

Appendices

Appendix 1

Adjusted net trading revenue

£m	FY23	FY22	Change %
Net trading revenue (Note 3)	941.8	972.3	(3%)
Interest income on client funds	81.8	3.5	Nm
Interest expense on client funds	(1.0)	(2.7)	(63%)
FX gain associated with tastytrade acquisition	-	(5.8)	Nm
Adjusted total revenue	1,022.6	967.3	6%

Adjusted operating costs

£m	FY23	FY22
Operating costs (Note 4)	583.8	499.2
→ Net credit losses on financial assets	1.1	2.7
Operating costs inc. net credit losses	584.9	501.9
→ Operating costs relating to the tastytrade acquisition and integration	(2.7)	(2.0)
→ Amortisation on tastytrade acquisition intangibles and recurring non-cash costs	(37.0)	(31.7)
→ Operating costs relating to the proposed Nadex sale	(4.2)	(3.3)
Adjusted operating costs	541.0	464.9

Adjusted profit before tax and earnings per share

£m (unless stated)	FY23	FY22
Earnings per share (p) (Consolidated Income Statement)	86.9	92.9
Weighted average number of shares for the calculation of EPS (millions) (note 10)	418.7	426.3
Profit after tax (Consolidated Income Statement)	363.7	396.1
Tax expense (Consolidated Income Statement)	86.2	80.9
Profit before tax (Consolidated Income Statement)	449.9	477.0
→ Hedging gain on tastytrade acquisition	-	(5.8)
→ Operating income relating to NADEX sale	(3.3)	(1.5)
→ Operating costs relating to the tastytrade acquisition and integration	2.7	2.0
→ Amortisation on tastytrade acquisition intangibles and recurring non-cash costs	37.0	31.7
→ Operating costs relating to NADEX sale	4.2	3.3
→ Financing costs relating to the debt issuance	-	1.0
→ Gains on sale of Small Exchange and disposal of Zero Hash	-	(4.1)
→ Movement in the FV of convertible debt associated with Zero Hash	-	(9.3)
Adjusted profit before tax (A)	490.5	494.3
Adjusted tax expense	(94.0)	(83.8)
Adjusted profit after tax	396.5	410.5
Adjusted earnings per share (pence per share)	94.7	96.3
Adjusted revenue (B)	1,022.6	967.3
Adjusted PBT margin (A/B) %	48.0%	51.1%

Appendices continued

High Potential Markets total revenue – pro forma

£m	FY23	FY22	Pro forma FY22	Change %	Pro forma change %
High Potential Markets	207.0	139.7	148.3	48%	40%
tastytrade	170.3	111.9	120.5	52%	41%

Appendix 2

Operating lease net assets

£m	FY23	FY22
Right-of-use assets ¹	18.5	19.9
Lease liabilities (current)	(7.4)	(8.9)
Lease liabilities (non-current)	(13.3)	(13.0)
Operating lease liability	(2.2)	(2.0)

¹ Amounts identified as right-of-use assets from "property, plant and equipment"

Own cash

£m	FY23	FY22
Cash and cash equivalents	798.5	1,246.4
Financial investments – termed cash	–	45.0
Less: Cash held to meet regulatory liquidity requirements	(65.0)	(45.5)
Less: Amounts due to the Pool	(3.3)	–
Own cash	730.2	1,245.9

Issued debt

£m	FY23	FY22
Debt securities in issue	(297.6)	(297.2)
Unamortised fees capitalised ¹	(1.7)	(2.0)
Issued debt	(299.3)	(299.2)

¹ Unamortised arrangement fees recognised in "debt securities in issue"

Net amounts due from brokers

£m	FY23	FY22
Financial investments – UK Government securities held at brokers (note 15)	372.3	289.9
Trade receivables – amounts due from broker (note 17)	486.6	381.0
Trade payables – amounts due to broker (note 21)	(48.6)	(28.0)
Other assets (note 18)	15.0	14.2
Net amounts due from brokers	825.3	657.1

Financial investments

£m	FY23	FY22
Financial investments and financial assets pledged as collateral (note 15)	606.4	396.1
Less: Financial investments held at brokers (note 15)	(372.3)	(289.9)
Financial investments	234.1	106.2

Liquid asset threshold requirement

£m	FY23	FY22
Financial investments – regulatory liquidity requirements	–	61.2
Cash held to meet regulatory liquidity requirements	65.0	45.5
Net amounts due from brokers	65.0	106.7

Own funds in client money

£m	FY23	FY22
Trade receivables – own funds in client money (note 17)	79.4	85.5
Less: Trade payables – amounts due to clients ¹	(4.3)	(21.3)
Own funds in client money	75.1	64.2

¹ Amounts considered as part of "own funds"



Appendices continued

Working capital

£m	FY23	FY22
Prepayments (non-current)	0.3	-
Prepayments (current)	25.3	23.2
Amounts due from clients (note 17)	4.4	3.0
Unamortised fees capitalised ¹	1.7	2.0
Other receivables	10.0	9.8
Other payables (other borrowings) (note 22)	(1.2)	-
Other payables (accruals) (note 22)	(109.4)	(112.6)
Other payables (payroll taxes, social security and other taxes (note 22))	(3.5)	(6.9)
Trade payables – amounts due to clients ²	(2.0)	(1.0)
Working capital	(74.4)	(82.5)

¹ Unamortised arrangement fees recognised in "debt securities in issue"

² Amounts considered part of "working capital"

Net own funds generated from operations

£m	FY23	FY22
Cash generated from operations	221.4	810.6
Interest received on client funds	75.8	3.5
Interest paid on client funds	(1.0)	(2.7)
Cash generated from operations	296.2	811.4
→ Increase in other assets	(0.8)	(16.1)
→ Increase in trade payables	95.3	(209.4)
→ Increase in trade receivables	102.5	(37.7)
→ Repayment of lease liabilities	(7.1)	(7.5)
→ Interest paid on lease liabilities	(0.5)	(0.6)
→ Fair value movement in Gilts	(18.1)	(3.6)
Own funds generated from operations (A)	467.5	536.5
Profit before taxation (B)	449.9	477.0
Conversion rate from profit to cash (A/B) %	104%	112%

Net own funds movement from acquisitions and disposals of investments in subsidiaries and associates

£m	FY23	FY22
Net cash flow to investment in associates	-	(1.9)
Net proceeds from disposal of subsidiaries	1.8	143.3
Proceeds from disposal of investments in associates, net of cash disposed	0.2	24.5
Net cash flow to acquire subsidiaries	(4.8)	(193.5)
Net own funds derecognised upon disposal of subsidiary	-	(2.7)
Net own funds recognised upon acquisition of subsidiary	-	15.6
Net own funds movement from acquisitions and disposals of investments in subsidiaries and associates	(2.8)	(14.7)