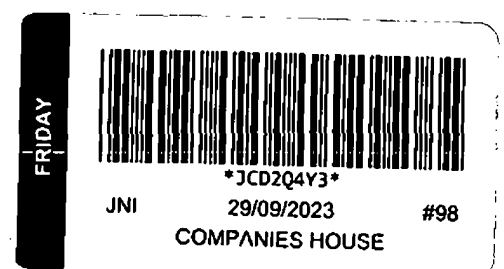


Registration number: NI610336

CME Technology and Support Services Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022



CME Technology and Support Services Limited

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CME Technology and Support Services Limited

Company Information

Profile

CME Technology and Support Services Limited (the 'Company') is a wholly owned indirect subsidiary of CME Group Inc. (the 'Group') and is consolidated in the Group accounts. The Company is incorporated and domiciled in United Kingdom and is a private company limited by shares.

Directors	R Bodnum
	S Cutinho (appointed 16 May 2022)
	W Knottenbelt (resigned 31 December 2022)
	A Scaman
	K Kometer (resigned 16 May 2022)
	A Connolly (appointed 20 July 2023)
	M Everaert (appointed 12 December 2022)
Registered office	5th Floor Millennium House 25 Great Victoria Street Belfast BT2 7AQ
Registration number	NI610336
Auditors	Ernst & Young LLP

CME Technology and Support Services Limited

Strategic Report for the Year Ended 31 December 2022

The directors present their report for the year ended 31 December 2022.

Principal activity

CME Technology and Support Services Limited ('The Company') provides operation management services to CME Group Entities that are based in the United Kingdom ("UK") and the United States ("US").

Business review

The Company continued with the intercompany agreement relationship entered into with CME Operations Limited on 31 October 2019. Under this arrangement the Company receives remuneration in return for providing operational and technical services to CME Group companies.

Future developments

The directors do not anticipate any changes to the principal activities.

Results

The results of the Company are set out in the profit and loss account on page 11.

The profit for the year of \$2,990,454 (31 December 2021: \$3,044,816) has been transferred to reserves.

The net assets of the Company are \$9,443,438 (31 December 2021: \$13,608,890).

Dividends

An interim dividend payment of \$8,000,000 was declared in 2022 (2021: \$Nil). The directors do not recommend a final dividend for the year (2021: \$Nil).

Key Performance Indicators

In compliance with the Companies Act 2006, Section 414C (4), the Company includes the following financial metrics in its' strategic report:

	2022	2021
	\$'000	\$'000
Turnover	39,081	40,892
Profit before tax	3,814	3,759
Shareholders funds	9,444	13,609

CME Technology and Support Services Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

Key Performance Indicators (continued)

Turnover for the year has reduced in line with the reductions in administrative expenses, as revenue is generated on a cost-plus basis.

Administrative expenses decreased by 4% in 2022, driven by a 52% reduction in consultant costs, as NEX integration projects wound down in 2022 following the 2018 acquisition, offset by a 7% increase in salary costs, due to increased headcount, with further cost increases from travel and entertainment, as COVID-19 travel restrictions eased and IT costs due to increased hardware purchases aligned with the office reopening to all employees in May 2022.


Profit before tax increased by 1.5% as a result of the above, and increased interest rates giving a greater return on cash.

Shareholders' funds decreased due to a dividend paid in the year of \$8,000,000, offset by profit earned in the year and an increase in the share based payment reserve.

Principal risks and uncertainties

Details of risk management objectives, policies and exposure to risk are set out in note 2 of these financial statements.

This report has been approved by the Board on 29 September 2023 and signed on its behalf by:

DocuSigned by:

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Director

Adrienne Seaman

CME Technology and Support Services Limited

Directors' Report for the Year Ended 31 December 2022

The directors present their report and the audited financial statements for the year ended 31 December 2022.

Directors of the company

The directors, who held office during the year, were as follows:

R Bodnum

S Cutinho (appointed 16 May 2022)

W Knottenbelt (resigned 31 December 2022)

A Seaman

K Kometer (resigned 16 May 2022)

A Connolly (appointed 20 July 2023)

M Everaert (appointed 12 December 2022)

Principal activities, Business review and Future Developments

The principal activities, business review and future developments of the Company are detailed in the Strategic Report.

Employment of disabled persons

It is the policy of the Company to offer equal opportunity to disabled persons in recruitment, training and career development, having due regard to their aptitudes and abilities in relation to the jobs available.

Employee involvement

The Company is committed to further the development of employee information and consultation. This is achieved through regular communication and briefing sessions with employees.

Going concern

The directors have performed a going concern assessment, including a review of the Company's financial position, future operations and cash flow forecasts for the period to 30 September 2024. This assessment indicates that the company will continue to be cash generative for the period to 30 September 2024. However, since the Company's activities are solely to provide services to fellow CME Group companies the Company is dependent on both the continuance of operations by the CME Group and also continuing finance being made available by its parent undertaking to enable it to continue operating and to meet its liabilities as they fall due.

The directors of the Company's ultimate parent undertaking CME Group Inc. have provided a letter indicating that they intend to and are able to continue to provide financial support to the Company for the period to 30 September 2024. The directors are satisfied that the CME Group has sufficient cash and liquidity to provide this support. In particular, both the directors of the Company and those of CME Group Inc. have considered the financial performance and cash flows of the CME Group and which indicate the CME Group is expected to continue to be cash generative and meet its obligations as they fall due for the period to 30 September 2024.

On the basis of their enquiries of the CME Group's going concern assessment, the letter of support provided by CME Group Inc., and the reasonable expectations that the CME Group will continue as a going concern, the directors have concluded that the Company will be able to continue in operational existence for the period to 30 September 2024. Consequently, the directors continue to adopt the going concern basis of accounting in preparing the Company's financial statements.

Dividends

The interim and final dividend for the year ended 31 December 2022 are disclosed in the Strategic Report.

CME Technology and Support Services Limited

Directors' Report for the Year Ended 31 December 2022 (continued)

Disclosure of information to the auditors

Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware.
- the directors have taken all the steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Directors' liabilities

During the year, the Company made qualifying third-party indemnity provisions for the benefit of its directors. These remained in force at the date of this report.

Reappointment of auditors

The auditors Ernst & Young LLP have held office as auditor of the Company for the year and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Important non adjusting events after the financial period

On 7 February 2023, the Company reduced the issued share capital from £2,000,001 to £787,092 by cancelling and extinguishing 1,212,909 of issued share capital of £1 each.

CME Technology and Support Services Limited

Directors' Report for the Year Ended 31 December 2022 (continued)

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the company's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

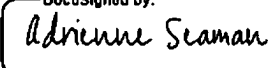
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosure when compliance with specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance;
- 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 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.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report and directors' report that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Approved by the Board on 29 September 2023 and signed on its behalf by:

DocuSigned by:

DC8762BCAE3D407.....
Director
Adrienne Seaman

CME Technology and Support Services Limited

Independent Auditor's Report to the Members of CME Technology and Support Services Limited

Opinion

We have audited the financial statements of CME Technology and Support Services Limited (the 'company') for the year ended 31 December 2022 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 23 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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.

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. 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 FRC's 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the period to 30 September 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

CME Technology and Support Services Limited

Independent Auditor's Report to the Members of CME Technology and Support Services Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 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 directors' responsibilities statement set out on page 6, 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.

CME Technology and Support Services Limited

Independent Auditor's Report to the Members of CME Technology and Support Services Limited (continued)

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its operations, including in relation to health and safety and GDPR.
- We understood how CME Technology and Support Services Limited is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas. We corroborated our inquiries through reading board minutes and correspondence with relevant authorities.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming revenue recognition to be a fraud risk. Our testing of revenue included recalculating revenues in line with the terms of the related intercompany agreements. We also tested certain revenue journals.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria. We read the minutes of Directors' meetings to identify any non-compliance with laws and regulations. We also made enquiries with the Directors and of management of the company regarding compliance with laws and regulations.

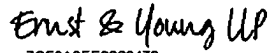
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

CME Technology and Support Services Limited

Independent Auditor's Report to the Members of CME Technology and Support Services Limited (continued)

DocuSigned by:

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.....
Sara McGreer (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor

Belfast

Date: 29 September 2023
.....

CME Technology and Support Services Limited**Profit and Loss Account for the Year Ended 31 December 2022**

	Note	2022 \$'000	2021 \$'000
Turnover	4	39,081	40,892
Other operating income	5	47	125
Administrative expenses	6	(35,305)	(36,723)
Other operating expense	8	<u>(96)</u>	<u>(514)</u>
Operating profit		3,727	3,780
Interest receivable and similar income	9	102	1
Interest payable and similar expenses	10	<u>(15)</u>	<u>(22)</u>
Profit before tax		3,814	3,759
Tax charge on profit	11	<u>(823)</u>	<u>(714)</u>
Profit for the year		<u>2,991</u>	<u>3,045</u>

There are no items of other comprehensive income and accordingly a statement of other comprehensive income has not been presented.

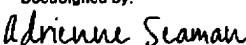
The above results were derived from continuing operations.

The notes on pages 14 to 35 form an integral part of these financial statements.

CME Technology and Support Services Limited**Balance Sheet as at 31 December 2022****Registration number: NI610336**

	Note	2022 \$'000	2021 \$'000
Non-current assets			
Intangible assets	13	3	9
Tangible assets	12	2,278	2,880
Right of use assets	18	3,272	4,581
Other non-current financial assets	14	-	527
Deferred tax assets	11	416	356
Debtors: amounts falling due after one year	15	64	34
		<u>6,033</u>	<u>8,387</u>
Current assets			
Debtors: amounts falling due within one year	15	5,864	4,615
Cash at bank and in hand	16	5,103	8,961
Income tax asset		15	-
Other current financial assets	14	2,538	2,300
		<u>13,520</u>	<u>15,876</u>
Current liabilities			
Creditors: amounts falling due within one year	17	(7,967)	(6,409)
Income tax liability		-	(170)
		<u>(7,967)</u>	<u>(6,579)</u>
Net current assets		<u>5,553</u>	<u>9,297</u>
Total assets less current liabilities		11,586	17,684
Non-current liabilities			
Creditors: Amounts falling due after one year	17	(2,142)	(4,075)
Net assets		<u>9,444</u>	<u>13,609</u>
Equity			
Called up share capital	19	2,541	2,541
Other reserves		4,948	4,104
Retained earnings		1,955	6,964
Total shareholders' funds		<u>9,444</u>	<u>13,609</u>

Approved by the Board on 29 September 2023 and signed on its behalf by:

DocuSigned by:

 OC3702BCAE10407.....
 Director

Adrienne Seaman

The notes on pages 14 to 35 form an integral part of these financial statements.

CME Technology and Support Services Limited**Statement of Changes in Equity for the Year Ended 31 December 2022**

	Note	Called up share capital \$'000	Other reserves \$'000	Retained earnings \$'000	Total \$'000
At 1 January 2021		2,541	3,287	3,919	9,747
Profit for the year		-	-	3,045	3,045
Total comprehensive income		-	-	3,045	3,045
Share based payment transactions		-	761	-	761
Current tax on share based payment		-	14	-	14
Deferred tax on share based payment		-	42	-	42
At 31 December 2021		<u>2,541</u>	<u>4,104</u>	<u>6,964</u>	<u>13,609</u>
Profit for the year		-	-	2,991	2,991
Total comprehensive income		-	-	2,991	2,991
Dividends	21	-	-	(8,000)	(8,000)
Share based payment transactions		-	889	-	889
Current tax on share based payment		-	6	-	6
Deferred tax on share based payments		-	(51)	-	(51)
At 31 December 2022		<u>2,541</u>	<u>4,948</u>	<u>1,955</u>	<u>9,444</u>

Share capital

Share capital includes the nominal value of the proceeds on issue of the Company's share capital, comprising of 2,000,001 ordinary shares at £1 each (31 December 2021: 2,000,001 ordinary shares of £1 each):

Other reserves

Other reserves relate to a share-based payment reserve recognized in accordance with IFRS 2 'Share-based payment'.

Retained earnings

All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

The notes on pages 14 to 35 form an integral part of these financial statements.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared for the year ended 31 December 2022 ("2022") and the comparative year ended 31 December 2021 ("2021").

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ('FRS 101'), the Companies Act 2006 (the 'Act') as applicable to companies using FRS 101 and under the historic cost convention.

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 UK-adopted International Accounting Standards.

Functional and presentational currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The Company's financial statements are presented in thousands ('000s') and are in United States dollars (\$), which is the Company's functional and presentational currency.

Foreign currency transactions and balances

Transactions denominated in foreign currencies are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Exchange differences are taken to the profit and loss account, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are taken directly to other comprehensive income.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Summary of disclosure exemptions

In these financial statements, the company has taken advantage of the exemptions available under FRS 101 in respect of the following disclosures:

- Paragraphs 45(b) and 46 to 52 of IFRS 2 - 'Share-based payments' (how the fair value of goods/services received or equity instruments granted was determined and details of the number and weighted average exercise prices of share options).
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 - 'Revenue from Contracts with Customers' (disaggregation of revenue, significant changes in contract assets and liabilities, details on transaction price allocation, timing of the satisfaction of performance obligations and significant judgements made in the application of IFRS 15).
- Certain disclosures regarding the Company's capital.
- IAS 7 - 'Statement of cash flows'.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

1 Accounting policies (continued)

- Paragraphs 30 and 31 of IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24 - 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' (to disclose related party transactions entered into between two or more members of a group).
- Financial risk management, per 7Sch 6 CA 2008
- A comparative reconciliation of the movements in tangible and intangible fixed assets.

Going concern

The directors have performed a going concern assessment, including a review of the Company's financial position, future operations and cash flow forecasts for the period to 30 September 2024. This assessment indicates that the company will continue to be cash generative for the period to 30 September 2024. However, since the Company's activities are solely to provide services to fellow CME Group companies the Company is dependent on both the continuance of operations by the CME Group and also continuing finance being made available by its parent undertaking to enable it to continue operating and to meet its liabilities as they fall due.

The directors of the Company's ultimate parent undertaking CME Group Inc. have provided a letter indicating that they intend to and are able to continue to provide financial support to the Company for the period to 30 September 2024. The directors are satisfied that the CME Group has sufficient cash and liquidity to provide this support. In particular, both the directors of the Company and those of CME Group Inc. have considered the financial performance and cash flows of the CME Group and which indicate the CME Group is expected to continue to be cash generative and meet its obligations as they fall due for the period to 30 September 2024.

On the basis of their enquiries of the CME Group's going concern assessment, the letter of support provided by CME Group Inc., and the reasonable expectations that the CME Group will continue as a going concern, the directors have concluded that the Company will be able to continue in operational existence for the period to 30 September 2024. Consequently, the directors continue to adopt the going concern basis of accounting in preparing the Company's financial statements.

Accounting developments

There were no new accounting developments during the year which impacted the Company.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

1 Accounting policies (continued)

Revenue recognition

Revenue is recognised when performance obligations have been satisfied, in accordance with IFRS 15. The amount and timing of revenue to be recognised is determined by analysing customer contracts using the five-step model in IFRS 15, the most significant aspects are described below:

Identifying performance obligations in a contract for provision of operational management services

The Company provides services to customers that are classified as operational management services, consisting of operational, technical, marketing and other back off services that are required to support the provision of the operational management services.

The Company determined that operational management services meets the definition of a performance obligation as the customer cannot benefit from each service individually, as the provision of these services is interdependent. Accordingly, these services represent one performance obligation that provides a distinct benefit to the customer.

Identifying the timing of revenue recognition in accordance with the performance obligations carried out

The Company concluded that revenue for operational management services is to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the Company. The Company also determined that the input method is the best depiction of the Company's performance of the services as this method directly measures the value of the costs that are incurred by each entity and which later become the basis of how the revenue is calculated on the costs plus basis.

Interest receivable and similar income

Interest receivable and similar income is recognised using the effective interest rate method.

Interest payable and similar expenses

Interest payable and similar expenses are recognised using the effective interest rate method.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not be recovered based on current or future taxable profit.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

1 Accounting policies (continued)

Calculations of current and deferred tax liability have been based on ongoing discussions with the relevant tax authorities, management's assessment of legal and professional advice, case law and other relevant guidance. Where the expected tax outcome of these matters is different from the amounts that were recorded initially, such differences will impact the current and deferred tax amounts in the year in which a reassessment of the liability is made.

Tangible assets

Property, plant and equipment are stated at historical cost less provision for any impairment in its value and accumulated depreciation. They are depreciated on a straight-line basis over its expected useful economic life as follows:

Leasehold improvement	Shorter of 10 years or end of lease
IT hardware / computer equipment	3-4 years
Software	4 years
Office equipment and other	7 years

Intangible assets

Intangible fixed assets are stated at cost less amortisation. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Amortisation is provided over the life of the asset to write off the cost less the estimated residual value of each asset over its expected useful economic life as follows:

Capitalised software	4 years
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Impairment of non-financial assets

At each balance sheet date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An intangible asset is tested for impairment annually when there are impairment indicators that an asset may need an impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

1 Accounting policies (continued)

Leases

Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Leases of land and buildings generally have lease terms of 5 years. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

1 Accounting policies (continued)

Financial instruments

Initial recognition

Financial assets and financial liabilities comprise all assets and liabilities reflected in the balance sheet, although excluding tangible assets, investment properties, intangible assets, deferred tax assets, prepayments, deferred tax liabilities and employee benefits plan.

The Company recognises financial assets and financial liabilities in the statement of financial position when, and only when, the Company becomes party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at fair value. Financial liabilities are initially recognised at fair value, representing the proceeds received net of premiums, discounts and transaction costs that are directly attributable to the financial liability.

All regular way purchases and sales of financial assets and financial liabilities classified as fair value through profit or loss ("FVTPL") are recognised on the trade date, i.e. the date on which the Company commits to purchase or sell the financial assets or financial liabilities. All regular way purchases and sales of other financial assets and financial liabilities are recognised on the settlement date, i.e. the date on which the asset or liability is received from or delivered to the counterparty. Regular way purchases or sales are purchases or sales of financial assets that require delivery within the time frame generally established by regulation or convention in the market place.

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value.

Classification and measurement

Financial assets and financial liabilities are classified at amortised cost at inception, and subsequently measured at amortised cost.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial liabilities at amortised cost

All financial liabilities, other than those classified at FVTPL, are measured at amortised cost using the effective interest rate method.

Derecognition

Financial assets

The company derecognises a financial asset when;

- the contractual rights to the cash flows from the financial asset expire;

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

1 Accounting policies (continued)

Financial instruments (continued)

- it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received is recognised as a gain or loss in the profit or loss. Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as FVTOCI is not recognised in profit or loss on derecognition of such securities.

Financial liabilities

The company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Impairment of financial assets

Measurement of Expected Credit Losses

The company recognises loss allowances for expected credit losses (ECL) on financial instruments that are not measured at FVTPL, namely:

- financial assets that are debt instruments;
- trade receivables and contract assets;
- financial guarantee contracts issued; and
- loan commitments issued.

The company classifies its financial instruments into stage 1, stage 2 and stage 3, based on the applied impairment methodology, as described below:

Stage 1: for financial instruments where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired on origination, the company recognises an allowance based on the 12-month ECL.

Stage 2: for financial instruments where there has been a significant increase in credit risk since initial recognition but they are not credit-impaired, the company recognises an allowance for the lifetime ECL.

Stage 3: for credit-impaired financial instruments, the company recognises the lifetime ECL.

The company measures loss allowances at an amount equal to the lifetime ECL, except for the following, for which they are measured as a 12-month ECL:

- debt securities that are determined to have a low credit risk (equivalent to investment grade rating) at the reporting date; and
- other financial instruments on which the credit risk has not increased significantly since their initial recognition.

Provisions for credit-impairment are recognised in the Profit and Loss account and are reflected in accumulated provision balances against each relevant financial instruments balance.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

I Accounting policies (continued)

Financial instruments (continued)

Fair value of financial assets and liabilities

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

At 31 December 2021 and 31 December 2022, all disclosed financial instruments fair values were valued using Level 2 techniques, and there were no transfers into or out of Level 2 fair value measurements.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividend payments

The Company recognises the final dividend payable when it has been approved by the shareholders of the Company in a general meeting. The interim dividend is recognised when it has been approved by the directors of the Company.

Dividends in specie are based on the fair value of the assets distributed as this represents the best estimate to settle the obligation.

Share based payments

The Company engages in equity awards to employees of the Company through the ultimate parent undertaking, CME Group Inc.

The fair value of the services received in respect of these share-based payments is determined by reference to the fair value of the share awards on the date of grant to the employee. The cost of the share-based payment is recognised in the profit and loss account on an accelerated basis over the vesting period of the grant, based on an estimate of the amount of instruments that will eventually vest. The charge in the profit and loss account is offset by an equal credit to other reserves.

In accordance with FRS 101, the Share based payments disclosure exemption has been adopted in these financial statements. The equivalent disclosures are included in the consolidated financial statements of CME Group Inc. These accounts are available to the public and may be obtained from the offices of CME Group Inc. or <http://investor.cmegroup.com>.

Government grants

Government grants are recognised in the income statement so as to match them with the expenditure towards which they are intended to contribute, when the conditions of their receipt have been complied with and there is reasonable assurance that the grant will be received.

Defined contribution pension obligation

The Company's employees participate in a defined contribution pension scheme and the Company's contributions to the scheme are charged to the profit and loss account on an accruals basis.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Financial risk management

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated below.

Credit risk and impairment

Credit risk arises from cash, cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The Company also has credit risk exposure to receivables from group entities as a result of intercompany cost allocation recharges. This risk is managed on a group basis.

An impairment calculation is performed on trade intercompany receivables by using Global Corporate Average Cumulative Default Rates. This is on the basis that CME Group ultimately support all the intercompany debt. CME Group have a AA- rating and as such the default rate is 0.02% (Standard & Poors). The intercompany loan receivables impairment is calculated using the general approach and is based on lifetime expected credit losses using a discounted formula based on Bank of England target inflation, marginal probability of default for a AA-rated company and an assumed loss given default rate of 100%, the ECL is immaterial (2021 : \$nil).

Disclosures regarding trade debtors and other debtors, that are neither past due nor impaired, are provided below:

Trade debtors

Amounts owed by group undertakings are considered as trade debtors and are impaired for expected credit losses in accordance with IFRS 9 using the simplified approach. They are held at cost net of loss allowance and any fair value difference is not material.

As at 31 December 2022, amounts owed by group undertakings of \$nil (2021: \$nil) were past due but not impaired. The ageing analysis of these debtors is as follows:

	2022 \$'000	2021 \$'000
Less than 30 days, and not yet due	5,319	3,964
Less than 90 days, and past due date	-	-
Over 90 days, and past due date	-	-
	<u>5,319</u>	<u>3,964</u>

The maximum exposure to credit risk at the reporting date is the carrying value of each class of debtors mentioned above. The Company does not hold any collateral as security.

Other classes of financial assets included within trade and other debtors do not contain past due or impaired assets.

Amounts due from intercompany and intercompany loan receivables are considered in default when they are past due beyond 90 days and are reviewed for impairment using the simplified approach under IFRS 9.

Market risk

Market risk arises from adverse movements in foreign exchange rates, interest rates and securities prices. Those risks are managed by the Company on the basis of agreed limits which are kept under continuous review. Compliance is monitored through internal management reporting and internal audit process.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Financial risk management (continued)

Foreign currency risk

The Company is exposed to foreign currency risk on a transactional basis, where receipts and payments occur in currencies other than United States Dollar, and on a translation basis, whereby assets and liabilities are denominated in currencies other than the United States Dollar. The Company does not have a policy of hedging its foreign risk exposure.

The following table demonstrates the sensitivity to a reasonably possible change in United States Dollar against the exchange rates of foreign currencies with all other variables held constant. The analysis shows the impact on profit and loss of a strengthening (-%) or weakening (+%) of the currency against United States Dollar:

	Sensitivity	2022	Sensitivity	2021
	%	\$'000	%	\$'000
British Pound	11%	(19)	7%	(221)
	(7%)	12	(15%)	642
Euro	8%	-	6%	(2)
	(6%)	-	(13%)	6

Liquidity risk

The Company's policy is to manage liquidity risk by maintaining sufficient bank balances to manage short-term liquidity requirements. Liquidity risk is the risk that the Company is unable to fully or promptly meet payment obligations and potential payment obligations as and when they fall due.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

Maturity analysis

	Within 1 year	Within 1 to 2	Within 2 to 5	Total
2022	Within 1 year	years	years	Total
	\$'000	\$'000	\$'000	\$'000
Trade and other payables	5,065	-	-	5,065
Amounts due to Group undertaking	354	-	-	354
Lease liabilities	1,504	1,504	643	3,651
	<u>6,923</u>	<u>1,504</u>	<u>643</u>	<u>9,070</u>
2021	Within 1 year	Within 1 to 2	Within 2 to 5	Total
	\$'000	years	years	Total
	\$'000	\$'000	\$'000	\$'000
Trade and other payables	3,734	-	-	3,734
Amounts due to Group undertaking	71	-	-	71
Lease liabilities	1,592	1,522	3,059	6,173
	<u>5,397</u>	<u>1,522</u>	<u>3,059</u>	<u>9,978</u>

The above table does not include taxation and social security of \$1,046,646 (2021: \$1,011,731) as this is not a financial liability.

Other than the risks outlined above the Company is also exposed to the following operational risks:

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Financial risk management (continued)

Operational risk

Operational risk is the risk of losses due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental, or natural occurrences. Internal processes include human resource systems, risk management and internal controls (including fraud prevention). Internal processes are subject to risks associated with human error, breaches of safety and failure of error prevention and detection systems. Operational risks also include possible failures of information technology systems. Operational risk is managed through the implementation of systems controls and policies, in which employees receive regular training, and the establishment of a business continuity plan, which is reviewed and tested on a regular basis under various scenarios.

Other than the risks outlined above, the Company is also exposed to the following operational risks:

Reputation risk

Reputation risk is the risk of damage to the Company arising from any association, action or inaction, perceived by stakeholders (e.g. customers, clients, colleagues, shareholders, regulators, opinion formers) to be inappropriate or unethical. The governance around the management of reputation risk is designed to promote a consistent approach and a risk-aware culture across the Company and CME Group. Every member of staff must take responsibility for managing reputation risk associated with their decisions and actions.

3 Critical accounting judgements and key sources of estimation uncertainty

The Company makes various judgements in applying its accounting policies and various assumptions and estimates, including about the future, when determining the carrying value of certain assets and liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at 31 December 2022 that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Company's control and are reflected in the assumptions if and when they occur.

- The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) and when available and is required to make certain entity-specific estimates (such as the Company's stand-alone credit rating). The IBRs used in the calculation of the lease liability for the year ended 31 December 2022 ranged from 0.29% to 0.47% (2021: 0.29% to 0.47%).

4 Turnover

The analysis of the company's turnover for the year by class of business is as follows:

	2022	2021
	\$'000	\$'000
Intercompany management fee revenue	39,081	40,892

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****4 Turnover (continued)**

	2022	2021
	\$'000	\$'000
Turnover by geographical area:		
United Kingdom	<u>39,081</u>	<u>40,892</u>

Turnover by geographical area is based on destination. All turnover is generated within the UK.

No revenue is recognised in relation to performance obligations from prior periods.

5 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2022	2021
	\$'000	\$'000
Grants	<u>47</u>	<u>125</u>

Grants relates to a training grant received from Invest NI.

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****6 Administrative expenses**

	2022	2021
	\$'000	\$'000
Salary and payroll costs	25,305	23,447
Other short-term employee benefits	1,413	1,423
Staff costs	26,718	24,870
Professional and legal fees	2,513	5,285
Telecom costs	127	158
Travel and entertainment	319	17
IT costs	200	51
Bank fees	4	4
Intercompany management fee	2,579	3,428
Marketing costs	34	14
Service charge and rates	413	579
Other	786	619
R&D tax claim	(817)	(1,099)
Depreciation expense	1,114	1,479
Amortisation expense	6	9
Depreciation on right of use assets	1,309	1,309
Other administrative expenses	8,587	11,853
	35,305	36,723

The fee paid to Ernst & Young LLP (the Company's external auditors) for the statutory audit of the Company for the year ended 31 December 2022 was \$32,871 (31 December 2021: \$39,000).

7 Staff costs

The aggregate payroll costs were as follows:

	2022	2021
	\$'000	\$'000
Wages and salaries	21,193	19,725
Social security costs	2,614	2,239
Pension costs, defined contribution scheme	1,498	1,483
Other short-term employee benefits	1,413	1,423
	26,718	24,870

Included in other short-term employee benefits is a total expense of share-based payments of \$889,000 (31 December 2021: \$761,241)

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****7 Staff costs (continued)**

The average number of persons employed by the company (including directors) during the year was as follows:

	2022	2021
	Number	Number
Employees	<u>288</u>	<u>277</u>

The remuneration of some directors is included in the accounts of CME Inc. or fellow subsidiaries of the holding company. The amount of this remuneration that relates to services to the Company is negligible.

8 Other operating expense

The analysis of the company's other operating expense for the year is as follows:

	2022	2021
	\$'000	\$'000
Currency fluctuation	<u>96</u>	<u>514</u>

9 Interest receivable and similar income

	2022	2021
	\$'000	\$'000
Interest income on bank deposits	<u>102</u>	<u>1</u>

10 Interest payable and similar expenses

	2022	2021
	\$'000	\$'000
Interest expense on leases	<u>15</u>	<u>22</u>

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****11 Income tax**

	2022	2021
	\$'000	\$'000
a) Analysis of the charge for the year		
UK corporate tax:		
- Current year	(872)	(918)
- Adjustments in respect of prior periods	(63)	44
UK deferred tax:		
- Current year	-	167
- Adjustments in respect of prior periods	<u>112</u>	<u>(7)</u>
Overseas tax:	<u>(823)</u>	<u>(714)</u>
b) Factors affecting the tax charge for the year		
Profit before tax	<u>3,814</u>	<u>3,759</u>
Profit before tax multiplied by the standard rate of corporation tax in the UK of 19% (31 December 2021: 19%)	725	714
Effects of:		
Expenses not deductible for tax purposes	136	155
Non-taxable credits	-	(10)
Adjustments in respect of prior years - current tax	63	(44)
Adjustments in respect of prior years - deferred tax	(112)	7
Impact of change in rate for deferred tax	<u>11</u>	<u>(108)</u>
	<u>98</u>	<u>-</u>
Tax charge for the year	<u>823</u>	<u>714</u>
Effective tax rate	22%	19%

The headline rate of UK corporation tax remained at 19% for the period, following the enactment of Finance Act 2020 on 22 July 2020. Finance Act 2021 enacted in June 2021 includes a provision to change the standard rate of corporation tax from 19% to 25% with effect from 1 April 2023.

Given that this rate was enacted at the time of the balance sheet date, the closing deferred tax balances have been calculated by reference to the 25% rate.

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****11 Income tax (continued)****Deferred tax**

	2022	2021
	\$'000	\$'000
Share based payments	221	256
Fixed assets temporary differences	<u>195</u>	<u>100</u>
	<u>416</u>	<u>356</u>

	2022	2021
	\$'000	\$'000
Current tax on share based payment	6	14
Deferred tax on share based payment	<u>(51)</u>	<u>42</u>
Total tax on statement changes in equity	<u>(45)</u>	<u>56</u>

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****12 Tangible assets**

	Leasehold Improvements \$'000	Computer Equipment \$'000	Software \$'000	Office equipment \$'000	Total \$'000
Cost					
At 1 January 2022	6,415	2,279	23	1,680	10,397
Additions	122	362	-	29	513
Disposals	-	(98)	-	-	(98)
At 31 December 2022	<u>6,537</u>	<u>2,543</u>	<u>23</u>	<u>1,709</u>	<u>10,812</u>
Depreciation					
At 1 January 2022	4,437	1,731	23	1,326	7,517
Charge for the year	664	354	-	96	1,114
Eliminated on disposal	-	(97)	-	-	(97)
At 31 December 2022	<u>5,101</u>	<u>1,988</u>	<u>23</u>	<u>1,422</u>	<u>8,534</u>
Carrying amount					
At 31 December 2022	<u>1,436</u>	<u>555</u>	<u>-</u>	<u>287</u>	<u>2,278</u>
At 31 December 2021	<u>1,978</u>	<u>548</u>	<u>-</u>	<u>354</u>	<u>2,880</u>

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****13 Intangible assets**

	Software \$'000	Total \$'000
Cost or valuation		
At 1 January 2022	141	141
At 31 December 2022	141	141
Amortisation		
At 1 January 2022	132	132
Amortisation charge	6	6
At 31 December 2022	138	138
Carrying amount		
At 31 December 2022	3	3
At 31 December 2021	9	9

14 Other financial assets

	2022 \$'000	2021 \$'000
Non-current financial assets		
Amounts held in Escrow	-	527
Current financial assets		
Amounts held in Escrow	2,538	2,300

The government grants are held in Escrow until such time that the grant monies received are available for release from Escrow in line with the government grant terms and conditions.

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****15 Debtors**

	2022	2021
	\$'000	\$'000
Debtors: amounts falling due after one year		
Other debtors	64	34
	<u>64</u>	<u>34</u>
Debtors: amounts falling due within one year		
Prepayments	228	286
Contract assets	12	-
Other debtors	305	365
Amounts due from Group companies	5,319	3,964
	<u>5,864</u>	<u>4,615</u>
	<u>5,928</u>	<u>4,649</u>

Other debtors falling due after more than one year relate to supplier deposits.

Amounts due from Group companies are unsecured, non-interest bearing and receivable on demand.

16 Cash at bank and in hand

	2022	2021
	\$'000	\$'000
Cash at bank	4,851	2,251
Short-term deposits	252	6,710
	<u>5,103</u>	<u>8,961</u>

The Company invests in a managed liquidity fund which is invested in short-term deposits collateralised by high quality government financial securities.

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****17 Creditors**

	2022	2021
	\$'000	\$'000
Creditors: amounts falling due after one year		
Lease liabilities	2,142	4,075
	<u>2,142</u>	<u>4,075</u>
Creditors: amounts falling due within one year		
Trade creditors	334	211
Accrued expenses	4,425	3,277
Amounts due to Group companies	354	71
Social security and other taxes	1,047	1,012
Outstanding defined contribution pension costs	259	228
Other payables	47	18
Lease liabilities	1,501	1,592
	<u>7,967</u>	<u>6,409</u>
	<u>10,109</u>	<u>10,484</u>

18 Leases

The Company leases its principal operational premises at Millennium House, Belfast. The lease contract entered into terminates on 30 June 2025.

Set out below are the nature and carrying amounts of right-of-use assets recognised and the movements during the period:

Right of Use Asset

Set out below are the carrying amounts of lease liabilities included within financial liabilities and the movements during the period:

	2022	2021
	\$'000	\$'000
As at 1 January	4,581	5,890
Depreciation	<u>(1,309)</u>	<u>(1,309)</u>
As at 31 December	<u>3,272</u>	<u>4,581</u>

CME Technology and Support Services Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****18 Leases (continued)****Lease liabilities**

	2022	2021
	\$'000	\$'000
As at 1 January	5,667	6,513
Accretion of interest	15	22
Payments	(1,468)	(1,320)
Foreign exchange	(571)	452
As at 31 December	<u>3,643</u>	<u>5,667</u>

Maturity analysis - contractual undiscounted cash flows

	2022	2021
	\$'000	\$'000
Not later than one year	1,504	1,608
After one year but not later than five	<u>2,147</u>	<u>4,091</u>
Total undiscounted lease liabilities at end of year	<u>3,651</u>	<u>5,699</u>

Amounts recognised in profit or loss:

	2022	2021
	\$'000	\$'000
Depreciation expense of right of use assets	1,309	1,309
Interest expense on lease liabilities	<u>15</u>	<u>22</u>
Total amount recognised in profit and loss	<u>1,324</u>	<u>1,331</u>

19 Called up share capital**Allotted, called up and fully paid shares**

	2022		2021	
	No. 000	\$ 000	No. 000	\$ 000
Ordinary shares of £1 each	2,000	2,541	2,000	2,541

20 Share-based payments**CME Group Inc. Equity Plan**

Stock-based awards are granted under the CME Group Inc. Equity Plan. The type of awards granted to employees of the Company are restricted stock awards and an employee stock purchase plan.

CME Technology and Support Services Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

20 Share-based payments (continued)

Restricted stock awards

Restricted stock awards typically vest over a period of 2, 3 or 4 years from the grant date, with most awards vesting over a period of 4 years. The vesting of restricted stock awards is contingent upon continued employment with CME Group.

The total number of restricted stock awards that vested during 2022 was 4,092 (2021: 3,845) at a weighted average price of \$183.61 (2021: \$170.94). The total number of restricted stock awards outstanding at the end of the year was 14,783 (2021: 12,305) with a weighted average contractual life of 1.81 years (2021: 1.82 years).

Employee stock purchase plan

CME Group has adopted an Employee Stock Purchase Plan (ESPP) under which eligible employees may acquire shares of Class A common stock using payroll deductions made during consecutive offering periods of approximately six months in duration. Shares are purchased at the end of each offering period at a price of 90% of the closing price of the Class A common stock as reported on the NASDAQ Global Select Market. Compensation expense is recognized on the dates of purchase for the discount from the closing price.

In 2022, 699 shares of Class A common stock were issued to participating employees (2021: 646 shares). These shares are subject to a six-month holding period. Total compensation expense recognised under the employee share purchase plan was \$13,043 for the year ended 31 December 2022 (2021: \$14,355).

21 Dividends

Interim dividends paid

	2022 \$'000	2021 \$'000
Interim dividend of \$4.00 (2021 - \$Nil) per each share on 25 November 2022	8,000	-

22 Non adjusting events after the financial period

On 7 February 2023, the Company reduced the issued share capital from £2,000,001 to £787,092 by cancelling and extinguishing 1,212,909 of issued share capital of £1 each.

23 Parent and ultimate parent undertaking

The Company's immediate parent is CME Finance Holdings Limited, which is incorporated in England and Wales and does not prepare consolidated financial statements.

The Company's ultimate parent is CME Group Inc., which is incorporated in Delaware, United States, and heads the largest group of companies of which the Company is a member. CME Group Inc. prepares consolidated financial statements in accordance with US GAAP, which are publicly available, and copies may be obtained from the Company, Secretary, CME Group Inc., 20 South Wacker Drive, Chicago, Illinois, 60606.