Monte Titoli S.p.A.
Financial Statements as of 31 December 2021

/ MILAN

CONTENTS

FINANCIAL HIGHLIGHTS

Financial Highlights		
(amounts in thousands of euro)		
Economic indicators	Financial Year 01/01/21 - 31/12/21	Financial Year 01/01/20 - 31/12/20
Net Revenues (*)	77.886	71.912
Ebitda	46.908	41.752
Ebitda margin	60,2%	58,1%
Ebit	42.508	34.118
Ebit margin	54,6%	47,4%
Net profit	30.695	27.911
(as % of Revenue)	39,4%	38,8%
ROE	28,6%	26,0%
Dividends	30.640	27.840
Equity indicators	Financial Year 01/01/21 - 31/12/21	Financial Year 01/01/20 - 31/12/20
Shareholders' Equity	113.662	110.615
(**) Net Financial Position (- debt / + cash)	98.853	95.076
Efficiency indicators	Financial Year 01/01/21 - 31/12/21	Financial Year 01/01/20 - 31/12/20
Average number of employees	121	120
Revenue/employees	644	599
Ebit/employees	351	284

(*) 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 2021

Dear Shareholders,

The financial statements as of 31 December 2021, which the Board of Directors presents for your approval, show a net profit of 30,695,394 euro.

MONTE TITOLI AND THE REFERENCE CONTEXT

In 2021 Monte Titoli's revenues increased by 8.16%,recording one of the best years in the history of the company. Despite the ongoing pandemic crisis, equity markets have recovered to pre-pandemic levels. Issues of government bonds increased to face the crisis and foreign bonds managed by Monte Titoli grew by 24%, reaching a record figure of € 291 billion.

Management's efforts in 2021 continued to be focused on cost saving and on simplifying processes/services through a detailed analysis of the operating processes based on the Lean Six Sigma method.

Customer coverage during the year was characterised by a context of continuous significant regulatory changes such as the introduction of the settlement penalty for CSDR (scheduled for February 2022), the Shareholder Rights Directive II.

The pandemic crisis made it impossible to meet both domestic and international customers but other digital channels were activated and allowed to strengthen the relationship with customers and promote the company's services in an efficient manner.

The Team that manages relations with customers concentrated on the opportunities coming from the full implementation of T2S and on the strategic choices of the large international financial institutions thus being able to take advantage of the new operating context.

It should be highlighted that the decisions in this perspective were slowed down by the impacts of Brexit and the pandemic, but resumed in the last quarter of the year with an interest of a number of leading Financial Institutions in opening an account directly at Monte Titoli.

The development of some services launched in 2020 continued with great satisfaction. In particular, the payment service reserved for issuers of certificates and covered warrants reached a market share of approximately 50% and was able to count on some customers of primary importance.

In the last quarter of 2020 London Stock Exchange Group Plc announced that it had signed a contract with Euronext N.V. for the sale of 100% of the shares of London Stock Exchange Group Holdings Italia S.p.A. in order to be able to complete the merger with Refinitiv, following the issues raised by the European Commission.

In January 2021, the European Commission approved such merger, accepting LSEG's commitment to sell the shares of the Italian parent company and all its subsidiaries.

In February 2021, the European Commission itself then considered Euronext N.V. eligible for the acquisition of the Italian Group, thus authorizing the operation, which was subsequently finalized on 28 April 2021.

From 29 April 2021 the company, together with the Italian parent company (now called Euronext Holding Italia S.p.A.) and its other subsidiaries, therefore became part of the Euronext Group

After the acquisition, Monte Titoli participated in the re-branding activity to align its profile with the identity of the new Group. In November 2021, when the Group announced that its four CSDs were operating under the new Euronext Securities brand, Monte Titoli changed its commercial name to Euronext Securities Milan.

As part of the new CSD network, Euronext Securities Milan redesigned the corporate website and the customer portal. In addition, a common social profile was created that brought together the followers of the four Group's CSDs, reaching in this way 7,820 followers, which continues to grow as content is published about new products, services and customer success stories.

The strategy remains to strengthen corporate communication, improve brand visibility and increase dialogue with existing and potential customers.

In operational terms, as at 31 December 2021, Monte Titoli processed a total of 54.8 million instructions (+ 6.7% vs 2020) through the T2S platform.

At the end of the year, assets in custody amounted to 3,732 billion euros, of which approximately 323 billion euros are represented by foreign securities (+ 24% compared to the year 2020).

At 31 December 2021, 2,966 issuers (+ 7.3% compared to 2020) and 209 intermediaries (+ 6.1% compared to 2020) 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.5.0 and R.5.2) 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.

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.

During the year, various activities were carried out in the context of Cyber Security. In particular, a specific decision-making committee has been appointed which will be convened to share and discuss issues relating to Cyber Security as well as in case of attacks.

In addition, the necessary responses were provided to the assessment conducted by Banca d'Italia and CONSOB on the ECB's Cyber Resilience Oversight Expectations (CROE).

Finally, with a communication dated 17 June 2021 from the Security Information Department, Monte Titoli was registered in the list of subjects referred to in art. 1 paragraph 2-bis of Legislative Decree 21 September 2019, n. 105 (National Cyber Security Perimeter).

This involved completing the mapping and risk analysis of ICT critical assets within 6 months from the date of inclusion in the list, and the start of the activities necessary for the implementation of a first group of security measures by June 2022.

From that date, the following obligations will also come into force:

- communication to CSIRT Italy of the accidents included in the taxonomy provided with the DPCM April 14, 2021, n. 81;
- prior communication to the ACN before the start of procedures for the award or conclusion of contracts relating to the supply of ICT goods, systems and services, based on Presidential Decree February 5, 2021, no. 54.

2.1 THE MAIN MONTE TITOLI INITIATIVES

During 2021, Monte Titoli, continued to work to strenght the offer of products and services for Italian Issuers, especially with regard to debt instruments.

In particular we believe that following the implementation of Brexit, market conditions and the regulatory framework are gradually attracting Italian Issuers' interest towards the issuing of debt instruments on the domestic market.

The increasingly constant dialogue and interaction with major law firms and investment banks made it possible to introduce for the first time in Italy a new financial instrument called Bonds with PIK option ("payment in kind"). Following the first issue in 2017, the instrument sees a total of 18 new bonds issued at the end of 2021, for a total nominal value of 1.17 billion euros.

From a purely regulatory point of view, the Relaunch decree (DL 34/2020), converted into law no. 77/2020, has in fact confirmed our expectations of the attractiveness of financial bills on the Italian market: 4 new issuers have finalized an issue program up to € 46.1 billion, which includes Monte Titoli as the central depository.

During 2021, the "Easy Issuance" service was also introduced to respond to a need strongly felt by our customers: in fact, it makes it possible to simplify and make more efficient the issuance of bonds by small and medium-sized enterprises up to a nominal value of 50 million euros.

In addition, the Product Development team was strengthened and retrained, maintaining and expanding its responsibilities in the main business areas: centralized management, securities settlement, data management, issuers services and tax services.

In response to the constant growth of foreign-law financial instruments that Euronext Securities Milan manages through its Investor CSD link model, it was necessary to implement a fully automatic procedure to be able to register securitized derivatives traded on a new specialized pan-European market in investment certificates.

This feature will be made scalable in the course of 2022 and 2023 to achieve the goal of processing in STP mode all requests for registration of foreign-law financial instruments from regulated markets that use the settlement services offered by Euronext Securities Milan.

2.2 FINANCIAL RESULTS

The 2021 financial year closed with a net result of 30.7 million euro (27.9 million euro at 31 December 2020).

Total gross operating revenues in the period amounted to 104.6 million euro (96.7 million euro at 31 December 2020), of which 62.0 million euro (57.1 million euro at 31 December 2020) for custody services, 38.2 million euro (35.9 million euro at 31 December 2020) for clearing and settlement services, 3.8 million euro for fiscal services (3.7 million euro at 31 December 2020) and other services 0.6 million euro (nill at 31 December 2020). The intermediation commissions paid to the foreign CSDs and to the ECB amount to 27.0 million euro (24.8 million euro at 31 December 2020).

Custody	**31/12/21**	**31/12/20**	**% Change**
Values of securities (€/billions)	**3.731,5**	**3.475,0**	**7,4%**
Government bonds	2.238,6	2.116,6	5,8%
Bonds	494,3	513,1	-3,7%
Shares and CW	668,2	580,5	15,1%
Deposits for judicial authorities	7,2	4,1	75,5%
NCSD	158,7	123,9	28,1%
ICSD	164,6	136,8	20,3%

Settlement Instructions (ml)	**31/12/21**	**31/12/20**	**% Change**
Settlement Instructions (double counted - ML)	54,8	51,1	7,3%

Costs relating to the structure and management were consistent with the activities performed. In detail, staff costs amounted to € 14.4 million (€ 13.9 million at 31 December 2020).

Other administrative expenses including intercompany costs amounted to € 16.5 million (€ 16.1 million at 31 December 2020) in line with the previous year. Depreciation and amortisation amounted to € 4.4 million (€ 7.6 million at 31 December 2020).

The net operating margin is equal to 41.8 million euro, compared to 33.8 million euro for the financial year ended at 31 December 2020.

In the balance sheet fixed assets, net of impariments and amortisations, amount to 11.3 million euro mainly consisting of investments in intangible assets. The increase of 0.3 million euro in intangible assets is mainly attributable to the software development activities.

The Company Equity is equal to 113.6 million euro, including the operating profit for the financial year ended 31 December 2021 amounting to 30.7 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 55.8 million euro by other reserves.

2.3 INFORMATION RELATING TO EMPLOYEES AND THE ENVIRONMENT

As of 31 December 2021, the organizational structure is made up by a total of 105 employees (106 at 31 December 2020): 8 Executives, 73 Middle Ranking Managers and 24 employees, as well as 30 employees seconded from other companies of the Group, and 14 employees seconded to other companies of the Group. The average age is 51.9 years and 31% of the workforce is female.The average length of service is 23.8 years.

During the financial year, no causalities at the workplace occurred among employees listed in the employee payroll register, nor were there any serious accidents at the workplace and/or charges relating to professional illnesses from employees or former employees.

From the beginning of the pandemic (COVID-19) the company adopted a safety protocol aimed at protecting its employees through recourse to structural Smart Working which continued for the whole of 2021 and is still going on.

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 2021 Risk Appetite Framework was approved by the Board of Directors meeting held on 25 November 2020. 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.

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, it has planned a set of organisational and relational measures that require the involvement of customers in the definition of the requirements, based on formal consultation processes.

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 reduce the overall cost of post-trading.

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.

According to what is set out in the company's policies, it must be ensured that no new risks are introduced. In particular, specific reference is made to the need to evaluate that the return on investments is adequate. The process provides for the drafting of a detailed business case to be discussed and approved by means of proxies and an articulated preliminary evaluation by an appropriate Committee, in preparation of its submission to the Executive Committee and Board of Directors for the final approval.

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 above-mentioned plan has been developed in compliance with the provisions laid down by the Bank of Italy on 28 October 2004 (Business Continuity Guidelines), the Rules governing Centralised Management. Settlement and Guarantee Services and relevant Management Companies - Measure of 22.02.2008 updated by Act of Bank of Italy/Consob of 24.12.2010, "LSEG BIA guidelines", the Guidelines on the operational continuity of market infrastructures - May 2014 - issued by the Bank of Italy and approved by the Managing Director and by the Board.

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.).

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.

The Plan defines alternative offices, properly equipped with structures and necessary systems for the provision of services in order to continue carrying out business activities.

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.

Together with the Business Continuity Plan, Disaster Recovery plans are implemented, agreed with the IT Providers, which allow for the provision of services from an alternative site in the case of the primary site being unavailable.

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 again updated its technology during 2021 with regard to part of the infrastructure, basic hardware and software, web-based technology services, with the objective of further consolidating cyber security and the ability to respond to the ongoing requirements of the business sector.

Monte Titoli also continued to progressively improve IT Governance by reviewing and innovating existing control measures vis-à-vis internal and external third party suppliers, to whom Monte Titoli had outsourced part of the 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.

The measures for consolidating IT Governance also refer to cyber security; during 2021 the activities based on the Monte Titoli cyber resilience framework continued; this had been specifically devised and introduced to manage cyber security and defines strategic, organisational and operational guidelines, in line with applicable regulations and the policies adopted at Group level.

More specifically, the governance defined to manage cyber security and the initiatives introduced during 2021 were directed at strengthening data protection measures in terms of confidentiality, integrity and availability.

With regard to the saving of data, this is stored and duplicated inside two physical sites, located in two geographical areas with different morphological features, for the purpose of mitigating the risk deriving from the simultaneous unavailability of the two sites.

The storage procedures like all the procedures and processes used for operational management are subjected to periodic checks, consistently with what is provided and described in the Business Continuity and Disaster Recovery plans.

In addition to the above, the infrastructure, processes and procedures used to provide technological services are subject to an audit at least once a year by the Internal Audit Unit, as required by the applicable regulations issued by the Bank of Italy and Consob.

The activities to strengthen the technological infrastructure, IT governance and security were carried out in parallel with the activities required by the processes of separation from the LSEG and those of integration with the Euronext Group.

In particular, the IT structure was committed to managing the adaptation of intercompany agreements, aimed at guaranteeing the provision of essential services, such as those functional to connectivity to systems (End User Services, Networking Services, Cyber Services) with the objective of ensuring operational continuity.

The IT governance adjustment activity was also started in compliance with the existing policies and procedures within the Euronext Group, working pro-actively in the area of service reporting.

A part of the IT structure has begun to work in close collaboration with the organizational structures of the Euronext Group, starting the implementation activities of initiatives that aim to strengthen collaboration between the operating companies in the context of Post Trade.

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.

All employees have received due training on the subject of health and safety in the workplace.

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

On 27 July 2021, the appointment of the Employer (in the person of the Chief Executive Officer) was updated as a result of the change in the organizational context of the reference group and consequently the appointments of the Chief Executive Officer, of the Employer and of the Head of the service for the prevention and protection of workers from occupational risks.

Firefighters, first aid and assistance for the disabled have also been appointed by the Employer's Delegate.

On October 19, 2021, the "Risk assessment document" was updated to also take into account the COVID-19 risk, although it does not constitute an occupational risk for employees.

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.

Lastly, the Safety Management Manual was updated. This represents the Organizational Model pursuant to art. 30 of D.Lgs. 81/2008 and constitutes, if effectively adopted, grounds for exemption for the Company from the liability deriving (pursuant to Legislative Decree 231/01 and subsequent amendments) from the commission of the crimes of involuntary manslaughter and serious or very grievous culpable injuries.

The company also maintained 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 only marginally in currencies other than the Euro, and receivable invoices are issued to foreign customers in Euro. The more significant exchange rate risk refers to payable invoices related to the accounts with the LSE Group, which are denoted in GBP.

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 measured at amortised cost and classified among the best credit rating categories to be a low credit risk. This refers to all its cash at hand.

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, 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	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, 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
Giuseppe Levi[1]	Statutory Auditor
Mauro Coazzoli	Statutory Auditor
Michela Haymar d'Ettory	Alternative Auditor
Fabio Artoni	Alternative Auditor

General Management

Mauro Lorenzo Dognini	General Manager

[1] Giuseppe Levi has resigned from the Board of Statutory Auditors of Monte Titoli S.p.A. with effect from 31 December 2021. Pursuant to Article 2401 of the Civil Code, the alternate Auditor Fabio Artoni has taken over the office of Standing Auditor and will remain in office until the date of the next Ordinary Shareholders' Meeting as required by art. 2401 of the civil code.

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 3 members, more specifically:

Alfredo Maria Magri	Chairman
Francesca Fiore	
Paolo Cittadini	

Remuneration Committee
The Remuneration Committee, established in compliance with Article 48 of EU Delegated Regulation No 392/2017 is made up of 3 members:

Francesca Fiore	Chairman
Maria Cannata	
Giorgio Modica	

Board of Arbitrators

Emanuele Rimini	Chairman
Matteo Rescigno	
Carlo A. Favero	

Disciplinary Board

Mario Notari	Chairman
Marco Lamandini	
Giuseppe Lusignani	

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 proposing and consultative functions in the matter of staff remunerations, with particular interest in the more significant company representatives and personnel responsible for risk management, compliance control, internal audit and technology functions; it creates and develops the remuneration policy, monitors its implementation through senior management and periodically reviews its proper functioning.

The **Risk Committee** is a consultative committee of the Board of Directors with regard to risk management strategies.

The Committee expresses an opinion on risk, and specifically on the risk appetite framework that is approved annually by the Board of Directors, as stipulated by the Committee’s Regulations.

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; it is also called upon to give a reasoned proposal to the shareholders meeting at the time of the audit appointment.

The Board of Statutory Auditors also carries out the functions of the Audit Committee, as provided for by Article 48 of EU Delegated Regulation No 392 of 2017.

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).

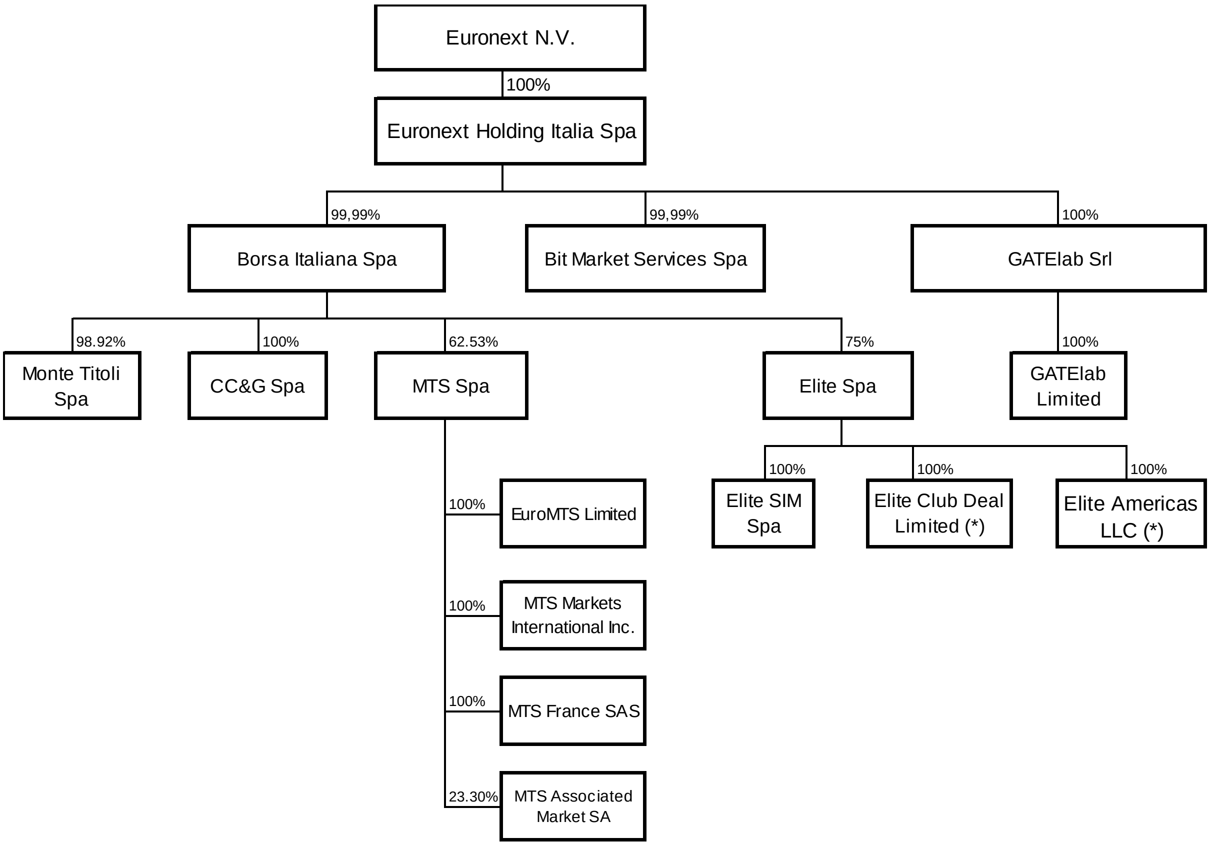
The Company's purpose
Monte Titoli's exclusive corporate purpose is the provision of centralised management services for financial instruments, as well as the provision of the clearing and settlement services and provision of the gross settlement service for non-derivative financial instruments.

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 2021, 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 2021 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

Alongside the signs of improvement in the COVID-19 contagion curve, after the further wave caused by the spread of the Omicron variant in the last quarter of 2021, the worsening of the geopolitical crisis in Eastern Europe culminated at the end of the month of February 2022 in the invasion of Ukraine by Russia, generating severe macroeconomic imbalances and triggering a serious humanitarian crisis. The instability resulting from the conflict has further put the energy sector in difficulty, already in crisis for several months, with a significant impact on the prices of raw materials and the real economy, causing a new slowdown in the prospects for post-pandemic recovery.

These events, together with the sanctions imposed by Western countries against Russia and its banks, have had disruptive effects on markets and lists all over the world, resulting in the persistence of a scenario of high volatility.

On March 4, 2022, Euronext Securities Milan (Monte Titoli) and Spafid (Mediobanca Group) announced the terms of a strategic collaboration in which:

i) Euronext Securities Milan will acquire the Spafid activities related to the keeping of the shareholders 'register, technical assistance to the shareholders' meetings and general meetings, services used by about 200 customers;

ii) Euronext Securities Milan and Spafid will establish a closer collaboration aimed at mutually supporting the development of their respective core businesses.

For Euronext Securities Milan, the acquisition is an important step aimed at further developing local value-added services for issuers and achieving Euronext Securities' goal of converging issuer services across all its locations. Spafid will focus on its core business of consulting and bespoke services based on the talent of its people and customer relationships, while benefiting from a closer collaboration with Euronext.

Euronext Securities, the CSD network linking European economies to global capital markets, is already providing value-added services to issuers across Europe. With this acquisition, Euronext Securities expands its offering. The acquired activities concern:

- full logistical management of the general meetings of Italian broadcasters;
- the management of voting by proxy;
- managing the shareholders' register and the register of other financial instruments on their behalf.

Apart from the above, 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 2021 (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 30,695,393.54 euro as follows:

- to the Shareholders, as a dividend equal to 1.915 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 30,640,000 euro;
- the remaining profit in the amount of 55,393.54 euro to the Reserves.

The dividend equal to 30,640,000 euro in the amount of 1.915 euro for each of the 16,000,000 ordinary shares shall be payable starting from 4 May 2022.

Milan, 24 March 2022

On behalf of the Board of Directors
The Managing Director
Mauro Lorenzo Dognini

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

BALANCE SHEET

ASSETS		31/12/21	31/12/20
10	Cash and cash equivalents	98.853.370	95.075.784
40	Financial assets measured at amortised cost	11.881.889	11.195.705
	a) receivables from banks	8.336.063	7.809.654
	b) receivables from financial companies	2.799.020	2.405.228
	c) receivables from customers	746.805	980.824
80	Property, plant and equipment	15.132	10.129
90	Intangible assets	11.281.545	10.992.490
100	Tax assets	4.184.134	5.475.483
	a) current	3.983.705	5.264.727
	b) deferred	200.429	210.756
120	Other assets	98.812	422.165
TOTAL ASSETS		**126.314.882**	**123.171.756**

LIABILITIES AND SHAREHOLDERS' EQUITY ITEMS		31/12/21	31/12/20
10	Financial liabilities measured at amortised cost	5.708.055	6.727.129
	a) payables	5.708.055	6.727.129
60	Tax liabilities		
	a) current	-	-
	b) deferred	18.015	-
80	Other liabilities	5.751.690	4.373.420
90	Employee severance indemnity provision	1.174.732	1.455.757
110	Share capital	16.000.000	16.000.000
150	Reserves	66.903.397	66.749.206
160	Valuation reserves	63.599	(44.933)
170	Profit (Loss) for the year	30.695.394	27.911.177
TOTAL LIABILITIES AND EQUITY		**126.314.882**	**123.171.756**

All amounts are expressed in euro

INCOME STATEMENT

	ITEMS	31/12/21	31/12/20
10	Interest receivable and similar revenues	618	1.084
20	Interest payable and similar expenses	(694.862)	(429.911)
30	NET INTEREST INCOME	(694.244)	(428.827)
40	Commission income	104.627.463	96.733.560
50	Commissions payable	(26.999.117)	(24.816.220)
60	NET COMMISSIONS	77.628.346	71.917.340
120	INTERMEDIATION MARGIN	76.934.102	71.488.513
130	Net value adjustments for credit risk of:		
	a) financial assets measured at amortised cost	(4.338)	(184.508)
160	Administrative expenses	(30.974.032)	(29.975.611)
	a) staff costs	(14.445.719)	(13.854.483)
	b) other administrative expenses	(16.528.313)	(16.121.128)
180	Net value adjustments on property,plant and equipment	(5.361)	(15.268)
190	Net value adjustments on intangible assets	(4.394.788)	(7.618.247)
200	Other operating income and expenses	257.831	(5.491)
210	OPERATING COSTS	(35.120.688)	(37.799.125)
260	PROFIT/LOSS OF CURRENT OPERATIONS BEFORE TAXES	41.813.414	33.689.388
270	Income taxes for the financial year on current operations	(11.118.020)	(5.778.211)
300	PROFIT/(LOSS) FOR THE FINANCIAL YEAR	**30.695.394**	**27.911.177**

All amounts are expressed in euro

STATEMENT OF COMPREHENSIVE INCOME

Items	31/12/21	31/12/20
10. Profit (Loss) for the year	**30.695.394**	**27.911.177**
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	108.530	(8.187)
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	**108.530**	**(8.187)**
180. Comprehensive income (items 10 + 170)	**30.803.924**	**27.902.990**

All amounts are expressed in euro

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							omprehensiv ncome 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	Advances on dividends	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

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

The result for the year 2021 includes unrealized gains on foreign exchange for an amount equal to EUR 75,063 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 77,202 euros.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT 31 DECEMBER 2020

	Balances at 31/12/19	Change opening balances	Balances at 01/01/20	Allocation of previous year P&L		Changes in the financial year							omprehensiv ncome for the financial year	Shareholders' equity 31/12/20
							Transactions on Shareholders' Equity							
				Reserves	Dividends and other distributions	Changes in reserves	Issuing new shares	Acquisition own shares	Advances on dividends	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	53.562.123		53.562.123	73.379										53.635.502
- other	13.113.704		13.113.704											13.113.704
Valuation reserves	(36.747)		(36.747)	-		(8.186)								(44.933)
Equity instruments														-
Treasury shares														-
Profit (Loss) for the year	21.193.379		21.193.379	(73.379)	(21.120.000)								27.911.177	27.911.177
Shareholders' Equity	103.832.459		103.832.459	-	(21.120.000)	(8.186)	-	-	-	-	-	-	27.911.177	110.615.450

All amounts are expressed in euro

CASH FLOW STATEMENT

(Direct method)

		Financial year ended 31/12/21	Financial year ended 31/12/20
A	***OPERATING ACTIVITIES***		
1	**Operations**	**35.099.881**	**35.729.200**
	interest income received (+)	618	1.084
	interest expenses paid (-)	(694.862)	(429.911)
	dividends and similar income (+)		
	net commission	77.628.346	71.917.340
	personnel expenses (-)	(14.445.719)	(13.854.483)
	other costs (-)	(16.528.313)	(16.121.128)
	other revenues (+)	257.831	(5.491)
	duties and taxes (-)	(11.118.020)	(5.778.211)
	costs/revenues related to discontinued operations net of tax effect (+/-)		
2	**Cash flow generated / absorbed by financial assets**	**891.100**	**(5.391.073)**
	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	(723.602)	(659.082)
	other assets	1.614.702	(4.731.991)
3	**Cash flow generated /absorbed by financial liabilities**	**96.186**	**(245.759)**
	financial liabilities measured at amortised cost	(1.019.074)	(16.412)
	financial liabilities for trading		
	financial liabilities designated at fair value		
	other liabilities	1.115.260	(229.347)
	Net liquidity generated (absorbed) by operating activity	**36.087.167**	**30.092.368**
B	***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**	**(4.661.126)**	**(4.497.901)**
	purchases of shareholdings		
	purchases of property, plant and equipment	22.718	-
	purchases of intangible assets	(4.683.844)	(4.497.901)
	purchases of business units		
	Net liquidity generated (absorbed) by investment activities	**(4.661.126)**	**(4.497.901)**
C	***FUNDING ACTIVITY***		
	issuing/acquisition of own shares	-	-
	issuing/acquisition of equity instruments	-	-
	distribution of dividends and other purposes	(27.648.455)	(21.128.187)
	Net liquidity generated (absorbed) by funding activities	**(27.648.455)**	**(21.128.187)**
D=A +B+C	**CASH FLOW GENERATED (ABSORBED) DURING THE YEAR**	**3.777.586**	**4.466.280**

All amounts are expressed in euro

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2021

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 2021 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 2021.

Section 2 – Main principles for reporting

STRUCTURE AND CONTENTS OF THE FINANCIAL STATEMENTS AT 31 December 2021

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 2021 refer to the period from 1 January 2021 to 31 December 2021.

The Financial Statements at 31 December 2021 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 2019 - 2021. 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. 26 Elite S.p.A.

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 according to the accounting standards issued by the International Accounting Standards Board (IASB) and the relevant interpretations of the International Financial Reporting Interpretations Committee (IFRIC and SIC) and endorsed by the European Commission, as provided for in Community Regulation No 1606 of 19 July 2002 as transposed in Italy by Italian Legislative Decree No 38 of 28 February 2005.

In preparing these financial statements the same accounting standards were used, where applicable, as those adopted in preparing the financial statements for the year ended 31 December 2020. The financial statements have been prepared in accordance with the going concern assumption.

NEW STANDARDS APPLICABLE FROM THE FINANCIAL YEAR ENDED 31 December 2021

In compliance with IAS 8, the following table shows the new international accounting standards, or the amendments to the standards already into force, with the related approval Regulations whose application has become mandatory from the financial period ended 31 December 2021.

EU Regulation and publication date	Document title	Date of approval	Date of entry into force
(UE) 2020/2097 16 December 2020	Extension of the temporary exemption from the application of IFRS 9 (Amendments to IFRS 4)	15 December 2020	1 January 2021
(UE) 2021/25 14 January 2021	Reform of benchmarks – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	13 January 2021	1 January 2021
(UE) 2021/1421 31 August 2021	Concessions on lease payments due to COVID-19 after 30 June 2021 (Amendments to IFRS 16)	30 January 2021	1 January 2021

Amendment to IFRS 4 – Insurance contracts, deferred application of IFRS 9 (published 25 June 2020)
On 15 November 2020, the European Union approved the Regulation for the extension of the temporary exemption from the application of IFRS 9 - Amendments to IFRS 4 Insurance Contracts. In particular, the amendments to IFRS 4 extend the expiry of the temporary exemption from the application of IFRS 9 until 2023 in order to align the date of entry into force of IFRS 9 with the new IFRS 17 and thus remedy the accounting consequences. which could occur in the event of the entry into force of the two standards on different dates.
The amendment applies from the commencement date of their first financial year beginning 1 January 2021 or later.
Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
The amendments include the temporary easing of the requirements with reference to the effects on the financial statements when the interest rate offered on the interbank market (IBOR) is replaced by an alternative essentially risk-free rate (Risk Free Rate - RFR). The changes include the following practical expedient:

- A practical expedient that allows to consider and treat contractual changes, or changes in cash flows that are directly required by the reform, as changes in a variable interest rate, equivalent to a movement in an interest rate in the market;
- Allow the changes, required by the IBOR reform, to be made to the documentation for the designation of the hedging relationship without this having to be terminated;
- Provides a temporary relief in separate identification requirements when an RFR is designated as hedging a risk component

Amendments to IFRS 16 Covid-19 Related Rent Concessions after 30 June 2021
On 28 May 2020, the IASB published an amendment to IFRS 16. This amendment allows a lessee not to apply the requirements of IFRS 16 on the accounting effects of contractual amendments for reductions in lease payments granted by lessors that are a direct consequence of the Covid-19 pandemic. The amendment introduces a practical expedient whereby a lessee may choose not to assess whether the reduction in lease payments represent a contractual change. A lessee who chooses to use this expedient accounts for the reductions as if they were not contractual changes under IFRS 16. The changes were

to be applicable until 30 June 2021, but as the impact of the Covid19 pandemic continues, on 31 March 2021, the IASB extended the period of application of the practical expedient until 30 June 2022. The amendments apply to financial years starting on 1 April 2021 or later.

The new standards or amendments reported above have not had a significant impact on the company's financial statements.

International accounting standards approved by the European Union but not yet into force

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 2022 (or from a later date in case of financial statements relating to financial years different from the calendar year).

Standard/ Interpretation	**Title**	**Date of publication**	**Date of entry into force**
IFRS 17	Insurance contracts	18 May 2017	1 January 2023
Standard/ Interpretation	**Amendements**	**Date of publication**	**Date of entry into force**
IAS 1	Presentation of the Financial Statements: classification of liabilities as current or non-current and Deferral of the effective date of the classification of liabilities as current and non-current	23 January 2020	1 January 2023
IFRS 3	Business Combination	13 May 2020	1 January 2022
IAS 16	Property, Plants and Equipment	14 May 2020	1 January 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	14 May 2020	1 January 2022
IAS 8	Changes in Accounting Estimates and Errors: Definition of Accounting Estimate.	12 February 2021	1 January 2023
IAS 12	Income taxes: Deferred taxes relating to assets and liabilities deriving from a single transaction	7 May 2021	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 24 March 2022 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 in accounting estimates occurred or are expected due to the COVID-19 epidemic.

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.

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:

Rights of use

€ 000	Rights of use 2021	Depreciation 2021	Net value 2021
Cars	33	30	0
Totale	**33**	**30**	**0**

Financial payables for leasing

€ 000	2021
Analysis by maturity - Gross contractual cash flows (not discounted)	
Less than one year	-
from 1 to 5 years	-
More than 5 years	-
Total gross cash flows	**-**
Total financial payables	**-**
Current	-
Non-current	-

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	2021
Interest on financial liabilities recognised on leases	-
Depreciation	3
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.

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).

---

[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.

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

The employee payments based on shares, granted by the previous parent company London Stock Exchange plc are counted by recording cost in the Income Statement for the portion of the share allocation plan, determined at fair value, on the allocation date, and considering terms and conditions to which ones these instruments have been given. The related debt is included in current liabilities – Intercompany current liabilities.

The employee payments based on shares, granted by the new parent company Euronext N.V. are counted by recording cost in the Income Statement for the portion of the share allocation plan, determined at fair value, on the allocation date, and considering terms and conditions to which ones these instruments have been given.

The related debt is included in a specific equity reserve in accordance with the provisions of IFRS 2 for Share Based Payments identified as Equity Settled.

In addition to the cost of the share allocation plan, the Income Statement records the portions of severance indemnity that the company will have to settle or recognise at the end of the accrual period, recording a corresponding increase in the related liabilities.

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 2019 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 31/12/2021**				**Total at 31/12/2020**			
	BV	**L1**	**L2**	**L3**	**BV**	**L1**	**L2**	**L3**
1. Financial assets measured at amortised cost	11.881.889			11.881.889	11.195.705			11.195.705
2. Property, plant and equipment held for investment purposes								
3. Non current assets and groups of assets held for sale								
Total	**11.881.889**	**-**	**-**	**11.881.889**	**11.195.705**	**-**	**-**	**11.195.705**
1. Financial liabilities measured at amortised cost	5.708.055			5.708.055	6.727.130			6.727.130
2. Liabilities associated with assets held for sale								
Total	**5.708.055**	**-**	**-**	**5.708.055**	**6.727.130**	**-**	**-**	**6.727.130**

A.4.6 Other Information

At 31 December 2021, 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 2021[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 98,853,370 euros, consist entirely of balances in bank current accounts.

In this regard, it should be noted that, following the update of the instructions on "The financial statements of IFRS intermediaries other than banking intermediaries" published by the Bank of Italy on 29 October 2021, the "sight" loans to banks shown in the 2020 under item 40 Financial assets valued at amortized cost (a) loans to banks have been reclassified in these financial statements under item 10 Cash and cash equivalents (including the comparative figure for 2020).

	Values at 31/12/21	**Values at 31/12/20**
Bank accounts and bank deposits	98.853.370	95.075.784
Totale	**98.853.370**	**95.075.784**

Section 4

FINANCIAL ASSETS MEASURED AT AMORTISED COST (item 40)

This item amounts to 11,881,889 euro, (11,195,705 euro) and refers to invoices issued or to be issued for services rendered.

(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 2020 is shown in between brackets.

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

Breakdown	Values at 31/12/2021						Values at 31/12/2020					
	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	**8.336.063**	-	-			**8.336.063**	**7.809.654**	-	-			**7.809.654**
Receivables from Italian Banks	6.315.512	-	-			6.315.512	5.501.857	-	-			5.501.857
Receivables from Foreign Banks	2.020.551	-	-			2.020.551	2.307.797	-	-			2.307.797
Receivables from Group companies		-	-					-	-			-
Total	**8.336.063**	-	-			**8.336.063**	**7.809.654**	-	-			**7.809.654**

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

Third stage receivables amounted to € 2,240 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 31/12/2021						Values at 31/12/2020					
	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	**2.799.020**	-	-			**2.799.020**	**2.405.228**	-	-			**2.405.228**
Receivables from Italian financial institutions	736.667	-	-			736.667	958.376	-	-			958.376
Receivables from foreign financial institutions	1.042.077	-	-			1.042.077	129.692	-	-			129.692
Receivables from Group companies	1.020.277	-	-			1.020.277	1.317.160	-	-			1.317.160
Total	**2.799.020**	-	-			**2.799.020**	**2.405.228**	-	-			**2.405.228**

The item "Receivables from Group companies" includes the receivables from Euronxt 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 € 3,400 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 31/12/2021						Values at 31/12/2020					
	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 Financial leasing												
1.2 Factoring												
• with recourse												
• without recourse												
1.3 Consumer loans												
1.4 Credit cards												
1.5 Loans on pledge												
1.6 Loans related to payment services provided												
1.7 Other loans:												
da escussione di garanzie e impegni												
2. Debt instruments												
2.1 structured securities												
2.2 other debt instruments												
3. Other assets	**746.805**	-	-			**746.805**	**980.824**	-	-			**980.824**
Receivables from Italian customers	741.046	-	-			741.046	965.527	-	-			965.527
Receivables from foreign customers	5.758	-	-			5.758	15.297	-	-			15.297
Receivables from Group companies	-	-	-			-	-	-	-			-
Total	**746.805**	-	-			**746.805**	**980.824**	-	-			**980.824**

Third stage receivables amounted to € 26,899 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 2021, which amounts to 215,469 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 shows the breakdown of receivables vis-à-vis customers outside the Group, with reference to maturity periods, mainly relating to receivables with a maturity of 30 days amounting to € 9,975,914.

	Values at 31/12/21	**0-90 days**		**90-120 days**		**over 120 days**	
Banks	8.336.064	8.324.284	76,6%	-		11.780	0,1%
Financial Institutions	1.778.743	1.753.476	16,1%	5.699	0,1%	19.568	0,2%
Clients	746.805	541.759	5,0%	11.643	0,1%	193.402	1,8%
	10.861.612	**10.619.518**	97,8%	**17.343**	0,2%	**224.751**	2,1%

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

	Gross amount					Total value adjustments				Total partial write-offs
	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	
Debt instruments	-									
Loans	-									
Other assets	11.881.890	-	177.999	37.469	-	-	177.999	37.469	-	-
Total 31.12.2021	**11.881.890**	**-**	**177.999**	**37.469**	-	**-**	**177.999**	**37.469**	-	-
Total 31.12.2020	**11.195.706**	**-**	**255.375**	**59.228**	-	**-**	**255.375**	**59.228**	-	-

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	15.132	
f) investments in progress and advances		7.584
2. Assets acquired under financial leases		
a) land		
b) buildings		
c) furniture		
d) electronic systems		
e) other		2.545
f) investments in progress and advances		
Total	**15.132**	**10.129**

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

	Land	Buildings	Furniture	Instrumental systems	Others	**Total**
A. **Gross beginning balance**	-	-	-	-	**10.129**	**10.129**
A.1 Net total decrease						
A.2 **Net beginning balance**	-	-	-	-	**10.129**	**10.129**
B. **Increases**						
B.1 Purchases				17.947	10.363	**28.310**
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						
C. **Decreases**						
C.1 Disposals						
C.2 Amortisation and depreciation				2.816	2.545	**5.361**
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					17.947	**17.947**
D. **Net ending balance**	-	-	-	**15.132**	-	**15.132**
D.1 Net total decrease						
D.2 **Ending balance**	-	-	-	**15.132**	-	**15.132**
E. **Evaluation at cost**						

Section 9

INTANGIBLE ASSETS (item 90)

9.1 Intangible assets: breakdown

Items/Measurement	**Total at 31/12/2021**		**Total at 31/12/2020**	
	Assets measured	Assets measured	Assets measured	Assets measured
1. Goodwill				
2. Other intangible assets				
software				
2.1 own assets				
- produced in-house				
- other intangible assets	9.272.167		10.048.953	
- investments in progress and advances	2.009.378		943.537	
- other				
Total	**11.281.545**	**-**	**10.992.490**	**-**

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

Other intangible assets include the cost to use the applications managing custody and settlement services.

9.2 Intangible assets: annual changes

	Total
A. Opening balance	**10.992.490**
B. Increases	
B.1 Purchases	4.683.844
B.2 Write-backs	
B.3 Increases	
in fair value recognised in:	
a) shareholders' equity	
b) income statement	
B.4 Other changes	3.618.002
C. Decreases	
C.1 Sales	
C.2 Amortisation and depreciation	4.394.788
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 Other changes	3.618.002
D. Final balance	**11.281.545**

9.3 Intangible assets: Other information

Other intangible assets (measured at cost)	**Amounts at 01/01/21**	**Increases**	**Decreases**	**Amortisation**	**Amounts at 31/12/21**
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)	73.493.479	3.618.002			77.111.481
- amortisation to date	(63.444.526)			(4.394.788)	(67.839.314)
Investments in progress and advances (2)	943.537	4.683.844	(3.618.002)		2.009.379
Total	**10.992.490**	**8.301.846**	**(3.618.002)**	**(4.394.788)**	**11.281.545**

(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

10.1 Tax assets: current and pre-paid: breakdown

Current tax assets

	Values at 31/12/21	**Values at 31/12/20**
Income tax	3.983.705	5.264.727
Total	**3.983.705**	**5.264.727**

Current tax assets, of € 3,983,705 at 31 December 2021, 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 € 200,429 is detailed in the tables below:

	Values at 31/12/21	**Values at 31/12/20**
Tax assets	200.429	210.756
Total	**200.429**	**210.756**

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	31/12/21 Amount of temporary differences	31/12/21 Tax effect (rate 24.0%)	31/12/21 Tax effect (rate 3.66%)	31/12/21 **Total tax effect**	31/12/20 Amount of temporary differences	31/12/20 Tax effect (rate 24%)	31/12/20 Tax effect (rate 3,90%)	31/12/20 **Total tax effect**
Employee severance indemnity	39.489	9.477	-	9.477	39.489	9.477	-	9.477
Directors fees	20.000	4.800	-	4.800	20.000	4.800	-	4.800
Provisions for impairment of receivables	97.031	23.287	-	23.288	97.031	23.287	-	23.287
Impairment of receivables FTA IFRS 9	14.169	3.401	519	3.919	16.193	3.886	632	4.518
Impairment of non-deductible receivables	217.141	52.114	-	52.114	341.310	81.915	-	81.915
Foreign exchange losses	-	-	-	-	90.693	21.766	-	21.766
Total deferred tax assets	**387.830**	**93.079**	**519**	**93.598**	**604.716**	**145.132**	**632**	**145.763**

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	31/12/21			31/12/20		
	Amount of temporary differences	Tax effect (rate 24%)	**Total tax effect**	Temporary differences amounts	Tax effect (rate 27,5%)	**Total tax effect**
Actuarial valuation Employee Severance Indemnity	445.127	106.831	106.831	236.338	64.993	64.993
Total deferred tax assets	**445.127**	**106.831**	**106.831**	**236.338**	**64.993**	**64.993**

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)

	31/12/2021	**31/12/2020**
Tax liabilities	18.015	-
Total	**18.015**	**-**

Deferred tax liabilities (with counter entry in Income Statement)

Deferred taxes	31/12/21			31/12/20		
	Temporary differences amounts	Tax effect (rate 24%)	**Total tax effect**	Amount of temporary differences	Tax effect (rate 24%)	**Total tax effect**
Exchange differences	75.063	18.015	18.015	-	-	-
Total deferred tax liabilities	**75.063**	**18.015**	**18.015**	**-**	**-**	**-**

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

Deferred taxes	31/12/21			31/12/20		
	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 31/12/2021	Total at 31/12/2020
1. Opening balance	**145.763**	**91.573**
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	56.914	228.612
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		
b) write-offs due to non-recoverability		
c) due to changes in accounting criteria		
d) other	(109.079)	(174.422)
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	**93.598**	**145.763**

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

	Total at 31/12/2021	Total at 31/12/2020
1. Opening balance	-	**9.381**
2. Increases		
2.1 Deferred taxes recorded in the FY		
a) related to previous FYs		
b) due to changes in accounting criteria		
c) other	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		(9.381)
3.2 Reductions in tax rates		
3.3 Other reductions		
4. Final amount	**18.015**	-

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

	Total at 31/12/2021	Total at 31/12/2020
1. Opening balance	**64.993**	**47.039**
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	17.954
2.2 New taxes or increases in tax rates		
2.3 Other 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		
3.2 Reductions in tax rates		
3.3 Other reductions		
4. Final amount	**106.831**	**64.993**

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

	Total at 31/12/2021	Total at 31/12/2020
1. Opening balance	**-**	**7.504**
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		(7.504)
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 31/12/21	Values at 31/12/20
Deferred income	66.398	185.963
Guarantee deposits	14.563	13.865
Receivables from INPS and INAIL	17.851	17.851
receivables from Euronext Holding S.p.A. for VAT	-	204.486
Total	**98.812**	**422.165**

The item "Receivables from Euronext Holding S.p.A." at 31 December 2020 referred to the amounts due to the Holding for the credit accured by the Group VAT and relating o the transacctions attributable to the company itself, the balance for this year is among the liabilities.

The item prepaid expenses refers mainly to maintenance fees.

BALANCE SHEET – LIABILITIES

Section 1

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST (item 10)

This item which amounted to € 5,708,055 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 31/12/2021			Total at 31/12/2020		
	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		2.141.956	2.663.463		2.144.485	2.261.315
Payables to Group companies		875.136	27.500		2.197.965	123.364
Total	**-**	**3.017.092**	**2.690.963**	**-**	**4.342.450**	**2.384.679**
Fair value -level 1						
Fair value -level 2						
Fair value -level 3		3.017.092	2.690.963		4.342.450	2.384.679
Total Fair value	**-**	**3.017.092**	**2.690.963**	**-**	**4.342.450**	**2.384.679**

Section 8

OTHER LIABILITIES (item 80)

8.1 Other liabilities: breakdown

	Values at 31/12/21	Values at 31/12/20
Payables to employees	2.412.866	2.297.113
Payables to social security institutions	991.958	967.072
Payables to tax authorities for withholding tax	261.763	457.521
Other payables	170.744	173.339
Payables to tax authorities for VAT	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	478.375
Total	**5.751.690**	**4.373.420**

The item "Payables to Euronext Holding S.p.A. for VAT" of € 110,401 at 31 December 2021 refers to the sums due by the Company as a result of the debt accrued by the VAT Group and relating to the transactions attributable to company itself.

The item "Payables to Euronext Holding S.p.A. for IRES" of 1,801,170 at 31 December 2021 refers to the net balance between the estimated debt for IRES of the national tax consolidation of the Group for the year 2021 and the related advances paid.

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 31/12/21	Values at 31/12/20
A. Opening balance 01/01/21	**1.455.757**	**1.526.036**
B. Increases		
B.1 Provision for the year	58.329	280.564
B.2 Other increases		
- Interest expenses	4.679	8.607
- Actuarial loss		40.574
C. Decreases		
C.1 Settlements made	(3.786)	(71.486)
C.2 Other decreases		
- Actuarial profit	(66.694)	
- Other	(273.552)	(328.539)
D. Final balance 31/12/21	**1.174.732**	**1.455.757**

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

	Values at 21/12/21	**Values at 31/12/20**
Annual technical discount rate	0,77%	0,37%
Annual inflation rate	1,20%	1,00%
Annual rate of salary increase for managers and middle managers	2,20%	3,00%
Annual rate of salary increase for administrative staff	2,20%	2,00%
Annual rate of increase of the Employee Severance Indemnity (TFR)	2,40%	2,25%

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 € 1,239,161 is presented below:

Sensitivity analysis of Past Service Liability

Discount rate		Annual inflation rate		Annual turnover rate	
+0.50%	-0,50%	+0.25%	-0,25%	+2,00%	-2,00%
1.164.612	1.320.655	1.262.508	1.216.364	1.211.960	1.274.568

Section 11

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

Shareholders' equity at 31 December 2021 amounts to 113,662,389 euro (110,615,450 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**	**53.255.957**	**8.000.000**	**1.913.704**	**66.749.204**
B. Increases	**-**	**-**	**154.192**	**-**	**-**	**154.192**
B.1 Allocation of income	-	-	71.177	-	-	71.177
B.2 Other changes	-	-	83.015	-	-	83.015
C. Decreases	**-**	**-**	**-**	**-**	**-**	**-**
C.1 Drawdowns	-	-	-	-	-	-
C.2 Other changes	-	-	-	-	-	-
Book Value	**3.200.000**	**379.543**	**53.410.149**	**8.000.000**	**1.913.704**	**66.903.397**

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 83,015 euros, includes the incentive plan defined by the previous Parent Company through the assignment of shares of London Stock Exchange Group Plc (LSE) reserved to some employees of the company and, starting from 2021, also the incentive plans of the new parent company Euronext.

Net profit at 31 December 2021 amounted to € 30,695,394.

Following the resolutions adopted by the Shareholders' Meeting of 29 April 2021, dividends were distributed to shareholders relating to the financial year ended 31 December 2020.

Composition and changes in Item 160 "Valuation Reserves"

	Legal	Extraordinary	Profits/losses carried forward	Other	From valuation	Total
A. Opening balance					**- 44.933**	**- 44.933**
B. Increases	**-**	**-**	**-**	**-**	**108.532**	**108.532**
B.1 Allocation of income	-	-	-	-	-	-
B.2 Other changes	-	-	-	-	108.532	108.532
C. Decreases	**-**	**-**	**-**	**-**	**-**	**-**
C.1 Drawdowns	-	-	-	-	-	-
C.2 Other changes	-	-	-	-	-	-
Book Value	**-**	**-**	**-**	**-**	**63.599**	**63.599**

PART C – INFORMATION ON THE INCOME STATEMENT

INCOME STATEMENT

Section 1

INTEREST (items 10 and 20)

1.1 Interest receivable and similar income: breakdown

	Debt instruments	Loans	Other transactions	Total at 31/12/2021	Total at 31/12/2020
3. Financial assets measured at amortised cost:					
3.1 Receivables from banks					
for other receivables (interest on bank accounts)	-	-	618	618	1.084
3.3 Receivables from customers					
for other receivables (interest on intragroup loans)	-	-	-	-	-
Total	**-**	**-**	**618**	**618**	**1.084**

1.3 Interest and similar expenses: breakdown

	Loans	Bonds	Other	Total at 31/12/2021	Total at 31/12/2020
1. Financial liabilities measured at amortised cost					
1. Due to banks					
for bank charges	-	-	13.741	13.741	12.545
2. Payables to financial institutions					
for interest	-	-	681.121	681.121	417.366
Total	**-**	**-**	**694.862**	**694.862**	**429.911**

Section 2

COMMISSIONS (items 40 and 50)

2.1 Commission receivables: breakdown

	Values at 31/12/2021	Values at 31/12/2020
c) Services of		
Custody and administration	62.033.073	57.127.110
Settlement	38.187.063	35.911.759
tax services	3.789.961	3.694.691
Other revenues	617.366	-
Total	**104.627.463**	**96.733.560**

The item Other revenue includes revenue for X-COM services and other revenues (ISPS service).

It should be noted that the classification of revenues has been revised to better meet the needs of management, also reclassifying the comparative data for the year ended December 31, 2020.

2.2 Commissions payable: breakdown

	Values at 31/12/2021	**Values at 31/12/2020**
7. Services of		
- settlement	17.863.867	16.628.026
- custody	7.824.958	6.785.309
- tax services	685.357	804.926
- messaging	624.935	597.959
Total	**26.999.117**	**24.816.220**

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 31/12/2021**	**Total at 31/12/2020**
	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	8.678	-	(649)	(5.407)	(1.122)	**1.499**	**(183)**
2. Receivables from financial institutions							
- for leasing							
- for factoring							
- other receivables	53.400	-	(3.993)	(87.377)	(207)	**(38.177)**	**53.162**
3. Receivables from customers							
- for leasing							
- for factoring							
- for consumer loans							
- for loans on pledge							
- other receivables	182.067	35.943	(13.192)	(146.730)	(17.072)	**41.016**	**131.529**
Total	**244.146**	**35.943**	**(17.833)**	**(239.514)**	**(18.402)**	**4.338**	**184.508**

Provisions for impairment of receivables amounted to € 215,469 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 31/12/2021	**Values at 31/12/2020**
1. Employees		
a) Wages and salaries	8.302.333	8.401.819
b) Social security charges	2.210.159	2.163.771
d) Welfare costs	334.869	292.507
e) Employee indemnity severance provision	583.366	537.901
h) Other expenses	637.263	171.419
2. Other employees in service	62.022	50.843
3. Directors and Auditors	160.181	238.331
5. Recovery of costs for employees seconded to other companies	(1.243.550)	(1.236.384)
6. Reimbursements for employees seconded to the Company	3.399.077	3.234.276
Total	**14.445.719**	**13.854.483**

The balance of the item "Other expenses" at 31 December 2021 amounted to € 637,263. the change compared to the previous year mainly refers to a reduction in intragroup recharges for the development of technology projects.

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

10.2 Average number of employees by category

Category	**31-dic-20**	**Recruitments**	**Resignations**	**Transfers**	**31-dic-21**	**Average**
Executives	8	-	-	-	8	8,0
Middle Managers	71	1	(1)	2	73	72,0
Administrative staff	27	-	(1)	(2)	24	25,5
Total employees	**106**	**1**	**(2)**	**-**	**105**	**105,5**
Seconded in	30	-	-	-	30	30,0
Seconded out	(15)	-	1	-	(14)	(14,5)
Total employees and secondments	**121**	**1**	**(1)**	**-**	**121**	**121,0**

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

OTHER ADMINISTRATIVE EXPENSES (item 160 b)

10.3 Other administrative expenses: breakdown

	Values at 31/12/2021	Values at 31/12/2020
Third-party services	13.933.325	13.644.543
Tax charges	1.661.413	1.504.911
Other expenses	802.926	867.280
Hire and leasing	51.976	35.738
Consumables	1.799	1.699
Membership fees	76.873	66.958
Total other administrative expenses	**16.528.313**	**16.121.129**

The Third-party services item includes ICT (Information Communication Technology) service costs of € 10,7 million, consulting and professional service fees of € 1,3 million, office operational costs of € 1,7 million, CONSOB contributions for € 0,8 million and insurance costs of € 0,2 million.

The table below shows a breakdown of the fees for services provided by the auditing company EY S.p.A. pertaining to the 2021 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.	50,179
Other services		
Other auditing services (Reporting Package)	EY S.p.A.	27,043
Certification services		
Certification services	EY S.p.A.	1,440
Total		**78,662**

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	5.361			**5.361**
- rights of use acquired through leasing				
A.2 Held for investment				
- own assets				
- rights of use acquired through leasing				
A.3 Inventories				
Total	**5.361**	**-**	**-**	**5.361**

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				
1.1 own assets	4.394.788	-	-	**4.394.788**
Total	**4.394.788**	**-**	**-**	**4.394.788**

Section 14

OTHER OPERATING INCOME AND COSTS (item 200)

This item, which amounted to € 257,831 (a negative € 5,491 at 31 December 2020), 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 11,118,020 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 31/12/2021	**Values at 31/12/2020**
1. Current taxes	11.500.399	9.369.055
2. Change in current taxes of previous years	(452.559)	(3.527.273)
4. Change in deferred tax assets	-	-
5. Changes in deferred tax liabilities	70.180	(63.571)
Total taxes for the year	**11.118.020**	**5.778.211**

Current taxes, a total expense of € 11,500,399 at 31 December 2021, were made up:

- for € 9,796,430 of the expense for IRES deriving from the transfer of taxable income to the Group national tax consolidation;
- for € 1,703,969 of the expense for IRAP of the year.

The item "Changes in current taxes for previous years" relaing to 2020 is due to the lower taxes paid for 2020 emerging from the tax returns presented in November 2021 and relating to the "IRAP discount" pursuant to Article 24 of Legislative Decree 34/2020 ("Decree Relaunch"); see the comment on item 12.1 Other assets: breakdown.

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 31/12/2021	**Values at 31/12/2020**
Ordinary applicable rate	24,00%	24,00%
Increases/Decreases	-0,57%	-0,28%
	23,43%	**23,72%**

PART D – OTHER INFORMATION

The contract signed on 19 December 2017 with effect from 1 January 2018 with the outsourcer SIA S.p.A. did not undergo any changes.

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 LSE GROUP

The plans were closed on the date of leaving the LSE Group. The movements of the plans during the year 2021 are shown below:

No. of shares	SAYE	LTIP	Total
Opening balance 01/01/2021	**6.789**	**32.821**	**39.610**
Exercised shares	(5.276)	(25.311)	**(30.587)**
Lapsed shares	(1.513)	(7.510)	**(9.023)**
Closing Balance 31/12/2021	-	-	-

The cost attributed to the 2021 financial year amounts to € 229,974, net of the employee severance indemnity.
No new shares were assigned during the year.

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 2021 financial year are reported below:

No. of shares	Ten share	LTIP	Total
Opening balance 01/01/2021	-	-	-
Granted shares	980	2.058	**3.038**
Closing Balance 31/12/2021	**980**	**2.058**	**3.038**

2021	Ten Share Plan	LTIP Plan
Grant date	18-nov-21	18-nov-21
Share price at grant date	92.25 €	92.25 €
Expected life	3 years	3 years
Dividend yield	1.72%	1.72%
Risk-free interest rate	0.00%	0.00%
Volatility	28.16%	28.16%
Fair value TSR	56.79 €	56.79 €

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 2021 is presented below.

Total Shareholders Equity *(Amounts in euro)*	31/12/2021
Capital	16.000.000
Reserves	66.966.996
Retained earnings	55.394
Total Shareholder's Equity	**83.022.390**
Intangible assets	(11.281.545)
IFRS reserves	(550.703)
Share awards	(1.489.181)
Total Shareholder's Equity after prudential filter	**69.700.961**

Capital Requirement as per CSD Regulation *(Amounts in euro)*	31/12/2021
Winding down/restructuring requirement	17.021.791
Credit and Counterparty risk	1.581.882
Operational risk	10.961.259
Business Risk	7.680.135
Total Capital Requirement (TCR)	**37.245.067**
Capital Surplus	**32.455.894**

The Shareholders' Equity available pursuant to the applicable Provisions of Law, at 31 December 2021, amounted to € 69,700,961, out of an overall amount of Shareholders' Equity at the same date equal to € 83,022,390 including the profit for the year allocated to Reserves, as the company had sterilised the impact of the valuation reserves and Share Awards reserves, as well as the entire amount of intangible assets present in the asset side of the Balance Sheet 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 € 37,245,067 (Regulatory Capital).

Information on transactions with related parties and with Group companies

The details of the "non-atypical" transactions that took place during the year with related parties are shown below, as well as the balance sheet balances at 31 December 2021 in existence with them (the companies of the LSEG Group are considered as related parties up to April 29, 2021 and the companies of the Euronext Group starting from that date):

	REVENUES	RECEIVABLES	ASSETS
Borsa Italiana Spa			
- Fees for services	50.000		
- Software Capitalized			64.875
- Work in Progress			330
- Custody, administration and Settlemet	4.784.169		
- Settlement		494.830	
Cassa di Compensazione e Garanzia Spa			
- Custody, administration and Settlemet	4.673.468		
- Other revenues	160.440		
- Settlement		398.497	
LCH Clearnet Ltd			
- Custody, administration and Settlemet	72.887		
LCH Clearnet Sa			
- Custody, administration and Settlemet	276.123		
London Stock Exchange Plc			
- Work in Progress			4.188
LSEG Business Services Ltd			
- Work in Progress			54
LSEG Business Services Colombo (Private) Ltd			
- Man Effort Recharge			678
Elite SIM Spa			
- Fees for services and costs recharge		116.498	
- Seconded staff	62.231		
Mts Spa			
- Custody, administration and Settlemet	124.086		
- Settlement		10.452	

	COSTS	PAYABLES
BIt Market Services Spa		
- Fees for services	6.093	
Borsa Italiana Spa		
- Software amortization	1.854	
- Fees for services	2.413.759	
- Seconded staff	2.217.758	
- Fees for services and costs recharge		875.136
Cassa di Compensazione e Garanzia Spa		
- Fees for services	107.527	
LSEG Business Services Ltd		
- Fees for services	363.439	
- Man Effort Recharge	1.456	
LSEG Business Services Colombo (Private) Ltd		
- Man Effort Recharge	(2.385)	
Euronext Holding Italia Spa		
- Property charges	1.575.683	
- Tax consolidation		1.801.170
- Fees for services	38.396	
- Insurance	162.301	
- Group VAT		110.401
Company Webcast		
- Fees for services and costs recharge		27.500
- Fees for services	27.500	

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

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 2021 to the members of the Board of Directors, Board of Statutory Auditors and to the Key managers of the Company:

Directors and Key Managers	1.200.436
Statutory auditors	71.600

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

a. Short-term employee benefits	715.098
b. Post-employment benefits	73.500
c. Other long-term benefits	-
d. Severance benefits	152.757
e. Share-Based Payments	171.944
Total	**1.113.299**

Share based payments

Plan	**Number of shares**	**Date of award**
LSEG Performance Share Award	5.158	22/04/20
LSEG Matching Share Award	3.914	22/03/19
LSEG Performance Share Award	7.340	22/03/19
LSEG Matching Share Award	4.951	26/04/18
LSEG Performance Share Award	11.458	26/04/18
Total	**32.821**	

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.

Management and coordination

It should be noted that at the reference date of the financial statements as of 31 December 2021, the Company is subject to the management and coordination of Euronext Holding Italia S.p.A., thus renamed following the completion on 28th April 2021 of the sale by the London Stock Exchange Group to Euronext N.V. of the 100% of the shares of the parent company London Stock Exchange Group Holdings Italia S.p.A..
Pursuant to art. 2497-bis of the Italian Civil Code, the essential data of the latest approved financial statements of London Stock Exchange Group Holdings Italia S.p.A. (now Euronext Holding Italia S.p.A.) are reported below. For an adequate and complete understanding of the equity and financial position, as well as the economic result achieved in the financial year ended 31st December 2020, reference should be made to the financial statements which, accompanied by the report of the independent auditors, are available in the forms and methods set out by law.
Pursuant to Article 2497-bis of the Italian Civil Code, the essential data from the financial statements of the parent Euronext Holding Italia S.p.A. are provided below.

EQUITY AND FINANCIAL POSITION AT 31 DECEMBER 2020

(amounts in Euro/000)	**31 December 2020**
Assets	
Total non-current assets	1.455.881
Total current assets	45.521
TOTAL ASSETS	**1.501.402**
Liabilities	
Total non-current liabilities	146.921
Total current liabilities	85.668
TOTAL LIABILITIES	**232.589**
NET	**1.268.814**
Shareholders' Equity	
Share capital	350.000
Reserves	794.349
Profit/(loss) for the year	124.464
TOTAL SHAREHOLDERS' EQUITY	**1.268.813**

STATEMENT OF COMPREHENSIVE INCOME AT 31 DECEMBER 2020

(amounts in Euro/000)	. **December 2020**
Revenues	139.174
OTHER REVENUES AND INCOME	**139.174**
Costs for personnel	1.251
Costs for services	3.543
Amortisation and depreciation	7.104
Operating costs	205
TOTAL OPERATING COSTS	**12.103**
Financial income	-
Financial expenses	2.378
PROFIT/(LOSS) BEFORE TAXES	**124.693**
Taxes	229
NET PROFIT/(LOSS)	**124.464**
Other components with an impact on shareholders' equity	20
COMPREHENSIVE NET PROFIT/(LOSS)	**124.484**

FINANCIAL STATEMENTS APPROVAL

The draft financial statements were approved by the Board of Directors on 24 March 2022 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:

	31/12/2021	31/12/2020
Paper-based financial instruments	31.253.138.119	26.114.340.959
Dematerialised financial instruments	2.948.545.998.977	2.845.549.616.360
Total	**2.979.799.137.096**	**2.871.663.957.319**

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".

*****

These financial statements at 31 December 2021 provide a true and correct representation of the financial and equity situation and the economic result at the aforementioned date.

Milan, 24 March 2022

On behalf of the Board of Directors
The Managing Director
Mauro Lorenzo Dognini

ATTACHMENTS

ANALYTICAL STATEMENT OF BREAKDOWN OF SHAREHOLDERS' EQUITY ITEMS AT 31 DECEMBER 2021

(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*	63.598	E	-		
Profits brought forward	84.022.530	A, B, C	84.022.530		
Reserve from transition to IFRS	507.538	A, B, C	507.538		
Provision for the purchase of Parent Company shares	1.489.181	E	-		
Total	**113.662.390**		**84.909.611**		
of which non-distributable portion			-		
of which residual distributable portion			84.909.611		

Key
A: to increase capital
B: to cover losses
C: for distribution to shareholders
D: to compensate damages suffered by investors due to fraud or negligence in conducting the centralised management company activities.
E: unavailable reserve

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

Property, plant and equipment

Net value	Balance at 01/01/2021	Increases	Depreciation	Decreases	Balance at 31/12/2021
Furniture					
IT Equipment		17.947	(2.816)		15.132
Investments in progress and advance	7.584	10.363		(17.947)	
Long-term hires	2.545		(2.545)		
Total	**10.129**	**28.311**	**(5.361)**	**(17.947)**	**15.132**

Depreciation	Balance at 01/01/2021	Depreciation	Disposals	Balance at 01/01/2021
Furniture				
IT Equipment	457.128	2.816	(268.511)	191.432
Long-term hires	30.536	2.545	(33.081)	
Total	**487.664**	**5.361**	**(301.593)**	**191.432**

Historical cost	Balance at 01/01/2021	Increases	Decreases	Balance at 01/01/2021
Furniture				
IT Equipment	457.128	17.947	(268.511)	206.564
Investments in progress and advance	7.584	10.363	(17.947)	
Long-term hires	33.081		(33.081)	
Total	**497.793**	**28.311**	**(319.540)**	**206.564**

Intangible assets

Net value	Balance at 01/01/2021	Increases	Amortisation	Decreases	Balance at 31/12/2021
Start-up and expansion costs					
Franchises, licenses, similar rights					
Other intangible assets	10.048.953	3.618.002	(4.394.788)		9.272.167
Investments in progress and advances	943.537	4.683.844		(3.618.002)	2.009.378
Total	**10.992.490**	**8.301.846**	**(4.394.788)**	**(3.618.002)**	**11.281.545**

Amortisation	Balance at 01/01/2021	Increases	Decreases	Balance 31/12/2021
Start-up and expansion costs	1.006.330			1.006.330
Franchises, licenses, similar rights	4.323.166			4.323.166
Other intangible assets	63.444.526	4.394.788		67.839.314
Total	**68.774.022**	**4.394.788**	**-**	**73.168.810**

Historical cost	Balance at 01/01/2021	Increases	Decreases	Balance at 31/12/2021
Start-up and expansion costs	1.006.330			1.006.330
Franchises, licenses, similar rights	4.323.166			4.323.166
Other intangible assets	73.493.479	3.618.002		77.111.481
Investments in progress and advances	943.537	4.683.844	(3.618.002)	2.009.378
Total	**79.766.512**	**8.301.846**	**(3.618.002)**	**84.450.355**

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

****

Company subject to the management and coordination of

Euronext Holding Italia S.p.A.

****

BOARD OF STATUTORY AUDITORS' REPORT TO THE SHAREHOLDERS' MEETING

CONVENED TO APPROVE THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING

31 DECEMBER 2021 PURSUANT TO ART. 2429, PARAGRAPH 2 OF THE ITALIAN CIVIL CODE

****

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

During the financial year ended 31 December 2021, 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 31.12.2021 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 30,695,394 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 2022 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 31.12.2021 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.

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.

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. 15 D.L. n. 118/2021.
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 2021 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 and compliance with the principle of correct administration.

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 31.12.2021 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 31.12.2021, as well as its compliance with the law.
We recall your attention to what is stated in the notes to the financial statements regarding the impact of the epidemiological emergency from COVID-19 on the Company in the course of the financial year 2021, as well as regarding the risks and

impacts of the pandemic on the development of the Company in the course of 2022 also taking into account what is stated therein regarding the conflict in Ukraine.

The Board of Statutory Auditors, during the periodic meetings, obtained information on the measures and controls put in place by the Company, in compliance with the relevant legislation

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 2021, 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 2022

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.

Monte Titoli S.p.A.

Financial statements as at December 31, 2021

Independent auditor’s report pursuant to articles 14 and 19-bis of Legislative Decree n. 39, dated 27 January 2010

EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

Independent auditor's report pursuant to articles 14 and 19-bis of Legislative Decree n. 39, dated 27 January 2010
(Translation from the original Italian text)

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Monte Titoli S.p.A. (the Company), which comprise the statement of financial position as at 31 December 2021, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union as well as with the regulations issued to implement article 43 of Legislative Decree n. 136, dated 18 August 2015.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.
We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union as well as with the regulations issued to implement article 43 of Legislative Decree n. 136, dated 18 August 2015, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 2.525.000,00 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
Codice fiscale e numero di iscrizione 00434000584 - numero R.E.A. di Milano 606158 - P.IVA 00891231003
Iscritta al Registro Revisori Legali al n. 70945 Pubblicato sulla G.U. Suppl. 13 - IV Serie Speciale del 17/2/1998
Iscritta all'Albo Speciale delle società di revisione
Consob al progressivo n. 2 delibera n.10831 del 16/7/1997

A member firm of Ernst & Young Global Limited

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

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

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on compliance with other legal and regulatory requirements

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010

The Directors of Monte Titoli S.p.A. are responsible for the preparation of the Report on Operations of Monte Titoli S.p.A. as at 31 December 2021, including its consistency with the related financial statements and its compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations, with the financial statements of Monte Titoli S.p.A. as at 31 December 2021 and on its compliance with the applicable laws and regulations, and in order to assess whether it contains material misstatements.

In our opinion, the Report on Operations is consistent with the financial statements of Monte Titoli S.p.A. as at 31 December 2021 and comply with the applicable laws and regulations.

With reference to the statement required by article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Milan, 12 April 2022

EY S.p.A.
Signed by: Stefano Cattaneo, Auditor

This report has been translated into the English language solely for the convenience of international readers.