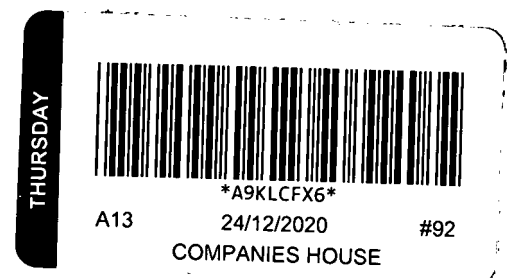


London Multi-Asset Exchange (Holdings) Limited

Directors' Report and financial statements

Year ended 31 December 2019

Registered number: 06331069



London Multi-Asset Exchange (Holdings) Limited

Notes (*continued*)

10 Accounting Estimates and Judgements (*continued*)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult to reach, subjective or complex to a degree which would warrant their description as significant and critical in terms of the requirements of IAS 1 (revised).

11 Events subsequent to reporting date

Since the year end in December 2019, the World Health Organization has declared COVID-19 a pandemic. Many national governments and sports authorities around the world have made the decision to postpone/cancel high attendance sports events in an effort to delay the spread of the COVID-19 virus. For the Company's 31 December 2019 financial statements, the COVID-19 outbreak and the related impacts are considered non-adjusting. Consequently, there is no impact on the recognition and measurement of assets and liabilities. While there is not expected to be a direct impact on this Company going forward, there has been a material decline in sports betting revenues and earnings across the wider Flutter Entertainment plc group, of which this Company is a part, since early March 2020.

The extent of the impact on the Group's operational and financial performance will depend on the Group's willingness and ability to take further cost reduction measures as well as future developments, including the duration and spread of the outbreak, related group gathering and sports event advisories and restrictions, and the extent and effectiveness of containment actions taken, all of which are highly uncertain and cannot be predicted at the time of issuance of these financial statements.

Other than the above, the Directors are not aware of any matter or circumstance occurring since 31 December 2019 that has significantly or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

London Multi-Asset Exchange (Holdings) Limited

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London Multi-Asset Exchange (Holdings) Limited

Directors and other information

Directors

Kevin Smith
Recep Ozcan

Secretary

Jonathan Seeley

Registered office

Waterfront
Hammersmith Embankment
Chancellors Road
London
W6 9HP

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

Registered number

06331069

London Multi-Asset Exchange (Holdings) Limited

Directors' Report

The Directors present their annual report together with the audited financial statements of London Multi-Asset Exchange (Holdings) Limited ('the Company') for the year ended 31 December 2019.

Principal activity and future developments

The principal activity of the Company is to carry on the business of an investment and holding Company as part of the Flutter Entertainment Group (comprising Flutter Entertainment plc and its subsidiaries) (the "Group"). The Directors believe these activities will continue for the foreseeable future.

Results and dividends

During the year ended 31 December 2019, the Company generated £69,098 in interest receivable on intercompany loans (2018: Profit £64,645).

No dividends were paid during the year (2018: Nil).

Review of the business

The Directors were satisfied with the performance of the Company during the year and further details of the consolidated performance of the Company are provided in the financial statements.

Strategic Report

The Company has availed of the exemption available under Section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 from implementing the Strategic Report requirements as the Company qualifies as a small company for company law purposes.

Directors and Secretary

The following Directors and Secretary served during the year and subsequent to the balance sheet date:

Directors

Kevin Smith
Recep Ozcan
Pritti Patel (resigned 1 May 2019)

Secretary

Jonathan Seeley (appointed 1 May 2019)
Pritti Patel (resigned 1 May 2019)

Directors' and Secretary's interests

The Directors and Secretary who held office at 31 December 2019 had no interests in the Company or any other Flutter Entertainment Group (comprising Flutter Entertainment plc and its subsidiaries) (the "Group") entity that requires disclosure.

Charitable and political contributions

The Company made no political contributions in 2019 (2018: Nil).

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements.

London Multi-Asset Exchange (Holdings) Limited

Directors' Report (*continued*)

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. The key business risks and uncertainties affecting the Group are considered to relate to regulation, licensing and regulatory compliance, data management and cyber security, technology infrastructure, systems stability and availability, business continuity planning and disaster recovery, product availability and competition, reliance on third parties and key supplier relationships, health and safety and key employees recruitment and retention. Further discussion of these risks and uncertainties, in the context of the Group as a whole, is provided on pages 45 to 48 of the Flutter Entertainment plc Annual Report and Accounts 2019 which does not form part of this report. A copy of the Flutter Entertainment plc Annual Report and 2019 Accounts can be found on its website, www.flutter.com/investors.

Risks are formally reviewed by the Flutter Entertainment plc Board and appropriate processes are put in place to mitigate them. It is possible that the overall effect of such events would result in adverse implications for the Company.

Financial risk management

The Company continues to have a prudent treasury management policy in place. The Company operations expose it to a variety of other financial risks, including interest rate and foreign exchange movements. Management continues to monitor closely the financial risks where appropriate.

Events subsequent to reporting date

Since the year end in December 2019, the World Health Organization has declared COVID-19 a pandemic. Many national governments and sports authorities around the world have made the decision to postpone/cancel high attendance sports events in an effort to delay the spread of the COVID-19 virus. For the Company's 31 December 2019 financial statements, the COVID-19 outbreak and the related impacts are considered non-adjusting. Consequently, there is no impact on the recognition and measurement of assets and liabilities. While there is not expected to be a direct impact on this Company going forward, there has been a material decline in sports betting revenues and earnings across the wider Flutter Entertainment plc group, of which this Company is a part, since early March 2020.

The extent of the impact on the Group's operational and financial performance will depend on the Group's willingness and ability to take further cost reduction measures as well as futures developments, including the duration and spread of the outbreak, related group gathering and sports event advisories and restrictions, and the extent and effectiveness of containment actions taken, all of which are highly uncertain and cannot be predicted at the time of issuance of these financial statements.

Other than the above, the Directors are not aware of any matter or circumstance occurring since 31 December 2019 that has significantly or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Auditor

In accordance with Section 485 of the Companies Act 2006, the Auditor, KPMG, Chartered Accountants, will be re-appointed and therefore will continue in office.

London Multi-Asset Exchange (Holdings) Limited


Directors' Report (*continued*)

Disclosure of information to the External Auditor

Each of the Directors who held office at the date of approval of the Directors' Report confirms that:

- so far as they are aware, there is no relevant audit information of which the External Auditor is unaware; and
- that they have taken all steps that they ought to have taken as a Director to make them aware of any relevant audit information and to establish that the External Auditor is aware of that information.

On behalf of the Board of Directors:

DocuSigned by:

DD978019CF7546C...
Kevin Smith
Director

11/13/2020

Company registered number: 06331069

Registered office: Waterfront, Hammersmith Embankment, Chancellors Road, London, W6 9HP

London Multi-Asset Exchange (Holdings) Limited

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 101 *Reduced Disclosure Framework*.

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 the profit or loss of the Company for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the Board of Directors:

DocuSigned by:

DD976018CF7546C...
Kevin Smith
Director

11/13/2020



KPMG
Audit
 1 Stokes Place
 St. Stephen's Green
 Dublin 2
 D02 DE03
 Ireland

Independent Auditor's Report to the members of London Multi-Asset (Holdings) Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of London Multi-Asset (Holdings) Limited ('the Company') for the 31 December 2019 set out on pages 9 to 16, which comprise the Statement of Profit and Loss Account and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 101 *Reduced Disclosure Framework*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 101 *Reduced Disclosure Framework*; and
- have been properly 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

We have nothing to report on going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this Auditor's Report is not a guarantee that the Company will continue in operation.



Independent Auditor's Report to the members of London Multi-Asset (Holdings) Limited

Report on the audit of the financial statements (*continued*)

Other information

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' Report. The financial statements and our Audit Report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information:

- we have not identified material misstatements in the Directors' Report;
- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 5, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going



Independent Auditor's Report to the members of London Multi-Asset (Holdings) Limited

Respective responsibilities and restrictions on use (continued)

Responsibilities of Directors for the financial statements (continued)

concern; and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

A handwritten signature in black ink that reads 'Brian Kane'.

B. Kane
Senior Statutory Auditor
for and on behalf of
KPMG Statutory Auditor
1 Stokes Place
St. Stephen's Green
Dublin 2

17 November 2020

London Multi-Asset Exchange (Holdings) Limited

Statement of Profit and Loss Account and Other Comprehensive Income for the year ended 31 December 2019

	<i>Note</i>	2019 £'000	2018 £'000
Operating profit			
Interest receivable and similar income	3	<u>69</u>	<u>65</u>
Profit on ordinary activities before taxation		69	65
Tax on profit	4	<u>(13)</u>	<u>-</u>
Profit for the year		<u>56</u>	<u>65</u>

There are no other items of other comprehensive income in the financial year or preceding financial year other than those dealt in the profit and loss account. Accordingly no statement of other comprehensive income has been presented.

The accompanying notes form an integral part of these financial statements.

London Multi-Asset Exchange (Holdings) Limited

Statement of Financial Position

as at 31 December 2019

	Note	2019 £'000	2018 £'000
Investments	5	1	1
Current assets			
Debtors	6	3,874	3,818
Net assets		3,875	3,819
Capital and reserves			
Called up share capital	7	34,826	34,826
Share premium account		22,399	22,399
Retained earnings		(53,350)	(53,406)
Total equity attributable to equity holders of the Company		3,875	3,819

The accompanying notes form an integral part of these financial statements.

The financial statements were approved by the board of directors on 13 November 2020 and were signed on its behalf by:

DocuSigned by:

 DP878019CF7548C...
 Kevin Smith
 Director

Company registered number: 06331069

Registered office: Waterfront, Hammersmith Embankment, Chancellors Road, London, W6 9HP

London Multi-Asset Exchange (Holdings) Limited

Statement of Changes in Equity for the year ended 31 December 2019

	Called up share capital	Share premium account	Retained Earnings	Total equity
	£'000	£'000	£'000	£'000
Balance at 1 January 2018	34,826	22,399	(53,471)	3,754
Profit for the year	-	-	65	65
Balance at 31 December 2018	34,826	22,399	(53,406)	3,819
Balance at 1 January 2019	34,826	22,399	(53,406)	3,819
Profit for the year	-	-	56	56
Balance at 31 December 2019	34,826	22,399	(53,350)	3,875

London Multi-Asset Exchange (Holdings) Limited

Notes

forming part of the financial statements

1. Accounting policies

London Multi-Asset Exchange (Holdings) Limited (the "Company") is a private company domiciled, registered and incorporated in the UK. The address of its registered office is Waterfront, Hammersmith Embankment, Chancellors Road, London, W6 9HP, and the registered number is 06331069.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). There have been no material departures from the Standards.

In preparing these financial statements, the Company applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("IFRS") but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a *Cash Flow Statement* and related notes;
- disclosures in respect of transactions with wholly owned subsidiaries;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of related party transactions; and
- disclosures in respect of the compensation of *Key Management Personnel*.

As consolidated financial statements of the Group include the equivalent disclosures, the Company has also taken advantage of the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare Group financial statements. These financial statements present information about the Company as an individual undertaking and not about the Group.

The financial statements have been prepared in GBP, which is the Company's functional currency.

The financial statements have been prepared on a going concern basis and historical cost basis.

The Company's ultimate parent undertaking, Flutter Entertainment plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Flutter Entertainment plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from www.flutter.com/investors.

London Multi-Asset Exchange (Holdings) Limited

Notes (*continued*)

1. Accounting policies (*continued*)

Investments

Investments in subsidiary undertaking are stated at cost less provision for any impairment.

Impairment

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated.

Objective evidence that the financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise and indications that a debtor or issuer will enter bankruptcy.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-derivative financial instruments

Trade and other receivables are stated at their nominal value as reduced by appropriate allowances for lifetime expected credit losses.

Subsequent to initial recognition, cash and cash equivalents, deposits and trade and other payables are measured at amortised cost.

Interest receivable

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired.

Income Tax

Income tax in the income statement comprises current and deferred tax. Income Tax expense is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or directly in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of the previous year.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to apply to temporary differences when they reverse, based on laws that have been enacted or substantively enacted at the reporting date.

London Multi-Asset Exchange (Holdings) Limited

Notes (continued)

2 Statutory information

The Company had no employees during the year (2018: Nil). No Directors' emoluments were paid during the (2018: Nil) or are payable at 31 December 2019 (2018: Nil). The audit fee was borne by the Parent Company.

3 Interest receivable and similar income

	2019 £'000	2018 £'000
Interest receivable from Group undertakings	69	65

4 Reconciliation of effective tax rate

	2019 £'000	2018 £'000
Profit before taxation	69	65
Tax using the UK corporation tax rate of 19% (2018: 19.5%)	13	12
Group relief claimed	-	(12)
Total Tax Expense	13	-

5 Investments

	2019 £'000	2018 £'000
Investments	1	1

The Company owns 100% of the ordinary shares of Tradefair Spreads Limited which has a principal activity of financial spread betting and its incorporated in England and Wales and registered at the following address:

Waterfront
Hammersmith Embankment
Chancellors Road
London
W6 9HP

London Multi-Asset Exchange (Holdings) Limited

Notes (*continued*)

6 Debtors

	2019 £'000	2018 £'000
Amounts owed by fellow group companies	<u>3,874</u>	<u>3,818</u>

Amounts owed by fellow Group companies are unsecured, interest-bearing and repayable on demand.

7 Called up share capital

	2019 £'000	2018 £'000
Allotted, called up and fully paid		
434,314,461 ordinary shares of £0.01 each	4,343	4,343
30,483,336 preference shares of £1.00 each	<u>30,483</u>	<u>30,483</u>
	<u>34,826</u>	<u>34,826</u>

8 Commitments and contingencies

At 31 December 2019, the Company had no commitments for capital expenditure not yet incurred or provided for the financial statements (2018:Nil) and no contingent liabilities (2018:Nil).

9 Immediate and ultimate Parent Company

The immediate Parent Company is the Sporting Exchange Limited, a company domiciled, registered and incorporated in England and Wales.

The ultimate Parent Company is Flutter Entertainment plc which is incorporated in the Republic of Ireland. Copies of the Group's Annual Report and 2019 Accounts can be obtained from:

The Company Secretary
Flutter Entertainment plc
Belfield Office Park
Beech Hill Road
Clonskeagh
Dublin 4

10 Accounting Estimates and Judgements

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.