



Annual Financial
Statements 2022

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This report is a translation of the original report in German, which is solely valid.

Legend

A rounded actual value of less than 500 Euro is shown as "0" in the tables. If no numerical value is available, the item is shown with "-". Rounding may result in calculation differences.

Management report

Business environment 2022

The Russia-Ukraine conflict and the associated economic consequences, energy crisis, sharply rising inflation figures and interest rate hikes, led to a slowdown in growth. Particularly the first months of 2022 saw a price collapse on the stock exchanges, accompanied by high settlement volumes. The leading Austrian ATX index, for example, lost 19 % of its value over the course of the year. On the other hand, there was a high demand for financing, also triggered by the crisis, which had a positive effect on the issuing activity of securities listed as amount in percentage of par value. None of OeKB CSD's account holders or issuers were directly affected by the sanctions associated with the Russia-Ukraine conflict. Thus, the Russia-Ukraine conflict affected the business environment of OeKB CSD, but had no direct negative impact on OeKB CSD's business model.

The project "Settlement Discipline" was completed on schedule in February 2022. With the "Settlement Discipline" project, OeKB CSD has implemented the CSDR rules on settlement discipline. These include measures to improve settlement efficiency, such as fines for failed settlements, with the aim of reducing the number of failed securities deliveries and settlements in the EU.

The Issuer Platform of OeKB CSD was successfully launched on 7 November 2022. It enables issuers of Austrian securities to invest in and manage digital securities and to exchange information interactively. The prerequisite for this was an amendment to the Custody Act passed by the National Council in 2021, whereby the issuance of a physical paper certificate is no longer a prerequisite for a security. While the trading and transfer of securities have been taking place purely electronically for decades, the issuance has been the last paper-based process of the capital market until now.

The project "MegaCor 12/SCoRE 2/ISO 20022" was continued. Among other things, it provides the means for the standards defined in the Single Collateral Management Rulebook for Europe (SCoRE) in order to ensure the timely implementation for the ECMS (European Collateral Management System) project operated by the Eurosystem. The Eurosystem has postponed the introduction of ECMS from November 2023 to April 2024, which means that the implementation of the SCoRE standards will not be necessary until April 2024.

Business development 2022

As already observed in the previous year, issuing activity in 2022 was again increased in securities listed with a price as percentage of par, especially in securities issued by the Republic of Austria. The business volume in settlement exceeded expectations in the first quarter of 2022, but flattened out in the following quarters. In parallel, there was a price decline on the stock exchanges due to the effects of the Russia-Ukraine conflict.

Overall, the business performance in 2022 was extremely positive. At €22,436,985.18, operating income was a significant 6.1 % higher than in the previous year. Also, the operating profit of €10,249,596.31 exceeded the previous year's value by a notable 15.1 %.

Business activities of OeKB CSD

The business activities of OeKB CSD cover the following central services for the capital market:

- Acceptance of securities for **safekeeping and administration**;
- Processing of instructions from investors for the settlement of their securities transactions (**settlement**);
- Coordinating of the payments from the issuers to investors to settle the investors' claims to the issuers as evidenced by the securities.

The aim and task of OeKB CSD are the long-term fulfilment of its responsibilities as the CSD on the Austrian capital market while generating an appropriately stable profit.

Safekeeping and administration

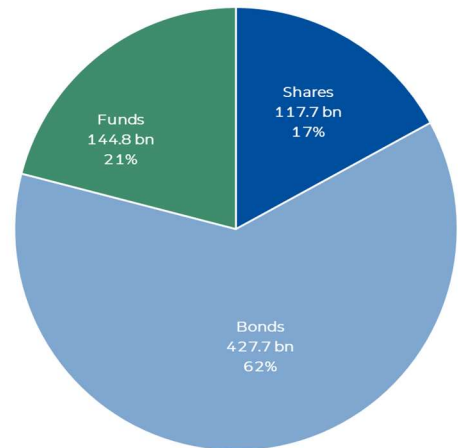
			31 Dec 2020	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022	31 Dec 2022
Securities with a price as percentage of par in € million	Issuer CSD		347,129	391,991	416,165	427,725	433,623	426,598
	Investor CSD		11,353	9,123	8,854	8,844	9,077	9,135
Market value in € million	Issuer CSD		267,806	306,399	287,233	266,297	253,086	263,587
	Investor CSD		1,602	1,739	1,211	1,292	1,137	1,292
Securities with a price per unit	Units		7,524	7,748	7,818	7,795	7,778	7,783
	in million		363	277	172	184	181	183
Number of securities categories	Issuer CSD		14,074	14,400	14,215	14,540	13,319	13,342
	Investor CSD		1,269	1,319	1,298	1,320	1,315	1,297

In the case of securities kept and administered as Issuer CSD, a rise in issuing activity led to an 8.8 % increase in the custody volume of securities with a price as percentage of par to €426.6 billion in nominal value. Stock exchange and fund prices developed less favourably in 2022, so the market value of securities with a price per unit declined by 14 % to €263.6 billion during the year.

As a result, the custody volume of issuer CSD securities amounted to €690.2 billion at the end of 2022. Bonds accounted for the majority of the volume at 62 %, followed by funds at 21 %, and shares at 17 %.

At the end of the year, the number of securities categories kept and administered as Issuer CSD was 13,342, a decrease of 7.4 % compared with the beginning of the year.

Issuer CSD
Custody volume as of 31.12.2022
Total: €690.2 billion



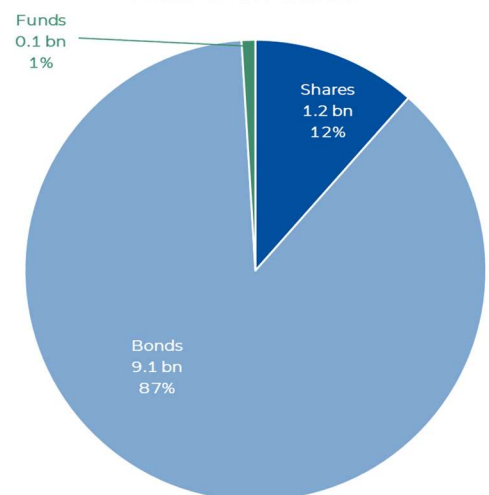
In the case of securities kept and administered with a depository and OeKB CSD as Investor CSD, the custody volume of securities with a price as percentage of par remained largely unchanged from the previous year at a nominal value of €9.1 billion. The market value of securities with a price per unit decreased by 25.7 % to €1.3 billion.

The volume of securities kept and administered with depositories and OeKB CSD as Investor CSD thus amounted to €10.4 billion at the end of 2022. Bonds accounted for the majority of the volume at 87 %, followed by shares at 12 %, and funds at 1 %.

The number of securities categories kept with a depository decreased by 1.7 % to 1,297.

This results in a total custody volume of €700.6 billion at the end of 2022. In accordance with the business model of OeKB CSD, as the only authorised central securities depository in Austria, 98.5 % of the volume is accounted for by securities that OeKB CSD itself keeps and administers as Issuer CSD.

Investor CSD
Custody volume as of 31.12.2022
Total: €10.4 billion



Settlement

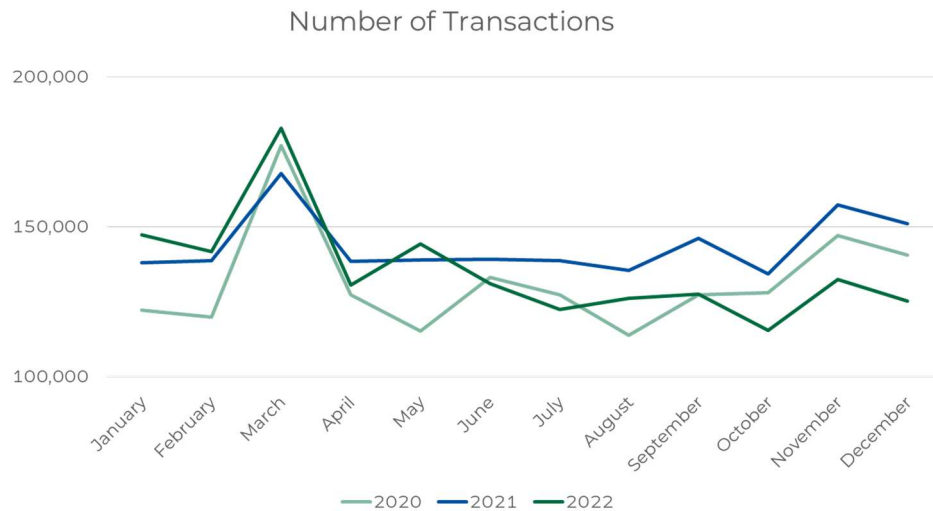
Average values per month		Monthly average 2020	Monthly average 2021	Monthly average 2022	Monthly average 1-3/2022	Monthly average 4-6/2022	Monthly average 7-9/2022	Monthly average 10-12/2022
Number of transactions	Intra	126,392	137,465	130,985	151,654	130,863	120,951	120,470
	Cross/External	5,183	6,179	4,573	5,602	4,487	4,372	3,830
Settled volume in securities with a price as percentage of par in € million	Intra	44,083	52,167	63,212	58,962	62,426	61,855	69,605
	Cross/External	166	153	302	551	98	215	344
Market value in € million	Intra	13,917	21,852	20,137	25,450	22,459	16,261	16,377
	Cross/External	208	235	338	248	252	656	198
Securities with a price per unit	Units in million	659	703	700	863	788	599	550
	Cross/External	30	30	26	42	20	28	15

Absolute values per year			∑ 1-12/2020	∑ 1-12/2021	∑ 1-12/2022
Number of transactions	Intra		1,516,709	1,649,584	1,571,814
	Cross/External		62,193	74,143	54,870
Settled volume in securities with a price as percentage of par in € million	Intra		528,990	626,004	758,546
	Cross/External		1,997	1,836	3,622
Market value in € million	Intra		167,004	262,222	241,644
	Cross/External		2,496	2,820	4,061
Securities with a price per unit	Units in million		7,910	8,435	8,401
	Cross/External		361	364	316

In 2022, OeKB CSD processed about 1.6 million transactions of the transaction type Intra, which is used for bookings between securities accounts at OeKB CSD, 4.7 % less than in 2021. This equated to a settled volume of €758.5 billion nominal value for securities with a price as percentage of par, a 21.2 % increase over 2021, and a 7.9 % year-on-year decrease in the volume of securities with a price per unit to a market value of €241.6 billion.

The number of transactions settled in the types Cross and External, which are used for deposits and withdrawals on OeKB CSD securities accounts at its depositories, decreased by 26.0 % in annual comparison to 54,870. The settled volume of securities with a price as percentage of par increased by 97.3 % to €3.7 billion compared to 2021 and the volume of securities with a price per unit increased by 44.0 % to a market value of €4.1 billion.

The highest number of transactions processed occurred in March 2022, after which the number of transactions steadily declined and from June onwards was always below the very high values of the previous year.



Income statement

Net interest result in 2022 amounted to €-66,717.02 (2021: €-150 thousand) as a consequence of the negative interest rates that prevailed until the end of July, which were mainly applied to deposits at the Oesterreichische Nationalbank.

Net fee and commission income in 2022 came to €22,365,820.38 and was 5.8 % higher than in 2021 (2021: €21,147 thousand). Safekeeping fees income increased by 8.3 % to €16,905,555.16 (2021: €15,608 thousand) due to increased issuing activity in securities listed as amount in percentage of par value. Transaction fees income decreased by 5.9 % to €5,061,071.60 (2021: €5,378 thousand) compared to the very high level of the previous year. Commission expenses of €1,284,158.03 were below the previous year's level (2021: €1,410 thousand).

The **result from financial operations** amounted to €-2.82 for 2022 (2021: €1 thousand) and resulted from the foreign exchange valuation.

Other operating income decreased by 13.8 % to €137,884.64 (2021: €160 thousand), as the previous year benefited from a one-off effect from input tax adjustments for the previous years.

Operating income amounted to €22,436,985.18 (2021: €21,157 thousand).

General administrative expenses decreased by 1.3 % to €11,780,097.32 (2021: €11,930 thousand). The total personnel expenses are 0.7 % below the value of the previous year. In 2022, material expenses amounted to €7,215,457.27 (2021: €7,331 thousand), which mainly included expenses for IT operations, software maintenance, and IT workplace equipment totalling €4,493,166.00 (2021: €4,713 thousand) as well as project costs amounting to €785,435.09 (2021: €650 thousand). In total, **operating expenses** amounted to €12,187,388.87 (2021: €12,255 thousand).

Operating profit was €10,249,596.31 (2021: €8,902 thousand) and corresponds to the earnings before interest and taxes. After income tax, the **net profit for the year** amounted to €7,679,640.84 (2021: €6,677 thousand).

In the 2022 business year, €1,000,000.00 were allocated to the retained earnings (2021: €1,000 thousand). Furthermore, a statutory reserve of €384,000.00 (previous year: €334 thousand) was allocated. Including the profit brought forward, the profit available for distribution amounts to €6,295,959.77 (2021: €5,350 thousand).

Balance sheet

Total assets as at 31 Dec 2022 amounted to €43,569,268.07 (31 Dec 2021: €36,629 thousand) and increased by 18.9 %.

As at 31 Dec 2022, the **assets** of OeKB CSD mainly resulted from cash and cash equivalents in the form of credit balances with central banks amounting to €23,993,822.00 (31 Dec 2021: €29,001 thousand), receivables from other credit institutions amounting to €15,902,248.40 (31 Dec 2021: €4,133 thousand), intangible assets amounting to €1,309,417.38 (31 Dec 2021: €1,182 thousand), and other assets amounting to €2,158,446.92 (31 Dec 2021: €2,148 thousand).

Other assets mainly included receivables from commission income, primarily for safekeeping fees and for transaction fees due from customers for the month of December.

Liabilities consisted mainly of liabilities to banks amounting to €6,010,222.07 (31 Dec 2021: €1,724 thousand), in particular from not yet distributed income for securities due (coupons, redemptions, dividends), other liabilities amounting to €1,282,892.99 (31 Dec 2021: €1,411 thousand), provisions amounting to €1,499,849.45 (31 Dec 2021: €1,052 thousand), and the equity of OeKB CSD in the amount of €34,759,928.57 (31 Dec 2021: €32,430 thousand). As at 31 Dec 2022 provisions existed in the amount of €123,636.00 (31 Dec 2021: €67 thousand) for severance payments, in the amount of €743,808.00 (31 Dec 2021: €407 thousand) for taxes, and in the amount of €632,405.45 (31 Dec 2021: €578 thousand) for other provisions, including management bonuses and premiums.

Financial performance indicators

The capital requirements pursuant to Regulation (EU) No 909/2014 (CSDR) and Articles 1-7 of the Commission Delegated Regulation (EU) 2017/390 amounted to €15,712,329.62 (2021: €15,634 thousand) as at 31 Dec 2022. A detailed breakdown can be found in the appendix.

The eligible capital pursuant to Regulation (EU) No. 575/2013 (CRR) corresponds to the tier 1 capital and amounted to €26,154,551.42 as at 31 Dec 2022 (2021: €24,898 thousand). Pursuant to article 3 para. 1(12) of the Austrian Banking Act (BWG), OeKB CSD is exempt from parts 3, 5, 6, and 7 of the CRR and therefore did not calculate capital requirements pursuant to the CRR.

In the 2022 business year, retained earnings in the amount of €1,000,000.00 (2021: €1,000 thousand) and the statutory reserve in the amount of €384,000.00 (2021: €334 thousand) were allocated.

The equity ratio (equity/total capital) was 79.8 % in 2022 (2021: 88.5 %).

The return on equity (profit for the year after taxes/average equity) was 22.9 % in 2022 (2021: 21.5 %).

The cost-income ratio (operating expenses/operating income) was 54.3 % as at the reporting date (2021: 57.9 %).

Branches

As in the previous year, OeKB CSD did not have any branch offices in this business year.

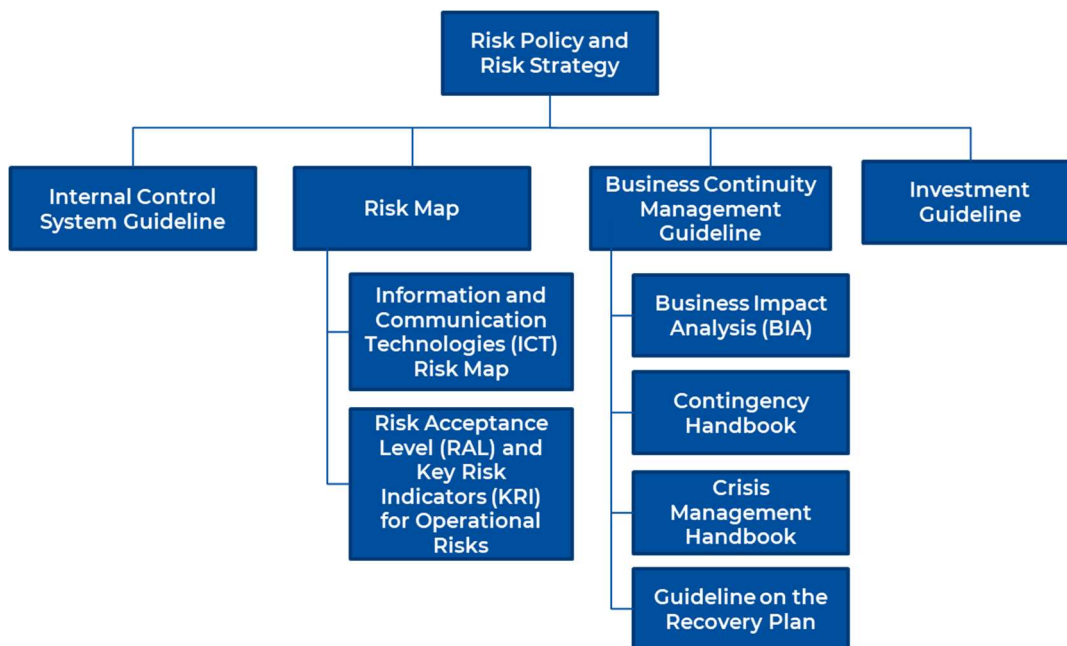
Research and development

Due to the nature of the company's business activities, no research and development were carried out.

OeKB CSD risk management system (RMS)

Overview RMS

The following documents, which define and govern the risk management of OeKB CSD, present the processes and structures of the RMS:



Due to the special business and risk profile of OeKB CSD as a system relevant financial market infrastructure, measures to manage operational risks in the handling of business processes are of particular importance. In this respect, OeKB CSD's risk strategy aims to reduce these risks as far as possible and economically justifiable through concrete risk-reducing measures or to hedge them through other measures (e.g. insurance) so that OeKB CSD is only exposed to low or no net risks. In addition, obligations to indemnify customers for damages in a calendar year caused by slightly negligent acts or omissions of OeKB CSD employees and contractors are limited to a maximum amount of €5 million per year according to OeKB CSD's General Terms and Conditions (GTC).

Due to restrictions in its business model and optimised processes, OeKB CSD has no or extremely low classical banking risks, such as market, credit, or liquidity risk. In addition, assets may only be invested in money or highly liquid financial instruments with minimal market and credit risks. This excludes investments in shares and derivatives. Climate risks are also expected to have no or very little impact.

Summary of the risk situation 2022

In the risk analysis, detailed risks were identified and documented in the risk map for the 2022 business year. In addition, short-term non-financial risks were assessed on a quarterly basis in ARIS Risk & Compliance Manager.

The financial risks – starting from a level already assessed as low – have further decreased slightly. The individual risk categories are rated “minimal” to “medium” in the risk map.

The risk situation of non-financial risks has increased in the risk categories information and communication technology (ICT), with ICT availability and continuity risks, ICT change risks, and ICT outsourcing risks rated as high.

The favourable risk situation in the other operational risks has improved slightly in 2022 compared to 2021. The number of loss events has decreased to 4 (2021: 12). Similarly, the costs of covering the loss events have fallen to €11,381 (2021: €18 thousand). The total extent of damage was also "low" in 2022 and was far below the "tolerable error" of €100,000.00 per loss event calculated for OeKB CSD.

Loss events

	2022		2021	
	Number of loss events	Costs in €	Number of loss events	Costs in € thousand
Near loss	2	500.00	0	0
Indirect loss	1	1,000.00	12	18
Direct loss	1	9,881.00	0	0
Total loss events	4	11,381.00	12	18

The effects of the Russia-Ukraine conflict did not raise risk assessment levels in business model risk, compliance risk, and risks from external events by year-end 2022 compared to 2021. OeKB CSD's business model has proven to be sustainable and viable in this crisis – as it did during the COVID-19 pandemic.

To specify and manage the risk acceptance levels, OeKB CSD has defined Key Risk Indicators with corresponding threshold values for the risks documented in the risk map. These are monitored on a quarterly basis.

OeKB CSD has an effective internal control system (ICS), which is regulated in the ICS guideline of OeKB CSD and subjects risk-critical processes to an in-depth process analysis and a risk and control assessment. In 2022, no deviations were found in the defined controls. Therefore, it can be assumed that the financial reporting is correct.

Risk in the context of managing the bank group

Pursuant to article 39a para. 4 of the Austrian Banking Act (BWG), OeKB CSD is not required to apply article 39a paras. 1 and 2 BWG, because OeKB AG as its parent bank complies with these requirements on the basis of the consolidated financial situation. OeKB CSD does not prepare a solo ICAAP, but is integrated into the group ICAAP of OeKB Group.

In order to enable parts of the equity to be invested in government bonds, the following risk budgets have been approved for OeKB CSD by the risk management committee of OeKB AG, effective 01.01.2022:

Risk budgets for OeKB CSD

	€ million
Risk budget for credit risk	0.5
Risk budget for market risk	0.3
Total	0.8

The utilisation of these risk budgets was zero percent throughout 2022.

Capital requirements pursuant to CSDR and risk bearing capacity

OeKB CSD is exempt from parts 3, 5, 6, and 7 of Regulation (EU) No 575/2013 (CRR, Capital Requirements) pursuant to article 3 para. 1(12) of the Austrian Banking Act (BWG). However, as regards capital requirements, it is subject to the CSDR and Articles 1-7 of the Commission Delegated Regulation (EU) 2017/390. The corresponding calculated capital requirements as at 31 Dec 2022 were €15.7 million (31 Dec 2021: €15.6 million).

The capital instruments available as at 31 Dec 2022 in accordance with Article 2 of the Commission Delegated Regulation (EU) 2017/390 in the amount of €28.5 million (31 Dec 2021: €27.1 million) were above the thresholds for the "Amount of capital required" recovery indicator.

The following table shows the recovery indicators and thresholds as defined in the Guideline on the Recovery Plan of OeKB CSD along with the current values in the form of the figures from the financial statements as at 31 Dec 2022 and 2021:

Recovery indicator	Threshold value triggering the recovery plan	Threshold value early warning level	Current value
Amount of capital required	€ 15.7 million (2021: € 15.6 million) (Capital requirement according to CSDR and Delegated Regulation)	€ 19.6 million (2021: € 19.5 million)	€ 28.5 million (2021: € 27.1 million) (Capital instruments according to article 2 DelReg 2017/390)
Return on equity (RoE)	2.5 % (2021: 2.5 %)	7.5 % (2021: 7.5 %)	22.1 % (2021: 21.5 %)

Non-financial performance indicators

Environmental and sustainability (ESG)

As part of OeKB Group's sustainability management, operational ecology indicators for the Strauchgasse offices are carefully observed and monitored (Eco-Management and Audit Scheme [EMAS], Global Reporting Initiative [GRI]). These can be found in the Sustainability Report 2022 of OeKB Group.

Since November 2021, OeKB CSD has been a member of the UN Global Compact (UNGC, www.globalcompact.at). Furthermore, OeKB CSD is represented in the working group of OeKB Group which employs the WEP Gender Gap Analysis Tool and continuously develops suggestions for improvement on the basis of the findings.

Personnel

As at 31 Dec 2022, OeKB CSD had 38 employees (31 Dec 2021: 36), of whom 4 were delegated from OeKB AG (31 Dec 2021: 3) and 2 were on leave (31 Dec 2021: 2).

All employees are subject to the bank collective agreement.

Article 26(1) of the CSDR provides that the CSD shall have its own remuneration policy. The remuneration policy of OeKB CSD is equally applied to the employees delegated from OeKB AG. The remuneration policy takes into account that the variable salary components depend both on individual performance as well as on various company performance indicators. In general, emphasis is placed on a balanced ratio of fixed and variable compensation.

In order to promote individual performance, internal and external training was offered and encouraged. A total of €29,789.79 (previous year: €28 thousand) was spent on continuing education measures. Due to the pandemic, many training courses continued to take place in the form of virtual events. In addition, there are annual staff appraisals in which the previous work period is analysed, constructive feedback is given, and goals are set for the new year.

OeKB CSD offers its employees a number of fringe benefits, e.g. the use of a staff restaurant, use of a medical centre and a company doctor on the premises, health budget, participation in vaccination campaigns, participation in a wide range of sports courses, use of the OeKB sports centre, group accident insurance, an inter-company pension fund, special conditions for supplementary health insurance, and the Employee Assistance Programme.

OeKB CSD also offers its employees a flexible working time model. In addition, a company agreement on home office was concluded in 2021, which lets employees work at home for up to 50 % of the working days per month. Managers can set further framework conditions for their organisational unit, such as in-person attendance on certain days if it is necessary for business.

There are no benefits that are only available to full-time employees.

OeKB CSD employees

	31 Dec 2022	31 Dec 2021
Total employees *	34	36
<i>Of which delegated from OeKB AG</i>	4	3
<i>Of which part-time employees</i>	6	5
Full-time employee equivalent	32.35	34.08
Average number of full-time employees	32.27	31.63
Average age	46.83	48.72
Sick days full-time per year per employee	8.23	10.90
Total share of women	44.11 %	44.44 %
Share of women in management positions	16.67 %	16.67 %

* Excl. 2 employees on leave (2021: 2)

Preview for 2023

The Issuer Platform, which went into operation in November 2022, enables issuers to issue bonds, funds, certificates, and warrants in the form of digital global certificates via electronic interfaces, thus replacing the last remaining analogue process stage in the life cycle of a security with a digital process. In 2023, OeKB CSD is planning an initiative for issuers to convert their already issued physical global certificates into digital global certificates at OeKB CSD in order to integrate as large a part as possible of the legacy securities portfolio into the digital processes of the Issuer Platform. This will significantly reduce the required vault space as well as the manual manipulation effort. Another focus is on the expansion of the electronic interfaces for issuers or their agents to enter securities master data and futures data.

The implementation of the standards defined in the Single Collateral Management Rulebook for Europe (SCoRE), which was started with the "MegaCor 12 / SCoRE 2 / ISO 20022" project, will be continued in 2023 to ensure a timely adoption of the planned European Collateral Management System (ECMS, scheduled to go live in April 2024) operated by the Eurosystem.

OeKB CSD expects rising material and personnel costs in 2023 due to inflation. Currently, no price recovery is expected on the stock exchanges in 2023. Furthermore, compared to 2022, it is assumed that issuing activity in the area of securities listed with a price as percentage of par will decline in 2023. However, the price adjustment already announced in 2022 and effective from April 2023 will lessen these effects to a large extent.

We wholeheartedly thank all our employees for their commitment and their contribution to the success of our business.

Vienna, 3 March 2023

OeKB CSD GmbH

Managing Directors

Peter Felsing

Georg Zinner

Annual Financial Statements 2022

Balance sheet as at 31 December 2022

Assets		31 Dec 2022	31 Dec 2021
		€	€ thousand
01	Cash and balances at central banks	23,993,822.00	29,001
02	Receivables from banks	15,902,248.40	4,133
	Repayable on demand	15,902,248.40	4,133
	<i>Of which: to affiliated companies</i>	<i>9,857,628.17</i>	<i>2,352</i>
03	Equity investments	1,000.00	1
04	Non-current intangible assets	1,309,417.38	1,182
05	Property and equipment	623.68	1
06	Other assets	2,158,446.92	2,148
	<i>Of which: to affiliated companies</i>	<i>5,791.50</i>	<i>5</i>
07	Prepayments and accrued income	178,423.44	144
08	Active deferred taxes	25,286.25	19
	Total assets	43,569,268.07	36,629
	Memo items		
1	Foreign assets	913,163.82	870

Liabilities and equity		31 Dec 2022	31 Dec 2021
		€	€ thousand
01	Payables to banks	6,010,222.07	1,724
	Repayable on demand	6,010,222.07	1,724
	<i>Of which: to affiliated companies</i>	<i>300.00</i>	<i>0</i>
02	Payables to customers	16,374.99	11
	Repayable on demand	16,374.99	11
03	Other liabilities	1,282,892.99	1,411
	<i>Of which: to affiliated companies</i>	<i>101,532.72</i>	<i>308</i>
04	Provisions	1,499,849.45	1,052
	a) Provisions for severance payments	123,636.00	67
	b) Tax provisions	743,808.00	407
	c) Other provisions	632,405.45	578
05	Subscribed share capital	20,000,000.00	20,000
06	Unallocated capital reserves	773,968.80	774
07	Retained earnings	7,690,000.00	6,306
	a) Statutory reserve	1,880,000.00	1,496
	b) Other reserves	5,810,000.00	4,810
08	Profit available for distribution	6,295,959.77	5,350
	Total liabilities and equity	43,569,268.07	36,629
	Memo items		
1	Eligible capital purs. to Part 2 of Regulation (EU) No. 575/2013	26,154,551.42	24,898
2	Capital requirement purs. to Article 92 of Regulation (EU) No. 575/2013 *	0.00	-
3	Foreign liabilities	6,356,081.65	522

* OeKB CSD GmbH is exempt from parts 3, 5, 6, and 7 of Regulation (EU) No. 575/2013 purs. to Article 3 para. 1(12) BWG (central securities depository).

Income statement for the business year 2022

		2022	2021
		€	€ thousand
01.	Interest and similar income	30,910.68	0
02.	Interest and similar expenses	(97,627.70)	(150)
I.	Net interest income	(66,717.02)	(150)
03.	Fee and commission income	23,649,978.41	22,557
04.	Fee and commission expenses	(1,284,158.03)	(1,410)
05. ±	Income/expenses from financial operations	(2.82)	1
06.	Other operating income	137,884.64	160
II.	Operating income	22,436,985.18	21,157
07.	General administrative expenses	(11,780,097.32)	(11,930)
	a) Personnel expenses	(4,564,640.05)	(4,599)
	<i>aa) Salaries and wages</i>	(3,278,013.14)	(3,085)
	<i>bb) Expenses for statutory social security contributions and other levies and compulsory contributions based on the amount of compensation</i>	(717,423.49)	(685)
	<i>cc) Other social security contributions</i>	(135,906.49)	(106)
	<i>dd) Expenses for pensions and other old-age benefits</i>	(84,997.64)	(1)
	<i>ee) Expenses for severance payments and payments to company insurance plans</i>	(107,697.18)	(55)
	<i>ff) Personnel costs passed on</i>	(240,602.11)	(666)
	b) Other administrative expenses (material expenses)	(7,215,457.27)	(7,331)
08.	Impairment losses on asset items 4 and 5	(290,791.39)	(214)
09.	Other operating expenses	(116,500.16)	(112)
III.	Operating expenses	(12,187,388.87)	(12,255)
IV.	Operating profit	10,249,596.31	8,902
V.	Profit before tax	10,249,596.31	8,902
10. -	Income tax	(2,569,955.47)	(2,225)
VI.	Profit for the year	7,679,640.84	6,677
11. -	Transfer to reserves	(1,384,000.00)	(1,334)
VII.	Unallocated profit for the year	6,295,640.84	5,343
12. +	Profit brought forward from the previous year	318.93	7
VIII.	Profit available for distribution	6,295,959.77	5,350

Notes to the Annual Financial Statements

Legal basis

OeKB CSD GmbH (OeKB CSD) is a limited liability company with its registered office in 1010 Vienna, Austria.

OeKB CSD is a central securities depository (CSD) pursuant to Regulation (EU) No 909/2014 (CSDR).

By decision of 1 August 2018, the Financial Market Authority (FMA) granted OeKB CSD a licence as a central securities depository pursuant to Art 17 of the CSDR and a licence to provide banking-type ancillary services pursuant to Art 54 of the CSDR, as well as a licence "to provide cash accounts to participants in a securities delivery and settlement system and holders of securities accounts, and to accept deposits from these parties within the meaning of Annex I No 1 of Directive 2013/36/EU (CRD IV)" according to section C(a) of the Annex to the CSDR in conjunction with article 1 para. 1 of the Austrian Banking Act (BWG).

The securities delivery and settlement system operated by OeKB CSD is recognised under the Settlement Finality Act.

OeKB CSD is a company of public interest pursuant to Art 189a of the Austrian Uniform Commercial Code (UGB).

Accounting and valuation methods

The annual financial statements as at 31 December 2022 were prepared by the company's management in accordance with the provisions of the Austrian Uniform Commercial Code (UGB) and the Austrian Banking Act (BWG), each as amended. Where applicable, the classification corresponds to Annex 2 of article 43 of the Austrian Banking Act (BWG).

The annual financial statements were prepared in accordance with generally accepted accounting principles and the general standards of presenting a true and fair view of the company's net assets, financial position, and earnings situation. The principle of completeness was observed in the preparation of the annual financial statements.

The valuation was based on the assumption that the company will continue as a going concern and the principle of individual valuation was applied to the assets and liabilities.

The principle of prudence was observed, in particular by only reporting profits realised as at the balance sheet date. All identifiable risks and impending losses that arose up to the balance sheet date were taken into consideration.

The accounting, valuation and identification methods used so far have been retained.

The business year ended corresponded to the calendar year.

Balances with central banks, receivables from banks and other assets

Balances with central banks, receivables from banks and other assets are recognised at their nominal values. Individual value adjustments are made for identifiable risks.

Non-current intangible assets

Intangible assets are recognised on the balance sheet only if they have been acquired against payment. They are recognised at acquisition cost less scheduled depreciation and impairment charges.

Scheduled depreciation is applied on a straight-line basis assuming a useful life of 3 to 5 years.

Impairment charges are applied to bring the asset in question to its lower fair value when the reasons for the impairment are expected to be permanent. Write-ups are made if the reasons for the impairment no longer apply.

Property and equipment

Scheduled depreciation is applied on a straight-line basis assuming a useful life of 3 to 10 years.

Low-value assets (individual acquisition cost below € 800) are immediately recognised as expenses.

Impairment charges are applied to bring the asset in question to its lower fair value when the reasons for the impairment are expected to be permanent. Write-ups are made if the reasons for the impairment no longer apply.

Equity investments

Equity investments are recognised at acquisition cost less any impairment charges made to recognise material impairment that is permanent. Write-ups are made if the reasons for the impairment no longer apply.

Liabilities

Liabilities are recognised at their settlement amount.

Provisions for severance payments

Provisions for severance payments are calculated according to recognised actuarial principles using the projected unit credit method in accordance with IAS 19. Actuarial gains and losses are recognised in profit or loss. Interest expenses relating to provisions for severance payments and the effects of actuarial gains and losses are recognised in personnel expenses. The actuarial interest rate for provisions for severance payments is derived from the interest rate on the balance sheet date based on market interest rates of companies with high credit ratings. The basis for the calculation is:

- An actuarial interest rate of 3.75 % (2021: 1.00 %), a salary trend of 3.70 % (2021: 2.50 %) and a pension trend of 3.20 % (2021: 2.00 %),
- A retirement age of 65 years for women and men (2021: 65 years), and
- The calculation tables of AVÖ 2018-P.

Provisions

In accordance with the principle of prudence, the provisions take into consideration, in addition to the tax provisions, all risks identifiable at the time the balance sheet is prepared, as well as liabilities of uncertain amount and origin, at the amounts deemed necessary based on prudent business judgement. Long-term provisions are discounted if the discount amount is material.

Foreign currency translation

The reporting currency is Euro. Foreign currency items are valued using the ECB reference rate as at 31 December 2022.

Deferred taxes

Deferred taxes are formed in accordance with article 198 paras. 9 and 10 of the Austrian Uniform Commercial Code (UGB) using the balance sheet-oriented concept and without discounting on the basis of the current corporate tax rate.

Notes to the balance sheet

Receivables from banks

Receivables payable on demand in € (2021: € thousand)	31 Dec 2022	31 Dec 2021
Denominated in Euro	9,912,225.74	2,410
In foreign currencies	5,990,022.66	1,723
Total	15,902,248.40	4,133

Non-current intangible assets, property and equipment, and equity investments

The changes in the individual non-current asset items and a breakdown of the depreciation and amortisation in the business year by asset item are presented in the statement of changes in non-current assets.

Non-current assets in 2022 - Cost

€	1 Jan 2022	Additions	Transfers	Disposals	31 Dec 2022
Software	1,993,258.13	27,483.75	744,430.00	0.00	2,765,171.88
Assets under construction	553,727.50	390,792.75	(744,430.00)	0.00	200,090.25
Non-current intangible assets	2,546,985.63	418,276.50	0.00	0.00	2,965,262.13
Fixtures, fittings, and equipment	5,085.98	0.00	0.00	0.00	5,085.98
Property and equipment	5,085.98	0.00	0.00	0.00	5,085.98
Equity investments	1,000.00	0.00	0.00	0.00	1,000.00
Total	2,553,071.61	418,276.50	0.00	0.00	2,971,348.11

Non-current assets in 2022 - Depreciation and amortisation

€	1.1.2022	Additions	Disposals	31 Dec 2022
Software	1,365,404.39	290,440.36	0.00	1,655,844.75
Assets under construction	0.00	0.00	0.00	0.00
Non-current intangible assets	1,365,404.39	290,440.36	0.00	1,655,844.75
Fixtures, fittings, and equipment	4,323.71	138.59	0.00	4,462.30
Property and equipment	4,323.71	138.59	0.00	4,462.30
Equity investments	0.00	0.00	0.00	0.00
Total	1,369,728.10	290,578.95	0.00	1,660,307.05

Non-current assets in 2022 - Net book value

€	31 Dec 2021	31 Dec 2022
Software	627,853.74	1,109,327.13
Assets under construction	553,727.50	200,090.25
Non-current intangible assets	1,181,581.24	1,309,417.38
Fixtures, fittings, and equipment	762.27	623.68
Property and equipment	762.27	623.68
Equity investments	1,000.00	1,000.00
Total	1,183,343.51	1,311,041.06

The assets under construction relate to the "MegaCor 12/SCoRE 2/ISO 20022" project, which will go live in 2023.

Deferred taxes

The deferred tax assets as at the balance sheet date were formed for temporary differences of €109,940.21 (2021: €76 thousand) between the tax valuation and the commercial valuation as regards the other provisions and the provision for severance payments. The resulting deferred tax assets as at 31 Dec 2022 (23 %) amount to €25,286.25 (2021: €19 thousand). The corporate tax rate applicable from 2024 was already used to calculate the deferred tax assets, as only insignificant reversals of the relevant provisions are expected in 2023.

Beyond that, there are no differences between the tax valuations and the commercial valuations.

Other assets

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Other domestic receivables	1,248,708.38	1,283
Other foreign receivables	909,716.08	866
Others	22.46	-
Total	2,158,446.92	2,148

The item "Other assets" essentially contains receivables from commission income, primarily for income from safekeeping fees and transaction fees due from customers for the month of December. All other assets are payable in the following year and, as in the previous year, have a remaining time to maturity of less than one year.

Liabilities

Payables to banks

Liabilities payable on demand in € (2021: € thousand)	31 Dec 2022	31 Dec 2021
Denominated in Euro	42,422.54	37
In foreign currencies	5,967,799.53	1,687
Total	6,010,222.07	1,724

Payables to customers

Liabilities payable on demand in € (2021: € thousand)	31 Dec 2022	31 Dec 2021
Denominated in Euro	11,119.91	9
In foreign currencies	5,255.08	2
Total	16,374.99	11

Other liabilities

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Other domestic liabilities	247,618.01	477
Other foreign liabilities	540,286.95	470
Liabilities due to tax authorities	494,817.91	465
Others	170.12	0
Total	1,282,892.99	1,411

The item "Other domestic liabilities" mainly includes liabilities from the service agreement with OeKB AG, which are payable in the following year (€101,532.72; 2021: €308 thousand), as well as from the invoicing of commission expenses of foreign credit institutions. As in the previous year, all other liabilities have a remaining time to maturity of up to three months. The liabilities to the tax authority mainly consist of VAT liabilities.

Provisions for severance payments

The provision for severance payments was calculated according to actuarial principles and amounts to €123,636.00 (2021: €67 thousand).

Tax provisions

The tax provisions as at 31 Dec 2022 and 2021 exclusively relate to corporate income tax.

Other provisions

The other provisions break down as follows:

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Legal consulting, tax consulting, and financial auditing	26,175.00	30
Performance-related compensation	418,396.00	443
Unused holiday and overtime credits	80,561.87	74
Other employee benefit provisions	2,647.46	3
Safekeeping fees and other fees	93,150.00	28
Other provisions	11,475.12	1
Other provisions	632,405.45	578

Equity

The share capital of OeKB CSD totals €20,000,000.00.

Unallocated capital reserves relate to shareholder contributions of OeKB AG in the course of the spin-off in 2015. The statutory reserve increased to €1,880,000.00 as at 31 Dec 2022 (2021: €1,469 thousand) as a result of the allocation of an amount of €384,000.00 (2021: €334 thousand) from the profit for the year. Other retained earnings increased to €5,810,000.00 as at 31 Dec 2022 (2021: €4,810 thousand) due to the allocation of an amount of €1,000,000.00 (2021: €1,000 thousand) from the profit for the year.

The profit for the year of €6,295,640.84 (2021: €5,343 thousand), including the profit brought forward from the previous year of €318.93 (2021: €7 thousand), resulted in a profit available for distribution as at 31 Dec 2022 of €6,295,959.77 (2021: €5,350 thousand). The return on total capital (net profit/total assets) for 2022 amounted to 17.6 % (2021: 18.2 %).

Proposal for the appropriation of profits

€ (2021: € thousand)	2022	2021
Unallocated profit for the year	6,295,640.84	5,343
Profit brought forward from the previous year	318.93	7
Profit available for distribution	6,295,959.77	5,350
Use		
Disbursement of a dividend of	6,295,000.00	5,350
To be carried forward	959.77	0

Notes to the income statement

Fee and commission income and expenses

€ (2021: € thousand)	2022	2021
Fee and commission income from safekeeping fees	16,905,555.16	15,608
Fee and commission income from transaction fees	5,061,071.60	5,378
Other fee and commission income from securities services	144,763.76	188
Other fee and commission income (cash account management, communication fees, minor differences)	1,538,587.89	1,382
Fee and commission income	23,649,978.41	22,557
Fee and commission expenses from safekeeping fees	(1,095,178.01)	(1,200)
Other fee and commission expenses from securities services	(178,529.03)	(205)
Other fee and commission expenses (payment transactions)	(10,450.99)	(6)
Fee and commission expenses	(1,284,158.03)	(1,410)
Net fee and commission income	22,365,820.38	21,147

Fees are calculated in a separate billing module. The raw data for calculating the fees are provided to the billing module by the peripheral systems, in particular by the account management and settlement system. Invoicing and booking of commission income are carried out in SAP and are again based on the data from the billing module.

The billing module provides customers with detailed information about the fees that have been charged.

Personnel expenses

Total personnel expenses decreased by 0.7 % to €4,564,640.05 (2021: €4,599 thousand). This decrease mainly resulted from a credit balance with OeKB AG to the benefit of OeKB CSD, which arose from the release of existing personnel provisions. 4 employees (2021: 3 employees) will continue to be delegated from OeKB AG, with expenses being passed on.

The passed-on expenses decreased by 63.9 % to €240,602.11 (2021: €666 thousand).

The average number of full-time employees according to UGB for 2022 is 32.27 (2021: 31.63).

Personnel expenses also include allocations for severance payments, bonuses, and premiums.

Other administrative expenses

Other administrative expenses are mainly related to expenses for IT operations, software maintenance, IT workplace equipment, and project costs.

In connection with the audit of the annual financial statements, €37,797.56 (2021: €31 thousand) were spent.

The expenses for the auditor and its network companies include costs for the audit of the annual financial statements in the amount of €26,175.00. Due to the change of auditor as of the 2022 financial year, there are no comparative figures for the 2021 costs.

Costs of €11,622.56 (2021: €31 thousand) were incurred for the previous year's auditor in the 2022 financial year.

Taxes on income and earnings

€ (2021: € thousand)	2022	2021
Corporate income tax	2,577,252.00	2,240
Corporate income tax for previous years	(897.00)	-
Change in deferred tax assets	(6,399.53)	(15)
Income tax	2,569,955.47	2,225

Supplementary disclosures

Obligations from the use of off-balance sheet property and equipment

Future rental obligations from the use of property and equipment not recognised in the balance sheet amount to €295,256.83 for 2023 (2021 for 2022: €275 thousand) and €1,476,284.15 for the next five years (2023-2027; 2022-2026: €1,373 thousand). As in the previous year, these obligations are exclusively towards OeKB AG.

Disclosures on derivative financial instruments

As in the previous year, the company held no derivative financial instruments at the reporting date.

Trading book

The company does not hold a trading portfolio and therefore has no trading book.

Disclosures on off-balance sheet transactions pursuant to article 238 para. 1(10) of the Austrian Uniform Commercial Code (UGB)

The company had no contingent liabilities at the reporting date.

Total assets and liabilities denominated in foreign currencies

The company had foreign currency items with the following equivalent values in Euro at the reporting date:

- Assets: €5,992,364.46 (2021: €1,725 thousand)
- Liabilities: €5,974,280.81 (2021: €1,691 thousand)

The difference between the assets and liabilities results from cash account administration, which is an ancillary service to the administration of securities accounts. For this, OeKB CSD holds the foreign currency amounts received from customers in corresponding accounts (in the name of OeKB CSD) at credit institutions. In addition, OeKB CSD holds cash buffers in these foreign currency accounts to ensure ongoing business operations.

Associated and affiliated companies pursuant to article 238 para.1(12) of the Austrian Uniform Commercial Code (UGB)

OeKB CSD has its registered office in Vienna (FN 428085m, Vienna Commercial Court), is a 100 % subsidiary of Oesterreichische Kontrollbank Aktiengesellschaft (OeKB AG, FN 85749 b, Vienna Commercial Court), and is included in the consolidated financial statements of the bank group by way of full consolidation.

The disclosures pursuant to Part 8 of the Regulation (EU) No. 575/2013 (CRR) are made in the Disclosure Report prepared by OeKB AG. Further information on this can be found on the OeKB AG website (www.oekb.at).

All transactions with associated and affiliated companies in the business year were concluded with OeKB AG and were conducted at arm's-length terms.

OeKB CSD has concluded service agreements with OeKB AG which regulate the provision of services by OeKB AG. These agreements cover areas such as the rental of office space, delegation of personnel, accounting, controlling, personnel management, IT services, and other services.

Action for damages

As at the reporting date, there are no known claims for damages and outstanding proceedings.

Events after balance sheet date

There were no events that required reporting after the balance sheet date.

Impact of the Russia-Ukraine Conflict

The Russia-Ukraine conflict has no direct negative impact on OeKB CSD's business model.

Additional disclosures

Eligible capital pursuant to Part 2 of Regulation (EU) No. 575/2013 (CRR)

OeKB CSD is exempt from parts 3, 5, 6, and 7 of the CRR pursuant to article 3 para. 1(12) of the Austrian Banking Act (BWG).

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Share capital	20,000,000.00	20,000
Retained earnings and reserves	8,463,968.80	7,080
Less transfer to retained earnings ¹	(1,000,000.00)	(1,000)
Non-current intangible assets	(1,309,417.38)	(1,182)
Common equity tier 1 (CET 1)	26,154,551.42	24,898
Total regulatory capital resources	26,154,551.42	24,898
Surplus regulatory capital	26,154,551.42	24,898

¹ Pursuant to Art 26 para. 2 CRR, earnings for the year are included in common equity tier 1 only after the official adoption of the final annual financial statements.

Capital requirements pursuant to CSDR and Delegated Regulation 2017/390 Articles 1-7

The CSDR establishes supervisory requirements for central securities depositories to ensure that they are on solid footing and that they meet the capital requirements at all times. These capital requirements, which can be found in the Delegated Regulation 2017/390 Articles 1-7, ensure that central securities depositories have adequate capital resources at their disposal at all times. This serves to protect against risks to which they are exposed and, if necessary, to ensure the orderly winding down or restructuring of their business activities.

OeKB CSD was granted the licence as a central depository according to the CSDR by FMA on 1 August 2018. Thus, the capital requirements set out below apply:

Capital requirements purs. to Delegated Regulation 2017/390 Articles 1-7

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Capital requirements for		
Operational risks purs. to Article 4	3,168,017.59	3,019
Investment risks purs. to Article 5	288,850.70	251
Business risks purs. to Article 6	3,063,865.33	3,173
Settlement risks purs. to Article 7	9,191,596.00	9,192
Capital requirements	15,712,329.62	15,634

This means that the capital requirements are lower than the existing capital instruments in accordance with article 2 of the Delegated Regulation 2017/390 in the amount of €28,463,968.80 (31 Dec 2021: €27,080 thousand).

Officers of the company

Managing Directors

Peter Felsing
Georg Zinner

The company is jointly represented by two managing directors. The compensations for the managing directors are included in the personnel expenses. The breakdown of the compensation for the management board is omitted with reference to article 242 (2) of the Austrian Uniform Commercial Code (UGB).

Members of the Supervisory Board

Angelika Sommer-Hemetsberger (Chairwoman)
Helmut Bernkopf (Deputy Chairman)
Maria Doralt
Anneliese Blasl-Müller

Attendance fees of €8,000.00 (2021: 8 thousand) were paid out for the 2022 business year.

Delegates of the works council

Petra Zettel
Clemens Gajics

The following members of the Supervisory Board are on the **Audit Committee**:

Helmut Bernkopf (Chairman)
Angelika Sommer-Hemetsberger
Clemens Gajics

The following members of the Supervisory Board are on the **Remuneration Committee**:

Angelika Sommer-Hemetsberger (Chairwoman)
Helmut Bernkopf
Petra Zettel

The following members of the Supervisory Board are on the **Risk Committee**:

Angelika Sommer-Hemetsberger (Chairwoman)
Anneliese Blasl-Müller
Clemens Gajics

Vienna, 3 March 2023

OeKB CSD GmbH

Managing Directors

Peter Felsing

Georg Zinner

Independent Auditor's Report

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the annual financial statements of OeKB CSD GmbH, Vienna, which comprise the statement of financial position as of 31 December 2022, the income statement, and the notes to the financial statements.

In our opinion, the accompanying financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of 31 December 2022, and of its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles and the Austrian Banking Act.

Basis for Opinion

We conducted our audit in accordance with the Regulation (EU) No. 537/2014 and the Austrian Standards on Auditing. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with laws and regulations applicable in Austria and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of our opinion is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recording of fee and commission income

Description and Issue

OeKB CSD GmbH as Austrian central securities depository recognized in the financial year 2022 fee and commission income amounting to EUR 23,650 thousand mainly comprised from custody fees as well as transaction fees. The management describes the procedures for recording fee and commission income in the chapter "Notes to the income statement – Fee and commission income and expenses" in the notes to the financial statements. Due to importance of the amount of fee and commission income, the complexity of the IT systems associated with fee and commission income and the scope of the data volumes to be processed, we have identified the recording of fee and commission income as a key audit matter.

Our response

In the course of the audit of fee and commission income, we particularly performed the following audit procedures:

- We observed the processes of the calculation of fee and commission income and assessed whether these processes and the controls therein are suitable to ensure the complete, correct and accrual-correct based recording of fee and commission income.
- Thereby, we have examined the relevant processes in the departments and the key controls relevant to the preparation of the financial statements with regard to their design, implementation and tested on a sample basis with regard to their operating effectiveness.
- With the involvement of our IT specialists, we focused on controls in the area of automatic calculation of fee and commission income in the system and the complete and correct transfer of data into the SAP system.
- Furthermore, we analysed the development of fee and commission income over the course of the year, to identify unexpected deviations or developments compared to the previous year and to clarify their causes.
- In addition, we performed substantive analytical procedures with respect to fee and commission income.

Other Matter – Previous year's financial statements

The financial statements of the Company as of 31 December 2021 were audited by another auditor who expressed an unqualified opinion on these financial statements on 18 February 2022.

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Company as of 31 December 2022, and of its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles and the Austrian Banking Act, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

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 auditors' 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 EU rules and Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Regulation (EU) 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

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

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Management Report

Pursuant to Austrian Commercial Code, the management report is to be audited as to whether it is consistent with the financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the management report.

Opinion

In our opinion, the management report attached is prepared in accordance with the applicable legal requirements, the disclosures pursuant to section 243a UGB are appropriate, and it is consistent with the financial statements.

Statement

Based on the findings during the audit of the financial statements and due to the thus obtained understanding concerning the Company and its circumstances no material misstatements in the management report came to our attention.

Additional Information in Accordance with Article 10 of EU Regulation (EU) 537/2014

We were elected as auditor of the Company at the annual general shareholders' meeting on 16 March 2021 for the fiscal year ending on 31 December 2022 and mandated by the chairman of the Supervisory Board on 22 April 2021. Furthermore, we were elected as auditor at the annual general shareholders' meeting on 17 March 2022 for the subsequent fiscal year and mandated by the chairman of the Supervisory Board on 17 March 2022. We are the auditor of the Company since the financial year ending 31 December 2022.

We confirm that the audit opinion in the section "Report on the Financial Statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent from the Company in conducting the audit.

Engagement Partner

The engagement partner responsible for the audit is Dr. Gottfried Spitzer.

Vienna

3 March 2023

Deloitte Audit Wirtschaftsprüfungs GmbH

Dr. Gottfried Spitzer
Certified Public Accountant

Mag. Wolfgang Wurm
Certified Public Accountant

Publication or sharing with third parties of the financial statements together with our auditors' opinion is only allowed if the financial statements and the management report are identical with the audited version. This audit opinion is only applicable to the German and complete financial statements with the management report. Section 281 para 2 UGB applies to alternated versions.

This translation is for convenience purposes only.
Only the German original is legally valid and binding.

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These individual financial statements are published on the Internet together with an English translation.

Gender-neutral formulations were not used in the interests of readability. All functions, offices, and references are intended in a gender-neutral manner unless a specific person is being referred to.

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The information in this report is current as of 3 March 2023.

