, digitalization, and further integration with international markets. We plan to expand our offering and introduce new products and services. Additionally, we will continue to invest in investor education and promote greater financial literacy in Slovenia.

On this occasion, we would like to thank all our stakeholders, partners, and investors for their support and trust. A special thanks goes to my colleagues for their exceptional dedication and professionalism, which are essential to our shared success. I am confident that, together, we will continue to build on this wave of positivity and optimism and contribute to the further development of the Slovenian capital market in the coming years.

Ljubljana, 31 March 2025


Marko Bombač, CFA, FRM
President of the Management Board
Ljubljana Stock Exchange, d. d., Ljubljana



Company Overview

Company Profile

Company Name	Ljubljanska borza, d. d., Ljubljana (English: Ljubljana Stock Exchange Inc., short: LJSE)
Registered Office	Slovenska cesta 56, 1000 Ljubljana, Slovenia
Telephone	+386 1 471 02 11
Fax	+386 1 471 02 13
E-mail	info@ljse.si
Website	www.ljse.si
Court Register Entry	1 March 1990
Company Registration Number	5316081
VAT Number	59780061
Share Capital	EUR 1,400,893.01
Number of Shares	33,571
Shareholder	Zagreb Stock Exchange, Inc – 100% owner
Corporate bodies	MANAGEMENT BOARD: Marko Bombač, CFA, FRM, president Nina Vičar, MSc, member SUPERVISORY BOARD: Ivana Gažić, president Tomislav Gračan, member Matko Maravič, member
Date of Registration	1 March 1990, District Court in Ljubljana
Company Size	Small Company (in accordance with Article 55 of the Companies Act (ZGD-1) - classified as a large company for the purposes of accounting records and annual reporting))
Certified Auditor	PricewaterhouseCoopers d.o.o., Cesta v Kleče 15, 1000 Ljubljana, Slovenia

Significant Events in 2024

Business Performance

In 2024, the Ljubljana Stock Exchange was marked by both increased trading activity and a strengthening of investor confidence. Through events such as the Investment Conference, Financial Conference, Financial Festival, as well as other events and webinars, we enhanced financial literacy, reinforced our market presence, and increased interest in stock market investments. The achieved profit before tax amounted to EUR 131,331, exceeding the original plan. Further details can be found in the chapter *Analysis of Business Performance*.

Dividend Payment

At the June General Meeting, the shareholders approved the proposal of the Management and Supervisory Boards to pay a dividend of EUR 0.74 gross per share, amounting to a total of EUR 24,845.21, which represents the entire distributable profit for the 2022 financial year. Further details are provided in the section *Financial Statements for the 2024 Financial Year – Statement of Changes in Equity*.

Management Board Changes and a new mandate for Supervisory Board members

On 1 September 2024, Marko Bombač began his four-year term as President of the Management Board of the Ljubljana Stock Exchange. Nina Vičar was reappointed as a Member of the Management Board for another four-year term. As of 13 January 2024, all three existing members of the Supervisory Board were reappointed for a four-year term: Ivana Gažić (Chair), Tomislav Gračan, and Matko Maravič. Further information is available in the section *Corporate Bodies of the Ljubljana Stock Exchange*.



Significant Events After the Reporting Date

- There were no events after the reporting date that would have a material impact on the financial performance presented for 2024.

Presentation of the Ljubljana Stock Exchange

The Ljubljana Stock Exchange (hereinafter: LJSE or company) is a joint stock company founded to foster the matching of supply and demand in securities trading and in trading in other financial instruments. It ensures that transactions in securities and other financial instruments are carried out in a regulated, transparent, liquid and efficient manner, in line with the law and other regulations.

The company's objective is to maximise company value for shareholders in the long-term, parallel to ensuring the development, stability and safety of the Slovenian regulated market and complying with the regulations governing the market in financial instruments.

Transactions in securities and other financial instruments are organised pursuant to the law, the LJSE Articles of Association, the LJSE Rules, the LJSE Instructions and other LJSE acts adopted by the LJSE Management Board.

The company's Articles of Association stipulate the following as its business activities:

- Operating the LJSE market in financial instruments for which it had obtained the Securities Market Agency's authorisation;
- Publishing securities prices;
- Providing information on the supply, demand and market value of securities, and other information on securities;
- Performing analytic research work in the financial market;
- Providing IT services to support trading;
- Operating the Slovenian multilateral trading facility (MTF);
- Operating the Slovenian officially appointed mechanism (OAM);
- Selling and maintaining the software developed for the purposes of providing its services.



Report of the Supervisory Board

The LJSE Supervisory Board (hereinafter: Supervisory Board) exercised its powers and responsibilities throughout 2024 by monitoring the operations of the Ljubljana Stock Exchange to ensure regulatory compliance, reviewing financial results, overseeing the work of the Management Board, monitoring overall compliance, and supervising risk management.

One of the key tasks of the Supervisory Board in 2024 was the appointment of the new Management Board, due to the expiration of the previous term. The Supervisory Board approached this task diligently and responsibly, conducting a fit and proper assessment of both candidates for the Management Board. Mr. Marko Bombač was appointed as the new President of the Management Board. He brings extensive experience in capital markets from his long-standing role as Head of Analysis at NLB Skladi and in risk management from his role as Director of the Risk Management Department at the Bank of Slovenia. Ms. Nina Vičar was reappointed as a Member of the Management Board. She has held this position since 2013 and, over the years, has gained extensive experience across all areas of the Ljubljana Stock Exchange's operations — from trading and market management to member relations, oversight, and regulatory compliance.

The new Management Board commenced its four-year term on 1 September 2024, following the issuance of the necessary approvals by the Securities Market Agency.

In terms of compliance monitoring, a significant focus of the Supervisory Board in 2024 was overseeing the Exchange's alignment with new regulatory requirements on information security, particularly those introduced by the new EU Regulation on Digital Operational Resilience for the Financial Sector (DORA). Given the rising threat of cyberattacks — both globally and locally — the protection of information assets has become increasingly critical.

Operations in 2024 were successful, driven by favorable trading conditions on the one hand and effective cost management on the other. To mitigate the risk of overreliance on trading revenues, the Supervisory Board believes it is important to ensure greater revenue diversification through new services. While the Ljubljana Stock Exchange is constrained by its role as a regulated market operator, the Supervisory Board notes that the 2025 business plan includes several new projects and events, some of which are directly related to the Capital Market Development Strategy of the Government of the Republic of Slovenia, where the Exchange is an active stakeholder. These initiatives may offer new opportunities for the Exchange going forward.

In accordance with the Articles of Association of the Ljubljana Stock Exchange and a resolution adopted by the General Meeting, the Supervisory Board consists of three members, all of whom hold the required license from the Securities Market Agency to perform this function. As of January 2024, the current composition and functions of the Supervisory Board are as follows:

- **Mrs Ivana Gažić**, MSc, President of the Supervisory Board,
- **Mr Matko Maravić**, LL.M., Deputy President of the Supervisory Board,
- **Mr Tomislav Gračan**, MSc, Member of the Supervisory Board.

In 2024, the Supervisory Board held eight regular meetings. The increased number of meetings compared to previous years was primarily due to the Management Board appointment process. Meetings were held partly via videoconference and partly with physical attendance.



The Supervisory Board has a standing Audit and Risk Committee, composed exclusively of Supervisory Board members, in accordance with legal requirements.

In 2024, the Audit and Risk Committee held four regular meetings. No additional Supervisory Board committees were established in 2024 for decision-making on specific matters.

Work of the Supervisory Board and the Audit and Risk Committee its committees in 2024

In 2024, the Supervisory Board reviewed past and current operations, with a strong focus on business performance, risk management, and compliance oversight. Based on the audited financial results, the Supervisory Board decided on the appropriation of retained earnings and, together with the Management Board, proposed to the General Meeting that the entire amount be distributed as dividends, a proposal which the General Meeting approved.

At each meeting, the Supervisory Board regularly monitored the company's corporate governance, cost optimization, regulatory compliance, and risk management. It also approved the business and financial plan for 2025.

In addition to the above, the Supervisory Board highlights the following activities carried out during its meetings in 2024:

- Reviewed current financial reports, compliance reports, trading data, and updates on admissions and delistings of securities and members at each meeting;
- Was regularly informed about the status of ongoing projects and activities, including updates on risk management, internal controls, adopted resolutions, and other relevant developments;
- Reviewed the external auditor's report on the financial statements for 2023 and raised no objections;
- Conducted the appointment process for the new Management Board term and successfully concluded all outstanding matters related to the termination of the employment contract with the former President of the Management Board, Mr. Aleš Ipavec, MSc;
- Reviewed and approved the 2024 business and financial plan;
- Reviewed the IT Strategy of the Ljubljana Stock Exchange, which also included the financial plan for IT investments;
- Monitored compliance with the Securities Market Agency's decree and recommendations, issued in the course of the 2023 supervisory review;
- Through ongoing and annual reports, monitored the activities of internal audit and the status of implementation of internal auditors' recommendations in 2023 and 2024;
- Actively participated in the evaluation of new services and product proposals, while also following measures related to business streamlining and optimization.

For decision-making purposes, all current financial reports, the 2023 annual report, the 2025 financial plan, as well as all risk management, internal audit, and internal control reports, were first reviewed by the Audit and Risk Committee, which submitted proposals for resolutions to the Supervisory Board for formal approval.

Performance and Remuneration of the Management Board

The Supervisory Board regularly monitored the work of the Management Board, with particular attention given during the session at which it determined the variable component of remuneration, in accordance with the employment contract and the approved remuneration policy, taking into account the company's financial performance. The Supervisory Board assessed that the Management Board performed well in 2024,



and that the achieved result was accomplished under challenging market conditions. In addition to ensuring effective day-to-day operations, a significant portion of the Management Board's efforts was dedicated to:

- aligning with new regulatory requirements regarding operational resilience and enhanced information security,
- supporting the implementation of measures under the Government of the Republic of Slovenia's Capital Market Development Strategy, and
- carrying out promotional and educational activities aimed at increasing the visibility and reputation of the Ljubljana Stock Exchange.

Self-evaluation of the Supervisory Board

In 2024, the LJSE followed governance and oversight principles and adopted client and stakeholder approaches that were consistent or comparable with those of its parent company, the Zagreb Stock Exchange, which holds 100% ownership of the LJSE. This alignment was also reflected in the composition of the Supervisory Board, which in 2024 consisted of two representatives from the Zagreb Stock Exchange and one representative of the largest exchange member. Due to their affiliations with the Ljubljana Stock Exchange, all three members of the Supervisory Board declared themselves as dependent members.

Nonetheless, all members of the Supervisory Board possess extensive experience in stock exchange operations and capital markets, have a strong understanding of the Slovenian capital market environment, and are licensed professionals. The composition of the Supervisory Board also adheres to the principles outlined in the LJSE Diversity Policy. The Supervisory Board monitors and assesses the suitability of its individual members whenever circumstances arise that could affect their eligibility. Based on the above, it is our assessment that the composition of the Supervisory Board in 2024 was appropriate in terms of representation, experience, expertise, and diversity.

Supervisory Board members regularly attended meetings and actively participated in all agenda items throughout 2024.

We believe that the cooperation between the Supervisory Board and the Management Board was also effective. This successful collaboration can be attributed to sound planning and is reflected in stable operations and the successful implementation of both operational and strategic goals.

The Supervisory Board did not make decisions related to the management of trading venues, as such matters fall under the exclusive authority of the Management Board in accordance with the Financial Instruments Market Act. Whenever business matters involved cooperation with the parent company, the Supervisory Board's resolutions were appropriate and economically sound, and not detrimental to the LJSE or the Slovenian capital market.

Annual Report 2023

The Annual Report of the LJSE for the 2023 financial year, including the auditor's report and opinion on the Annual Report for 2023 and the Supervisory Board's report, was approved by the Supervisory Board at its meeting held on 11 April 2024.

The financial statements were audited by the audit firm PricewaterhouseCoopers d.o.o.



Report and Explanations with Respect to Relations between the Ljubljana Stock Exchange and the Controlling Company Zagreb Stock Exchange or its affiliate company

In the past financial year (2024), the LJSE did not conclude any legal transactions with its parent company, the Zagreb Stock Exchange Inc, or with any of its affiliated companies. Furthermore, it did not undertake or omit any actions at the initiative or in the interest of these companies that would result in a detriment to the LJSE or that would fail to provide appropriate compensation to the LJSE.

In 2024, the master agreement governing the provision of information and communication technology (ICT) services for the LJSE was revised. This agreement was originally concluded with the Zagreb Stock Exchange on 30 December 2021. The amendment primarily addresses alignment with the requirements of the DORA regulation on information security resilience, enhanced service descriptions, and the introduction of a new service called "Connectivity Hub", which serves as a central access point enabling connectivity to all IT services of the Zagreb Stock Exchange, as well as access to IT services and the trading system of the Vienna Stock Exchange (WBAG), external hosting providers such as UniStar, and connectivity with the Central Securities Clearing Corporation (KDD). The revised agreement also includes an adjustment of the service price list for inflation. The update was carried out to ensure greater regulatory compliance and does not constitute any detriment to the LJSE, nor does it imply that the Exchange failed to receive appropriate compensation. On the contrary, the additional business optimization is expected to reduce costs and thereby enhance the LJSE's ability to develop its services and generate additional revenue in the coming years. Based on the circumstances known at the time of the legal transaction or the related actions or omissions, the LJSE received appropriate consideration and did not suffer any detriment as a result of the transaction.

The Supervisory Board is expected to review the Report on Relations with Related Parties for the year 2024 together with the audit report on the financial statements at its regular meeting scheduled for 11 April 2025.

The Report on Relations with Related Parties was audited by the audit firm PricewaterhouseCoopers d.o.o.

The Supervisory Board has no additional comments on the Management Board's statement that, in the past financial year (2024), no detriment was caused to the LJSE in its dealings with the parent company, the Zagreb Stock Exchange, or with any of its affiliated companies.

Approval of Annual Report, Proposal and Settlement of profit for 2024

The Management Board submitted the audited Annual Report of the Ljubljana Stock Exchange, d. d., Ljubljana, for the year 2024 to the Supervisory Board for approval. The Supervisory Board reviewed the report in accordance with its competences at its meeting held on 11 April 2025.

The Supervisory Board finds that the Annual Report for the 2024 financial year has been prepared in a clear and comprehensive manner, fulfilling all required elements and disclosures in accordance with the Companies Act and the Slovenian Accounting Standards.

The Supervisory Board also reviewed the opinion of the audit firm PricewaterhouseCoopers d.o.o. and agrees with its positive opinion, which states that the financial statements have been prepared in accordance with the Slovenian Accounting Standards and, in all material respects, fairly present the financial position of the Ljubljana Stock Exchange, d. d., Ljubljana, as at 31 December 2024, as well as the results of its operations, comprehensive income, and cash flows for the year then ended.



With this, the Supervisory Board approves the audited Annual Report of the Ljubljana Stock Exchange, d. d., Ljubljana, for the year 2024, as submitted by the Management Board.

Proposal for the Distribution of Accumulated Profit

The Supervisory Board also reviewed the proposal of the Management Board regarding the appropriation of retained earnings as at 31 December 2024, which will be subject to final approval by the General Meeting of Shareholders of the LJSE.

In 2024, the Ljubljana Stock Exchange recorded a net profit of EUR 100,181.50, comprising:

- current year net profit of EUR 100,588.18,
- newly recognized deferred tax assets of EUR 4,035.71, and
- a derecognition of deferred tax assets in the amount of EUR 4,442.39.

Based on a resolution of the Management Board, and with the consent of the Supervisory Board, the entire net profit for the business year remains unallocated and constitutes the retained earnings. Accordingly, the retained earnings for the 2024 financial year amount to EUR 100,181.50.

The Management Board and the Supervisory Board jointly propose that the entire retained earnings for 2024, i.e., EUR 100,181.50, be allocated for the payment of dividends. The proposed gross dividend per share is EUR 2.98.

The Supervisory Board further proposes that the General Meeting of Shareholders grants discharge to the Management Board for the management of the company in the 2024 financial year.

Mrs Ivana Gažić, MSc
President of the Supervisory Board



Corporate Governance Statement

Corporate Governance Policy

In 2022, the Management Board of the LJSE, with the consent of the Supervisory Board, adopted an updated version of the Governance Policy of the Ljubljana Stock Exchange, d. d., Ljubljana. This document sets out the key principles and guidelines for the company's governance, taking into account the objectives, mission, vision, and values of the LJSE. The policy serves as a commitment for future conduct and operations.

Corporate Bodies of the Company

The company is operated by a two-tier system of governance, where the Management Board runs the business and is monitored by the Supervisory Board.

The LJSE has the following corporate bodies:

- The General Meeting,
- The Management Board,
- The Supervisory Board.

The company's Articles of Association also provide for two additional bodies, the Board of Members and the Board of Issuers, which have no direct influence on the LJSE governance but make indirect contributions to its reaching its objectives and strategy through their counselling functions.

General Meeting

The General Meeting (GM) is the company's highest body, composed of the shareholders of the LJSE, who exercise their rights in matters relating to the company at the GM. The convening of the GM is regulated by the company's Articles of Association in accordance with applicable legislation. The GM is convened by the Management Board, either on its own initiative, at the request of the Supervisory Board, or at the request of shareholders, subject to the statutory and legal requirements. The notice of the GM is sent to shareholders by registered mail, and the date of dispatch is considered the official date of the meeting announcement. Shareholders may attend and exercise their voting rights at the GM if they are registered as holders of shares in the Central Securities Clearing Corporation (KDD) at the close of business on the seventh (7th) day prior to the meeting (the "record date"). The GM is held at the company's registered office, unless the Management Board specifies in the invitation that the meeting will take place at the business premises of a selected notary.

The Management Board convenes the General Meeting of Shareholders at least once per year, typically after the preparation of the Annual Report. The meeting at which the GM decides on the appropriation of retained earnings and on granting discharge to the Management and Supervisory Boards must be held within the first eight months after the end of the financial year. Since the sole shareholder of the LJSE is the Zagreb Stock Exchange, the rules of the Companies Act regarding universal (informal) General Meetings apply to the convening procedure. In accordance with the Articles of Association, the GM has a quorum if at least one half of all voting shares are represented. Each ordinary no-par value share entitles the holder to one vote. The exercise of voting rights is governed in more detail by the LJSE Articles of Association.



In 2024, one General Meeting was held.

At the 45th General Meeting, held on 11 June 2024, the shareholders:

- Reviewed the Annual Report for 2023, including the remuneration of the members of the Management Board and Supervisory Board, and decided on the appropriation of retained earnings for 2023 as well as on granting discharge to the Management and Supervisory Boards;
- Voted on the remuneration of the Supervisory Board members;
- Discussed the Internal Audit Report for 2023, along with the opinion of the Supervisory Board.

Supervisory Board

In accordance with the Articles of Association of the LJSE, the Supervisory Board consists of three to five members, all of whom are elected by the GM. The Supervisory Board currently consists of three members. All members have equal rights and obligations, unless otherwise specified in the Articles of Association. In January 2024, the members of the Supervisory Board began a new four-year term.

Their course of action is stipulated in the Supervisory Board Rules of Procedure.

The Supervisory Board oversees the management of the company's operations and performs other duties in accordance with applicable legislation, the LJSE Articles of Association, and its Rules of Procedure. It is also responsible for selecting and appointing the members of the Management Board. In line with the provisions of the Articles of Association, the Supervisory Board must also provide consent to the Management Board for the adoption of the company's annual business and financial plan and corporate strategy. The Supervisory Board meets at least four times per year.

The work of the Supervisory Board is carried out in accordance with applicable legislation, the recommendations of professional associations—in particular those of the Slovenian Directors' Association—and other good practice guidelines, especially the selected Corporate Governance Code.

In accordance with the Articles of Association of the LJSE, members of the Supervisory Board may receive remuneration for their work, as determined by the GM based on a proposal from the Supervisory Board. Given that the members of the Supervisory Board perform their duties as part of their roles within the Zagreb Stock Exchange Group, the sole shareholder of the LJSE, the Supervisory Board proposed—and the General Meeting approved—that no remuneration would be paid to Supervisory Board members in 2024 for performing their duties on the Supervisory Board.

The members of the Supervisory Board act in accordance with the company's objectives and subordinate any potential personal or third-party interests to those objectives. All members of the Supervisory Board completed a conflict of interest questionnaire and submitted a statement of independence. The procedure to be followed in the event of a conflict of interest is defined in the Rules of Procedure of the Supervisory Board.

A more detailed overview of the work of the Supervisory Board in 2024 is provided in the Supervisory Board's Report.



The Supervisory Board remuneration does not directly depend on the company's performance and is disclosed under Supervisory Board Remuneration in 2023, in the Notes to the Financial Statements.

Members of the Supervisory Board, with their actions, take into account the company's objectives and subordinate to them any other personal or individual interests of third parties. All Supervisory Board members filled out a questionnaire on conflicts of interest and a statement of independence. The conduct of members in case of conflict of interests is defined in the Rules of Procedure of the Supervisory Board.

The work of the Supervisory Board in 2024 is outlined in more detail in the report of the Supervisory Board.

The Supervisory Board was composed of the following members in 2024:

- Mrs Ivana Gažić, MSc, President of the Supervisory Board,
- Mr Matko Maravić, LL.M., Deputy President of the Supervisory Board,
- Mr Tomislav Gračan, MSc, Member of the Supervisory Board.

Other functions of members of the Supervisory Board:

- Mrs Ivana Gažić, MSc:
 - President of the Management Board of Zagreb Stock Exchange, Inc,
 - Member of the Supervisory Board of SEE LINK Skopje, Macedonia,
 - Non-Executive Director of the Macedonian Stock Exchange, Inc.,
 - Member of the Supervisory Board of Pan Pek d. o. o.,
- Mr Matko Maravić, LL.M.:
 - President of the Management Board of InterCapital, d. d.,
 - Procurator of the company InterCapital IB d. o. o.,
 - Procurator of the company InterCapital Securities d. o. o.,
 - Member of the Supervisory Board of Zagreb Stock Exchange, Inc.,
- Mr Tomislav Gračan, MSc:
 - Member of the Management Board of Zagreb Stock Exchange, Inc.
 - Executive director of Adria Digital Exchange d. o. o.

The Supervisory Board may establish special committees, which can either be formed for the entire duration of the Supervisory Board's mandate or in response to extraordinary events, in order to address particularly complex matters effectively. The types of committees, their composition, and the appointment of committee members are defined in the Rules of Procedure of the Supervisory Board.

In accordance with the Financial Instruments Market Act and the Banking Act, and based on the authorization granted by the Securities Market Agency for the merger of the Audit Committee and the Supervisory Board Committee, the Supervisory Board established a joint Audit and Risk Committee as a permanent committee of the Supervisory Board in 2019.

In 2024, the committee was composed of three members of the Supervisory Board.

Members of the Audit and Risk Committee:

- Mr Tomislav Gračan, MSc, President of the Committee,
- Mrs Ivana Gažić, MSc, Member of the Committee,
- Mr Matko Maravić, LL.M., Member of the Committee.



Management Board

The Management Board of the LJSE consists of the President and one Member, who jointly represent the company. The Supervisory Board appoints the Management Board. The term of office for Management Board members is a maximum of five years, with the possibility of reappointment. Due to the expiration of the previous term in 2024, the Supervisory Board held several meetings to address the appointment of the Management Board for the next term. It appointed Mr. Marko Bombač, CFA, FRM, as President of the Management Board, and reappointed Ms. Nina Vičar, MSc, as Member of the Management Board. The newly composed Management Board began its four-year term on 1 September 2024.

The LJSE Management Board has the following main tasks:

- Management and representation of the LJSE,
- Implementation of the company's development and operations strategy,
- Ensuring compliance with the provisions of the Markets in Financial Instruments Act,
- Organising and providing for a smooth workflow at the LJSE,
- Preparing programme and financial objectives of the LJSE's operations, etc.,
- Acting with the care of a conscientious and honest businessman and guarding business secrets.

The functioning of the Management Board and the allocation of areas, tasks, and responsibilities between its members are defined in the Rules of Procedure of the Management Board. In accordance with the Organizational Rules and the Rules of Procedure, each member of the Management Board also has operational responsibilities, whereby each is assigned responsibility for a specific number of organizational units. This structure enables direct cooperation between the Management Board and the heads of organizational units.

Remuneration, reimbursements, and other benefits for members of the Management Board are defined in employment contracts concluded between the Supervisory Board and each individual member, in accordance with the Remuneration Policy for Members of the Supervisory Board and Management Board of the Ljubljana Stock Exchange. A small portion of these payments is directly linked to the company's performance. All remuneration, reimbursements, and other benefits are disclosed in the financial section of the report, under the notes titled "Remuneration of Management Board Members in 2024". The Remuneration Policy is adopted by the Supervisory Board and submitted to the General Meeting of Shareholders for approval. The most recent update to the Remuneration Policy was adopted by the Supervisory Board in July 2024 and will be submitted for advisory approval at the next regular General Meeting. The Supervisory Board monitors the implementation of the Remuneration Policy annually through the Remuneration Report.

A member of the Management Board must disclose any potential conflict of interest to the Supervisory Board and inform the other member of the Management Board accordingly. No member of the Management Board of the Ljubljana Stock Exchange serves on the supervisory or governing bodies of other companies.

Members of the Management Board

- Marko Bombač, CFA, FRM, President of the Management Board

Marko Bombač, CFA, FRM, began his first term as President of the Management Board of the Ljubljana Stock Exchange on 1 September 2024. He started his career as a financial analyst at Factor Bank, and later joined NLB Skladi, where he successfully held various positions for over a decade, including that of Head of Research. From 2020 until taking on his current role, he served as Director of the Risk Management



Department at the Bank of Slovenia. Within the Eurosystem and beyond, he was an active member of several committees and working groups.

- Nina Vičar, MSc, Member of the Management Board

Nina Vičar has been employed at the Ljubljana Stock Exchange since 2005. Since 2008, when she joined the broader management team of the Exchange, she has primarily been responsible for trading, market management, member relations, supervision, development of exchange services, onboarding of remote members, as well as marketing activities and event organization. She has also participated in numerous development projects of the Exchange and coordinated the implementation of the new Xetra trading system. In addition, she is responsible for the compliance function of the Exchange. Nina Vičar has been active in international organizations and projects, having served as a member of various FESE working groups and the CEESEG Index Committee. She began her first term as a Member of the Management Board on 15 May 2013, and her current four-year term started on 1 September 2024.

Board of Members and Board of Issuers

The Board of Members and Board of Issuers are the LJSE counselling bodies composed to discuss significant expert and development matters related to the Ljubljana Stock Exchange member firms and listed companies as well as the regulated securities market in Slovenia. They cooperate with the Ljubljana Stock Exchange Supervisory Board and Management Board.

Each of the Boards has a minimum of five and a maximum of eight members, who are nominated by LJSE members or the Bank Association of Slovenia, in the case of the Board of Members, or by issuers, in the case of the Board of Issuers. The members of the Boards act in the interest of all issuers or exchange members, respectively, as well as in the interest of the development of the capital market.

Composition of the Board of Members:

- Stanislava Zadavec Capriolo, MSc (President of the Board), Director, The Bank Association of Slovenia,
- Mitja Tomažinčič (Deputy President of the Board), General Manager, Investment Banking and Custody, NLB, d. d.,
- Igor Štemberger, President of the Management Board, Ilirika BPH d. d., Ljubljana,
- Sandra Bulajić, Product Manager, BKS Bank AG, Bančna podružnica,
- Daniel Medved, Director of Investment Banking Department, Nova KBM, d.d.

Composition of the Board of Issuers:

- Uroš Ivanc (President of the Board), MSc, Member of the Management Board, Zavarovalnica Triglav, d. d.,
- Polona Pirš Zupančič (Deputy President of the Board), Member of the Management Board, Pozavarovalnica Sava, d. d.,
- Brane Kastelec, MSc, Director of Finance, Krka, d. d.,
- Barbara Jama Živalič, MSc, Executive Director of Finance and Accounting, Member of the Management Board, Petrol, d. d.,
- Valerija Pešec, Head of Investor Relations, NLB, d. d.,
- Irma Gubanec, Member of the Management Board, Telekom Slovenije, d. d.,
- Gregor Gajšek, Head of legal department, Cinkarna Celje, d.d.,
- Tea Vatovec, Head of controlling department, Luka Koper, d.d.



Corporate Governance in the Group

As at 30 December 2015, the LJSE is 100% owned by the Zagreb Stock Exchange.

As at 31 December 2024, the Zagreb Stock Exchange, in addition to being the 100% owner of the LJSE, was also:

- A 33.33% owner of the company SEE link d. o. o.,
- A 30% owner of the company Funderbeam South-east Europe d.o.o.,
- A 29.98% owner of the Macedonian Stock Exchange d. d.,
- A 24% owner of the company Adria Digital Exchange d.o.o.

Statement on Compliance with the Corporate Governance Code

The Ljubljana Stock Exchange is a private joint-stock company whose principal activity is the management of the regulated securities market, for which it has obtained authorisation from the Securities Market Agency. The LJSE manages the regulated securities market in compliance with the ZTFI-1 and other applicable regulations.

In the area of corporate governance, the LJSE respects and implements governance principles derived from applicable legal regulations, the LJSE's internal acts, and established best practices. As a co-signatory of the Slovenian Corporate Governance Code for Listed Companies (hereinafter: the Code), the LJSE strives to the greatest extent possible to implement the principles of corporate governance in its business operations, while continuously improving and upgrading its own governance system in accordance with the principle of best practices.

In accordance with Article 70 (%) of the Companies Act (hereinafter: ZGD-1), the LJSE includes, as part of its business report, a Statement of Compliance with the Corporate Governance Code. As of 31 December 2024, the LJSE has one shareholder, the Zagreb Stock Exchange, Inc., Ivana Lučića 2a, 10000 Zagreb, Croatia (hereinafter: the Zagreb Stock Exchange), which holds a 100% ownership stake.

As a co-signatory of the Slovenian Corporate Governance Code for Listed Companies, the LJSE actively strives to implement the Code's corporate governance principles in its business operations and to continuously improve and develop its own governance system in line with best practice standards. For this reason, the LJSE has also voluntarily decided to apply the Code, despite not being a listed company.

The most recent revision of the Code was adopted on 2 December 2024 and entered into force on 1 January 2025. The LJSE prepared its Statement of Compliance with the Code in accordance with the version of the Code adopted on 9 December 2021, which remained in force and applicable for the 2024 financial year. The Code, based on which the Statement of Compliance has been prepared, is available in both Slovenian and English on the LJSE website (Stock Exchange Rules and Other Acts – ljse.si).

The following section outlines the deviations from individual provisions of the Code, which primarily stem from the specific position, size, and ownership structure of the LJSE:



Explanation of the deviation from Item 5.6

The LJSE does not engage an external independent institution to assess the adequacy of the Corporate Governance Statement, as it is reviewed internally each year by the Legal Office and the Management Board. In addition, the Corporate Governance Statement is appropriately reviewed by the external auditor as part of the regular audit process, along with their advisors.

Explanation of deviation from point 7

As a non-public company and, under the criteria set out in the Companies Act, classified as a small company, the LJSE is not legally obliged to report on its non-financial operations. Nevertheless, as a co-signatory of the Corporate Governance Code, it has voluntarily chosen to follow good practices in sustainable business operations. To the greatest extent possible, it strives to incorporate environmental and social criteria into its corporate governance and business processes. The LJSE has adopted a Sustainability Policy, which sets out its main strategic directions and long-term goals in the area of sustainable business. Given its size, number of employees, and the relevance of its actions, the LJSE sees its greatest contribution to sustainability in fulfilling its core mission – providing and managing the securities market and establishing a market for sustainable finance. Since 2023, the LJSE has included sustainability reporting as part of its annual report (for more details, see the chapter titled *Sustainability Report*).

Explanation of the deviation from Item 8.2

Due to the ownership structure of the LJSE, which is 100% owned by the Zagreb Stock Exchange—a public joint-stock company—the LJSE does not initiate such communication with its owner. Instead, the owner independently communicates its intentions regarding the governance policy of its investment in the LJSE.

Explanation of the deviation from point 10

As the LJSE has a single shareholder, the simplified provisions of the Companies Act applicable to the conduct of a universal general meeting apply with respect to convening the meeting, collecting proxies, and holding the GE.

Explanation of the deviation from Item 10.10

In the process of appointing new members to the Supervisory Board, an assessment of the suitability of each candidate is prepared in accordance with the internal Policy for Assessing the Suitability of Members of the Management Body of the LJSE. As part of this assessment, any potential conflicts of interest of the candidates are also evaluated. The members of the Supervisory Board were appointed for the new term 2024–2028 at the Annual General Meeting held in June 2023. Any potential conflicts of interest of the candidates for Supervisory Board membership were assessed during the nomination process, specifically for the purpose of their appointment by the General Meeting, through the preparation of the suitability assessment, and also for the purpose of obtaining approval from the Securities Market Agency for performing the function in the Supervisory Board, in accordance with the application and the Decision of the Securities Market Agency on the documentation required to demonstrate compliance with the conditions for the appointment of a member of the LJSE's management body.



Explanation of the deviation from Item 13

The LJSE does not publish a statement of independence of the Supervisory Board members on its website. Instead, it discloses that all three capital representatives on the Supervisory Board have declared themselves as non-independent. This lack of independence primarily arises from the fact that two Supervisory Board members also serve as members of the Management Board of the Zagreb Stock Exchange, which is a related party and the sole shareholder of the LJSE, while the third member is a representative of one of the largest trading members. The Supervisory Board members manage all potential conflicts of interest arising from their non-independent status in accordance with the conflict of interest prevention measures, as outlined in the LJSE's Governance Policy, which is available on the company's website.

Explanation of deviation from point 26.8

In its internal Rules of Procedure for the Management Board and the Supervisory Board, the LJSE has defined the process for obtaining Supervisory Board approval for transactions with related parties and established internal procedures for assessing whether a transaction has been concluded in the ordinary course of the LJSE's business and on arm's length terms. In the area of related party transactions, the LJSE deviates from Recommendation 26.8 of the Corporate Governance Code, which stipulates that a company must promptly publish the key elements of any related party transaction on its website after the transaction is concluded. This deviation is due to the specific status of the LJSE as a private company. In accordance with the law, the obligation of public disclosure does not apply to non-public companies (Article 281.d of the Companies Act).

Explanation of the deviation from Items 30 – 33: Transparency of Operations

The recommendations in the aforementioned sections relate to the company's communication strategy, public disclosure practices, publication of material information, and the statement on corporate governance. The LJSE does not fully follow the recommendations set out in the chapter on Business Transparency, primarily because, as a non-public company, it is not required to comply with disclosure obligations applicable to public companies. Nevertheless, with regard to the matters covered under recommendations 30 to 33, which pertain to disclosure and public communication by listed companies, the LJSE informs its sole shareholder primarily through the General Meeting or the Supervisory Board, as well as the Securities Market Agency. The communication strategy with relevant stakeholders is further explained in the LJSE's Governance Policy, which is published on the company's website. Public disclosures are carried out in accordance with the provisions of the Financial Instruments Market Act (ZTFI-1) and its implementing regulations, which mostly relate to the regular operations of the LJSE as a market operator.

Diversity Policy

The Policy on the Diversity for the Management Board and the Supervisory Board of the LJSE (hereinafter: the Diversity Policy) is adopted by both the Management Board and the Supervisory Board, and is published on the company's website. The Diversity Policy sets out the key principles regarding the diversity of the members of the Management Board and the Supervisory Board, which are taken into consideration during the appointment of new members and in the self-assessment of the Supervisory Board's performance. The aim of this policy is to enhance the diversity of the Management Board and the Supervisory Board, thereby contributing to the overall quality and effectiveness of these bodies as a whole.



In line with the LJSE's Diversity Policy, the principles to be taken into account when appointing and assessing the composition of the Management Board and the Supervisory Board include, in particular:

- A heterogeneous composition of the Management Board and the Supervisory Board, meaning that members complement each other in terms of knowledge, skills, competencies, and experience;
- Ensuring appropriate continuity, meaning a balanced ratio between existing and new members of the Management Board or the Supervisory Board;
- The pool of potential candidates for the Management Board and the Supervisory Board should also take into consideration diversity in terms of gender and age.

In accordance with the applicable Policy for Assessing the Suitability of Members of the Management Body of the LJSE, the Supervisory Board also took into account the diversity assessment criteria when appointing the Management Board. These criteria included the candidates' professional knowledge, experience, and capabilities, as well as the gender balance within the management and supervisory bodies, specifically the targets set in the Exchange's Diversity Policy—50% representation of the underrepresented gender in the Management Board and 33% in the Supervisory Board.

Description of the Key Features of the Internal Control and Risk Management System Related to Financial Reporting

Internal controls are guidelines and procedures established and implemented by the LJSE at all levels in order to manage risks, including those related to financial reporting. The purpose of these controls is to ensure operational efficiency and effectiveness, the reliability of financial reporting, and compliance with applicable laws, as well as with external and internal regulations.

The company's integrated system of internal controls and risk management is continuously adapted to developments, organizational changes, and best practices, thereby maintaining its effectiveness.

The characteristics and functioning of the risk management system are presented in detail in the Risk Management chapter.

At all organizational levels and across all processes, the system comprises:

- A clear organizational structure with a well-defined and transparent framework of responsibilities and authorizations;
- Effective procedures for ongoing monitoring, error prevention, and the identification, assessment, mitigation, and monitoring of risks to which the LJSE is or could be exposed in the course of its operations;
- An appropriate internal control system, including adequate administrative and accounting procedures (reporting, operational workflows, exposure limits, and physical controls);
- A compliance system to ensure adherence to legal and regulatory requirements.

In the area of process management and internal controls at the LJSE, all key processes, responsibilities, and risks are documented. The core processes are integrated into a dedicated model of processes, resources, and risks, which enables a unified view of the LJSE from any dimension, facilitates a clear understanding of responsibilities and organizational structure, supports internal and external stakeholders in comprehending the processes, and provides a foundation for the systematic assessment and recording of risks. This model also ensures an appropriate basis for more efficient and transparent internal audit activities.



As part of its risk management framework, the Exchange regulates the internal control system in more detail through the document *Organization of the Internal Control System*, thereby establishing and maintaining an appropriate level of internal control. The approval of the Supervisory Board for the organization of the internal control system was obtained in December 2018.

The company's internal control system is based on the document outlining core business processes, in which all business processes and the key risks the LJSE is exposed to in the course of process execution are documented. Process owners are responsible for defining, implementing, and performing effective internal controls aimed at mitigating the key risks they identify and assess within their respective processes.

At the level of the core business process documentation, process owners define standard internal controls that are integrated into operational workflows. In addition, internal controls are further detailed in security policies and internal guidelines that define work procedures. Process owners review the adequacy of the implemented internal controls at least once a year and introduce additional controls when necessary—such as in response to the introduction of new procedures, software or applications, past incident resolution experience, audit recommendations, or requirements of regulatory authorities.

Accounting controls are closely linked to information technology controls, which, among other things, ensure access restrictions and monitoring of network, data, and application access.

The internal control and risk management system in the area of financial accounting is adapted to the size and organizational structure of the company, where there is limited division of labor and many functions are combined. The LJSE has established an effective internal control system that ensures financial information is timely, complete, accurate, and reliable. This is defined in the Accounting Rules and in the Instructions and Procedures for Implementing Internal Controls in the Financial Accounting Area. Accounting oversight is carried out through the control of accounting data during entry and processing. Internal controls are applied prior to the recording of each business transaction to verify the accuracy and completeness of the reported events.

Individual control processes and procedures include various control activities carried out in the following areas:

- Preparation and approval of accounting documents;
- Recording of business transactions in the accounting ledgers;
- Calculation and payment of salaries and other employee benefits;
- Cash handling operations;
- Preparation of documentation for the annual inventory of assets and liabilities;
- Execution and monitoring of payment transactions and reporting on liquidity status to the Management Board.

The fundamental control procedures, which primarily relate to the accuracy of business events and data, include:

- Initial recording of business transactions, along with the responsibilities and authorizations of individuals who initiate and approve such transactions (these responsibilities and authorizations are clearly defined in the internal Rules);
- Completeness of the capture and processing of business events and data;
- Accuracy of the recording of business transactions.



In addition to preventive (direct) controls carried out in advance, subsequent (indirect) controls are also performed.

Internal controls include regular account balance checks, reconciliation of subsidiary ledgers with the general ledger, embedded system controls (such as access restrictions, segregation of duties, and authorizations), automated reporting, and data transfers between systems.

Internal controls also include the four-eyes principle, information sharing, regular reviews and transaction monitoring, departmental meetings, ongoing monitoring of anticipated regulatory changes, and regular training activities.

For the purpose of risk management in the area of financial accounting, the LJSE has established a risk register. Owing to an effectively implemented system of internal controls—which ensures that financial information is timely, complete, accurate, and reliable—the likelihood of individual risks materializing is low.

External audit

In 2023, an audit agreement was concluded with PricewaterhouseCoopers d.o.o., Cesta v Kleče 15, 1000 Ljubljana (hereinafter: PwC), for the audit of financial statements for the period 2022–2024. PwC has audited the financial statements of the Ljubljana Stock Exchange for the financial years 2022, 2023, and 2024.

The LJSE adheres to the recommendation of the Corporate Governance Code and the guidance of the Securities Market Agency regarding the rotation of the audit firm at least every five years.

Other information (as at 31 December 2024)

- Significant Direct and Indirect Ownership of Securities

Zagreb Stock Exchange d.d., Ivana Lučića 2a, 10000 Zagreb, Croatia, holds 100% of the shares of the Ljubljana Stock Exchange Inc. Ljubljana. The LJSE has no holders of indirect qualifying holdings.

- Holders of securities with special control rights

The LJSE is not an issuer of shares that would grant any special control rights to their holders.

- Limited voting rights

There are no restrictions on voting rights attached to the shares of the LJSE with the ticker symbol LSER.

- LJSE rules on replacement of members of its management bodies and amendments of its Articles of Association

The procedures and conditions for the replacement of members of the management or supervisory bodies are prescribed by law, the Articles of Association of the LJSE, and the Rules of Procedure of the Supervisory Board. In the process of appointing new members, in addition to the statutory requirements, a suitability assessment of each candidate for membership in the management body is also taken into account. This assessment may be carried out by the Supervisory Board or by a dedicated Nomination Committee. The most recent suitability assessments for Supervisory Board candidates were prepared for appointments in 2023, and for Management Board members in 2024. The suitability of Management



Board and Supervisory Board members is also reassessed in the event of any change in circumstances that may affect a member's eligibility to serve on the management body.

Amendments and supplements to the Articles of Association of the LJSE are adopted by the General Meeting in accordance with the law. Pursuant to the Articles of Association of the LJSE, a two-thirds majority of the represented share capital is required for the adoption of a resolution on such amendments and supplements.

- Powers of members of the company management (especially issue or purchase of own shares)
Powers of the Management Board as defined in the Articles of Association of the LJSE: The LJSE is jointly represented in legal transactions by at least two members of the Management Board—the President of the Management Board and one other member. No member of the Management Board may be authorized to represent the LJSE independently for the full scope of its business activities. Decisions of the Management Board require the consent of both members. The Management Board is not authorized to acquire or dispose of the company's own shares.

Mission, vision and strategic objectives

Mission

The mission of the LJSE is to ensure the safe, transparent, efficient, and successful operation of the organized segment of the Slovenian capital market. We will continue to fulfil this role with the highest level of integrity. In addition to our role as the operator of the regulated market, we will actively contribute to the development of the domestic capital market, particularly in the segment of small and medium-sized enterprises (SMEs). Our goal is to bring the LJSE and its mechanisms closer to smaller companies, enabling them to more easily achieve their economic and financial objectives. The LJSE connects investors and issuers of securities, promotes long-term saving and investing, and contributes to economic growth by facilitating easier access to capital for companies.

Vision

Our vision is to become the central information hub and financial intersection of the domestic and regional capital markets, built on innovative solutions, participant trust, and efficient and transparent trading. We strive to offer all users of our services and business partners the highest-quality services, to continuously improve and enhance them, and to stay one step ahead of the competition. The LJSE is committed to building a solid, sustainable, and technologically advanced market that provides companies with access to capital and offers investors opportunities for profitable and secure investing. Our vision is to become the most modern and fastest-growing stock exchange in Southeast Europe.

Strategy and strategic objectives

The LJSE pursues the following strategic goals:

- Maintaining a high level of quality, organisation and regulation of the market,
- Further growth of the capital market and increase of liquidity of the local market,
- Listing new securities on the regulated market and SI ENTER,
- Finding new financial resources through the promotion of long-term saving schemes,



- Joint activities for the development and promotion of the capital market with all market stakeholders,
- Achieving international comparability and recognition of the market through regional integration with the Zagreb Stock Exchange,
- Enhancing the LJSE's reputation,
- Supporting the development of the primary market,
- Increasing the efficiency and performance of the LJSE's operations.

Basic macroeconomic indicators for Slovenia

	2019	2020	2021	2022	2023	Forecast		
						2024	2025	2026
Real GDP growth (%)	3.5	-4.1	8.4	2.7	2.1	1.5	2.4	2.5
GDP per capita (PPS EU27=100) ¹	89	89	90	90	91			
Government debt (% of GDP)	66	80.2	74.8	72.7	68.4			
Current deficit (% of GDP)	0.7	-7.7	-4.6	-3.0	-2.6			
Inflation (year-end) ²	1.8	-1.1	4.9	10.3	4.2	2.3	3.3	2.1
Registered unemployment	7.7	8.7	7.6	5.8	5	4.6	4.5	4.7

Sources: ¹ <https://www.umar.gov.si/publikacije/ekonomsko-ogledalo>

² <https://pxweb.stat.si/SiStatData/pxweb/sl/Data/-/0300220S.px>

Business Performance in 2024

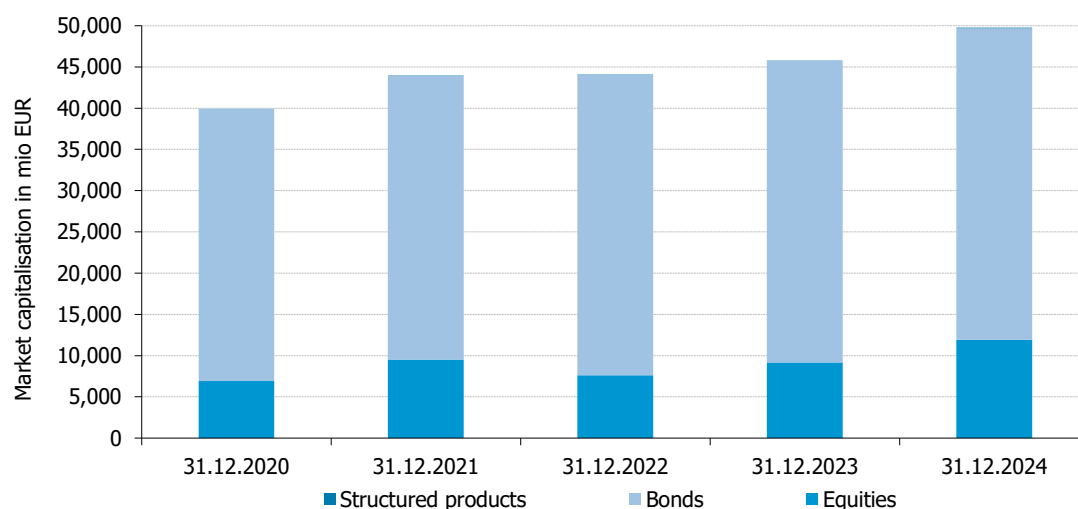
In 2024, the LJSE recorded a 53.1% increase in trading volume compared to 2023. The SBITOP index rose by 33.0% over the past year, while the SBITOP TR index—boosted by dividend yield—increased by an even higher 42.1%.

Market capitalisation

The total market capitalization of the regulated market amounted to EUR 50.2 billion at the end of the year, representing an 8.4% increase compared to the end of 2023. The market capitalization of shares rose by 30.3% compared to 2023, reaching EUR 11.9 billion at the end of December 2024, which represented 18.0% of the gross domestic product of the previous year (Q4 2023 – Q3 2024: EUR 66.1 billion, Source: SORS). This increase was primarily driven by rising share prices. The market capitalization of long-term debt instruments also grew, increasing by 3.2% compared to the previous year.



Market capitalisation 2020 – 2024

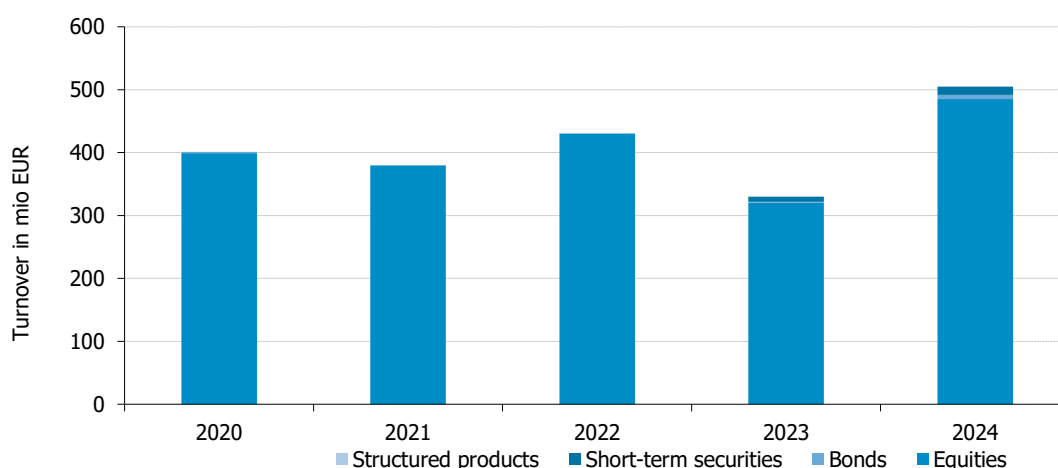


Source: Ljubljana Stock Exchange

Turnover

The total LJSE turnover in 2024 amounted to EUR 505.6 million, representing a 53.1% increase compared to the previous year. Turnover excluding block trades reached EUR 464.9 million, which is 58.3% higher than in 2023. Most of trading was conducted in shares, totalling EUR 485.1 million, followed by treasury bills with EUR 13.3 million, bonds with EUR 6.7 million, and structured products with EUR 0.6 million in turnover. In 2024, a total of EUR 81.4 million in trading volume was generated through liquidity provision activities across all instruments.

Turnover 2020 – 2024



Source: Ljubljana Stock Exchange

In 2024, a total of 42,573 regular trades were executed, representing a 21.8% increase compared to the previous year. The average daily number of regular trades amounted to 172.4, while the average value of



a single regular trade was EUR 10,919.6, which is 29.9% higher compared to the average trade value in 2023.

Turnover of LJSE Member Firms

The trading member with the highest trading volume in 2024 was Interkapital vrijednosni papiri, accounting for 25.2% of the total trading volume. It was followed by BKS Bank AG, Bančna podružnica with a 17.7% share, and WOOD & Company Financial Services with a 16.4% share of total trading volume. The turnover structure of member firms remained similar to the previous year, with the top five members jointly accounting for 80.4% of total trading volume. At the end of 2024, the LJSE had 8 member firms, of which 4 were foreign members, collectively accounting for 51.3% of total turnover.

Member	Turnover in 000 EUR	Share
INTERKAPITAL VRIJEDNOSNI PAPIRI D.O.O.	255,195	25.2%
BKS BANK AG, BANCNA PODRUZNICA	179,434	17.7%
WOOD & COMPANY FINANCIAL SERVICES, A.S.	166,141	16.4%
ILIRIKA BORZNO POSREDNISKA HISA, D. D.	116,603	11.5%
NOVA LJUBLJANSKA BANKA, D. D.	96,034	9.5%
OTHER	197,856	19.6%
TOTAL	1,011,263	100%

Source: Ljubljana Stock Exchange

Most traded equities on the LJSE

As in previous years, Krka (KRKG) shares from the Prime Market were the most actively traded in 2024, accounting for 34.0% of the total equity trading volume on the LJSE. NLB (NLBR) shares ranked second with a 33.4% share, followed by Cinkarna Celje (CICG) shares in third place with a 7.4% share of total equity trading.

Most traded equities	Turnover in 000 EUR	Number of transactions	Market capitalisation in EURm as of 31 Dec 2024
KRKA	164,932	12,959	4,558
NLB	161,786	10,601	2,550
CINKARNA CELJE	35,911	3,791	224
PETROL	30,965	4,029	1,314
SAVA RE	29,772	2,349	689
OTHER	61,719	8,389	2,597
TOTAL	485,084	42,118	11,932

Source: Ljubljana Stock Exchange



LJSE turnover structure according to market segments in 2024

Market	Turnover	Share
EQUITIES - PRIME MARKET	480,407,404	95.0%
EQUITIES - STANDARD MARKET	4,676,589	0.9%
BONDS	6,679,712	1.3%
TREASURY BILLS	13,282,810	2.6%
COMMERCIAL PAPERS	0	0.0%
STRUCTURED PRODUCTS	584,967	0.1%
TOTAL	505,631,482	100%

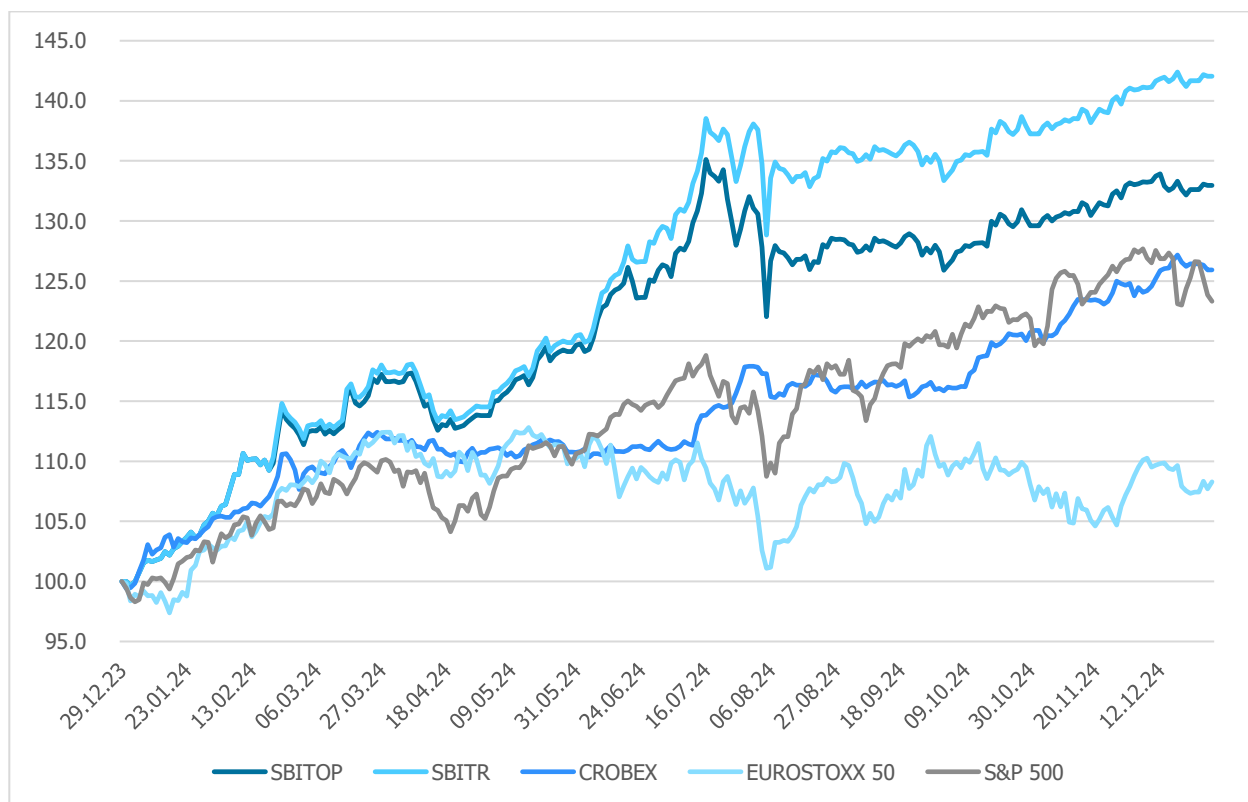
Source: Ljubljana Stock Exchange

The LJSE blue-chip index SBI TOP

The SBITOP index increased by 33.0% in 2024, closing the year at 1,666.60 points. The index reached its highest value on 16 July 2024, at 1,693.57 points, and recorded its lowest value on 3 January 2024, at 1,249.14 points.

SBITR recorded an even higher growth in 2024 due to dividend yield, gaining 42.1% in value.

The graph shows the performance of the SBITOP and SBITR indices compared to selected other indices, expressed in EUR (31 December 2023 = 100).



Source: Ljubljana Stock Exchange



Development Activities of the Ljubljana Stock Exchange in the Capital Market

Capital Market Development Strategy

In 2024, the LJSE continued its active participation in the implementation of the Capital Market Development Strategy, adopted by the Government of the Republic of Slovenia in 2023. Within the framework of the adopted strategy, representatives of the LJSE are involved in the following working groups:

- The inter-ministerial working group for the development of a centralized financial literacy program, promoting investment in financial instruments, mutual funds, pension funds, and the domestic capital market;
- The working group for obtaining emerging market status;
- The working group for establishing a single-entry point.

Within the first working group on financial literacy, several coordination meetings were held to align efforts on adopting a national financial literacy strategy. This is a complex process involving coordination among a wide range of stakeholders. Nevertheless, the LJSE, within its own capabilities and in cooperation with its partners from the financial sector, remains committed to promoting financial literacy.

As part of the second working group, the LJSE prepared a comprehensive analysis of this issue and submitted proposals on how to overcome the obstacles to transitioning from a “frontier” to an “emerging” market. Achieving this goal will require a significant increase in the market capitalization of the LJSE, which will be very difficult to attain without the cooperation of other stakeholders—particularly the state—and the listing (at least partial) of large state-owned enterprises on the domestic market.

As part of the third working group, a single-entry point was established at the beginning of 2024 via the website of the Securities Market Agency. This platform provides users with access to all key information needed by companies and investors to enter the capital market. In relation to the listing of securities on the regulated market, the LJSE upgraded the content on its website regarding how to become a listed company, including information on various financing options, with a focus on issuing and listing securities on the LJSE. The single-entry point provides access to content from the Securities Market Agency, the Central Securities Clearing Corporation (KDD), and the LJSE, all related to the issuance and listing of securities on the regulated market. With the aim of enhancing user experience and advancing digitalization, the single entry point also allows for the electronic submission of all necessary forms and documentation required by each institution to process decisions within their respective areas of responsibility (e.g. prospectus approval, license issuance under the Financial Instruments Market Act – ZTFI-1, registration of securities with KDD, listing of securities on the regulated market, and admission to membership in KDD and the LJSE).

Individual Investment Accounts

One of the measures outlined in the Capital Market Development Strategy is the establishment of individual investment accounts, aimed at encouraging long-term household savings in financial instruments. At the end of the year, the Government drafted a bill regulating the introduction of such accounts. According to the LJSE and both advisory bodies—the Board of Members and the Board of Issuers—this measure would represent a significant step toward promoting retail investment, improving capital allocation, and achieving greater diversification of funding sources for the economy.



Equity Research Coverage of Listed Companies

In 2024, the equity research coverage project for listed companies, coordinated by the LJSE, came to an end. The initial concept of the project was for the LJSE to enter into an agreement with a qualified and professional research provider to prepare equity research reports for selected listed companies. Due to limited interest from issuers, the project was not implemented on a broader scale under the coordination of the LJSE. However, several issuers opted to continue the initiative on a bilateral basis. Although the project was not carried out as originally planned, the LJSE considers it to have had a positive impact for the issuers that continued with the initiative on an individual level.

Data and Valuation Indicators for Listed Companies

In 2024, the LJSE enhanced its website by providing a more comprehensive overview of data and indicators related to listed shares. For each listed company, users now have access to a set of financial data, valuation metrics, and trading information, enabling easier analysis and improved comparability across different stocks.

Sustainability Reporting Guidelines

In connection with the establishment of the new Sustainable Finance Market, the LJSE also prepared updated Guidelines for the Disclosure of Listed Companies. These now include best practices for sustainability reporting—both for listed companies reporting on their sustainable business practices and for issuers of financial instruments listed on the Sustainable Finance Market.

Establishment of a Market for Alternative Investment Fund Units

In response to expressed interest from several alternative investment fund (AIF) managers, the LJSE introduced the option to trade units of alternative investment funds in 2024. The LJSE held individual meetings with AIF managers to present the benefits of listing AIF units on the LJSE. These meetings also served as an opportunity to establish connections with new stakeholders and explore additional forms of cooperation with the LJSE.

Domestic and international market promotion

In 2024, the LJSE actively focused on bringing the capital market closer to the broader public and took an active role in promoting financial literacy. By organizing a variety of educational events—both virtual and in-person—we created a high-quality platform for both domestic and international investors. Through these efforts, we aimed not only to expand knowledge about financial markets but also to raise awareness of the importance of the capital market.



Promotional Events for the Slovenian Capital Market and Listed Companies

Date	Event
23 January 2024	Listing of ETFs on the Ljubljana Stock Exchange
7 February 2024	Overview of Events on the Stock Exchange in 2023
19 March 2024	Let's go to the Stock Exchange
21 March 2024	Webcast »Slovenian listed companies online«
26 March 2024	Day of the Slovenian Capital Market - ATVP
24 April 2024	Overview of Events on the Stock Exchange in Q1
14 - 15 May 2024	41 st Financial Conference - Časnik Finance
22 May 2024	Trade on the Stock Exchange
4 – 5 June 2024	Slovenian and Croatian Investor Days: CEE Investment Opportunities
6 June 2024	Listing of RELR on the Ljubljana Stock Exchange
2 July 2024	Overview of Events on the Stock Exchange in Q2
5 September 2024	Webcast »Slovenian listed companies online«
9 – 10 October 2024	Financial Festival
10 October 2024	Overview of Events on the Stock Exchange in Q3
26 November 2024	Slovenian and Croatian Investor Days: CEE Investment Opportunities
26 November 2024	Ljubljana Stock Exchange Award Ceremony
17 December 2024	Transfer of Ownership: Capital Market Opportunities for Companies

Other activities for capital market development, media promotion and publications

- Participation in the "Ring the Bell for Gender Equality" initiative,
- Participation in the "Ring the Bell for Financial Literacy" initiative,
- Media appearances of the Ljubljana Stock Exchange on Finančni POPkast (24ur.com) and the "Jutro na Planetu" morning show (Planet TV),
- Preparation and update of publications promoting issuers and the capital market:
 - Investor Guide to the Ljubljana Stock Exchange,
 - Discover the Slovenian Capital Market – H1 Edition,
 - #LJSE Weekly – Weekly Trading Overview,
 - Monthly and annual statistical reports,
- Support of the "Slovenian Stock Day" project by Moje finance,
- Publication of a series of short educational YouTube videos under the title "Financial Literacy for All".

Business operations analysis

In 2024, the Slovenian economy experienced a slowdown in growth due to weaker foreign demand, a decline in service exports, and stagnant investment activity—despite an increase in private consumption. Nevertheless, in spite of the weaker overall economic environment, trading fees in 2024 were 42.8% higher than in 2023 and exceeded projections by 25.8 percentage points.

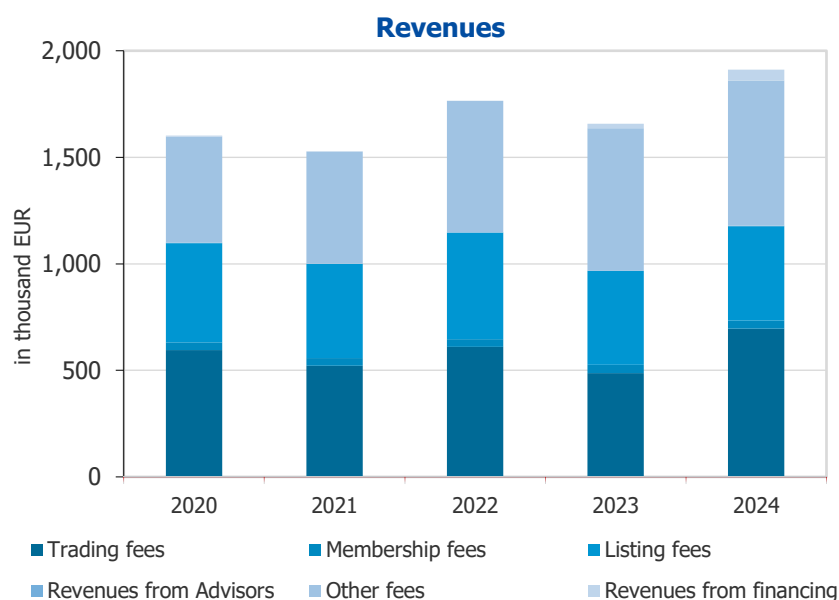
We generated EUR 138,742 in profit before tax, representing a 282.9% increase compared to the previous year.



Business performance was also positively influenced, to some extent, by activities related to the organization of educational and promotional events.

Revenues

EUR 1,911,957
TOTAL REVENUES



Total revenues amounted to EUR 1,911,957, representing a 15.4% increase, driven primarily by strong growth in core business revenues (trading fees) and revenues from data dissemination.

- Revenues from Core Business Activities

Revenues from the LJSE's core business activities amounted to EUR 1,179,600 and include trading fees (EUR 695,462), membership fees (EUR 38,133), and listing fees for securities (EUR 443,719).

The share of revenues from core business activities has ranged between 58.4% in 2023 and 68.7% in 2020 over the past five years. In 2024, revenues from core activities accounted for 61.7% of total revenues.

- Other revenues

Other revenues amounted to EUR 680,612 and include the following: revenues from the use of the SEO system and the INFO HRAMBA system (EUR 141,400), revenues from data dissemination (EUR 133,760), revenue sharing with the Vienna Stock Exchange (EUR 286,818), revenues from marketing and partnership activities (EUR 86,230), and other revenues (EUR 32,404).

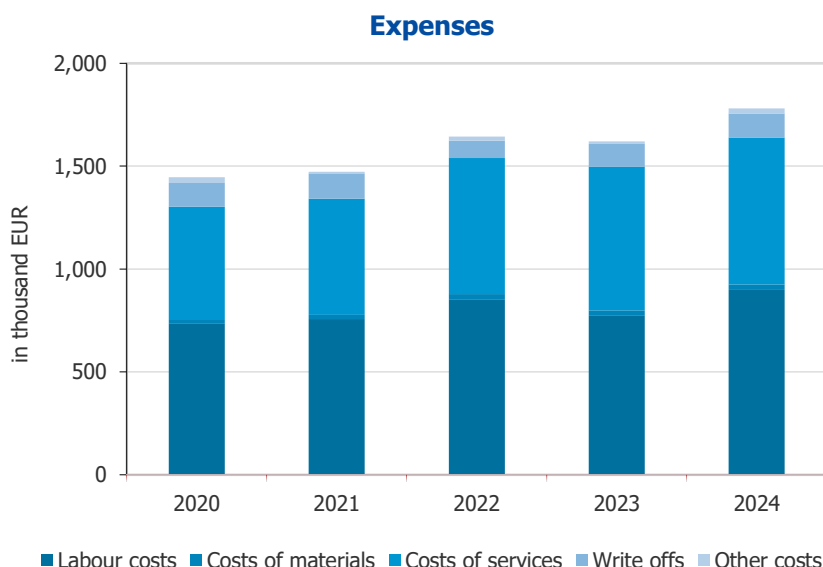
Other revenues represent 35.6% of total revenues.

- Financial revenues

Financial revenues amounted to EUR 51,129, representing 2.7% of total revenues. These revenues relate to interest income from financial investments in treasury bills and coupons or interest from Republic of Slovenia bonds, as well as interest from deposits.

Expenses

EUR 1,780,626
TOTAL EXPENSES



Total expenses amounted to EUR 1,780,626, representing a 9.8% increase compared to the same period last year.

Most of expenses relate to operating activities. Finance expenses and extraordinary expenses account for an insignificant share.

The share of personnel costs has ranged between 47.6% in 2023 and 51.7% in 2022. In 2024, labour costs represent 50.5% of total expenses.

The share of service and material costs amounts to 38.0%, while depreciation accounts for 6.8%.

- Employee benefits cost

Salary costs of the Ljubljana Stock Exchange, d.d., Ljubljana—employing 13 staff members as of 31 December 2024 (equivalent to 12.13 full-time employees based on working hours)—amounted to EUR 899,296, representing 50.5% of total expenses (2023: 47.6%).

Part of the salary expenses relates to performance-based incentives for employees. In 2024, the cost of performance-related bonuses amounted to EUR 77,717. In addition, personnel costs include severance payment costs of EUR 60,375, costs related to unpaid variable compensation for the Management Board for 2024 in the amount of EUR 19,473, and provisions for retirement severance payments in the amount of EUR 2,048.

- Costs of materials

Material costs amounted to EUR 25,909. The largest components within material costs were energy costs (EUR 11,123) and costs of professional literature and subscriptions (EUR 10,383).

- Costs of services

Service costs amounted to EUR 713,266. The largest components of service costs were IT services (EUR 313,93), supervisory services related to LJSE operations (EUR 96,820), services provided by the owner, the



Zagreb Stock Exchange (EUR 62,692), consulting services (EUR 58,182), costs of organization events (EUR 41,964) and maintenance of business premises (EUR 25,420).

- Depreciation and amortisation

Depreciation and amortisation cost amounts to EUR 116,679. It refers to EUR 35,980 of amortisation of intangible fixed assets, EUR 60,372 of depreciation of the building and EUR 20,328 of depreciation of equipment and other tangible assets. On average, the proportion of written-off intangible fixed assets is 94.4%; thus, the proportion of carrying intangible assets is 5.6%. On average, the proportion of written-off equipment and other tangible assets is 69.2%; thus, the proportion of carrying equipment and other tangible assets is 30.8%.

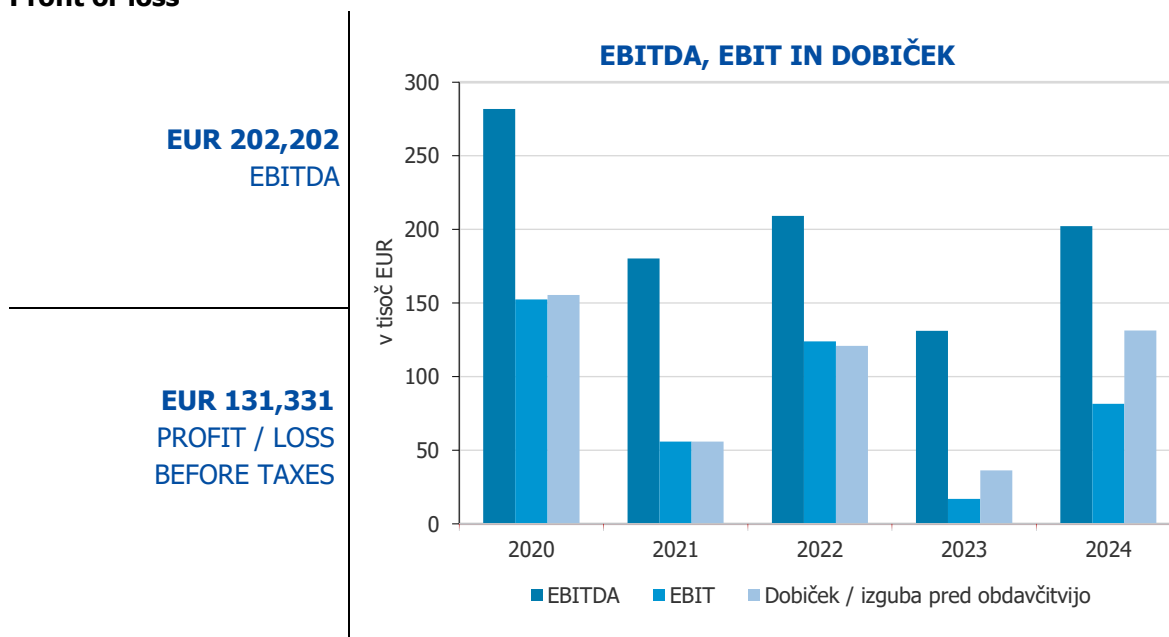
- Other operating costs

Other operating costs amounted to EUR 12,851.

- Revaluatory operating expenses

Revaluatory operating expenses in the amount of EUR 3,792 refer entirely to expenses from allowances for bad receivables.

Profit or loss



In 2024, profit before interest, taxes, depreciation, and amortization (EBITDA)—calculated as operating profit increased by depreciation and revaluation operating expenses—amounted to EUR 202,202, representing a 54.3% increase compared to the previous year.

Profit before interest and taxes (EBIT) amounted to EUR 81,599, while profit before tax totaled EUR 131,331.



Assets

EUR 2,826,611
ASSETS

(in EUR)	31 Dec 2024	31 Dec 2023
Non-current assets	966,932	1,066,828
Current assets	1,787,002	1,548,082
Deferred costs and accrued revenue	72,677	63,394
Total assets	2,826,611	2,678,304
Equity	2,469,469	2,393,575
Provisions	27,290	32,629
Non-current liabilities	35,516	36,314
Current liabilities	134,173	120,439
Short term accrued costs and deferred revenue	160,163	95,346
Total equity and liabilities	2,826,611	2,678,304

Performance indicators

Ratio	2024	2023	2022	2021	2020
Financing state ratios					
Equity financing rate	87.37	89.37	88.55	89.54	87.58
Long-term financing rate	89.59	91.94	91.29	92.31	89.44
Equity rate	10.41	8.06	8.71	7.69	10.01
Investments ratios					
Operating fixed assets rate	33.20	38.87	40.84	41.40	41.91
Long-term assets rate	65.79	60.17	58.47	57.84	50.42
Short-term assets rate	53.78	44.12	7.18	7.37	6.96
Horizontal financial structure ratios					
Quick ratio	0.76	1.32	9.76	8.13	6.06
Current ratio	13.32	12.85	13.15	11.13	8.17
Operating efficiency ratios					
Operating efficiency ratio	1.05	1.01	1.08	1.04	1.11
Total efficiency ratio	1.07	1.01	1.07	1.04	1.11
Operating Performance Indicators					
EBIT Margin	0.04	0.01	0.07	0.04	0.10
EBITDA Margin	0.11	0.08	0.12	0.12	0.18
Profitability ratios					
Net return on equity - ROE	4.21	1.03	4.42	1.74	5.29



Risk management

In accordance with the provisions of the Financial Instruments Market Act (ZTFI-1) and the "Decision of the Securities Market Agency on Detailed Organisational Requirements for the Management of the Regulated Market," the LJSE, as the operator of the regulated market, complies with all requirements, which primarily relate to general organisational standards and the governance system.

The LJSE addresses the area of risk through appropriate internal acts and processes, adopted in accordance with the criteria defined by the Decision of the Securities Market Agency on the Quality Management of the Regulated Market. The risk management system is defined by internal rules and clearly delineated responsibilities and accountabilities among business functions, the Management Board, the Supervisory Board, as well as key functions and other related areas responsible for oversight. The system is built on effective processes for the continuous identification, assessment, and monitoring of assumed, potential, or emerging risks. A clear, transparent, and well-documented system enables timely and adequate action, ensuring that the risk profile remains within the levels defined in the Risk Management Guidelines and Framework. The system is regularly updated while maintaining its integrity and relevance.

The functioning risk management system proved to be effective once again in 2024.

Risk management at the LJSE covers strategic, financial, and operational risks, as well as risks related to the use of information technology.

The risk management process at the LJSE is carried out on two levels:

- General assessment and management of key strategic and financial risks;
- Detailed assessment and management of key operational and IT risks, performed by the owners of the LJSE's core processes.

Operational risk management is supported by the monitoring and coordination activities of the SUVI (Internal Control and Risk Management) lead, compliance oversight by the Compliance Officer to ensure adherence to internal and external requirements, and the organization and implementation of the risk identification, assessment, and mitigation system by designated risk management functions.

For this purpose, the Management Board of the LJSE adopted a revised document entitled "*Risk Management Guidelines*" in 2022, which was also reviewed by the Supervisory Board. The document identifies key risks, including operational non-compliance, ineffectiveness of operations, and regulatory non-compliance. Among the main strategic risks, a potential significant decline in the number of issuers and members has been recognized as a long-term risk to the sustainability of the company's current business model. To address this, the LJSE carries out appropriate strategic and operational planning and regularly monitors the implementation of planned measures.

The LJSE places strong emphasis on cultivating a risk management culture and raising awareness of risk-related matters. The risk management framework is forward-looking, aligned with the LJSE's business model, and tailored to its defined risk profile. Through proactive operational risk management, the LJSE continuously identifies weaknesses, changes, and trends in both the internal and external environment that could lead to increased risk exposure.

Detailed assessment of key operational risks by the owners of the LJSE's core processes, along with appropriate responses, is primarily based on the management of thirteen critical areas. These consist of



eight core processes directly related to the LJSE's licensed activities (i.e. the regulated market and the multilateral trading facility – SI ENTER), and five additional processes connected to the overall operations of the LJSE, which are indirectly linked to the management of each market.

In the risk identification process, all recognized risks are comprehensively assessed and continuously monitored. The key risks—compiled in the Risk Register and forming the LJSE's risk profile—are regularly reviewed and, where necessary, supplemented with newly identified risks. Particular emphasis is placed on integrating risk analysis into decision-making processes at both strategic and operational levels, maintaining appropriate pricing policies, ensuring cost efficiency, and securing overall compliance with internal acts and applicable regulations. Risk identification is carried out on an ongoing basis, especially during business planning and throughout the implementation of major projects.

The LJSE has established a regular risk reporting process. Risk owners prepare a written report (*"Risk Monitor"*) on the assessed risk exposures for individual activities at least prior to each regular meeting of the Supervisory Board. The report is approved by the Management Board as part of the materials submitted to the Supervisory Board. The Management Board continuously monitors risks and, where necessary, implements specific measures to mitigate them. At the end of each year, the Head of Internal Audit prepares a report for the Management Board and the Supervisory Board on the risk management activities, the implementation of internal controls, and the guidelines and risk management framework for the following year.

Significant attention is also devoted to employee training and awareness-raising, effective and efficient work organization, clear allocation of responsibilities, defined and documented decision-making procedures, as well as ongoing monitoring and verification of compliance with established procedures.

Despite changes in the financial markets, the LJSEe successfully maintained its risk exposure within predefined levels throughout 2024, which required proactive risk management.

Internal Audit Activities

In accordance with the provisions of the "Internal Audit Charter", approved by the Management Board and the Supervisory Board, the LJSE ensures the implementation of internal audit activities through the work of the Chief audit executive and by engaging two external internal audit service providers.

Internal audit is an independent, objective, and advisory function used to systematically and professionally assess the effectiveness of risk management procedures, the integrity and functionality of internal control systems, and the overall governance of the LJSE.

Internal audit reviews the key risks related to the operations of the stock exchange, particularly in the following areas:

- market and trading management, with a focus on the review of the XETRA trading system software solution,
- publication and archiving of issuers' disclosures, as well as the management of SEO and INFO HRAMBA systems,
- ensuring business continuity.



In addition, internal audit provides independent and impartial assurance regarding the management of key risks, the governance of the LJSE, and the functioning of internal controls, thereby enhancing and protecting the value of the LJSE. Internal auditors regularly monitor the implementation of their recommendations, including assessing the adequacy of management's corrective actions aimed at addressing deficiencies and improving operations. Activities carried out during the year are reported on an ongoing basis to the Management Board and the Supervisory Board, and summarized at year-end in the "Annual Internal Audit Report", which is also made available to the external auditor.

The internal audit activity is based on the adopted "Medium-Term Internal Audit Plan for the current and following year", which is grounded in the "Risk Assessment", as well as the "Annual Internal Audit Plan for the current year".

Based on the internal methodology and a comprehensive risk analysis for 2024, internal audit conducted two audit reviews. During the course of these reviews, certain irregularities and deficiencies were identified. Internal audit highlighted these issues and provided recommendations for their remediation, with the aim of improving control procedures, corporate governance, and risk management. The responsible persons actively implemented the internal audit's recommendations, which contributed to greater efficiency of internal controls and enhanced operational orderliness.

Internal audit regularly reports to the Management Board, the Audit Committee, and the Supervisory Board on the audits performed, identified irregularities or deficiencies, and the follow-up on the implementation of recommendations. It has also prepared the Annual Internal Audit Report for 2024, which forms an integral part of the materials for the General Meeting.

An external quality assessment of internal audit at the Ljubljana Stock Exchange (conducted periodically every five years) was carried out in 2024 by the company *4E, pomoč pri upravljanju organizacij in obvladovanju prevar, d.o.o.* Based on the procedures performed during the assessment, the external review confirmed that the internal audit operates in accordance with the International Standards for the Professional Practice of Internal Auditing, the Code of Ethics for Internal Auditors, and the Code of Internal Auditing Principles.

Human Resource Management, Employees and Broader Environment

The fundamental goal pursued by the stock exchange in the area of human resource management is to establish an optimal staffing and educational structure. Only appropriately educated and motivated employees can fulfil their work obligations with excellence. At the LJSE, we strive for continuous professional development of our employees, enabling them to successfully tackle work-related challenges and contribute to the achievement of shared goals. We continuously enhance employees' professional knowledge across all areas of work and develop the competencies required to successfully achieve individual goals, while also encouraging internal mobility across work functions. However, we are fully aware that education alone is not sufficient – employees must also be properly motivated to perform their duties.

Care for positive interpersonal relationships, quality of life and work, optimal working conditions, engaging professional challenges, social security, and workplace safety are the foundations of an encouraging work environment where individual goals and needs can be aligned with those of the company. Together, we foster a culture of mutual trust, respect, collaboration and teamwork, continuous learning, and responsible and efficient work.



Employment and Workforce Structure

At the end of 2024, the LJSE employed 13 staff members, the same as in the previous year. The average number of employees in 2024 was 12.58.

In 2024, the LJSE hired an assistant for the Management Board Office under a permanent employment contract. The departure of one employee was successfully addressed through internal restructuring, which also created an opportunity for employee advancement. Due to the expiration of the previous President of the Management Board's term, a new President commenced a four-year mandate on 1 September 2024.

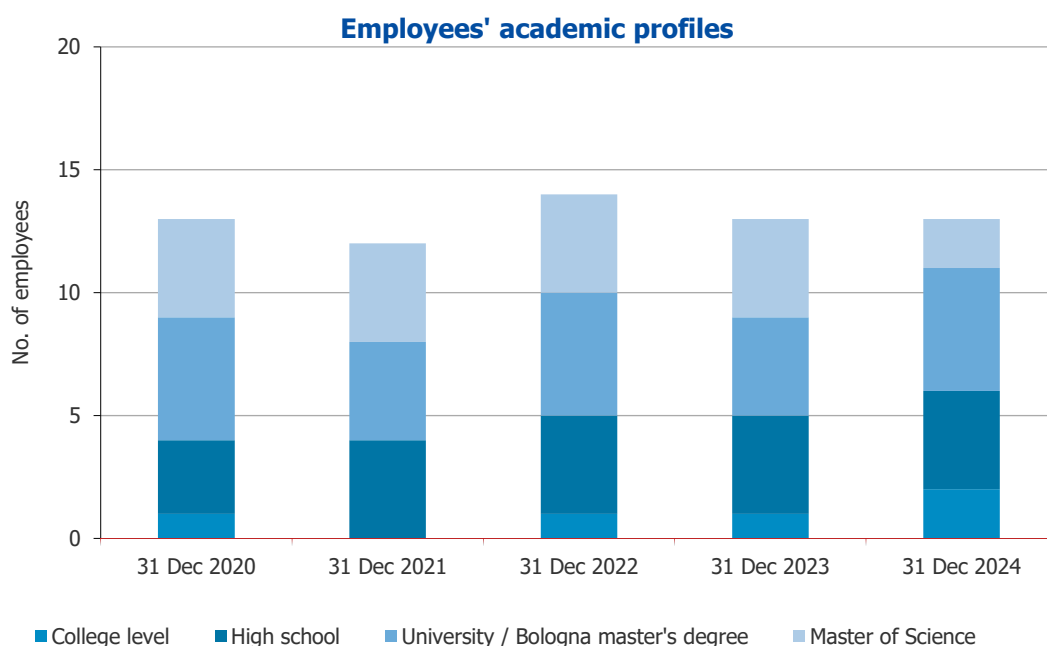
Employees at the LJSE by type of employment on the last day of the year

	2024		2023	
	Number	Share	Number	Share
Type of employment by working time				
Part-time employment	2	15.4	0	0.0
Full-time employment	11	84.6	13	100.0
Total	13	100.0	13	100.0
Type of employment contract				
Part-time employment	1	7.7	0	0.0
Full-time employment	12	92.3	13	100.0
Total	13	100.0	13	100.0

The average age of employees at the LJSE decreased to 38.1 years (2023: 40.8 years).

The share of women in the workforce remained at the same level as at the end of 2023, amounting to 69%. In the Management Board, this share is 50%. Across all employee categories, the basic salary levels of women and men are equal.

At the end of 2024, the educational structure of employees was as follows: two employees (15.4%) had completed secondary education, four (30.8%) held post-secondary education, five employees (38.4%) had either a university degree or the first Bologna cycle degree, and two employees (15.4%) held a master's degree in science.



Employee Training and Development

Employees are key to our success, which is why the LJSE actively encourages their professional and personal development, mutual cooperation, the exchange of relevant information, and creativity. Rapid advancements across all fields demand continuous professional training. We recognize that development stems from knowledge, and we therefore strive to provide education, training, and upskilling in line with the needs of the work process – enabling employees to grow professionally and personally, and to advance in their careers. Employees were offered opportunities for further development through external courses and online training. Education and training expenses amounted to EUR 10,958, which is 15% less compared to 2023. Investment in education represented 0.6% of the company's operating revenues.

To support effective human resource management, the stock exchange established a unified competency model for employees in 2023, formalized through the adoption of the *Employee Competency Assessment and Development Manual*.

This competency model is incorporated into annual performance reviews, enabling the definition of individual competency profiles and tailored development activities.

Annual performance reviews serve as an important tool for effective leadership and employee development. During these reviews, managers and employees assess the achievement of goals from the previous period, discuss key responsibilities and performance expectations, and plan further training, knowledge enhancement, and skill development. All employees participate in the annual review process.

Rewarding and motivating

All employees at the LJSE are included in compensation systems that recognize well-performed work and individual success. These systems aim to encourage employee engagement, enhance motivation, and reward excellence and loyalty.



Each year, based on employee nominations, the “Employee of the Year” is selected and receives a symbolic award.

Health and Safety at Work

At the LJSE, we are committed to a comprehensive and strategic approach to ensuring occupational health and safety. To manage and prevent risks, we carry out a range of activities. Particular emphasis is placed on promoting workplace health and on training employees in occupational health and safety, as well as fire safety.

Health and Safety Management System

The LJSE is committed to maintaining a work environment that fosters quality interpersonal relationships and supports a healthy balance between professional and personal life.

At the LJSE, we place great importance on ensuring occupational health and safety. We are aware that employees can perform their duties effectively and to a high standard only in a safe and health-conscious work environment. Therefore, we continuously strive to reduce risk levels arising from work processes. Hazards and harmful effects that may impact employees' health are defined in the *Statement of Safety with Risk Assessment* for all job categories. This document also includes preventive measures aimed at eliminating or minimizing adverse impacts. As part of an ongoing process involving employee participation, risk assessments are regularly reviewed and updated. Occupational health specialists are also involved in the review of health-related risks. In line with these assessments, employees are regularly referred for periodic medical examinations, while each newly hired employee must undergo a legally required medical check-up before starting work.

All employees are required to complete mandatory training and a knowledge test on fire safety and occupational health and safety.

We also ensure good working conditions by conducting annual inspections and measurements of lighting, microclimate conditions, and potentially harmful substances in the air.

Health Promotion

In 2022, we developed a workplace health promotion plan accompanied by an annual activity schedule, which we update each year and will continue to implement in the future. We aim to gradually increase the number of activities from year to year, helping our employees maintain their health and equipping them with the tools needed to cope with predominantly sedentary work.

We foster good physical and mental well-being, as well as a positive psychosocial climate, through open communication among employees. Additionally, we promote health through initiatives such as encouraging healthy eating.



Ensuring Employee Satisfaction

Employee Benefits and Opportunities

We foster employee satisfaction through team-building activities, aimed at enhancing group effectiveness, cooperation, and performance. By strengthening team dynamics, we seek to build a stronger sense of unity and connectedness among employees.

To support long-term social security, the stock exchange has, since 2001, been paying voluntary supplementary pension insurance contributions on behalf of its employees through *Triglav Pokojninska Družba d.d.* or *Prva Osebnostna Zavarovalnica d.d.*

Hybrid Work

At the LJSE, employees whose job responsibilities allow it are given the option to work from home, and the share of such employees is increasing.

Working hours are adjusted to meet the needs and preferences of employees, in accordance with operational possibilities and job requirements. Parents of first-grade children are entitled to a day of extraordinary paid leave on the first day of school.

Employee – Management Relations

At the LJSE, special attention is dedicated to communication with employees. We promote responsible and ethical communication and encourage open dialogue at all levels. This helps create a productive work environment, strengthens the sense of belonging, and fosters a culture of mutual trust, respect, continuous learning, and responsible, efficient work. Due to the small number of employees, communication can be more personal and effective.

Several times a year, meetings between employees and the Management Board are held, during which the President and the Board Member inform employees about the company's performance in the previous year, plans for the current year, corporate strategy, internal and market-related development activities, and other relevant updates.

Each employee may communicate with a Board Member at any time, either via email or in person.

Communication is also facilitated through the employees' representative.

The Ljubljana Stock Exchange in the Broader Community

The LJSE is fully aware of its social responsibility toward the broader environment in which it operates. Throughout the year, we receive numerous requests to support sports, humanitarian, and educational initiatives, some of which we actively endorse. We also support educational projects aimed at raising awareness of the importance of the capital market in Slovenia.

For many years, the LJSE has been supporting initiatives and projects that contribute to improving corporate governance in Slovenia. This aligns with one of the company's core strategic objectives, as well as that of the entire capital market – promoting a high-quality, well-organized market.



Objectives and plans for 2025

Despite ongoing uncertainties and the slowdown in the European economy, the Ljubljana Stock Exchange expects improved performance in 2025. A combination of moderating price growth, a reduction in the European Central Bank's key interest rate, gradually increasing foreign demand, stagnating investments, and evolving international economic conditions is expected to lead to slightly higher economic growth.

Under these circumstances, the LJSE plans to increase its revenue from trading fees to EUR 743,675 (a 7% increase) and forecasts profit before tax in the amount of EUR 119,970.

We have set ambitious goals for 2025. In preparing the plan for the year, we focused on addressing current economic challenges and seizing new opportunities, assuming with cautious optimism that business conditions in 2025 will be somewhat more favourable. However, we emphasize that 2025 will still be shaped by volatile political developments and geopolitical risks, such as trade tensions between Europe, the United States, and China. These factors contribute to uncertainty regarding the realization of the plan.

The primary goal of the LJSE in 2025 will remain the stable management of the regulated market. The Exchange will also strive to ensure compliance across all areas of its operations. In addition, the LJSE's objectives will include various activities aimed at fostering further development and promotion of the capital market, to be carried out in broader cooperation with other capital market stakeholders.

In 2025, we expect market activity on the LJSE to be positive, primarily due to the strong performance of listed companies and various initiatives undertaken by the Ljubljana Stock Exchange to further develop the capital market. We see further growth of the capital market primarily in the pursuit of new sources of financing through the promotion of long-term savings in financial instruments, the listing of new companies, and—given their size—the partial privatization of state-owned enterprises via the stock exchange. Equally important will be joint efforts by all capital market stakeholders to promote and develop the market. We will intensify our activities aimed at attracting new issuers and introducing new types of financial instruments across all LJSE markets, as well as efforts to acquire new exchange members and to expand promotional activities for the LJSE market more broadly.

At the end of 2024, we initiated a comprehensive review and update of the company's strategy. The new strategy is expected to be finalized in the first half of 2025 and will be focused on increasing trading volume and profitability, developing new products and services, and supporting sustainable growth. The updated strategy will be presented in the next annual report.

Key Planned Activities of the Ljubljana Stock Exchange in 2025:

- Stable and efficient ongoing management of the regulated market;
- Acquisition of new products across all LJSE markets;
- Supporting the objectives of the Capital Market Development Strategy, in which the LJSE actively participates (e.g., involvement in special working groups led by the Ministry of Finance concerning investment financial plans and broader reforms to stimulate the capital market);
- Monitoring regulatory changes and developments in the field of the Capital Transactions Platform (CTP);
- Continuing the expanded implementation of the R&D program and the SME education program, also in cooperation with external partners;
- Optimization of the settlement process on the SI ENTER market;
- Preparations for substantive changes, adjustments, and implementation of the ESAP (European Single Access Point) system;



- ATDC project – transition to a new software solution for order data transmission to the LJSE;
- Activities to enable access to the Slovenian capital market via one of the international discount broker platforms;
- Activities to improve operational and cyber resilience;
- Optimization of the document management system.

SUSTAINABILITY REPORT



LJUBLJANSKA BORZA
LJUBLJANA *Stock Exchange*

Sustainability Report for 2024

In its Sustainable Business Policy, the Ljubljana Stock Exchange defines its key strategic directions and long-term objectives in the field of sustainability. As a co-signatory of the Slovenian Corporate Governance Code for Listed Companies, the LJSE has voluntarily committed to following good practices in sustainable business conduct.

The key stakeholders who are either affected by or can significantly contribute to the Exchange's sustainability efforts include:

- LJSE members and issuers,
- The investment public,
- Employees and key external service providers.

As the sole operator of the regulated market in Slovenia, the Exchange sees its main contribution to the sustainable development of the capital market in establishing and managing the infrastructure that enables trading in financial instruments issued by sustainability-oriented companies or aimed at financing so-called green projects.

Taking into account its position, size, and capabilities, the Ljubljana Stock Exchange has defined the following priority sustainability areas:

1. Sustainable Finance Market

A key objective—and the most significant contribution—of the Ljubljana Stock Exchange to the market is the organization of safe and transparent trading in financial instruments on the trading venues it manages.

In 2024, the LJSE fulfilled its commitment to promoting sustainable development within the capital market by establishing the Sustainable Finance Market, based on the Green Bond Principles (GBP) and other recognized frameworks for sustainable finance. These principles provide the foundational framework for the operation and development of sustainable financing. The Green Finance Market is intended for companies seeking to raise capital to finance sustainable projects.

The operating conditions for the Sustainable Finance Market were defined in the LJSE Rules, which were approved by the Securities Market Agency and came into effect on April 9, 2024. The first listings on the Sustainable Finance Market followed in June 2024, when two bonds issued by the Republic of Slovenia, designated RS88 and RS91, were admitted to this market.

2. Increasing transparency on the sustainability performance of listed companies

In addition to the transparency of trading and market data, the transparency of listed companies is equally important in maintaining investor trust. A key aspect of the Sustainable Finance Market is the enhanced transparency of companies issuing sustainability-oriented financial instruments, particularly regarding the fulfillment of commitments made to investors at the time of issuance.

To raise reporting standards related to the fulfillment of such commitments, the Ljubljana Stock Exchange has developed new guidelines for sustainability reporting by listed companies, as well as recommendations concerning disclosure obligations for issuers admitted to the Sustainable Finance Market.

All listed companies were invited to participate in a public consultation during the adoption process for the new guidelines. These recommendations, which represent best practices for sustainability reporting, entered into force on April 9, 2024, concurrently with the new LJSE Rules.



In 2024, an amendment to the Companies Act (ZGD-1M) entered into force, expanding the sustainability reporting obligations for large companies. The amendment stipulates that large companies will be required to prepare their sustainability reports in a standardized electronic format (known as the ESEF format). To improve the accessibility and clarity of listed companies' sustainability reports in light of these new legal obligations, the LJSE will upgrade its INFO HRAMBA validation tool, which will also include validation of sustainability reports. The standardized electronic format enables machine processing of large volumes of data, allowing investors to perform comparative analyses not only of financial data, but also of sustainability-related information.

The development of the capital market also includes the organization of events and educational programs that address topics related to corporate sustainability practices.

3. Environment Care

Environmental risks primarily arise from paper consumption for business operations, environmental pollution due to waste disposal, transportation to and from work, and energy consumption.

The Ljubljana Stock Exchange sees its greatest environmental contribution in reducing paper usage, and has therefore identified business digitalization as a priority area of sustainability in its day-to-day operations as a joint-stock company. Despite its relatively small size and number of employees, the Exchange recognizes that every contribution matters—whether made by an individual or by the organization as a whole. To improve energy efficiency and reduce its environmental footprint, the Exchange has implemented various measures, including remote work and raising employee awareness on responsible energy use.

4. Respect for fundamental human rights

The Ljubljana Stock Exchange, together with its employees, upholds human rights as well as ethical and professional standards as defined in the Code of Ethical and Professional Standards of the Ljubljana Stock Exchange (hereinafter: the Ethical Code). This Code outlines the fundamental ethical principles, values, and rules of conduct that employees follow in their daily work, thereby shaping the Exchange's corporate culture. The same expectations apply to key external stakeholders with whom the Exchange has concluded business agreements.

The LJSE respects the labor rights of its employees, strictly prohibits all forms of harassment and bullying in the workplace, and has established mechanisms for identifying and preventing workplace harassment.

5. Integrity, Transparency, and Conflict of Interest Management

The LJSE is committed to acting with transparency and the highest level of integrity in all business relationships and transactions. The same is expected of its employees and business partners. Through its Ethical Code, the LJSE enforces a zero-tolerance policy toward corruption and has established a whistleblowing procedure for reporting unethical conduct by employees, ensuring confidentiality and the protection of the whistleblower's rights.

All employees are subject to restrictions regarding the acceptance of gifts and are required to report any gifts received to the designated compliance officer.

The LJSE has implemented a system for identifying and managing potential conflicts of interest, both at the level of governance bodies and among employees and individual business processes. Measures for managing conflicts of interest are adopted in accordance with internal regulations, which also define procedures in the event such situations arise.



6. Sustainable Business Governance

In line with the principles of the Slovenian Corporate Governance Code for Listed Companies and the commitments made under the SSE Initiative, the Ljubljana Stock Exchange has adopted a Sustainable Business Policy, which sets out the main strategic directions and long-term objectives in the field of sustainability. This policy provides a comprehensive framework for the Exchange's sustainable operations.

The implementation of set goals and their execution is the responsibility of employees operating within the business processes in which the respective sustainability objectives are integrated. The Compliance Function is responsible for monitoring progress in the area of sustainability and reports annually to the Management Board and the Supervisory Board through a dedicated Sustainability Report.

The Supervisory Board is responsible for overseeing sustainability governance. In accordance with its rules of procedure, it reviews the Sustainability Report, and the LJSE includes relevant sustainability disclosures in its Annual Report.

FINANCIAL REPORT



LJUBLJANSKA BORZA
LJUBLJANA *Stock Exchange*



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Statement on Management Responsibility

The Management Board hereby approves the financial statements of Ljubljanska borza, d. d., Ljubljana for the year ended 31 December 2024, including the applied accounting policies and the notes to the financial statements.

The Management Board is responsible for the preparation of the Annual Report of Ljubljanska borza, d. d., Ljubljana and the financial statements in a manner that provides a true and fair view of the Company's financial position and performance for the year 2024.

The administration declares:

- that the financial statements are prepared on the assumption that the company will continue operations in the future,
- to consistently apply the selected accounting policies and to disclose any changes in accounting policies,
- that the accounting estimates are prepared honestly and thoughtfully and in accordance with the principles of prudence and good management,
- that the financial statements with explanations are prepared in accordance with Slovenian Accounting Standards.

The Management Board is responsible for the appropriate management of accounts, for the implementation of the measures to ensure the preservation of the value of company assets, and for the prevention of exposure to fraud and other irregularities.

The tax authorities may, at any time within five years of the end of the year for which tax assessment was due, carry out the audit of the Company operations, which may lead to assessment of additional tax liabilities, default interest and penalties with regard to corporate income tax or other taxes and levies. The Management Board is not aware of any circumstances that may result in a significant tax liability.

Ljubljana, 31 March 2025

Ljubljana Stock Exchange


Nina Vičar, MSc
Member of the Management Board




Marko Bombač, MFA, FRM
President of the Management Board



Financial statements for the financial year 2024

Balance sheet

<i>(in EUR)</i>			
	Notes	31 Dec 2024	31 Dec 2023
ASSETS		2,826,611	2,678,304
Non-current assets		966,932	1,066,828
Intangible assets and long-term deferred and accrued items	1.1	74,722	110,891
Property, plant and equipment	1.2	863,653	930,150
Long-term investments	1.3	6,356	3,178
Deferred tax assets	1.4	22,202	22,609
Current assets		1,787,002	1,548,082
Short-term investments	1.5	1,513,706	1,178,513
Short-term operating receivables	1.6	171,720	210,134
Cash and cash equivalents	1.7	101,576	159,434
Short-term deferred costs and accrued revenues	1.8	72,677	63,394
EQUITY AND LIABILITIES		2,826,611	2,678,304
Equity	1.9	2,469,107	2,393,575
Called-up capital		1,400,893	1,400,893
Capital surplus		462,775	462,775
Revenue reserves		423,159	423,159
Revaluation surplus		82,098	81,903
Retained earnings		0	0
Net profit or loss for the period		100,182	24,845
Provisions and long-term accrued costs and deferred revenues	1.10	27,290	32,629
Provisions for terminal leave pay or long-service benefits		24,873	26,144
Long-term accrued costs and deferred revenues		2,417	6,485
Long-term liabilities	1.11	35,878	36,314
Long-term financial liabilities		12,822	16,888
Deferred tax liabilities		23,056	19,426
Short-term liabilities	1.12	134,173	120,439
Short-term financial liabilities		4,066	3,966
Short-term trade payables		130,107	116,473
Short-term accrued costs and deferred revenues	1.13	160,163	95,346

Notes to the financial statements are an integral part of the financial statements and should be read in conjunction with them.



Income statement

<i>(in EUR)</i>	<i>Notes</i>	2024	2023
Net sales	2.1	1,849,379	1,626,695
Net sales revenues from domestic market		1,178,673	1,067,181
Net sales revenues from abroad		670,707	559,513
Other operating revenues	2.2	10,833	9,660
Costs of goods, material and services	2.3	739,174	725,320
Costs of materials used		25,909	26,301
Costs of services		713,266	699,019
Labour costs	2.4	899,296	772,068
Costs of wages and salaries		713,651	594,397
Pension insurance costs		16,757	17,600
Other social insurance costs		107,012	92,340
Other labour costs		59,829	63,570
Provisions		2,048	4,161
Write-downs	2.5	120,603	114,106
Depreciation and amortisation		116,679	109,985
Revaluatory operating expenses associated with IA and PPE		132	0
Revaluatory oper. exp. associated with operat. current assets		3,792	4,121
Other operating expenses	2.6	12,851	8,145
Financial revenue from investments		33,943	7,206
Financial revenue from loans to others		17,173	13,651
Financial revenue from operating receivables		12	22
Financial expenses for financial liabilities		474	572
Financial expenses for operating liabilities		923	992
Other revenues		616	207
Other expenses		7,305	5
Income tax	2.7	-30,742	-14,917
Deferred taxes	2.8	-407	3,532
NET PROFIT OR LOSS FOR PERIOD	2.9	162,479	47,617

Notes to the financial statements are an integral part of the financial statements and should be read in conjunction with them.



Statement of comprehensive income

<i>(in EUR)</i>	<i>Notes</i>	2024	2023
Net profit or loss for the year		100,182	24,845
Changes of intangible assets and property, plant and equipment revaluation surplus		557	2,258
Total comprehensive income for the year	2.10	100,740	27,104

Notes to the financial statements are an integral part of the financial statements and should be read in conjunction with them.



Cash flow statement

<i>(in EUR)</i>	2024	2023
A. Cash flows from operating activities		
a) Income Statement items	68,542	80,347
Operating revenue	1,866,318	1,657,235
Operating expenses excluding depreciation and amortisation	-1,781,129	-1,566,389
Income taxes and other taxes not included in operating expenses	-16,647	-10,499
b) Changes of net operating assets in Balance Sheet items	204,908	16,780
Change in trade receivables	54,748	-2,745
Change in deferred costs and accrued revenue	-9,093	18,274
Change in deferred tax assets	407	-3,532
Change in operating debts	-17,108	-12,906
Change in accrued items and provisions	172,324	17,453
Change in deferred tax liabilities	3,630	237
c) Net cash from operating activities (a + b)	273,450	97,127
B. Cash flows from investing activities		
a) Cash receipts from investing activities	17,952	12,511
Interest received	17,952	12,511
Proceeds from disposal of intangible assets	0	0
Proceeds from sale of property, plant and equipment	0	0
Proceeds from disposal of current assets	0	0
b) Cash disbursements from investing activities	-320,171	-996,572
Purchase to acquire intangible assets	0	-7,957
Purchase of property, plant and equipment	-14,965	-7,306
Payments in connection with non-current investments	0	0
Payments in connection with current investments	-305,206	-981,308
c) Net cash from investing activities (a + b)	-302,219	-984,060
C. Cash flows from financing activities		
a) Cash receipts from financing activities	195	2,259
Capital increase	195	2,259
b) Cash disbursements from financing activities	-29,285	-110,469
Interest paid	-474	-572
Repayment of financial liabilities	-3,966	-3,868
Dividends paid	-24,845	-106,029
c) Net cash from financing activities (a + b)	-29,090	-108,210
D. Net cash and cash equivalents as at end of period	101,576	159,435
Net increase in cash and cash equivalents (Ac+Bc+Cc)	-57,859	-995,143
Cash and cash equivalents as at beginning of period	159,435	1,154,578

Notes to the financial statements are an integral part of the financial statements and should be read in conjunction with them.



Statement of changes in equity for 2024

(in EUR)	Called-up capital	Capital surplus			Revenue reserves	Revaluation reserves	Retained earnings	Net profit / loss	Total equity
	Share capital	Payments over carrying amount in redemption of shares	Amounts from simplified capital decrease	General equity revaluation adjustment	Statutory reserves			Net profit / loss for the period	
A.1. Balance at 31 Dec 2023	1,400,893	143	364,570	98,063	423,159	81,903	0	24,845	2,393,575
Backward calculations									
Retrospective adjustments									
A.2. Balance at 1 Jan 2024	1,400,893	143	364,570	98,063	423,159	81,903	0	24,845	2,393,575
Changes in equity - transaction with owners									
B.1. owners									
Payment of dividends							-24,845		-24,845
							-24,845		-24,845
B.2. Total comprehensive income for 2024	0	0	0	0	0	195	0	100,182	100,377
Profit / loss for the period							0	100,182	100,182
Change in fair value reserves						195	0		195
B.3. Changes in equity	0	0	0	0	0	0	24,845	-24,845	0
Reallocation to other components of equity							24,845	-24,845	0
C. Balance at 31 Dec 2024	1,400,893	143	364,570	98,063	423,159	82,098	0	100,182	2,469,107
ACCUMULATED PROFIT FOR 2024	-	-	-	-	-		0	100,182	100,182

Pursuant to the resolution of the General Meeting of Shareholders dated 15 June 2024, the net profit available for distribution as at 31 December 2023 in the amount of EUR 24,845 was fully allocated for the payment of dividends to the shareholder, which, taking into account the total number of issued shares, amounts to a gross value of EUR 0.740 per share.

The book value per share as at 31 December 2024 amounts to EUR 73.30.

Statement of changes in equity for 2023

(in EUR)	Called-up capital	Capital surplus			Revenue reserves	Revaluation reserves	Retained earnings	Net profit / loss	Total equity
	Share capital	Payments over carrying amount in redemption of shares	Amounts from simplified capital decrease	General equity revaluation adjustment	Statutory reserves			Net profit / loss for the period	
A.1. Balance at 31 Dec 2022	1,400,893	143	364,570	98,062	423,159	105,997	-296	42,716	2,435,243
Backward calculations									
Retrospective adjustments									
A.2. Balance at 1 Jan 2023	1,400,893	143	364,570	98,062	423,159	105,997	-296	42,716	2,435,243
Changes in equity - transaction with owners									
B.1. owners									
Payment of dividends							-42,419	0	-42,419
							-42,419		-42,419
B.2. Total comprehensive income for 2023	0	0	0	0	0	-24,094	0	24,845	751
Profit / loss for the period								24,845	24,845
Changes in revaluation surplus related to intangible assets						-24,094			-24,094
B.3. Changes in equity	0	0	0	0	0	0	42,716	-42,716	0
Reallocation to other components of equity							42,716	-42,716	0
C. Balance at 31 Dec 2023	1,400,893	143	364,570	98,062	423,159	81,903	0	24,845	2,393,575
ACCUMULATED PROFIT FOR 2023	-	-	-	-	-		0	24,845	24,845

Notes to the financial statements are an integral part of the financial statements and should be read in conjunction with them.



Notes to financial statements

Reporting entity

Name of the reporting company	Ljubljanska borza, d. d., Ljubljana
Registered office	Slovenska cesta 56, Ljubljana, Slovenia
Reporting period	1 January 2024 – 31 December 2024
End of reporting period	31 December 2024
Presentation currency	EUR
Rounding of amounts in the financial statements	to the nearest whole number

Relations with other companies

Based on the shareholders' agreement dated 26 July 2023, LJSE is a co-founder of the company EuroCTP B.V., with its registered office in Amsterdam, the Netherlands, in which it holds a 0.045% ownership stake. As at 31 March 2024, the value of the investment amounts to EUR 6,356.

As at 31 December 2024, Ljubljana Stock Exchange has a single shareholder holding 100% of its shares, namely Zagreb Stock Exchange, Inc., Ivana Lučića 2a, 10000 Zagreb, Croatia. The consolidated annual report for the year 2023 will be available at the registered office of the owner.

Significant Accounting Policies

In 2024, the Exchange applied the same accounting policies as in 2023.

Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Companies Act (ZGD-1) and the Slovenian Accounting Standards (SAS 2024).

The Accounting Manual of Ljubljana Stock Exchange provides a detailed definition of the accounting policies applied by the Company.

Basis of presentation

In compiling the Financial Statements, the LJSE considered:

- The basic accounting assumptions:
 - Adherence to the principle of accounting on an accrual basis, and
 - Going concern;
- The qualitative characteristics of financial statements (comprehensibility, relevance, reliability and comparability).

Principles for the Preparation of Financial Statements

In preparing the financial statements, the LJSE took into account:

- The fundamental accounting assumptions:



- Accrual basis of accounting, and
- Going concern assumption.
- The qualitative characteristics of financial statements: (understandability, relevance, reliability, and comparability).

Measuring Bases

The financial statements have been prepared based on historical cost, except for the office building and financial assets, which are measured at fair value.

Presentation Currency

The financial statements in this report are presented in euros (EUR), without cents, i.e., in the functional and presentation currency of LJSE, Inc.

Use of Significant Accounting Estimates and Judgements

In preparing the financial statements, management must make estimates and judgements based on applied and reviewed assumptions, which affect the reported amounts of assets, liabilities, income, and expenses. The formation of these estimates, as well as the related assumptions and uncertainties, are disclosed in the notes to the individual items.

Estimates, judgements, and assumptions are reviewed on a regular basis. As estimates are subject to subjective judgement and a certain degree of uncertainty, actual outcomes may differ from those estimates. Changes in accounting estimates, judgements, and assumptions are recognised in the period of the change if the change affects only that period, or in the period of the change and future periods if the change affects both current and future periods.

Estimates and assumptions are mainly used in the following judgements:

1. Leases

The Company applied the following accounting judgements that significantly affect the determination of the amount of right-of-use assets and lease liabilities:

- Identifying a lease
A contract is identified as a lease if it gives the Company the right to control a leased asset. The Company controls the asset if it can use the asset and has the right to obtain economic benefits from the use of the asset.
- Determining the lease term
The Company determines the lease term as the non-cancellable period of a lease, together with both:
 - The period covered by an option to extend the lease if it is reasonably certain that this option is going to be exercised,
 - The period covered by an option to terminate the lease if it is reasonably certain that this option is not going to be exercised.In most cases, the lease term is stipulated in the contract. When the term is not specified, the Company estimates the lease term by considering the assessment of the need to use the asset, taking into account its plans and the long-term business direction.
- Determining the discount rate

The discount rate equals the interest rate at an average interest rate of the loan agreements concluded with non-financial corporations in credit institutions, published by the Bank of Slovenia in its bulletin.

2. Estimating the useful lives of depreciable assets

When estimating the lives of assets, the Company takes into account the expected physical wear and tear, the technical and economic obsolescence as well as expected legal restrictions and other restrictions of use. In addition, the Company checks the useful life of significant assets in case circumstances change and the useful life needs to be changed and depreciation charges revalued.

3. Estimate of provisions for employee post-employment and other long-term benefits

Defined post-employment and other benefit obligations include the present value of post-employment benefits on retirement and jubilee benefits. They are recognised based on an actuarial calculation approved by the management. An actuarial calculation is based on the assumptions and estimates applicable at the time of the calculation, and these may differ from the actual assumptions due to future changes. This mainly refers to determining the discount rate, the estimate of staff turnover, the mortality estimate and the salary increase estimate. The defined benefit obligations are sensitive to changes in the said estimates because of the complexity of the actuarial calculation and the item's long-term nature.

4. Impairment of receivables

Despite the deterioration of the macroeconomic environment, there is no increase in risk with regard to the ongoing monitoring of receivables and regular recovery.

Based on the analysis and monitoring of outstanding receivables in the past and also on an ongoing basis, it is estimated that our business partners have strong solvency. In addition, the nature of operations and billing for services, with payment deadlines ranging from 8 to 15 days, allow us to monitor receivables on an ongoing basis and thus the response time for recovery. The majority of receivables from both trade receivables and interest receivables relate to outstanding receivables, their share being 72.89%.

For debtors who fail to settle their obligations within the deadline, i.e. when the invoice is due, regular recovery takes place through written reminders. They are sent at least once a month, as a rule, between the 15th and 20th day of the month based on the last day of the previous month, with a payment deadline of 8 days from the issuance of the reminder.

An assessment of contracts with customers was made, and the current estimate is that there is no need to amend the contractual provisions.

5. Financial assets

In accordance with the investment policy and taking into account the security principle, the Company may invest liquidity surpluses or liquid assets in:

- At least 2/3 of financial investments in deposits, bonds and other debt securities and bond funds,
- Up to 1/3 of financial investments in shares and equity funds.

The following financial principles are taken into account in the management of financial assets:

- Security principle,
- Liquidity principle,
- Dispersion principle, and
- Profitability principle.

The primary investment goal is to maintain investment security, which is achieved by maintaining a low risk of individual segments, predominantly investing in debt securities of issuers with the highest credit rating, restrictions on investments in riskier securities, introducing additional criteria and restrictions on equity investments and banning investing in excessively risky securities and investments.

The next goal is to achieve portfolio profitability. The target average annual return of the portfolio is 3 - 5% while maintaining the commitment to respect the primary principle, i.e. the security principle.

The liquidity principle is ensured by planning investments in highly liquid financial investments, which enable the investment to be converted into money quickly and without significant loss of value.

When deciding on the type of financial investment, the following criteria are taken into account:

- Macroeconomic picture of the world economy and the issuing countries, where the funds are potentially invested (economic growth, inflation, currency ratios and their trend forecasts),
- Geopolitical situation and the associated risks (global, particular),
- General trends in the global capital market,
- Potential of an individual industry,
- Analysis of an individual issuer and its securities,
- Investment cost (transaction costs, fund commissions, etc.).

The Company has all its liquidity surpluses or available cash funds invested in treasury bills and government bonds of the Republic of Slovenia.

6. Maturity of assets and liabilities

The Company's working capital, i.e. the difference between short-term assets and short-term liabilities, is positive, which means that the Company has sufficient liquid assets to finance regular operations.

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Short-term assets	1,787,002	1,548,082
Short-term liabilities	134,173	120,439
Difference - Working capital	1,652,829	1,427,643

The company has all liquidity surpluses or free cash tied up with commercial banks, i.e., namely all cash assets are tied up for a shorter term, and in treasury bills. The company's liquidity position remains strong, and the values of liquidity indicators are high.

7. Taxes

The LJSE recognised deferred tax assets accrued on the basis of temporary differences in an amount that, given future profit estimates, is expected to be reversed in the foreseeable future (i.e., within five years). Therefore, no decrease in the amount of deferred tax assets is needed as of 31 December 2024.

Important Accounting Principles

In recognising and valuating items, the provisions of the SAS were adhered to as a rule, except in valuating items for which the SAS allow for different valuation methods, where the Company used the principles described below.



Intangible assets and long-term deferred costs and accrued revenues

The Company's intangible assets include long-term property rights and long-term deferred costs and accrued revenue.

After initial recognition, intangible assets are recognised at cost value. These assets are measured at cost value less accumulated amortisation.

Amortisation of intangible assets is provided on a straight-line basis.

Amortisation rates:

	Rate in %
Intangible assets	20.0
Software	20.0
Licences	20.0

The amortisation period and amortisation method for an intangible asset with finite useful life is reviewed at least at each financial year-end. If the asset's expected useful life differs significantly from previous estimates, the amortisation period changes accordingly. The amortisation rates did not change in 2023 and are the same as in 2023.

The value of an intangible asset is also estimated on the reporting date to assess whether there are objective indications of impairment.

Impairment losses are recognised in the Income Statement as revaluatory operating expenses associated with intangible assets.

Reversed impairment losses for intangible assets are only recognised if their recoverable amount increases and this increase can be objectively related to an event after the recognition of loss. Impairment losses are reversed only up to the carrying amount that would be recognised after deducting accumulated depreciation if no impairment losses had been recognised in previous periods.

Long term deferred costs and accrued revenues refer to long-term deferred costs.

Property, plant and equipment

The Company's property, plant and equipment item includes: building and associated land, equipment and small tools with useful lives of over a year and cost values of up to EUR 500 each.

Property, plant and equipment, except of the building and the associated land, that meet the criteria for recognition are initially recognised at cost value, composed of the purchase price and all costs of preparing the asset for its intended use.

After initial recognition, items of property, plant and equipment are measured at cost value. The building and associated land are measured at revaluation value. If subsequently incurred costs related to property, plant or equipment increase the asset's future benefits as compared to previous evaluations, they increase its cost value.

The Company presents the building with its associated land after the initial recognition in accordance with the revaluation model under SAS 1.33.

Each item of property, plant and equipment is depreciated separately, using the straight-line depreciation method.

Land is not depreciated.

Depreciation rates:

	Rate in %
Buildings	3.75
Computers	20.0 - 40.0
Furniture and other equipment	20.0 – 30.0
Vehicles	20.0

Depreciation of an item of property, plant and equipment obtained in the current year begins on the first day of the following month after it has become available for use. Assets in the course of construction or manufacturing are not depreciated until they are available for use.

An asset's residual value and remaining useful life are examined on the reporting date and adjusted accordingly if expectations differ from previous estimates. The depreciation rates did not change in 2023 and are the same as in 2023.

Property, plant and equipment are examined every year for indications of impairment. If any such indications exist, an estimate of the recoverable amount is made, which is the higher of its net selling price, less the cost of selling, and value in use. If an asset's recoverable amount exceeds its carrying amount, the asset is not impaired.

If the carrying amount of an asset or a group of assets exceeds their recoverable amount, the Company reduces the recognised cost values of its property, plant and equipment and proportionately reduces the relevant impairment loss.

Reversed impairment losses for property, plant and equipment are only recognised if their recoverable amount increases and this increase can be objectively related to an event after the recognition of loss. Impairment losses are reversed only up to the carrying amount that would be recognised after deducting the accumulated depreciation if no impairment losses had been recognised in previous periods.

Property, plant and equipment disposed of or destroyed are no longer recorded on books of account since no benefits can be expected of them. Any incurred profits increase the operating revenues and any incurred losses increase the operating expenses.

The Company holds business property (2 parking spaces for company vehicles) under a lease. In 2024, it had no finance leases with lease terms exceeding one year.

The right-of-use assets for most leases were recognised based on the carrying amount as if SAS 1.27 had always been applied, apart from the use of incremental borrowing rate at the date of initial application.

The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any previously recognised prepaid and accrued lease payments. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. The Company also applied the available practical expedients wherein it:

- Applied the short-term leases exemptions to leases with the lease term that ends within 12 months of the date of initial application,
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application,
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

The Company applies the exemption to short-term lease recognition (i.e. to leases that have a lease term of 12 months or less and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. The Company recognises lease payments on short-term leases and leases of low-value assets as an expense on a straight-line basis over the lease term.

Revaluation of the building with associated land

At least every five years or more often, in case of external indications for revaluation, the Company commissions a certified appraiser to appraise its property.

If the revaluation increases the building's carrying amount, the increase is recognised directly in Equity under the item revaluation surplus. An increase in revaluation is recognised in operating revenue in the Income Statement if the impairment loss is derecognised. Impairment of fair value is recognised in the Income Statement. A decrease in carrying amount due to revaluation is initially debited to the revaluation reserve, and later the difference is recognised in the operating expenses in the Income Statement.

In 2017, the Company obtained a statement on the fair value of the building and its associated land.

On the basis of the valuation obtained by an authorized property appraiser, the company adjusted the book value of the property to fair value on 30 November 2022 by reducing the previously created revaluation surplus in the amount of EUR 30,070.50 and by increasing the depreciation adjustment. With the unchanged useful life and using the straight-line depreciation method, the depreciation rate increased from 3.537% to 4.332%.

The assumptions made in the valuation obtained in 2022 have been reviewed for 2024. The market conditions in 2024 do not show any significant changes compared to the valuation obtained and therefore no revaluation is required in 2024.

Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are amounts of income tax recoverable or payable in future periods, resulting from taxable temporary differences. Temporary differences are differences between the carrying amounts of assets or liabilities in the balance sheet and their tax bases. The effects of recognising deferred tax assets or liabilities are reported as income or expense in the income statement.

The LJSEe recognises deferred tax assets and liabilities for all deductible temporary differences arising from:

- impairment allowances for receivables,



- tax non-deductible depreciation,
- unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised,
- provisions for employees and actuarial gains/losses related to employee benefits,
- revaluation of financial investments to fair value,
- adjustments to the value of office premises to fair value.

Financial Investments

Financial investments are classified, recognised, and measured in accordance with SAS 3.

1. Classification of financial investments

Upon initial recognition, financial investments are classified into one of the following measurement categories:

- financial assets measured at amortised cost,
 - financial assets measured at fair value through equity.
- a. A financial asset is measured at amortised cost if both of the following conditions are met:
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
 - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- This category includes investments in treasury bills.
- b. A financial asset is measured at fair value through equity if both of the following conditions are met:
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
 - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- This category includes investments in bonds.

2. Recognition and Derecognition

- a. Initial recognition:
- For regular way purchases or sales of financial assets, the recognition or derecognition is accounted for using the trade date.
- b. Derecognition:
- The LJSE derecognises a financial asset only when the contractual rights to the cash flows from the asset expire or when the asset is transferred and the transfer qualifies for derecognition in accordance with the accounting policies of the Group and the Company.
 - On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset acquired, less any new liability assumed) is recognised in profit or loss.



3. Revaluation of Financial Investments

Revaluation of financial investments refers to changes in their carrying amounts as a result of measurement. Contractual interest accruals and changes in principal do not constitute revaluation. Revaluation may result from fair value adjustments, impairment losses, or reversal of impairment.

In accordance with SAS 3, the LJSE measures financial investments at fair value, i.e., the price that would be received upon the sale of an asset on each balance sheet date.

A realised gain or loss on a financial investment measured at fair value through equity is recognised directly in equity as an increase (gain) or decrease (loss) in the reserves arising from fair value revaluation. If the fair value of an investment measured through equity is lower than its carrying amount, a negative fair value reserve is recognised.

Interest calculated using the effective interest method is recognised in the income statement. Upon full derecognition of a financial investment measured at fair value through equity, the difference between the carrying amount and the fair value previously recognised in equity is transferred to retained earnings.

4. Interest Rate Risk

Interest rate risk is defined as the risk that the Exchange will suffer a reduction in income from financial investments due to changes in market interest rates.

Receivables

Receivables of all types are initially recognised at amounts stipulated in the relevant documents, under the assumption they will be collected. Receivables denominated in foreign currency are converted at the reference exchange rate of the ECB rate at the end of the period, and any translation difference is recognised as financial revenue or expenditure.

Subsequent increases or decreases of receivables increase the relevant operating (or financial) revenue or expenses.

Allowances for bad receivables are formed when their collection is doubtful, if we have information of the poor financial condition of the buyer or of the compulsory settlement or liquidation of the buyer. As dictated by experience from previous accounting periods and considering expectations, allowances for bad receivables are mandatorily formed at the end of each financial year. Allowances for bad receivables are formed for the entire amount of outstanding receivables, for all receivables not settled within 90 days after they were due. Receivables are impaired individually.

Cash and cash equivalents

Cash and cash equivalents include cash on bank accounts and cash in hand.

Cash and cash equivalents denominated in the national currency are recognised at nominal value. Foreign currency and foreign exchange are converted into the national currency as at the day received, applying the exchange rate as of that day. The foreign currency account balance is converted at the middle exchange



rate as at the day of the Balance Sheet. The exchange rate difference is recorded under financial revenue or expenses.

Equity

Equity consists of:

- Share capital – the nominal value of paid-in ordinary shares,
- Capital reserves – paid-in capital surplus and amounts from simplified reductions of share capital,
- Profit reserves – statutory reserves and other profit reserves,
- Revaluation reserves – arising from the revaluation of buildings, revaluation of financial investments, and actuarial gains and losses,
- Retained earnings,
- Net profit for the financial year.

The share capital is denominated in the domestic currency.

Provisions and long-term accrued costs and deferred revenues

Provisions and long-term accrued costs and deferred revenues include long-term deferred revenues that will cover the anticipated expenses within a period longer than one year. When services are charged, therefore, they are not included in the Income Statement, since at the time, there is no need to settle those expenses.

Provisions are defined for present liabilities, which stem from obligating past events and are expected to be settled at a time period that is not certain and in the amount which can be reliably estimated. The purpose of provisions is to collect amounts in the form of accrued costs or expenses, which, in the future, will enable the Company to cover the then incurred costs or expenses.

Provisions for employee post-employment and other long-term benefits

Defined post-employment and other benefit obligations include the present value of post-employment benefits on retirement and jubilee benefits. They are recognised based on an actuarial calculation approved by the management. An actuarial calculation is based on the assumptions and estimates applicable at the time of the calculation, and these may differ from the actual assumptions due to future changes. This mainly refers to determining the discount rate, the estimate of staff turnover, the mortality estimate and the salary increase estimate. Defined benefit obligations are sensitive to changes in the said estimates because of the complexity of the actuarial calculation and the item's long-term nature.

Pursuant to the law, the collective agreement and the internal rules, the Company is obligated to pay its employees' jubilee benefits and post-employment benefits on retirement, for which it has established long-term provisions. Other obligations related to employee post-employment benefits do not exist.

The provisions amount to estimated future payments for post-employment benefits on retirement and jubilee benefits discounted to the end of the reporting period. The calculation is made separately for each employee by taking into account the costs of post-employment benefits on retirement and the costs of all expected jubilee benefits until retirement. The calculation using the projected unit credit method is performed by a certified actuary. Post-employment benefits on retirement and jubilee benefits are charged against the provisions created.



Labour costs and costs of interest are recognised in the statement of profit or loss, whereas the adjustment of post-employment benefits or unrealised actuarial gains or losses arising from post-employment benefits are recognised in other comprehensive income.

Liabilities

Current and non-current liabilities of all types are initially recognised in the amounts stipulated by the relevant documents, assuming that creditors will demand their execution.

Current liabilities may subsequently increase or decrease, directly or independently of the executed payment, by an amount agreed with the creditor. Subsequent increases of current liabilities increase the relevant operating (or financing) expenses (costs).

Short-term accrued and deferred items

Active short-term accrued and deferred items include short-term deferred costs (expenses) and temporarily accrued revenue. Short-term deferred costs include amounts that, upon incurrence, do not burden the Company's activity and do not affect the Income Statement. Temporarily accrued revenue is incurred when the Income Statement recognises revenue that has not yet been received or charged for. The recognition of short-term accrued revenue and deferred costs in the books of account and the Balance Sheet is reversed when their possible incurrence no longer exists or when short-term accruals and deferrals are no longer needed. Short-term deferred costs (expenses) are converted into accrued costs (expenses) when they are recognised in the Income Statement.

Accrued expenses are extinguished when the relevant liability is recognised or payment is made. Short-term accrued revenue is extinguished when the relevant receivable is recognised or payment is received.

Accrued costs, accrued expenses and deferred revenue include accrued costs (expenses) and short-term deferred revenue. Accrued costs include costs expected but not yet incurred and refer to the period of the Income Statement. Short-term deferred revenue is incurred when the Company's services had been charged for but not yet rendered. Revenue can also be deferred for a short term when at the time of sale, it is still doubtful whether it will be received. The recognition of short-term accrued costs and deferred revenue in the books of account and the Balance Sheet is reversed when their possible incurrence no longer exists or when short-term deferrals and accruals are no longer needed. Short-term accrued costs (expenses) subsequently take the place of the actual incurred costs (expenses) of the same type and are thus no longer included in the Income Statement for the relevant financial year. Short-term deferred revenue is transformed into accrued revenue when the relevant services have been rendered or when they become eligible for inclusion into the Income Statement, and the relevant costs have to be covered.

During the year and upon drawing up the financial statements, the Company verifies whether it is justified and necessary to recognise short-term accruals and deferrals. In estimating the accuracy of their value, we take into account the potential changes caused by events after their recognition.

Recognition of revenue

Operating revenue is sales revenue and other operating revenue related to products and services.



Revenue from the sale of services is recognised by the Company at the time the service is fully provided.

A sale of services is recognised in the accounting period in which the services are rendered by reference to the completion of the transaction assessed on the basis of the actual service provided as a proportion of total services to be provided.

For long-term projects, the revenue from services rendered is recognised based on the stage of completion as at the balance sheet date. Under this method, the revenue is recognised in the accounting period in which the services are rendered, in proportion to the depreciation charge for the upgrade of the INFO HRAMBA system.

Financial revenue is revenue from investments. It is incurred from non-current and current investments. It consists of accrued interest, exchange differences related to investments, any surplus of disposal price over their carrying amount in disposals of non-current and current investments, as well as revaluatory financial revenue. Interest income is recognised upon incurrence, i.e. when charged, using the effective interest rate method. It is only recognised when there is no doubt about its amount or recoverability.

Other revenue consists of exceptional items that increase the Company's revenue for the period.

Recognition of expenses

Expenses include costs and expenses of commercial, administrative and other tasks, along with costs related to the sale of products and services, as well as operating expenses from revaluation of fixed and current assets. Expenses are fully recognised as operating expenses in the period in which they are incurred. Upon initial recognition, expenses are categorised according to type, as costs of materials, costs of services, depreciation costs, employee benefits cost and costs of amounts due, irrespective of income.

Financial expenses include expenses for financial activities and expenses for investment. They consist of exchange differences, the shortage of disposal price compared to carrying amounts in disposals of non-current investments, as well as financial expenses from revaluation.

Other expenses consist of exceptional items that decrease the Company's revenue for the period.

Taxes

Tax expense includes accrued income tax and deferred tax.

Income tax is charged on the basis of revenues and expenses given in the Income Statement pursuant to the temporary tax legislation.

Deferred tax is provided on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred tax assets or liabilities are recognised as revenue or expenses in the Income Statement.

The Company forms deferred tax assets for all deductible temporary differences – arising from asset impairment, temporarily non-tax-deductible amortisation and unused tax loss – to the extent that it is probable that taxable profit will be available.



Cash flow statement

Based on Balance Sheet data as at 31 December 2023 and as at 31 December 2024, and based on the Income Statement for 2024, as well as considering other relevant data from internal sources relating to revenue and expenses, the Cash Flow Statement was drawn up under version II of SAS 2016.

1 Balance sheet

1.1 Intangible assets

EUR 74,722

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Long-term property rights	49,407	85,386
Intangible assets under construction	0	0
Long-term deferred costs	25,315	25,505
Carrying amount	74,722	110,891

As at 31 December 2024, intangible long-term assets include rights to use software for data processing with a carrying amount of EUR 49,407, and long-term deferred costs and accrued income in the amount of EUR 25,315.

All intangible long-term assets have finite useful lives.

Movements of intangible assets:

<i>(in EUR)</i>	Long-term property rights	Long-term deferred costs	Intangible assets under construction	Total
Cost of purchase				
Balance as at 31 Dec 2023	1,237,954	25,505	0	1,263,458
Additions	0	916	0	916
Transfer	0	1,106	0	1,106
Disposals	348,011	0	0	348,011
Balance as at 31 Dec 2024	889,942	25,315	0	915,257
Accumulated amortisation				
Balance as at 31 Dec 2023	1,152,567	0	0	1,152,567
Annual amortisation	35,980	0	0	35,980
Disposals	348,011	0	0	348,011
Balance as at 31 Dec 2024	840,535	0	0	840,535
Carrying amount				
Balance as at 31 Dec 2023	85,386	25,505	0	110,891
Balance as at 31 Dec 2024	49,407	25,315	0	74,722



<i>(in EUR)</i>				
	Long-term property rights	Long-term deferred costs	Intangible assets under construction	Total
Cost of purchase				
Balance as at 31 Dec 2022	1,329,720	30,179	0	1,359,900
Additions	7,957	1,099	7,957	17,014
Transfer	0	5,773	7,957	13,731
Disposals	99,724	0	0	99,724
Balance as at 31 Dec 2023	1,237,954	25,505	0	1,263,458
Accumulated amortisation				
Balance as at 31 Dec 2022	1,214,939	0	0	1,214,939
Annual amortisation	37,352	0	0	37,352
Disposals	99,724	0	0	99,724
Balance as at 31 Dec 2023	1,152,567	0	0	1,152,567
Carrying amount				
Balance as at 31 Dec 2022	114,781	30,179	0	144,960
Balance as at 31 Dec 2023	85,386	25,505	0	110,891

As at the balance sheet date, the LJSE has no outstanding liabilities arising from the purchase of intangible long-term assets.

Long-term deferred costs and accrued income include deferred costs for the lease of digital certificates and trademark patent in the total amount of EUR 580, and contributions to the reserve fund in the amount of EUR 24,734.

1.2 Property, plant and equipment

EUR 863,653

<i>(in EUR)</i>		
	31 Dec 2024	31 Dec 2023
Building	735,112	791,549
Right of use (buildings and land)	15,740	19,675
Other property, plant and equipment	112,801	118,926
Carrying amount	863,653	930,150

As at 31 December 2024, property, plant and equipment include the present value of the building in the amount of EUR 735,112, the present value of the right-of-use building in the amount of EUR 15,740, and the present value of other property, plant and equipment in the amount of EUR 112,801.

For the year 2024, the assumptions from the valuation obtained in 2022 were reviewed. Market conditions in 2024 do not indicate any significant changes compared to the valuation, and therefore no revaluation was required in 2024.

If the building and the associated land were measured using the cost model, the carrying amount as at 31 December 2024 would be EUR 686,296 (2023: EUR 710,327).



Movements of property, plant and equipment (PPE):

(in EUR)

	Buildings	Right to use - IFRS 16	Equipment	Small tools	Equipment under preparation	Total PPE
Cost of purchase						
Balance as at 31 Dec 2023	1,032,738	39,349	361,433	0	0	1,433,520
Additions	0	0	14,965	0	14,965	29,931
Transfer	0	0	0	0	0	0
Disposals	0	0	10,352	0	14,965	25,317
Enhancement	0	0	0	0	0	0
Impairment	0	0	0	0	0	0
Balance as at 31 Dec 2024	1,032,738	39,349	366,047	0	0	1,438,133
Accumulated depreciation						
Balance as at 31 Dec 2023	241,188	19,674	242,508	0	0	503,370
Annual depreciation	56,437	3,935	20,328	0	0	80,700
Disposals	0	0	9,589	0	0	9,589
Enhancement	0	0	0	0	0	0
Impairment	0	0	0	0	0	0
Balance as at 31 Dec 2024	297,625	23,609	253,246	0	0	574,481
Carrying amount						
Balance as at 31 Dec 2023	791,549	19,675	118,925	0	0	930,150
Balance as at 31 Dec 2024	735,112	15,740	112,801	0	0	863,653

(in EUR)

	Buildings	Right to use - IFRS 16	Equipment	Small tools	Equipment under preparation	Total PPE
Cost of purchase						
Balance as at 31 Dec 2022	1,025,431	39,349	365,124	0	0	1,429,904
Additions	7,306	0	0	0	0	7,306
Transfer	0	0	0	0	0	0
Disposals	0	0	4,038	0	0	4,038
Enhancement	0	0	0	0	0	0
Impairment	0	0	0	0	0	0
Balance as at 31 Dec 2023	1,032,738	39,349	361,086	0	0	1,433,172
Accumulated depreciation						
Balance as at 31 Dec 2022	195,182	15,739	223,506	0	0	434,427
Annual depreciation	46,007	3,935	22,692	0	0	72,633
Disposals	0	0	4,038	0	0	4,038
Enhancement	0	0	0	0	0	0
Impairment	0	0	0	0	0	0
Balance as at 31 Dec 2023	241,188	19,674	242,160	0	0	503,023
Carrying amount						
Balance as at 31 Dec 2022	830,250	23,610	141,617	0	0	995,477
Balance as at 31 Dec 2023	791,549	19,675	118,926	0	0	930,150



New equipment purchases in 2024 relate to the acquisition of two company vehicles in the amount of EUR 69,000, computer equipment in the amount of EUR 2,887, and other equipment in the amount of EUR 7,503.

Disposals of property, plant and equipment refer to the removal of assets from the accounting records based on the decision of the inventory committee.

None of the property, plant and equipment is subject to legal restrictions or pledged as collateral for liabilities.

As at the balance sheet date, the Exchange has no outstanding liabilities related to the purchase of property, plant and equipment.

1.3 Long-term investments

EUR 6,356

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Other loans	6,356	3,178
Total	6,356	3,178

The long-term financial investment in the amount of EUR 3,178 relates to a contribution to the founding capital of the company EuroCTP JV (in cooperation with other CEE stock exchanges), established for the purpose of participating in the selection process for a provider to set up a Consolidated Tape Provider (CTP) for equity securities in the EU.

1.4 Deferred tax assets

EUR 22,202

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Deferred tax assets	22,202	22,609
Total	22,202	22,609

Deferred tax assets in the amount of EUR 22,202 have been recognised for all deductible temporary differences arising from the difference between the depreciation rates applied for accounting purposes for the office building (3.537% or 4.332%) and the tax-deductible depreciation rate (3.00%), as well as from the impairment of short-term trade receivables and provisions.

Deferred taxes are calculated at the rate of 22%, which is the rate at which the deferred tax assets are expected to be settled.



The movement in long-term deferred tax assets in 2024 is presented below:

<i>(in EUR)</i>					
	Difference between depreciation charged (3.537% and 4.332%) and tax-deductible depreciation (3,0%)	Impairment of trade receivables	Unused tax loss	Provisions	Total
Balance as at 31 Dec 2023	6,251	10,058	3,703	2,597	22,609
Additions	3,227	808	0	0	4,036
Transfer	0	-739	-3,703	0	-4,442
Balance as at 31 Dec 2024	9,479	10,127	0	2,597	22,202

1.5 Current investments

EUR 1,513,706

<i>(in EUR)</i>		
	31 Dec 2024	31 Dec 2023
Short-term investments, excluding loans	1,513,323	378,130
Investments into precious metals	383	383
Short-term banks deposits	0	800,000
Total	1,513,706	1,178,513

Short-term financial investments in the amount of EUR 1,513,323 relate to the following:

- An investment in Treasury bills amounting to EUR 1,382,223, with an expected nominal yield ranging between 2.690% and 3.386%, of which EUR 28,490 represents accrued interest as at 31 December 2024,
- RS94 government bonds in the amount of EUR 131,100, with an expected nominal yield of 3.373%, of which EUR 1,291 represents a fair value adjustment and EUR 3,600 represents accrued interest as at 31 December 2024.

All financial investments pertain to debt securities issued by the Republic of Slovenia. The Company assesses that these debt securities carry low credit and interest rate risk.

Investments in precious metals refer to two gold bars.

The movement in short-term financial investments in 2024 is presented below:

<i>(in EUR)</i>					
	Investments in Precious Metals	Deposits	Bonds	Treasury Bills	Total
Acquisition Cost					
Balance as at 31 Dec 2023	383	800,000	0	378,130	1,178,513
Decrease during the year	0	-800,000	0	-378,130	-1,178,130
Revaluation upon disposal	0	0	0	0	0
Increase during the year	0	0	126,209	1,353,734	1,479,943
Increase during the year (accrued interest)	0	0	3,600	28,490	32,090
Decrease during the year (interest)	0	0	0	0	0
Increase (revaluation surplus)	0	0	1,291	0	1,291



Reversal of revaluation surplus	0	0	0	0	0
Reversal of revaluation surplus upon disposal	0	0	0	0	0
Balance as at 31 Dec 2024	383	0	131,100	1,382,223	1,513,706

Revaluation Surplus

Balance as at 31 Dec 2023	0	0	0	0	0
Revaluation surplus	0	0	1,291	0	1,291
Reversal of revaluation surplus	0	0	0	0	0
Revaluation surplus – negative	0	0	0	0	0
Balance as at 31 Dec 2024	0	0	1,291	0	1,291

Fair Value

Balance as at 31 Dec 2023	383	800,000	0	378,130	1,178,513
Balance as at 31 Dec 2024	383	0	132,391	1,382,223	1,382,606

(in EUR)

	Investments in Precious Metals	Deposits	Bonds	Treasury Bills	Total
Acquisition Cost					
Balance as at 31 Dec 2022	383	200,000	0	0	200,383
Decrease during the year	0	-200,000	0	-317,282	-517,282
Revaluation upon disposal	0	0	0	0	0
Increase during the year	0	800,000	0	690,672	1,490,672
Increase during the year (accrued interest)	0	0	0	4,740	4,740
Decrease during the year (interest)	0	0	0	0	0
Increase (revaluation surplus)	0	0	0	0	0
Reversal of revaluation surplus	0	0	0	0	0
Reversal of revaluation surplus upon disposal	0	0	0	0	0
Balance as at 31 Dec 2023	383	800,000	0	378,130	1,178,513
Revaluation Surplus					
Balance as at 31 Dec 2022	0	0	0	0	0
Revaluation surplus	0	0	0	0	0
Reversal of revaluation surplus	0	0	0	0	0
Revaluation surplus – negative	0	0	0	0	0
Balance as at 31 Dec 2023	0	0	0	0	0
Fair Value					
Balance as at 31 Dec 2022	383	200,000	0	0	200,383
Balance as at 31 Dec 2023	383	800,000	0	378,130	1,178,513



1.6 Short-term trade receivables

EUR 171,720

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Trade receivables	162,641	184,369
Receivables due from other entities	9,079	25,765
Total	171,720	210,134

• Trade receivables

EUR 162,641

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Trade receivables due from residents	67,192	88,958
Doubtful and disputable trade receivables from residents	45,287	44,614
Trade receivables due from non-residents	95,450	95,411
Doubtful and disputable trade receivables from non-residents	360	720
Allowance for bad receivables	-45,647	-45,334
Total	162,641	184,369

• Receivables due from other entities

EUR 9,079

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Short-term advanced paid	0	118
Interest receivables	385	5,691
Default interest receivable	-385	-385
Receivables due from other entities	9,079	20,342
Total	9,079	25,765

Other short-term receivables include VAT receivables in the amount of EUR 362, relating to input VAT on invoices for December 2024, receivables for the reimbursement of sick leave and care-related compensation in the amount of EUR 2,548 and other receivables in the amount of EUR 6,169.

The company has no claims with its Management Board members, employees with special powers or Supervisory Board members.



• **Short-term receivables by maturity (gross trade receivables, advances and interest)**

(in EUR)

	Non past due	Past due 30 days	Past due 60 days	Past due 90 days	Past due 120 days	More than 120 days	Total
Trade receivables due from residents – trading fees	27,320	0	0	0	0	0	27,320
Trade receivables due from residents – other	31,226	4,691	775	2,440	439	0	39,570
Trade receivables due from residents – doubtful	0	0	0	0	0	45,287	45,287
Trade receivables due from non-residents	95,340	0	0	0	0	110	95,450
Trade receivables due from non-residents – doubtful	0	0	0	0	0	360	360
Other short-term advances and overpayments	301	0	0	0	0	0	301
Interest receivable	0	0	0	0	0	0	0
Default interest receivable	0	0	0	0	0	0	0
Default interest receivable – doubtful	0	0	0	0	0	385	385
Total	154,186	4,691	775	2,440	439	46,142	208,673

The majority of receivables, including trade receivables and interest receivables, relate to non-overdue items, which represent 73.89% of the total. Value adjustments have been made for receivables that are more than 90 days overdue, or for which collectability is doubtful, or where insolvency or restructuring proceedings have been initiated. In determining value adjustments, all receivables not settled within 90 days were considered, and payments made up to January 2025 were taken into account.

In the area of credit risk, the LJSE adheres to an established debt collection procedure for trade receivables, which ensures the highest possible recovery of outstanding receivables.

The LJSE does not have any collateralised receivables.

Overview of movements in impairment allowances for receivables in 2024:

(in EUR)

	Receivables	Penal interest	Total
As at 31 December 2023	45,334	385	45,719
- Recovered receivables for which a correction was made	-360	0	-360
(adjustment)			0
- Write-off from bookkeeping records	-3,001	0	-3,001
+ Additional increase in value adjustment	3,674	0	3,674
Status of the Adjustment as of 31 Dec 2024	45,647	385	46,032



1.7 Cash and cash equivalents

EUR 101,576

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Cash in hand	389	400
Bank balance:	101,187	159,034
Current account	101,187	158,982
Redeemable EUR deposit	0	52
Total	101,576	159,434

The LJSE has no open credit lines, and no assets have been pledged as collateral.

1.8 Short-term deferred costs and accrued revenue

EUR 72,677

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Short-term deferred costs	10,624	8,101
Short-term accrued revenues	62,052	55,293
Total	72,677	63,394

Short-term deferred costs relate to expenses pertaining to the 2025 financial year.

Accrued income refers to listing maintenance fees for bonds issued by the Republic of Slovenia for the year 2024, in the amount of EUR 62,052. These fees will be invoiced to the issuer in 2025, after the end of the bond's listing year. For other issuers of securities, listing maintenance fees for shares or bonds are charged for the full calendar year.

1.9 Equity

EUR 2,469,469

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Called-up capital	1,400,893	1,400,893
Capital surplus	462,775	462,775
- <i>Payments over carrying amount in disposal of own shares</i>	143	143
- <i>Amounts from simplified decrease of share capital</i>	364,570	364,570
- <i>General equity revaluation adjustment</i>	98,062	98,062
Revenue reserves	423,159	423,159
- <i>Statutory reserves</i>	423,159	423,159
- <i>Other reserves</i>	0	0
Revaluation surplus	82,098	81,903
- <i>Building revaluation surplus</i>	103,154	103,154
- <i>Revaluation res. from the remeasurement of financial investments</i>	1,291	0
- <i>Actuarial loss</i>	709	-1,825
- <i>Allowance for revaluation surplus relating to deferred tax assets</i>	-23,056	-19,426
Retained earnings	0	0
Net profit or loss for the period	100,182	24,845
Total	2,469,107	2,393,575



• **Share capital** **EUR 1,400,893**

Share capital consists of 33,571 regular no par value shares.

• **Capital surplus** **EUR 462,775**

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Payments over carrying amount in disposal of own shares	143	143
Amount from simplified decrease of share capital	364,570	364,570
General equity revaluation adjustment	98,062	98,062
Total	462,775	462,775

The general equity revaluation adjustment refers to the revaluation of share capital back to 2001.

• **Revenue reserves** **EUR 423,159**

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Statutory reserves	423,159	423,159
Total	423,159	423,159

• **Revaluation surplus** **EUR 82,098**

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Building revaluation surplus	103,154	103,154
Revaluation reserves from the remeasurement of financial investments	1,291	0
Actuarial loss	709	-1,825
Allowance for revaluation surplus relating to deferred tax assets	-23,056	-19,426
Total	82,098	81,903

1.10 Provisions, and long-term accrued costs and deferred revenue **EUR 27,290**

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Provisions for pensions and similar liabilities	24,873	26,144
Long-term accrued costs and deferred revenues	2,417	6,485
Total	27,290	32,629

Considering the staffing developments in 2024, the LJSE additionally formed provisions for terminal leave pay and jubilee benefits to employees in the amount of EUR 1,271.

Provisions are formed for estimated future payments for post-employment benefits on retirement and jubilee benefits discounted to the end of the reporting period. The calculation is made separately for each employee by taking into account the costs of post-employment benefits on retirement and the costs of all expected jubilee benefits until retirement. The calculation using the projected unit credit method is performed by a certified actuary. Post-employment benefits on retirement and jubilee benefits are charged against the provisions created.

Assumptions used in the calculation:

- Interest rate on long-term government bonds with a maturity of 10 years of 3.15% in nominal terms,



- The expected long-term growth of salaries, anniversary bonuses and non-taxable amounts of 3.0% annually,
- Gross pay per employee.

Long-term deferred revenues in the amount of EUR 2,417 refer to deferred revenues from co-financing the upgrade of the INFO HRAMBA system. This revenue relates to the period 2026-2027.

1.11 Long-term liabilities

EUR 35,878

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Long-term financial liabilities	12,822	16,888
Deferred tax liabilities	23,056	19,426
Total	35,878	36,314

Long-term financial liabilities in the amount of EUR 12,822 refer to the business lease of 2 parking spaces for company vehicles.

Deferred tax liabilities are recognised under the revaluation reserve, which relates to the revaluation of a building to fair value and actuarial losses in 2024.

1.12 Short-term liabilities

EUR 134,173

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Short-term financial liabilities	4,066	3,966
Payables to suppliers	53,513	51,342
Payables from advances	1,910	720
Other trade payables	74,684	64,411
Total	134,173	120,439

Short-term financial liabilities in the amount of EUR 4,066 relate to the current portion of the lease liability for two parking spaces for company vehicles.

Other short-term operating liabilities include liabilities to employees in the amount of EUR 56,674, VAT liability in the amount of EUR 14,471 and other short-term operating liabilities in the amount of EUR 3,539.

• Payables to employees

EUR 56,674

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Payables from net wages and wage compensations	27,633	26,091
Payables from contributions for gross wages and wage compensations	10,873	9,674
Payables from taxes for gross wages and wage compensations	8,246	7,218
Payables from other earnings from employment	2,243	1,763
Payables from payer's contributions	7,680	6,919
Total	56,674	51,665



• **Payables to the government and other institutions** **EUR 18,010**

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Payables from VAT	14,471	11,225
Payables from income tax	2,137	0
Other payables to the government and other institutions	1,402	1,430
Total	18,010	12,655

• **Short-term liabilities by maturity (payables to suppliers and advances)**

<i>(in EUR)</i>	Non past due	Past due 30 days	Past due 60 days	Past due 90 days	Past due 120 days	More than 120 days	Total
Payables to suppliers - domestic	17,029	0	0	0	0	550	17,579
Payables to suppliers - foreign	25,595	770	770	770	770	2,310	30,985
Payables to suppliers – domestic (for unbilled goods and services)	4,948	0	0	0	0	0	4,948
Payables from advances	1,910	0	0	0	0	0	1,910
Total	49,483	770	770	770	770	2,860	55,423

All liabilities to suppliers relate to non-overdue payables, except for liabilities arising from invoices for services that were not performed in accordance with the contract.

1.13 Short-term accrued costs and deferred revenue **EUR 160,163**

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Accrued costs	144,099	79,578
Short-term deferred revenues	16,064	15,769
Total	160,163	95,346

Accrued costs refer to the costs of the audit of the financial statements for 2024, which amount to EUR 14,275, to the costs of a risk management audit in the amount of EUR 3,569, to the costs of the review of the report on affiliated subjects in the amount of EUR 1,7849, to the obligations arising from bonuses to the employees and the Management Board for 2024 in the amount of EUR 89,946, to the cost of unused leave in the amount of EUR 20,853 and other accrued costs in the amount of EUR 13,672.

Short-term deferred revenue in the amount of EUR 16,064 represents deferred revenue from the licence fee for the use of LJSE indices in the amount of EUR 11,584, deferred revenues from co-financing the INFO STORAGE system in the amount of EUR 4,068, other deferred revenues in the amount of EUR 412. These revenues relate to the year 2025.



1.14 Off-balance-sheet liabilities and receivables

As at 31 December 2024, the company recognised no off-balance-sheet liabilities or receivables. The company's assets are not used for any insurance and are free from all charges.

2 Income statement

2.1 Net sales revenues

EUR 1,849,379

(in EUR)	2024	2023
a. Revenue from core business	1,179,600	968,688
- Trading fees	695,462	487,069
- Membership fees	38,133	39,600
- Listing fees	443,719	439,169
- Fees from authorised Advisors	2,286	2,850
b. Other revenue	669,779	658,007
- SEOnet and INFO STORAGE services	141,400	146,680
- Data dissemination	133,760	119,680
- Revenues sharing with WBAG	286,818	274,824
- Revenues from licence fee for use of LJSE indices	10,543	5,091
- Revenues from organizing events	86,230	101,567
- Intercompany revenues	745	500
- Other	10,283	9,666
Total	1,849,379	1,626,695

2.2 Other operating revenues

EUR 10,833

(in EUR)	2024	2023
Revenues from rental of premises	306	1,915
Revenues from revaluation (previous impairment)	0	0
Revenues from sale of fixed assets	25	0
Other revenues	10,502	7,744
Total	10,833	9,660



2.3 Costs of material and services

EUR 739,175

<i>(in EUR)</i>	2024	2023
Costs of material	25,909	26,301
Power supply	11,123	12,146
Office supplies, expert literature and publications	12,871	11,076
Other costs of material	1,914	3,080
Costs of services	713,266	699,019
Transportation	1,381	699
Maintenance costs	135,342	139,190
Leases and rents	283,108	281,373
Reimbursements of labour-related costs	10,200	6,012
Payment transactions and insurance premiums	14,197	13,242
Intellectual and personal services	69,140	63,644
Advertising and entertainment	31,744	25,877
Services by individuals without a registered business	13,107	23,803
Costs of other services	155,048	145,179
Total	739,175	725,320

2.4 Employee benefits cost

EUR 772,069

<i>(in EUR)</i>	2024	2023
Wages and salaries	659,482	594,226
Pension insurance	75,581	68,359
- Pension and disability insurance contributions	58,824	50,759
- Additional pension insurance	16,757	17,600
Social security	48,187	47,258
- Health insurance, employment and parental protection contributions	48,187	41,581
- Voluntary health insurance	0	5,677
Other labour costs	113,998	58,065
- Commuting, meals allowance, holiday allowance, benefits	113,998	58,065
Provisions	2,048	4,161
Total	899,296	772,069

The salary costs (gross salaries and salary compensation) of Ljubljanska borza, d. d., Ljubljana amounted to EUR 899,296 in 2024. The Company employed a total of 13 employees during the year, corresponding to 12.13 full-time equivalent (FTE) employees based on working hours.

2.5 Write-offs

EUR 120,603

<i>(in EUR)</i>	2024	2023
Depreciation and amortisation	116,679	109,985
Revaluatory operating expenses associated with intangible assets and property, plant and equipment	132	0
Revaluatory operating expenses associated with operating current assets	3,792	4,121
Total	120,603	114,106

• Depreciation and amortisation

EUR 116,679

<i>(in EUR)</i>	2024	2023
Amortisation of intangible assets	35,980	37,352
Building amortisation	56,437	46,007
Depreciation of property, plant and equipment	20,328	22,692
Depreciation of other property, plant and equipment	3,935	3,935
Total	116,679	109,985

• Revaluatory operating expenses associated with current assets

EUR 3,792

Revaluatory operating expenses associated with current assets relate to value adjustments of receivables for unpaid amounts. These adjustments are made for receivables that remain unsettled for more than 90 days past the agreed due date or for receivables where there is doubt regarding their collectability. The total amount of such impairments is EUR 3,792..

2.6 Other operating expenses

EUR 12,851

<i>(in EUR)</i>	2024	2023
Other operating expenses	6,951	6,129
- Membership fees	2,162	1,536
- Tax paid for using building land	4,788	4,593
- Other expenses	5,900	2,017
Total	12,851	8,145

2.6.1. Expenses by function

All expenses refer to the expenses incurred in the course of general activities.

2.7 Income tax

EUR 30,742

Income tax is levied on the basis of revenue and expenses in the Income Statement, which, pursuant to the Slovenian regulations, are reduced by deduction items and increased by addition items.

In 2024, the taxable base was determined in the amount of EUR 185,761. For the 2024 tax year, the Exchange claimed tax reliefs in the amount of EUR 46,025, resulting in a final taxable base of EUR 139,736. The corporate income tax recognised for the year amounts to EUR 30,742.



The effective tax rate for 2024 is 23.4%.

Income tax charged:

<i>(in EUR)</i>	2024	2023
Profit / loss before tax	131,331	36,231
Tax incentives and premiums:	-8,427	42,281
- <i>Tax relief</i>	-62,857	-541
- <i>Tax premiums</i>	-3,361	0
<i>deductions relief</i>	57,791	42,822
Tax loss covering	16,832	0
Tax base	139,736	78,512
Tax rate	22%	19%
Tax charged	30,742	14,917

As at 31 December 2024, the LJSE has no unutilised tax loss carryforwards from previous years.

2.8 Deferred tax

EUR 407

When calculating the net profit or loss for the accounting period, deferred tax receivables in the amount of EUR 4,037 are recognised, and deferred tax assets for temporary differences in the amount of EUR 4,442 are eliminated, which increases the net profit for the financial year in the amount of EUR 407.

2.9 Net profit for the year

EUR 100,182

The net profit for the 2024 financial year amounts to EUR 100,182. Pursuant to the resolution adopted by the LJSE Management Board and the consent given by the Supervisory Board, the net profit for 2024 remains unallocated and forms accumulated profit. Thus, the accumulated profit for the financial year 2024 is EUR 100,182. The Management Board and the Supervisory Board propose the accumulated profit for 2024 be used entirely for the payment of dividends to shareholders.

Accumulated profit:

<i>(in EUR)</i>	2024	2023
Net profit or loss for the period	100,182	24,845
Accumulates profit or loss	100,182	24,845

2.10 Total comprehensive income for the period

EUR 100,740

Total comprehensive income for the financial year 2024 amounts to EUR 100,740, consisting of net profit for the financial year in the amount of EUR 100,182 and changes in reserves from the revaluation at fair value in the amount of EUR 557.



3 Management Board remuneration in 2024

In 2024, the Management Board received remuneration in the following amounts:

(v EUR)	Aleš Ipavec, Msc President (from 1 Jan to 31 Aug 2024)	Marko Bombač, CFA, FRM President (from 1 Sep to 31 Dec 2024)	Nina Vičar, Msc Member
Fixed pay (gross)	71,922	30,000	76,140
Variable pay (gross)	18,623	0	9,291
Fringe benefits	5,074	1,733	4,256
Severance pay	54,000	0	0
Other earnings and reimbursements	2,653	1,151	3,979
Additional pension insurance	1,936	726	2,662
Total	154,207	33,609	96,329

4 Supervisory Board remuneration in 2024

In 2024, the members of the Supervisory Board did not receive any remuneration in accordance with the resolution of the General Meeting.

5 Audit costs

The audit of the financial statements for the financial year 2024 amounted to EUR 14,275 – inclusive of VAT, the audit of the company's risk management amounted to EUR 3,569, and the costs of audit of the Report on Relations with Affiliated Parties amounted to EUR 1,784. Internal audit costs for the financial year 2023 amounted to EUR 9,967.

6 Related party transactions

The company undertook business with the controlling company on the basis of concluded contracts by using market prices for services.



Statement of receivables / liabilities to related parties as of:

<i>(in EUR)</i>	31 Dec 2024	31 Dec 2023
Receivables from companies in the group		
ZSE	963	591
Liabilities to companies in the group		
ZSE	22,937	3,735
SEE Link	0	0

The table shows revenues and expenses to related parties in the year:

<i>(in EUR)</i>	2024	2023
Sales revenues in the group		
ZSE	745	500
Purchase of materials and services		
ZSE	62.692	43.137
SEE Link	3.648	12.366

7 Events after the reporting period

- There have been no adjusting or non-adjusting events after the reporting date that would have a material impact on the performance presented for the year 2024.

INDEPENDENT AUDITOR'S REPORT



LJUBLJANSKA BORZA
LJUBLJANA *Stock Exchange*

Independent Auditor's Report

To the owner of Ljubljanska borza, d.d., Ljubljana:

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Ljubljanska borza, d.d., Ljubljana (the "Company") as at 31 December 2024, and the financial performance and cash flows for the year then ended in accordance with the Slovenian Accounting Standards.

What we have audited

The Company's financial statements comprise:

- the balance sheet as at 31 December 2024;
- the statement of profit or loss income for the year then ended;
- the statement of other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include accounting policies and notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and with the ethical requirements that are relevant to our audit of the financial statements in Slovenia. We have fulfilled our other ethical responsibilities in accordance with those requirements and with the IESBA Code.

PricewaterhouseCoopers d.o.o.,
Cesta v Kleče 15, SI-1000 Ljubljana, Slovenia
T: +386 (1) 5836 000, F: +386 (1) 5836 099, www.pwc.com/si
Matriculation No.: 5717159, VAT No.: SI35498161

The company is entered into the company register at Ljubljana District Court under insert no. 12156800 per resolution Srg. 200110427 dated 19 July 2001 and into the register of audit companies at the Agency for Public Oversight of Auditing under no. RD-A-014/94. The registered share capital is EUR 34,802. The list of employed auditors with valid licenses is available at the company's registered office.

Translation note:

This version of our report is a translation from the original, which was prepared in Slovenian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Reporting on other information including the Business Report

Management is responsible for the other information. The other information comprises the Business Report and Sustainability Report, which is a constituent part of the Annual Report of the Company (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information, including the Business Report.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Business Report, we also performed procedures required by the Slovenian Companies Act. Those procedures include assessing whether the Business Report is consistent with the statements and whether the Business Report was prepared in accordance with legal requirements.

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Business Report for the financial year for which the financial statements are prepared is, in all material respects, consistent with the financial statements; and
- the Business Report has been prepared, in all material respects, in accordance with the requirements of the Slovenian Companies Act.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the other information that we obtained prior to the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Slovenian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

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aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For and on behalf of PricewaterhouseCoopers d.o.o.:

Damjan Ahčin,
Director, Certified auditor

31 March 2025
Ljubljana, Slovenia

Translation note:

This version of our report is a translation from the original, which was prepared in Slovenian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.



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