

Registration number: 04839268

# Traiana Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022



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COMPANIES HOUSE

## **Traiana Limited**

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## **Traiana Limited**

### **Company Information**

#### **Profile**

Traiana Limited (the 'Company') is owned 100% by its immediate parent company Traiana Inc. The Company is a 100% owned indirect subsidiary of Osttra Group Ltd. (the 'Group'), which is incorporated in Bermuda. The Company is consolidated in the group headed by Osttra Group Ltd., a joint venture. CME Group Inc. and S&P Global have combined their post trade services into the joint venture with 50:50 ownership and control. The Company is incorporated and domiciled in England and Wales and is a private company limited by shares.

<b>Directors</b>	J Davies
	K Winters
	M Hallett
<b>Registered office</b>	London Fruit and Wool Exchange 1 Duval Square London E1 6PW
<b>Registration number</b>	04839268
<b>Auditors</b>	Ernst & Young LLP

## **Traiana Limited**

### **Strategic Report for the Year Ended 31 December 2022**

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

#### **Principal activity**

The Company provides sales, marketing and IT integration services to its parent company, Traiana Inc. It is anticipated that the Company will continue its present business activities next year.

#### **Business review**

The Company provides sales, marketing and IT integration services to its parent company, Traiana Inc.

Traiana Inc. provides global banks, brokers/dealers, buy side firms and trading platforms with services to monitor pre-trade risk and automatic post-trade processing of financial transactions in listed and over-the counter trading markets. Traiana Inc.'s solutions and the Harmony Network have become the market standard for post-trade processing of foreign exchange, exchange traded derivatives, fixed income, CDS and synthetic and cash equity transactions.

As the service provider to Traiana Inc., the demand for the Company's services is expected to grow correlatively. The directors consider that the year end financial position was satisfactory.

Since 1 September 2021, the Company's ultimate parent, CME Group Inc and S&P Global entered into a 50/50 joint venture arrangement to combine post-trade services of the two businesses. This new joint venture, named Osttra Group Ltd., includes Traiana Inc. and its business. The intent of the joint venture is to increase operating efficiencies and be better able to service clients with enhanced platforms and services for OTC markets across interest rate, FX, equity, and credit asset classes. As a result of this transaction, the Company's ultimate parent is now Osttra Group Ltd.

The directors do not anticipate any changes to the business or operations of the Company as a result of this transaction.

#### **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 10.

The profit for the year of \$3,198,901 (31 December 2021: \$1,131,010) has been transferred to reserves.

The net assets of the Company are \$6,421,876 (31 December 2021: \$2,973,718).

Dividends paid during the year were \$Nil (31 December 2021: \$4,000,000)

#### **Capital Management**

The Company's capital strategy is to maintain an efficient and strong capital base which maximises the return to its shareholders, while also maintaining flexibility. The capital structure of the Company consists of equity, including share capital, other reserves and retained earnings. Osttra Group Ltd. evaluates at the Company level the risks facing the business, to determine whether its capital is sufficient to cover any expected losses.

No changes have been made in capital management from the previous year.

## **Traiana Limited**

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

#### **Principal risks and uncertainties**


The principal risks and uncertainties of the Company are integrated with the principal risks and uncertainties of the Group and are not managed separately. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's annual report for the year ended 31 December 2022, which does not form part of this report and copies may be obtained from the Company Secretary, Ostra Group Ltd., 2nd Floor, Atlantic House, 11 Par-la-Ville Road, Hamilton, HM 11.

Other risks and uncertainties have been discussed in the Going Concern section of the Directors' Report for the Company.

#### **Key Performance Indicators**

The directors of the Group manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The key performance indicators of the Group, which includes the Company, are discussed in the Group's annual report for the year ended 31 December 2022.

This report has been approved by the Board on 28 September 2023 and signed on its behalf by:

DocuSigned by:  
  
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K Winters  
Director

## **Traiana 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.

#### **Principal activities, Business review and Future Developments**

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

#### **Going concern**

In 2022, the global economy experienced an unusually sharp slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions globally, Russia's conflict with Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the global economic outlook. Nevertheless, the business activities of the Company have continued to be operational with minimal disruption to the principal activities of the Company.

The Company has no physical operations in Ukraine or Russia but as the situation in Ukraine continues to evolve, the unpredictable nature of the conflict means there is uncertainty on the full extent and duration of the business and economic impact. Although the business activities of the Company have not been materially impacted, an escalation of the situation could have adverse implications for our business arising from potential impacts on financial markets and our operations.

A sensitivity analysis was produced incorporating both possible and remote impacts to the Company for a period of 24 months from the balance sheet date to 31 December 2024. In addition, Traiana Inc, the immediate parent, has confirmed its undertaking to continue to procure sales, operations and other support services from the Company with no changes to current arrangements or scope for a period of 13 months from when the financial statements are authorised for issue. For this reason, the Company continues to adopt the going concern basis in preparing these financial statements.

#### **Dividends**

The directors recommend a final dividend payment of \$Nil be made in respect of the financial year ended 31 December 2022 (31 December 2021: \$4,000,000).

#### **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 s418 of the Companies Act 2006.

#### **Directors of the company**

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

J Davies

K Winters

M Hallett

#### **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.

## **Traiana Limited**

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

#### **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**

Other than the unpredictable risks and uncertainties as disclosed in the Going Concern disclosure in the Directors' Report, there are no further post balance sheet events to disclose this year.

## **Traiana 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework' ('FRS 101').

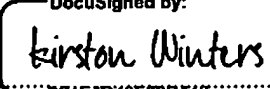
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required 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 28 September 2023 and signed on its behalf by:

DocuSigned by:  
  
.....224E4D43F89D248.....  
K Winters  
Director



## **Traiana Limited**

### **Independent Auditor's Report to the Members of Traiana Limited**

#### **Opinion**

We have audited the financial statements of Traiana Limited 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 17, 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 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.

#### **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. 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 a period of 13 months from when the financial statements are authorised for issue.

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.

#### **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.

## **Traiana Limited**

### **Independent Auditor's Report to the Members of Traiana Limited (continued)**

#### **Opinion 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 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.

#### **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 domestic and overseas operations, including health and safety, employees, data protection and anti-bribery and corruption.

## Traiana Limited

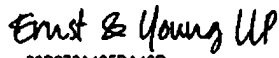
### Independent Auditor's Report to the Members of Traiana Limited (continued)

- We understood how the Company is complying with those frameworks by making enquiries of management and those charged with governance to understand how the Company maintains and communicates its policies and procedures in these areas, and corroborated this by reviewing supporting documentation. We also reviewed 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. To address the risk, we obtained an understanding of the entity level controls and the Company's policies in place to identify and respond to fraud including those areas which involved a higher degree of management judgement and subjectivity.
- We designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved testing of both manual and system journals identified by specific risk criteria.
- We incorporated data analytics into our testing of journals by considering specific risk criteria identified in our audit in order to select transactions which we traced back to source documentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council'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 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.

DocuSigned by:  
  
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Tafadzwa Gate (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

Date: 29 September 2023  
Date:.....

**Traiana Limited****Profit and Loss Account for the Year Ended 31 December 2022**

	Note	2022 \$ 000	2021 \$ 000
Turnover	3	18,765	16,415
Other operating income	7	3,319	21
Administrative expenses	4	<u>(17,588)</u>	<u>(15,295)</u>
Operating profit		4,496	1,141
Interest payable and similar expense	8	<u>(551)</u>	<u>-</u>
Profit before tax		3,945	1,141
Tax on profit	9	<u>(746)</u>	<u>(10)</u>
Profit for the year		<u>3,199</u>	<u>1,131</u>

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

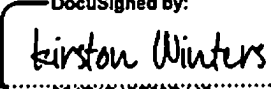
The above results were derived from continuing operations.

The notes on pages 13 to 28 form an integral part of these financial statements.

**Traiana Limited****Balance Sheet as at 31 December 2022****Registration number: 04839268**

	Note	2022 \$ 000	2021 \$ 000
<b>Non-current assets</b>			
Right of use assets	12	25,136	-
Deferred tax assets	9	154	173
		<u>25,290</u>	<u>173</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	12,146	9,936
Cash at bank and in hand	11	678	44
		<u>12,824</u>	<u>9,980</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	13	(10,492)	(7,075)
Income tax liability	9	(478)	(104)
		<u>(10,970)</u>	<u>(7,179)</u>
<b>Net current assets</b>		<u>1,854</u>	<u>2,801</u>
<b>Total assets less current liabilities</b>		27,144	2,974
<b>Non-current liabilities</b>			
Creditors: Amounts falling due after more than one year	13	(20,722)	-
<b>Net assets</b>		<u>6,422</u>	<u>2,974</u>
<b>Equity</b>			
Called up share capital	15	-	-
Other reserves		2,407	2,158
Retained earnings		4,253	1,054
Translation reserve		(238)	(238)
<b>Total shareholders' funds</b>		<u>6,422</u>	<u>2,974</u>

Approved by the Board on 28 September 2023 and signed on its behalf by:

DocuSigned by:  
  
 .....  
 K Winters  
 Director

The notes on pages 13 to 28 form an integral part of these financial statements.

**Traiana 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	Translation reserve \$ 000	Total \$ 000
At 1 January 2021		-	1,495	3,923	(238)	5,180
Profit for the year		-	-	1,131	-	1,131
Total comprehensive income		-	-	1,131	-	1,131
Dividends		-	-	(4,000)	-	(4,000)
Share based payment transactions		-	665	-	-	665
Tax adjustment		-	(2)	-	-	(2)
At 31 December 2021		-	2,158	1,054	(238)	2,974
Profit for the year		-	-	3,199	-	3,199
Total comprehensive income		-	-	3,199	-	3,199
Share based payment transactions		-	249	-	-	249
At 31 December 2022		-	2,407	4,253	(238)	6,422

**Called up share capital**

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

**Other reserves**

Other reserves relates to the share-based payment reserve recognised 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.

**Translation reserve**

The translation reserve account relates to the foreign exchange impact following the change in functional and presentational currency from GBP to USD on 1 April 2019.

The notes on pages 13 to 28 form an integral part of these financial statements.

## **Traiana 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 as modified by the revaluation of certain financial instruments.

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 Financial Reporting Standards. ('Adopted IFRS')

#### **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).
- IFRS 7 - 'Financial instruments: Disclosures'.
- 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).
- Paragraph 38 of IAS 1 - 'Presentation of financial statements' (comparative information requirements in respect of):
  - paragraph 79(a)(iv) of IAS 1  
(reconciliation of number of shares at the beginning and end of the period)
- The following paragraphs of IAS 1 - 'Presentation of financial statements' (removing the requirement to present):
  - 10(d) (statement of cash flows);
  - 16 (statement of compliance with all IFRS);
  - 38A (minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - 111 (cash flow statement information);
  - 134-136 (capital management disclosures)
- IAS 7 - 'Statement of cash flows'.

## **Traiana Limited**

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

#### **1 Accounting policies (continued)**

- 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).
- The requirements of paragraph 52 [lessee], the second sentence of paragraph 89, and paragraphs 90, 91 and 93 [lessor] of IFRS 16 - 'Leases' (lessee disclosures and lessor disclosures in relation to finance leases and lease income on operating leases).

#### **Consolidation**

These financial statements are separate financial statements. The Company is a wholly owned subsidiary of Traiana Inc and of its ultimate parent, Ostra Group Limited. It is included in the consolidated financial statements of the Group, which are publicly available. Therefore, the Company is exempt by virtue of section 401 of the Companies Act 2006, from the requirement to prepare consolidated financial statements. See note 17 for further information.

#### **Going concern**

In 2022, the global economy experienced an unusually sharp slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions globally, Russia's conflict with Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the global economic outlook. Nevertheless, the business activities of the Company have continued to be operational with minimal disruption to the principal activities of the Company.

The Company has no physical operations in Ukraine or Russia but as the situation in Ukraine continues to evolve, the unpredictable nature of the conflict means there is uncertainty on the full extent and duration of the business and economic impact. Although the business activities of the Company have not been materially impacted, an escalation of the situation could have adverse implications for our business arising from potential impacts on financial markets and our operations.

A sensitivity analysis was produced incorporating both possible and remote impacts to the Company for a period of 24 months from the balance sheet date to 31 December 2024. In addition, Traiana Inc, the immediate parent, has confirmed its undertaking to continue to procure sales, operations and other support services from the Company with no changes to current arrangements or scope for a period of 13 months from when the financial statements are authorised for issue. For this reason, the Company continues to adopt the going concern basis in preparing these financial statements.

#### **Accounting developments**

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

#### **Turnover**

Revenue is comprised of marketing services provided to Traiana Inc. The marketing services are billed to Traiana Inc. with an agreed mark up. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, Value Added Tax ('VAT') and other sales related taxes but not net of distribution fees.

#### **Interest payable and similar expenses**

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



## Traiana Limited

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

#### 1 Accounting policies (continued)

##### **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.

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.

##### **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.

##### **Leases**

###### *Initial recognition and measurement*

The company initially recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term.

The lease liability is measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments, purchase options at exercise price (where payment is reasonably certain), expected amount of residual value guarantees, termination option penalties (where payment is considered reasonably certain) and variable lease payments that depend on an index or rate.

The right-of-use asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, the company's initial direct costs (e.g., commissions) and an estimate of restoration, removal and dismantling costs.

## Traiana Limited

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

#### 1 Accounting policies (continued)

##### *Subsequent measurement*

After the commencement date, the company measures the lease liability by:

- (a) Increasing the carrying amount to reflect interest on the lease liability;
- (b) Reducing the carrying amount to reflect the lease payments made; and
- (c) Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in substance fixed lease payments or on the occurrence of other specific events.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest charges are [presented separately as non-operating /included in finance cost in the income statement, unless the costs are included in the carrying amount of another asset applying other applicable standards. Variable lease payments not included in the measurement of the lease liability, are included in operating expenses in the period in which the event or condition that triggers them arises.

The related right-of-use asset is accounted for using the Cost model in IAS 16 and depreciated and charged in accordance with the depreciation requirements of IAS 16 Property, Plant and Equipment as disclosed in the accounting policy for Property, Plant and Equipment. Adjustments are made to the carrying value of the right of use asset where the lease liability is re-measured in accordance with the above. Right of use assets are tested for impairment in accordance with IAS 36 Impairment of assets as disclosed in the accounting policy on impairment.

##### *Short term and low value leases*

The company has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

The company has made an accounting policy election on a lease-by-lease basis, not to recognise lease assets on leases for which the underlying asset is of low value.

Lease payments on short term and low value leases are accounted for on a straight line bases over the term of the lease or other systematic basis if considered more appropriate. Short term and low value lease payments are included in operating expenses in the income statement.

## Traiana 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 balance sheet 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 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 assets at fair value through other comprehensive income (FVOCI)

Financial assets at FVOCI comprise equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Company considers this classification to be more relevant.

###### 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.

###### Financial liabilities at fair value through the profit or loss

Financial liabilities not measured at amortised cost are classified and measured at FVTPL. This classification include derivative liabilities.

## **Traiana Limited**

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

#### **1 Accounting policies (continued)**

##### **Derecognition**

###### *Financial assets*

The company derecognises a financial asset when;

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

##### **Modification of financial assets and financial liabilities**

If the terms of a financial asset or financial liability are modified and the company evaluates that the cash flows are substantially different, then the contractual rights to the cash flows from the original financial asset or financial liability are deemed to expire. This results in the original financial asset or financial liability being derecognised and a new financial asset or financial liability is recognised at either amortised cost or fair value.

If the cash flows are not substantially different, then the modification does not result in derecognition of the financial asset or financial liability. The company would recalculate the gross carrying amount of the financial asset or financial liability and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in the income statement.

## **Traiana Limited**

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

#### **1 Accounting policies (continued)**

##### **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.

##### **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.

## **Traiana Limited**

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

#### **1 Accounting policies (continued)**

##### **Share based payments**

Since the change of ownership on 1 September 2021 the Company engaged in equity awards to employees of the Company, through the previous ultimate parent undertaking, CME Group Inc.

The fair value of the services received in respect of these share-based payments was determined by reference to the fair value of the share awards on the date of grant to the employee. The fair value measurement of restricted shares and performance stock awards was based on the closing stock price on the date of grant. The cost of the share-based payment was 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.

Since 1 September 2021 all unvested awards were forfeited and replaced by a cash incentive that will be paid out in accordance with the vesting period of the forfeited equity awards. The value of the incentive is based on the CME Group Inc. closing stock price on 1 September 2021 and the number of unvested shares that were forfeited. The cost of the incentive is recognised in the profit and loss account on an accelerated basis over the period until the incentive is paid to employees. As the Company continues to benefit from the services received but is not liable for the incentive payment, the charge in the profit and loss account continues to be 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.

##### **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.

#### **2 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, as at 31 December 2022 there were no such judgements or estimates that had a significant effect on the amounts recognised in the financial statements.

**Traiana Limited****Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****3 Turnover**

The analysis of the company's turnover for the year from continuing operations is as follows:

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Revenue	<u>18,765</u>	<u>16,415</u>

**4 Administrative expenses**

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Salary and payroll costs	11,454	10,137
Other short-term employee benefits	<u>1,283</u>	<u>1,673</u>
<b>Staff costs (note 5)</b>	<u>12,737</u>	<u>11,810</u>
Professional & Legal fees	944	1,431
Telecom costs	498	491
Expected credit loss on trade and other debtors	(1)	2
Travel and Entertainment	367	11
IT costs	16	379
Bank fees	1	1
Intercompany management fee	63	958
Marketing costs	42	29
Profit or loss on disposal of property, plant and equipment	5	-
Depreciation on right of use assets	2,793	-
Other expense	<u>123</u>	<u>183</u>
<b>Other administrative expenses</b>	<u>4,851</u>	<u>3,485</u>
	<u>17,588</u>	<u>15,295</u>

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 \$67,000 (31 December 2021: \$25,000).

**Traiana Limited****Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****5 Staff costs**

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Wages and salaries	10,021	8,919
Social security costs	1,433	1,218
Other short-term employee benefits	1,283	1,673
	<u>12,737</u>	<u>11,810</u>

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

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
London	<u>66</u>	<u>66</u>

**6 Directors' remuneration**

Remuneration payable to the directors in respect of their services to the Company was as follows:

	<b>2022</b>		<b>2021</b>	
	<b>Total</b>	<b>Highest paid director</b>	<b>Total</b>	<b>Highest paid director</b>
	<b>\$ 000</b>	<b>\$ 000</b>	<b>\$ 000</b>	<b>\$ 000</b>
Aggregated emoluments	681	681	611	611
Contributions to defined contribution pension schemes	44	44	43	43
Other benefits	3	3	4	4
	<u>728</u>	<u>728</u>	<u>658</u>	<u>658</u>

**7 Other operating income**

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

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Currency fluctuation	<u>3,319</u>	<u>21</u>

**8 Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Interest on bank overdrafts and borrowings	1	-
Interest on lease liabilities	<u>550</u>	<u>-</u>
	<u>551</u>	<u>-</u>



**Traiana Limited****Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****9 Tax charge on profit**

	2022 \$ 000	2021 \$ 000
<b>a) Analysis of the charge for the year</b>		
<b>UK corporate tax:</b>		
- Current year	728	104
- Adjustments in respect of prior periods	(1)	(6)
<b>UK deferred tax:</b>		
- Current year	19	(88)
	<u>746</u>	<u>10</u>
<b>b) Factors affecting the tax charge for the year</b>		
Profit before tax	<u>3,945</u>	<u>1,141</u>
Profit before tax multiplied by the standard rate of corporation tax in the UK of 19% (31 December 2021: 19%)	750	217
<b>Effects of:</b>		
Expenses not deductible for tax purposes	6	1
Adjustments not taxable for tax purposes	-	(10)
Adjustments in respect of prior years - current tax	(1)	(6)
Share based payment	-	20
Group relief claimed for nil	-	(208)
Impact of change in rate for deferred tax	(9)	(4)
	<u>(4)</u>	<u>(207)</u>
<b>Tax charge for the year</b>	<u>746</u>	<u>10</u>
<b>Effective tax rate</b>	19%	1%

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.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

**Traiana Limited****Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****9 Tax charge on profit (continued)****Deferred tax**

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Capital allowances	15	19
Unpaid remuneration	<u>139</u>	<u>154</u>
	<u>154</u>	<u>173</u>
	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
As at 1 January	173	86
Transferred to the income statement	(19)	89
Transferred to equity	<u>-</u>	<u>(2)</u>
As at 31 December	<u>154</u>	<u>173</u>

**10 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
<b>Debtors: amounts falling due within one year</b>		
Prepayments	69	44
Contract assets	-	8
Other debtors	152	105
Amounts due from Group companies	11,816	9,542
ECL on amounts due from Group companies	(1)	(2)
Amounts due from affiliates	<u>110</u>	<u>239</u>
	<u>12,146</u>	<u>9,936</u>

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

**11 Cash at bank and in hand**

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Cash at bank	<u>678</u>	<u>44</u>

**Traiana Limited****Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****12 Leases**

The Company has entered into a lease contract as at 1 January 2022 for a commercial lease on office premises in London. The lease has a remaining tenure of 9 years.

**Right of Use Asset**

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

	<b>31 December 2022 \$ 000</b>	<b>31 December 2021 \$ 000</b>
As at 1 January	-	-
Additions	27,929	-
Depreciation	<u>(2,793)</u>	<u>-</u>
As at 31 December	<u><u>25,136</u></u>	<u><u>-</u></u>

**Lease liabilities**

	<b>31 December 2022 \$ 000</b>	<b>31 December 2021 \$ 000</b>
As at 1 January	-	-
Additions	27,929	-
Payments	(2,673)	-
Accretion of interest	550	-
Foreign exchange	<u>(2,957)</u>	<u>-</u>
As at 31 December	<u><u>22,849</u></u>	<u><u>-</u></u>

	<b>31 December 2022 \$ 000</b>	<b>31 December 2021 \$ 000</b>
Current	2,127	-
Non-current	<u>20,722</u>	<u>-</u>
	<u><u>22,849</u></u>	<u><u>-</u></u>

**Traiana Limited****Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****12 Leases (continued)****Maturity analysis - contractual undiscounted cash flows**

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Not later than one year	2,618	-
After one year but not later than five	10,736	-
More than 5 years	11,969	-
Total undiscounted lease liabilities at end of year	<u>25,323</u>	<u>-</u>

**Amounts recognised in profit or loss:**

	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Depreciation expense of right of use assets	2,793	-
Interest expense on lease liabilities	550	-
Total amount recognised in profit and loss	<u>3,343</u>	<u>-</u>

**13 Creditors**

	<b>2022</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
<b>Creditors: amounts falling due after more than one year</b>		
Lease liabilities	<u>20,722</u>	<u>-</u>
	20,722	-
<b>Creditors: amounts falling due within one year</b>		
Trade creditors	29	28
Accrued expenses	3,638	1,900
Amounts due to Group companies	199	351
Other payables	90	67
Amounts due to affiliates	4,409	4,729
Lease liabilities	<u>2,127</u>	<u>-</u>
	<u>10,492</u>	<u>7,075</u>
	<u>31,214</u>	<u>7,075</u>

Amounts owed to Group companies and affiliates are non-interest bearing and payable on demand.

**Traiana Limited****Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****14 Share-based payments****CME Group Inc. Equity Plan**

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

Restricted stock awards typically vested 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 was contingent upon continued employment with CME Group.

Since 1 September 2021 the ultimate parent of the Company changed from CME Group to Osttra Group Ltd., a 50/50 joint venture between CME Group and S&P Global. All unvested CME Group stock awards for employees of Osttra Group Ltd. were forfeited at that time and replaced with a cash bonus, which is based on the quantity of unvested CME Group shares and the share price on 1 September 2021. The bonus will be paid to employees in instalments to align with the original vesting period of the awards, and is contingent upon continued employment with Osttra Group Ltd.

CME Group had adopted an Employee Stock Purchase Plan (ESPP) under which eligible employees could acquire shares of Class A common stock using payroll deductions made during consecutive offering periods of approximately six months in duration. Shares were 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 was recognized on the dates of purchase for the discount from the closing price. From 1 September 2021 employees of the Company are no longer entitled to participate in the ESPP due to the change in ultimate ownership.

**Restricted stock awards**

The total number of restricted stock awards outstanding at the end of 31 December 2021 were forfeited in the year was 48 at a weighted average price \$207.00. At 31 December 2022 no restricted stock awards remain outstanding.

**Employee stock purchase plan**

In 2022, as the employees were not entitled to participate, nil shares of Class A common stock were issued (2021: 364 shares). These shares were subject to a six-month holding period. Total compensation expense recognised under the employee share purchase plan was \$nil for the year ended 31 December 2022 (2021: \$7,899).

**15 Share capital****Allotted, called up and fully paid shares**

	<b>31 December 2022</b>		<b>31 December 2021</b>	
	<b>No.</b>	<b>\$</b>	<b>No.</b>	<b>\$</b>
2 Ordinary shares of £1 each	<u>2</u>	<u>3</u>	<u>2</u>	<u>3</u>

## **Traiana Limited**

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

#### **16 Non adjusting events after the financial period**

Other than the unpredictable nature of the pandemic and the situation in Ukraine as disclosed in the Going Concern disclosure in the Directors' Report and note 1, there are no further post balance sheet events to disclose this year.

#### **17 Parent and ultimate parent undertaking**

The Company's immediate parent is Traiana Inc, which is incorporated in the United States and heads the smallest group of companies of which the Company is a member. Traiana Inc's ownership of the Company is 100%.

Traiana, Inc's registered office is the Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware DE 19801.

The Company's ultimate parent is Osttra Group Ltd., a company incorporated in Bermuda and it prepares consolidated financial statements in accordance with US GAAP.