

Company Profile

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| Organization Name: | Central Depository & Clearing Company Inc. (Hereinafter referred to as: CDCC) |
| Country/ Region: | Croatia |
| Name of CEO: | Dora Matošić |
| Capital (US\$): | 15,5 million |
| Number of Officers and Employees: | 47 |
| Ownership and Governance (Main Shareholders) | Shareholders As % of the capital Financial Agency 54,82% Republic of Croatia 39,15% Market Participants 6,03% (Custodians, Issuers, Brokerage houses, Stock Exchanges) CDCC is governed by the Management Board. Currently the board is made up of 2 members (one chairman and one member). Supervisory Board consists of representatives from Ministry of Finance, Financial Agency, Market Participants and independent expert members. Croatian Financial Services Supervisory Agency (CFSSA) is independent authority which supervises CDCC. |
| Brief History | CDCC is the sole central depository in the Croatian market. It was established in April 1997 as legally non-profit company on the basis of the Security Issuing and Exchange Act No. 84 and Companies Act No.177 as Central Depository Agency (CDA). Since January 2009, CDCC is governed primarily by the Capital Market Act, Company Business Rules and Company Directions. By those legal documents CDCC is authorized to: <ul style="list-style-type: none"> • Administer Central Security Registry • Govern Clearing and Settlement Security System • Issuing securities codes (ISIN and CFI codes) CDCC provides settlement and depository services for all equities, corporate and government debt. Participants of CDCC are security issuers, brokerage houses, banks, investment companies, credit institutions and investment fund managers. |
| Types and number of Participants | Issuers: 810 Brokers: 18 Custodians: 17 Money market participants: 16 Portfolio Management companies: 2 Croatian National Bank: 1 Total: 864 |
| Regulatory Environment | Legal documents 'The Capital Market Act', 'Company Business Rules' and 'Company Procedures' determining the activity and operation of CDCC as |

central depository of securities (hereinafter referred as Depository) and security clearing and settlement authority. On the basis of the aforementioned laws CDCC provides a comprehensive service concerning dematerialized securities. It keeps central securities accounts and securities as specified in the Capital Market Act. CDCC provides the services specified in the Company Business Rules and Company Procedures. On the basis of agreements concluded with the Zagreb Stock Exchange CDCC performs the clearing and settlement of the transactions concluded at the Stock Exchange. Croatian Financial Services Supervisory Agency (CFSSA) supervises operation of CDCC on the basis of the Capital Market Act.

Stock Exchanges

Zagreb Stock Exchange

Other CSDs or clearing organization in your country

No

Services Provided

I. CDCC acts as Central Depository of Croatia. This includes:

- Administration of Central Security Registry
- Issuing securities codes (ISIN and CFI codes)
- Dematerialization of physical securities

II. CDCC acts as Central security clearing and settlement authority. As a central counterparty it ensures the clearing and settlement of the trades made in the organized markets of Zagreb Stock Exchange and settlement of OTC transactions. Contractual settlement (CS) enables efficiently and free of risks exchange of funds and securities of market participants. Due to its special role in real-time giro system ('RTGS') of the National Bank of Croatia ('HSVP'), it provides a real time Delivery vs. Payment (DVP) settlement facility.

III. In addition of managing of Central Security Registry, CDCC provides corporate action services. Execution of some corporate actions by CDCC are optional (general meeting, dividend payment etc.), and others are mandatory (stock dividend, merger etc.)

Eligible Securities

Regular Share
Preferred Share
Rights
Bond
Government Bill
Discounted Bond
Commercial paper
Treasury bill
Certificate

Corporate Action services Provided?

Yes

Yes/No

(If yes, what kinds of services provided?)

At the issuer request CDCC provides execution of corporate actions on securities that are in custody of CDCC. Execution includes the exercise of rights based on securities. As a result of execution of corporate action CDCC:

- provides a shareholders lists (e.g. general meeting, ledger balance)
- updates to the register of shareholders (e.g. merger, expiry, reverse split, acquisition)
- for corporate actions with payments it provides a payment to shareholders on a payment date (e.g. dividend payment, interest payment, maturity)

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| | payment). Clients are entitled to participate in corporate actions if they hold balances in the securities concerned on the due date of the corporate action. |
| Value of Securities in Custody (US\$): | USD 40 542 396 229 (nominal value per 31.12.2017) |
| Amount of Cash Settled per annum (US\$): | USD 2 868 484 589 (2017) |
| Percentage of Securities Immobilized/ Dematerialized: | 99.9% of total nominal value of securities held with CDCC is dematerialized. |
| Market Capitalization/ Trading volume per annum (US\$): | Market Capitalization (FoP+DVP in 2017): USD 31 280 512 116 Trading volume (number of transactions in 2017) Total: 218 278 |
| Total Revenue/ Expense and Net income Per annum (US\$): | Operating income (2016): USD 3 946 195 Operating expenses (2016): USD 3 449 218 Total income (2016): USD 4 357 850 Total expenses (2016): USD 3 449 461 Profit before tax (2016): USD 908 389 Profit for the year (2016): USD 726 897 |
| Memorandum of Understanding/ Business Agreement (Date) | NA |
| Cross-Broader Transaction (Counterpart) | NA |
| Withholding Tax Treatment of Cross-Border Trading Transactions (Details) | NA |
| DVP Implementation (Yes/No) | Yes |
| Settlement Period | Transactions from Zagreb Stock Exchange are settled in T+2 settlement cycles. |
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| Remarks | |