

LSEGA Financing plc

Report and financial statements

For the year ended 31 December 2022

Company registration number 13091751

LSEGA FINANCING PLC

CONTENTS

PAGE

1.....	<i>Directors and Officers</i>
2.....	<i>Strategic Report</i>
6.....	<i>Directors' Report</i>
9.....	<i>Independent Auditor's Report to the Member of LSEGA Financing plc</i>
14.....	<i>Income Statement</i>
15.....	<i>Statement of Comprehensive Income</i>
16.....	<i>Balance Sheet</i>
17.....	<i>Statement of Changes in Equity</i>
18.....	<i>Notes to the Financial Statements</i>

LSEGA FINANCING PLC

DIRECTORS AND OFFICERS

DIRECTORS

Robert Kirkpatrick (resigned 13 April 2022)
Oliver Wolfensberger (appointed 21 April 2022)
Catherine Johnson (Formerly known as Catherine Thomas)
Lisa Condron

COMPANY SECRETARY

Andrei-Constantin Bosoiu (Appointed on 22 February 2023)
Teresa Hogan (Resigned on 22 February 2023)

REGISTERED OFFICE

10 Paternoster Square
London
EC4M 7LS

BANKERS

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

INDEPENDENT AUDITORS

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

LSEGA FINANCING PLC

STRATEGIC REPORT

The directors present their strategic report for LSEGA Financing plc (the 'Company') for the year ended 31 December 2022.

The Company is a public limited company incorporated and domiciled in England and Wales. Its operations are in the UK. The address of its registered office is 10 Paternoster Square, London, EC4M 7LS.

REVIEW OF BUSINESS

The Company is a wholly owned subsidiary of London Stock Exchange Group plc ('LSEG', the 'parent', the 'Group').

The Company acts as a financing vehicle for the Group and accesses bond markets and the Group's Revolving Credit Facilities (RCFs). No Bonds were issued in 2022, but the Bonds issued in 2021 remain in place (see note 11).

The Bonds are listed on the Main Market of the London Stock Exchange (a related company) in the UK and in the USA.

The Company's profit after tax for the year ended 31 December 2022 was US\$5.0m (2021: US\$5.0m) driven mainly by finance income. Net assets were US\$28.4m (2021: US\$26.5m). Due to the nature of the business, the directors have concluded that there are no other relevant KPIs.

FUTURE DEVELOPMENTS

The Company is expected to act as the main financing vehicle of LSEG and will manage the Group's foreign exchange, interest rate exposure and liquidity in future.

The Company will take part in future debt issues via an updated the Euro Medium-Term Note programme (EMTN) in 2023.

SECTION 172 (1) STATEMENT

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

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

In discharging our section 172 duties we have regard to the factors set out above. We also have regard to other factors which we consider relevant to the decision being made. Those factors, for example, include the interests and views of our community and the environment, our workforce, our customers, our suppliers, and our relationship with regulators. The Company does not have any direct employees; it instead utilises the workforce of LSEG Group companies (the "Group") through a series of formal, documented intercompany outsourcing arrangements. We acknowledge that every decision we make will not necessarily result in a positive outcome for all of our stakeholders, however, we aim to ensure consistent and predictable outcomes by having a robust, documented decision-making process which considers the Company's purpose, vision and values, together with its strategic priorities.

LSEGA FINANCING PLC

STRATEGIC REPORT

We delegate authority for day-to-day management of the Company to executives and then engage management in setting, approving and overseeing execution of the business strategy and related policies.

As the principal activity of the Company is to act as a financing vehicle for the Group and accesses bond markets and the Group's Revolving Credit Facilities, the Company has had no commercial business, and no employees, customers or suppliers other than other Group companies during the period and as such the breadth of stakeholder considerations that would often apply in operating or commercial trading companies have generally not applied to the decisions made by the Directors

The views of stakeholders, and the impact of the Company's activities on those stakeholders, are an important consideration for the Directors when making relevant decisions. The Board recognises that building strong relationships with our stakeholders will help to deliver the Company's strategy in line with our long-term values and operate the business in a sustainable manner. While there are cases where the Board judges that it should engage directly with certain stakeholder groups or on certain issues, the size and spread of both our stakeholders and the LSEG Group means that sometimes our stakeholder engagement will take place at an operational or Group level. For details on the engagement that takes place with the Company's stakeholders at a Group level, please see pages 64 to 69 of the London Stock Exchange Group plc Annual Report for the financial period ended 31 December 2022.

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

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

Annual report and financial statements

The Board convened a meeting to approve the Company's annual report and financial statements for the year ended 31 December 2021. The Directors received presentations and had the opportunity to ask questions on the Company's financial performance. This allowed them to consider the strength of the Company's balance sheet and long-term financial position.

Commercial Paper Programme

The Board approved the accession of the Company to the Group's US commercial paper programme as a means to optimise the funding structure, minimise interest expense and diversify borrowing sources both for the Group and the Company. Subsequent to the period ended 31 December 2022, in February 2023 the Board approved the accession of the Company to the Group's euro commercial paper programme with the same rationale.

It is anticipated that the Company will use these programmes to raise short-term finance denominated in sterling, euro and US dollars. Any FX risk arising on foreign currency borrowings will be managed as part of the Company's overall position in accordance with the Group Treasury Policy. Accession to the euro commercial paper programme should permit the Company to gain access to emergency market support programmes for the sterling commercial paper market established by the Bank of England. All issuance by the Company under both programmes will be guaranteed by London Stock Exchange Group plc.

Supplier considerations

Company relies on external and internal suppliers for certain services which are required to maintain the efficiency and resilience of the Company's operations.

LSEGA FINANCING PLC

STRATEGIC REPORT

The Company's management team holds regular meetings with its suppliers, which allow for open discussions and encourage a collaborative approach in order to identify and mitigate any risks to the key service provisions of the Company. At those meetings, service level agreements and KPIs are discussed, and feedback is exchanged. We believe that having solid long-term relationships with our suppliers is essential to continue to maintain access to such financing programmes.

Shareholder considerations

As a wholly owned direct subsidiary of London Stock Exchange Group plc, the Company operates within LSEG's strategic framework and in accordance with LSEG's policies and procedures, enjoying a constructive working relationship with the Group. The Company also operates a number of Company specific policies which may impose a higher set of standards, where required.

EMPLOYEES

The Company has no employees (2021: nil).

PRINCIPAL RISKS AND UNCERTAINTIES

The Group operates group wide risk management procedures which bring greater judgement to decision making allowing management to make better, more informed and more consistent decisions based on a clear understanding of the risks involved.

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

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

The Company's principal risks relate to credit risk, liquidity risk and interest rate risk.

- Credit risk arises from the possibility that the Company's debtors will not be able to repay their debts when called. This is mitigated by the fact that the debt is guaranteed by the parent company.
- Liquidity risk arises from the possibility that the Company will not be able to pay its liabilities as they fall due. The parent company, LSEG plc, has guaranteed the Company's debts and is a highly rated listed company with access to adequate cash resources.
- Interest rate risk arises from changes in market interest rates. The Company's loans and bonds all have fixed interest rates, so this is not considered to be a significant risk

The Company's risk control structure is based on the 'three lines of defence' model:

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

LSEGA FINANCING PLC

STRATEGIC REPORT

The Group has considered the ongoing situation in Ukraine and do not consider this to pose a significant threat to the Company, but the Group continues to monitor the situation.

CLIMATE CHANGE

The Company's approach to climate change is governed by the Group's policies and procedures. The Group's response to climate change can be found in the Climate Report in the Annual Report of LSEG

By order of the board:

DocuSigned by:

6DD65BEACED8435...

Oliver Wolfensberger
Director
LSEGA Financing plc
24 April 2023

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

LSEGA FINANCING PLC

DIRECTORS' REPORT

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

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The review of the Company's business and future developments are set out within the strategic report on page 2.

DIVIDENDS

The directors do not recommend a dividend for the current year (2021: nil).

DIRECTORS AND DIRECTORS' INTERESTS

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

Robert Kirkpatrick	(resigned 13 April 2022)
Oliver Wolfensberger	(appointed 21 April 2022)
Catherine Johnson	(Formerly known as Catherine Thomas)
Lisa Condron	

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

DIRECTORS' LIABILITIES

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101').

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

LSEGA FINANCING PLC

DIRECTORS' REPORT

- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group and company 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

GOING CONCERN

The Directors have reviewed the Company's forecasts and projections, taking into account reasonably possible changes in trading performance, which show that the Company has sufficient financial resources. The Company is expected to continue to make profits as a result of its intercompany debt and has significant net assets. The interest rates charged and suffered are fixed for the term of the debt and there is no risk of finance expenses exceeding finance income for the foreseeable future.

The Company has received a Letter of Comfort from its parent confirming that in the event of a default by the Company's debtor, the parent would pay the debts in full. The parent company also guarantees the Company's liabilities.

The parent company, LSEG plc, is a well respected and highly rated company with access to a number of liquidity sources.

On the basis of this review, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for 12 months from the date of approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

FINANCIAL INSTRUMENTS

The Company holds both financial assets and financial liabilities at amortised cost.

The financial assets are intra-group receivables or cash. The principal risks associated with these are described in the Strategic Report.

The financial liabilities are the listed bonds and accrued interest or intra-group payables. The liquidity risk in respect of these amounts is described in the Strategic Report. The fair value of the listed debt is also disclosed where different from the book value.

LSEGA FINANCING PLC

DIRECTORS' REPORT

EVENTS AFTER THE REPORTING PERIOD

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS


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

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

AUDITORS

Ernst & Young LLP have expressed their willingness to continue in office as auditors and they are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

By order of the board:

DocuSigned by:

6DD658EACED8435

Oliver Wolfensberger
Director
LSEGA Financing plc
24 April 2023

REGISTERED OFFICE:

10 Paternoster Square, London, EC4M 7LS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LSEGA FINANCING PLC

Opinion

We have audited the financial statements of LSEGA Financing Plc ("Company") for the year ended 31 December 2022 which comprise of the Income Statement, Statement of Comprehensive Income, Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 16 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 as applied to listed public interest entities, 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. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included performing a going concern assessment and an impairment test.

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 twelve 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.

Climate change

There has been an increasing interest from stakeholders as to how the climate change will impact companies. Our audit efforts considering climate change was focused on the adequacy of the disclosures within the Company's financial statements and conclude that the impact is lower risk.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LSEGA FINANCING PLC

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Based on our risk assessments and audit procedures performed, we have not identified any key audit matters to be communicated in our audit report.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be \$284k, which is 1% of Equity. We believe that Equity is a suitable measurement basis for materiality due to LSEGA Financing Plc's purpose being to provide financial support to entities under common control. The main users of the financial statements are the shareholders and the purpose for this entity is not to be profit making.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

- On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 50% of our planning materiality, namely \$142k. We have set performance materiality at a lower end of percentage to be consistent with prior year.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Board of Directors that we would report to them all uncorrected audit differences in excess of \$14k, which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LSEGA FINANCING PLC

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 with 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' reports 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 and 7, 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LSEGA FINANCING PLC

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 Company 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 United Kingdom Accounting Standards, the UK Companies Act 2006, relevant Financial Conduct Authority's ("FCA") rules and regulations, and tax legislation (governed by HM Revenue and Customs).
- We understood how LSEGA Financing Plc is complying with those frameworks by making enquiries of senior management, the general counsel, the chief risk officer, the head of compliance and the head of internal audit. We also reviewed significant correspondence between the Company and regulatory bodies, reviewed minutes of the Board, Risk Committee, and gained an understanding of the Company's approach to governance, demonstrated by the Board's approval of the Company's governance framework and the Board's review of the Company's risk management framework and internal control processes.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing and inquiries of senior management, internal audit, the money laundering reporting officer (MLRO) and those responsible for legal, risk and compliance at the Company. We corroborated our enquiries through review of board and committee minutes, whistleblowing log, Company policies and correspondence with relevant regulatory authorities. We increased our sample size to test the entire population of Intercompany loans both principal and interest amounts. Using the journal entry data, we have reviewed and tested the manual journals in relation to intercompany.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of income from Intercompany being calculated incorrectly or being recorded in the incorrect period. We have considered the controls that the Company has established to address risks identified by the Company, or that otherwise seek to prevent, deter or detect fraud. This included assessing individual Intercompany loan agreements and movements in cash.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LSEGA FINANCING PLC

- The Company is a regulated entity under the supervision of the FCA where its principal activities is intercompany lending and contains listed debt. As such, the Senior Statutory Auditor reviewed the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of experts where appropriate

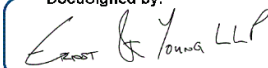
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the audit committee we were appointed by the Company on 25 October 2021 to audit the financial statements for the year ending 31 December 2021 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is two years, covering the year ending 31 December 2022.
- The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.
- The audit opinion is consistent with the additional report to the Audit Committee.

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:

 Ernst & Young LLP
 52B237251E6A4DE...

Hitesh Patel (Senior statutory auditor)
 for and on behalf of Ernst & Young LLP, Statutory Auditor
 London
 Date: 24 April 2023

LSEGA FINANCING PLC
INCOME STATEMENT
Year ended 31 December 2022

		Year ended 31 December 2022	Period from 21 December 2020 to 31 December 2021 (restated)*
	Notes	US\$'000	US\$'000
Interest income calculated using the effective interest method	3	98,434	72,630
Other finance income	3	3,892	5,054
Finance expense	3	(96,152)	(71,475)
Administrative expenses	4	15	(15)
Profit before taxation		6,189	6,193
Taxation	6	(1,172)	(1,177)
Profit for the financial period		5,017	5,016

*The income statement has been restated to present interest income calculated using the effective interest separately. There is no impact on the profit before tax on the net assets of the Company.

The Company was incorporated in England and Wales on 21 December 2020. The Company commenced the operations from 1 January 2021 and there are no material transactions in the period 21 December 2020 to 31 December 2020.

The transactions in the current year and prior period were derived from continuing operations.

The notes on pages 18 to 27 form an integral part of these financial statements.

LSEGA FINANCING PLC
STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2022

		Year ended 31 December 2022	Period from 21 December 2020 to 31 December 2021
	Notes	US\$'000	US\$'000
Profit for the financial year		5,017	5,016
Amounts that may be recycled to the income statement:			
Gain on cash flow hedges		-	31,276
Amount recycled to the income statement	12	(3,892)	(3,102)
Deferred tax on cash flow hedges		717	(6,729)
Other comprehensive income		(3,175)	21,445
Total comprehensive income for the financial year		1,842	26,461

The notes on pages 18 to 27 form an integral part of these financial statements.

LSEGA FINANCING PLC**BALANCE SHEET**

As at 31 December 2022

	Notes	2022 US\$'000	2021 US\$'000
Assets			
Current assets			
Other receivables	9	4,536,748	4,576,805
Cash and cash equivalents		64	372
Total assets		4,536,812	4,577,177
Liabilities			
Current liabilities			
Other payables	10	(27,191)	(73,336)
Current tax		(2,330)	(1,177)
		(29,521)	(74,513)
Non-current liabilities			
Borrowings	11	(4,472,912)	(4,469,410)
Deferred tax	7	(6,012)	(6,729)
		(4,478,924)	(4,476,139)
Total liabilities		(4,508,445)	(4,550,652)
Net assets		28,367	26,525
Equity			
Share capital	12	64	64
Retained earnings		4,021	(1,713)
Cash flow hedge reserve	12	24,282	28,174
Total equity		28,367	26,525

The notes on pages 18 to 27 form an integral part of these financial statements.

The financial statements on pages 14 to 27 were approved by the board on 21 April 2023 and signed on its behalf by:

DocuSigned by:

 6DD65BEACED8435...
Oliver Wolfensberger
 Director
 LSEGA Financing plc
 24 April 2023

Registered number 13091751

LSEGA FINANCING PLC
STATEMENT OF CHANGES IN EQUITY
 Period ended 31 December 2022

	Share capital	Retained earnings	Cashflow Hedge reserve	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000
21 December 2020	-	-	-	-
Shares issued	64	-	-	64
Profit for the financial period	-	5,016	-	5,016
Other comprehensive income	-	(6,729)	28,174	21,445
31 December 2021	64	(1,713)	28,174	26,525
Profit for the financial year	-	5,017	-	5,017
Other comprehensive income	-	717	(3,892)	(3,175)
31 December 2022	64	4,021	24,282	28,367

The notes on pages 18 to 27 form an integral part of these financial statements.

LSEGA FINANCING PLC

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2022

1. Basis of preparation and accounting policies

Basis of preparation

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

The financial statements have been prepared in accordance with Financial Reporting Standard 101 ('FRS 101') and the Companies Act 2006 on a going concern basis and cover the year ended 31 December 2022. The comparative results cover the period from incorporation on 21 December 2020 to 31 December 2021

The Company is a qualifying entity for the purposes of FRS 101. Note 14 gives details of the Company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

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

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

The financial statements are presented in US dollars, which is also the Company's functional currency.

During the year, the following amendments to standards became effective. These have not had a material impact on the Company's financial statements:

- Amendments to IFRS 3 Business Combinations: reference to the Conceptual Framework
- Amendments to IAS 16 Property, Plant and Equipment: proceeds before intended use
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: onerous contracts – cost of fulfilling a contract
- Annual Improvements to IFRS 2018-2020

LSEGA FINANCING PLC

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2022

The directors have considered the impact of climate change on the Company's operations and as part of LSEG are fully committed to the Group's sustainability aims. The Group's climate report for the year ended 31 December 2022 may be read here: [climate-report-2022.pdf \(lseg.com\)](#).

Based on an assessment in each area by the Group, climate change is not expected to have a material impact on the Company's financial position, estimates or judgements. The directors monitor this on an on-going basis.

Accounting policies

Income statement

Foreign currencies

Foreign currency transactions are converted into the functional currency of the reporting entity using the rate ruling at the date of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. The USD/GBP average exchange rate used was 0.80820 (2021: 0.72681). The closing rate used was 0.83132 (2021: 0.74090).

Finance income and expense

Finance income and expense comprise amortisation of hedging gains and arrangement fees; interest earned on cash deposits and loans to companies under common control; interest paid on borrowings.

Interest calculated using the effective interest method

Interest earned on cash deposits and loans and interest paid on borrowings, which reflect the agreed market-based or contractual rate for each transaction, are calculated using the effective interest method.

Other finance income

The accumulated hedging gain (see below) is recycled to the income statement as finance income over the life of the underlying hedged instrument (the debt).

Finance expenses

Arrangement fees incurred on debt issues are capitalised and amortised over the life of the issued bond on effective interest method.

Current and deferred taxation

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

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

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if it arises from the initial recognition of an asset or liability in a transaction (other than a business combination) that affects neither accounting nor taxable profit or loss at that time. Deferred income tax is determined using tax rates

LSEGA FINANCING PLC

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2022

(and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax asset or liability is settled.

Balance sheet

Financial instruments

Recognition and measurement

Financial assets and financial liabilities are initially recognised at fair value. The Group classifies its financial instruments at amortised cost. The classification depends on the Company's business model for managing its financial instruments and that the cash flows generated are 'solely payments of principal and interest'.

a) Financial assets

Financial assets at amortised cost are financial assets that are held in order to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. These comprise cash and other receivables. After initial recognition other receivables are measured using the effective interest method. Interest income from these financial assets is included in Interest income calculated using the effective interest method. Any gain or loss arising on derecognition is recognised directly in the income statement and presented in other income or operating expenses together with any foreign exchange gains and losses.

b) Financial liabilities

Financial liabilities at amortised cost are all financial liabilities that are not classified as financial liabilities at FVPL. They comprise the Company's other payables and borrowings. After initial recognition they are measured using the effective interest method. Interest expense on these financial liabilities is included in finance expense. Any gain or loss arising on derecognition is recognised directly in the income statement and presented in other income or operating expenses together with any foreign exchange gains and losses.

Impairment:

The Company adopts a forward-looking approach to estimating impairment losses on financial assets. An expected credit loss (ECL) arises if the expected cash flows are lower than the contractual cash flows due. The difference is discounted at the asset's original effective interest rate and recognised as an impairment of the original value of the asset.

Financial assets at amortised cost – the ECL on financial assets held at amortised cost is measured using the general approach. An allowance is calculated based on the 12-month ECL at each reporting date, unless there is a significant increase in the financial instrument's credit risk, in which case a loss allowance based on the lifetime ECL is calculated. The allowance is based on historical experience of collection rates, adjusted for forward looking factors specific to each counterparty and the economic environment at large, to create an expected loss matrix.

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

Other receivables

Other receivables include amounts due from companies within the group on loans and interest on these loans, and are measured at amortised cost using the effective interest method. Interest is charged at variable rates as stated within the relevant group loan agreement as set out by management. These loans are repayable either on demand or on dates stipulated within the relevant group loan agreement.

LSEGA FINANCING PLC

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2022

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, short-term deposits and investments in money market funds, and other instruments and structures that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Other payables

Other payables relate to loans from other companies within the group. Other payables are classified as 'Other payables' within current liabilities, if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as 'other non-current payables' within non-current liabilities.

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

Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The method of recognising the resulting gain or loss depends on whether or not the derivative is designated as a hedging instrument and the nature of the item being hedged.

In order to qualify for hedge accounting, a transaction must meet strict criteria regarding documentation, effectiveness, probability of occurrence, and reliability of measurement. The Company documents the relationship between hedging instruments and hedged items at the inception of the transaction, as well as its risk management objectives and strategy for undertaking various hedging transactions. The effectiveness of the hedge is tested at each reporting date and at the commencement and conclusion of any hedge in order to verify that it continues to satisfy all the criteria for hedge accounting. Any ineffective portion is recognised in the income statement as finance income or expense.

Amounts that have accumulated through other comprehensive income in the hedging reserve are recognised in the income statement in the period when the hedged item affects profit or loss. For example, the accumulated hedging gain is recycled to the income statement as finance income over the life of the underlying hedged item (the debt). When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss remains in the hedging reserve, it is recognised in the income statement when the forecasted transaction (finance expense) itself is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported through other comprehensive income is immediately recognised in the income statement.

Share capital

The share capital of the Company consists of one class of ordinary shares and these are classified as equity.

Dividend distributions

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

2. Significant judgements and estimates

Judgements and estimates are regularly evaluated based on historical experience, current circumstances and expectations of future events. There were no significant judgements and estimates for the year ended 31 December 2022.

LSEGA FINANCING PLC
NOTES TO THE FINANCIAL STATEMENTS
 Period ended 31 December 2022

3. Net finance income

	Year ended 31 st December 2022 US\$'000	Period from 21 December 2020 to 31 December 2021 US\$'000
Finance income		
Interest income calculated using the effective interest method		
Interest from companies under common control	98,434	72,629
Interest from parent	-	1
	98,434	72,630
Other finance income		
Interest from hedging derivatives	-	1,952
Amortisation of hedging gain recycled from hedging reserve (note 12)	3,892	3,102
	3,892	5,054
Finance expense		
Interest payable on bonds	(92,250)	(67,906)
Interest payable on hedging derivatives	-	(76)
Interest payable to parent	(132)	(60)
Interest payable to companies under common control	(247)	(126)
Amortisation of arrangement fees	(3,502)	(2,967)
Fair value loss on derivatives	-	(340)
Other finance expense	(21)	-
	(96,152)	(71,475)
Net finance income	6,174	6,209

Prior year adjustment

The income statement has been restated for the prior year in order to separately disclose the amount of income earned from Interest income calculated using the effective interest method, in order to be in compliance with IAS 1.82 presentation requirements. There is no impact on the profit before tax or the net assets of the Company.

	Period from 21 December 2020 to 31 December 2021 (as published) US\$'000	Prior year adjustment US\$'000	Period from 21 December 2020 to 31 December 2021 (restated) US\$'000
Finance income	77,684	(77,684)	-
Interest income calculated using the effective interest method	-	72,630	72,630
Other finance income	-	5,054	5,054
	77,684	-	77,684

LSEGA FINANCING PLC
NOTES TO THE FINANCIAL STATEMENTS
 Period ended 31 December 2022

4. Administrative expenses

	Year ended 31 st December 2022	Period from 21 December 2020 to 31 December 2021
	US\$'000	US\$'000
Professional fees	-	(15)
Foreign exchange gain	15	-
	15	(15)

5. Directors' remuneration

No remuneration was received by the directors in respect of qualifying services to this Company in the period (2021: nil).

6. Taxation

The standard UK corporation tax rate was 19% for the year ended 31 December 2022 (2021: 19%)

	Year ended 31 st December 2022	Period from 21 December 2020 to 31 December 2021
	US\$'000	US\$'000
Taxation charged to the income statement		
Current tax		
UK corporation tax for the year	(1,172)	(1,177)
Taxation charge	(1,172)	(1,177)
Taxation on items not credited/(charged) to the income statement		
Deferred tax on cash flow hedging reserve	717	(6,729)

An increase in the UK corporation tax rate from 19% to 25% from 1 April 2023 onward was substantively enacted and on 10 June 2022, the Finance Act 2022 received Royal Assent. Consequently the deferred tax assets and liabilities have been remeasured based on these rates during the reporting period.

LSEGA FINANCING PLC

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2022

Factors affecting the tax credit / (charge) for the period

The income statement tax credit / (Charge) for the period differs from the standard rate of corporation tax in the UK of 19% as explained below:

	Year ended 31 st December 2022	Period from 21 December 2020 to 31 December 2021
	US\$'000	US\$'000
Profit before taxation	6,189	6,193
Profit multiplied by the standard rate of tax	(1,176)	(1,177)
Income not taxable	4	-
UK corporation tax for the year	(1,172)	(1,177)

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly.

7. Deferred taxation

The deferred tax liability arose on the gain on the cash flow hedge recognised directly in equity. The movements in deferred tax assets and liabilities during the year are shown below.

Asset/(liability)	Other timing differences US\$'000
1 January 2021	-
Tax charged to equity	(6,729)
31 December 2021	(6,729)
Tax charged to equity	717
31 December 2022	(6,012)
Assets at 31 December 2022	-
Liabilities at 31 December 2022	(6,012)
Net liabilities at 31 December 2022	(6,012)

8. Dividends

The directors have not recommended a dividend for the current year (2021: nil).

LSEGA FINANCING PLC

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2022

9. Other receivables

	2022	2021
	US\$'000	US\$'000
Amounts due from companies under common control	4,536,688	4,576,736
Amounts due from parent company	60	64
Prepayments	-	5
	4,536,748	4,576,805

The Company has bond proceeds due from London Stock Exchange Group Holdings (Luxembourg) Ltd, a company under common control, with a value of US\$4,504.1m (2021: US\$4,504.1m), with interest charged at 2.15% p.a. (2021: 2.15%), and which is repayable with 5 days notice or by 6 April 2024. Further, the Company has an intercompany loan due from London Stock Exchange Group Holdings (Luxembourg) Ltd with a value of US\$7.8m (2021: nil), with interest charged at SOFR + credit adjustment spread + 1% p.a. and which is repayable with 5 days notice or by 6 October 2026.

The remainder of the amounts due represent the interest accrued.

Remaining other receivables (Amounts due from parent company) included are interest free and repayable on demand.

The Company does not consider there is any likelihood of an expected credit loss on these amounts.

10. Other payables

	2022	2021
	US\$'000	US\$'000
Amounts owed to companies under common control	-	46,276
Interest payable on external borrowings	21,781	21,781
Amounts owed to parent	5,410	5,279
	27,191	73,336

The Company had a loan from London Stock Exchange Group Holdings (Luxembourg) Ltd of US\$46.15m, with interest charged at SOFR + credit adjustment spread +1% p.a. The loan was repaid in full during the year.

The Company also has a loan from its parent, of US\$5.4m (2021: US\$5.3m) which has interest charged at SOFR +1% p.a. + credit adjustment spread and which is repayable on 5 days' notice or by 29 March 2026.

The interest payable on external borrowings represents accrued interest on bonds which are paid bi-annually.

The carrying values of other payables are reasonable approximations of fair value.

Loans with interest rates previously based on LIBOR rates transitioned to Secured Overnight Financing Rate (SOFR) on 1 January 2022.

LSEGA FINANCING PLC

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2022

11. Borrowings

	2022	2021
	US\$'000	US\$'000
Borrowings	4,472,912	4,469,410

Borrowings comprise five senior unsecured bonds issued using the Group's Global Medium-Term Note Programme. All the bonds were issued in 2021 and are listed on the Main Market of the London Stock Exchange (a related company). Amounts are shown net of capitalised arrangement fees. Arrangement fees are amortised through the income statement using the effective interest method (see note 3).

	Expiry date	Debt \$m	Carrying value \$m	Fair value \$m	Interest rate
\$500 million	Apr 2024	500	499	471	0.650
\$1,000 million	Apr 2026	1,000	997	879	1.375
\$1,000 million	Apr 2028	1,000	996	853	2.000
\$1,250 million	Apr 2031	1,250	1,242	1,041	2.500
\$750 million	Apr 2041	750	739	562	3.200
Total bonds		4,500	4,473	3,806	

The Company's borrowings are recognised at amortised cost on the balance sheet. Bonds are classified as Level 1 in the fair value hierarchy and the values disclosed are as quoted on the Main Market of the London Stock Exchange on 31 December 2022.

12. Share capital and other reserve

Share capital	2022		2021	
	Number of shares	Share capital US\$'000	Number of shares	Share capital US\$'000
Issued, called up and fully paid				
Ordinary shares of £1 each	50,000	64	50,000	64

50,000 ordinary shares of £1 each were issued to the parent company on incorporation, and these were translated to the functional currency of the Company.

LSEGA FINANCING PLC

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2022

Cashflow hedging reserve

	2022	2021
	US\$'000	US\$'000
At 1 January	28,174	-
Hedging gain recognised	-	31,276
Amount recycled to income statement	(3,892)	(3,102)
31 December	24,282	28,174

In February 2021, the Company entered into US\$ denominated interest rate swaps designated as cash flow hedges which were settled in March and April 2021. At the date of settlement, a gain of US\$31.3 million was recognised in the hedging reserve, and this amount is being recycled to the income statement over the life of the underlying debt instruments. During the year, \$3.9 million (2021: \$3.1 million) was recycled to the income statement.

13. Commitments and contingencies

Contracted capital commitments and other contracted commitments not provided for in the financial statements of the Company were nil (2021: nil) and nil (2021: nil), respectively.

14. Ultimate parent company

As at 31 December 2022, the Company's immediate parent and ultimate parent company and the parent that headed the smallest and largest group of undertakings for which consolidated financial statements were prepared was London Stock Exchange Group plc, a company incorporated in England and Wales. 100% of the issued share capital of the Company was beneficially owned by LSEG.

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

15. Other statutory information

Audit fees of US\$14,983 (2021: US\$15,565) payable to Ernst & Young LLP are borne and paid by another group company. Statutory information in remuneration for other services provided by the Company's auditors for the group is given in the consolidated financial statements of London Stock Exchange Group plc, which is the largest group into which the results of the Company are consolidated. There were no non-audit services provided to the Company in the current period or prior period.

16. Events after reporting period

There are no post balance sheet events from the year end to the date of approval of these financial statements.