Independent auditor's report

To: the shareholder and the board of directors of LSEG Netherlands B.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

We have audited the financial statements for the financial year ended 31 December 2023 of LSEG Netherlands B.V. based in Amsterdam, the Netherlands.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of LSEG Netherlands B.V. as at 31 December 2023 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The balance sheet as at 31 December 2023
- The income statement for the year ended 31 December 2023
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of LSEG Netherlands B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

LSEG Netherlands B.V. (hereinafter: the company) is incorporated as a wholly owned subsidiary of London Stock Exchange Group plc (hereinafter: the group) to assist the group in raising funds and on-lending the proceeds to one or more companies within the group. The group has guaranteed the due and punctual payment of all sums from time to time payable by the company in respect of the notes issued. The group is a global financial markets infrastructure and data provider.

The main income of LSEG Netherlands B.V. is the interest income on receivables from group companies. Interest risks are not fully hedged nor completely offset. The company's ability to pay interest and repay principal in respect of its borrowings and other liabilities, depends upon the financial condition and liquidity of the group companies.

We paid specific attention in our audit to a number of areas driven by the operations of the company and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€16.9 million (2022: €7.6 million)
Benchmark applied	0.5% of total assets as at 31 December 2023
Explanation	We determined materiality based on our understanding of the company's business and our perception of the financial information needs of users of the financial statements. We considered that total assets reflects the source of income and repayments to the holders of the bonds and the commercial paper issued by the company. We determined materiality consistent with prior financial year.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the board of directors that misstatements in excess of €845 thousand, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Teaming and use of specialists

We ensured that the audit team included the appropriate skills and competences which are needed for the audit of a listed finance company. We have made use of specialists in the area of income taxes including transfer pricing.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. 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.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and board of directors' process for responding to the risks of fraud and monitoring the system of internal control as well as the outcomes.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the LSEG Code of Conduct. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls as this risk is present in all companies. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in the notes under Accounting policies used in preparing the financial statements. Furthermore, we have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions and transactions with related parties. We also evaluated whether transactions with related parties were accounted for at-arm's length and in accordance with transfer pricing documentation.

As described in our key audit matter Valuation of receivables from group companies, we specifically considered whether the risks related to management override of controls in assessing whether there is any objective evidence that a financial asset is impaired, and, if any such evidence exists, determining the size of the impairment loss, indicated a management bias that may represent a risk of material misstatement due to fraud.

We did not identify a risk of fraud in revenue recognition, other than the forementioned risks related to management override of controls.

We considered available information and made enquiries of relevant members of the board of directors as well as the auditor of the group.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations
We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the board of directors, reading minutes, and performing substantive tests of details of classes of transactions, account balances or disclosures.

We have been informed by the board of directors that there was no correspondence with regulatory authorities, enquired with the auditor of the group and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern
As disclosed in paragraph Going concern in section Accounting policies used in preparing the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the board of directors made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the board of directors exercising professional judgment and maintaining professional skepticism.
We considered whether the board of directors' going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern, including considerations relating to the financial position of the group in cooperation with the group auditor. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our 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. We have communicated the key audit matter to the board of directors. The key audit matter is not a comprehensive reflection of all matters discussed.

In comparison with previous year, the nature of our key audit matter did not change.

Valuation of receivables from group companies	
Risk	The company is exposed to the risk that group companies default on meeting their obligations. As the receivables from group companies represent the most significant portion of the company's current and non-current assets, any impairment may have a material impact on the company's financial position and results. We consider the valuation of the receivables from group companies and assess whether there is any objective evidence that a financial asset is impaired, and, if any such evidence exists, determining the size of the impairment loss, a key audit matter because this is an area that requires significant judgment and determines the ability of the company to fulfil its obligations and to continue as a going concern. We also considered the risks related to management override of controls, including management bias that may represent a risk of material misstatement due to fraud. We refer to the paragraph "Impairment of financial assets" in the note "Accounting policies used in preparing the financial statements" to the financial statements, where the board of directors disclosed the policies and procedures in respect of the impairment loss assessment on the receivables from group companies. The credit risk is disclosed in in notes "Accounting policies used in preparing the financial statements", to the financial statements. As disclosed in note 2 Current assets, the board of directors did not identify any objective indicator triggering that the receivables from group companies might be impaired.
Our audit approach	Our audit procedures included, amongst others, evaluating the appropriateness of the company's accounting policy relating to the impairment of financial assets in accordance with Part 9 of the Book 2 of the Dutch Civil Code and the criteria set to determine that there is objective evidence of an impairment loss and whether these have been applied consistently. We also evaluated the design of internal controls of the processes underlying the identification and assessment of objective evidence for impairment as part of the financial statement closing process. Furthermore, we challenged the board of directors' assessment based on, amongst others, our analysis of the financial position of the group companies and by identification of indicators of non-recoverability of the receivables from group companies. This includes an assessment on the fair value developments of the bonds issued and whether the group companies met their financial obligations towards the company throughout the year and up to the date of our report, as well by inspecting publicly observable data and by inquiring the auditors of London Stock Exchange Group Holdings (Italy) Ltd and LSEGA Financing plc. Also, we took the impact of events subsequent to 31 December 2023 into account. Finally, we evaluated the related disclosures in the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code.
Key observations	Based on our procedures performed, we concur with the board of directors' assessment that there is no objective evidence as at 31 December 2023 that any of the receivables from group companies are impaired.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information.

Report on other legal and regulatory requirements

Engagement

We were engaged by the shareholder as auditor of LSEG Netherlands B.V. on 21 April 2022, as of the audit of the first financial year ended 31 December 2021 and have operated as statutory auditor ever since that date.

Description of responsibilities regarding the financial statements

Responsibilities of the board of directors for the financial statements

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going concern basis of accounting unless the shareholder either intends to liquidate the company or to cease operations or has no realistic alternative but to do so. The board of directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.
Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining 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
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

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

We provide the board of directors 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 board of directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 25 March 2024

Ernst & Young Accountants LLP

signed by P. Sira

LSEG Netherlands B.V.
Annual Report for the year ended 31 December 2023

Chamber of Commerce Number: 861891776

LSEG NETHERLANDS B.V.

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Management Board’s report

General Information

The Board of Directors hereby present the financial statements of LSEG Netherlands B.V., hereafter referred to as “The Company”, for the financial year ended 31 December 2023. The sole shareholder is London Stock Exchange Group plc (LSEG or The Group). A copy of the consolidated financial statements of LSEG can be obtained from 10 Paternoster Square, London, EC4M 7LS, United Kingdom.

Profile

The objects of the Company are to perform holding and financing activities, in the broadest meaning, and in relation thereto to acquire, to hold, to encumber and to alienate any type of asset (including registered property), liabilities and property rights for its own account, and for the benefit of group entities and third parties. The activities include borrowing, lending funds, issuing bonds, promissory notes and other letters of credit.

Financial information – Operating results and financial position

The entity’s operating profit during the year consists of interest income earned from the loans provided to group companies of €37.8 million (2022: € 16.5 million), which is offset by the interest expense incurred of € 37.8 million (2022: € 6.4 million) on Euro Commercial Paper and Bonds. Net profit during the year was € 3.2 million (2022: € 7.5 million).

Receivables from group companies in the balance sheet as at 31 December 2023 amount to € 3,319 million (2022: € 1,514 million), mainly due to the issuance of new loans to group companies, amounting to € 1,730 million, leading to an increase in interest income.

Non-current borrowings include bonds amounting to € 2,940 million (2022: € 1,490 million), the increase is mainly due to two new bonds issued during the year with a notional value of € 1,400 million. Current borrowings relate to the issuance of Euro Commercial Paper, with € 353 million (2022: Nil) outstanding as at 31 December 2023. The increase in interest expense is mainly due to the increase in current and non-current borrowings.

Based on a reassessment by the Group, a capital contribution has been recognised in respect of loans to UK affiliated companies on the basis that they do not carry interest at an arm’s length price. The benefit has been eliminated from the Company by a transfer pricing adjustment and re-qualified as an ‘informal capital contribution’ directly in equity. A compensating adjustment is made for tax purposes in the UK counterparties to the back-to-back financing arrangements for this and prior years. The net interest benefit before taxes relating to prior years amounting to €13 million (2022: €10 million; 2021: €3 million) has been considered as a reclass from retained earnings to capital contribution.

Composition of the Board of Directors

Control over the Company through the management board is to a large extent influenced by the ultimate shareholder. Board of directors of the Company is enlisted below:
Erol Komaç – Director
Susanna Wolf – Director
Theoni Kapopoulou – Director
Oliver Wolfensberger – Non-executive Director (resigned with effect from 16 February 2024)
Lisa Condron – Non-executive Director
Damien Maltarp – Non-executive Director (appointed on 16 February 2024)

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Management Board's report (continued)

The Company has five directors (three executive and two non-executive) of which three are female (two executive and one non-executive) meaning female board representation is at 60%. The Company will continue to ensure more progress is made in gender diversity when appointing new directors.

Significant risks and uncertainties

Risk Management

The Company applies the risk management procedures and the structure of internal controls as in place within the LSEG group. Further information of these policies and procedures is included in the annual report of LSEG. LSEG has implemented a Risk Management Framework, to which LSEG Netherlands B.V. adheres.

This ensures that the management and assessment of risk remains a fundamental component of LSEG's strategic decision-making process.

The LSEG Board is responsible for the Company's Risk Management Framework and maintaining an appropriate system of internal controls. The system of internal controls is designed to facilitate the management of the Company and its businesses within the Company's risk appetite rather than eliminate the risk of failure to achieve the Company's objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or loss, fraud or breaches of laws and regulations. Enterprise-wide Risk Management Framework is accountable for risk identification, evaluation, mitigation, monitoring, and reporting in accordance with the framework.

- 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 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 intercompany debts are covered by letters of support from the parent.
- 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. The Company also has direct access to external funding if required.
- Interest rate risk arises due to the risk of changes in the fair value of its fixed rate borrowings resulting from interest rate movements. The Company mitigates the risk by entering into interest rate swaps to convert a portion of its fixed rate debt into floating rate debt.

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

- The first line of defence: Business units – Implementation of business strategy, day-to-day risk management and decision making, effective implementation of the risk management framework, including reporting and escalation.
- The second line of defence: Risk and compliance – Review and challenge of business units, oversee the level of risk appetite within LSEG, development of the risk management framework, provide specialist advice and training across the organisation.

- The third line of defence: Internal audit – Independent assurance of business risk management activities, including that the risk management framework is both designed and operating effectively. Risk management approach: the Enterprise-wide Risk Management Framework manages risk throughout the full risk lifecycle. It is in place to support the ongoing and systemic identification, evaluation, management, monitoring, and reporting of the significant risks faced and the mitigating controls in place against them. This process is supported by robust risk governance, designed to give a coherent view of risk across the full Group.

Risk governance and oversight is enabled through an effective governance structure comprising Group Board-level committees (Board, Audit and Risk) to promote active discussion and resolution of risk issues.

The risk appetite is a central pillar of the Enterprise-wide Risk Management Framework and is used as a benchmark for both risk assessment and monitoring, with regular reporting of aggregated risks to both the Board Risk Committee and the Group's Executive Risk Committee.

The Board, on an annual basis, articulates LSEG's risk appetite. Risks that are outside risk appetite are escalated to Executive Committee members and to the appropriate Risk Committee and Boards. The Company assesses and manages risk in line with the risk management framework and has a low-risk appetite.
Further details are included in the financial instruments and risk management notes of the financial statements.

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

Research and development costs

The Company did not incur any research and development costs during the year.

Going concern

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Dutch GAAP and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets. 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 directors' responsibilities include overseeing the Company's financial reporting process. 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. Directors have also taken into consideration the latest developments in Russia and Ukraine. In addition, the entity's main asset, 'Receivables from group companies' is guaranteed by the parent company, LSEG plc, which is a well-respected and highly rated company with access to a number of liquidity sources.

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Management Board's report (continued)

On the basis of this review, and after making due enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for a period of at least 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.

Post Balance Sheet Events

The Directors confirm that there were no significant events occurring after the balance sheet date, up to the date of this report, that would meet the criteria to be disclosed or adjusted in the financial statements for the year ended 31 December 2023.

Board of Directors:

Erol Komaç – Director	Amsterdam, 25 March 2024
Susanna Wolf – Director	Amsterdam, 25 March 2024
Theoni Kapopoulou – Director	Amsterdam, 25 March 2024
Damien Maltarp – Non-executive Director	London, 25 March 2024
Lisa Condron – Non-executive Director	London, 25 March 2024

LSEG NETHERLANDS B.V.

Balance Sheet

(after appropriation of result for the year)

Amounts in EUR

	Notes	As at 31 Dec 2023	As at 31 Dec 2022
Assets			
Non-current assets			
Receivables from group companies	1	55,077,051	-
Current assets:	2		
Receivables from group companies		3,319,472,304	1,513,982,736
Other current assets		3,685,975	-
Cash at bank and in hand		-	142,863
Total of current assets		3,323,158,279	1,514,125,599
Total assets		**3,378,235,330**	**1,514,125,599**
Equity and liabilities			
Equity	3		
Share capital paid and called up		1	1
Capital contribution		66,231,359	-
Retained earnings		(307,164)	9,875,293
Total of equity		65,924,196	9,875,294
Non-current liabilities			
Borrowings	4	2,939,551,367	1,490,038,001
Total of non-current liabilities		2,939,551,367	1,490,038,001
Current liabilities:			
Borrowings	5	353,270,574	-
Other payables	6	19,489,193	10,902,417
Current tax	9	-	3,309,887
Total of current liabilities		372,759,767	14,212,304
Total of equity and liabilities		**3,378,235,330**	**1,514,125,599**

LSEG NETHERLANDS B.V.

Income statement

Amounts in EUR

	Notes	1 Jan 2023 to 31 Dec 2023	1 Jan 2022 to 31 Dec 2022
Interest income	7	37,821,208	16,487,114
Interest expense	7	(37,821,208)	(6,384,152)
Net interest income		**-**	**10,102,962**
Other operating income	8	502,014	-
Other operating expenses	8	(268,591)	(93,037)
Result before tax		**233,423**	**10,009,925**
Current year tax (expense)	9	(341,746)	(2,539,900)
Prior year tax income	9	3,295,651	-
Result after tax		**3,187,328**	**7,470,025**

LSEG NETHERLANDS B.V.

Notes to the financial statements

Accounting policies used in preparing the financial statements

General

The registered office according to the Articles of Association of LSEG Netherlands B.V. is in Amsterdam. The Company is registered in the Commercial Register of the Chamber of Commerce under the file number 861891776. The entity was incorporated on 26 November 2020.

During the year the Company changed its registered office from Antonio Vivaldistraat 50, 1083 HP Amsterdam, The Netherlands, to 24 Eduard van Beinumstraat, 10th floor, 1077 CZ Amsterdam, The Netherlands.

The Company qualifies as a medium-sized entity (prior year: small) under Dutch Law, therefore the financial statements for the year ended 31 December 2023 have been prepared as per the medium entity's regime, and in accordance with Part 9 of Book 2 of the Dutch Civil Code. The Financial Statements were approved on 25 March 2024.

The financial statements cover the year ended 31 December 2023. The comparative is the full year 2022.

Ultimate parent company
LSEG Netherlands B.V. is a wholly owned subsidiary of, and its ultimate parent is, London Stock Exchange Group plc. The financial information of the Company is consolidated in the financial statements of its ultimate parent, London Stock Exchange Group plc.

Activities of the company

The Company's main activity is to provide financial support by granting loans and securities to assist companies within LSEG.

External debt
In September 2023, the Company issued two fixed rate €700 million bonds under the Group's £4 billion Euro Medium Term Note Programme ("EMTN"), maturing in 2026 and 2030. The Bonds are listed on the Main Market of the London Stock Exchange (a related company).

During the year, the Group updated its Euro Commercial Paper (ECP) Programme, increasing the limit to £1.5 billion. The programme provides flexible financing capacity for the general corporate purposes of the Group and is backstopped by a £1.925 billion swingline facility available under the Amended 2017 Revolving Credit Facility to the Group.

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. In addition, the entity's main asset, 'Receivables from group companies', is held by associated enterprises, which is guaranteed by the Group. On the basis of this review, and after making due enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for a period of at least 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.

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Notes to the financial statements (continued)

Cash flow statement

LSEG Netherlands B.V. makes use of the exemption (article 360.104 of the DAS's for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board) to not present its cash flow statement. The cash flow statement of LSEG Netherlands B.V. is included in the consolidated Annual Report of the ultimate parent company London Stock Exchange Group plc. The consolidated financial statements of London Stock Exchange Group plc are available at 10 Paternoster Square, London, EC4M 7LS, United Kingdom.

Functional currency

The financial statements are prepared and presented in Euros, which is also the functional currency of the Company.

Foreign currency transactions are converted into the functional currency 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.

Borrowings

Borrowings are initially recorded at the fair value of amounts received, net of capitalised direct issue costs and arrangement fees (including upfront facility fees). Subsequently, these liabilities are carried at amortised cost. Interest payable on borrowings, direct issue costs and arrangement fees are recognised in the income statement over the period of the borrowings using the effective interest method.

Where borrowings are identified as a hedged item in a designated fair value hedging relationship, the carrying value of the hedged item is adjusted for fair value changes attributable to the risk being hedged, with the corresponding entry recorded in the income statement.

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 regular intervals. 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. We document the relationship between hedging instruments and hedged items at the inception of the transaction, as well as documenting the 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. The ineffective portion, which is determined using regression analysis, is recognised in the income statement as finance income or expense.

The profit or loss on a derivative which is not designated as a hedging instrument is recognised directly in the income statement.

Offsetting

Assets and liabilities are only offset in the financial statements if and to the extent that:
· An enforceable legal right exists to offset the assets and liabilities and settle them simultaneously; and
· The firm intention is to settle the assets and liabilities on a net basis or simultaneously.

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Notes to the financial statements (continued)

Trade and Receivables from group companies

Trade and Receivables from group companies are initially recognised at fair value and subsequently measured at amortised cost, net of a provision for doubtful debts.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, bank balances, notes and cheques and is carried at face value. It also includes deposits if these are effectively at the company's free disposal.

Impairment of financial assets

The Company assesses at the reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset is considered impaired if, and only if, there is objective evidence of impairment as a result of one or more loss events that occurred after the initial recognition of the asset and prior to the statement of financial position date, and that loss event has had an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

Liabilities

On initial recognition, liabilities are carried at fair value less directly attributable transaction costs. After initial recognition, liabilities are carried at amortised cost.

Share capital paid and called up

Costs relating to the incorporation and issuance of shares are charged directly to equity, less relevant income tax effects.

Expenses

General

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognised if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

Interest

Finance income includes interest earned on receivables from group companies. Finance expense includes interest paid on payables to group companies and borrowings. Interest paid on borrowings reflects the agreed market-based or contractual rate for each transaction undertaken during the year and calculated using the effective interest method. In conditions where negative interest rates apply, the Company recognises interest paid on cash deposits as an expense and interest received on liabilities as income.

Taxation

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

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

LSEG NETHERLANDS B.V.

Notes to the financial statements (continued)

Global Minimum Tax

To address concerns about uneven profit distribution and the tax contributions of large multinational corporations, various agreements have been reached at the global level, including an agreement by over 135 countries to introduce a global minimum tax rate of 15%. In December 2021, the Organisation for Economic Co-operation and Development (OECD) released a draft legislative framework, followed by detailed guidance in 2022 and 2023. Since the newly enacted tax legislation is only effective from 1 January 2024, there is no current tax impact for the year ended 31 December 2023.

On 23 May 2023, the International Accounting Standards Board (IASB) issued International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12, which the Company has adopted. The Amendments provide a temporary mandatory exception from deferred tax accounting for the global minimum top-up tax, which is effective immediately, and require new disclosures about the Company's exposure to Pillar Two income taxes.

The Company has applied the mandatory temporary exception from deferred tax accounting for the impacts of the top-up tax and will account for it as a current tax when it is incurred. If the new tax legislation had applied in 2023, there would have been no material top-up tax for the Company, and overall the Company does not expect a material impact from these rules.

Netting of Taxes

Tax assets and liabilities are netted if the general conditions for offsetting are met.

Financial Risk Management

The company's activities expose it to a variety of financial risks: market risk, liquidity risk, credit risk, capital risk and regulatory and compliance risk.

Market risk - Foreign exchange risk

The Company is exposed to transactional foreign exchange risk, which arises when we buy goods or services in a currency other than Euro.

Credit Risk

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

Credit risk is governed by policies developed at Group level by the Group Risk function. The Company's main credit risk exposure arises on the loans given to group companies as disclosed in the Balance Sheet and Note 2. The credit risk associated with loans to group companies is considered minimal as all intercompany debts are covered by letters of support from the parent.

There have been no significant increases in credit risk for these assets and no estimated credit losses have been recognised on financial instruments.

Liquidity Risk

The Company is exposed to liquidity risk to the extent that it is unable to meet its daily payment obligations. LSEG is required, under policy, to maintain significant committed credit facilities to support its subsidiaries' liquidity requirements including those of the Company. The central treasury function of LSEG ensures the Company is therefore in a position on a day-to-day basis to meet all of its financial obligations as they fall due.

Capital Risk Management

The Company manages its capital to ensure it will be able to continue as a going concern. The capital structure of the Company consists of equity and debt. Equity is comprised of issued share capital and accumulated profits as disclosed in the Balance Sheet and in note 3. Debt is comprised of bonds and Euro Commercial Paper as disclosed in the Balance Sheet and in notes 4 and 5.

The Company is covered under the Capital Management Policy maintained by the Group, the execution of which is overseen by the Group's Financial, Investment and Capital Committee. The Group seeks to optimally allocate capital in order to maintain a strong balance sheet, drive growth and offer suitable returns to shareholders.

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Notes to the financial statements (continued)

1. Non-current assets

	As at 31 Dec 2023	As at 31 Dec 2022
Receivables from group companies		
Derivatives used for hedging: Interest rate swaps	55,077,051	-
Total	**55,077,051**	**-**

In September 2023, on the same day the Company issued the external bonds (refer to note 4), the Company entered into two intra-group interest rate swaps (IRS) with LSEGA Financing plc, each with notional amounts of €700m and maturity dates of 2026 and 2030. The IRS swap fixed interest obligations on the bonds to floating interest obligations at ESTR + spread. The interest rate swaps have been designated as the hedging instruments in a fair value hedge relationship, to hedge the exposure to changes in the fair value of the bonds. There is an economic relationship between the hedged items and hedging instruments as the terms of the fixed leg of the interest rate swaps match the terms of the bonds, such as notional amounts, interest rates and maturity dates.

To assess hedge effectiveness, the Company uses regression analysis for its retrospective hedge effectiveness testing to ensure the hedge remained highly effective. The Company uses critical terms match for its prospective hedge effectiveness testing to ensure the hedge is expected to remain highly effective.

2. Current assets

Group Company	Balance as at 31 Dec 2023	Balance as at 31 Dec 2022	Interest rate	Maturity date
LSEG Holdings (Italy) Ltd	1,572,990,110	1,513,982,736	EURIBOR +0.8% p.a	Repayable on demand or by 5 April 2029
LSEGA Financing plc	700,269,692	-	ESTR + 0.7223% p.a	Repayable on demand or by 29 September 2026
LSEGA Financing plc	700,288,954	-	ESTR + 1.0525% p.a	Repayable on demand or by 29 September 2030
LSEGA Financing plc	330,533,758	-	EURIBOR + 0.125% p.a	Repayable on demand or 31 March 2028
Other receivables	367,254	-	NA	NA
Interest on derivative receivable	15,022,536	-	NA	NA
Receivable from group companies	**3,319,472,304**	**1,513,982,736**		
Current tax receivables	3,685,975	-	Refer Note 9 for tax disclosures	
Cash at bank and in hand	-	142,863		
Total current assets	**3,323,158,279**	**1,514,125,599**		

All loans are due on their expiry date or with five days' notice.

LSEG NETHERLANDS B.V.

Notes to the financial statements (continued)

Movement during the year:

	As at 31 Dec 2023	As at 31 Dec 2022
Balance at the beginning of the year:		
Initial amount	1,513,982,735	1,497,496,055
Accumulated impairments	-	-
Carrying amount at the beginning of the year	**1,513,982,735**	**1,497,496,055**
Amount lent during the year	1,729,579,021	-
Repayments	-	-
Interest accrued	75,910,548	16,486,681
Movement during the year	1,805,489,569	16,486,681
Carrying amount at the end of the year	**3,319,472,304**	**1,513,982,735**

No impairment triggers were identified with respect to receivables from group companies in the year.

Cash at bank and in hand are not restricted.

3. Equity

	Share capital	Capital contribution	Retained earnings	Total attributable to equity holders
As at 1 January 2022	1	-	2,405,268	2,405,269
Profit for the year	-	-	7,470,025	7,470,025
Dividends paid in the year	-	-	-	-
As at 31 December 2022	**1**	**-**	**9,875,293**	**9,875,294**
Capital contribution during the year (Reclass from retained earnings)*	-	66,231,359	(13,369,785)	52,861,574
Profit for the year	-	-	3,187,328	3,187,328
Dividends paid in the year	-	-	-	-
As at 31 December 2023	**1**	**66,231,359**	**(307,164)**	**65,924,196**

Share capital paid and called up

The total issued share capital equals the share capital paid and called up for an amount of €1 (2022: €1) and consists of 1 issued share (2022: 1).

* Based on a reassessment by the Group, a capital contribution has been recognised in respect of loans to UK affiliated companies on the basis that they do not carry interest at an arm's length price. The benefit has been eliminated from the Company by a transfer pricing adjustment and re-qualified as an 'informal capital contribution' directly in equity. A compensating adjustment is made for tax purposes in the UK counterparties to the back-to-back financing arrangements for this and prior years. The net interest benefit before taxes relating to prior years amounting to €13 million (2022: €10 million; 2021: €3 million) has been considered as a reclass from retained earnings to capital contribution.

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Notes to the financial statements (continued)

4. Non-current liabilities

Borrowings comprise of five senior unsecured bonds issued using the Group's Global Medium-Term Note Programme. All the bonds are listed on the Main Market of the London Stock Exchange (a related company) and are guaranteed by the parent company, London Stock Exchange Group plc. The bonds are measured at amortised cost and amounts are shown net of capitalised arrangement fees. Arrangement fees are amortised through the income statement using the effective interest rate method (Note 7).

	Expiry date	Interest rate	Carrying value in € as at 31 Dec 2023	Carrying value in € as at 31 Dec 2022
€500m bond	Apr-25	0.000%	499,697,003	499,457,233
€700m bond	Sep-26	4.125%	715,492,875	-
€500m bond	Apr-28	0.250%	497,858,200	497,360,726
€700m bond	Sep-30	4.231%	732,649,759	-
€500m bond	Apr-33	0.750%	493,853,530	493,220,042
Total			**2,939,551,367**	**1,490,038,001**

In September 2023, the Company issued two fixed rate €700 million bonds, maturing in 2026 and 2030. The bonds have been designated as hedged items in a fair value hedge relationship, therefore the carrying value of the bonds have been adjusted for the gain or loss attributable to the hedged risk. The corresponding entry is recorded in the income statement to offset the impact of the hedging instrument.

Movement during the year:

	As at 31 Dec 2023	As at 31 Dec 2022
Balance at the beginning of the year:		
Initial amount	1,490,038,001	1,488,698,316
Accumulated impairments	-	
Carrying amount at the beginning of the year	**1,490,038,001**	**1,488,698,316**
Issued	1,400,000,000	-
Loss attributable to hedged risk	53,617,548	-
Costs incurred in issuance of bonds	(5,783,841)	-
Amortisation	1,679,659	1,339,685
Movement during the year	1,449,513,366	1,339,685
Carrying amount at the end of the year	**2,939,551,367**	**1,490,038,001**

LSEG NETHERLANDS B.V.

Notes to the financial statements (continued)

5. Current borrowings

Current borrowing comprises Euro Commercial Paper issued during the year to the debt capital markets under the Company's Euro Commercial Paper Programme.

Movement during the year:

	As at 31 Dec 2023	As at 31 Dec 2022
Balance at the beginning of the year:		
Initial amount	-	-
Accumulated impairments	-	-
Carrying amount at the beginning of the year	**-**	-
Issued	3,450,334,511	-
Amortisation of interest	13,436,063	-
Repayments	(3,110,500,000)	-
Movement during the year	353,270,574	-
Carrying amount at the end of the year	**353,270,574**	-

6. Other payables and current tax

Other payable and current tax comprises of the following:

	As at 31 Dec 2023	As at 31 Dec 2022
Amounts due to group companies	213,669	7,096,891
Interest accrued on bonds	18,711,060	3,698,630
Interest accrued on derivative financial instruments	558,647	-
Interest payable to group companies	-	11,752
Corporation tax liabilities	-	3,309,887
Other payables	5,817	95,144
Total	**19,489,193**	**14,212,304**

LSEG NETHERLANDS B.V.

Notes to the financial statements (continued)

7. Interest income and expense

	1 Jan 2023 to 31 Dec 2023	1 Jan 2022 to 31 Dec 2022
Interest on receivables from group companies	36,361,705	16,487,114
Fair value movements on derivative instruments and hedged item	1,459,503	-
Finance income	37,821,208	16,487,114
Bond interest expense	24,242,894	6,339,685
Commercial paper interest expense	13,436,063	-
Interest due to group companies	104,777	44,467
Other interest expense	37,474	-
Finance expense	37,821,208	6,384,152
Net finance income	**-**	**10,102,962**

8. Other operating income and expenses

	1 Jan 2023 to 31 Dec 2023	1 Jan 2022 to 31 Dec 2022
Other operating income		
Transfer pricing income	367,253	-
Other income	134,761	-
Total other operating income	**502,014**	**-**
Other operating expenses		
Audit fees	71,769	45,150
Bank charges	41,722	1,044
Other costs	155,100	46,843
Total other operating expenses	**268,591**	**93,037**

9. Taxation

	1 Jan 2023 to 31 Dec 2023	1 Jan 2022 to 31 Dec 2022
Result before tax	233,423	10,009,925
Transfer pricing adjustment #	1,362,386	-
Income not taxable	(15,431)	-
Income related to prior year	(203,066)	-
Profit chargeable to corporation tax	1,377,312	10,009,925

Transfer pricing adjustment relates to imputed net interest income on cash deposits.

LSEG NETHERLANDS B.V.

Notes to the financial statements (continued)

Tax calculated at 19% (2022: 15%) applicable on taxable income upto EUR 200,000 (2022: 395,000)	38,000	59,250
Tax calculated at 25.8% (2022: 25.8%) applicable on taxable income above EUR 200,000 (2022: 395,000)	303,746	2,480,650
Tax (credit)/charge related to prior year	(3,295,651)	-
Tax (credit)/charge to the income statement	**(2,953,905)**	**2,539,900**

Applicable tax rate	19% - 25.8%	15% - 25.8%
Effective tax rate (calculated as tax charge upon result before tax)	-1,265.47%	25.37%

Reconciliation of the applicable tax rate to the effective tax rate:

	1 Jan 2023 to 31 Dec 2023	2023 Tax %	1 Jan 2022 to 31 Dec 2022	2022 Tax %
Result before taxes	233,423		10,009,925	
Tax at applicable rate	(60,223)	25.80%	(2,582,560)	25.80%
Non-taxable income	3,981	-1.71%	-	
Downward adjustment	52,391	-22.44%	-	
Interest imputation	(351,496)	150.58%	-	
Step up in tax rate	13,600	-5.83%	42,660	-0.43%
Tax credit related to prior years	3,295,651	1,411.88%	-	
Total tax benefit/(expense)	**2,953,904**	**-1,265.47%**	**(2,539,900)**	**25.37%**

Movement during the year:

	1 Jan 2023 to 31 Dec 2023	1 Jan 2022 to 31 Dec 2022
Tax payable at the beginning of the year	3,309,887	769,987
Tax (credit)/charge during the year	(2,953,905)	2,539,900
Payments made during the year	(4,041,957)	-
Tax (receivable) /payable at the end of the year	**(3,685,975)**	**3,309,887**

10. Workforce

The Company has no employees (2022: Nil).

11. Directors' Remuneration

The directors' remuneration paid by the Company during the year is Nil (2022: Nil).

LSEG NETHERLANDS B.V.

Notes to the financial statements (continued)

12. Subsequent Events

The directors confirm that there were no significant events occurring after the balance sheet date, up to the date of this report, that would meet the criteria to be disclosed or adjusted in the financial statements for the year ended 31 December 2023.

Signatories to the financial statements

Board of Directors:

Erol Komaç – Director	Amsterdam, 25 March 2024
Susanna Wolf – Director	Amsterdam, 25 March 2024
Theoni Kapopoulou – Director	Amsterdam, 25 March 2024
Damien Maltarp – Non-executive Director	London, 25 March 2024
Lisa Condron – Non-executive Director	London, 25 March 2024

Other information

Reference to the auditor's opinion

The independent auditor's report is set forth on the next page.

Provisions of the Articles of Association relating to profit appropriation

According to Article 23 of the company's Articles of Association, the result for the year is at the free disposal of the Annual General Meeting.