EURONEXT SECURITIES

Monte Titoli S.p.A.
Financial Statements as of 31 December 2022

/ MILAN

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FINANCIAL HIGHLIGHTS

Financial Highlights

(amounts in thousands of euro)

Economic indicators	Financial Year 01/01/22 - 31/12/22	Financial Year 01/01/21 - 31/12/21
Net Revenues (*)	80,152	77,886
Ebitda	43,330	46,908
Ebitda margin	54.1%	60.2%
Ebit	38,974	42,508
Ebit margin	48.6%	54.6%
Net profit	27,846	30,695
(as % of Revenue)	34.7%	39.4%
ROE	26.0%	28.6%
Dividends	27,840	30,640
Equity indicators	Financial Year 01/01/22 - 31/12/22	Financial Year 01/01/21 - 31/12/21
Shareholders' Equity	111,174	113,662
	72,255	98,853
Efficiency indicators	Financial Year 01/01/22 - 31/12/22	Financial Year 01/01/21 - 31/12/21
Average number of employees	171	121
Revenue/employees	469	644
Ebit/employees	228	351

(*) Commissions receivable - Commissions payable + other revenues

(**) Net Financial position = Cash in hand + current financial assets less current and non current financial assets (excluding intercompany agreements).

REPORT ON OPERATIONS OF MONTE TITOLI S.P.A. FOR THE YEAR ENDED 31 DECEMBER 2022

Dear Shareholders,

The financial statements as of 31 December 2022, which the Board of Directors presents for your approval, show a net profit of 27,845,521 euro.

MONTE TITOLI AND THE REFERENCE CONTEXT

The year ended 31 December 2022 was characterized by a global economy on the one hand still slowed down by the aftermath of the crisis linked to the COVID pandemic and on the other hand heavily impacted by the consequences of the war between Russia and Ukraine in terms of price increases of energy and food products, as well as uncertainty about future supplies and logistical challenges related to border crossings, airspace restrictions and the massive influx of Ukrainian refugees to EU countries.

In 2022, Monte Titoli's revenues grew by 1.77%, confirming a positive growth trend.

Customer coverage during the year was characterized by a context of continuous significant regulatory changes, such as the introduction of the new European Criminal Law Regime, part of the CSD Regulation (February 2022) and the consolidation project of the Target 2 and Target 2 Securities, scheduled for November 2022 and then postponed by the Central Bank to 20 March 2023. Visits to customers have resumed normally with the positive evolution of the pandemic crisis.

The commercial team focused on the opportunities deriving from the new services:

- Payment service for issuers of certificates and covered warrants: the growth in the number of issuers of these instruments has led to new subscriptions to the service: Fineco, SmartETN, Marex Solutions, Aldburg s.a., Marex financial instruments, BperBanca. The number of payments during the year was 8,961, up to 53% on 2021 when they were 5,508.
- The sale of custody and settlement services continued, mainly aimed at international customers, with global custodians and broker dealers showing an interest in becoming direct customers of the company. Instinet Europe Limited became a direct member in the latter part of 2022 while Northern Trust started the membership project with plans to be operational during the last quarter of 2023.
- Data Services: we have had a marked increase from customers in having timely information on their business. Also in 2022 there was an effort by the company in data management and the construction of dashboards in line with customer requests. During the year, the Settlement Efficiency Dashboard was launched for

a complete analysis of the settlement activity in order to monitor the efficiency of the service, allowing greater control of operational risks, unsettled transactions and reducing settlement costs.

In operational terms, as at 31 December 2022, Monte Titoli processed a total of 56.0 million instructions (+ 2.2 % vs 2021) through the T2S platform.

At the end of the year, assets in custody amounted to 3,730 billion euros, of which approximately 302 billion euros are represented by foreign securities (- 6.7% compared to the year 2021).

At 31 December 2022, 3,173 issuers (+ 7% compared to 2021) and 218 intermediaries (+ 4% compared to 2021) were participating in the Monte Titoli system, including domestic and foreign Central Counterparties as well as other CSDs, which have access to the Italian financial market through Monte Titoli.

The programming and planning activities concerned three specific areas:

1) Projects with regulatory impacts: that is, the fulfillment of the requests for adaptation to national and international regulations.
2) Projects with business purposes: that is, the implementation of requests from customers and business strategies.
3) Integration projects: that is, those activities that involved all the components of Monte Titoli interested by the integration.

In this context, all the activities for implementing and integrating the new T2S releases (R.6.0 and R.6.2) were guaranteed, as well as the completion of the entire system determined by the new CSDR-Settlement Discipline (which was released as planned February 1, 2022) and the new phases of Shareholders Rights Directive II.

Still under the hat of activities dedicated to regulatory adjustments, we find the project called T2-T2S Consolidation. This initiative, aimed at integrating the two large platforms dedicated to the settlement of payments and securities, was initially indicated with an implementation date of November 2022, a date then moved by decision of the ECB itself to next 20 March 2023. At the At the time of writing this report, we can say that already in view of the original implementation date, Monte Titoli was ready and therefore the additional time was used to guarantee greater support to Clients in their testing processes of the new directives.

At the same time, the policies for project management were aligned (Euronext Securities Project Management Policy) and both the formal (logo, headings, documents), and substantial changes (IT architecture, communication, data management) for the transition to the new Euronext environment were made.

The entire integration process was a great success for the organization not only for compliance with all deadlines agreed, but also for the effective containment of costs and the safeguarding of relationships with supervisory authorities and customers.

As part of a broader and more general process of integration into the Euronext Group, the Company has taken steps to migrate its accounting data into the group administrative system with effect from 1 October 2022. The transition was completed with full integrity of transferred balances and data and seamless business continuity.

During 2022, the activities dedicated to the so-called integration projects of the architectures of the Borsa Italiana Group, in which Monte Titoli is located, to the large structure represented by Euronext also had great importance.

In this context great relevance was rappresented by the support for projects such as:

- Clearing Migration: the initiative promoted in order to place the current clearing structure of the Group (CC&G - Cassa Compensazione e Garanzia) as the univocal point of reference for all the markets that are connected to the Euronext galaxy. The implementation of the initiative is expected in the second half of 2023.
- Optiq: initiative promoted to replace the previous Millennium system (part of the London Stock Exchange - LSEG architecture) with a new platform already in use by the rest of the legal entities part of the Euronext Group. Obviously this project has been and still is managed in close correlation with that of Clearing Migration. The implementation of the initiative is expected in the second half of 2023.
- CA4U: initiative promoted by Euronext Securities in order to create a single management platform for Corporate Actions activities available to the 4 CSDs operating in the group (Porto, Milan, Copenhagen and Oslo). Implementation for Monte Titoli (ES-MIL) is scheduled for 2025, but already in 2022 Monte Titoli contributed to the definition of the requirements that will have to be integrated into the new platform. The first other locations (ES-POR and ES-CPH) are currently being implemented with a target for the last quarter of 2023.

2.1 THE MAIN MONTE TITOLI INITIATIVES

Also during 2022, Monte Titoli continued to work to enhance the offer of products and services aimed at Italian issuers, especially with reference to debt instruments currently issued abroad on ICSDs instead of on Monte Titoli.

In particular, we organized two series of meetings, one with the banks and the MEF, and the second with the investee companies of the MEF and CdP, to further raise awareness of the process of issuing bonds in dematerialized form on Monte Titoli. This is an initiative that began over 3 years ago which finally materialized in the month of December with the first issue by an Italian bank (BPER) of a 500M Eurobond in dematerialized form in Monte Titoli, demonstrating that all the perplexities deriving only from a consolidated market practice did not have any impact on the placement and issue on Monte Titoli. Driven by this successful initiative by BPER, we will continue our plan of meetings with all the major issuers throughout 2023 to continue this new market trend on international issues.

Again with reference to the initiatives aimed at supporting issues in dematerialized form in Monte Titoli, during 2022 no. 16 bonds for a nominal value of 36.9 million euro ("easy Issuance" service), no. 30 bonds with interest capitalization option (so-called "PIK notes") for a total nominal value of over EUR 2.5bn, and n. 3 new programs to issue financial bills in dematerialized form (Mediobanca, Sparkasse and Leonardo), for a potential issue value of up to €4.5bn

Of equal strategic importance in the field of services to issuers, is the acquisition from Spafid of the business branch specialized in the provision of shareholder meeting management services, designated representative and updating of the shareholders' register. This acquisition was completed in April 2022, and led to the integration within the Operations department of a team of 7 people, subsequently increased by 2 FTEs during

2022, in line with the respective business plan. After the successful integration on a local scale (the technological component was subsequently added to the organizational and operational processes thanks to the divestment of the TSA with Spafid which occurred in December 2022), the intra-group activities started in June 2022 (so-called Phoenix Project) aimed at creating a common platform for three of the four central depositories of Euronext Securities (i.e. Italy, Denmark and Norway).

With reference to the acquisitions, it should be noted that in 2022 Monte Titoli also acquired a technological business unit from SIA/NEXI (the so-called Taurus Project). The signing of the transaction took place in June 2022, while the closing took place on November 30th.

Thanks to the acquisition, Monte Titoli has insourced the application management and change management of two key applications (XTRM and Smart), limiting the services provided by SIA/NEXI to infrastructural services (facility management). The transaction involved the integration of 33 resources into Monte Titoli, of which 27 in Technology and 6 in the Change Management area. The operation is a milestone in Monte Titoli's strategy as it allows to significantly reduce the dependence on suppliers external to the Euronext Group.

With regard to deliveries made in the Operations area, with a view to continuously improving the efficiency of processes for the purpose of ever-increasing and conscious containment of operational risk, the following initiatives are highlighted:

- Increase in the use of robotics, thanks to the addition of 4 BOTs to which manual activities with low added value have been outsourced. In particular, a BOT was dedicated to the management of the census process of foreign securities, the use of which has made it possible to record a significant improvement in compliance with the SLA stipulated with the participants.
- Release into production of the new processes dictated by the "Settlement Discipline" regime which introduced, starting from February 2022, for the European CSDs, the calculation and management of penalties deriving from "late matching" and "settlement failing" instructions.
- Complete automation of the processes underlying the identification and processing of the so-called “Corporate Actions on Flow”; this project, born in 2020, is to be interpreted as the perfect synthesis between an operational efficiency initiative (thanks to a very high degree of "straight-to-processing" achieved), improvement of the "client experience" and greater compliance with European standards in the field of corporate actions.

2.2 FINANCIAL RESULTS

The 2022 financial year closed with a net result of 27.8 million euro (30.7 million euro at 31 December 2021).

Total gross operating revenues in the period amounted to 106.5 million euro (104.6 million euro at 31 December 2021), of which 64.4 million euro (62.0 million euro at 31 December 2021) for custody services, 37.9 million euro (38.2 million euro at 31 December 2021) for clearing and settlement services, 3.8 million euro for fiscal services (3.8 million euro at 31 December 2021) and other services 0.3 million euro (0.6 million at 31 December 2021).

The intermediation commissions paid to the foreign CSDs and to the ECB amount to 26.6 million euro (27.0 million euro at 31 December 2021).

Custody	31/12/22	31/12/21	% Change
Values of securities (€/billions)	**3,730.1**	**3,731.5**	**0.0%**
Government bonds	2,331.9	2,238.6	4.2%
Bonds	492.7	494.3	-0.3%
Shares and CW	596.8	668.2	-10.7%
Deposits for judicial authorities	7.2	7.2	0.0%
NCSD	134.5	158.7	-15.2%
ICSD	167.0	164.6	1.5%
Settlement Instructions (ml)	**31/12/22**	**31/12/21**	**% Change**
Settlement Instructions (double counted - ML)	56.0	54.8	2.2%

Costs relating to the structure and management were consistent with the activities performed. In detail, staff costs amounted to € 16.9 million (€ 14.4 million at 31 December 2021).

Other administrative expenses including intercompany costs amounted to € 19.8 million (€ 16.5 million at 31 December 2021) increase mainly due to the purchase of the company branches which took place during the year and to the integration costs in the Euronext Group. Depreciation and amortisation amounted to € 4.3 million (€ 4.4 million at 31 December 2021).

The acquisition from Spafid of the business branch specialized in the provision of services to issuers generated revenues of Euro 1.6 million and costs of Euro 0.8 million mainly attributable to employees costs.

The acquisition of a technological business unit from SIA/Nexi led to a saving in technology costs of approximately Euro 0.6 million and overall costs of Euro 0.7 million.

The net operating margin is equal to 38.5 million euro, compared to 41.8 million euro for the financial year ended at 31 December 2021.

In the balance sheet fixed assets, net of impariments and amortisations, amount to 25.9 million euro mainly consisting of investments in intangible assets. The increase of 14.7 million euro in intangible assets is mainly attributable to the purchases of business units which took place during the year.

The Company Equity is equal to 111.2 million euro, including the operating profit for the financial year ended 31 December 2022 amounting to 27.8 million euro, and is composed for 16 million euro by the Share Capital, for 3.2 million euro by the legal reserve, for 8 million euro by the Fund for the of centralized management, clearing and settlement activities (as provided for by the CONSOB regulation), and for 55.9 million euro by other reserves.

2.3 INFORMATION RELATING TO EMPLOYEES AND THE ENVIRONMENT

As at 31 December 2022, the organizational structure was made up of a total of 151 (105 as at 31 December 2021) employees of which 10 Managers, 106 Managers and 35 white collars, as well as 34 resources seconded from other Group companies and 14 seconded to other companies in the group. The increase in headcount is justified by the acquisition effective from 1 December 2022 of the Post-Trading business unit of Nexi Payments S.p.A. and of the activities of Service Hub S.p.A. (for a total of 33 employees), as well as with effect from 1 April 2022 from the acquisition of the business unit from Spafid S.p.A. for the provision of services to issuing companies (for a total of 7 employees). The average age is 51.2 years and 32.4% of the workforce is made up of women. The average length of service is 23.0 years.

During the year there were no serious accidents at work and/or charges for occupational diseases on employees or former employees. Since the beginning of the pandemic (COVID-19) the company has adopted a security protocol aimed at protecting its employees through the use of structural remote working which, after the emergency period, has been transformed into the adoption of an Agile Working policy which offers a permanent hybrid working mode.

2.4 RESEARCH AND DEVELOPMENT

Given the activity carried out by the Company, it does not engage in research and development.

2.5 RISK ASSESSMENT

Monte Titoli is the Italian central securities depository, authorised under the terms of European Regulation No. 909/20914 (CSDR Regulation), which operates a securities settlement system through the T2S platform and provides mainly notarial, centralised accounting and liquidation services, and ancillary services of a non-banking kind that do not entail credit or liquidity risks connected with the settlement service or the notarial and bookkeeping services at the highest level. The risks of Monte Titoli, which may have an impact on the financial statements items or give rise to liabilities, are therefore not necessarily those typical of financial companies but are mostly operational risks.

The business risk management policy, the Risk Management Framework (RMF), reflects the provisions contained in the aforementioned Regulation (EU) No. 909/2014.

The Risk Management Framework provides for the adoption of a model structured along three defence lines, which ensures an adequate system for risk mitigation and an internal control system that operates efficiently and effectively.

In particular:

The first line of defence is represented by the business and corporate units, responsible for the identification, measuring, management, monitoring and reporting of the company's risks and which give regular notification to the second line of defence, according to a defined communication process; the second line of defence is made up of the Risk Management and Compliance units, respectively responsible for the defining the risk management process and for compliance with the legislation and the company's policies. These units perform an independent control of the activities of the first line of defence concerning the assessment and management of risks and compliance with the company's policies and the applicable legislation; the third line of defence consists of the Internal Audit unit, which has the task of providing an independent assurance to the Board of

Directors with regard to the effectiveness of the internal control and risk governance systems.

The fundamental document that governs the Risk Management activities is the Risk Appetite Framework, which defines the risk propensity that the company is willing to accept in achieving its strategic objectives. The Risk Appetite Framework is integrated into the corporate governance and supported by the Risk Management Framework. The Risk Appetite Framework is defined and documented by the Risk Committee, and approved annually by the Board of Directors.The Board of Directors checks its consistency with the strategic objectives. The 2022 Risk Appetite Framework was approved by the Board of Directors meeting held on 9 December 2021. The company risk profile is monitored regularly, and presented to the Board of Directors during Board meetings.

The annual Risk Management activities plan has been approved by the Board of Directors.

The most significant risks are illustrated below. These are risks which may adversely affect the business and which are specific to the sector in which the company operates.

Legal Risk

Monte Titoli operates in a regulated sector and, as such, in addition to complying with the provisions of corporate law as well as national and European provisions of law and regulations, must comply with the authorisation requirements to operate as a Central Depository and is subject to the supervision of the Bank of Italy and Consob.

Accordingly, Monte Titoli engages in open dialogue with the Supervisory Authorities and constantly monitors regulatory changes.

Moreover, procedures that ensure compliance with the applicable provisions of law and regulations are adopted and constantly updated.

The Supervisory Authorities interact with Monte Titoli through working teams set up especially for this purpose, before proposing new regulations or changes that may have an impact on the Company's core business.

The Company constantly follows the regulatory developments and keeps an open dialogue with the Supervisory Authorities both at national and European level.

Competition

The greatest challenges regarding competitors might come from other Central Security Depositories in Europe, which supply a wider range of services including banking and also from Global Custodians.

Monte Titoli carefully monitors competitor's developments in order to make the business grow, and with the aim of rationalising and making the services offered more efficient as well as developing new functions.

Monte Titoli has set up technical tables with its customers in order to agree on the requirements, methods and timing for the implementation of the new functions and new services.

The company is well positioned to cope with changes in market scenarios and continues to focus on the development of competitive products, improvements in technology, and ensuring adequate service levels in order to increase the operational efficiency of customers.

Meetings are periodically organised with customers and industrial associations in order to monitor and assess customer needs (according to the CRM, Customer Relationship Management modality).

Business Risk

A general business risk that Monte Titoli has to face is the loss of revenues.

The risk of loss of income appears mainly in the planning of new products and services.

A specific Group policy for new products and markets instructs on how to handle those situations, when envisaging the introduction of a new activity and/or of a new product.

The group project management policy provides the guidelines for governing project activities for the creation of new services and products.

The mitigation measures for this type of risk provide for: an analysis of the scenarios aimed at identifying the business opportunities and threats, constant contact with the regulatory authorities through participation in public consultations and meetings, participation in national and international work teams.

Monte Titoli also manages the general business risk through adequate civil and criminal liability insurance against damages caused to its members due to negligent behaviour.

Operational Risk

Operational Risks involve the risk that the Company may suffer economic losses, claims for damages from customers, damage to its image or the enforcement of disciplinary measures from the Supervisory Authorities due to system errors and/or malfunctions. Operational risk may derive from human errors (created, for example, by a lack of staff, little professional refresher training, low quality of human resources), from malfunctioning and anomalies of IT applications (deriving, for example, from inadequate application development methodology, insufficient tests, inadequate software maintenance) or inadequate process architecture.

The operational risk is mitigated through highly automated processes for the reduction of administrative activities and by formalized procedures for all services. The systems and applications that support and provide the services of Monte Titoli are reliable, secure and characterized by a high level of automation. Moreover, prior to being released into production, new applications are tested internally by the competent business divisions, under the coordination of the Testing Management Department, with both inside and outside users, operating in a test environment that is fully separate from production.

Operating procedures, instruction manuals, checklists, automatic and manual data reconciliation, automatic reconciliation of T2S balances, the separation of duties and double checks of transactions carried out by two different people (checker and maker) represent further risk containment procedures.

From a legal point of view, the contractual framework clearly defines Monte Titoli's area of responsibilities and the rules for participating in the services which customers must comply with, both in national and international contexts in the case of connections to foreign systems linked to Monte Titoli's participation in them.

Insurance coverage protects Monte Titoli from fraud, errors and omissions, in compliance with Monte Titoli Rules.

The Audit function carries out periodic independent controls on the internal operating processes as well as on IT processes, including outsourcing functions.

In order to counter the lack or slow-down in operations due to the inadequacy of the building and the unavailability of technological infrastructure, Monte Titoli has adopted a "Business Continuity Plan" which ensures the continuity and efficiency of its services, restoring the core processes according to the time frames provided by the Recovery Time Objectives (time frame objectives for services recovery).

The aforementioned plan was also developed in compliance with the Guidelines on operational continuity of market infrastructures - May 2014 - issued by the Bank of Italy, with the "Regulation containing the discipline of Centralized Management, Settlement, Guarantee and related Management Companies - Provision of 22.2.2008 updated with Bank of Italy/Consob deed of 11 and 24 February 2015", and was approved by the Chief Executive Officer and the Board of Directors.

The business continuity plan enables us to remain resilient in the event of unavailability of the office or staff for internal or external reasons (terrorist attacks, fire, floods, pandemics, etc.) and in case of interruption of the IT systems.

The Board of Directors appointed a Business Continuity Coordinator responsible for the definition, updating, periodic assessment, as well as the correct implementation of the Plan.

A human resources plan has been implemented to identify key personnel and their relative back-ups, as well as the Committee to be activated in the case of an emergency.

The back-up procedures also rely on the availability of key personnel to work from home or remotely.

Alongside the Business Continuity Plan there are Disaster Recovery plans with IT Providers. Disaster Recovery plans are tested at least once a year.

Technology

In order to efficiently compete, Monte Titoli needs to anticipate and respond promptly and efficiently to market demand and to enhance its own technology. In fact, the markets in which it competes are characterized by rapidly changing technology, evolving industry standards, frequent upgrades of existing products and enhancements of offered services, the introduction of new services and products and changes in customers' demands.

The Company's business depends on secure, stable, fast technology and ensures high levels of availability and information processing capacity.

If the systems were not able to evolve to cope with increased demand or did not allow for the required transactions to be performed correctly, Monte Titoli would risk experiencing unanticipated disruptions in services, slower response times and delays in the introduction of new products and services.

In this regard, Monte Titoli also continued in 2022 with the technological updating of part of the infrastructure, basic hardware and software, and application-type technological services, with the aim of improving the ability to respond to continuous needs arising from the business and to further strengthen IT security and stability of the information system. In particular, during the year 2022, 11 business projects were carried out and released, to which purely technological project initiatives were added, such as, for example, the construction of the new infraction for robotics.

With the aim of guaranteeing a stable information system, Monte Titoli has continued its activity of progressive improvement of IT Governance, reviewing and innovating the control measures already in place with regard to external and internal third-party suppliers, to which it has outsourced part of ITC services.

In fact, the business risk deriving from service from IT providers that is not perfectly timely and accurate is mitigated by specific contractual terms, which stipulate, among other things, service levels (Service Level Agreements - SLAs) and quantitative parameters (Key Performance Indicators - KPIs). These are monitored and checked on an ongoing basis by the Service Management Department, operating within the Monte Titoli IT Department. This structure also constantly monitors the time required to take charge of and resolve problems/anomalies, by managing the incident management process, based on international methodologies and best practices. During the periodic meetings, generally held on a monthly basis, the recorded contractual values are analysed for the purpose of ascertaining compliance with the contractual terms, reviewing any problems found,with the objective of identifying appropriate corrective and/or improvement measures, if necessary.

In general, during 2022 the stability of the information system improved and 'accidents' decreased by 5%, while 'problems' decreased by 27%.

Among the measures to strengthen IT Governance, those relating to IT security should also be included; the activities based on the cyber resilience framework and on the cyber security strategy of Monte Titoli continued also in 2022, specifically designed and activated for the management of IT security and which define the guidelines of a strategic, organizational and operational nature, in line with envisaged by the regulations in force and by the policies adopted at Group level. Multiple verification activities have been carried out aimed at identifying vulnerabilities (penetration tests and vulnerability assessments) and all the identified vulnerabilities have been remedied.

In particular, the governance defined for IT security management and the initiatives implemented during 2022 were aimed at strengthening data protection measures in terms of confidentiality, integrity and availability.

With regard to data retention, the same are archived and duplicated within two physical sites, located in two geographical areas with different morphological characteristics, in order to be able to mitigate the risk deriving from the simultaneous unavailability of the two sites.

The conservation methods, as well as all the procedures and processes used for operational management, are subjected to periodic checks, in line with what is foreseen and described in the Business Continuity and Disaster Recovery plans. The 2022 disaster recovery tests were successfully performed.

In addition to the above, the information system, processes and procedures used for the provision of technological services are subject to verification at least once a year, as required by current legislation issued by the Bank of Italy and Consob, by part of the Internal Audit function. The 2022 audit ended with a 'fair' outcome.

The aforementioned strengthening activities were carried out in parallel with the activities required by the processes of separation from LSEG and by those of integration with the Euronext Group, which continued throughout 2022.

In particular, the IT structure was involved in supporting the transfer of some intragroup services from LSEG to Euronext (End User Services and Cyber Services) with the aim of ensuring business continuity.

On the subject of outsourcing, it should be noted that in addition to the migration of some services to Euronext, in December 2022 Monte Titoli acquired a technological company branch from SIA/NEXI. The operation made it possible to reduce the services provided by the provider to the usual liability management.

The IT governance adjustment activity was also launched in compliance with the existing policies and procedures within the Euronext Group, and in this context the new Service Management Corporate Standards were approved.

Finally, a part of the IT structure has begun to work in close collaboration with the organizational structures of the Euronext Group, launching the implementation of initiatives that aim to strengthen collaboration between the companies operating in the Post Trade sector.

Italian Legislative Decree 81/2008 Prevention and safety at work

The Company is subject to the regulations provided for in Italian Legislative Decree no. 81 of 9 April 2008 which lays down the measures for protecting the health and safety of workers.

Employees who had periodic training on health and safety in the workplace about to expire took part in the related refresher session.

The Chief Executive Officer performs the functions of Employer under the terms of the legislation on the subject of health and safety of workers.

The proxies and appointments made by the Employer and his delegate in 2021 are still valid.

The Risk Assessment Document is being updated and the current date of the document is 19 October 2021.

The company has maintained and updated the shared protocol regulating measures to contain the spread of the Covid-19 virus in the workplace (adopted starting from 14 March 2020) which provides for a series of measures (organizational and procedural) aimed at ensuring the health of employees, contractors and visitors.

Finally, the Safety Management Manual was updated, which represents the Organizational Model pursuant to art. 30 of Legislative Decree 081/08 and constituting, if effectively adopted, an exemption for the Company from liability deriving (pursuant to Legislative Decree 231/01 and subsequent amendments) from the commission of the crimes of manslaughter and serious or very serious bodily harm.

In September 2022 the company obtained the renewal of the certification according to the UNI ISO 45001:2018 standard obtained in 2019.

Financial risks

Exchange rate risks

The Company is not exposed to significant exchange rate risks as it operates to a marginal extent in currencies other than the euro and since invoicing to foreign customers is substantially in euro. The most significant exchange rate risk relates to invoicing mainly attributable to relationships with non-EU suppliers.

Interest rate risks

There is no funding in place with companies or banking institutions outside the Group.

Credit risks

Credit risk refers to the company's exposure to potential losses arising from counterparties' failure to meet their obligations.

The company does not have a significant concentration of credit risk as its exposure is concentrated among banks and listed companies with a high credit standing.

With regard to trade receivables and contract based activities, Monte Titoli follows the approach adopted by the Euronext Group: specifically, the Group adopts a simplified approach to calculating expected losses. The variations in credit risk are thus not recorded, but rather the total expected loss is recognised at each reporting date. The Group has prepared a matrix system based on historic information, which is revised in view of forecast elements with reference to specific types of debtors and their economic context, and is used as a tool to determine expected losses.

Monte Titoli considers all financial assets valued at amortized cost classified in the best creditworthiness categories to be at low credit risk, therefore all of its liquid assets.

Liquidity risks

Liquidity risk refers to the risk of not being able to meet current or future obligations due to insufficient available financial resources. The company is not exposed to significant liquidity risks.

2.6 GOVERNANCE AND LEGAL INFORMATION

Name and registered office

Monte Titoli S.p.A. Registered office: Piazza Affari 6, Milan. No branch has been set up.

Date of incorporation and expiry date of the Company

The Company was incorporated on 15 February 1978 and will end on 31 December 2049.

Companies' Register

The company is registered at the Chamber of Commerce of Milan, registration no. 03638780159.

Legal form

The Company is an Italian registered joint-stock company.

The following information is not exhaustive and is based on the Bylaws. The full text of the Bylaws is available at the registered office of the Company.

Board of Directors

The Board of Directors was appointed by the ordinary shareholders' meeting of 29 April 2021, continued on 12 May 2021 for three financial years, which will expire with the Shareholders' Meeting convened to approve the financial statements at 31 December 2023, and is made up as follows:

Pierre Davoust	Chairman
Mauro Lorenzo Dognini	Managing Director
Giorgio Modica	Executive Director with delegated powers for Finance
Paolo Cittadini	Director
Maria Cannata[1]	Independent Director
Francesca Fiore	Independent Director

Board of Statutory Auditors

The Board of Statutory Auditors was appointed by the ordinary shareholders' meeting of 29 April 2021, continued on 12 May 2021 for three financial years, which will expire with the Shareholders' Meeting convened to approve the financial statements at 31 December 2023, and is made up as follows:

Roberto Ruozi	Chairman
Fabio Artoni	Statutory Auditor
Mauro Coazzoli	Statutory Auditor
Michela Haymar d'Ettory	Alternative Auditor
Ruggiero Delvecchio	Alternative Auditor

General Management

Mauro Lorenzo Dognini	General Manager

[1] Maria Cannata has resigned from the Board of Directors of Monte Titoli S.p.A. with effect from 24 February 2023.

Risk Committee

The Risk Committee, established in compliance with Article 48 of EU Delegated Regulation No 392/2017 became operational in December 2018, and is made up of 5 members, more specifically:

Alfredo Maria Magri	Chairman
Jan Andersen	
Asmud Skar	
Joaquim Cadete	
Anne Giviskos	

Remuneration Committee

The Remuneration Committee, established in compliance with Article 48 of EU Delegated Regulation No 392/2017 is made up of 5 members:

Nathalie Rachou	Chairman
Diana Chan	
Manuel Ferreira da Silva	
Piero Novelli	
Padraic O'Connor	

Audit Committee

The Audit Committee was established on 20 July 2022 in accordance with article 48 of EU Delegated Regulation no. 392/2017, previously the role of this Committee was performed by the Board of Statutory Auditors, is made up of 5 members:

Jim Gollan	Chairman
Mauro Coazzoli	
Jan Andersen	
Ida Johnson	
Filomena Oliveira	

Board of Arbitrators

Emanuele Rimini	Chairman
Matteo Rescigno	
Carlo A. Favero	

Corporate Governance

The corporate governance structure of Monte Titoli S.p.A. is based on the "traditional" system of management and control, characterized by the presence of the Board of Directors (management body) and Auditors (controlling body) both appointed by the shareholders' meeting. The accounting audit is entrusted to an audit firm pursuant to the law.

The Monte Titoli governance system reflects the requisites provided for in European Regulation no. 909/2014 (CSDR), under the terms of which Consob, in agreement with the Bank of Italy, authorised Monte Titoli to provide the services as central depositary, with a resolution of 18 December 2019.

The **Board of Directors** is responsible for the strategic guidance and supervision of the company's overall activity, as well as for the risk management process, in order for these to be consistent with strategic policies.

The Board is vested with all the powers for the ordinary and extraordinary management of the Company in the framework of the provisions of law, regulation and Bylaws, and has the power and authority to perform all those acts that it deems necessary and appropriate for pursuing the corporate purpose.

More specifically, the Board of Directors:

- defines the strategic guidelines and objectives to be pursued, reviews and approves the strategic, industrial and financial plans and the budget of the Company, as well as agreements and alliances of a strategic nature, periodically monitoring their implementation;
- with the support of the Risk Committee, defines, determines and documents the Risk Appetite Framework (RAF), and checks that this is consistent with strategic objectives;
- defines the Company's risk management policy, providing a periodic review of these and supervising the Company's overall risk management system, including compliance risks and operational risk;
- defines the leading guidelines of the Company's internal controls system; evaluates on an annual basis, the adequacy, effectiveness and actual functioning of the internal controls system;
- sets the Company’s technological framework, defines the Company’s IT system guidelines; on an annual basis, assesses the adequacy, efficiency and effective functioning of the IT system and the cyber security framework for the Company’s essential services, subject to independent audits that are reported to the Board;
- reviews and approves the Company's transactions with a significant strategic, economic, equity and financial relevance for the Company;
- attributes and revokes powers to its members, defining the limits and procedures for exercising such powers; also sets the intervals with which the delegated bodies must report to the Board regarding the activities carried out in exercising such powers;
- establishes appropriate committees, with proposing and consultative functions, to support the Board, appointing the members and establishing duties and remuneration;
- establishes the Users Committee, pursuant to EU Regulation 909/2014, and determines its operating rules;
- evaluates the general performance of the Company's management, on the basis of the information received from the directors with delegations, paying particular attention to the situations of conflict of interest and comparing the results obtained with those planned;
- revises and updates the corporate governance tools in line with the requirements of applicable legislation;
- exercises the other powers and performs the duties assigned to it by the law and Bylaws.

The Board of Directors has appointed the following delegated bodies: a Chairman, Managing Director and an Executive Director with delegated powers for Finance, and has attributed the relevant management powers to them within the scope of their mandates.

Board members were appointed for a three-year period, which expires on the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2023, and may be re-elected.

Those persons who are in possession of the eligibility requirements provided by the applicable provisions of law and regulations may be vested with the office of director. At least one third of the directors in office, but not less than two of them, are independent pursuant to EU Regulation No. 909/2014 (CSDR). The Board of Directors resolves on the existence of the aforementioned requirements in the first useful session following the appointment or knowledge of the lack of requirements.

In compliance with the provision of the Bylaws, the Board of Directors, in exercising the delegation of powers, appointed a General Manager with the eligibility requirements provided for by applicable regulations, who is responsible for the ordinary management within the limits of his mandated powers.

The **Remuneration Committee** has advisory functions regarding the Remuneration Policy of the Company over which it supervises, with particular regard to the remuneration policy of top management and personnel employed in the functions of risk management, compliance and internal control, internal audit and technology and other employees.

The **Risk Committee** is an advisory committee of the board of directors on risk management strategies and risk appetite.

The **Audit Committee** is an advisory committee of the Board of Directors. The Committee advises the board of directors on the performance of the internal audit function, which it supervises.

The **Board of Statutory Auditors** is the body responsible for ensuring compliance with the law and the Company's Bylaws, as well as the observance of correct management principles in carrying out the Company's activities, checking the adequacy and the operation of the Company's organizational structure, internal auditing system, administration and accounting system.

The members of the Board are appointed for a period of three years and may be re-elected.

Each of the members of the Board of Auditors must possess the requirements of integrity, professionalism and independence applicable by law and the Bylaws.

The **Shareholders' Meeting** is the body that represents all shareholders and is responsible for passing ordinary resolutions regarding the approval of the annual financial statements, the appointment and removal of the members of the Board of Directors, the appointment of members of the Board of Statutory Auditors and the Chairpersons, the determination of the remunerations of directors and auditors, the conferral of the accounting audit appointment and the responsibilities of directors and auditors; on an extraordinary basis, it is responsible for amendments to the Bylaws and extraordinary transactions such as capital increases, mergers and de-mergers, without prejudice to the powers attributed to the Board by Article 21 of the Bylaws, as already mentioned.

The **independent auditing** of the Company's accounts is carried out in compliance with the applicable provisions of law by an auditing firm. The Shareholders' Meeting of 15 April

2015 conferred the relevant appointment, for the term of nine financial years on the basis of the applicable provisions of law, on EY S.p.A. for the financial years ending 31 December 2015 to 31 December 2023 (inclusive).

The Company's purpose

Monte Titoli's exclusive corporate purpose is the provision of centralised management services for financial instruments, as well as the provision of the clearing and settlement services and provision of the gross settlement service for non-derivative financial instruments.

The Company may carry out, also through its subsidiaries and affiliates, activities connected and/or conducive to that of centralized management of financial instruments, as well as ancillary activities to the clearing and settlement service and the gross settlement service, as identified by the regulatory provisions issued by the Supervisory Bodies.

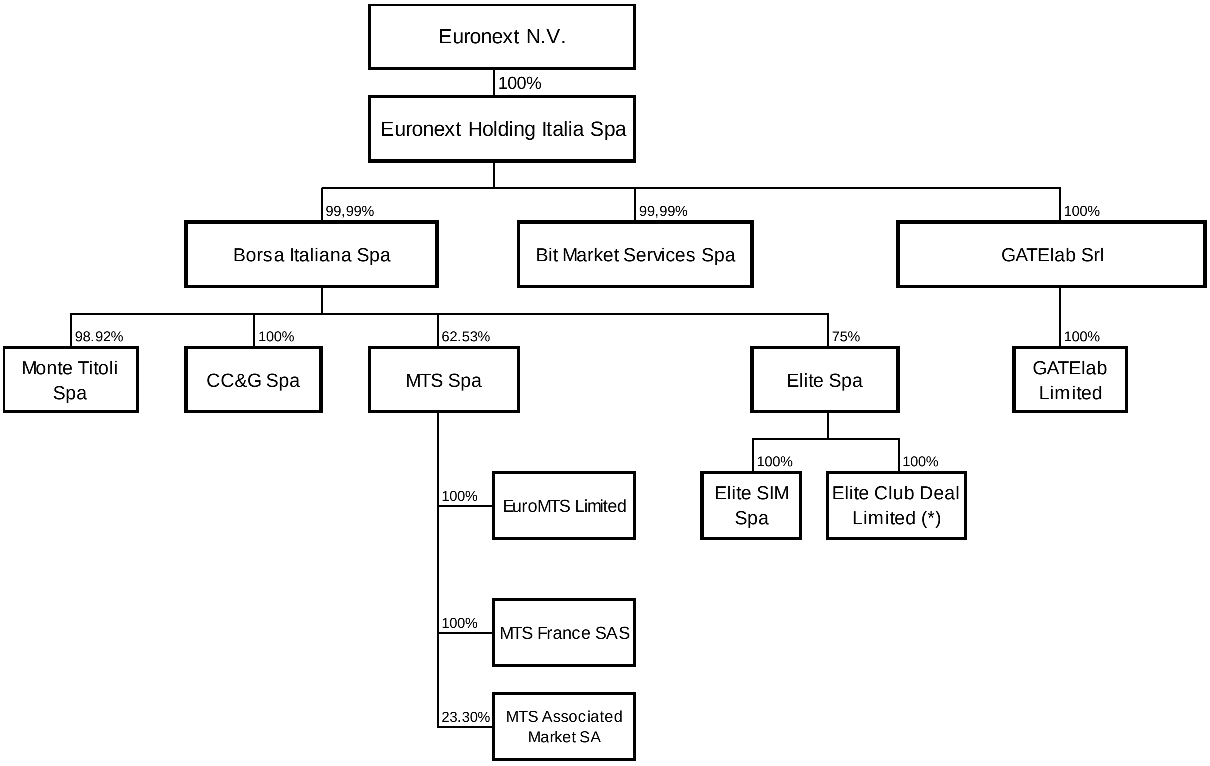
Share capital

The Company's share capital amounts to € 16,000,000 (sixteen million), which is fully paid up. It is represented by 16,000,000 (sixteen million) ordinary shares with a par value of € 1 (one) each, issued on a dematerialised basis under the existing provisions of law and entered into the centralised system managed by Monte Titoli.

The Company does not hold and during the financial year did not acquire or dispose of, either directly or through trust companies or individuals, any treasury shares or shares in the parent company.

Group structure

Pursuant to Article 2497 and subsequent of the Italian Civil Code, as of 31 December 2022, Monte Titoli S.p.A. was subject to management and coordination by Euronext Holding Italia S.p.A., which is in turn controlled by Euronext N.V.



(*) In liquidation

Monte Titoli holds no shareholdings.

Shareholding structure

The shareholding structure of Monte Titoli S.p.A. as at 31 December 2022 is the following:

Shareholder	Number of Shares	% of total share capital
BORSA ITALIANA S.p.A	15,827,175	98.920
EUROCLEAR BANK SA/NA	160,000	1.000
REALI HOLDING S.r.l.	2,352	0.0147
CELLINO E ASSOCIATI SIM S.p.A.	20	-
Mr Angelo Alessandro COMPOSTELLA	2,681	0.0167
Studio GAFFINO SIM	2,000	0.0125
Ms Letizia SCHIAVETTI	858	0.0054
Ms Lavinia MARCUCCI	858	0.0054
Mr Marco Tullio MARCUCCI	860	0.0054
Mr Michele DE CAPOA	1,598	0.0100
Mr Diego BOSCARELLI	1,598	0.0100
TOTAL SHAREHOLDERS (12)	**16,000,000**	**100**

2.7 RELATIONSHIPS WITH RELATED PARTIES

Transactions with related parties are detailed in the specific paragraph in the Explanatory Notes.

2.8 SIGNIFICANT EVENTS AFTER THE CLOSE OF THE FINANCIAL YEAR

There are no significant events after financial year end like:

- announcement or initiation of restructuring plans;
- capital increases;
- recruitment of relevant contractual commitments;
- disputes arising after the financial year close.

2.9 APPROVAL OF THE FINANCIAL STATEMENTS AND OF THE REPORT ON OPERATIONS AND PROPOSAL FOR THE ALLOCATION OF PROFITS

Dear Shareholders,

We invite you to approve the financial statement as of 31 December 2022 (Balance Sheet, Income Statement, Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, Cash Flow Statement and Explanatory Notes), as presented by the Board of Directors, in their entirety and as single items and to allocate the net profit of 27,845,520.87 euro as follows:

- to the Shareholders, as a dividend equal to 1.74 euro for the 16,000,000 ordinary shares with the nominal value of 1 euro each representing the Share Capital, for an overall amount of 27,840,000 euro;
- the remaining profit in the amount of 5,520.87 euro to the Reserves.

The dividend equal to 27,840,000 euro in the amount of 1.74 euro for each of the 16,000,000 ordinary shares shall be payable starting from 3 May 2023.

Milan, 16 March 2023

On behalf of the Board of Directors
Chief Executive Officer
Mauro Lorenzo Dognini
Firmato digitalmente da: Mauro Lorenzo Dognini
Data: 09/06/2023 16:13:32

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

BALANCE SHEET

ASSETS		31/12/22	31/12/21
10	Cash and cash equivalents	72,254,524	98,853,370
40	Financial assets measured at amortised cost	29,568,783	11,881,889
	a) receivables from banks	21,707,066	8,336,063
	b) receivables from financial companies	6,614,932	2,799,020
	c) receivables from customers	1,246,785	746,805
80	Property, plant and equipment	29,477	15,132
90	Intangible assets	25,970,193	11,281,545
	of which:		
	- goodwill	6,804,306	-
100	Tax assets	2,560,526	4,184,134
	a) current	2,446,041	3,983,705
	b) deferred	114,485	200,429
120	Other assets	1,634,472	98,812
TOTAL ASSETS		**132,017,975**	**126,314,882**

LIABILITIES AND SHAREHOLDERS' EQUITY ITEMS		31/12/22	31/12/21
10	Financial liabilities measured at amortised cost	15,034,229	5,708,055
	a) payables	15,034,229	5,708,055
60	Tax liabilities		
	a) current	-	-
	b) deferred	100,321	18,015
80	Other liabilities	4,806,841	5,751,690
90	Employee severance indemnity provision	902,389	1,174,732
110	Share capital	16,000,000	16,000,000
150	Reserves	67,120,951	66,903,397
160	Valuation reserves	207,723	63,599
170	Profit (Loss) for the year	27,845,521	30,695,394
TOTAL LIABILITIES AND EQUITY		**132,017,975**	**126,314,882**

All amounts are expressed in euro

INCOME STATEMENT

	ITEMS	31/12/22	31/12/21
10	Interest receivable and similar revenues	41,394	618
20	Interest payable and similar expenses	(491,888)	(694,862)
30	NET INTEREST INCOME	(450,494)	(694,244)
40	Commission income	106,474,859	104,627,463
50	Commissions payable	(26,615,624)	(26,999,117)
60	NET COMMISSIONS	79,859,235	77,628,346
120	INTERMEDIATION MARGIN	79,408,741	76,934,102
130	Net value adjustments for credit risk of:		
	a) financial assets measured at amortised cost	(93,231)	(4,338)
160	Administrative expenses	(36,729,244)	(30,974,032)
	a) staff costs	(16,893,857)	(14,445,719)
	b) other administrative expenses	(19,835,387)	(16,528,313)
180	Net value adjustments on property,plant and equipment	(21,228)	(5,361)
190	Net value adjustments on intangible assets	(4,334,869)	(4,394,788)
200	Other operating income and expenses	293,172	257,831
210	OPERATING COSTS	(40,885,400)	(35,120,688)
260	PROFIT/LOSS OF CURRENT OPERATIONS BEFORE TAXES	38,523,341	41,813,414
270	Income taxes for the financial year on current operations	(10,677,820)	(11,118,020)
300	PROFIT/(LOSS) FOR THE FINANCIAL YEAR	**27,845,521**	**30,695,394**

All amounts are expressed in euro

STATEMENT OF COMPREHENSIVE INCOME

Items	31/12/22	31/12/21
10. Profit (Loss) for the year	**27,845,521**	**30,695,394**
Other comprehensive income, net of taxes without reversal to income statement		
20. Equities designated at fair value through other comprehensive income		
30. Financial liabilities designated at fair value through profit or loss (changes in own creditworthiness)		
40. Hedging of equities designated at fair value through other comprehensive income		
50. Property, plant and equipment		
60. Intangible assets		
70. Defined benefit plans	144,125	108,530
80. Non current assets held for sale		
90. Portions of reserves from valuation of shareholdings valued at equity		
Other comprehensive income, net of taxes with reversal to income statement		
100. Hedges of foreign investments		
110. Exchange differences		
120. Cash flow hedging		
130. Hedging instruments (undesignated items)		
140. Financial assets (other than equities) measured at fair value through other comprehensive income		
150. Non current assets and groups of assets held for sale		
160. Portion of valuation reserves of investments carried at equity		
170. Total other income components net of taxes	**144,125**	**108,530**
180. Comprehensive income (items 10 + 170)	**27,989,646**	**30,803,924**

All amounts are expressed in euro

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2022

	Balances at 31/12/21	Change opening balances	Balances at 01/01/22	Allocation of previous year P&L		Changes in the financial year						Comprehensive income for the financial year	Shareholders' equity 31/12/22
							Transactions on Shareholders' Equity						
				Reserves	Dividends and other distributions	Changes in reserves	Issuing new shares	Acquisition own shares	Extraordinary dividends distribution	Changes in equity instruments	Other changes		
Share capital	16,000,000		16,000,000										16,000,000
Share premium													
Reserves													
- of profits	53,706,679		53,706,679	55,394									53,762,073
- other	13,196,719		13,196,719			162,160							13,358,879
Valuation reserves	63,597		63,597	-		144,125							207,722
Equity instruments													-
Treasury shares													-
Profit (Loss) for the year	30,695,394		30,695,394	(55,394)	(30,640,000)							27,845,521	27,845,521
Shareholders' Equity	113,662,389		113,662,389	-	(30,640,000)	306,285	-	-	-	-	-	27,845,521	111,174,195

All amounts are expressed in euro

The changes in reserves consist of the impact of the actuarial re-evaluation of employee severance indemnity.

The result for the year 2022 includes unrealized gains on foreign exchange for an amount equal to EUR 34,958 which, pursuant to art. 2426 num. 8-bis of the Civil Code are not distributable until the moment of their effective realization.

The item "Reserves b) others refers to the incentive plan defined by the previous Parent Company through the allocation of shares of London Stock Exchange Group Plc (LSE) reserved for some employees of the company. Starting from 2021, the reserve also includes the incentive plans of the new parent company Euronext for 162,160 euros.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2021

	Balances at 31/12/20	Change opening balances	Balances at 01/01/21	Allocation of previous year P&L		Changes in the financial year						Comprehensive income for the financial year	Shareholders' equity 31/12/21
							Transactions on Shareholders' Equity						
				Reserves	Dividends and other distributions	Changes in reserves	Issuing new shares	Acquisition own shares	Extraordinary dividends distribution	Changes in equity instruments	Other changes		
Share capital	16,000,000		16,000,000										16,000,000
Share premium													
Reserves													
- of profits	53,635,502		53,635,502	71,177									53,706,679
- other	13,113,704		13,113,704			83,015							13,196,719
Valuation reserves	(44,933)		(44,933)	-		108,530							63,597
Equity instruments													-
Treasury shares													-
Profit (Loss) for the year	27,911,177		27,911,177	(71,177)	(27,840,000)							30,695,394	30,695,394
Shareholders' Equity	110,615,450		110,615,450	-	(27,840,000)	191,545	-	-	-	-	-	30,695,394	113,662,389

All amounts are expressed in euro

CASH FLOW STATEMENT

(Direct method)

A. *OPERATING ACTIVITIES*	Financial year ended 31/12/22	Financial year ended 31/12/21
1 **Operations**	**32,294,849**	**35,099,881**
interest income received (+)	41,394	618
interest expenses paid (-)	(491,888)	(694,862)
dividends and similar income (+)		
net commission	79,859,235	77,628,346
personnel expenses (-)	(16,893,857)	(14,445,719)
other costs (-)	(19,835,387)	(16,528,313)
other revenues (+)	293,172	257,831
duties and taxes (-)	(10,677,820)	(11,118,020)
costs/revenues related to discontinued operations net of tax effect (+/-)		
2 **Cash flow generated / absorbed by financial assets**	**(17,667,875)**	**891,100**
financial assets held for trading		
financial assets designated at fair value		
other financial assets with mandatory measurement at fair value		
financial assets measured at fair value through other comprehensive income		
financial assets measured at amortised cost	(17,755,823)	(723,602)
other assets	87,948	1,614,702
3 **Cash flow generated /absorbed by financial liabilities**	**8,166,986**	**96,186**
financial liabilities measured at amortised cost	9,301,872	(1,019,074)
financial liabilities for trading		
financial liabilities designated at fair value		
other liabilities	(1,134,886)	1,115,260
Net liquidity generated (absorbed) by operating activity	**22,793,960**	**36,087,167**
- *INVESTMENT ACTIVITY*		
1 **Cash generated by**	**-**	**-**
sale of shareholdings	-	-
dividends received on shareholdings	-	-
sale of property, plant and equipment	-	-
sale of intangible assets	-	-
sale of business units	-	-
2 **Cash flow absorbed by**	**(19,059,091)**	**(4,661,126)**
purchases of shareholdings		
purchases of property, plant and equipment	(35,573)	22,717.82
purchases of intangible assets	(19,023,517)	(4,683,844)
purchases of business units		
Net liquidity generated (absorbed) by investment activities	**(19,059,091)**	**(4,661,126)**
B. *FUNDING ACTIVITY*		
issuing/acquisition of own shares	-	-
issuing/acquisition of equity instruments	-	-
distribution of dividends and other purposes	(30,333,715)	(27,648,455)
Net liquidity generated (absorbed) by funding activities	**(30,333,715)**	**(27,648,455)**
CASH FLOW GENERATED (ABSORBED) DURING THE YEAR	**(26,598,846)**	**3,777,586**

RECONCILIATION

Cash and cash equivalents at beginning of the year	**98,853,370**	**95,075,784**
Total net cash generated (absorbed) during the year	**(26,598,846)**	**3,777,586**
Cash and cash equivalents at year end	**72,254,524**	**98,853,370**

All amounts are expressed in euro

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2022

INTRODUCTION

The notes are divided into the following parts:

- *Part A: Accounting policies*
- *Part B: Information on the Balance Sheet*
- *Part C: Information on the Income Statement*
- *Part D: Other information*

Each part of the notes is divided into sections, each of which illustrates a single aspect of business management. Sections contain both quantitative and qualitative information.

The quantitative information is made up, as a rule, of items and tables. Items and tables that do not include amounts are not mentioned.

Unless otherwise indicated, the tables are drawn up according to the applicable provisions of law, even though only certain items of the tables are valued.

For some tables, additional information is added following the general criteria of clarity and immediacy in the notes.

The financial statements and the notes are denominated in Euro with rounding off to the nearest euro.

The accounting policies adopted are disclosed to the auditors and, in the cases provided by law, agreed with the same.

PART A – ACCOUNTING POLICIES

A.1 GENERAL PART

Section 1 – Declaration of compliance with international accounting standards

The financial statements for the year ended 31 December 2022 were prepared on the basis of going concern assumption and in compliance with IAS/IFRS international accounting standards as illustrated and interpreted by the International Financial Reporting Interpretations Committee (IFRIC) and endorsed by the European Commission.

Section 2 contains all the new principles applicable with effect from 1 January 2022.

Section 2 – Main principles for reporting

STRUCTURE AND CONTENTS OF THE FINANCIAL STATEMENTS AT 31 December 2022

Monte Titoli's operations are governed by the provisions of Italian Legislative Decrees no. 58 of 24 February 1998, and no. 213 of 24 June 1998, as amended and/or supplemented, as well as by the regulatory provisions issued and/or adopted pursuant to the above-mentioned decrees.

The company belongs to the Euronext Group, and deals with the centralized management of financial instruments, which includes dematerialised instruments pursuant to Italian Legislative Decree no. 213 of 24 June 1998, as well as clearing and gross settlement services for non-derivative financial instruments.

Since 1 January 2005 Monte Titoli S.p.A. has adopted the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission. The acronym IFRS includes also the International Accounting Standards (IAS) still in force, as well as all the interpretative documents issued by the International Financial Reporting Interpretations Committee (IFRIC) and by the previous Standing Interpretations Committee (SIC).

Moreover, it should be noted that the criteria described below have not changed with respect to the previous financial year.

These financial statements for the financial year ended 31 December 2022 refer to the period from 1 January 2022 to 31 December 2022.

The Financial Statements at 31 December 2022 are made up of the Balance Sheet, Income Statement, Statement of Cash Flows, Statements of Changes in Shareholders' Equity, Statement of Comprehensive Income and the present Explanatory Notes; they are also accompanied by the Statement of Changes in Tangible and Intangible Assets.

The accounting schedules were derived from the models proposed by "Financial Statements of IFRS Intermediaries other than Banking Intermediaries" issued by the Bank of Italy with a measure dated 29 October 2021, also taking into account the Bank of Italy Communication dated 21 December 2021.

The Company's financial statements are subject to audit by EY S.p.A.

GROUP TAXATION

The Company has exercised jointly with the parent company Euronext Holding Italia S.p.A. the option for the national consolidation regime for the three-year period 2022 - 2024. The option is irrevocable for three years, unless the requirements for the application of the regime cease and with the possibility of revocation at the end of the three-year period.

The economic relations, as well as the reciprocal responsibilities and obligations, between the Company and the parent company are defined in the "Rules for participation in the taxation regime of the national consolidation of the group controlled by Euronext Holding Italia S.p.A.".

The national tax consolidation is an institution, introduced by the tax reform brought in by Legislative Decree no. 344/2003 and its relevant implementing decrees, offers groups of company’s residents in Italy the opportunity to optimize taxation.

On 24th September 2019 London Stock Exchange Group Holdings Italia S.p.A. and its Italian controlled companies exercised the option for VAT Group, ruled by articles from 70-bis to 70-duodecies of Presidential Decree no. 633/1972.

The option is effective from 1st January 2020 and is binding for a three-year period and is automatically renewed for each subsequent year if it is not revoked.

Because of the application of the VAT Group, the group itself will be considered as a single VAT taxable person. Therefore, transactions carried out between the companies of the same group will not be subject to VAT. Transactions carried out between a VAT group member and a third party will be treated as being made by the VAT group as an entity; transactions carried out between a third party and a VAT group member, will be treated ad being made by VAT Group.

NEW ACCOUNTING STANDARDS

The company's separate financial statements are prepared in accordance with the accounting standards issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC and SIC) and endorsed by the European Commission, as established by EU Regulation No. 1606 of July 19, 2002, implemented in Italy by Legislative Decree No. 38 of February 28, 2005.

In the preparation of these financial statements, the same accounting principles were used, where applicable, as those adopted in the preparation of the annual financial statements as of December 31, 2021. The financial statements have been prepared in accordance with the going concern assumption.

NEW STANDARDS APPLICABLE FROM THE FINANCIAL YEAR ENDED 31 December 2022

In compliance with IAS 8, the following table shows the new international accounting standards, or the amendments to the standards already in force, with the related approval Regulations whose application has become mandatory from the financial period ended 31 December 2022:

EU Regulation and publication date	Subject of the document	Date of approval	Date of entry into force
(UE) 2021/1080 2 July 2021	Amendments to IAS 16, 37, and IFRS 3 (Annual Improvements to IFRSs 2018-2020 Cycle - amendments to IFRS 1, 9, 16 and IAS 41)	28 June 2021	1° January 2022

Amendments to IAS 16, 37 e 41 and to IFRS 1, 3, 9 - Annual Improvements to IFRSs 2018-2020 Cycle

The amendment to IAS 16 – Property, Plant and Equipment concern proceeds before intended use and prohibits entities from deducting from the cost of an item of property, plant and equipment any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss. They also introduce some disclosure requirements in that respect.

The amendments to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets concern costs of fulfilling a contract and apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments to IFRS 3 – Business Combinations add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments to IAS 41 – Agriculture concern the Taxation in Fair Value Measurements.

The amendment to IFRS 1 – First-time Adoption of International Financial Reporting Standards permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

The amendment to IFRS 9 - Financial Instruments clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.

International accounting standards approved by the European Union applicable to financial statements after 2022

The following table shows the new international accounting standards, or the amendments to the standards already into force, with the related Regulations approved by the European Union, whose adoption will become mandatory starting from 1 January 2023 (or from a later date in case of financial statements relating to financial years different from the calendar year):

EU Regulation and publication date	Subject of the document	Date of approval	Date of entry into force
(UE) 2021/2036 23 November 2021	Amendments to IFRS 17	19 November 2021	1° January 2023
(UE) 2022/357 3 March 2022	Amendments to IAS 1 and 8 (Disclosure of Accounting policies and Definition of Accounting Estimates)	2 March 2022	1° January 2023
(UE) 2022/1392 12 August 2022	Amendments to IAS 12 (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	11 August 2022	1° January 2023
(UE) 2022/1491 9 September 2022	Amendments to IFRS 17 (Initial Application of IFRS 17 and IFRS 9 - Comparative Information)	8 September 2022	1° January 2023

Section 3 - Events subsequent to the reporting date

In the period between the reference date of these financial statements and its approval by the Board of Directors and in addition to what has already been reported in the Directors' Report, no facts have occurred that would entail a correction of the data approved at that time. The draft financial statements were approved by the Board of Directors on 16 March 2023 and were authorized for publication on that date (IAS 10).

Section 4 – Other aspects

The Company is not exposed to significant risks and uncertainties, nor have changes occurred or are expected in accounting estimates as a result of the COVID-19 epidemic or as a result of the war between Russia and Ukraine.

There are no further aspects to report.

A.2 PART RELATING TO THE MAIN ITEMS OF THE FINANCIAL STATEMENTS

EVALUATION CRITERIA AND ACCOUNTING STANDARDS

Cash and cash equivalents
Cash, in euros and foreign currencies, as well as current accounts and "sight" deposits are subject to recognition in this item.
In fact, starting from the balance sheet closed on 31 December 2021, this item also includes "sight" loans to banks, as per the provision of 29 October 2021 of Bnaca d'Italia. The same, if in euro, are entered at the nominal value which corresponds to the fair value, if in another currency they are entered at the current exchange rate at the end of the period.

Financial assets measured at amortised cost
The initial recognition of financial assets is done on the settlement date for debt instruments and on the date of disbursement in the case of receivables. At the time of initial recognition, assets are stated at their fair value, which normally corresponds to the total amount disbursed for costs/incomes directly determined from the start of the transaction, referring to individual instruments, even if they are settled at a subsequent date. Even though they may have the stated characteristics, costs are excluded when they refer to a reimbursement by the debtor counterparty or if they qualify as administrative costs.

Included in this category are financial assets represented by debt instruments, managed within the scope of a "held to collect" business model, where the contractual flows only represent principal payments and interest on the residual principal (Solely Payment of Principal and Interest test – SPPI – passed). Receivables that do not pass the SPPI test are classified under the portfolio of financial assets that must be measured at fair value (see Financial assets measured at fair value impacting the income statement - Item 20).

After the initial recognition, financial assets stated in this category are measured at amortised cost. The amortised cost equals the difference between the gross carrying amount and the provision for losses determined by the expected credit losses.

The gross carrying amount is the amount in the initial recognition, decreased/increased by:

- principal repayments;
- the amortisation of the difference between the amount paid and the amount reimbursable on expiry, represented by initial costs/incomes. The amortisation is calculated based on the effective interest rate method, which considers these costs/income;
- profits/losses from a concession.

The amortised cost method is not used for short-term receivables where the discounting effect would be negligible. A similar criterion is adopted for receivables without a definite expiry or demand receivables.

At the close of each financial period or interim position, financial assets measured at amortised cost are subject to impairment with the recognition of the expected credit losses (over a 12 month time frame or based on the financial instrument's entire life, should the credit risk rise significantly in relation to the financial asset's initial recognition – lifetime expected losses).

Financial assets measured at amortised cost, are classified under three categories (defined as stages) for impairment purposes, in ascending order according to the deterioration in credit quality.

The first category – stage 1 – includes financial instruments that have not undergone a significant increase in the credit risk since initial recognition.

The second category – stage 2 – includes financial instruments that have undergone a significant increase in credit risk, which is measured by taking into account the indicators set by the accounting standard and the relevance these have for the company.

The third category – stage 3 – includes all impaired positions.

Expected credit losses over a 12 month time frame are recognised for financial instruments in the first category. For financial instruments in the other two categories, expected losses are determined over the course of the financial instrument's entire life cycle (lifetime expected losses).

Property, plant and equipment

Property, plant and equipment are evaluated at purchase cost. The cost includes ancillary costs as well as direct and indirect costs for the amount that can be reasonably allocated to the asset.

Costs incurred for routine and/or cyclical maintenance and repairs are directly allocated to the income statement for the financial year in which they were incurred.

The amounts are recorded net of any impairment losses and amortization.

Property, plant and equipment are systematically depreciated every financial year in relation to their estimated useful life. The latter is determined with reference to the remaining possibility of use of the assets.

The estimated useful life of each category of fixed asset is shown in the table below:

Property, plant and equipment	Useful life
Automatic data processing systems	3 years
Plant and equipment	3 years
Furniture and Furnishings	3 years

Depreciation begins the first day of the month on which the asset is available for use.

The company assesses, once a year, if there is any indication that assets may have suffered impairment loss compared to the book value recorded in the financial statements. In the presence of such indications the asset recoverable amount is determined to estimate the extent of the possible impairment.

Goodwill

Goodwill is recorded on the transaction date and reviewed at least annually to verify that it has not suffered any loss in value. Impairment losses are immediately recognized in the income statement and are not subsequently reversed.

Business combination transactions

In general, "Business combinations under common control" transactions are excluded from the scope of mandatory application of IFRS 3. In particular, for this type of transaction, the principle of continuity of values is followed. The application of the principle of continuity of values gives rise to the recognition in the statement of financial position of values equal to those that would result if the companies involved in the combination had always been united.

It is also considered possible, consistently with the application of the same standard, that the net assets are transferred, rather than at the book values of the selling entity, at the values resulting from the consolidated financial statements at the transfer date of the common controlling entity of the entities perform the aggregation.

Intangible Assets

As required by IAS 38, intangible assets recorded in the financial statements need to possess the following characteristics: they must be identifiable, they must be able to produce future economic benefits and they must be controlled by the company.

These assets are valued at purchase cost. The cost includes ancillary costs as well as direct and indirect costs for the amount that can be reasonably allocated to the asset.

The amounts are recorded net of any impairment losses and amortization.

Intangible assets are systematically depreciated every financial year in relation to their estimated residual useful life.

The estimated useful life for intangible assets is indicated in the table below:

Intangible Assets	Useful life
Software licenses	3 years
Application Software development costs	3 years

Depreciation begins the first day of the month on which the asset is available for use.

The company verifies, at least once a year, if there is any indication that intangible assets could have undergone impairment loss compared to the book value recorded in the financial statements. In the presence of such indications the recoverable amount of the asset is estimated in order to determine the extent of the possible impairment loss.

Rights of use and financial liabilities

In accordance with the provisions of the standard IFRS 16, which came into force and was adopted starting from 1 January 2019, the Company accounts for a right of use when it holds control over an asset it does not own for a period of not less than 12 months and when this asset is not of "low value". The corresponding fixed asset is initially recognised at cost and amortised on a straight line basis along the shorter time period between the duration of the leasing contract and the estimated useful life. The cost is calculated as the financial liability for the leasing, plus all other ancillary costs and net of any incentives received. The duration of the leasing is instead equal to the non-modifiable term of the contract, plus any option for extension or reduction due to interruption clauses which, on the basis of the management's judgement, are reasonably likely to be exercised.

The financial liability for the leasing is calculated as the net present value of the future payments that will be made on the basis of the terms provided for in the leasing contract. If the contract provides for extension or interruption clauses, the management uses its judgement to determine whether these are reasonably likely to be exercised.

Since the Company, as also the Group it belongs to, does not have external sources of financing, the net present value of the future payments was calculated using as the rate for discounting the interest rate of intragroup loans, 1.4%.

The financial liability thus determined corresponding to the payments provided for within the next year was classified among current liabilities, while the remainder among non-current liabilities.

The main quantitative information related to rights of use and financial liabilities recognised in the Company's financial statements in application of the standard IFRS 16 is presented below:

Right of use

€ 000	**Right of use 2022**	**Depreciations 2022**	**Net Value 2022**
Cars	36	15	20
Totale	**36**	**15**	**21**

Financial payabes for leasing

€ 000	**2022**
Analysis by maturity - Gross contractual cash flow (not disconected)	
Less than one year	15.32
From 1 to 5 years	5.15
More than 5 years	-
Total cash flow lordi	**20.47**
Total financial payables	**-**
Current	-
Non curent	-

The discounting rate used is 1.40% conventionally understood as the internal rate of return of cash and cash equivalents

Amounts to income statement	
€ 000	**2022**
Interest on financial liabilities recognised on leases	0.40
Depreciation	15.25
Aggregate annual cost of short-term leases	-
Aggregate annual cost of leases of low value assets	-

Current and deferred taxation

Current taxes are calculated on the basis of the existing legislation concerning the taxation of the Company's income, and are recorded in the income statement on an accrual basis, while in the balance sheet they are shown net of any tax receivables and advance payments.

Deferred taxation is calculated:

- on the basis of temporary differences between the book value of an asset or a liability according to accounting criteria and the recognised taxable value;
- on the basis of temporary differences in the taxability of income.

A deferred tax asset is recognized in the balance sheet only when there is reasonable certainty of the recovery through the emergence of taxable income in future years.

Impairment loss of assets

The Company checks the recoverability of the book value of its tangible and intangible assets in order to determine whether there are signs that these assets have suffered an impairment loss. In the presence of such indications the recoverable amount of the asset is estimated in order to determine the extent of the possible impairment loss.

If it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable value of the cash generating unit to which the asset belongs.[1]

Impairment is recorded if the recoverable amount is below the book value. This impairment is restored in the event that the reasons that led to impairment no longer exist.

Non-current assets and groups of assets held for sale

This item includes non-current assets whose book value will be recovered through their sale. They are valued at their net book value or the related fair value net of the sales costs, whichever is the lower. In the event that an asset subject to depreciation is classified in this category, the depreciation process stops at the time of the reclassification.

Recording of this item takes place at the time when the sale is considered highly probable or when the management at a certain level is committed to the disposal of the asset and the procedures to identify the buyer and complete the process have started. Furthermore, in the event that the disposal involves an operating asset, the gain and losses related to this asset are classified in a single amount in the income statement.

[1] The recoverable value of an asset is the higher of its current value less costs to sell and its value in use. Where the current value is calculated as the consideration obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties and the value in use of an asset is calculated by discounting estimated future cash flows, net of taxes, at a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

As required by IFRS 5, the purpose of which is to prescribe the accounting treatment for assets held for sale and the manner of presentation in financial statements of discontinued operations and related disclosures, an entity needs to classify a medium/long term asset (or a disposal group) as 'held for sale' (to be sold) if its book value will be recovered principally through a sale transaction rather than through continued use.

The necessary conditions for the classification in this item of the financial statements are that: the asset (or disposal group) is immediately available for sale in its present condition, the sale is highly probable and it occurs within 12 months. A further condition is that the asset is put on sale at a "reasonable" value compared to its fair value.

Other assets
This item includes the assets which cannot be related to other asset items in the balance sheet.

Financial liabilities measured at amortised cost
Initial recognition of liabilities is done on the signing of a contract or on the date the invoice (or other debt document) is received. Liabilities are initially recorded at the amount for the services received, based on the amount set in the contract.

Liabilities include: trade liabilities for services received or placement commissions to be paid to placement agents, based on the contract terms.

The above are short-term liabilities, and are therefore recognised at their nominal value (discounting effect is not significant).

Debts are cancelled once they are extinguished.

Other liabilities
This item includes liabilities which cannot be attributed to other liability items in the income statement.

Employee severance indemnity
The employee severance indemnity (hereinafter TFR) pursuant to article 2120 of the Italian Civil Code is subject to an actuarial valuation, based on assumptions regarding the employees' length of service and the remuneration received during a specific period of service.

The entry in the financial statements of defined benefit plans requires an estimate - based on actuarial techniques - of the amount for the benefits accrued by employees for the work carried out during the current and previous years and the discounted value of such contributions, in order to determine the present value of the company's commitments.

The calculation of the current value of the company's commitments is performed by an external expert according to the Projected Unit Credit Method, considering only accrued seniority at valuation date, the years of service accrued at the valuation reference date and the total average seniority reached at the time the benefit payment is expected. Moreover, the aforementioned method entails the consideration of future salary increases, regardless of the reason (inflation, career progress, contracts renewals, etc.) until the termination of the employment.

Regulation No 475/2012 endorsed the amendments to IAS 19, as approved by the IASB on 16 June 2011, with the objective of rendering the financial statements understandable and comparable, above all with regard to defined benefit plans.

The most important amendment refers to the elimination of different admissible accounting treatments for recording plans with defined benefits and the consequent introduction of a single method that provides for the immediate recognition in the statement of comprehensive income of the discounted profits/losses deriving from the evaluation of the obligation.

In relation to the previous accounting layout adopted, the principal effect refers to the elimination of the recording in the income statement, with immediate recognition in the statement of comprehensive income and, therefore, in the shareholders' equity, of the changes in value of the obligations and of the assets servicing the plan.

Share based payments

Payments to employees based on shares, granted by the current parent company Euronext N.V., are accounted for by recording at cost in the income statement the pertinent portion of the value of the share allocation plan, determined on the basis of the fair value at the grant date of the plan itself and taking into account the terms and conditions under which such instruments have been assigned. The debit counterpart is instead recorded in a specific equity reserve in accordance with the provisions of IFRS 2 for Share-Based Payments identified as Equity-Settled.

Revenue and costs recognition

For the purposes of recognising revenue, IFRS 15 is based on the principle of transferring control, and not only the transfer of risks and benefits.

The new standard requires that the contract identifies all performance obligations, where applicable, each with its own revenue recognition model. An analysis of the performance obligations therefore forms the basis for the recognition of each revenue component relating to the different products and/or services offered.

Services are deemed to have been transferred once the customer gains control thereof.

Revenue arising from the rendering of services is not recognised in the income statement while there is a strong possibility that a significant reversal could occur. Costs are recognised at the time they are incurred.

Financial income and expenses

Financial income and expenses are recorded, using the actual interest rate, on an accrual basis of interest accrued on the net value of the relevant financial assets and liabilities.

Taxes

Current taxes are recognised on the basis of the estimate of the taxable income in accordance with the current rules and taking into account the applicable exemptions and the tax credits due in the context of the national tax consolidation.

In the case of negative taxable incomes the tax income on these losses is recognised, only in the case of verified capacity on the part of the national tax consolidation.

Income taxes related to previous years, including any monetary sanctions and interest accrued, are included in the income tax expense of the year.

Deferred tax assets and liabilities are calculated on the temporary differences between the carrying amount of the assets and liabilities and the corresponding value attributed to them for tax purposes, adopting the tax rates expected to be applicable in the years in which the temporary differences mature.

Deferred tax assets are shown net of deferred tax liabilities, or vice versa, if this offsetting is possible, on the basis of the type and maturity of the differences that originated them.

Deferred tax assets are recognised when there is reasonable certainty of their realisation through adequate taxable incomes in the years in which the deductible temporary differences will mature.

The tax benefit connected with the retainable tax losses, not accounted for in the context of the national tax consolidation, is recognised only when there are, at the same time, the following conditions:

- there is reasonable certainty of their recovery on the basis of the capacity of the Company or of the Group national tax consolidation, as a result of the option related to the "tax consolidation", to produce future taxable incomes;
- the tax losses in question derive from clearly identified circumstances and it is reasonably certain that these circumstances will not be repeated.

The deferred tax assets and liabilities related to a transaction or a fact recognised directly in Equity are recognised adjusting the corresponding equity item.

Use of estimates and assumptions in the preparation of the current financial statements

Estimates and assumptions were used in drawing up these Financial Statements, which may affect the values recorded in the balance sheet, income statement and explanatory notes.

In particular, subjective evaluations were primarily made by the Company's management in the following cases:

- the quantification of losses for the impairment of financial assets, having particular regard to receivables;
- the evaluation as to the congruence in the value of intangible assets;
- the quantification of provisions made for personnel and for risks and charges;
- the actuarial and financial assumptions for the determination of the liabilities linked to defined benefit plans for employees and share-based payments;
- the estimates and assumptions on the recoverability of deferred tax assets.

For the purpose of formulating reasonable estimates and assumptions for recording management operations, these are formulated by means of subjective evaluations based on the use of all available information and past experience.

Business continuity and main risks and uncertainties

As already mentioned in the previous reports, in Document no. 2 of 6 February 2009 and again in no. 4 of 3 March 2010, the Bank of Italy, Consob and Isvap have requested that financial reports provide information that is indispensable for a better understanding of the Company's performance and prospects.

Having regard to these recommendations and with reference to the precondition of business continuity, it is noted that the Financial Statements at 31 December 2022 were prepared based on the perspective of business continuity, there being no reasons to consider that the Company will not continue operating in the foreseeable future. In fact, no aspects were found in the equity and financial structure and in the operating performance that would lead to uncertainties on this issue. Information on the risks and uncertainties to which the Company is exposed are described in the context of this report.

The information on financial risks and operational risks are described in the Explanatory Note below referring to the subject of risks. Checks were done when preparing the financial statements, with regard to ascertaining any impairments to intangible assets, based on analyses that provide for the verification of impairment indicators and the determination of a possible devaluation.

A.3 INFORMATION ON TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

There were no reclassifications of financial assets during the year.

A.4 INFORMATION ON FAIR VALUE

Fair value is the amount at which an asset (or liability) can be exchanged in a transaction between independent parties having a reasonable degree of knowledge of market conditions and the relevant facts related to the subject of negotiation.

The definition of fair value includes the assumption that an entity is fully operational and does not need to liquidate or significantly reduce the asset, or undertake transactions on adverse terms.

The fair value reflects the instrument’s credit quality since it incorporates counterparty risk.

In March 2009, the IASB issued an amendment to IFRS 7 introducing a series of changes designed to provide an adequate response to the need for greater transparency, resulting from crisis in the financial markets and the high-level of uncertainty in market prices.

The disclosure on the so-called "fair value hierarchy" is particularly important because it requires specific information to be provided on financial instrument portfolios, by classifying these in relation to three levels of fair value.

Disclosure of qualitative information

For financial instruments, fair value is determined based on the prices obtained from financial markets in the case of instruments listed on active markets or by using internal valuation models for other financial instruments.

A market is considered active if listed prices, representing actual and regularly occurring market transactions on an appropriate reference period are readily and regularly available through an exchange, dealer, broker, industry group, and pricing service or authorized entities.

The valuation technique defined for a financial instrument is adopted over time and is modified only following significant changes in market conditions or if there are subjective changes to the issuer of the financial instrument.

Financial instruments are measured at fair value in accordance with the classes required by IFRS 13, as follows:

- *Level 1*: Quoted prices (without adjustments) on the active market as defined by IFRS 13 for assets or liabilities to be measured.
- *Level 2*: Inputs other than quoted prices included in the preceding paragraph, that are observable either directly (as prices) or indirectly (derived from prices) on the market.
- *Level 3*: The fair value of instruments classified at this level is determined on the basis of evaluation models that mainly use significant inputs not observable on active markets and, therefore, entails estimates and assumptions by the management.

If financial assets are valued without observable market data, the valuation of these financial assets at cost is considered correct. In this case the valuation is preceded by an impairment test aimed at assessing the existence of significant and permanent impairments.

In the case of significant and lasting loss of value, the financial asset previously valued at cost is depreciated, aligning the book value to the current value.

With a specific resolution, the Board of Directors adopted objective parameters regarding the significance and durability of losses that must be observed when it is necessary to depreciate.

Financial instruments are recorded in the financial statements at their fair value on the same date.

In case of financial instruments other than those at fair value recorded in the income statement, the fair value at the entry date is usually assumed to be equal to the amount received or paid.

In case of financial instruments measured at fair value recorded in the income statement and classified at level 3, the possible difference against the amount received or paid could theoretically be recognized under the relevant items in the income statement determining a so-called “day one profit/loss” (DOP).

This difference must be shown in the income statement only if it originates from changes in the factors (including the time effect) used by market participants to set prices.

If the instrument has a definite maturity and a model is not immediately available to monitor the changes in the factors on which pricing is based, the DOP is recorded in the income statement systematically over the life of the financial instrument itself.

Disclosure of quantitative information

A.4.5 Fair value hierarchy

In these financial statements there were no changes in the classification of the financial instruments within the fair value hierarchy.

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non recurring basis: division by fair value levels.

Assets/Liabilities not measured at fair value or measured at fair value on a non-recurring basis	**Total at 31/12/2022**				**Total at 31/12/2021**			
	BV	**L1**	**L2**	**L3**	**BV**	**L1**	**L2**	**L3**
1. Financial assets measured at amortised cost	29,568,783			29,568,783	11,881,889			11,881,889
2. Property, plant and equipment held for investment purposes								
3. Non current assets and groups of assets held for sale								
Total	**29,568,783**	**-**	**-**	**29,568,783**	**11,881,889**	**-**	**-**	**11,881,889**
1. Financial liabilities measured at amortised cost	15,034,229			15,034,229	5,708,055			5,708,055
2. Liabilities associated with assets held for sale								
Total	**15,034,229**	**-**	**-**	**15,034,229**	**5,708,055**	**-**	**-**	**5,708,055**

A.4.6 Other Information

At 31 December 2022, there is no information to be reported pursuant to IFRS 13, paragraphs 51, 93 (i), 96 since:

- there are no assets measured at fair value on the basis of the “highest and best use”;
- the Company did not avail itself of the option of measuring fair value at the level of overall portfolio exposure, for the purpose of taking into account the offsetting credit risk and the market risk of a specific grouping of financial assets or liabilities;
- there were no exceptions with reference to the accounting policy.

A.5 Day one profit / loss

Monte Titoli had no "day one profit / loss" from financial instruments in accordance with paragraph 28 of IFRS 7 and the other related IAS / IFRS provisions.

ANALYSIS OF ITEMS IN THE FINANCIAL STATEMENTS

AT 31 December 2022[2]

PART B – INFORMATION ON THE BALANCE SHEET

BALANCE SHEET – ASSETS

Section 1

CASH AND CASH EQUIVALENTS (item 10)

The item cash and cash equivalents, amouns to 72,254,524 euros, consist entirely of balances in bank current accounts.

	Values at 31/12/22	**Values at 31/12/21**
Bank accounts and bank deposits	72,254,524	98,853,370
Totale	**72,254,524**	**98,853,370**

Section 4

FINANCIAL ASSETS MEASURED AT AMORTISED COST (item 40)

This item amounts to 29,553,053 euro, (11,881,889 euro) and refers to invoices issued or to be issued for services rendered.

4.1 Financial assets measured at amortised cost: breakdown by type of receivables from banks

Breakdown	**Values at 31/12/2022**						**Values at 31/12/2021**					
	BV			**Fair value**			**BV**			**Fair value**		
	First and second stage	Third stage	of which: acquired or originated impaired	L1	L2	L3	First and second stage	Third stage	of which: acquired or originated impaired	L1	L2	L3
1. Deposits												-
2. Bank accounts												
3. Loans												
3.1 Repurchase agreements												
3.2 Financial leasing												
3.3 Factoring												
with recourse												
without recourse												
3.4 Other loans												
4. Debt instruments												
structured securities												
other debt instruments												
5. Other assets	**21,707,066**	-	-			**21,707,066**	**8,336,063**	-	-			**8,336,063**
Receivables from Italian Banks	15,763,288	-	-			15,763,288	6,315,512	-	-			6,315,512
Receivables from Foreign Banks	5,943,778	-	-			5,943,778	2,020,551	-	-			2,020,551
Receivables from Group companies		-	-					-	-			-
Total	**21,707,066**	-	-			**21,707,066**	**8,336,063**	-	-			**8,336,063**

(2) The values shown in the tables are expressed in euro. For the items not analysed in an appropriate table the corresponding value at 31 December 2021 is shown in between brackets.

Receivables from customers Italian and foreign banks refer to trade receivables for services rendered.

Third stage receivables amounted to € 1,968 and were fully covered in provisions for the impairment of receivables.

First and second stage receivables are recognised net of the impairment related only to receivables classified in the second stage.

4.2 Financial assets measured at amortised cost: breakdown by type of receivables from financial companies

Breakdown	Values at 31/12/2022						Values at 31/12/2021					
	BV			Fair value			BV			Fair value		
	First and second stage	Third stage	of which: acquired or originated impaired	L1	L2	L3	First and second stage	Third stage	of which: acquired or originated impaired	L1	L2	L3
1. Loans												
1.1 Repurchase agreements												
1.2 Financial leasing												
1.3 Factoring												
- with recourse												
- without recourse												
1.4 Other loans												
2. Debt instruments												
2.1 structured securities												
2.2 other debt instruments												
3. Other assets	**6,614,932**	**-**	**-**			**6,614,932**	**2,799,020**	**-**	**-**			**2,799,020**
Receivables from Italian financial institutions	1,110,606	-	-			1,110,606	736,667	-	-			736,667
Receivables from foreign financial institutions	1,275,557	-	-			1,275,557	1,042,077	-	-			1,042,077
Receivables from Group companies	4,228,768	-	-			4,228,768	1,020,277	-	-			1,020,277
Total	**6,614,932**	**-**	**-**			**6,614,932**	**2,799,020**	**-**	**-**			**2,799,020**

The item "Receivables from Group companies" includes the receivables from Euronext Group companies, Borsa Italiana S.p.A., Cassa di Compensazione e Garanzia S.p.A., MTS S.p.A., Elite Sim.

Third stage receivables amounted to € 5,640 and were totally written off.

First and second stage receivables are recognised net of the impairment related only to receivables classified in the second stage.

4.3 Financial assets measured at amortised cost: breakdown by type of receivables from costumers

Breakdown	Values at 31/12/2022						Values at 31/12/2021					
	BV			Fair value			BV			Fair value		
	First and second stage	Third stage	of which: acquired or originated impaired	L1	L2	L3	First and second stage	Third stage	of which: acquired or originated impaired	L1	L2	L3
1. Loans												
nancial leasing												
actoring												
recourse												
hout recourse												
onsumer loans												
redit cards												
oans on pledge												
1.6 Loans related to payment services provided												
ther loans:												
enforcement of guarantees and commitments												
2. Debt instruments												
2.1 structured securities												
2.2 other debt instruments												
3. Other assets	**1,246,785**	**-**	**-**			**1,246,785**	**746,805**	**-**	**-**			**746,805**
vables from Italian customers	1,232,615	-	-			1,232,615	741,046	-	-			741,046
vables from foreign customers	14,170	-	-			14,170	5,758	-	-			5,758
vables from Group companies	-	-	-			-	-	-	-			-
Total	**1,246,785**	**-**	**-**			**1,246,785**	**746,805**	**-**	**-**			**746,805**

Third stage receivables amounted to € 31,996 and were totally written off.

First and second stage receivables are recognised net of the impairment related only to receivables classified in the second stage.

The receivables devaluation provision at 31 December 2022, which amounts to 157,790 euro is deemed adequate for the adjustment of the Company's receivables based on IFRS 9.

The Company has no significant concentration of credit risk in respect of customers, since the exposure is split over a large number of counterparties, mainly banks, financial intermediaries and listed companies.

The following table illustrates the breakdown of receivables from customers outside the Group by maturity range, mainly made up of 90-day receivables which amount to 24,659,188 euros.

	Values at 31/12/22	**0-90 days**		**90-120 days**		**over 120 days**	
Banks	21,707,066	21,662,981	85.5%	36,141.63	0.1%	7,944	0.0%
Financial Institutions	2,386,164	2,217,691	8.8%	135,657	0.5%	32,817	0.1%
Clients	1,246,785	778,518	3.1%	398,771	1.6%	69,495	0.3%
	25,340,015	**24,659,188**	97.3%	**570,570**	2.3%	**110,256**	0.4%

4.5 Financial assets measured at amortised cost: gross value and total adjustments in value

	Gross amount					**Total value adjustments**				
	First stage	of which: Instruments with low credit risk	Second stage	Third stage	Impaired acquired or originated	First stage	Second stage	Third stage	Impaired acquired or originated	**Total partial write-offs**
Debt instruments	-									
Loans	-									
Other assets	29,568,783	-	107,596	50,194	-	-	107,596	50,194	-	-
Total 31.12.2022	**29,568,783**	**-**	**107,596**	**50,194**	-	**-**	**107,596**	**50,194**	-	-
Total 31.12.2021	**11,881,890**	**-**	**177,999**	**37,469**	-	**-**	**177,999**	**37,469**	-	-

The table below shows the gross value and the overall value adjustments, broken down according to risk level and write-off disclosure.

Section 8

TANGIBLE ASSETS (item 80)

8.1 Tangible assets held for operating purposes: breakdown of assets measured at cost

Assets/values	Total at 31/12/2021	Total at 31/12/2020
1. Owned assets		
a) land		
b) buildings		
c) furniture		
d) electronic systems		
e) other	9,149	15,132
2. Assets acquired under financial leases		
a) land		
b) buildings		
c) furniture		
d) electronic systems		
e) other	20,328	
Total	**29,477**	**15,132**
of which obtained through the enforcement of the guarantees received		

8.6 Property, plant and equipment held for operating purposes: annual changes

	Land	Buildings	Furniture	Instrumental systems	Others	**Total**
A. **Gross beginning balance**	-	-	-	**15,132**	-	**15,132**
A.1 Net total decrease						
A.2 **Net beginning balance**	-	-	-	**15,132**	-	**15,132**
B. **Increases**						
B.1 Purchases						
B.2 Expenses for capitalized improvements						
B.3 Write-backs						
B.4 Increases in fair value recognised in:						
a) shareholders' equity						
b) income statement						
B.5 Positive exchange differences						
B.6 Transfer from real estate held for investment purposes						
B.7 Other changes					35,573	**35,573**
C. **Decreases**						
C.1 Sales						
C.2 Amortisation and depreciation				5,982	15,246	**21,228**
C.3 Adjustments due to: impairment recognised in:						
a) shareholders' equity						
b) income statement						
C.4 Decreases of fair value recognised in:						
a) shareholders' equity						
b) income statement						
C.5 Negative exchange differences						
C.6 Transfers to:						
a) tangible assets held for investment purposes						
b) non current assets and groups of assests held for sale						
C.7 Other changes						
D. **Net closing balance**	-	-	-	**9,149**	**20,328**	**29,477**
D.1 Total net decrease						
D.2 **Closing balance**	-	-	-	**9,149**	**20,328**	**29,477**
E. **Evaluation at cost**						

Section 9

INTANGIBLE ASSETS (item 90)

9.1 Intangible assets: breakdown

Items/Measurement	Total at 31/12/2022		Total at 31/12/2021	
	Assets measured	Assets measured	Assets measured	Assets measured
1. Goodwill				
- goodwill	6,804,306			
- other intangible assets - PPA	5,666,213			
2. Other intangible assets				
software				
2.1 own assets				
- produced in-house				
- other intangible assets	9,983,025		9,272,167	
- investments in progress and advances	3,516,649		2,009,378	
- other				
Total	**25,970,193**	**-**	**11,281,545**	**-**

The value of the goodwill recorded as at 31 December 2022 amounts to 6,804,306 euros, attributable to the acquisition of the Spafid business unit and to the acquisition of the business unit from SIA - Nexi.

The value of goodwill is made up as follows:
- €5,931,000 relating to the acquisition of the Spafid business unit;

- €873,306 relating to the acquisition of the SIA - Nexi business unit as at 1 December 2022.

In relation to the acquisition of the Spafid branch, on 3 March 2022 Euronext Securities Milano announced the agreement for a strategic partnership with Spafid. In the context of this agreement, Euronext Securities Milan has acquired three assets: (i) the Shareholders' Meeting, (ii) the Representation Activity and (iii) the Register of Members of Spafid (together referred to as the "Elsa" project).

Furthermore, Euronext Securities Milan and Spafid have established a closer collaboration aimed at mutual support for the development of their respective core businesses. The Business Sale and Purchase Agreement was signed on March 3, 2022 and the closing took place on April 1, 2022.

Following the acquisition, Euronext Securities Milan is required to fulfill the accounting obligation of the purchases established by IFRS3 'Business Combinations'.

A consultant has been engaged to assist in the identification and valuation of Elsa's significant intangible assets acquired as part of the transaction. Elsa will become part of an existing cash generating unit ("CGU") of Euronext Securities Milano and therefore the purchase price and the resulting goodwill will not have to be allocated separately to Elsa's business areas.

The valuation of the intangible assets identified are as follows:
- Goodwill for €5,931,000 as indicated above
- Customer relations for €5,621,000

Based on our discussions with Euronext Securities Milan Management, we understand that client relationships can be considered a key driver of value for Elsa. We have identified three revenue streams:

- Registres;
- Assemblies and Designated Representatives;
- Revenues from main customer.

Most customers use many of the different services Elsa offers. Elsa's customers mainly consist of Italian issuers, particularly in the small and medium cap segments. The customers in the three streams are considered a single group of customers and therefore an intangible asset related to the customer relationship has been valued as part of the purchase price.

The remaining useful life has been estimated taking into account the churn rate of 5% and a linear friction model, which results in a remaining useful life of 20 years.

- Software €448,000 – Elsa's software tools and applications were valued based on a 10% royalty rate and a remaining useful life of 1.75 years.

The values shown above relate to valuations finalized in 2022 and no potential losses in value are identified.

The value of goodwill as detailed above also includes €873,306 relating to the acquisition of the SIA – Nexi business unit.

At the closing date of the financial statements, the allocation of the Purchase price allocation had not been completed, therefore the entire value of the purchase price was provisionally allocated to the item "Goodwill" and is to be understood as the "price difference" between the value paid and the net book value of the branch being purchased. At the end of the evaluation process, the correct allocation will be made.

The item other intangible fixed assets contains the cost of the applications used for the management of custody and settlement services.

The increase in assets under construction is mainly attributable to the software development activity.

In the balance sheet, fixed assets, net of adjustments, amount to 25.9 million euros, mainly consisting of investments in intangible assets.

9.2 Intangible assets: annual changes

	Total
A. Opening balance	**11,281,545**
B. Increases	
B.1 Purchases	6,150,211
B.2 Write-backs	
B.3 Increases in fair value	
- shareholders' equity	
- income statement	
B.4 Other changes	12,873,306
C. Decreases	
C.1 Sales	
C.2 Amortisation and depreciation	4,334,869
C.3 Adjustments due to:	
- shareholders' equity	
- income statement	
C.4 Decreases of fai value	
- shareholders' equity	
- income statement	
C.5 Other changes	
D. Final balance	**25,970,193**

9.3 Intangible assets: Other information

Other intangible assets (measured at cost)	**Amounts at 01/01/22**	**Increases**	**Decreases**	**Amortisation**	**Amounts at 31/12/22**
Goodwill		6,804,306			6,804,306
Other intangible assets - PPA		6,069,000			6,069,000
- amortisation to date			(402,787)		(402,787)
Start-up and expansion costs	1,006,330		(1,006,330)		
- amortisation to date	(1,006,330)		1,006,330		
Concessions, licenses, similar rights	4,323,166				4,323,166
- amortisation to date	(4,323,166)				(4,323,166)
Other intangible assets (1)	77,111,481	4,642,940			81,754,422
- amortisation to date	(67,839,314)			(3,932,082)	(71,771,396)
Investments in progress and advances (2)	2,009,378	6,150,211	(4,642,940)		3,516,649
Total	**11,281,545**	**23,666,457**	**(5,045,728)**	**(3,932,082)**	**25,970,193**

(1) Other intangible assets mainly comprise the cost of applications in use managing custody and settlement services.

(2) Assets in progress are mainly represented by advance payments relating to the upgrade maintenance of the custody and settlement systems.

According to applicable accounting principles, no amortisations have been made to this item.

For an analytical description of the changes in tangible and intangible assets, reference should be made to the table in the section "Schedules".

Section 10

TAX ASSETS AND LIABILITIES (Item 100 of assets and Item 60 of liabilities)

10.1 Tax assets: current and pre-paid: breakdown

Current tax assets

	Values at 31/12/22	**Values at 31/12/21**
Income tax	2,446,041	3,983,705
Total	**2,446,041**	**3,983,705**

Current tax assets, of € 2,446,041 at 31 December 2022, were made up of the higher taxes paid for IRES Surcharge pursuant to art. 1, paragraph 65, Italian Law no. 208/2015 and IRAP for the years from 2018 to 2020 because the Company should have been considered as an "industrial/commercial company" and not as a financial intermediary, in accordance with the response to a ruling request received by the company on February 24, 2021.

Deferred tax assets

Deferred tax assets and liabilities are determined using the tax rate that is expected to be applicable in the tax year when the underlying temporary differences will be realized or discharged. Current and deferred tax assets and liabilities are offset when income taxes are applied by the same tax authorities and when there is a legal right for offsetting.

The amount of € 114,485 is detailed in the tables below:

	Values at 31/12/22	**Values at 31/12/21**
Tax assets	114,485	200,429
Total	**114,485**	**200,429**

To provide a better understanding of the counter entries in Shareholders' Equity and the Income Statement, the respective tables below show the balance with the Item's total.

Deferred tax assets (with counter entry in the income statement)

Deferred tax assets	31/12/22				31/12/21			
	Amount of temporary differences	Tax effect (rate 24.0%)	Tax effect (rate 3.90%)	**Total tax effect**	Amount of temporary differences	Tax effect (rate 24%)	Tax effect (rate 3,66%)	**Total tax effect**
Employee severance indemnity	39,489	9,477	-	**9,477**	39,489	9,477	-	**9,477**
Directors fees	28,000	6,720	-	**6,720**	20,000	4,800	-	**4,800**
Provisions for impairment of receivables	30,468	7,312	-	**7,313**	97,031	23,287	-	**23,288**
Impairment of receivables FTA IFRS 9	12,145	2,915	440	**3,354**	14,169	3,401	519	**3,919**
Impairment of non-deductible receivables	113,467	27,232	-	**27,232**	217,141	52,114	-	**52,114**
Unpaid membership fees	2,600	624	-	**624**				
Non-deductible amortisations	- 6,468	- 1,552	-	**- 1,552**				
Total deferred tax assets	**219,701**	**52,728**	**440**	**53,168**	**387,830**	**93,079**	**519**	**93,598**

The item represents the negative income components in relation to which applicable tax provisions require postponed deductibility, in its entirety or in part, with respect to the current taxable period.

Deferred tax assets (with counter entry in shareholders' equity)

Deferred tax assets	31/12/22			31/12/21		
	Amount of temporary differences	Tax effect (rate 24%)	**Total tax effect**	Temporary differences amounts	Tax effect (rate 24%)	**Total tax effect**
Actuarial valuation Employee Severance Indemnity	255,489	61,317	**61,317**	445,127	106,831	**106,831**
Total deferred tax assets	**255,489**	**61,317**	**61,317**	**445,127**	**106,831**	**106,831**

10.2 - Current and deferred tax liabilities: Breakdown of item 60

In these financial statements as in those of the previous year there are no liabilities linked to current taxes; please see section 10 under Assets "Tax assets and tax liabilities".

Deferred tax liabilities (with counter entry in the income statement)

Deferred taxes	31/12/22				31/12/21			
	Temporary differences amounts	Tax effect (rate 24%)	Tax effect (rate 3,90%)	**Total tax effect**	Amount of temporary differences	Tax effect (rate 24%)	Tax effect (rate 3,90%)	**Total tax effect**
Exchange differences	34,958	8,390		**8,390**	75,063	18,015		**18,015**
Start-up Elsa	329,500	79,080	12,851	**91,931**				
Total deferred tax liabilities	**364,458**	**87,470**	**12,851**	**100,321**	**75,063**	**18,015**	**-**	**18,015**

Deferred tax liabilities (with counter entry in shareholders' equity)

Deferred taxes	**31/12/22**				**31/12/21**			
	Temporary differences amounts	Tax effect (rate 24%)		**Total tax effect**	Amount of temporary differences	Tax effect (rate 24%)		**Total tax effect**
Employee severance indemnity	-	-	-	-	-	-	-	-
Total deferred tax liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

10.3 Changes in prepaid tax (counter entry in income statement)

	Total at 31/12/2022	**Total at 31/12/2021**
1. Opening balance	**93,598**	**145,763**
2. Increases		
2.1 Deferred tax assets recognised in the FY:		
a) related to previous FYs		
b) due to changes in accounting criteria		
c) write-backs		
d) other	2,544	56,914
2.2 New taxes or increases in tax rates		
2.3 Other increases		
3. Decreases		
3.1 Deferred tax assets taxes eliminated in the FY		
a) reversals		
e-offs due to non-recoverability		
c) due to changes in accounting criteria		
d) other	(42,974)	(109,079)
3.2 Reductions in tax rates		
3.3 Other reductions		
a) changes in tax credits pursuant to Italian Law 214/2011		
b) others		
4. Final amount	**53,168**	**93,598**

10.4 Changes in deferred tax (counter entry in Income Statement)

	Total at 31/12/2022	**Total at 31/12/2021**
1. Opening balance	**18,015**	**-**
2. Increases		
2.1 Deferred taxes recorded in the FY		
a) related to previous FYs		
b) due to changes in accounting criteria		
c) other	91,931	18,015
2.2 New taxes or increases in tax rates		
2.3 Other increases		
3. Decreases		
3.1 Deferred tax liabilities recorded in the FY		
a) reversals		
b) due to changes in accounting criteria		
c) other	(9,625)	
3.2 Reductions in tax rates		
3.3 Other reductions		
4. Final amount	**100,321**	**18,015**

10.5 Changes in prepaid tax (counter entry in shareholders' equity)

	Total at 31/12/2022	Total at 31/12/2021
1. Opening balance	**106,831**	**64,993**
2. Increases		
2.1 Deferred tax assets recognised in the FY		
a) related to previous FYs		
b) due to changes in accounting criteria		
c) other		41,838
2.2 New taxes or increases in tax rates		
2.3 increases		
3. Decreases		
3.1 Deferred tax assets cancelled in the FY		
a) reversals		
b) write-offs due to non-recoverability		
c) due to changes in accounting criteria		
d) other	(45,513.12)	
3.2 Reductions in tax rates		
3.3 Other reductions		
4. Final amount	**61,317**	**106,831**

10.6 Changes in deferred tax (counter entry in the Shareholders' Equity)

	Total at 31/12/2022	Total at 31/12/2021
1. Opening balance	-	-
2. Increases		
2.1 Deferred tax liabilities recorded in the FY		
a) related to previous FYs		
b) due to changes in accounting criteria		
c) other		
2.2 New taxes or increases in tax rates		
2.3 Other increases		
3. Decreases		
3.1 Deferred tax liabilities recorded in the FY		
a) reversals		
b) due to changes in accounting criteria		
c) other		
3.2 Reductions in tax rates		
3.3 Other reductions		
4. Final amount	-	-

Section 11

NON CURRENT ASSETS, ASSET GROUPS HELD FOR SALE AND RELATED LIABILITIES (item 110 OF THE ASSETS AND 70 OF THE LIABILITIES)

There are no current assets, asset groups held for sale and related liabilities.

Section 12

OTHER ASSETS (item 120)

12.1 Other assets: breakdown

	Values at 31/12/22	**Values at 31/12/21**
Receivables from Euronext Holding S.p.A. for VAT	306,332	-
Receivables from Euronext Holding S.p.A. for IRES	795,964	-
Deferred income	398,931	66,398
Guarantee deposits	102,733	14,563
Receivables from INPS and INAIL	18,021	17,851
Receivables from Pension Fund	12,491	-
Total	**1,634,472**	**98,812**

The item "Receivables from Euronext Holding Italia S.p.A. for VAT" equal to 306,332 euros as at 31 December 2022 refers to the sums due to the Company as a result of the credit accrued by the VAT Group relating to the transactions attributable to the company itself. The item "Receivables from Euronext Holding Italia S.p.A. for IRES" amounting to Euro 795,564 as at 31 December 2022 refers to the net balance between the estimated payable for IRES of the Group's national tax consolidation for the year 2022 and the related advances paid.

The item prepayments mainly refers to maintenance fees.

BALANCE SHEET – LIABILITIES

Section 1

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST (item 10)

This item which amounted to € 15.034.229 includes payables, due within the next financial year for supply of goods or provisions of services.

1.1 Financial liabilities measured at amortised cost: breakdown by type of payables

Items	**Total at 31/12/2022**			**Total at 31/12/2021**		
	to banks	to financial companies	to customers	to banks	to financial companies	to customers
1. Loans						
1.1 Repurchase agreements						
1.2 Other loans						
2. Leasing payables						
3. Other payables						
Trade payables		6,674,448	4,196,725		2,141,956	2,663,463
Payables to Group companies		4,163,057	-		875,136	27,500
Total	-	**10,837,505**	**4,196,725**	-	**3,017,092**	**2,690,963**
Fair value -level 1						
Fair value -level 2						
Fair value -level 3		10,837,505	4,196,725		3,017,092	2,690,963
Total Fair value	-	**10,837,505**	**4,196,725**	-	**3,017,092**	**2,690,963**

Section 8

OTHER LIABILITIES (item 80)

8.1 Other liabilities: breakdown

	Values at 31/12/22	Values at 31/12/21
Payables to employees	2,649,036	2,412,866
Payables to social security institutions	1,295,095	991,958
Payables to tax authorities for withholding tax	522,459	261,763
Other payables	191,374	170,744
Payables to tax authorities for VAT	148,877	2,788
Payables to Euronext Holding S.p.A. for VAT	-	110,401
Payables to Euronext Holding S.p.A. for IRES	-	1,801,170
Total	**4,806,841**	**5,751,690**

The item "Payables to Euronext Holding Italia S.p.A. for VAT" as at 31 December 2021 referred to the sums due to the Holding company as a result of the credit accrued by the VAT Group and relating to the transactions attributable to the company itself, the balance for this year is among the assets.

The item "Payables to Euronext Holding Italia S.p.A. for IRES" as at 31 December 2021 referred to the net balance between the estimated payable for IRES of the Group's national tax consolidation for the year 2021, the balance for this year is among assets.

The item payables to employees refers to deferred salaries and accrued holidays.

Section 9

EMPLOYEE SEVERANCE INDEMNITY (item 90)

This item records the discounted liabilities for the Employee Severance Indemnity appropriately updated.

9.1 Employee Severance Indemnity: annual changes

	Values at 31/12/22	Values at 31/12/21
A. Opening balance	**1,174,732**	**1,455,757**
B. Increases		
B.1 Provision for the year	603,939	58,329
B.2 Other increases		
- Interest expenses	9,542	4,679
- Actuarial loss		
- Other		
C. Decreases		
C.1 Settlements made	(122,021)	(3,786)
C.2 Other decreases		
- Actuarial profit	(189,638)	(66,694)
- Other	(574,166)	(273,552)
D. Final balance	**902,389**	**1,174,732**

The table below shows the assumptions of the independent actuary for the purpose of evaluating the employee severance indemnity (TFR).

9.2 Rates used for actuarial valuation

Assumptions adopted in actuarial valuation	**Values at 31/12/22**	**Values at 31/12/21**
Weighted average of assumptions for debt calculation		
Discount rate	3.90%	0.77%
Rate of salary increase	3.00%	2.20%
Rate of increase of the Employee Severance Indemnity (TFR)	N/A	2.40%
Inflation rate	2.00%	1.20%
Duration (in years)	6.27	N/A
Weighted average of assumptions for cost calculation		
Discount rate	0.77%	N/A
Rate of salary increase	2.20%	N/A
Rate of increase of the Employee Severance Indemnity (TFR)	2.40%	N/A
Inflation rate	1.20%	N/A

With regard to the discount rate the iBoxx Eurozone Corporates AA 10+ index at the last useful date was taken as reference for the value of the said parameter.

The sensitivity analysis, performed on the main variables adopted in the actuarial calculation of the Severance Indemnity Provisions (net of the portion referred to deferred remuneration) of € 937,044 is presented below:

Sensitivity analysis of Past Service Liability

Discount rate		Annual inflation rate		Annual turnover rate	
25 bps	-25 bps	50 bps	-50 bps	50 bps	-50 bps
950,763	923,619	937,044	937,044	921,023	953,398

Section 11

SHAREHOLDERS' EQUITY (items 110 – 150 – 160 - 170)

Shareholders' equity at 31 December 2022 amounts to 111,174,195 euro (113,662,389 euro). The breakdown is as follows:

11.1 Breakdown of item 110 "Capital"

Types	**Amount**
1. Share capital	**16,000,000**
1.1 Ordinary shares	16,000,000
1.2. Other shares	-

The share capital of Monte Titoli S.p.A. is composed of 16,000,000 shares, with nominal value of 1.00 euro each, for a total amount of 16,000,000 euro.

The Company owns no treasury shares.

11.5 Other information
Composition and changes in Item 150 "Reserves"

	Legal	Extraordinary	Profits/losses carried forward	Guarantee fund	Other	Total
A. Opening balance	**3,200,000**	**379,543**	**53,327,135**	**8,000,000**	**1,996,719**	**66,903,397**
B. Increases	**-**	**-**	**217,554**	**-**	**-**	**217,554**
B.1 Allocation of income	-	-	55,394	-	-	55,394
B.2 Other changes	-	-	162,160	-	-	162,160
C. Decreases	**-**	**-**	**-**	**-**	**-**	**-**
C.1 Drawdowns	-	-	-	-	-	-
C.2 Other changes	-	-	-	-	-	-
Book Value	**3,200,000**	**379,543**	**53,544,689**	**8,000,000**	**1,996,719**	**67,120,952**

The guarantee fund was set up following the Bank of Italy/Consob Measure of 22/02/2008 containing the rules governing centralized management and settlement services, guarantee systems and relevant management companies (text supplemented and updated at 21 March 2015). Centralised management companies are required to set up a special guarantee fund. The provision referred to above differs from the legal reserve and is made up of provisions that have no specific allocation, including those for share premium reserves. Said provisions, which may also be used for the purchase of real estate properties, are made until the fund has reached an amount equal to half of the share capital.

The item Reserves includes the Legal reserve, the Reserve for the transition to the IFRS, retained earnings and the guarantee Fund pursuant Article 32 of CONSOB Regulation no. 11678/98.

The item Reserves, for a total of Euro 67,121, includes the incentive plan defined by the Parent Company Euronext through the assignment of Euronext shares.

Net profit at 31 December 2022 amounted to € 27,845,521.

Following the resolutions adopted by the Shareholders' Meeting of 27 April 2022, dividends were distributed to shareholders relating to the financial year ended 31 December 2021.

Composition and changes in Item 160 "Valuation Reserves"

	Legal	Extraordinary	Profits/losses carried forward	Other	From valuation	Total
A. Opening balance					**63,599**	**63,599**
B. Increases	**-**	**-**	**-**	**-**	**144,124**	**144,124**
B.1 Allocation of income	-	-	-	-	-	-
B.2 Other changes	-	-	-	-	144,124	144,124
C. Decreases	**-**	**-**	**-**	**-**	**-**	**-**
C.1 Drawdowns	-	-	-	-	-	-
C.2 Other changes	-	-	-	-	-	-
Book Value	**-**	**-**	**-**	**-**	**207,723**	**207,723**

PART C – INFORMATION ON THE INCOME STATEMENT

INCOME STATEMENT

Section 1

INTEREST (items 10 and 20)

1.1 Interest receivable and similar income: breakdown

Items/technical forms	Debt instruments	Loans	Other transactions	Total at 31/12/2022	Total at 31/12/2021
3. Financial assets measured at amortised cost:					
3.1 Receivables from banks					
for other receivables (interest on bank accounts)	-	-	41,394	41,394	618
3.3 Receivables from customers					
for other receivables (interest on intragroup loans)	-	-	-	-	-
Total	**-**	**-**	**41,394**	**41,394**	**618**

1.3 Interest and similar expenses: breakdown

Items/technical forms	Debts	Bonds	Other operations	Total at 31/12/2022	Total at 31/12/2021
1. Financial liabilities measured at amortised cost					
1. Due to banks					
for bank charges	-	-	14,672	14,672	13,741
2. Payables to financial institutions					
for interest	-	-	477,217	477,217	681,121
Total	**-**	**-**	**491,889**	**491,889**	**694,862**

Section 2

COMMISSIONS (items 40 and 50)

2.1 Commission receivables: breakdown

Detail	Values at 31/12/2022	Values at 31/12/2021
e) Services of		
custody and administration	64,417,679	62,033,073
Settlement	37,916,645	38,187,063
tax services	3,811,753	3,789,961
other revenues	328,782	617,366
Total	**106,474,859**	**104,627,463**

2.2 Commissions payable: breakdown

	Values at 31/12/2022	Values at 31/12/2021
7. Services of		
- settlement	17,748,890	17,863,867
- custody	7,646,122	7,824,958
- tax services	750,932	685,357
- messaging	469,680	624,935
Total	**26,615,624**	**26,999,117**

This item comprises commissions payable relating to the custody and settlement services that Monte Titoli, in its capacity as central depository, pays to foreign Central Securities Depositories and to the European Central Bank for the management of securities.
The item "messaging" includes the cost for the financial messaging exchanged with customers.

Section 8

NET VALUE ADJUSTMENTS FOR CREDIT RISK (item 130)

8.1 Net value adjustments for credit risk relating to financial assets measured at amortised cost: breakdown

Transactions/Income components	Write-downs (1)			Write-backs (2)		Total at 31/12/2022	Total at 31/12/2021
	First and second stage	Third stage		First and second stage	Third stage		
		Write-offs	Other				
1. Receivables from banks							
- for leasing							
- for factoring							
- other receivables	1,637	6,734.45	-	(104)	-	**8,268**	**1,499**
2. Receivables from financial institu							
- for leasing							
- for factoring							
- other receivables	24,391	7,987.70	-	(13,062)	-	**19,317**	**(38,177)**
3. Receivables from customers							
- for leasing							
- for factoring							
- for consumer loans							
- for loans on pledge							
- other receivables	126,611	55,889	-	(116,854)	-	**65,646**	**41,016**
Total	**152,639**	**70,611**	**-**	**(130,019)**	**-**	**93,231**	**4,338**

Provisions for impairment of receivables amounted to € 157,790 and refer to the impairment of receivables calculated according to the rules of IFRS 9.

Section 10

ADMINISTRATIVE COSTS (item 160)

STAFF COSTS (item 160 a)

10.1 Staff costs: breakdown

	Values at 31/12/2022	**Values at 31/12/2021**
1. Employees		
a) Wages and salaries	9,605,879	8,302,333
b) Social security charges	2,524,266	2,210,159
d) Welfare costs	454,808	334,869
e) Employee indemnity severance provision	561,987	583,366
h) Other expenses	1,031,961	637,263
2. Other employees in service	68,792	62,022
3. Directors and Auditors	144,600	160,181
5. Recovery of costs for employees seconded to other companies	(1,238,024)	(1,243,550)
6. Reimbursements for employees seconded to the Company	3,739,588	3,399,077
Total	**16,893,857**	**14,445,719**

Changes in the number of employees during the financial year were as follows:

10.2 Average number of employees by category

Category	31-dic-21	Recruitments	Resignations	Transfers	31-dic-22	Average
Executives	8	2	-	-	10	9.0
Middle Managers	73	32	(1)	2	106	89.5
Administrative staff	24	17	(4)	(2)	35	29.5
Total employees	**105**	**51**	**(5)**	**-**	**151**	**128.0**
Seconded in	30	4	-	-	34	32.0
Seconded out	(14)	-	-	-	(14)	(14.0)
Total employees and secondments	**121**	**55**	**(5)**	**-**	**171**	**146.0**

The increase in headcount is due to the acquisition effective from 1 December 2022 of the Post-Trading business unit of Nexi Payments S.p.A. and of the activities of Service Hub S.p.A. (for a total of 33 employees), as well as with effect from 1 April 2022 from the acquisition of the business unit from Spafid S.p.A.

The average number is calculated as the weighted average of employees where the weight is given by the number of months worked in the year. In the case of part-time employees, 50% is conventionally considered.

OTHER ADMINISTRATIVE EXPENSES (item 160 b)

10.3 Other administrative expenses: breakdown

	Values at 31/12/2022	Values at 31/12/2021
Third-party services	15,157,794	13,933,325
Tax charges	1,791,737	1,661,413
Integrations costs	1,595,214	-
Other expenses	1,173,909	802,926
Hire and leasing	46,419	51,976
Consumables	4,058	1,799
Membership fees	66,255	76,873
Total other administrative expenses	**19,835,387**	**16,528,313**

The Third-party services item includes ICT (Information Communication Technology) service costs of € 10.3 million, consulting and professional service fees of € 2.2 million, office operational costs of € 1,7 million, CONSOB contributions for € 0,8 million and insurance costs of € 0,3 million.

The table below shows a breakdown of the fees for services provided by the auditing company EY S.p.A. pertaining to the 2022 financial year (net of out-of-pocket expenses and supervision contribution and VAT):

Type of services	Entity that provided the service	Fees
Independent auditing		
Independent auditing	EY S.p.A.	48,800
Other services		
Other auditing services (Reporting Package)	EY S.p.A.	26,300
Certification services		
Certification services	EY S.p.A.	1,400
Total		**76,500**

The fees shown in the table are contract-based fees.

Section 12

NET VALUE ADJUSTMENTS TO PROPERTY, PLANT AND EQUIPMENT (item 180)

12.1 Net value adjustments on property, plant and equipment: breakdown

Assets/Income components	Depreciation (a)	Value adjustments for impairment (b)	Write-backs (c)	Net result (a+b-c)
A. Property, plant and equipment				
A.1 Operational use				
- own assets	21,228			**21,228**
- rights of use acquired through leasing				
A.2 Held for investment				
- own assets				
- rights of use acquired through leasing				
A.3 Inventories				
Total	**21,228**	**-**	**-**	**21,228**

Section 13

NET VALUE ADJUSTMENTS TO INTANGIBLE ASSETS (item 190)

13.1 Net value adjustments to intangible assets: breakdown

Asset/Income component	Amortisation (a)	Value adjustments for impairment (b)	Write-backs (c)	Net result (a+b-c)
1. Intangible assets other than goodwill				
of which: software				
1.1 own assets	4,334,869	-	-	**4,334,869**
Total	**4,334,869**	**-**	**-**	**4,334,869**

Section 14

OTHER OPERATING INCOME AND COSTS (item 200)

This item, which amounted to € 293,172 (€257,831 at 31 December 2021), mainly refers to the net costs and income from currency exchange differences.

Section 19

INCOME TAXES FOR THE FINANCIAL YEAR ON CURRENT OPERATIONS (item 270)

This item amounts to 10,677,819 euro and is the result of the total sum of taxes for the period:

19.1 Income taxes for the financial year on current operations

	Values at 31/12/2022	**Values at 31/12/2021**
1. Current taxes	10,585,574	11,500,399
2. Change in current taxes of previous years	(30,490)	(452,559)
4. Change in deferred tax assets	-	-
5. Changes in deferred tax liabilities	122,736	70,180
Total taxes for the year	**10,677,820**	**11,118,020**

Current taxes, a total expense of € 10,677,820 at 31 December 2022, were made up:

- for € 9,000,952 of the expense for IRES deriving from the transfer of taxable income to the Group national tax consolidation;
- for € 1,584,622 of the expense for IRAP of the year.

The item "Changes in current taxes for previous years" relaing to 2021 is due to the lower taxes paid for 2021 emerging from the tax returns presented in November 2022.

The table below reconciles the ordinary rate and the effective IRES rate with respect to income before taxes.

19.2 Reconciliation between theoretical and actual tax charges

	Values at 31/12/2022	**Values at 31/12/2021**
Ordinary applicable rate	24.00%	24.00%
Increases/Decreases	-0.64%	-0.57%
	23.36%	**23.43%**

PART D – OTHER INFORMATION

The contract signed on 19 December 2017 with effect from 1 January 2018 with the outsourcer SIA S.p.A. was closed following the purchase of the business unit which took place on 1 December 2022.

Payment agreements based on own equity instruments

LONG TERM INCENTIVE SHARE PLAN

The information required by IFRS 2 on the subject of share-based payments or options on shares is presented below.

PLANS ASSIGNED BY THE EURONEXT GROUP

"10 Shares for All"

On 18 November 2021, Euronext awarded free of charge 10 shares of Euronext N.V. to each employee of the Group meeting the following eligibility requirements at that date:

- permanent (including part-time contracts) as of 30 September 2021;
- active in any of the companies of the Borsa Italiana Group (excluding apprentices, employees suspended in the notice period, on long-term leave).

The assigned shares are registered in an account with Banque Transatlantique, which manages the share plan, for a period of three years, which is referred to as the vesting period.
The shares will vest and become the property of the employee 3 years after the grant date, provided that:

- she is still a Euronext employee;
- the company remains profitable.

"**PSP-Performance Share Plan"**

On 18 November 2021, Euronext assigned to a group of executives and senior managers selected by the Managing Board the opportunity to receive, free of charge, shares of Euronext N.V. upon the satisfaction of certain performance conditions to be verified at the end of a period of three years from the grant date.
The assigned shares are divided into two equal parts and the respective performance conditions are measured separately, with reference to:

- performance of the Total Shareholder Return of Euronext N.V. compared to the STOXX Europe 600 Financial Services index;
- EBITDA.

The shares will vest and become the property of the employee 3 years after the grant date, provided that:

- the performance results have been achieved;
- the employee is still part of the selected executives and senior managers.

The movements of the plans during the 2022 financial year are reported below:

No. of shares	Ten share	LTIP	Total
Opening balance 01/01/22	**980**	**2,058**	**3,038**
Granted shares	980	3,101	**4,081**
Lapsed shares	(180)	-	**(180)**
Closing Balance 31/12/22	**1,780**	**5,159**	**6,939**

The cost charged to 2022 amounts to 162,160.30 euros.

The fair value of the shares assigned during the year was determined using a probabilistic valuation model. The main valuation assumptions used in the model are as follows:

	Ten Share	Ten Share	LTI performance	LTI no performance	LTI performance	LTI no performance
Date of grant	18-nov-21	23-mag-22	18-nov-21	18-nov-21	23-mag-22	23-mag-22
Grant date share price	92.25 €	78.90 €	92.25 €	92.25 €	78.90 €	78.90 €
Expected life	3 years	3 years	3 years	3 years	3 years	3 years
Dividend yield			1.72%	1.72%	1.71%	1.71%
Risk-free interest rate			0.00%	0.00%	0.48%	0.48%
Volatility			28.16%	28.16%	29.15%	29.15%
Fair value TSR			71.72 €	86.64 €	78.59 €	72.72 €

Capital requirements

On the basis of article 47 of European Regulation no. 909/ 2014 "CSDR Regulation" and related implementing provisions contained in European Regulation no. 390/2017, Monte Titoli, as a central depositary, must hold capital (inclusive of undistributed profits and "Total Capital Requirement" reserves) which, at any time, is sufficient to:

- guarantee that the CSD is adequately protected against operational, legal, custody, investment and commercial risks, so that it may continue to provide services;
- ensure a liquidation or an orderly restructuring of the activities of the CSD in an adequate period of at least 6 months, in the context of a series of stress scenarios.

The capital thus identified must be invested in secured assets in order to comply with the provisions of Article 46 paragraph 4 of the CSDR Regulation. The calculation of the Regulatory Capital at 31 December 2022 is presented below.

Total Shareholders Equity *(Amounts in euro)*	31/12/2022
Capital	16,000,000
Reserves	67,328,674
Retained earnings	5,521
Total Shareholder's Equity	**83,334,195**
Intangible assets	(25,970,193)
IFRS reserves	(694,828)
Share awards	(1,651,341)
Total Shareholder's Equity after prudential filter	**55,017,832**

Capital Requirement as per CSD Regulation *(Amounts in euro)*	31/12/2022
Winding down/restructuring requirement	25,879,674
Credit and Counterparty risk	1,641,701
Operational risk	11,391,568
Business Risk	9,132,326
Total Capital Requirement (TCR)	**48,045,269**
Capital Surplus	**6,972,563**

The Shareholders' Equity available according to the Regulations, as at 31 December 2022, amounts to 55,017,832 Euros, out of a total Shareholders' Equity at the same date equal to 83,334,195 Euros including the profit for the year allocated to Reserves, as the company has sterilized the impact of the valuation reserves and of the reserves for Share Awards, as well as the total of the intangible fixed assets present in the balance sheet assets at the date of these financial statements.

Following the Regulatory Capital Requirements, the Company calculated, according to the parameters provided for in EU Regulation No 390/2017:

- capital requirements for operational, legal and custody risks, pursuant to article 47, paragraph 1, letter a), of Regulation (EU) no. 909/2014;
- capital requirements for investment risks, pursuant to article 47, paragraph 1, letter a), of Regulation (EU) no. 909/2014,
- capital requirements for commercial risks, pursuant to article 47, paragraph 1, letter a), of Regulation (EU) no. 909/2014;
- capital requirements of the CSD for liquidation or restructuring of the activities, pursuant to article 47, paragraph 1, letter B), of Regulation (EU) no. 909/2014;

These risks, assessed on the basis of the corporate structure and solidity with respect to the market, have been calculated at € 48,045,269 (Regulatory Capital).

Information on transactions with related parties and with Group companies

The details relating to the "non-atypical" transactions that took place during the year with related parties, as well as the balance sheet balances at 31 December 2022 with the same are shown below:

	REVENUES	RECEIVABLES
Euronext Holding Italia Spa		
- Tax consolidation		795,964
- Group VAT		306,332
Borsa Italiana Spa		
- Fees for services	50,000	
- Software Capitalized		
- Work in Progress		
- Custody, administration and Settlemet	4,784,456	
- Settlement		1,887,149
Cassa di Compensazione e Garanzia Spa		
- Custody, administration and Settlemet	4,779,625	
- Other revenues	155,440	
- Settlement		2,272,203
- Man Effort Recharge		
Elite SIM Spa		
- Fees for services and costs recharge		27,610
- Seconded staff	63,116	
Mts Spa		
- Custody, administration and Settlemet	124,087	
- Settlement		41,806

	COSTS	PAYABLES
Euronext Holding Italia Spa		
- Property charges	1,578,453	
- Fees for services	38,396	
- Insurance	113,635	
Borsa Italiana Spa		
- Fees for services	2,744,274	
- Seconded staff	1,168,209	
- Fees for services and costs recharge		1,474,349
Cassa di Compensazione e Garanzia Spa		
- Fees for services	(47,914)	
BIt Market Services Spa		
- Fees for services	11,228	
EuroMTS Ltd		
- Fees for services	21,000	
- Fees for services and costs recharge		21,000
Euronext Amsterdam NV		
- Fees for services	2,254,197	
- Fees for services and costs recharge		2,254,197
Euronext NV		
- Fees for services	24,331	
Euronext Paris S.A.		
- Fees for services	60,092	
- Fees for services and costs recharge		60,092
Euronext Technologies sas		
- Fees for services	353,419	
- Fees for services and costs recharge		353,419

Relationships with companies of the Group are governed on the basis of specific agreements, and on the basis of market related prices.

Charges to Euronext Amsterdam N.V. include integration costs with Euronext Group for the years 2021 and 2022.

London Stock Exchange Group companies are no longer considered intercompany since the date of their sale to Euronext Group.

Information on remunerations paid to the members of the board of directors and board of auditors and to executives vested with strategic responsibilities

As required by IAS 24, the following table provides the remuneration payable at 31 December 2022 to the members of the Board of Directors, Board of Statutory Auditors and to the Key managers of the Company:

Directors and Key Managers	858,966
Statutory auditors	71,600

With regard to executives with strategic responsibilities, the breakdown of remuneration categories is detailed below:

a. Short-term employee benefits	726,418
b. Post-employment benefits	20,021
c. Other long-term benefits	-
d. Severance benefits	39,527
e. Share-Based Payments	-
Total	**785,966**

The amount relating to Key Managers represents the overall cost for the Company, including any additional elements. The Key Managers category includes managers with strategic responsibilities, i.e. power and responsibility for the planning, management and control of corporate activities.

The amount of the long-term incentive share plan proposed but not yet assigned (May 2023) amounts to €130,000.

Management and coordination

The essential data of the parent company Euronext Holding Italia S.p.A. shown in the summary table required by article 2497-bis of the Civil Code have been extracted from the related financial statements for the year ended 31 December 2021. For an adequate and complete understanding of the equity and financial situation of Euronext Holding Italia S.p.A. as at 31 December 2021, as well as the economic result achieved by the company in the financial year ended on that date, please refer to the reading of the financial statements which, accompanied by the report of the independent auditors, are available in the forms and methods required by law.

Pursuant to art. 2497-bis of the Civil Code, the essential data of the financial statements of the parent company Euronext Holding Italia S.p.A. are reported below.

EQUITY AND FINANCIAL POSITION AT 31 DECEMBER 2021

(amounts in Euro/000)	**31 December 2021**
Assets	
Total non-current assets	1,451,029
Total current assets	19,223
TOTAL ASSETS	**1,470,252**
Liabilities	
Total non-current liabilities	7,367
Total current liabilities	25,928
TOTAL LIABILITIES	**33,295**
NET	**1,436,958**
Shareholders' Equity	
Share capital	350,000
Reserves	918,834
Profit/(loss) for the year	168,122
TOTAL SHAREHOLDERS' EQUITY	**1,436,956**

STATEMENT OF COMPREHENSIVE INCOME AT 31 DECEMBER 2021

(amounts in Euro/000)	. **December 2021**
Revenues	182,714
OTHER REVENUES AND INCOME	**182,714**
Costs for personnel	2,324
Costs for services	3,462
Amortisation and depreciation	7,161
Operating costs	491
TOTAL OPERATING COSTS	**13,438**
Financial income	-
Financial expenses	922
PROFIT/(LOSS) BEFORE TAXES	**168,354**
Taxes	231
NET PROFIT/(LOSS)	**168,123**
Other components with an impact on shareholders' equity	21
COMPREHENSIVE NET PROFIT/(LOSS)	**168,144**

FINANCIAL STATEMENTS APPROVAL

The draft financial statements were approved by the Board of Directors on 16 March 2023 and were authorised for publication on that date (IAS 10).

Centralised management accounts

The nominal values of third party financial instruments under centralised management deposit are reported in the following table:

	31/12/22	**31/12/21**
Paper-based financial instruments	30,623,056,676	31,253,138,119
Dematerialised financial instruments	2,996,862,546,313	2,948,545,998,977
Total	**3,027,485,602,989**	**2,979,799,137,096**

Security Planning Document

Pursuant to the law, the Company has updated the security planning document, which contains the rules for identifying the minimum security measures for the processing of personal data, in compliance with Article. 34, paragraph 1, letter g) of the Personal Data Protection Code (approved with Italian Legislative Decree of 30 June 2003) and Rule 19 of Annex B to the same Code.

Risk management

For an overview of the considerations on risks, reference is made to the appropriate paragraphs in the section of the "Report on Operations".

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These financial statements at 31 December 2022 provide a true and correct representation of the financial and equity situation and the economic result at the aforementioned date.

Milan, 16 March 2023

On behalf of the Board of Directors
Chief Executive Officer
Mauro Lorenzo Dognini
Firmato digitalmente da: Mauro Lorenzo Dognini
Data: 09/06/2023 16:13:33

ATTACHMENTS

ANALYTICAL STATEMENT OF BREAKDOWN OF SHAREHOLDERS' EQUITY ITEMS AT 31 DECEMBER 2022

(amounts in Euro)

Nature/description	**Amount**	**Possibility of utilisation**	**Portion available for distribution**	**Summary of drawdowns made in past three years**	
				To cover losses	**For other reasons**
Share capital	**16,000,000**				
Guarantee provision pursuant to Art 32, par. 1 CONSOB Regulation 11678/98	**8,000,000**	D	-		
Capital reserves					
Share premium reserve	-	A, B, C	-		
Income reserves					
Legal reserve	3,200,000	B	-		
Extraordinary reserve	379,543	A, B, C	379,543		
Revaluation reserve, of which:					
- *property revaluation*	-	A, B, C	-		
- *severance indemnity revaluation*	207,723	E	-		
Profits brought forward	81,228,050	A, B, C	81,228,050		
Reserve from transition to IFRS	507,538	A, B, C	507,538		
Provision for the purchase of Parent Company shares	1,651,341	E	-		
Total	**111,174,195**		**82,115,131**		
of which non-distributable portion			-		
of which residual distributable portion			82,115,131		

STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Property, plant and equipment

Net value	Balance at 01/01/2022	Increases	Depreciation	Decreases	Balance at 31/12/2022
Furniture					
IT Equipment	15,132		(5,982)		9,149
Investments in progress and advances					
Long-term hires		35,573	(15,246)		20,328
Total	**15,132**	**35,573**	**(21,228)**	**-**	**29,477**

Depreciation	Balance at 01/01/2022	Depreciation	Disposals	Balance at 01/01/2022
Furniture				
IT Equipment	191,432	5,982		197,415
Long-term hires		15,246		15,246
Total	**191,432**	**21,228**	**-**	**212,661**

Historical cost	Balance at 01/01/2022	Increases	Decreases	Balance at 01/01/2022
Furniture				
IT Equipment	206,564			206,564
Investments in progress and advances				
Long-term hires		35,573		35,573
Total	**206,564**	**35,573**	**-**	**242,137**

Intangible assets

Net value	Balance at 01/01/2022	Increases	Amortisation	Decreases	Balance at 31/12/2022
Goodwill		6,804,306			6,804,306
Other intangible assets - PPA		6,069,000	(402,787)		5,666,213
Start-up and expansion costs					
Franchises, licenses, similar rights					
Other intangible assets	9,272,167	4,642,940	(3,932,082)		9,983,025
Investments in progress and advances	2,009,378	6,150,211		(4,642,940)	3,516,649
Total	**11,281,545**	**23,666,457**	**(4,334,869)**	**(4,642,940)**	**25,970,193**

Amortisation	Balance at 01/01/2022	Increases	Decreases	Balance 31/12/2022
Goodwill				
Other intangible assets - PPA		402,787		402,787
Start-up and expansion costs	1,006,330		(1,006,330)	
Franchises, licenses, similar rights	4,323,166			4,323,166
Other intangible assets	67,839,314	3,932,082		71,771,396
Total	**73,168,810**	**4,334,869**	**(1,006,330)**	**76,497,350**

Historical cost	Balance at 01/01/2022	Increases	Decreases	Balance at 31/12/2022
Goodwill		6,804,306		6,804,306
Other intangible assets - PPA		6,069,000		6,069,000
Start-up and expansion costs	1,006,330		(1,006,330)	-
Franchises, licenses, similar rights	4,323,166			4,323,166
Other intangible assets	77,111,481	4,642,940		81,754,421
Investments in progress and advances	2,009,378	6,150,211	(4,642,940)	3,516,649
Total	**84,450,355**	**23,666,457**	**(5,649,270)**	**102,467,543**

MONTE TITOLI S.P.A.

Registered office in Milan – Piazza degli Affari 6

Fully paid-up share capital € 16,000,000

Tax identification number and registration

in the Milan Business Register 03638780159

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Company subject to the management and coordination of

Euronext Holding Italia S.p.A.

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BOARD OF STATUTORY AUDITORS' REPORT TO THE SHAREHOLDERS' MEETING

CONVENED TO APPROVE THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING

31 DECEMBER 2022 PURSUANT TO ART. 2429, PARAGRAPH 2 OF THE ITALIAN CIVIL CODE

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To the Shareholders of Monte Titoli S.p.A.

During the financial year ended 31 December 2022, our activity was inspired by the provisions of the law and the rules of conduct of the board of statutory auditors of unlisted companies issued by the National Council of Chartered Accountants and Accounting Experts, publication in December 2020 and effective from 1 January 2021.
We inform you about this activity and the results achieved with this report.
The financial statements as of 31.12.2022 of Monte Titoli S.p.A., prepared in accordance with the International Financial Reporting Standards adopted by the European Union, which shows an operating result of 27,845,521 euros, have been submitted for your examination.
The same was made available to us within the deadline provided by the law.
The firm in charge of the statutory audit of the accounts EY S.p.A has delivered its

report to us dated 12 April 2023 containing an opinion without exceptions.
From what is reported in the report of the firm in charge of the statutory audit, the financial statements at 31.12.2022 represent in a true and fair way the equity and financial position, the economic result and the cash flows of your Company as well as being compliant with rules governing its drafting.
The Board of Statutory Auditors, which is not in charge of the statutory audit, carried out the supervisory activity over the financial statements as provided for by Rule 3.8. of the "Rules of conduct of the board of statutory auditors of unlisted companies", consisting in an overall control aimed at verifying that the financial statements have been correctly prepared. The verification of compliance with the accounting data is in fact the responsibility of the firm in charge of the statutory audit.
The Board of Statutory Auditors has ascertained that there has been no loss of the professional requirements envisaged in art. 2397 of the Civil Code nor situations of forfeiture pursuant to art. 2399 of the Civil Code by each member of the Board itself.

1) Supervisory activity pursuant to art. 2403 et seq. of the Italian Civil Code
We monitored the compliance with the law and the bylaws, the compliance with the principles of correct administration and, in particular, the adequacy of the organizational structure, the administrative and accounting system and their concrete functioning.
We participated in the shareholders' meetings and the meetings of the board of directors and,based on the information available, we have no significant findings to report.
We acquired from the administrative body also during the meetings held information on the overall management trend and its foreseeable evolution, as well as on the most important operations, due to their size or characteristics, carried out by the company and its subsidiaries and, based on the acquired information, we have no particular observations to report.
The information required by art. 2381 paragraph 5 of the Italian Civil Code, were provided by the managing director.
The Company, pursuant to art. 2497 et seq. of the Italian Civil Code, is subject to management and coordination by Euronext Holding Italia S.p.A., which is in turn directly controlled by Euronext N.V.
We promptly exchanged data and information relevant to the performance of our supervisory activity with the statutory auditor.
We met with the supervisory body and no critical issues with respect to the correct implementation of the organizational model that needed to be highlighted in this report emerged.
We acquired knowledge and monitored the adequacy of the organizational, administrative and accounting structure and its concrete functioning also through the collection of information from the heads of the corporate functions and in this regard we have no particular observations to report.

We acquired knowledge and monitored, to the extent of our competence, the adequacy and the functioning of the administrative-accounting system, as well as its reliability in correctly representing management events, by obtaining information from the heads of the corporate functions and examining company documents, and in this regard we have no particular observations to report.
During the year, intercompany agreements were defined for the supply of services, in order to achieve the integration into the Euronext Group.
No complaints have been received from the shareholders pursuant to art. 2408 of the Italian Civil Code and no complaints have been made pursuant to art. 2409, paragraph 7 of the Italian Civil Code.
We have not made any reports to the management body pursuant to and for the purposes of art. 25 D.L. n. 14/2019.
During the year, the Board of Statutory Auditors did not issue opinions and observations required by law.
During the supervisory activity, as described above, no other significant facts emerged such as to require mention in this report.
As part of the coordination with the other supervisory bodies, we met with the Supervisory Board and received its periodic reports. On the basis of the meetings and the aforementioned reports, no critical issues emerged with respect to the correct implementation of the organizational model which should be highlighted in this report.
The Audit Committee, required by art. 48 of the EU Delegated Regulation 392/2017, came into force on 18 December 2019, the date from which Monte Titoli S.p.A. has been authorized to exercise centralized depository services pursuant to Regulation (EU) no. 909/2014. During the 2022 financial year, the Audit Committee regularly participated in the meetings of the Board of Directors in order to carry out its control activity on the substantial legitimacy of the Company's administration operations, monitoring not only the adequacy of the organizational structure but also the internal control system in the first half of the year; in the second half of the year the duties of the Audit Committee were transferred from the Board of Auditors to a special constituent body at the group level.

2) Comments on the financial statements

From what is reported in the report of the firm in charge of the statutory audit "the financial statements provide a true and fair view of the equity and financial position of Monte Titoli S.p.A. as of 31.12.2022 and of the economic result and cash flows for the year ended as of that date in compliance with the International Financial Reporting Standards adopted by the European Union ".
To the best of our knowledge, the directors, in preparing the financial statements, did not derogate from the provisions of the law pursuant to art. 2423 paragraph 5 of the Italian Civil Code.
The notes to the financial statements adequately illustrate the transactions with

related parties.
Compliance with the law regarding the preparation of the directors' report has been verified and in this regard there are no observations that need to be highlighted herein. Furthermore, the independent auditors certified that the directors' report is consistent with the financial statements as of 31.12.2022, as well as its compliance with the law.

We recall your attention to what is stated in the management report regarding the impacts of the conflict in Ukraine and the inflationary effects on the Company.

3) Observations and proposals regarding the approval of the financial statements

Considering the results of the activity carried out by us and the opinion expressed in the audit report issued by the firm in charge of the statutory audit, we invite the shareholders to approve the financial statements for the year ended 31 December 2022, as prepared by the directors.
The Board of Statutory Auditors agrees with the proposal for the allocation of the result for the year formulated by the directors in the notes to the financial statements.

Milan, 12 April 2023

For the Board of Statutory Auditors

The Chairman

(Roberto Ruozi)

This report has been translated into the English language solely for the convenience of the international readers. For the original signature please refer to the Italian version of the Financial Statements.