EUROMTS LIMITED

Report and Financial Statements

For the year ended 31 December 2019

Company Registration Number 03615752

EUROMTS LIMITED
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EUROMTS LIMITED
DIRECTORS AND OFFICERS

DIRECTORS

A Giovannini (resigned on 25 April 2019)
M Cannata (appointed on 25 October 2019)
J Jeffery
C Pietroluongo
F Testa
P Poletto
M Quarti
A Maldi (resigned on 31 March 2020)

COMPANY SECRETARY

M McIntyre (resigned on 4 March 2019)
A Buffa (appointed on 25 October 2019)

REGISTERED OFFICE

10 Paternoster Square
London
EC4M 7LS

INDEPENDENT AUDITORS

Ernst & Young LLP
25 Churchill Place
Canary Wharf
London
E14 5EY

BANKERS

HSBC Bank plc
City of London Branch
60 Queen Victoria Street
London
EC4N 4TR

EUROMTS LIMITED
STRATEGIC REPORT

The Directors present their Strategic Report for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

EuroMTS Limited (the "Company" or "EuroMTS"), a wholly-owned subsidiary of MTS S.p.A. which is controlled by the London Stock Exchange Group plc ("LSEG or the Group"), the Ultimate Parent, operates a dealer-to-client trading system for Euro denominated government bonds and other fixed-income securities and commercialises data from markets operated by MTS S.p.A., EuroMTS Limited, Marche de Titres France S.A.S. (MTS France), MTS Associated Markets S.A. and BondSpot S.A. The Company is based in the United Kingdom and is authorised and regulated by the Financial Conduct Authority ("FCA").

REVIEW OF BUSINESS

On 20 February 2019 the Board of Directors of EuroMTS Limited and then the Board of Directors of MTS S.p.A, approved the transfer of business related to the management and organization of two multilateral negotiation systems "EBM" and "MTS Cash Domestic".
The sale and purchase agreement of a business line as a going concern was signed on 25 February 2019 postponing the civil effects of the transfer of business starting from 1 March 2019.
The parties agreed and acknowledged that the going concern should have comprised exclusively the activities related to the EBM multilateral trading system, the Cash Domestic multilateral system, with the exception of the MTS UK segment, the goodwill associated with the carrying out of the business and the equity investment in S.W.I.F.T. SCRL held as a long term investment for which, however, no dividends are expected in the medium term.
The price for the sale and purchase of the going concern was established equal to € 18.8 million of which € 15.4 million as gain on disposal of business lines.
Such operation allowed a re-organization of the legal structure considering the uncertainty due to the negotiation between European Union and UK following the UK's decision to leave the European Union.

Total revenues for the year ended 31 December 2019 for continuing operation were €10.2 million (year ended 31 December 2018: €11.2 million), with an operating profit for the period of €1.0 million (year ended 31 December 2018: €3.7 million).

Profit after tax from continuing operations for the year ended 31 December 2019 was €0.9 million (year ended 31 December 2018: €3.1 million). The impact of the transfer of the business from discontinued operations was €13.7 million

Trading activity on EuroMTS' cash markets (MTS Cash Domestic Markets MTF and EBM MTF - Multilateral Trading Facility) totalled €139 billion for the period January to December 2019, a decrease of 78% versus prior year (January to December 2018: €638 billion) driven by the transfer of the business from EuroMTS Limited to MTS SpA effective 1 March 2019. Volumes on BondVision UK MTF totalled €162 billion for the period January to December 2019 compared to €244 billion in January to December 2018, a decrease of 34%.which was driven by the migration of EU based clients from BV UK to BV EU in anticipation of Brexit.

During 2019, the MTS Data business saw continued growth and development reflecting the focus on the fixed income markets by a variety of market participants. The continuing volatility and uncertainty in the markets has highlighted the value of our data with many institutions viewing us as a valuable source in the European government bond market. Interest in fixed income data and government bond data in particular has driven new business sales in MTS Live and Historical data packages.

As of 31 December 2019 there were 20 participants using MTS Live (compared to 19 at the end of 2018) and this number is expected to increase throughout 2020. There has however been a 13% reduction of MTS Real-Time Data users to 1,639 (from 1,879 as at 31 December 2018) which can be generally attributed to cost-cutting exercises.

The key drivers of total revenue for EuroMTS can be split into two distinct areas: Volumes traded drives revenue for commission and brokerage, whereas the number of terminals and number of MTS Live subscribers drives the revenue for data sales. These key performance indicators are included above.

The net asset position of the Company at 31 December 2019 was €14.9 million (31 December 2018: €22.3 million).

FUTURE DEVELOPMENTS

Following the business disposal described above, overall revenues and profit before tax are expected to reduce in 2020 vs 2019. Notwithstanding this, EuroMTS plans for growth are based on four key initiatives:

1. BondVision UK Client expansion – continue to increase penetration of UK based buy-side clients

2. BondVision UK Product expansion - Continue to strengthen our competitive position through enhancing our product

offering, with a focus on Credit and Auto-Execution.

3. Improved service levels – Focusing on the following:
   i. Customer retention / satisfaction
   ii. First line support and problem resolution
   iii. Monitoring and reporting
   iv. Stability of EuroMTS systems
   v. Consistency and latency
   vi. Timely and flawless rollout of new functionality

4. Development of Data business – develop and deploy value add data products and focus on the enforcement of non-display policies.

SECTION 172 (1) STATEMENT

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this section 172 requires a director to have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct, and
- need to act fairly as between members of the company.

In discharging our section 172 duties we have regard to the factors set out above. We also have regard to other factors which we consider relevant to the decision being made. Those factors, for example, include the interests and views of our workforce, our customers, our suppliers and our relationship with regulators. We acknowledge that every decision we make will not necessarily result in a positive outcome for all of our stakeholders. By considering the Company's purpose, vision and values together with its strategic priorities and having a process in place for decision-making, we do, however, aim to make sure that our decisions are consistent and predictable.

We delegate authority for day-to-day management of the Company to executives and then engage management in setting, approving and overseeing execution of the business strategy and related policies. We review financial and operational performance, customer-related matters and legal and regulatory compliance at every Board meeting. We also review other areas over the course of the financial year including the Company's business strategy; key risks (including risks relating to Brexit and Cyber Risk) the Company's risk appetite, operational resilience and workforce matters (including diversity). This is done through the consideration and discussion of reports which are sent in advance of each Board meeting and through presentations to the Board.

The Company's key stakeholders are its customers, regulators and workforce. Our suppliers are also important stakeholders of the Company. The views of and the impact of the Company's activities on those stakeholders are an important consideration for the directors when making relevant decisions. The Board recognises that building strong relationships with our stakeholders will help deliver the Company's strategy in line with our long-term values and operate the business in a sustainable way. While there are cases where the Board itself judges that it should engage directly with certain stakeholder groups or on certain issues, the size and spread of both our stakeholders and the London Stock Exchange Group (LSEG) means that sometimes our stakeholder engagement will take place at an operational or Group level. For details on some of the engagement that takes place with the Company's stakeholders at a LSEG Group level please see pages 51 to 52 of the London Stock Exchange Group plc Annual Report for the financial period ended 31 December 2019.

During the period we received information to help us understand the interests and views of the Company's key stakeholders and other relevant factors when making decisions. This information was distributed in a range of different formats including in reports and presentations on our financial and operational performance, non-financial KPIs, risk, customer engagement activities. As a result of this we have had an overview of engagement with stakeholders and other relevant factors which allows us to understand the nature of the stakeholders' concerns and to comply with our section 172 duty to promote success of the company.

We set out below some examples of how we have had regard to the matters set out in section 172(1) (a)-(f) when discharging our section 172 duty and the effect of that on decisions taken by us.

Annual review of budget and business plan

The Board carries out a review of the Company's budget on an annual basis. This includes approving the business plan for the following three years. In 2019, the Board's review included an evaluation of the progress the Company had made against strategic priorities and the Company's long-term strategic goals. The review also focused on investment decisions around the Company's control environment, internally driven resilience activity and regulatory requirements.

The review is carried out in parallel to the LSEG Group's divisional budget process. All financials are aligned to the divisional numbers presented to the LSEG Group Board and to that of MTS S.p.A., as part of the consolidated results of the MTS group of companies.

In making its decision to approve the business plan and future strategy of the Company, the Board also considered amongst other things, its impact on the long-term position of the Company and its reputation as well as feedback from engagement exercises with the workforce and dialogues with customers and regulators.

Customers

Our engagement with customers takes a variety of different forms, we engage with customers at customer working groups, conferences and round table events. We monitor customer feedback to help us establish our customers' views on the Company's products and services as ways we can improve our offering. We believe that aligning our strategy, services and products to the needs and interests of our customers is central to supporting long-term value creation, enabling innovation.

Suppliers

Our Company relies on external and internal suppliers for certain services which are required to maintain the efficiency and resilience of the Company's operations. The Company's management team holds regular meetings with its suppliers, which allow for open discussions and a partnership approach, in order to identify and mitigate any risks to the key service provisions of the Company. At those meetings, service level agreements, KPIs are discussed and feedback is exchanged. We believe that having solid long-term relationships is essential to continue to provide our solutions to customers and maintain operational resiliency.

Capital Allocation

In 2019 the Board recommended a final ordinary dividend of £7.28m on the year ended 2018 profit and an interim dividend of £15m to its shareholder, MTS S.p.A. In making this decision the Board considered a range of factors. These included the long-term viability of the Company; its expected cash flow and financing requirements and the ongoing need for strategic investment in its business and workforce.

Brexit

During 2019, as a consequence of the uncertainty stemming from the risk of an exit from the EU without an adequate transition deal or equivalent decision (Hard Brexit), the Company sold the going concern related to two MTFs, namely EBM (European Bonds Markets) and MTS Cash Domestic Markets (MTFs), to its sole shareholder MTS S.p.A.

The transfer of the MTFs allows for the continuation of the operation of the MTFs from within EU, thereby minimising the impact that a Hard Brexit would have had on the Company's activities.

In reaching this decision, the Board considered the impact that a Hard Brexit scenario would have had on DMOs (domestic market obligation), customers and third-parties, and concluded that it was in the best interests of the Company, its customers and MTS S.p.A.. Management is monitoring the situation for any further developments.

EMPLOYEES

Our people are at the heart of what we do and drive the success of our business. Attracting, developing and retaining the skills we need to deliver on our strategy of being the most trusted market expert is a key imperative for the Company. We are dedicated to unifying our growing company and supporting our employees' talent in an environment built on partnership, integrity, innovation and excellence. The Company provides an induction programme for new employees, including training on health and safety, and a range of development programmes for all staff to develop their skills and knowledge. The Company encourages and assists the employment, training and retention of disabled people. Where changes to working practices or structure affect staff, they are consulted and given appropriate support.

All employees are provided with information on matters of concern to them in their work, through regular briefing meetings and internal publications.

PRINCIPAL RISKS AND UNCERTAINTIES

London Stock Exchange Group plc (LSEG, the Group, the ultimate parent of the Company) operates group wide risk management procedures which bring greater judgement to decision making as this allows management to make better, more informed and more consistent decisions based on a clear understanding of the risks involved.

LSEG has adopted a group wide risk management system that provides ongoing formal assurance that all subsidiary companies are appropriately controlling all of the risks to which they are exposed, ensuring that internal controls operate efficiently and effectively.

The Company is subject to a variety of foreseeable and unforeseeable risks and uncertainties which may have an impact on the Company's ability to execute its strategy and deliver its expected performance. The identification, assessment and management of these risks are central to the Company's operating framework. The Company's risk control structure is based on the 'three lines of defence' model:

- The First line (Management) is responsible and accountable for identifying, assessing, managing and monitoring risk.
- The Second line (Risk Management and Compliance), is responsible for defining the risk management process and policy framework and providing independent challenge to the first line on Risk Management activities assessing risks and reporting to the Group Board Committees on risk exposure.
- The Third line (Internal Audit) provides independent assurance to the Board and other key stakeholders over the effectiveness of the systems of controls and the Risk Management Framework.

The Company's principal risks are considered to arise from clients and competition (with client alignment paramount to the successful operation and growth of our business), the continuing changing regulatory environment and the macro economic environment (unfavourable tax regimes, impact of Brexit on ability to conduct business with European Union ("EU") members, or the changing regulatory environment, may reduce the attractiveness of London as a major financial centre) and increasing security threats (both physical and cyber).

The Company's principal operational risks arise from ensuring it maintains secure and stable technology performing to high levels of availability. The Company is reliant upon secure premises to protect its employees and physical assets. World Health Organisation (WHO) declared Coronavirus a global health emergency on 31/01/2020 and the impacts on the global economy could be material if the outbreak is not contained. EuroMTS has introduced Business Continuity Management (BCM) arrangements and has appropriate safeguards to ensure uninterrupted operation of its IT systems and infrastructure.

Whilst EuroMTS' revenues and profitability, as a provider of services to the financial services sector, are highly dependent on the levels of activity within that industry, the Company does not carry the significant balance sheet risks or liabilities typically associated with that sector. The financial services industry is dynamic and unpredictable and is directly affected by many macro-economic variables beyond our control, including economic, political and geopolitical market conditions, changes in price levels and volatility in the financial markets, changes in government monetary or tax policy and other legislative and regulatory changes.

The UK's exit from the EU leaves significant uncertainty concerning the political and regulatory environment, the UK's future relationship with the EU, and the overall impact on the UK and EU economies both in the short and medium term. The Company relies on a number of rights that are available to them to conduct business with other EU or EEA members. This includes, without limitation, the right for UK trading venues to offer services to members in the EU or EEA. The Company has analysed the potential impact and based on the analysis conducted to address the commercial requirements to operate in a post Brexit environment, decide to transfer the cash markets business unit to Italy as contingency plan with the specific intent to maintain and defend the value of MTS Group assets.

During the year, the EuroMTS Board approved the following Risk Appetite:

Culture		Employees are accountable for management of risk and their conduct should reflect the highest levels of integrity and risk awareness such that full transparency of risks and practices that might adversely impact the achievement of the Company strategic objectives is expected. The Company has no appetite for failing to identify and report major risk exposures, control failures or incidents in a timely manner and it has no appetite for unethical behaviour. The Governance structure of the Company should reflect the diversity of the markets, products and geographies of our business and key stakeholders. Effective governance should ensure appropriate expertise and capability to adequately oversee and challenge risk positions.
Strategic	Earnings	• The Company will aim not to undertake activities which would cause the cumulative adjusted earnings for the next 3 years to fall below 100% of Base Case plan (Budget and business plan) in normal economic conditions. • Indicative Economic Capital metrics have been included to monitor stability and the Risk department continues to refine the model inputs through ongoing consultation with stakeholders.
Strategic	Economic Capital	• The Company aims to ensure that it has adequate earnings to cover potential losses as modelled by the Group's Economic Capital
Strategic	Stakeholder Confidence	• The Company maintains the confidence of its stakeholders through the application of its culture, risk framework and policies. Specific quantitative measures are monitored in respect of our: Investors, regulators, members, clients, partners and employees. We seek to maintain the confidence of general participants in the markets we support. • The Company aims to avoid engaging in activities which are likely to lead to negative outcomes on its business and stakeholders.
Financial	Capital	The Company has no appetite to fail to meet regulatory capital requirements.
Financial	Liquidity	The Company will maintain targeted corporate liquidity headroom at all times.
Operational	Compliance	The Company has no appetite to fail to meet applicable legal and regulatory requirements. The Company has no appetite for its employees to fail to comply with internal group policies and with applicable legal and regulatory requirements.
Operational	Operational Resilience including Security	The Company has no appetite for a material compromise of the security standards deployed to protect our people, infrastructure, data and other assets. The Company adopts standards that are designed to ensure the security and availability of our assets and the avoidance of material adverse financial, regulatory or reputational impacts to the Company. The Company's appetite is to provide core servicing capability to the market and its clients even under stressed events.
Operational	Operational Excellence	The Company aims to design and implement processes that are consistently efficient and effective under a control environment that ensures products and services are delivered to meet customer and stakeholder expectations.

The following section covers the principal risks and uncertainties currently facing the Company, which are specific to our business.

FINANCIAL RISKS

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk, liquidity risk and regulatory capital risk. The Company is part of London Stock Exchange Group plc (the "Group") and financial risk management is carried out by the Group through its finance, compliance and central treasury functions. The Group's risk management approach seeks to minimise the potential adverse effects of these risks on the financial performance of the Company.

Credit Risk

Credit risk is the risk that the Company's counterparties will be unable to meet their obligations to the Company either in part or in full and arises from credit exposures to customers as well as on cash and cash equivalent balances and deposits with banks and financial institutions.

Credit risk is controlled through policies and procedures developed either at the Group level and, where appropriate, with regulators, or by the Company itself.

The Company assesses the credit quality of its customers, based upon the customer's financial position and considering past experience and other factors. Trade receivables, net of impairment, are concentrated in the financial community, and are managed as one class of receivables. There is a limited concentration of credit risk with respect to trade receivables as the Company has a low historic incidence of customer defaults. Given this, the recurring nature of the billing management assesses the credit risk facing the Company will be low.

Credit risk on cash and deposits at banks and other financial institutions is managed at the Group level by limiting the exposure to up to £50 million placed for 12 months with counterparties rated long term AAA (or equivalent) through to a maximum of £10 million overnight with counterparties rated short term A-2 (or equivalent). For cash held specifically for regulatory purposes, deposits are limited to a maximum tenor of three months unless a formal break clause is agreed with the counterparty.

Market Risk

Foreign exchange risk
The Company operates in the UK and reports its results in Euros and is exposed to foreign exchange risk arising from currency exposures principally between Euros and Sterling.

Foreign exchange risk is identified by the Group's central treasury function and, if deemed material, is hedged in accordance with a Group's approved policy framework.

Interest rate risk
The Company is exposed to interest rate risk through its revolving loan facility which attracts interest at variable rates. In considering the size and nature of the arrangements, the Company does not believe that this is a material risk for the Company.

Liquidity Risk

The Company is exposed to liquidity risk to the extent that it is unable to meet its daily payment obligations. The Company maintains sufficient cash and cash equivalents, to meet all its financial obligations as they fall due. In addition, it has, upon the giving of reasonable notice, access to the net loan assets it holds with other Group companies (including London Stock Exchange Group plc which maintains significant committed bank facilities).

When the Company's business generates significant free cash flow, this free cash flow is available to the Company to invest in capital expenditure, acquisitions, dividend payments, other returns of capital or to reduce debt.

Regulatory Capital Risk Management

The Company is required to maintain certain minimum levels of capital and liquidity for regulatory and operational purposes. These requirements are agreed with the Financial Conduct Authority ("FCA"), including an appropriate, additional buffer above these minimum requirements. As at 31 December 2019, the Company held capital and cash and cash equivalents that exceeded its agreed minimum regulatory requirements.

RISKS RELATING TO THE INDUSTRY

Economic Environment

The emergence toward the end of 2019 of the Novel Coronavirus outbreak in China could have a significant impact on the global economy. In a prolonged outbreak situation, the imposition of travel restrictions, border controls and quarantine protocols could contribute to a major pause in industrial productivity across the Asia Pacific region and could suppress demand for commodities, impact the supply chain for many industries globally and the international retail market which in turn could significantly impact the global financial markets.

The ongoing current economic environment could reduce customer demand for our services and the ability of our customers, lenders and other counterparties to meet their obligations to us.

On 31 January 2020 the United Kingdom "UK" left the European Union "EU". There is now a transition period until the end of 2020 while the UK and EU negotiate additional arrangements. The Company currently relies on a number of rights that are available to it to conduct business with EU members, some of which may not remain from 1 January 2021, this includes, without limitation, the right for UK trading venues to offer services to members in the EU. Given EuroMTS currently has non-UK participants, there is a risk that they may not be able to access markets operated by EuroMTS after the transition period.

REGULATION

The securities industry is closely regulated and as such, in addition to having to comply with Company law, local government and EU legislative requirements, EuroMTS is subject to authorisation and continuous oversight by the FCA. Comprehensive market rules are in place to ensure ongoing compliance with all legal and supervisory requirements.

EuroMTS continuously monitors developments and engages in dialogue with regulatory and government authorities at both the national and EU level.

EuroMTS Limited produces an Internal Capital Adequacy Assessment Process ("ICAAP") on an annual basis, which is to inform the Board of the ongoing assessment of the Company's risk, how the Company intends to mitigate those risks and how much current and future capital is necessary having considered other mitigating factors. The ICAAP document is prepared in accordance with the FCA guidelines and is regularly tested and constantly updated and promoted within the Company. In order to comply with BRRD (Bank Recovery and Resolution Directive) EuroMTS also produces a Recovery Plan and Resolution Pack.

COMPETITION

The EuroMTS Marketing & Sales Department operates within a competitive environment and faces the risk of not responding quickly and adequately to changes introduced by the competition. This competition may further intensify in the near future, especially as technological advances create pressure to reduce the costs of trading. In addition, a high proportion of our business is becoming increasingly concentrated in a smaller number of institutions which may lead to increased pressure on pricing.

The Company is well placed to respond to these developments and continues to focus on developing and delivering competitive products, technology, pricing structures and services to reduce the overall cost of trading which is key to maintaining strong customer relationships and deep pools of liquidity.

RISKS RELATING TO THE BUSINESS

TECHNOLOGY

An inability to anticipate and respond, in a timely and cost-effective manner, to the need for new and enhanced technology may result in EuroMTS being unable to compete effectively. The markets in which we compete are characterised by rapidly changing technology, evolving industry standards, frequent enhancements to existing products and services, the introduction of new services and products and changing customer demands.

Cyber risk commonly refers to any risk of financial loss, disruption or damage to the reputation of an organization resulting from the failure of its information technology systems. Cyber security and vulnerability management activities are in place and included in the Service Level Agreement with main third party technology providers. Key Performance Indicators include targets on potential exploits and vulnerabilities to be closed in a reference period.

Our business depends on technology which is secure, stable and performs to high levels of availability and throughput. If our systems cannot expand to cope with increased demand or otherwise fail to perform, we could experience unanticipated disruptions in service, slower response times and delays in the introduction of new products and services.

By order of the Board

FTesta

Fabrizio Testa
Director and Chief Executive Officer
20 April 2020

REGISTERED OFFICE:
10 Paternoster Square, London, EC4M 7LS

EUROMTS LIMITED
DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the year ended 31 December 2019.

REVIEW OF BUSINESS

The review of the Company's business is set out within the Strategic Report on page 2.

DIVIDENDS

The Directors recommend that no final dividend be proposed for the year ended 31 December 2019 (year ended 31 December 2018: €7,284,816, €2.7 per share). An interim dividend of €15,000,000 has been declared and paid during the year ended 31 December 2019 (year ended 31 December 2018: Nil).

DIRECTORS AND DIRECTORS' INTERESTS

The following directors have held office during the period and up to the date of approval of the financial statements, except as noted below:

A Giovannini (resigned on 25 April 2019)
M Cannata (appointed on 25 October 2019)
J Jeffery
C Pietroluongo
F Testa
P Poletto
M Quarti
A Maldi (resigned on 31 March 2020)

None of the Directors had any interest in the shares of the Company. There are no directors' interest requiring disclosure under Companies Act 2006.

POLICY AND PRACTICE ON PAYMENT OF CREDITORS

It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with.

DIRECTORS' LIABILITIES

The Company has Directors and Officers insurance which provides an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the Financial Statements in accordance with applicable law and regulations.
Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101).
Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other

jurisdictions.

GOING CONCERN

The Directors have reviewed the Company's forecasts and projections, taking into account reasonably possible changes in trading performance, which show that the Company has sufficient financial resources. On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

POST BALANCE SHEET EVENTS

Since the emergence of Novel Coronavirus (COVID-19) in China at the end of 2019 the virus has spread rapidly across the rest of the world, triggering a set of interventions across major global economies with respect to travel restrictions, border controls and quarantine protocols. Measures increasingly involve social restrictions in public domains, education centres, recreational venues and changes to professional working arrangements.
These measures are putting pressure on industrial productivity, suppressing demand for commodities, impacting global supply chains and consumption of goods and services. This has the potential to significantly impact global financial markets with severe shocks to asset prices and corporate earnings, further central bank intervention and accommodative monetary measures, and an extended period of low or negative interest rates.

Management have considered the potential impact on the Company and concluded that the going concern assessment remains appropriate.

The Board considered the impact on going concern in the most recent Board meeting to review and approve the financial statements. The following matters were discussed and concluded:

- The business activities of the Company, and in particular the trading platform, have continued to be operational since the outbreak and provide continuity of services to customers.
- Demand for the services of the Company for the period 31st December 2019 to the signing date of the Accounts, and in particular since the emergence of COVID-19, has been strong as evidenced through trading volumes. The unpredictable nature of the impact of COVID-19 means that there is uncertainty as to how long this level of trading activity will continue.
- As at 31 December 2019 EuroMTS held capital resources which significantly exceeded the minimum regulatory capital required.
- Financial performance of the Company has not been impacted to a material extent.

On this basis, the Board continues to support that EuroMTS will continue to operate as a going concern for a period of at least 12 months from the date of approving these financial statements.

With the exception of the above the Directors confirm that there were no significant events occurring after the balance sheet date, up to the date of this report that would meet the criteria to be disclosed or adjusted in the financial statements for the year ended 31 December 2019.

DIRECTORS' STATEMENTS AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are Directors of the Company at the date when this report was approved:

- so far as each of the Directors is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each of the Directors has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

Ernst & Young LLP have expressed their willingness to continue in office as auditors and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an annual general meeting.

By order of the Board

FTesta

Fabrizio Testa
Director and Chief Executive Officer
20 April 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF EUROMTS LIMITED

Opinion

We have audited the financial statements of EuroMTS Limited (the "Company") for the year ended 31 December 2019 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 24, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's ("FRC") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Emphasis of matter – Effects of COVID-19

We draw attention to note 24 of the financial statements, which describes the impact of the COVID-19 pandemic on global financial markets and the Company subsequent to the year end. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on pages 9 to 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Nicholas Dawes (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
21 April 2020

Note:
1. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

EUROMTS LIMITED
INCOME STATEMENT
Year ended 31 December 2019

	Notes	Continuing operations Year ended 31 December 2019 €	Discontinued operations Year ended 31 December 2019 €	Total Year ended 31 December 2019 €	Continuing operations Year ended 31 December 2018 €	Discontinued operations Year ended 31 December 2018 €	Total Year ended 31 December 2018 €
Revenue	3	10,171,544	2,976,256	13,147,800	11,164,596	11,695,019	22,859,615
Cost of sales	4	(3,413,286)	(710,990)	(4,124,276)	(3,152,181)	(2,526,085)	(5,678,266)
Gross profit		**6,758,258**	**2,265,266**	**9,023,524**	**8,012,415**	**9,168,934**	**17,181,349**
Administrative expenses	5	(5,745,146)	(715,752)	(6,460,898)	(4,352,904)	(3,887,157)	(8,240,061)
Operating profit		**1,013,112**	**1,549,514**	**2,562,626**	**3,659,511**	**5,281,777**	**8,941,288**
Interest receivable and similar income	8	112,216	-	112,216	123,450	-	123,450
Gain on disposal of business lines		-	15,371,855	15,371,855	-	-	-
Profit before tax		**1,125,328**	**16,921,369**	**18,046,697**	**3,782,961**	**5,281,777**	**9,064,738**
Taxation	9	(231,581)	(3,215,060)	(3,446,641)	(720,566)	(1,003,538)	(1,724,104)
Profit for the year		**893,747**	**13,706,309**	**14,600,056**	**3,062,395**	**4,278,239**	**7,340,634**

The notes on pages 17 to 33 form an integral part of these financial statements.

EUROMTS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2019

	Note	Year ended 31 December 2019 €	Year ended 31 December 2018 €
Profit for the financial year		14,600,056	7,340,634
Items that may be subsequently reclassified to profit or loss:			
Revaluation of Investments	13	-	8,600
		-	-
Total comprehensive income for the year		14,600,056	7,349,234

The notes on pages 17 to 33 form an integral part of these financial statements

EUROMTS LIMITED
STATEMENT OF FINANCIAL POSITION
At 31 December 2019

	Notes	31 December 2019 €	31 December 2018 €
Non-current assets			
Investments	13	-	51,600
Deferred tax assets	10	476,545	321,373
		476,545	372,973
Current assets			
Debtors: amounts falling due within one year	14	19,809,196	26,831,489
Cash and cash equivalents	15	1,122,929	1,359,542
		20,932,125	28,191,031
Total assets		**21,408,670**	28,564,004
Current liabilities			
Creditors: amounts falling due within one year	16	5,343,657	5,656,559
Contract liabilities	16	81,784	73,030
Current tax		1,043,536	487,955
Total liabilities		**6,468,977**	6,217,544
Net assets		**14,939,693**	22,346,460
Equity			
Capital and reserves attributable to the Company's equity holder			
Share capital	17	3,926,196	3,926,196
Share premium	17	981,549	981,549
Retained Earnings		8,248,168	15,932,928
Other reserves		1,783,780	1,505,787
Total equity		**14,939,693**	22,346,460

The notes on pages 17 to 33 form an integral part of these financial statements.

The financial statements on pages 13 to 33 were approved by the Board on 16 April 2020 and signed on its behalf by:

FTesta

Fabrizio Testa
Director and Chief Executive Officer

20 April 2020

Registered number: 03615752

EUROMTS LIMITED
STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2019

Attributable to equity holder of the Company

	Share capital	Retained Earnings	Share premium	Other reserves: Fair value reserve	Other reserves: Share scheme	Total equity
	€	€	€	€	€	€
31 December 2017	3,926,196	12,909,222	981,549	23,500	1,404,051	19,244,518
Profit for the financial year	-	7,340,634	-	-	-	7,340,634
Dividend relating to the year ended 31 December 2017 (Note 12)	-	(4,316,928)	-	-	-	(4,316,928)
Employee share scheme expenses	-	-	-	-	(479,785)	(479,785)
Employee share scheme recharges	-	-	-	-	479,785	479,785
Tax in relation to employee share scheme expenses (Note 9)	-	-	-	-	69,636	69,636
Investment revaluation	-	-	-	8,600	-	8,600
31 December 2018	3,926,196	15,932,928	981,549	32,100	1,473,687	22,346,460
Profit for the financial year		14,600,056	-	-	-	14,600,056
Dividend relating to the year ended 31 December 2018(Note 12)		(7,284,816)	-	-	-	(7,284,816)
Interim dividend relating to the year ended 31 December 2019 (Note 12)		(15,000,000)	-	-	-	(15,000,000)
Employee share scheme expenses	-	-	-	-	(507,865)	(507,865)
Employee share scheme recharges	-	-	-	-	507,865	507,865
Tax in relation to employee share scheme expenses (Note 9)		-	-	-	310,093	310,093
Investment revaluation		-	-	(32,100)	-	(32,100)
31 December 2019	**3,926,196**	**8,248,168**	**981,549**	**-**	**1,783,780**	**14,939,693**

The notes on pages 17 to 33 for an integral part of these financial statements.

1. Basis of preparation and accounting policies

Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("IFRS") adopted by the European Union ("EU").

The Company is a qualifying entity for the purposes of FRS 101. Note 21 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS as adopted by the EU may be obtained. The Company's date of transition to FRS 101 was 1 April 2013.

FRS 101 sets out amendments to IFRS that are necessary to achieve compliance with the Act and related Regulations. The impact of these amendments to the Company's previously adopted accounting policies in accordance with IFRS as adopted by the EU was not material on the shareholders' equity as at the date of transition and as at 31 December 2019 or on the profit for year ended 31 December 2019.

The following disclosure exemptions under FRS 101 have been considered and applied where deemed to be applicable:

- IAS 7 cash flow statements and related notes;
- reduced IFRS 2 disclosure for share-based payment arrangements in a subsidiary's financial statements;
- IAS 8 the listing of new or revised standards that have not been adopted (and information about their likely impact) may be omitted;
- reduced IAS 36 disclosure of impairment review;
- reduced IFRS 3 disclosure for business combinations during and after the period;
- reduced IFRS 5 disclosure for discounted operations;
- reduced IFRS 7 disclosure of financial instruments;
- reduced IFRS 13 disclosure relating to fair value measurement
- IAS 24 related party disclosures for intra-group transactions and disclosure of key management compensation;
- IAS 1 the requirement to present comparatives in roll-forward reconciliations for movements on share capital, property plant and equipment, intangible assets and investment property;
- reduced IAS 1.134-1.136 disclosure on capital management; and
- reduced IFRS 15 revenue contracts with customers;
- reduced disclosure for IFRS 16 'Leases'

The following amendments were endorsed by the EU during the year and have been adopted in these financial statements:

- IFRS 16, 'Leases'
- IFRIC 23, 'Uncertainty over Income Tax Treatments'
- Amendments to IAS 28, 'Long-term interest in Associates and Joint Ventures'
- Amendments to IAS 19, 'Plan amendment, curtailment or settlement'
- Amendments to IFRS 9, 'Prepayment features with negative compensation'
- Annual improvements to IFRS standards 2015-2017

On 1 January 2019, the Company adopted IFRS 16 'Leases'. The impact of adopting the new standard has been nil so no adjustments have been reflected through transition to the Company's opening retained earnings at the start of the current year.
The adoption of the other amendments did not have a material impact on the results of the Company.

These financial statements are prepared under the historical cost convention as modified by the revaluation of assets and liabilities held at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies (See Note 2).

The Company is a private limited company, limited by shares and incorporated and domiciled in England and Wales. The address of its registered office is 10 Paternoster Square, London, EC4M 7LS.

Going concern

The Directors have reviewed the Company's forecasts and projections, taking into account reasonably possible changes in trading performance, which show that the Company has sufficient financial resources. On the basis of this review, and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Accounting policies

Income statement

Revenue

Revenue is measured based on the consideration specified in a contract with a customer. Amounts deducted from revenue relate to discounts, value added tax and other sales related taxes, and revenue share arrangements whereby as part of an operating agreement amounts are due back to the customer and pass-through costs where the Company has arrangements to recover specific costs from its customers with no mark up.

The Company recognizes revenue as services are performed and as it satisfies its obligations to provide a product or service to a customer. Further details of the Company's revenue accounting policy are set out below:

a) Commission and brokerage-fees revenues are services generate fees for trades, which are recognised as revenue at the point when the service is rendered on a per transaction basis. Services are billed on a monthly basis;

b) Data sales includes revenues to data vendors (i) for data sales - revenue is recognised on a straight-line basis over the period to which the fee relates, invoiced monthly in arrears; (ii) for royalties - revenue is recognised at the date at which they are earned or measurable with certainty.
Data subscription and index licence fees are recognised over the licence or usage period as the Company meets its obligation to deliver data consistently throughout the licence period. Services are billed on a monthly, quarterly and annual basis; and

c) Management fees – the service is mainly related to activities rendered to group companies for product development and is recognised as revenue at the point the service is rendered and becomes payable when invoiced.

Customer contracts that contain a single performance obligation at a fixed price do not require variable consideration to be constrained or allocated to multiple performance obligations. Any variable element is subsequently recognised in the period in which the variable factor occurs. Services provided under a tiered and tariff pricing structure generates a degree of variability in the revenue streams from the contract. Where the future revenue from a contract varies due to factors that are outside of the Company's control, the Company limits the total transaction price at contract inception and recognises the minimum expected revenue guaranteed by the terms of the contract over the contract period. Any variable element is subsequently recognised in the period in which the variable factor occurs.
The Company does not have any contracts where the period between the transfer of services to a customer and when the customer is expected to pay for that service to be in excess of one year. Consequently, no adjustments are made to transaction prices for any financing component.

Cost of sales
Cost of sales comprises data and licence fees, data feed costs, expenses incurred in respect of revenue share arrangements and any other costs linked and directly incurred to generate revenues and provide services to customers. Revenue share expenses presented within cost of sales relate to arrangements with customers where the revenue share payment is not limited to the amount of revenues receivable from the specific customer.

Pension costs
The Company operates defined contribution pension schemes. For defined contribution schemes, the Company pays a core contribution and will match employee contributions up to a maximum of four per cent of pensionable pay. Contributions are charged to the income statement as incurred.

Share based compensation
The Company operates share based compensation plans for employees, settled in shares of the ultimate parent Company, London Stock Exchange Group plc (LSEG). The charge to the income statement is determined by the fair

value of the options granted or shares awarded at the date of grant and recognised over the relevant vesting period. The Company is recharged costs from LSEG to settle the share-based awards made to employees of the Company.

Foreign currencies
These financial statements are presented in Euro, which is the Company's presentational and functional currency.

Foreign currency transactions are converted into the functional currency using the rate ruling at the date of the transaction or at the monthly average as a proxy. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

The GBP-EUR spot exchange rate used for translating monetary assets and liabilities as at 31 December 2019 is 1.1707. (31 December 2018 1.1093)

Interest income and expenses
Interest income and expense comprise interest earned on cash deposited with financial counterparties and interest paid on borrowings which reflect the agreed market-based or contractual rate for each transaction undertaken during the period and calculated using the effective interest rate method.

Statement of Financial Position

Current and deferred taxation
Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income and any adjustment to tax payable in respect of previous years.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if it arises from the initial recognition of an asset or liability in a transaction (other than a business combination) that affects neither accounting nor taxable profit or loss at that time. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority.

Discontinued operations

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.
The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.
Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.
A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:
• Represents a separate major line of business or geographical area of operations
• Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations
Or
• Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the income statement.
Additional disclosures are provided in Note 11. Comparatives are also re-presented to reclassify disposed businesses as discontinued operations. There are no disposal groups held for sale because there was no agreement in place until February 2019 and the sale was fully executed in the year.

Financial instruments
On 1 January 2018, the Company adopted IFRS 9 'Financial instruments'.

The Company classifies its financial instruments as fair value through other comprehensive income (FVOCI) or amortised cost.

a) **Financial assets at amortised cost**: are financial assets that are held in order to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. This includes the Company's cash and cash equivalents and trade and other receivables.

b) **Financial assets at fair value through other comprehensive income (FVOCI)**: this category includes investments in financial assets. Any profit or loss recognised in other comprehensive income on debt instruments is recycled to the income statement if the asset is sold. Any profit or loss on an equity investment remains in retained earnings and is not recycled through the income statement.

c) **Financial liabilities at amortised cost:** all financial liabilities that are not at FVPL are held at amortised cost. This comprises the Company's trade and other payables balances and borrowings.

Subsequent measurement:
The Company adopts a forward-looking approach to estimate impairment losses on financial assets. An expected credit loss (ECL) is calculated based on the difference between the contractual cash flows due and the expected cash flows. The difference is discounted at the asset's original effective interest rate and recognised as an allowance against the original value of the asset.

Financial assets at amortised cost – the ECL for trade receivables and cash and cash equivalents are calculated using IFRS 9's simplified approach using lifetime ECL. The provision is based on historic experience of collection rates, adjusted for forward looking factors specific to each counterparty and the economic environment at large to create an expected loss matrix. The ECL on other financial assets held at amortised cost is measured using the general approach. The Company calculates an allowance based on the 12-month ECL at each reporting date until there is a significant increase in the financial instrument's credit risk, at which point the Company will calculate a loss allowance based on the lifetime ECL, as described above for FVOCI assets.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Fees receivable
Fees receivable are recognised when there is an unconditional right to consideration in exchange for goods or services transferred, but no fee invoice has been formally issued. Amounts are transferred to trade receivables when a formal invoice has been issued.

Contract liabilities
Revenue relating to future periods is classified as a contract liability on the balance sheet to reflect the Company's obligation to transfer goods or services to a customer for which it has received consideration, or an amount of consideration is due, from the customer.

Contract liabilities are amortised and recognised as revenue in the income statement over period the services are rendered.

Cash and cash equivalents
Cash and cash equivalents comprises deposits held at call with banks, that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as 'Creditors: amounts falling due within one year if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as 'Creditors: amounts falling due after more than one year'.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Share capital
The share capital of the Company consists of only one class of Ordinary Shares and these are classified as equity.

Fair value reserve
Fair value reserve, a non-distributable reserve set up as a result of the available for sale investment revaluation.

Share scheme reserve
Share scheme reserve, a non-distributable reserve set up as a result of the award of London Stock Exchange Group plc shares to employees of the Company.

Dividend distributions
Dividend distributions to the Company's equity holders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholder.

2. Significant judgements and estimates

Judgements and estimates are regularly evaluated based on historical experience, current circumstances and expectations of future events. The only significant estimates are as follows:

- Provision for impairment of trade receivables (see note 14);
- Deferred tax assets - (see note 11) The Company recognises deferred tax assets to the extent it is probable they will be recoverable against future taxable profits the actual achievement of which is not certain.

There were no significant judgements that were applied by management for the year ended 31 December 2019.

3. Revenue

	Continuing operations		Discontinued operations		Total	
	Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018
	€	€	€	€	€	€
Commission and brokerage fees	**2,160,163**	3,216,385	**1,977,657**	10,503,485	**4,137,820**	13,719,870
Data sales and royalties	**8,011,381**	7,948,211	-	-	**8,011,381**	7,948,211
Management fees	-	-	**998,599**	1,191,534	**998,599**	1,191,534
Total	**10,171,544**	11,164,596	**2,976,256**	11,695,019	**13,147,800**	22,859,615

The Directors consider that the Company has one class of business constituting a single business segment, with principal operations and customers of the Company in the European Union. Therefore, no further information on business or geographical segments is disclosed.

Management fees mainly relate to services provided to MTS S.p.A for sales and product development team activities.

The decrease in revenues is driven by 34% decrease in BondVision UK MTF volumes (2019 €162 billion versus 2018 €244 billion). The decrease is due to the migration of EU based clients from BV UK to BV EU in anticipation of Brexit.

4. Cost of sales

Cost of sales comprise the following

	Continuing operations		Discontinued operations		Total	
	Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018
	€	€	€	€	€	€
Technology costs	**2,428,689**	2,185,758	**696,222**	2,450,465	**3,124,911**	4,636,223
Data sales royalties	**900,000**	867,025	-	-	**900,000**	867,025
Settlement	-	-	**14,768**	75,620	**14,768**	75,620
Information providers for markets data	**84,597**	99,398	-	-	**84,597**	99,398
Total	**3,413,286**	3,152,181	**710,990**	2,526,085	**4,124,276**	5,678,266

5. Expenses by nature

Expenses comprise the following:

		Continuing operations		Discontinued operations		Total	
	Notes	Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018
		€	€	€	€	€	€
Fee payable to the Company's auditors for audit of financial statements and other assurance services	22	**50,429**	46,468	-	-	**50,429**	46,468
Employee costs	6	**3,627,538**	1,819,547	**644,851**	3,436,923	**4,272,389**	5,256,470
Rent costs		**201,633**	202,515	**52,711**	314,180	**254,344**	516,695
Professional fees		**832,985**	1,630,412	-	-	**832,985**	1,630,412
Marketing costs		**402,684**	351,291	-	-	**402,684**	351,291
Foreign exchange loss		**195,217**	100,680	-	-	**195,217**	100,680
Other costs		434,660	201,991	**18,190**	136,054	**452,850**	338,045
Total		**5,745,146**	4,352,904	**715,752**	3,887,157	**6,460,898**	8,240,061

Other costs mainly include travel costs €78,831(2018: €84,491), recoverable VAT (€131,402) (2018: €83,220) and technology costs €465,397 (2018: €158,247) offset by the provision for impairment of receivables (€30,939) (2018: €26,125).

6. Employee costs

Employee costs comprise the following:

		Continuing operations		Discontinued operations		Total	
	Note	Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018
		€	€	€	€	€	€
Salaries and other short term benefits		**1,990,827**	1,288,979	**417,046**	2,434,737	**2,407,873**	3,723,715
Social security costs		**740,069**	205,187	**118,143**	387,576	**858,212**	592,763
Pension costs	19	**265,378**	101,903	**32,456**	192,484	**297,834**	294,388
Share based compensation		**452,521**	166,079	**55,344**	313,706	**507,865**	479,785
Other staff costs		**178,744**	57,399	**21,861**	108,420	**200,605**	165,819
Total		**3,627,538**	1,819,547	**644,851**	3,436,923	**4,272,389**	5,256,470

In 2009, the Company joined the London Stock Exchange Group Long Term Incentive Plan ("Share schemes") for Company management. The charge for the year ended 31 December 2019 was to €507,865 (2018: €479,785) (See Note 18 for details).

The number of employees in the Company was:	Year ended 31 December 2019	Year ended 31 December 2018
Marketing and Sales	13	15
Operations	13	13
At the year end	26	28
Monthly average for the year:		
Marketing and Sales	13	14
Operations	13	13
Monthly average for the year	26	27

7. Directors' remuneration

The Directors' aggregate remuneration in respect of qualifying services were:

	Year ended 31 December 2019	**Year ended 31 December 2018**
Remuneration received	**295,311**	311,597
Benefits	**2,418**	2,317
Value of contributions to pension schemes	**15,481**	17,937
Share based payments	**314,174**	424,341
Total expenses	**627,384**	756,192

During the year, one Director (2018: one) had retirement benefits accruing under Group Personal Pension schemes.

50% of remuneration, benefits and pension scheme contributions of the highest paid director are recharged to another company under common control; accordingly, only 50% of the total amounts expensed by the company is presented in the table above. Shared based payment expenses are not recharged and so 100% of the amount incurred is shown in the above table.

The Directors' remuneration disclosed above includes the following amounts for the highest paid Director:

	Year ended 31 December 2019	Year ended 31 December 2018
Remuneration received	277,590	278,434
Benefits	2,418	2,217
Value of contributions to pension schemes	15,481	17,937
Share based payments	314,174	424,341
	609,663	723,029

The highest paid director has exercised 11,859 share options of London Stock Exchange Group plc, the ultimate parent of the Company, during the year (2018: 9,839). The highest paid director was awarded 9,234 share options during the year (2018: 10,292). No other directors were awarded or exercised share options during the year (2018: nil) in respect of qualifying services to the Company.

8. Interest receivable and similar income

	Year ended 31 December 2019	**Year ended 31 December 2018**
	€	**€**
Bank deposit and other interest	**112,216**	123,450

Interest income derived from London Stock Exchange Group Holdings Ltd for the Euro denominated loan amounted to €116,477 (2018: €127,507).

The balance includes bank charges for €4,261 (2018: €4,057).

9. Taxation

The standard UK corporation tax rate was 19% (19% for the year ended 31 December 2018).

		Continuing operations		Discontinued operations		Total	
		Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018	Year ended 31 December 2019	Year ended 31 December 2018
Taxation charged to the income statement	Note	€	€	€	€	€	€
Current tax:							
Corporation tax for the year		**227,989**	731,579	**3,215,060**	1,003,538	**3,443,049**	**1,735,117**
Adjustments in respect of prior years		**9,856**	(1,373)	-	-	**9,856**	(1,373)
Total current tax		**237,845**	730,206	**3,215,060**	1,003,538	**3,452,905**	1,733,744
Deferred tax:	10						
Deferred tax for the current year		**(8,042)**	(5,698)	-	-	**(8,042)**	(5,698)
Adjustments in respect of prior years		**(6,082)**	-	-	-	**(6,082)**	-
Effect of changes in the tax rate		**7,860**	(3,942)	-	-	**7,860**	(3,942)
Total deferred tax		**(6,264)**	(9,640)	-	-	**(6,264)**	(9,640)
Tax on profit for the year		**231,581**	720,566	**3,215,060**	1,003,538	**3,446,641**	1,724,104

The adjustments in respect of previous years' corporation tax are mainly in respect of tax returns agreed with relevant tax authorities.

Taxation on items not (credited)/charged to the income statement	**Note**	**Year ended 31 December 2019** €	**Year ended 31 December 2018** €
Current tax credit:			
Tax allowance on shares options/awards in excess of expense recognised		**(161,184)**	(120,477)
Deferred tax charge/(credit):			
Tax allowance on shares options/awards in excess of expense recognised	**10**	**(174,859)**	57,018
Effect of change in tax rate	**10**	**25,951**	(6,177)
Total		**(310,092)**	(69,636)

9. Taxation (continued)

Factors affecting the tax charge for the year

The tax assessment for the year differs from that resulting from applying the standard rate of corporation tax in the UK of 19% (19% for the year ended 31 December 2018). The difference is explained below:

	Year ended 31 December 2019	Year ended 31 December 2018
	€	€
Profit before taxation from continuing operations	1,125,328	3,782,961
Profit before tax from discontinued operations	16,921,369	-
	18,046,697	3,782,961
Profit multiplied by standard rate of corporation tax in the UK	3,428,872	718,762
(Income not taxable)/ expenses not deductible	6,135	7,119
Adjustments in respect of prior years	3,774	(1,373)
Effect of changes in the tax rate	7,860	(3,942)
Income tax from continuing operations	231,581	720,566
Income tax attributable to discontinued operations	3,215,060	-

On 11 March 2020 it was announced (and substantively enacted on 17 March 2020) that the UK corporation tax rate would remain at 19% and not reduce to 17% (the previously enacted rate) from 1 April 2020. The deferred tax balances included within the accounts have been calculated with reference to the rate of 17%, as required under FRS101. However, following the substantive enactment of the rate of 19%, it is anticipated that the reversal of temporary differences will occur at this rate and that the maximum impact on the quantum of the net deferred tax asset recognised will be €48k.

10. Deferred tax

	Accelerated tax depreciation €	Other temporary differences €	Total €
1 January 2018	**9,578**	**352,995**	**362,573**
Tax (charged)/credited to income statement	(1,926)	7,624	5,698
Effect of rate change	203	3,739	3,942
Tax debited to equity:			
- allowance on share options/awards	-	(57,018)	(57,018)
Effect of rate change	-	6,178	6,178
31 December 2018	**7,855**	**313,518**	**321,373**
Tax (charged)/credited to income statement	(1,416)	15,540	14,124
Effect of rate change	170	(8,030)	(7,860)
Tax debited to equity:			
- allowance on share options/awards	-	174,859	174,859
Effect of rate change	-	(25,951)	(25,951)
31 December 2019	**6,609**	**469,936**	**476,545**
Deferred tax assets at 31 December 2019	**6,609**	**469,936**	**476,545**
Deferred tax assets at 31 December 2018	7,855	313,518	321,373

The deferred tax asset is recoverable against future taxable profits and is due after more than one year.

The deferred tax asset on other temporary differences of €469,936 (31 December 2018: €313,518) is in respect of share based payments €464,750 (31 December 2018: €313,518) and retirement benefits €5,186 (31 December 2018: nil).

There is no unrecognised deferred tax asset at 31 December 2019 and 31 December 2018.

11. Discontinued operations

During 2019, as a consequence of the uncertainty stemming from the risk of an exit from the EU without an adequate transition deal or equivalent decision (Hard Brexit), the Company sold the going concern related to two MTFs, namely EBM (European Bonds Markets) and MTS Cash Domestic Markets (MTFs), to its sole shareholder MTS S.p.A.

On 20 February 2019 the Board of Directors of EuroMTS Limited and then the Board of Directors of MTS S.p.A, approved the transfer of business related to the management and organization of two multilateral negotiation systems "EBM" and "MTS Cash Domestic".

The transfer of the MTFs allows for the continuation of the operation of the MTFs from within EU, thereby minimising the impact that a Hard Brexit would have had on the Company's activities.

The sale and purchase agreement of a business line as a going concern was signed on 25 February 2019 postponing the civil effects of the transfer of business starting from 1 March 2019.
The parties agreed and acknowledged that the going concern should have comprised exclusively the activities related to the EBM multilateral trading system, the Cash Domestic multilateral system, with the exception of the MTS UK segment, the goodwill associated with the carrying out of the business and the equity investment in S.W.I.F.T. SCRL held as a long term investment for which, however, no dividends are expected in the medium term.
The price for the sale and purchase of the going concern, based on an independent valuation performed, was established equal to € 18.8 million resulting in a gain on disposal of business lines of € 15.4 million.
Such operation allowed a re-organization of the legal structure considering the uncertainty due to the negotiation between European Union and UK following the UK's decision to leave the European Union.

The major classes of assets and liabilities of discontinued operations as at 28 February 2019 are, as follows:

	Period ended 28 February 2019
	€
Assets	
Available for sale investments	51,600
Debtor	3,410,581
Total assets	**3,462,181**
Current liabilities	
Creditors	(21,936)
Total liabilities	**(21,936)**
Net assets directly associated with disposal of business line	**3,440,245**
Amount included in accumulated OCI	
Fair value reserve of equity investments	32,100
Reserve of disposal of business line	**32,100**
Net asset related to discontinued operations	**3,408,145**

Investment in non-listed equity shares

The discontinued operation includes an investment in non-listed equity securities of Swift Scrl with a carrying amount of €51,600. The collaboration with Swift Scrl is closely related to the discontinued operation of EuroMTS two multilateral negotiation systems "EBM" and "MTS Cash Domestic" and is therefore reclassified as part of the discontinued operations. This investment is classified as equity instruments designated at fair value through OCI. EuroMTS did not pledge the financial asset nor receive any collateral for it. As at the reporting date, the carrying amount equals the fair value of the instrument.(Refer to Note 12)

Reconciliation of fair value measurement of the investment in non-listed equity shares:

	€
As at 1 January 2018	**43,000**
Total gains and losses recognised in OCI	8,600
As at 1 January 2019	**51,600**
Total gains and losses recognised in OCI	-
As at 28 February 2019	**51,600**

There were no gains or losses recognised in profit or loss or in OCI with respect to these assets.

12. Dividends

	31 December 2019 €	31 December 2018 €
Final dividend for period ended 31 December 2017 paid in April 2018: €1.7 per Ordinary share	-	4,316,928
Final dividend for period ended 31 December 2018 paid in April 2019: €2.7 per Ordinary share	**7,284,816**	-
Interim dividend paid in May 2019: €5,56 per Ordinary share	**15,000,000**	

The Board has declared no final dividend in respect of the year ended 31 December 2019.

13. Investments

	31 December 2019 €	31 December 2018 €
Investments at fair value through OCI	-	51,600

The investments included above represented investments in non-quoted equity securities (Swift Scrl) that present the Company with opportunity for return through capital appreciation. The investments have been sold to MTS on 1 March 2019 as part of going concern. Please refer to Note 11 Discontinued operations.

14. Debtors: amounts falling due within one year

	31 December 2019 €	31 December 2018 €
Current		
Trade receivables	**1,207,401**	2,546,255
Fees receivables	**161,485**	178,454
Less: Provision for impairment of trade receivables	**(10,319)**	(196,197)
Trade receivables - net	**1,358,567**	2,528,512
Amounts due from immediate parent company	**3,616,952**	1,823,164
Amounts due from companies under common control	**14,822,408**	22,464,904
Prepayments	**11,269**	14,909
Total debtors	**19,809,196**	26,831,489

The carrying values less impairment provisions of trade receivables and other receivable are reasonable approximations of fair values. All trade and other receivables are denominated in Euro.

Amounts due from the companies under common control include a Euro denominated loan to London Stock Exchange Group Holdings Ltd of €14,752,460 (31 December 2018: €22,319,715). The loan is repayable on demand in two business days. Interest on this loan is charged at EURIBOR 1 month + 100bps. The amounts due from Parent and other amounts due from companies under common control are interest free and repayable on demand.

Fees receivable and contract assets
In 2018, contract assets primarily related to the Company's rights to consideration for work completed but not invoiced at the reporting date. The Company has decided that these amounts are not conditional except for the passage of time and has therefore opted to include these amounts within Debtors: amounts falling due within one year as "fees receivable".
There is no change in the total of assets recognised.
Comparatives, within the note, for prior year have been represented in line with current year classifications.

Movements on the Company's provision for impairment of trade receivable are as follows:

	31 December 2019	31 December 2018
	€	€
1 January 2019	**196,197**	234,109
Receivables written off during the year as uncollectible	**(154,938)**	(11,788)
Provision for impairment of receivables	**(30,940)**	(26,124)
31 December 2019	**10,319**	196,197

The recognition of and release of in the provision for impaired receivables is included in operating expenses in the income statement.

The other classes within debtors and the other categories of financial assets do not contain impaired assets.

15. Cash and cash equivalents

	31 December 2019	31 December 2018
	€	€
Cash at bank	**1,122,929**	1,359,542
Total	**1,122,929**	1,359,542

There are no differences between the book and fair value of the above balances. Management does not expect any losses as a result of non-performance by the counterparties holding cash and cash equivalents.

16. Creditors: amounts falling due within one year and Contract Liabilities

	31 December 2019	31 December 2018
	€	€
Current		
Trade payables	**30,258**	76,255
Amounts owed to immediate parent company	**2,163,965**	-
Amount owed to companies under common control	**893,581**	3,102,820
Social Securities and other taxes	**330,969**	328,952
Other payables	**1,924,884**	2,148,532
Total creditors	**5,343,657**	5,656,559
Current		
Contract liabilities [1]	**81,784**	73,030
Contract liabilities	**81,784**	73,030

[1] Contract liabilities primarily relate to the consideration received from customers for which services have not yet been rendered.

Amounts due to companies under common control and Amounts due to parent company are interest free and repayable on demand.

Other payables mainly relate to payables for staff costs.

The carrying amount of creditors: amounts falling due within one year are reasonable approximations of fair value.

17. Share capital and share premium

	31 December 2019			31 December 2018		
	Number	Share Capital (€)	Share Premium (€)	Number	Share Capital (€)	Share Premium (€)
Issued, called up and fully paid						
Ordinary shares of 1£ each	2,698,080	3,926,196	981,549	2,698,080	3,926,196	981,549

The authorised number of shares is 2,922,920 (31 December 2018: 2,922,920).

18. Share schemes

The London Stock Exchange Group Long Term Incentive Plan ("LTIP"), approved at the 2014 AGM, has two elements, a conditional award of Performance Shares and an award of Matching Shares linked to investment by the executive of annual bonus in LSEG shares – the latter element is not applicable to executive directors. Vesting of these awards is dependent upon LSEG total shareholder return ("TSR") performance and adjusted basic earnings per share. Further details are provided in the Remuneration Report in the Annual Report of the London Stock Exchange Group plc for the year ended 31 December 2019, which does not form part of this report

The Group's Remuneration Committee determines performance targets each year to ensure that the targets are stretching and support value creation for shareholders whilst remaining motivational for management. Vesting of awards is subject to achievement of TSR and financial performance targets. For initial grants under the LTIP, awards are subject to absolute TSR and adjusted earnings per share measures. Measures will normally be equally weighted but in any event, any total shareholder return element will represent at least 50 per cent of the award.

For each performance element, achievement of the threshold performance level will result in no more than 25 per cent of the maximum award paying out. For achievement of the maximum performance level, 100 per cent of the maximum pays out. Normally, there is straight-line vesting between these points.

The SAYE scheme provide for grants of options to employees who enter into a SAYE savings contract and options were granted at 20 per cent below fair market value. Share awards were granted at nil cost to employees and other share options were granted at fair market value or above.

Share options were exercised on a regular basis throughout the year and the weighted-average exercise price was as follows:

	31 December 2019		31 December 2018	
	Number	Weighted average exercise price £	Number	Weighted average exercise price £
SAYE	3,695	22.38	8,750	20.42
LTIP	22,411	-	61,922	-

The range of exercise prices and weighted average remaining contractual life of awards and options outstanding are as follows:-

Range of exercise price	31 December 2019 Number outstanding	31 December 2019 Weighted average remaining contractual life Years	31 December 2018 Number outstanding	31 December 2018 Weighted average remaining contractual life Years
SAYE				
Between £20 and £30	-	-	3,695	0.18
More than £30	**8,564**	**1.8**	5,055	1.28
LTIP				
Nil	**51,987**	**1.2**	61,922	1.13
Total	**60,551**	**1.3**	70,672	1.20

The weighted average share price of London Stock Exchange Group plc shares during the year was £58.75 (2018:£42.62)

19. Pension commitments

The Company operates a defined contribution pension scheme whose assets are held separately from those of the Company in an independently administered fund. The pension charge represents contributions payable by the Company, which was paid on its behalf by another Group company, for the year and amounted to €297,834 (2018: 294,388). Outstanding amount at year end is 30,600 (2018: €34,565).

20. Transaction with related parties

MTS S.p.A. owns 2,698,080 ordinary shares of £1 each in the Company which represents the Company's entire issued ordinary share capital. The nature of the relationship and the amount of transactions with related parties during the year were as follows:

20. Transaction with related parties (continued)

Related party	Nature of transaction	Total value of transaction during the period (expense)/ income 31/12/2019	31/12/2018	Amount owed (to)/by EuroMTS Limited 31/12/2019	31/12/2018
MTS S.p.A.	Fee for services during the year	**998,599**	1,236,534	**(804,431)**	(1,236,534)
MTS S.p.A.	Secondment recharge	**1,650,155**	339,371	**(2,370,878)**	(129,919)
MTS S.p.A.	Recharge of BondVision Membership fees [1]	-	-	**(87,139)**	(456,711)
MTS S.p.A.	Monitoring and Client services	**(76,854)**	(360,769)	-	-
MTS S.p.A.	Recharges of technology costs	**(820,268)**		**721,343**	-
MTS S.p.A.	Charges for Data sales services	**(2,743,852)**	(484,106)	-	-
MTS S.p.A.	Recharge of Properties and travel expenses	**354,504**	-	**(354,504)**	-
MTSNext Ltd	Royalties for licensing of indices	-	-	**(24)**	162,610
Marche de Titres France	Charges for Data sales services	**(250,000)**	(200,000)	-	-
Marche de Titres France	Recharges of expenses	**(32,383)**	(36,019)	**4,941**	10,430
CC&G S.p.A.	Fee for Market Data Licence	**25,000**	25,000	-	-
Borsa Italiana S.p.A.	Management fees for corporate functions	**(58,320)**	(56,896)	-	-
Borsa Italiana S.p.A.	Senior management recharge	**(79,711)**	-	**79,711**	-
Borsa Italiana S.p.A.	Technology recharge (End users)	**(244,059)**	-	**244,059**	-
LCH S.A.	Fee for Market Data Licence	**20,000**	20,000	**(5,000)**	-
MTS Markets Int. Inc.	Fee for Market Data Licence	**(54,343)**	(123,289)	**6,384**	13,463
London Stock Exchange Plc	Recharge of rent	**(483,702)**	(480,511)	**15,958**	117,605
London Stock Exchange Plc	Management fees and corporate functions	**(310,253)**	(315,936)	-	-
London Stock Exchange Plc	Other costs recharge	-	(19,965)	**10,509**	19,965
London Stock Exchange Plc	Recharge of costs and contributions	-	-	-	(132,945)
London Stock Exchange Plc	Recharge of costs and contributions	-	-	**327,470**	2,270,944
London Stock Exchange Group plc	Insurance recharge	-	-	**2,830**	2,066
London Stock Exchange Group plc	Recharge of share awards	**(507,865)**	(479,785)	**120,690**	479,785
London Stock Exchange Group plc	Management fees	-	(35,477)	-	2,075
London Stock Exchange Group plc	Other costs recharge	-	-	**50,429**	3,900
London Stock Exchange Group Holdings Ltd	Loan	**116,477**	127,507	**(14,759,943)**	(22,331,959)
London Stock Exchange Group Holdings (Italy) Ltd	Recharge of costs	-	-	**57,440**	-
LSEG Business Services Ltd	Finance system recharge	**(11,404)**	(11,132)	-	**11,093**
Unavista Ltd	Technology services	-	(9,049)	-	**8,879**
FTSE International Ltd	Royalties for licensing of indices	**305,500**	277,500	-	-
MTS Associated Markets S.A.	Charges for Data sales services	**(220,560)**	(161,593)	**54,204**	(66,356)

[1] Amounts reported for these relationships pertain to disbursements made, or amounts collected, by other companies in the Group, but where those amounts relate directly to revenue/costs for the Company. Income statement items are therefore reported as third party costs, with the corresponding receivable or payable shown as a related party balance.

21. Ultimate parent company

As at 31 December 2019, the Company's immediate parent is MTS S.p.A. which is a company incorporated and operates in Italy. The ultimate parent undertaking and the parent that headed the smallest and largest group of undertakings for which consolidated financial statements were prepared was London Stock Exchange Group plc, a company incorporated in the United Kingdom. One hundred per cent of the issued share capital of the Company was beneficially owned by its immediate parent undertaking.

A copy of the London Stock Exchange Group plc consolidated financial statements can be obtained from London Stock Exchange Group plc, 10 Paternoster Square, London EC4M 7LS.

22. Other statutory information

Auditors' remuneration payable to Ernst & Young LLP and its associates comprise the following:

	Year ended 31 December 2019	Year ended 31 December 2018
	€	€
Audit of the Company's financial statements	**43,405**	39,699
Other assurance service	**7,024**	6,769

Statutory information on remuneration for other services provided by the Company's auditors to the LSEG Group is given in the consolidated financial statements of London Stock Exchange Group plc, which is the largest group into which the results of the Company are included. In the current year and prior year, Ernst & Young LLP provided audit related assurance services to the Company. There were no other non-audit services provided to the Company in the current and prior year.

23. Commitments and contingencies

Contracted capital commitments and other contracted commitments not provided for in the financial statements of the Company were both nil (31 December 2018: nil).

24. Post balance sheet Events

Since the emergence of Novel Coronavirus (COVID-19) in China at the end of 2019 the virus has spread rapidly across the rest of the world, triggering a set of interventions across major global economies with respect to travel restrictions, border controls and quarantine protocols. Measures increasingly involve social restrictions in public domains, education centres, recreational venues and changes to professional working arrangements.
These measures are putting pressure on industrial productivity, suppressing demand for commodities, impacting global supply chains and consumption of goods and services. This has the potential to significantly impact global financial markets with severe shocks to asset prices and corporate earnings, further central bank intervention and accommodative monetary measures, and an extended period of low or negative interest rates.

Management have considered the potential impact on the Company and concluded that the going concern assessment remains appropriate.

The Board considered the impact on going concern in the most recent Board meeting to review and approve the financial statements. The following matters were discussed and concluded:

- The business activities of the Company, and in particular the trading platform, have continued to be operational since the outbreak and provide continuity of services to customers.
- Demand for the services of the Company for the period 31st December 2019 to the signing date of the Accounts, and in particular since the emergence of COVID-19, has been strong as evidenced through trading volumes. The unpredictable nature of the impact of COVID-19 means that there is uncertainty as to how long this level of trading activity will continue.
- As at 31 December 2019 EuroMTS held capital resources which significantly exceeded the minimum regulatory capital required.
- Financial performance of the Company has not been impacted to a material extent.

On this basis, the Board continues to support that EuroMTS will continue to operate as a going concern for a period of at least 12 months from the date of approving these financial statements.

With the exception of the above the Directors confirm that there were no significant events occurring after the balance sheet date, up to the date of this report that would meet the criteria to be disclosed or adjusted in the financial statements for the year ended 31 December 2019.