

7 August 2024

TP ICAP Group plc ('TP ICAP' or the 'Group')

Interim management report for the six months ended 30 June 2024

Nicolas Breteau, CEO of the Group, said:

"Group revenue increased by 3% in constant currency (+1% in reported currency), building on last year's strong performance. We delivered record H1 profits with adjusted EBIT up 9% (+4% in reported currency). Our focus on diversification is paying off. Liquidnet's enhanced operational gearing, coupled with market share gains, enabled the division to generate £24m of EBIT or 14% of Group EBIT. Parameta Solutions, our market-leading OTC data business, and E&C, the largest energy broker, delivered 10% (+7% in reported currency) and 8% (+6% in reported currency) revenue growth respectively.

We are announcing today, and commencing shortly, our third £30m buyback in twelve months. The Group is committed to generating more cash to return to shareholders, reduce debt, and invest in the business. We are launching a three-year programme to release at least £50m of surplus cash through more legal entity consolidations, and generate at least £50m of annualised savings through a range of operational efficiency initiatives.

We are progressing strategic options in relation to Parameta Solutions, as previously announced. They include a potential offering, which might entail a listing in the United States, with the Group maintaining a majority stake. There is, of course, no certainty about either a public offering or its location. We will update on progress, as and when appropriate".

Financial highlights

Adjusted results (excluding significant items – see income statement on page 13):

	HY 2024	HY 2023	HY 2023 constant currency	Reported change	Constant currency change
Revenue	£1,144m	£1,132m	£1,106m	1%	3%
EBITDA	£206m	£200m	£192m	3%	7%
EBIT	£170m	£163m	£156m	4%	9%
EBIT Margin	14.9%	14.4%	14.1%	n/a	n/a
Adjusted profit before tax	£160m	£146m		10%	
Attributable earnings	£123m	£117m		5%	
Basic EPS	16.2p	15.0p		8%	
Weighted average shares in issue (basic)	761.5m	781.3m		(2%)	

Statutory results:

Revenue	£1,144m	£1,132m	1%
EBIT	£131m	£109m	20%
EBIT margin	11.5%	9.6%	n/a
Profit before tax	£120m	£91m	32%
Attributable earnings	£91m	£66m	38%
Basic EPS	12.0p	8.4p	43%
Total dividend per share	4.8p	4.8p	-
Weighted average shares in issue (basic)	761.5m	781.3m	(2%)

A table reconciling Reported to Adjusted figures is included in the Financial and Operating Review. The percentage movements referred to in the highlights and CEO Review are in constant currency (unless stated otherwise). This is to reflect the underlying performance of the business, before the impact of foreign exchange movements year-on-year. Constant currency refers to prior year comparatives being retranslated at current year foreign exchange rates. Approximately 60% of the Group's revenue and approximately 40% of costs are US Dollar denominated.

Good revenue performance, diversification delivering, tight fixed cost management

- Revenues up 3% on H1 2023 (+1% in reported currency);
- Global Broking ('GB') revenue unchanged on H1 2023 (-2% in reported currency); strong Q2 (+8%), maintained market-leading position, highest revenue per broker¹;
- Record E&C revenues: up 8% on H1 2023 (+6% in reported currency). Strong growth across Oil, Power, and Gas;
- Liquidnet revenues up 8% on H1 2023 (+5% in reported currency). Strong Equities performance, biggest part of division, with revenue up 14%. Rest of division down 1%;
- Continued growth at Parameta Solutions: revenues up 10% on H1 2023 (+7% in reported currency) (H2 2023: +11%);
- Tight fixed cost control. At £279m, H1 2024 Group management & support costs² down 4% on H1 2023, despite inflation.

Increased margins, greater contribution from non-broking businesses, higher profitability

- Group adjusted EBIT up 9% (+4% in reported currency) to £170m (H1 2023: £156m). Includes a £24m contribution from Liquidnet (H1 2023: £9m);
- Diversification paying off. Liquidnet and Parameta Solutions accounts for 37% of Adjusted EBIT, compared to 23% in FY 2022;
- Adjusted EBIT margin increased to 14.9% (H1 2023: 14.1%);
- Reported EBIT grew 20% to £131m (H1 2023: £109m); reported EBIT margin of 11.5% (H1 2023: 9.6%).

Dynamic capital management

- Third buyback programme of £30m in twelve months launching soon, following completion of second £30m buyback;
- Interim dividend unchanged at 4.8p, in line with dividend policy;
- Leverage ratio³ of 1.6x (FY 2023: 1.9x).

Strategic highlights

Dynamic capital management

- Generating more cash in medium term: revenue growth, capital optimisation, and operational efficiencies;
- Announcing a three-year programme (legal entity and operational efficiencies) to respectively generate at least:
 - £50m in surplus cash/capital;
 - £50m of annualised cost savings, with c. £70m to be invested to deliver efficiencies.
- Surplus cash shared with shareholders through buybacks, or other capital returns, alongside targeted M&A, where appropriate, and maintaining investment grade rating.

¹ Using total Group front office employees and total Group revenue as the numerator and denominator respectively, to ensure a like-for-like comparison, across the 3 listed IDB peers.

² Including Foreign Exchange gains and losses.

³ Total debt (excluding finance lease liabilities) divided by adjusted EBITDA as defined by our rating agency, Fitch.

Diversification delivering

Parameta Solutions

- Focused on optimal shareholder value creation, including a potential offering, whilst retaining majority ownership of the asset;
- Listing on a U.S. stock exchange one option being considered. No certainty about listing or likely location;
- Silvina Aldeco-Martinez appointed CEO of Parameta Solutions in March; Eric Sinclair, CEO since 2017, now Chair. Silvina joined from PitchBook Data where she was CEO of Leveraged Commentary and Data;
- Further data monetisation opportunities underpinned by long-term, exclusive Market Data Licensing Agreements (MDLAs) with GB and E&C.

Liquidnet

- Growing market share in US and EMEA. Number one share in EMEA 5x LIS ('Large-in-Scale')⁴ market;
- Executed largest dark pool trade ever in Europe;
- Revenue diversification progressing well: Programme and high-touch trading up 45% on H1 2023;
- New SuperBlock™ proposition aimed at large/illiquid trades, a growing segment;
- Enhanced operational gearing, total management & support costs reduced by 18% on H1 2023.

Energy & Commodities ('E&C')

- Battery materials desk launched led by sector's leading broker. A key driver of Energy Transition;
- Acquired Aotearoa Energy, a New Zealand-based Gas, Power, and Carbon broker. Complements market-leading Australian Power & Gas brokerage business;
- Enhanced bench strength. David Silbert, formerly Head of Commodities at Deutsche, leading US business. Joachim Emmanuelson, former partner at SCB, heading up EMEA.

Transforming Broking

Fusion on track

- Fusion on >50% of Global Broking desks that are in-scope;
- On track to complete rollout across in-scope desks by end 2025.

Outlook

As ever, our second half outlook is largely subject to market conditions. Ongoing geopolitical uncertainty should continue to drive volatility that is supportive for Global Broking and Energy & Commodities, while the prospect of some interest rate reductions should be positive for Liquidnet. Parameta Solutions will continue to benefit from the growing demand for OTC pricing data.

The Board is comfortable with current market expectations for adjusted EBIT, our preferred measure, subject to FX movements, especially the Sterling/US Dollar rate.

Against this backdrop, we are focused on executing our strategy, and are well placed to deliver sustainable shareholder value over the medium-term.

⁴ The European Securities and Markets Authority (ESMA) defines "Large in Scale" (LIS) as thresholds that exempt large trades from certain pre-trade transparency requirements under MiFID II. For highly liquid stocks, the threshold is typically set at €100k or more; for less liquid stocks, the threshold is typically €500k or more.

HY 2024 results presentation

The Group will hold an in-person presentation and Q&A at 09:30 BST today in the Peel Hunt auditorium at 100 Liverpool Street, London, EC2M 2AT. For those unable to attend in person, the presentation will also be broadcast via a live video webcast.

A recording of the presentation will also be available via playback on our website after the event at <https://tpicap.com/tpicap/investors/reports-and-presentations>.

Forward looking statements

This document contains forward looking statements with respect to the financial condition, results and business of the Group. By their nature, forward looking statements involve risk and uncertainty and there may be subsequent variations to estimates. The Group's actual future results may differ materially from the results expressed or implied in these forward-looking statements.

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About TP ICAP

- TP ICAP connects buyers and sellers in global financial, energy and commodities markets.
- We are the world's leading wholesale market intermediary, with a portfolio of businesses that provide broking services, data & analytics and market intelligence, trusted by clients around the world.
- We operate from more than 60 offices across 28 countries, supporting brokers with award-winning and market-leading technology.

CEO REVIEW

Introduction

Our objective is to deliver sustainable shareholder value. We do so through delivering our strategy, enhancing the value of our strategic assets, and maximising cash generation.

Alongside updating stakeholders about the delivery of our strategic priorities – dynamic capital management, diversification, and transformation – I will explain how we are seeking to maximise the value of our strategic assets, including Parameta Solutions, our market-leading OTC data business. More broadly, our diversification strategy is delivering; we are making substantial progress in this regard, which I cover later on (see Diversification section below).

We are a world-leading provider of market infrastructure and data-led solutions. Across our four main divisions - Global Broking, Energy & Commodities, Liquidnet, and Parameta Solutions – we see significant opportunities to grow and generate more shareholder value.

Market Developments

As I noted earlier this year, the easy money era is over. The “higher for longer” mantra has proved apposite. Central banks are concerned about services inflation. Interest rates remain at 16- and 23-year highs in the UK and US respectively. Markets have limited expectations about the number of base rate reductions this year. Interest rate movements – up or down – are an important driver of activity for Rates, our biggest Global Broking business.

Energy markets are experiencing profound change. Three factors are driving this change. Firstly, geopolitical developments like the war in Ukraine. Secondly, growing demand for oil and gas. Thirdly, the major changes unleashed by climate change. Demand for critical metals, a key enabler of the Energy Transition, could more than double by 2030, according to the IEA. We are the preeminent OTC broker with strong market positions in Oil, Power, and Gas. We are ready to capitalise on any commodities Supercycle and have recruited the leading metals broker to lead our push into Battery Materials.

Institutions, it would appear, are beginning to return to equity markets: a welcome development for Liquidnet. We see that in the turnaround in the division’s profitability announced today. The institutional commission wallet is increasing. McLagan data reported Q1 2024 global commissions grew by 11% compared with Q4 2023. There is more road to run, however. Sticky inflation means that central banks are reluctant to cut interest rates, an important consideration for equity markets.

In an uncertain world, with ever growing regulatory requirements, the need for institutions to utilise robust data to underpin decision making, and their risk systems, is ever more pressing. Recent research found that global spend on financial markets data increased by 12% last year with survey participants anticipating more growth in 2024⁵. We believe Parameta Solutions, is well positioned to capitalise on this market phenomenon.

Business Performance

Growing revenues

Group revenues grew by 3% (+1% in reported currency), building on last year’s performance.

E&C, which reported record revenue growth in 2023, posted an 8% increase with strong growth in Oil, Power, and Gas. Liquidnet capitalised on better equity markets and the reshaping of its business. The division’s overall revenues were up 8%. Equities, the biggest part of the Liquidnet franchise, reported a substantial increase. Parameta Solutions generated 10% revenue growth, following a strong second half last year.

⁵ Source: Burton Taylor International Consulting, April 2024 Financial Market Data Benchmark report

Global Broking revenue was unchanged. In Q1 (-7%), trading was impacted by the absence of the exceptional levels of volatility following the collapse of Silicon Valley Bank in the previous year and other financial institutions. In Q2 (+8%) momentum returned: it was a strong quarter. The division maintained its market-leading position and its focus on broker productivity. Over the last three years, average annual revenue growth per broker was 8%. At the same time (see below), the Fusion rollout continued and is now live on over 50% of in-scope desks. Fusion is a key tool to maintain our position as the inter-dealer broker with the highest revenue per broker⁶.

We believe Parameta Solutions is the biggest player in OTC data, and has an attractive business model, historically characterised by 97% subscription revenue and high client renewal rates (98%). Liquidnet, a leading agency execution specialist, has recorded growth for five consecutive quarters in its key Equities business. The division ranked number one by market share in the important EMEA 5x LIS ('Large-In-Scale')⁷ segment, and 2nd in the US Agency Alternative Trading Systems ('ATS') market.

Increased profitability, tight fixed cost management

The Group adjusted EBIT margin increased to 14.9% (H1 2023: 14.1%). Adjusted EBIT was up 9%, or 4% in reported currency, to £170m. These are our highest ever H1 adjusted profits. At the reported level (including significant items), Group EBIT grew by 20% to £131m (H1 2023: £109m), with the reported EBIT margin increasing to 11.5% (H1 2023: 9.6%). Three factors underpin the growth in profits: continued revenue growth, tight fixed cost control, and the turnaround at Liquidnet. At £279m, Group management and support costs⁸ were down 4% on last year (H1 2023: £290m) despite ongoing business investment and inflation. Liquidnet delivered a substantial increase in profitability driven by enhanced operational gearing, growing revenues, and market share gains. The division generated £24m of EBIT in the first half (H1 2023: £9m) or 14% of Group adjusted EBIT.

Dynamic capital management

A year ago, we launched our first ever buyback programme for £30m (then announced another £30m buyback at our FY 2023 results). We have also paid down c. £100m of debt, achieving our target which we announced at our H1 2022 results. Today, we are announcing another £30m buyback which will soon commence, following the completion of the second buyback. We will also pay an interim dividend of 4.8 pence, unchanged on last year and in line with our dividend policy, to eligible shareholders on 8 November 2024, with an ex-dividend and record date of 3 October 2024 and 4 October 2024, respectively. Our shareholders value this combination of dividends and capital returns.

The Group is committed to releasing more cash for further capital returns, debt reduction, and ongoing business investment, including targeted M&A, where appropriate. We expect to generate more cash from revenue growth over time, capital optimisation, and more operational efficiencies.

Our Jersey re-domiciliation enabled the generation of a series of specific opportunities to free up cash. We learnt a great deal from that process. Similarly, we have been successful in generating a series of operational efficiencies at the Group level, through a range of initiatives. Accordingly, we are launching a new three-year programme to release at least £50m of surplus cash through more legal entity consolidations, and generate at least £50m of annualised cost savings through more operational efficiency initiatives.

The legal entity consolidation component of the programme builds on the work to date, following the Jersey re-domiciliation. It is designed to free up at least £50m of surplus cash over three years, through another substantial reduction in the number of our legal and regulated entities.

The other component of the programme is a major operational and IT excellence initiative expected to deliver at least £50m in annualised cost savings after three years. We will concentrate on key levers like real

⁶ Using total Group front office employees and total Group revenue as the numerator and denominator respectively, to ensure a like-for-like comparison, across the 3 listed IDB peers.

⁷ The European Securities and Markets Authority (ESMA) defines "Large in Scale" (LIS) as thresholds that exempt large trades from certain pre-trade transparency requirements under MiFID II. For highly liquid stocks, the threshold is typically set at €100k or more; for less liquid stocks, the threshold is typically €500k or more.

⁸ Including Foreign Exchange gains and losses.

estate optimisation, technology consolidation, procurement, and vendor management. This initiative, which includes a c. £70m investment over three years, will transform our processes. They will be more simplified and more agile.

Diversification

Our diversification strategy is about broadening our client base, moving into different asset classes and geographies, and delivering more non-broking revenue and profits. The strategy is delivering. Adjusted EBIT from Liquidnet and Parameta Solutions accounted for 37% of Group adjusted EBIT, compared to 23% in FY 2022. Our diversified businesses provide the Group with high quality earnings and reduces earnings volatility.

Liquidnet

Liquidnet is a multi-asset, technology-driven, agency execution specialist operating in 57 equity markets. The division provides the Group with client (buyside) and product (cash equities, listed derivatives and credit markets) diversification.

Our Liquidnet strategy is about (a) enhanced operational leverage through rightsizing the cost base, (b) enhancing and diversifying the core Cash Equities franchise, and (c) growing the multi-asset agency execution proposition.

Enhanced operational leverage and greater profitability

We have reshaped Liquidnet's cost base and diversified its Equities franchise.

The 18% reduction in the management & support cost base was accompanied by market share gains and revenue growth. The division's enhanced operational leverage came through in an increase in the adjusted EBIT margin from 5.7% to 14.0%.

Enhancing, and diversifying, the Equities franchise

Liquidnet is pursuing an "all weathers" strategy. This means reinforcing the market-leading block trading and dark pool equities franchise, and expanding in programme trading and algorithmic trading. Equities revenue increased by 14%. In January 2024, we completed the largest Dark Pool trade ever conducted in Europe, a testament to our connectivity, expertise, and client-centred technology.

There are signs fund managers are returning to equity markets. Bank of America recently reported the lowest average cash weighting by institutions since 2021. Against that encouraging backdrop, Liquidnet continues to innovate on behalf of its clients. A good example is SuperBlock™, a new solution for clients who wish to trade large, illiquid blocks in a controlled environment, which we launched earlier this year in all three regions.

Growing the multi-asset agency execution proposition

The multi-asset (non-cash equity) segment is expanding, driven by the growth of multi-asset hedge funds. Barclays has found that multi-asset funds have grown by an average of almost 19% a year compared with about 3% for hedge funds in general. Liquidnet offers a full suite of services ranging from Relative Value through to Rates and FX based on aggregated liquidity at the best price. Our multi-asset business generated over 40% of Liquidnet's H1 2024 revenues, a substantial contribution. As investment banks withdraw from this area, we intend to grow through a range of actions, including a follow-the-sun model, leveraging the Group's existing geographical footprint to build out capability, and entering new markets.

Parameta Solutions

The financial data market is large (\$50 billion in 2023) and growing (8% a year from 2018 to 2023)⁹. Within this ecosystem, with an estimated 70% share of the OTC inter-dealer broker data market⁹, Parameta Solutions is well positioned.

⁹ Source: Burton Taylor International Consulting, April 2024 Financial Market Data Benchmark report

The division's financial results historically have been driven by subscriptions. The OTC market's average daily volumes ('ADV') are expected to grow to \$26tn by 2032¹⁰, from around \$20tn today. Parameta Solutions products are designed to allow its clients to generate insights about highly complex, low transparency OTC transactions. Clients, in turn, use those insights to inform alpha identification strategies, risk management processes and regulatory compliance.

Strategic developments

A key part of our strategy is to maximise the value of our strategic assets.

The Group is progressing strategic options in relation to Parameta Solutions. They include a potential offering, which might entail a U.S. listing, with the Group maintaining a majority stake. There is, of course, no certainty about either a public offering or its location. We will update on our progress, as and when appropriate, to the extent we are able to do so within applicable legal constraints.

Business developments

The division is pursuing a three-pronged approach. Firstly, enhancing distribution of its data with more third parties and direct delivery, alongside developing the pricing framework. Secondly, moving up the value chain with products in key areas like Evidential Data Solutions, Managed Technology Services, OTC Indices, and Energy and Commodities. Parameta Solutions is working closely with E&C to generate more indicative pricing data, including real-time pricing. Thirdly, expanding its client base to include more buy-side players, including asset owners, asset managers, global macro hedge funds and corporates.

Long term, exclusive Market Data Licensing Agreements underpin the relationship with both Global Broking and E&C. They will be important as we generate more data insights for the division to deliver to its clients.

Energy & Commodities ('E&C')

Growing demand for energy

E&C is the leading OTC broker. The division provides services to its clients through three key brands: Tullett Prebon, ICAP and PVM.

E&C's strategy entails (a) growing revenue across the current main businesses (Oil, Gas, and Power), (b) leveraging the Energy Transition e.g. renewables, and (c) monetising data. Delivering these priorities is enabled by the rollout of leading technology for our brokers.

As the leading broker, we expect to benefit from the growth in demand for Oil, Gas, and Power. Shell expects global LNG demand to grow by 50% by 2040 – gas is an important enabler of the Energy Transition.

Leveraging the Energy Transition

The IEA expects renewables to power 50% of the world's electricity by 2030. One third of our clients are trading environmental products serviced by our brokers who typically cover both traditional and new energy sources.

We are well positioned. E&C is developing an aggregated liquidity pool encompassing all our renewable products. Our deep liquidity, and the receptiveness of the renewables market to electronic platforms, make this a compelling proposition. Product development is another focus. Alongside existing products like Norwegian and Australian Renewable Certificates, we are developing tools to generate more liquidity in US Renewable (and Voluntary) Energy Credits. This is a growing US market driven by significant legislative changes overseen by the U.S. government.

The switch to renewables is metals intensive. The move, for example, from coal-fired power stations to wind power entails a six-fold increase¹¹ in metals usage to create the necessary infrastructure. We see significant opportunities in this segment and have recruited the leading metals broker to launch our Battery Materials proposition, which is now in place in London and Singapore.

¹⁰ BIS Triennial Survey as of April 2022, Business Research Insights as of May 2024

¹¹ Source: JP Morgan Asset Management Insights, February 2024

Monetising data

Demand for energy-related data is increasing. The market is now worth approximately \$3.8bn and is growing at around 7% a year¹².

E&C and Parameta Solutions have an exclusive, long-term partnership, based on a Market Data License Agreement, to grow energy-related data revenues. In addition, new products will be developed in key areas like Power and Gas such as real time data. More indices will be developed to complement existing initiatives like the LNG indices, launched last year.

Transformation

Fusion

Fusion is our market-leading electronic platform providing connectivity for our clients, via a single portal, to our deep liquidity pools. The rollout of Fusion - focused on Rates, Credit, and FX - is well advanced; it is live on more than 50% of in-scope desks. A granular action plan is in place to drive completion of the rollout by the end of 2025. We are on track to do so.

API connectivity in particular, to ensure a seamless client experience, is important. We see, based on our client engagement, more opportunities to deploy Fusion to assist them with regulatory surveillance. Fusion also generates more data-led insights which Global Broking will share with Parameta Solutions through their Market Data Licencing Agreement.

Liquidnet Fixed Income

Liquidnet Fixed Income, as previously announced, is now led by Global Broking ('GB'), and organised by asset class. This brings immediate benefits, including GB's highly developed sell-side relationships and connectivity. The Fixed Income proposition encompasses both Primary and Secondary Markets, and a full range of trading protocols, including Request For Quote (RFQ) and Dark Pool.

Our recently-launched Targeted Axe protocol enables dealers to send their highest priority axes, or buy/sell interests, to a target client list and negotiate a trade using our RFQ workflow. A number of our offerings are now available on Fusion, Global Broking's electronic platform.

Current initiatives include the accelerated rollout of Fusion for dealers, Bond Auction Partnership, and Global EM Rebalance. Liquidity is increasing. More dealers are engaged and there is growing institutional participation. We are partnering in Primary Markets with BoltzBiz, the leading AI solutions specialist. This enables us to deploy AI to receive, process, and display newly announced bond data in a matter of seconds.

Enhanced bench strength driving our transformation

Across our divisions, we seek to enhance our bench strength as we transform the Group.

Silvina Aldeco-Martinez was appointed CEO of Parameta Solutions in March. Silvina joined from PitchBook Data, a Morningstar division, where she was CEO of Leveraged Commentary and Data. At the same time, Eric Sinclair, who has led the division since 2017, stepped up to become Chair. Silvina's significant experience in data and analytics complements Eric's market expertise, strong relationships, and track record of growing the business.

In Energy & Commodities, David Silbert joined us to lead our US business having previously, amongst other senior roles, been Global Head of Commodities at Deutsche Bank. Joachim Emanuelsson, a founding partner at SGB, the leading environmental markets brokerage, is now heading up our EMEA franchise.

Nicolas Breteau

Executive Director and Chief Executive Officer

7 August 2024

¹² Source: Burton Taylor International Consulting, April 2024 Financial Market Data Benchmark report

Financial and operating review

All percentage movements quoted in the analysis of financial results that follows are in reported currency, unless otherwise stated. Reported currency refers to prior year comparatives translated using prior year foreign exchange rates.

Introduction

The Group delivered record H1 profits in the first six months of 2024 with a modest 1% increase in revenue to £1,144m, building on last year's strong performance. Revenue was up 3% in constant currency, compared with the first half of 2023.

Liquidnet reported a 5% increase in revenue (+8% in constant currency), leveraging improved equity markets, and a growing market share. A 23% reduction in management & support costs (excluding depreciation & amortisation), coupled with the revenue increase, has significantly enhanced the operational leverage, resulting in an adjusted EBIT of £24m, more than double the number we reported twelve months ago.

Parameta Solutions, a leader in OTC data and analytics, saw a 7% revenue growth (+10% in constant currency), continuing the momentum from a strong second half last year. We are progressing a range of strategic options, including a potential offering.

Global Broking revenue, accounting for 57% of the Group's total revenue, declined by 2% (flat in constant currency) following a strong H1 2023. Energy & Commodities, the leading energy broker, delivered 6% revenue growth (+8% in constant currency), building on last year's record performance, with revenue increasing across its major asset classes, Oil, Power, and Gas.

Our emphasis on cost management, enhancing broker productivity (with an average revenue increase per broker of +1%) and diversification (with Liquidnet contributing 14% of the Group's adjusted EBIT), has increased Group's adjusted EBIT to £170m and improved the margin to 14.9% (H1 2023: £163m and 14.4%).

The Group incurred significant items costs of £40m pre-tax (H1 2023: £60m), of which around 80% were non-cash, in reported earnings. Consequently, the Group's reported EBIT grew 20% to £131m (H1 2023: £109m).

As part of our focus on enhanced cash generation, we have announced a new three-year programme to release at least £50m of surplus cash through removing inefficiencies in our regulated entity structure building on the Jersey re-domiciliation, and generate at least £50m of annualised cost savings through more operational efficiency initiatives. We will focus on key levers like real estate optimisation, technology consolidation, procurement and vendor management. The programme will require an investment of c.£70m over three years, and is set to transform our processes, making them more agile and streamlined.

Our leverage ratio¹ is now 1.6 times, compared with 1.9 times reported in full year 2023 results. Through strategic financial management, we have achieved c.£100m reduction in group debt and financing obligation over the past two years contributing to lower net finance costs and enhanced our investment grade headroom. Additionally, we announced a third share buyback programme of £30m, which will follow the completion of the second programme. In line with our dividend policy, the Board is proposing an interim H1 2024 dividend of 4.8p, consistent with H1 2023, to be paid to shareholders on 8 November 2024, with an ex-dividend and record date of 3 October 2024 and 4 October 2024, respectively.

Robin Stewart

Executive Director and Chief Financial Officer

7 August 2024

1. Total debt (excluding finance lease liabilities) divided by last 12 months adjusted EBITDA as defined by our Rating Agency.

Key financial and performance metrics

£m	H1 2024	H1 2023 Reported Currency ²	H1 2023 Constant Currency ²	Reported Currency change	Constant Currency change
Revenue	1,144	1,132	1,106	1%	3%
Reported					
- EBITDA	194	180	177	8%	10%
- EBIT	131	109	106	20%	24%
- EBIT margin	11.5%	9.6%	9.6%	1.9%pts	1.9%pts
Adjusted³					
- Contribution	445	453	442	(2%)	1%
- Contribution margin	38.9%	40.0%	40.0%	(1.1%pts)	-
- EBITDA	206	200	192	3%	7%
- EBIT	170	163	156	4%	9%
- EBIT margin	14.9%	14.4%	14.1%	0.5%pts	0.8%pts
Average:					
- Broker headcount ¹	2,525	2,571	2,571	(2%)	(2%)
- Revenue per broker ¹ (£'000)	377	372	364	1%	4%
- Contribution per broker ¹ (£'000)	139	142	139	(2%)	-
Period end:					
- Broker headcount ¹	2,536	2,542	2,542	-	-
- Total headcount	5,184	5,170	5,170	-	-

1. Revenue per broker and contribution per broker are calculated as external revenue and contribution of Global Broking, Energy & Commodities and Liquidnet (excluding the acquired Liquidnet platform) divided by the average broker headcount for the year. H1 2023 broker headcount restated to include Liquidnet Credit platform to reflect the Credit platform merger with Global Broking.
2. Prior year numbers have been restated to reflect £14m reclassification of technology costs from front office costs to management & support costs to better reflect the nature and management of these costs and align with the classification of similar costs within the Group.
3. 'Adjusted' is one of the alternative performance measures ('APM') which is useful to enhance the understanding of business performance. Refer Income statement below for details.

Income statement

Whilst not a substitute for IFRS, management believe adjusted figures provide relevant information to better understand the underlying business performance. These adjusted measures, and other alternative performance measures ('APMs'), are also used by management for planning purposes and to measure the Group's performance.

H1 2024	Adjusted	Significant Items ¹	Reported
£m			
Revenue	1,144	-	1,144
Employment, compensation and benefits	(718)	(1)	(719)
General and administrative expenses	(224)	(11)	(235)
Depreciation and impairment of PPE and ROUA	(21)	(6)	(27)
Amortisation and impairment of intangible assets	(15)	(21)	(36)
Operating expenses	(978)	(39)	(1,017)
Other operating income	4	-	4
EBIT	170	(39)	131
Net finance expense	(10)	(1)	(11)
Profit before tax	160	(40)	120
Tax	(46)	8	(38)
Share of net profit of associates and joint ventures	11	-	11
Non-controlling interests	(2)	-	(2)
Attributable Earnings	123	(32)	91
Basic average number of shares (millions)	761.5	-	761.5
Basic EPS (pence per share)	16.2p		12.0p
Diluted average number of shares (millions)	782.8		782.8
Diluted EPS (pence per share)	15.7p		11.6p

H1 2023	Adjusted	Significant items ¹	Reported
£m			
Revenue	1,132	-	1,132
Employment, compensation and benefits	(697)	(3)	(700)
General and administrative expenses	(239)	(19)	(258)
Depreciation and impairment of PPE and ROUA	(22)	(12)	(34)
Amortisation and impairment of intangible assets	(15)	(22)	(37)
Operating expenses	(973)	(56)	(1,029)
Other operating income	4	2	6
EBIT	163	(54)	109
Net finance expense	(17)	(1)	(18)
Profit before tax	146	(55)	91
Tax	(40)	9	(31)
Share of net profit of associates and joint ventures	12	-	12
Impairment of associates	-	(5)	(5)
Non-controlling interests	(1)	-	(1)
Attributable Earnings	117	(51)	66
Basic average number of shares (millions)	781.3		781.3
Basic EPS (pence per share)	15.0p		8.4p
Diluted average number of shares (millions)	796.0		796.0
Diluted EPS (pence per share)	14.7p		8.3p

1. Significant items are categorised, as per details in the Significant items section.

All percentage movements quoted in the analysis of financial results that follows are in constant currency, unless otherwise stated. Constant currency refers to prior year comparatives being retranslated at current year foreign exchange rates to support comparison on an underlying basis.

Revenue by division

Total Group revenue in the first half of 2024 reached £1,144m, a 3% increase over the prior year (1% rise in reported currency). Global Broking's revenue remained consistent with the prior period. Trading in Global Broking was impacted in the first quarter due to the non-recurrence of extraordinary volatility that occurred in the prior period, but the second quarter saw a resurgence in momentum with 8% higher revenue. Energy & Commodities revenue increased by 8%, building on the strong momentum from the second half of 2023, particularly in Oil, Power and Gas. Liquidnet's revenue was up 8% as it benefitted from the recovery in equity markets. Parameta Solutions revenue was up 10%, driven by increasing demand for greater access to data for price discovery opportunities.

	H1 2024	H1 2023 (restated Reported currency) ²	H1 2023 (restated constant currency) ²	Reported currency Change	Constant currency change
£m					
By Business Division					
Rates	291	299	291	(3%)	-
FX & Money Markets	162	159	156	2%	4%
Equities	120	127	125	(6%)	(4%)
Credit ²	63	66	65	(5%)	(3%)
Inter-division revenue ¹	11	11	11	-	-
Global Broking	647	662	648	(2%)	-
Energy & Commodities	242	229	224	6%	8%
Inter-division revenue ¹	2	2	2	-	-
Energy & Commodities	244	231	226	6%	8%
Liquidnet²	171	163	159	5%	8%
Data & Analytics	95	89	86	7%	10%
Inter-division revenue ¹	2	2	2	-	-
Parameta Solutions	97	91	88	7%	10%
Inter-division eliminations ¹	(15)	(15)	(15)	-	-
Total Revenue	1,144	1,132	1,106	1%	3%

1. Inter-division revenue has been recognised in Global Broking, Energy & Commodities and Parameta Solutions to reflect the value of proprietary data provided to Parameta Solutions and services it supplies to the other divisions. The inter-division revenue and inter-division costs are eliminated upon the consolidation of the Group's financial results.
2. Liquidnet Credit is reported as part of Global Broking following a commercial decision to merge the Group's Credit activities in H2 2023. H1 2024 disclosures are on this basis, with £6m of H1 2023 reported revenue restated to ensure a like-for-like comparison year-on-year.

Operating expenses

The table below sets out operating expenses, divided principally between front office costs and management and support costs. Front office costs tend to have a large variable component directly linked to the output of our brokers. The largest element of this is broker compensation and other front office costs, which include travel and entertainment, telecommunications and information services, clearing and settlement fees as well as other direct costs. The remaining cost base represents the management and support costs of the Group.

£m	H1 2024	H1 2023 (restated Reported currency) ¹	H1 2023 (restated constant currency) ¹	Reported currency change	Constant currency change
Front office costs					
- Global Broking ³	390	393	383	(1%)	2%
- Energy & Commodities	167	152	150	10%	11%
- Liquidnet ³	105	101	99	4%	6%
- Parameta Solutions	37	33	32	12%	16%
Total front office costs²	699	679	664	3%	5%
Management and support costs					
- Employment costs	172	166	163	4%	6%
- Technology and related costs	45	47	47	(4%)	(4%)
- Premises and related costs	14	13	13	8%	8%
- Depreciation and amortisation	36	37	36	(3%)	-
- Other administrative costs	9	23	23	(61%)	(61%)
Total management & support costs	276	286	282	(3%)	(2%)
- FX losses	3	8	8	n/a	n/a
Total management & support costs (incl. FX losses)	279	294	290	(5%)	(4%)
Total adjusted operating costs	978	973	954	1%	3%
Significant items	39	56	54	(30%)	(28%)
Total operating expenses	1,017	1,029	1,008	(1%)	1%

1. Prior year H1 numbers have been restated to reflect £14m reclassification of technology costs from front office costs to management & support costs to better reflect the nature of these costs and align with the classification of similar costs within the Group. The reclassification impacts Liquidnet, Global Broking and the Group.
2. Includes all front office costs, including broker compensation, sales commission, travel and entertainment, telecommunications, information services, clearing and settlement fees as well as other direct costs.
3. Liquidnet Credit is reported as part of Global Broking following a commercial decision to merge the Group's Credit activities in H2 2023. H1 2024 disclosures are on this basis, with £9m of reported H1 2023 front office restated to ensure a like-for-like comparison year-on-year.

Total front office costs of £699m increased by 5% (3% on a reported currency basis) compared with H1 2023, in line with the increase in revenue. Total management & support costs, excluding foreign exchange (FX) losses, decreased to £276m from £282m despite inflationary pressures and ongoing business investments, reflecting our commitment to stringent cost control. The FX loss of £3m from the retranslation of monetary assets and liabilities improved from £8m loss in H1 2023.

Total operating expenses increased slightly (by 1%) to £1,017m (1% decline in reported currency) driven by the increase in front office costs, which are variable with revenue.

Strategic IT investments amounted to £20m (H1 2023: £10m). This included £7m in operating expenses and £13m in capital expenditure. (H1 2023: £3m operating expenses and £7m capital expenditure).

The Group's focus on cost management is poised to drive sustained value creation through operational efficiency. Initiatives (see Introduction section above) are projected to deliver at least £50m in annualised cost savings after three years with strategic initiatives targeting technology consolidation, real estate optimisation and enhanced procurement and vendor management. This will require an investment of around £70m over three years.

Capital and liquidity management

Capital management

The Group is committed to releasing more cash for further capital returns, debt reduction, and ongoing business investment, including targeted M&A, where appropriate.

Following the successful completion of our first buyback programme in January 2024, we launched a second programme in February, which is nearing completion. Today, we have announced a third buyback programme of £30m, which will commence once the second buyback completes.

To create more value through transformational initiatives, we aim to release at least £50m of surplus cash and liquidity requirements across the group, from further legal entity consolidation.

Our strategic financial management has led to a c.£100m reduction in group debt and other financing obligations, over the last two years. This has helped lower our net finance costs and improved our investment grade headroom.

Our gross debt to EBITDA leverage ratio is now 1.6 times, a reduction of 0.3 from the 1.9 times reported in our full year 2023 results.

Liquidity management

The Group has successfully extended the £350m syndicated Revolving Credit Facility ('RCF') to May 2027. Additionally, in March 2024, the Yen RCF with a Japanese strategic partner was doubled from ¥10bn to ¥20bn and extended to February 2026, enhancing our liquidity management and financial flexibility.

Significant items

Significant items distort comparisons due to their size, nature or frequency and are therefore excluded in order to provide better understanding, comparability and predictability of the underlying trends of the business, to arrive at adjusted operating and profit measures.

Significant items are categorised as below:

Restructuring and related costs

Restructuring and related costs arise from initiatives to reduce the ongoing cost base and improve efficiency to enable the delivery of our strategic priorities. These initiatives are significant in size and nature to warrant exclusion from adjusted measures. Costs for other smaller scale restructuring are retained within both reported and adjusted results.

Disposals, acquisitions and investments in new businesses

Costs and any income related to disposals, acquisitions and investments in new business are transaction dependent and can vary significantly year-on-year, depending on the size and complexity of each transaction. Amortisation of purchased and developed software is contained in both the reported and adjusted results as these are considered to be core to supporting the operations of the business.

Impairment

The Group conducts its goodwill, intangible asset and investments in Associates and Joint Ventures impairment test annually in September, or more frequently if indicators of impairment exist. Impairment assessments are performed by comparing the carrying amount of assets or cash generating units ('CGU's'), with its recoverable amount. Judgement is involved in estimating the future cash flows and the rates used to discount these cash flows.

Legal and regulatory matters

Costs, and recoveries, related to certain legal and regulatory cases are treated as significant items due to their size and nature. Management considers these cases separately due to the judgements and estimation involved, the costs and recoveries of which could vary significantly year-on-year.

The table below shows the significant items in H1 2024 vs H1 2023, of which around 80% of the total H1 2024 costs are non-cash.

£m	H1 2024 Gross Expense	H1 2024 Tax Relief	H1 2024 Net Amount	H1 2023 Gross Expense	H1 2023 Tax Relief	H1 2023 Net Amount
Restructuring & related costs						
- Property rationalisation ¹	8	(2)	6	15	(2)	13
- Liquidnet integration	-	-	-	3	(1)	2
- Business restructuring ²	1	-	1	2	-	2
Subtotal	9	(2)	7	20	(3)	17
Disposals, acquisitions and investment in new business						
- Amortisation of intangible assets arising on consolidation	21	(5)	16	22	(5)	17
- Liquidnet acquisition related	-	-	-	6	(1)	5
- Foreign exchange losses	1	-	1	(2)	-	(2)
- Adjustment to deferred consideration	-	-	-	(5)	-	(5)
- Strategic project costs	2	(1)	1	-	-	-
Subtotal	24	(6)	18	21	(6)	15
Legal & regulatory matters³ - Subtotal	7	-	7	13	-	13
Other significant items⁴	(1)	-	(1)	-	-	-
Total pre-financing cost	39	(8)	31	54	(9)	45
- Financing interest expense on Vendor Loan Notes, amortisation of discount on deferred consideration and GIP provision	1	-	1	1	-	1
Total post-financing cost	40	(8)	32	55	(9)	46
Associate impairment	-	-	-	5	-	5
Total	40	(8)	32	60	(9)	51

1. £6m Property rationalisation costs (net of tax) include costs to rationalise our US property footprint.

2. £1m of Business restructuring costs (net of tax) include initial costs on the operational efficiencies programme.

3. £7m Legal & regulatory matters includes costs related to proceedings and regulatory matters.

4. £1m of Other significant items (net of tax) include costs related to the remeasurement of the employee group income protection ("GIP") provision.

Net finance expense

The adjusted net finance expense of £10m in H1 2024 (reported expense of £11m), comprised of £22m of interest expense and £8m of net interest on finance leases, offset by £20m of interest income. This represents a £7m reduction from the £17m adjusted net finance expense in H1 2023. The decrease is mainly attributed to:

- £8m increase in interest income leveraging higher average cash balances and a favourable interest rate environment; partially offset by:
- £1m net increase in interest expense due to the full impact of the 2030 Sterling Notes issued in 2023 at a higher rate of 7.875%, compared with the 2024 Sterling Notes at 5.25%. This was partially offset by the repayment of the remaining 2024 Sterling Notes at maturity.

Tax

The effective rate of tax on adjusted profit before tax is 28.8% (H1 2023: 27.4%). The effective rate of tax on reported profit before tax is 31.7% (H1 2023: 34.1%). The increase in the effective rate of tax on adjusted profit compared to H1 2023 is primarily due to the increase in the UK corporation tax rate to 25% from 1 April 2023.

Basic EPS

The average number of shares used for the H1 2024 basic EPS calculation is 761.5m (H1 2023: 781.3m). This is based on:

- 788.7m shares in issue as at 31 December 2023
- plus 3.2m of time-apportioned movements in issued shares,
- less 10.5m shares held by the Group's Employee Benefit Trusts ('EBTs') adjusted for time-apportioned movements in 2024, and
- less 19.9m treasury shares acquired through the share buyback programme, adjusted for time-apportioned movements in treasury shares during 2024 acquired under the same programme.

The Group's EBTs have waived its rights to dividends.

The reported Basic EPS for H1 2024 was 12.0p (H1 2023: 8.4p) and adjusted Basic EPS for H1 2024 was 16.2p (H1 2023: 15.0p).

Dividend

The Board is recommending an interim dividend of 4.8 pence per share, in line with H1 2023. The interim dividend will be paid to eligible shareholders on 8 November 2024, with an ex-dividend and record date of 3 October 2024 and 4 October 2024, respectively. This aligns to the Group's dividend policy which targets a dividend cover of approximately two times adjusted post-tax earnings. The interim dividend is typically based on a pay-out range of 30-40% of H1 adjusted post-tax earnings with the balance paid in the final dividend.

The Company offers a Dividend Reinvestment Plan ('DRIP'), where dividends can be reinvested in further TP ICAP Group plc shares. The DRIP election cut-off date will be 18 October 2024.

Guidance for 2024

The Group maintains the guidance provided at the FY 2023 results announcement, with the exception of significant items.

Significant items excluding potential income and costs associated with legal and regulatory matters are estimated to exceed our previous guidance for FY 2024 of c.£65m (pre-tax) to c.£90m (pre tax). This increase is largely due to the expenses arising from the operational efficiencies programme and potential costs related to strategic transactions.

Performance by Primary Operating Segment (divisional basis)

The Group presents below the results of its business by Primary Operating Segment with a focus on revenue and APMs used to measure and assess performance.

H1 2024						
£m	GB	E&C	LN	PS	Corp/ Elim	Total
Revenue:						
- External	636	242	171	95	-	1,144
- Inter-division ¹	11	2	-	2	(15)	-
	647	244	171	97	(15)	1,144
Total front office costs:						
- External	(390)	(167)	(105)	(37)	-	(699)
- Inter-division ¹	(2)	-	-	(13)	15	-
	(392)	(167)	(105)	(50)	15	(699)
Contribution	255	77	66	47	-	445
<i>Contribution margin</i>	39.4%	31.6%	38.6%	48.5%	n/a	38.9%
Net management and support costs:						
- Management and support costs	(130)	(39)	(37)	(7)	(30)	(243)
- Other operating income	1	-	-	-	3	4
Adjusted EBITDA	126	38	29	40	(27)	206
<i>Adjusted EBITDA margin</i>	19.5%	15.6%	17.0%	41.2%	n/a	18.0%
- Depreciation and amortisation	(16)	(5)	(5)	(1)	(9)	(36)
Adjusted EBIT	110	33	24	39	(36)	170
<i>Adjusted EBIT margin</i>	17.0%	13.5%	14.0%	40.2%	n/a	14.9%
Average broker headcount	1,798	594	133	-	-	2,525
Average sales headcount	-	-	107	-	-	107
Revenue per broker (£'000) ²	354	407	556	-	-	377
Contribution per broker (£'000) ²	142	130	150	-	-	139

H1 2023 (reported currency)						
£m	GB³	E&C	LN³	PS³	Corp/ Elim³	Total³
Revenue:						
- External	651	229	163	89	-	1,132
- Inter-division ¹	11	2	-	2	(15)	-
	662	231	163	91	(15)	1,132
Total front office costs:						
- External	(393)	(152)	(101)	(33)	-	(679)
- Inter-division ¹	(2)	-	-	(13)	15	-
	(395)	(152)	(101)	(46)	15	(679)
Contribution	267	79	62	45	-	453
<i>Contribution margin</i>	40.3%	34.2%	38.0%	49.5%	n/a	40.0%
Net management and support costs:						
- Management and support costs	(129)	(37)	(48)	(6)	(37)	(257)
- Other operating income	1	-	-	-	3	4
Adjusted EBITDA	139	42	14	39	(34)	200
<i>Adjusted EBITDA margin</i>	21.0%	18.2%	8.6%	42.9%	n/a	17.7%
- Depreciation and amortisation	(14)	(4)	(5)	(1)	(13)	(37)
Adjusted EBIT	125	38	9	38	(47)	163
<i>Adjusted EBIT margin</i>	18.9%	16.5%	5.5%	41.8%	n/a	14.4%
Average broker headcount	1,827	599	145	-	-	2,571
Average sales headcount	-	-	110	-	-	110
Revenue per broker (£'000) ²	356	382	531	-	-	372
Contribution per broker (£'000) ²	146	132	131	-	-	142

H1 2023 (constant currency)						
£m	GB³	E&C	LN³	PS³	Corp/ Elim³	Total³
Revenue:						
- External	637	224	159	86	-	1,106
- Inter-division ¹	11	2	-	2	(15)	-
	648	226	159	88	(15)	1,106
Total front office costs:						
- External	(383)	(150)	(99)	(32)	-	(664)
- Inter-division ¹	(2)	-	-	(13)	15	-
	(385)	(150)	(99)	(45)	15	(664)
Contribution	263	76	60	43	-	442
<i>Contribution margin</i>	40.6%	33.6%	37.7%	48.9%	n/a	40.0%
Net management and support costs:						
- Management and support costs	(128)	(35)	(46)	(5)	(40)	(254)
- Other operating income	1	-	-	-	3	4
Adjusted EBITDA	136	41	14	38	(37)	192
<i>Adjusted EBITDA margin</i>	21.0%	18.1%	8.8%	43.2%	n/a	17.4%
- Depreciation and amortisation	(14)	(4)	(5)	(1)	(12)	(36)
Adjusted EBIT	122	37	9	37	(49)	156
<i>Adjusted EBIT margin</i>	18.8%	16.4%	5.7%	42.0%	n/a	14.1%
Average broker headcount	1,827	599	145	-	-	2,571
Average sales headcount	-	-	110	-	-	110
Revenue per broker (£'000) ²	349	374	517	-	-	364
Contribution per broker (£'000) ²	144	127	124	-	-	139

GB = Global Broking; E&C = Energy & Commodities; LN = Liquidnet; PS = Parameta Solutions, Corp/Elim = Corporate Centre, eliminations and other unallocated costs.

1. Inter-division charges have been made by Global Broking and Energy & Commodities to reflect the value of proprietary data provided to the Parameta Solutions division. The Global Broking inter-division revenue and Parameta Solutions inter-division costs are eliminated upon the consolidation of the Group's financial results.
2. Revenue per broker and contribution per broker are calculated as external revenue and contribution of Global Broking, Energy & Commodities and Liquidnet (excluding the acquired Liquidnet platform) divided by the average brokers for the year. The Group revenue and contribution per broker excludes revenue and contribution from Parameta Solutions and Liquidnet Division.
3. Prior year numbers have been restated to reflect £14m reclassification of technology costs from front office costs to management & support costs to better reflect the nature of these costs and align with the classification of similar costs within the Group. The reclassification impacts Liquidnet, Global Broking and the Group. In addition, Liquidnet Credit is reported as part of Global Broking following a commercial decision to merge the Group's Credit activities in H2 2023. H1 2024 disclosures are on this basis, with H1 2023 results restated to ensure a like-for-like comparison with H1 2023 reported currency Contribution: GB (£3)m, Liquidnet +£17m, Group +£14m; H1 2023 reported currency Adjusted EBITDA: GB £(8)m, Liquidnet +£4m, Corporate +£4m. H1 2023 reported currency Adjusted EBIT: GB £(8)m, Liquidnet +£8m.

Global Broking¹

Global Broking's revenue of £647m (accounting for 57% of total Group revenue) was in line with the prior period (2% lower in reported currency). The first quarter experienced a decline in trading activity, due to the absence of the extraordinary volatility seen in the previous period following the collapse of SVB and other financial institutions. However, the second quarter saw a resurgence of momentum.

Rates, generated revenue of £291m, which represents 45% of Global Broking revenue and 25% of Group. The asset class maintained performance in line with H1 2023, as market opportunities remained in Asia and Europe, but Americas region was impacted by absence of exceptional levels of volatility present in the prior period. FX & Money Markets revenue increased by 4% driven by strong growth in Asia and Europe. Equities and Credit revenues declined by 4% and 3% respectively, due to subdued markets in Europe and Americas.

Front office costs were 2% higher (1% lower in reported currency) mainly due to higher broker deferred equity based compensation charges resulting from a rise in the share price. Consequently, the contribution margin dropped to 39.4% from 40.6%. (H1 2023: 40.3%)

Revenue per broker increased by 1%, mirroring the year-on-year revenue with 2% reduction in brokers. However, contribution per broker fell by 1% mainly due to higher broker deferred equity based compensation charges referred to above. Going forward, the share price volatility will no longer affect the income statement, as the share award component of brokers' deferred compensation was restructured in the second quarter, resulting in a change to the accounting treatment of those awards.

Management and support costs, including depreciation and amortisation and net of other operating income, increased by 3% to £145m, driven by increased investment in the deployment of our electronic platform, Fusion.

Adjusted EBIT was £110m, with a margin of 17.0% (H1 2023: £122m, 18.8% in constant currency, £125m and 18.9% in reported currency).

Energy & Commodities

Energy & Commodities revenue reported a notable increase to £244m, accounting for 21% of total Group revenue. This 8% increase over the prior period (6% higher in reported currency) was driven by gains across its major asset classes, Oil, Power, and Gas. The EMEA region saw a significant 14% revenue increase compared to the prior period, while the Americas and Asia businesses achieved a 1% increase.

Front office costs increased by 11% to £167m leading to a decrease in the contribution margin to 31.6% from 33.6% in the prior period driven by increased staff costs in a highly competitive environment for the sector.

Revenue per broker rose by 9% and Contribution per broker increased by 1%.

Management and support costs, including depreciation and amortisation and net of other operating income, of £44m increased by 13% driven by investment in the deployment of our electronic platform, Fusion. As a result, the adjusted EBIT fell by 11% to £33m, achieving a margin of 13.5% (H1 2023: £37m, 16.4% in constant currency and £38m, 16.5% in reported currency).

Liquidnet¹

Liquidnet's revenue of £171m, representing 15% of total Group revenue, was 8% higher (5% higher in reported currency). A strong performance in Equities, and the Relative Value businesses, was partially offset by subdued performance in the COEX (Rates, FX and Exchange Traded Derivatives) and MidCap businesses.

The Equities business, in particular, capitalised on the momentum from the second half of 2023, with institutions returning to equity markets leading to a 14% increase in revenues. Block markets volumes have risen across all regions, with the Large-in-Scale market in EMEA up by 23% and the US block market by 7%, primarily driven by a lower inflationary environment and anticipated interest rate cuts. Market share was up in

¹ Liquidnet Credit is reported as part of Global Broking following a commercial decision to merge the Group's Credit activities in H2 2023. H1 2024 disclosures are on this basis, with H1 2023 results restated, to ensure a like-for-like comparison year-on-year.

EMEA and the US.

Front office costs of £105m were 6% higher than prior period, reflecting the strong performance in Equities and Relative Value businesses. The contribution margin for Liquidnet improved to 38.6% from 37.7%.

Management and support costs, including depreciation and amortisation, net of other operating income, of £42m reduced by 18% driven by the targeted cost reduction initiatives and tight cost management.

This enhanced operational leverage resulted in the adjusted EBIT and margin more than doubling to £24m and 14.0% compared with £9m and 5.7% (£9m and 5.5% in reported currency) in the prior period.

Parameta Solutions

Parameta Solution's revenue of £97m, which constitutes 8% of total Group revenue, increased by 10% (7% in reported currency), continuing the positive momentum from the second half of last year. Subscription-based recurring revenue accounts for 97% of the total revenue.

In the first half of 2024, the division expanded and diversified its client base, adding 25 new clients, including 9 buy-side clients, primarily macro hedge funds. Parameta Solutions also launched new products focused on Energy & Commodity datasets, such as Australian Green Certificates, Iron Ore Options and, US Domestic Crude data. In Managed Technology, a leading Asian financial institution contracted to extend AI enabled Trading Analytics to cover Interest Rate Swaps

Management and support costs, including depreciation and amortisation, net of other operating income increased by £2m to £8m. The adjusted EBIT was £39m, achieving a margin of 40.2% (H1 2023: adjusted EBIT £37m, EBIT margin 42.0% in constant currency).

As we progress with establishing Parameta as an independent entity to enable us to create compelling value for our shareholders, we are experiencing an increase in certain cost recharges from the group. These costs are part of the broader support and shared services essential to enhance and drive the performance, efficiency, and profitability of our operations.

Cash flow

The table below shows the changes in cash and debt for the period ending 30 June 2024 and 30 June 2023.

	H1 2024	H1 2023 (restated)
EBIT reported	131	109
Depreciation, amortisation, and other non-cash items	76	73
Change in Net Matched Principal balances	(2)	(8)
Movement in working capital	(32)	47
Taxes and interest paid	(56)	(64)
Operating cash flow	117	157
Capital expenditure	(30)	(23)
Receipt UK pension surplus	-	30
Deferred consideration paid on prior acquisitions	(50)	(1)
Sale of financial assets	12	4
Interest received	19	10
Other investing activities	22	4
Investing activities	(27)	24
Dividend paid to shareholders	(76)	(62)
Share Buyback	(17)	-
Sterling Note issuance	-	249
Repayment of January 2024 Sterling Notes	(37)	(210)
Repayment of Vendor Loan Notes	(39)	-
Other financing activities	(23)	(21)
Financing activities	(192)	(44)
Change in cash	(102)	137
Foreign exchange movements	(4)	(46)
Cash at the beginning of the period	1,019	888
Cash at the end of the period	913	979

The Group's net cash balance of £913m, decreased from £1,019m at the beginning of the year as a result of usual seasonal working capital outflows, together with the payout of outstanding consideration for Liquidnet and the repayment of the remaining 2024 Sterling Notes due in Q1.

Operating cash inflow of £117m (H1 2023: £157m inflow) was impacted by a higher working capital outflow of £32m (H1 2023: £47m inflow) due to normalisation of collections of other receivables and prepayments and an increase in stock lending activity. Tax and interest payments of £56m were lower compared with £64m in H1 2023 mainly due to the accelerated tax paid in H2 2023 reversing in 2024.

The investing activities outflow of £27m (H1 2023 inflow of £24m) was driven by the £50m Liquidnet deferred consideration and higher spend on strategic technology investments, partly offset by £19m inflow on interest received benefitting from higher average cash balances and favourable interest rates and £20m inflow of dividends received from investment in associates and joint ventures.

The financing activities outflow of £192m includes the £37m repayment of the 2024 Sterling Note, £39m repayment of the Liquidnet Vendor Loan Notes and £17m for share buybacks in the period. The strengthening of GBP against the USD and EUR in 2024, has resulted in a retranslation loss of £4m (H1 2023: £46m loss).

Debt finance

The composition of the Group's outstanding debt is summarised below.

	At 30 June 2024 £m	At 31 December 2023 £m	At 30 June 2023 £m
5.25% £247m Sterling Notes January 2024 ¹	-	37	37
5.25% £250m Sterling Notes May 2026 ¹	251	250	250
2.625% £250m Sterling Notes November 2028 ¹	249	249	249
7.875% £250m Sterling Notes April 2030 ¹	251	251	251
Sub Total	751	787	787
Loan from strategic partner (RCF with Totan)	-	-	-
Revolving credit facility drawn – banks	-	-	-
3.2% Liquidnet Vendor Loan Notes	-	40	40
Overdrafts	20	10	4
Debt (used as part of net (funds)/debt)	771	837	831
Lease liabilities	233	251	261
Total debt	1,004	1,088	1,092

1. Sterling Notes are reported at their par value net of discount and unamortised issue costs and including interest accrued at the reporting date.

The Group's gross debt, excluding lease liabilities, reduced to £771m from £837m as at 31 December 2023. The repayment of the remaining £37m of the 2024 Sterling Notes and the Liquidnet Vendor Loan Notes in January and March 2024 respectively, contributed to this reduction.

As at 30 June 2024, the Group's £350m main bank revolving credit facility, set to mature in May 2027 and the ¥20bn Totan facility, maturing in February 2026 were both undrawn.

Excluding the temporary overdraft of £20m relating to a trade fail at the period end, the group's debt and other financing obligations is now c.£100m lower than that reported as at 30 June 2022.

Exchange rates

The income statements and balance sheets of the Group's businesses whose functional currencies are not GBP are translated into GBP at average and period end exchange rates respectively. The most significant currencies for the Group are the USD and the Euro. The Group does not enter into formal hedging of translation exposures, except for short-term borrowing currency exposure. The financial statements for H1 2024 were prepared using the average and period end exchange rates listed below.

In H1 2024, foreign exchange translation negatively impact the Group's P&L. The average exchange rate for USD and EUR against GBP were higher than 2023, adversely affecting the Group's trading performance, with around 60% of Group revenue and 40% of costs in USD. The overall strengthening of GBP over the six month period resulted in a £3m loss in the P&L (H1 2023: £8m loss). This loss reflects the retranslation of non-GBP cash, financial assets, and operating assets net of liabilities at the period end.

	Average			Period End		
	H1 2024	H1 2023	FY 2023	H1 2024	H1 2023	FY 2023
US Dollar	\$1.27	\$1.23	\$1.24	\$1.26	\$1.27	\$1.27
Euro	€1.17	€1.14	€1.15	€1.18	€1.17	€1.15

Regulatory capital

Group level regulation falls under the Jersey Financial Services Commission. The FCA is the lead regulator of the Group's UK businesses, for which the capital adequacy requirements under the Investment Firms Prudential Regime ('IFPR') apply. This sub-group maintains an appropriate excess of financial resources.

All of the Group's regulated broking entities are obliged to meet the prudential regulatory requirements imposed by the local regulator of the jurisdiction in which they operate. The Group maintains an appropriate excess of financial resources in such regulated entities to support capital, liquidity & credit needs.

Climate change considerations

We are committed to the ongoing assessment and management of climate risks and opportunities. As part of this work, we incorporate climate change considerations into our financial planning processes to monitor the impacts of climate-related issues on our financial performance and position. In 2023, we completed a detailed qualitative, and quantitative, climate scenario analysis to deepen our understanding of how climate-related issues could affect the Group and its finances. The analysis concludes that the Group is not expected to be materially impacted financially by climate change over the timeframes and climate scenarios considered. We will keep this analysis under review in line with regulatory and stakeholder expectations.

Condensed Consolidated Income Statement

for the six months ended 30 June 2024

	Notes	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) ¹ £m
Revenue	5	1,144	1,132	2,191
Employment, compensation and benefits	6	(719)	(700)	(1,360)
General and administrative expenses	6	(235)	(258)	(511)
Depreciation of property, plant and equipment and ROUA ²	6	(21)	(22)	(45)
Impairment of property, plant and equipment and ROUA ²	6	(6)	(12)	(11)
Amortisation of intangible assets ²	6	(36)	(37)	(72)
Impairment of Intangible assets ²	6	-	-	(86)
Total operating costs	6	(1,017)	(1,029)	(2,085)
Other operating income	7	4	6	22
Earnings before interest and tax		131	109	128
Finance income	8	20	12	34
Finance costs	9	(31)	(30)	(66)
Profit before tax		120	91	96
Taxation		(38)	(31)	(40)
Profit after tax		82	60	56
Share of results of associates and joint ventures		11	7	25
Impairment of associates		-	-	(5)
Profit for the period		93	67	76
Attributable to:				
Equity holders of the parent		91	66	74
Non-controlling interests		2	1	2
		93	67	76
Earnings per share				
- Basic	10	12.0p	8.4p	9.5p
- Diluted	10	11.6p	8.3p	9.3p

1. Extracted from the Group's 2023 Annual Report and Accounts.

2. Expanded for comparability with 2023 year-end presentation.

Condensed Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2024

	Six months ended 30 June 2024 (unaudited) £m	Six months ended 30 June 2023 (unaudited) £m	Year ended 31 December 2023 (audited) ¹ £m
Profit for the period	93	67	76
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit pension schemes	(1)	46	46
Equity investments at FVTOCI – net change in fair value	4	(1)	-
Taxation	-	(16)	(16)
	3	29	30
Items that may be reclassified subsequently to profit or loss:			
Loss on translation of foreign operations	(11)	(93)	(83)
Taxation	-	2	2
	(11)	(91)	(81)
Other comprehensive loss for the period	(8)	(62)	(51)
Total comprehensive income for the period	85	5	25
Attributable to:			
Equity holders of the parent	85	5	24
Non-controlling interests	-	-	1
	85	5	25

1. Extracted from the Group's 2023 Annual Report and Accounts.

Condensed Consolidated Balance Sheet

as at 30 June 2024

		30 June 2024 (unaudited) £m	30 June 2023 (unaudited) £m	31 December 2023 (audited) ¹ £m
	Notes			
Non-current assets				
Intangible assets arising on consolidation	12	1,583	1,711	1,605
Other intangible assets		118	96	110
Property, plant and equipment		89	103	92
Investment properties		-	12	12
Right-of-use assets		125	143	136
Investment in associates		45	45	51
Investment in joint ventures		32	40	38
Other investments		18	22	19
Deferred tax assets		32	12	41
Retirement benefit assets	24	2	-	3
Trade and other receivables	13	29	33	33
		2,073	2,217	2,140
Current assets				
Trade and other receivables	13	3,298	1,949	2,279
Financial assets at fair value through profit or loss	14	492	367	569
Financial investments	19	174	169	189
Cash and cash equivalents	19	933	983	1,029
		4,897	3,468	4,066
Total assets		6,970	5,685	6,206
Current liabilities				
Trade and other payables	15	(3,282)	(1,961)	(2,372)
Financial liabilities at fair value through profit or loss	14	(462)	(351)	(541)
Loans and borrowings	16	(26)	(87)	(93)
Lease liabilities	17	(30)	(37)	(28)
Current tax liabilities		(40)	(38)	(35)
Provisions	20	(17)	(16)	(14)
		(3,857)	(2,490)	(3,083)
Net current assets		1,040	978	983
Non-current liabilities				
Loans and borrowings	16	(745)	(744)	(744)
Lease liabilities	17	(203)	(224)	(223)
Deferred tax liabilities		(46)	(76)	(51)
Provisions	20	(32)	(34)	(31)
Other long-term payables		(2)	(6)	(5)
Retirement benefit obligations	24	(4)	(2)	(4)
		(1,032)	(1,086)	(1,058)
Total liabilities		(4,889)	(3,576)	(4,141)
Net assets		2,081	2,109	2,065
Equity				
Share capital	23	199	197	197
Other reserves	23	(990)	(939)	(963)
Retained earnings	23	2,855	2,834	2,814
Equity attributable to equity holders of the parent		2,064	2,092	2,048
Non-controlling interests	23	17	17	17
Total equity		2,081	2,109	2,065

1. Extracted from the Group's 2023 Annual Report and Accounts.

Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2024

	Equity attributable to equity holders of the parent (Note 23)									Non-controlling interests	Total equity
	Share capital	Re-organisation reserve	Re-valuation reserve	Hedging and translation	Treasury shares	Own shares	Retained earnings	Total			
	£m	£m	£m	£m	£m	£m	£m	£m			
Six months ended 30 June 2024 (unaudited)											
Balance at 1 January 2024	197	(946)	3	29	(29)	(20)	2,814	2,048	17	2,065	
Profit for the period	-	-	-	-	-	-	91	91	2	93	
Other comprehensive income/(loss) for the period	-	-	4	(9)	-	-	(1)	(6)	(2)	(8)	
Total comprehensive income for the period	-	-	4	(9)	-	-	90	85	-	85	
Transfer of gain on disposal of equity instruments at FVTOCI	-	-	(3)	-	-	-	3	-	-	-	
Transactions with owners in their capacity as owners:											
Shares issued	2	-	-	-	-	-	(2)	-	-	-	
Dividends paid	-	-	-	-	-	-	(76)	(76)	-	(76)	
Own shares acquired/share buyback	-	-	-	-	(17)	-	-	(17)	-	(17)	
Share settlement of equity settled share-based awards	-	-	-	-	-	4	(4)	-	-	-	
Dividend equivalents paid on equity settled share-based awards	-	-	-	-	-	-	(2)	(2)	-	(2)	
Own shares acquired for employee trusts	-	-	-	-	-	(6)	-	(6)	-	(6)	
Credit arising on equity settled share-based awards	-	-	-	-	-	-	14	14	-	14	
Credit arising on the exchange of cash to equity settled share-based awards (Note 25)	-	-	-	-	-	-	18	18	-	18	
Balance at 30 June 2024	199	(946)	4	20	(46)	(22)	2,855	2,064	17	2,081	
Six months ended 30 June 2023 (unaudited)											
Balance at 1 January 2023	197	(946)	5	109	-	(22)	2,800	2,143	18	2,161	
Profit for the period	-	-	-	-	-	-	66	66	1	67	
Other comprehensive income/(loss) for the period	-	-	(1)	(90)	-	-	30	(61)	(1)	(62)	
Total comprehensive income for the period	-	-	(1)	(90)	-	-	96	5	-	5	
Transactions with owners in their capacity as owners:											
Dividends paid	-	-	-	-	-	-	(62)	(62)	(1)	(63)	
Share settlement of equity settled share-based awards	-	-	-	-	-	8	(8)	-	-	-	
Dividend equivalents paid on equity settled share-based awards	-	-	-	-	-	-	(1)	(1)	-	(1)	
Own shares acquired for employee trusts	-	-	-	-	-	(2)	-	(2)	-	(2)	
Credit arising on equity settled share-based awards	-	-	-	-	-	-	9	9	-	9	
Balance at 30 June 2023	197	(946)	4	19	-	(16)	2,834	2,092	17	2,109	

Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June 2024

	Equity attributable to equity holders of the parent (Note 23)								Non-controlling interests	Total equity
	Share capital	Re-organisation reserve	Re-valuation reserve	Hedging and translation	Treasury shares	Own shares	Retained earnings	Total		
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Year ended 31 December 2023 (audited) ¹										
Balance at 1 January 2023	197	(946)	5	109	-	(22)	2,800	2,143	18	2,161
Profit for the year	-	-	-	-	-	-	74	74	2	76
Other comprehensive income for the year	-	-	-	(80)	-	-	30	(50)	(1)	(51)
Total comprehensive (loss)/income for the year	-	-	-	(80)	-	-	104	24	1	25
Transfer of gain on disposal of equity instruments at FVTOCI	-	-	(2)	-	-	-	2	-	-	-
Transactions with owners in their capacity as owners:										
Dividends paid	-	-	-	-	-	-	(99)	(99)	(2)	(101)
Share settlement of equity settled share-based awards	-	-	-	-	-	9	(9)	-	-	-
Dividend equivalents paid on equity settled share-based awards	-	-	-	-	-	-	(1)	(1)	-	(1)
Own shares acquired for employee trusts	-	-	-	-	-	(7)	-	(7)	-	(7)
Own shares acquired/share buyback	-	-	-	-	(29)	-	-	(29)	-	(29)
Credit arising on equity settled share-based awards	-	-	-	-	-	-	17	17	-	17
Balance at 31 December 2023	197	(946)	3	29	(29)	(20)	2,814	2,048	17	2,065

1. Extracted from the Group's 2023 Annual Report and Accounts.

Condensed Consolidated Cash Flow Statement

for the six months ended 30 June 2024

		Six months ended 30 June 2024 (unaudited)	Six months ended 30 June 2023 (unaudited) (restated) ²	Year ended 31 December 2023 (audited) ¹ (restated) ²
	Notes	£m	£m	£m
Cash flow from operating activities	18	173	221	438
Income taxes paid		(24)	(33)	(89)
Fees paid on bank and other loan facilities		-	(1)	(1)
Interest paid		(24)	(22)	(46)
Interest paid – finance leases		(8)	(8)	(16)
Net cash flow from operating activities²		117	157	286
Investing activities:				
Sale/(purchase) of financial investments ³	19	12	4	(19)
Interest received		19	10	30
Dividends from associates and joint ventures		20	9	22
Expenditure on intangible fixed assets		(27)	(17)	(43)
Purchase of property, plant and equipment		(3)	(6)	(12)
Deferred consideration paid		(50)	(1)	(1)
Sale of other investments		3	-	3
Investment in associates		-	(5)	(5)
Disposal of associates and joint ventures		-	-	10
Acquisition consideration paid		(1)	-	-
Receipt of pension scheme surplus ⁴	24	-	46	46
Income taxes paid on receipt of pension scheme surplus ^{2,4}		-	(16)	(16)
Net cash flows from investment activities²		(27)	24	15
Financing activities:				
Dividends paid	11	(76)	(62)	(99)
Dividends paid to non-controlling interests		-	(1)	(2)
Own shares acquired/share buyback		(17)	-	(29)
Own shares acquired for employee trusts		(6)	(2)	(7)
Dividend equivalent paid on equity share-based awards		(2)	(1)	(1)
Net borrowing of bank loan and other loans ⁵		-	-	-
Repayment of Vendor Loan Note	16	(39)	-	-
Funds received from issue of Sterling Notes	16	-	249	249
Repayment/repurchase of Sterling Notes	16	(37)	(210)	(210)
Bank facility arrangement fees and debt issue costs		(1)	(2)	(2)
Payment of lease liabilities	19	(14)	(15)	(29)
Net cash flows from financing activities		(192)	(44)	(130)
Net (decrease)/increase in cash and cash equivalents (net of overdrafts)	19	(102)	137	171
Cash and cash equivalents (net of overdrafts) at the beginning of the period		1,019	888	888
Effect of foreign exchange rate changes	19	(4)	(46)	(40)
Cash and cash equivalents (net of overdrafts) at the end of the period	19	913	979	1,019
Cash and cash equivalents	19	933	983	1,029
Overdrafts	19	(20)	(4)	(10)
		913	979	1,019

1. Extracted from the Group's 2023 Annual Report and Accounts.

2. Net cash flows from operating activities and net cash flows from investing activities have been restated as a result of the reclassification of the £16m tax associated with the repayment of the UK pension scheme surplus (see 4 below) from operating to investing activities.

3. Sales and purchases of financial assets are reported net and classified as investing activities reflecting the requirement of the Group to hold structural financial assets in support of business requirements.

4. Represents the cash inflow resulting from the repayment of the UK pension scheme surplus by the Trustees. This has been classified as investing activities reflecting the realisation of the underlying investments held within the scheme prior to the proceeds being transferred to the Group, rather than an operational return of historic contributions. £16m of associated tax was incurred.

5. The Group utilises credit facilities throughout the year, entering into numerous short term bank and other loans where maturities are less than three months. The turnover is quick and the volume is large and resultant flows are presented net. Further details are set out in Note 16.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

1. General information

The condensed consolidated financial information for the six months ended 30 June 2024 should be read in conjunction with the statutory Group Financial Statements of TP ICAP Group plc for the year ended 31 December 2023 (the '2023 Group Financial Statements') which were prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the United Kingdom ('UK-IFRS'). Those financial statements also comply with IFRSs as adopted by the European Union ('EU-IFRS'). UK-IFRS and EU-IFRS differ in certain respects from each other, however, the differences have no material impact for the relevant reporting periods. Companies (Jersey) Law 1991 permits financial statements to be prepared in accordance with EU-IFRS.

The Group Financial Statements have been reported on by the Company's former auditor, Deloitte LLP, and have been delivered to the Registrar of Companies. The report of the auditor on those financial statements was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under Article 113A of the Companies (Jersey) Law 1991. PricewaterhouseCoopers LLP were appointed as Company auditor at the Annual General Meeting held on 15 May 2024.

The interim information, together with the comparative information contained in this report for the year ended 31 December 2023, does not constitute statutory financial statements within the meaning of Article 105 of the Companies (Jersey) Law 1991. The financial information is unaudited but has been reviewed by the Company's auditor, PricewaterhouseCoopers LLP, and their report appears at the end of the Interim Management Report.

2. Basis of preparation

(a) Basis of accounting

The condensed consolidated financial information for the six months ended 30 June 2024 has been prepared in accordance with the Disclosure and Transparency Rules ('DTR') of the Financial Conduct Authority, with IAS 34 'Interim Financial Reporting' as adopted by both the United Kingdom ('UK') and the European Union ('EU') and the Companies (Jersey) Law 1991, and has been prepared using accounting policies consistent with the 2023 Group Financial Statements.

The Condensed Consolidated Financial Statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments and investment properties held at fair values at the end of each reporting period.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis continues to be used in preparing these Condensed Consolidated Financial Statements.

The Condensed Consolidated Financial Statements are rounded to the nearest million pounds (expressed as £m), except where otherwise indicated.

(b) Basis of consolidation

The Group's Condensed Consolidated Financial Statements incorporate the financial information of the Company and entities controlled by the Company made up to each reporting period. Under IFRS 10 control is achieved where the Company exercises power over an entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to use its power to affect the returns from the entity.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

(c) Accounting policies

The accounting policies applied in these Condensed Consolidated Financial Statements are the same as those applied in the Group's Consolidated Financial Statements as at and for the year ended 31 December 2023.

The following new Standards and Interpretations have been endorsed by the UK Endorsement Board for UK-IFRS and EFRAG for EU-IFRS and are effective from 1 January 2024 but they do not have a material effect on the Group's financial statements:

- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures': Supplier Finance Arrangements;
- Amendments to IAS 1 'Presentation of Financial Statements', Classification of Liabilities as Current or Non-Current; and;
- Amendments to IFRS 16 'Leases', Lease Liability in a Sale and Leaseback.

(d) Use of estimates and judgements

For the year ended 31 December 2023 the Group's critical accounting estimates and judgements, which are stated on pages 103 and 156 to 157 of the Annual Report and Accounts 2023, were those that relate to provisions for liabilities, the disclosure of contingent liabilities, and the impairment of goodwill and intangible assets. These remain the critical estimates and judgements for the reporting period.

3. Related party transactions

The total amount included in trade receivables due from related parties as at 30 June 2024 was £4m (31 December 2023: £4m) and the amount included in trade payables due to related parties as at 30 June 2024 was £5m (31 December 2023: £3m).

4. Principal risks and uncertainties

Robust risk management is fundamental to the achievement of the Group's objectives. The Group identifies the risks to which it is exposed as a result of its business objectives, strategy and operating model, and categorises those risks into five 'risk objectives': Financial position, Operational effectiveness and resilience, Regulatory standing, Reputation, and Business strategy. The risks identified within each of these categories, along with an explanation of how the Group seeks to manage or mitigate these risk exposures can be found on pages 58 to 63 of the latest Annual Report which is available at www.tpicap.com. The Directors do not consider that the principal risks and uncertainties have changed since the publication of the Annual Report for the year ended 31 December 2023. Risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year are discussed in the Interim Management Report.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

5. Segmental analysis

Products and services from which reportable segments derive their revenues

The Group has a matrix management structure. The Group's Chief Operating Decision Maker ('CODM') is the Executive Committee ('ExCo') which operates as a general executive management committee under the direct authority of the Board. The ExCo members regularly review operating activity on a number of bases, including by business division and by legal ownership which is structured geographically reflecting individual entities region of incorporation.

The balance of the CODM review of operating activity and allocation of the Group's resources is primarily focused on business division and this is considered to represent the most appropriate view for the assessment of the nature and financial effects of the business activities in which the Group engages.

Whilst the Group's Primary Operating Segments are by business division, individual entities and the legal ownership of such entities continue to operate with discrete management teams and decision making and governance structures. Each regional sub-group has its own independent governance structure including CEOs, board members and sub-group regional Conduct and Governance Committees with separate autonomy of decision making and the ability to challenge the implementation of Group level strategy and initiatives within its region. In the EMEA regional sub-group, in particular, there are also independent non-executive directors on the regional Board of directors that further strengthen the independence and judgement of the governance framework.

Information regarding the Group's primary operating segments is reported below:

Analysis by primary operating segment

Six months ended 30 June 2024	Global Broking £m	Energy & Commodities £m	Liquidnet £m	Parameta Solutions £m	Corporate £m	Total £m
Revenue						
- External	636	242	171	95	-	1,144
- Inter-division	11	2	-	2	(15)	-
	647	244	171	97	(15)	1,144
Total front office costs						
- External	(390)	(167)	(105)	(37)	-	(699)
- Inter-division	(2)	-	-	(13)	15	-
	(392)	(167)	(105)	(50)	15	(699)
Contribution	255	77	66	47	-	445
Net management and support costs	(130)	(39)	(37)	(7)	(30)	(243)
Other operating income	1	-	-	-	3	4
Adjusted EBITDA	126	38	29	40	(27)	206
Depreciation and amortisation expense	(16)	(5)	(5)	(1)	(9)	(36)
Adjusted EBIT	110	33	24	39	(36)	170

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

5. Segmental analysis (continued)

Six months ended 30 June 2023	Global Broking (restated)	Energy & Commodities	Liquidnet (formerly Agency Execution) (restated)	Parameta Solutions	Corporate (restated)	Total (restated)
	£m	£m	£m	£m	£m	£m
Revenue						
- External ^{1,3}	651	229	163	89	-	1,132
- Inter-division	11	2	-	2	(15)	-
	662	231	163	91	(15)	1,132
Total front office costs						
- External ^{1,3}	(393)	(152)	(101)	(33)	-	(679)
- Inter-division	(2)	-	-	(13)	15	-
	(395)	(152)	(101)	(46)	15	(679)
Contribution ⁴	267	79	62	45	-	453
Net management and support costs ^{1,2,3}	(129)	(37)	(48)	(6)	(37)	(257)
Other operating income	1	-	-	-	3	4
Adjusted EBITDA ⁴	139	42	14	39	(34)	200
Depreciation and amortisation expense ²	(14)	(4)	(5)	(1)	(13)	(37)
Adjusted EBIT ⁴	125	38	9	38	(47)	163

June 2023 divisional results have been restated to reflect the divisional groupings and changes to management's internal financial reporting disclosed in the Group's 2023 Annual Report. Liquidnet Credit became managed and operated within the Global Broking division resulting in the following restatements:

- Liquidnet front office staff and associated costs of £14m were reclassified to management and support costs to align with the classification of similar costs within the Group.
- Recharged divisional depreciation and amortisation of PPE and ROUA for Liquidnet decreased by £4m and Corporate increased by £4m. Recharged net management and support costs for Corporate decreased by £4m and Liquidnet increased by £4m. There is no restatement of Group depreciation and amortisation.
- Subsequently Liquidnet Credit, previously reported in Liquidnet, transferred to Global Broking:
 - > Revenue for Global Broking increased by £6m, Liquidnet reduced by £6m.
 - > Front office costs for Global Broking increased by £9m, Liquidnet reduced by £9m.
 - > Net management and support costs for Global Broking increased by £5m, Liquidnet decreased by £5m.
- As a result of 1,2 and 3 above,
 - > Contribution for Global Broking decreased by £3m, Liquidnet increased by £17m. Total contribution increased by £14m.
 - > Adjusted EBITDA for Global Broking decreased by £8m, Liquidnet increased by £4m, Corporate increased by £4m. There is no restatement to the consolidated Group Adjusted EBITDA.
 - > Adjusted EBIT for Global Broking decreased by £8m, Liquidnet increased by £8m. There is no restatement to the consolidated Group Adjusted EBIT.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

5. Segmental analysis (continued)

Year ended 31 December 2023	Global Broking	Energy & Commodities	Liquidnet	Parameta Solutions	Corporate	Total
	£m	£m	£m	£m	£m	£m
Revenue						
- External	1,236	455	315	185	-	2,191
- Inter-division	22	3	-	4	(29)	-
	1,258	458	315	189	(29)	2,191
Total front office costs						
- External	(761)	(304)	(207)	(71)	-	(1,343)
- Inter-division	(4)	-	-	(25)	29	-
	(765)	(304)	(207)	(96)	29	(1,343)
Contribution	493	154	108	93	-	848
Net management and support costs	(259)	(75)	(87)	(14)	(54)	(489)
Other operating income	3	1	-	-	10	14
Adjusted EBITDA	237	80	21	79	(44)	373
Depreciation and amortisation expense	(31)	(9)	(11)	(2)	(20)	(73)
Adjusted EBIT	206	71	10	77	(64)	300

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

5. Segmental analysis (continued)

Analysis of significant items

Significant items that distort comparisons due to their size, nature or frequency, are reviewed separately by management. They are excluded from divisional results in order to provide additional understanding, comparability and predictability of the underlying trends of the business, to arrive at adjusted operating and profit measures.

Six months ended 30 June 2024	Disposals, acquisitions and investment in new businesses				Total
	Restructuring and other related costs	investment in new businesses	Legal and regulatory matters	Other significant items	
	£m	£m	£m	£m	£m
Employment, compensation and benefits	-	1	-	-	1
Premises and related costs	1	-	-	-	1
Charge relating to significant legal and regulatory settlements	-	-	7	-	7
Net foreign exchange and derivative losses	-	1	-	-	1
Other general and administration costs	2	1	-	(1)	2
Total included within general and administrative costs	3	2	7	(1)	11
Impairment of PPE and ROUA	6	-	-	-	6
Amortisation of intangible assets	-	21	-	-	21
Total included within operating costs	9	24	7	(1)	39
Included in finance expense	-	1	-	-	1
Total significant items before tax	9	25	7	(1)	40
Taxation of significant items					(8)
Total significant items after tax					32
Impairment of investment in associates					-
Total significant items					32

Restructuring and related costs

Restructuring and related costs arise from initiatives to reduce the ongoing cost base and improve efficiency to enable the delivery of our strategic priorities. These initiatives are significant in size and nature to warrant exclusion from adjusted measures. Costs for other smaller scale restructuring are retained within both reported and adjusted results.

Disposals, acquisitions and investments in new businesses

Costs, and any related income, related to disposals, acquisitions and investments in new business are transaction dependent and can vary significantly year-on-year, depending on the size and complexity of each transaction. Amortisation of purchased and developed software is contained in both the reported and adjusted results as these are considered to be core to supporting the operations of the business.

Legal and regulatory matters

Costs, and recoveries, related to certain legal and regulatory cases are treated as significant items due to their size and nature. Management considers these cases separately due to the judgements and estimation involved, the costs and recoveries of which could vary significantly year-on-year.

Other significant items

Costs and remeasurements of provisions held in respect of obligations for employee long-term absence benefits. Treated as significant items as management considers these cases separately due to the judgements and estimation involved, the costs and amendments to which could vary significantly over an extended duration and year-on-year.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

5. Segmental analysis (continued) Analysis of significant items (continued)

Six months ended 30 June 2023	Restructuring and other related costs	Disposals, acquisitions and investment in new businesses	Legal and regulatory matters	Total
	£m	£m	£m	£m
Employment, compensation and benefits	3	-	-	3
Premises and related costs	3	-	-	3
Deferred consideration	-	(5)	-	(5)
Charge relating to significant legal and regulatory settlements	-	-	15	15
Net foreign exchange gains	-	(2)	-	(2)
Other general and administration costs	2	6	-	8
Total included within general and administrative costs	5	(1)	15	19
Impairment of PPE and ROUA	12	-	-	12
Amortisation of intangible assets	-	22	-	22
Total included within operating costs	20	21	15	56
Other operating income	-	-	(2)	(2)
Net finance cost	-	1	-	1
Total significant items before tax	20	22	13	55
Taxation of significant items				(9)
Total significant items after tax				46
Impairment of investment in associates (included within Share of results of associates and joint ventures)				5
Total significant items				51

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

5. Segmental analysis (continued)

Analysis of significant items (continued)

Year ended 31 December 2023	Restructuring and other related costs £m	Disposals, acquisitions and investment in new businesses £m	Impairment of intangible assets arising on consolidation £m	Legal and regulatory matters £m	Total £m
Employment, compensation and benefits	4	2	-	-	6
Premises and related costs	3	-	-	-	3
Deferred consideration	-	(3)	-	-	(3)
Charge relating to significant legal and regulatory settlements	-	-	-	19	19
Net foreign exchange losses	-	(2)	-	-	(2)
Other general and administration costs	8	8	-	-	16
Total included within general and administrative costs	11	3	-	19	33
Impairment of PPE and ROUA	11	-	-	-	11
Amortisation of intangible assets	-	44	-	-	44
Impairment of intangible assets	-	-	86	-	86
Total included within operating costs	26	49	86	19	180
Other operating income	-	-	-	(8)	(8)
Included in finance income	1	2	-	-	3
Total significant items before tax	27	51	86	11	175
Taxation of significant items					(27)
Total significant items after tax					148
Impairment of associates					5
Total significant items after tax					153

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

5. Segmental analysis (continued)

Adjusted profit reconciliation

Six months ended 30 June 2024	Adjusted	Significant items	Reported
	£m	£m	£m
Earnings before interest and taxation	170	(39)	131
Net finance costs	(10)	(1)	(11)
Profit before tax	160	(40)	120
Taxation	(46)	8	(38)
Profit after tax	114	(32)	82
Share of profit from associates and joint ventures	11	-	11
Profit for the period	125	(32)	93

Six months ended 30 June 2023	Adjusted	Significant items	Reported
	£m	£m	£m
Earnings before interest and taxation	163	(54)	109
Net finance costs	(17)	(1)	(18)
Profit before tax	146	(55)	91
Taxation	(40)	9	(31)
Profit after tax	106	(46)	60
Share of profit from associates and joint ventures	12	(5)	7
Profit for the period	118	(51)	67

Year ended 31 December 2023	Adjusted	Significant items	Reported
	£m	£m	£m
Earnings before interest and taxation	300	(172)	128
Net finance costs	(29)	(3)	(32)
Profit before tax	271	(175)	96
Taxation	(67)	27	(40)
Profit after tax	204	(148)	56
Share of profit from associates and joint ventures	25	(5)	20
Profit for the period	229	(153)	76

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

5. Segmental analysis (continued)

Revenue by type

Six months ended 30 June 2024	Global Broking £m	Energy & Commodities £m	Liquidnet £m	Parameta Solutions £m	Eliminations £m	Total £m
Name Passing brokerage	487	216	8	-	-	711
Executing Broker brokerage	7	24	39	-	-	70
Matched Principal brokerage	142	2	76	-	-	220
Introducing Broker brokerage	-	-	48	-	-	48
Data & Analytics price information fees	11	2	-	97	(15)	95
	647	244	171	97	(15)	1,144

Six months ended 30 June 2023	Global Broking (restated) £m	Energy & Commodities £m	Liquidnet (restated) £m	Parameta Solutions £m	Eliminations £m	Total £m
Name Passing brokerage ^{1,2}	487	200	8	-	-	695
Executing Broker brokerage ²	10	26	43	-	-	79
Matched Principal brokerage ^{1,2}	154	3	69	-	-	226
Introducing Broker brokerage	-	-	43	-	-	43
Data & Analytics price information fees	11	2	-	91	(15)	89
	662	231	163	91	(15)	1,132

Divisional Revenue by type for June 2023 has been restated to be comparable with 2024's divisional groupings. Liquidnet Credit is now managed and operated within the Global Broking division, divisional revenue by type has been restated as follows:

1. Name Passing brokerage: Global Broking increased by £3m, Liquidnet decreased by £3m. Matched Principal brokerage: Global Broking increased by £3m, Liquidnet decreased by £3m.
2. As a result of revenue reclassifications within Global Broking, Name Passing brokerage increased by £4m, Matched Principal brokerage increased by £10m and Executing Broker brokerage reduced by £14m.

Year ended 31 December 2023	Global Broking £m	Energy & Commodities £m	Liquidnet £m	Parameta Solutions £m	Eliminations £m	Total £m
Name Passing brokerage	944	400	17	-	-	1,361
Executing Broker brokerage	18	50	80	-	-	148
Matched Principal brokerage	276	5	136	-	-	417
Introducing Broker brokerage	-	-	82	-	-	82
Data & Analytics price information fees	20	3	-	189	(29)	183
	1,258	458	315	189	(29)	2,191

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

6. Operating costs

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 (restated) £m	Year ended 31 December 2023 £m
Broker compensation costs ¹	518	510	986
Other staff costs ¹	181	177	340
Share-based payment charge	20	13	34
Employment, compensation and benefits	719	700	1,360
Technology and related costs	115	107	220
Premises and related costs	14	17	29
Adjustments to deferred consideration	-	(5)	(3)
Charge relating to significant legal and regulatory settlements	7	15	19
Remeasurement of long-term employee benefits	(1)	-	-
Impairment losses on trade receivables	1	-	5
Trade receivables expected credit loss adjustment	-	-	(1)
Net foreign exchange loss/(gains)	-	3	2
Net loss on FX derivative instruments	3	3	4
Other administrative costs ²	96	118	236
General and administrative expenses	235	258	511
Depreciation of property, plant and equipment	10	11	22
Depreciation of right-of-use assets	11	11	23
Depreciation of property, plant and equipment and ROUA	21	22	45
Impairment of property, plant and equipment	1	5	5
Impairment of right-of-use assets	5	7	6
Impairment of property, plant and equipment and ROUA	6	12	11
Amortisation of other intangible assets	15	15	28
Amortisation of intangible assets arising on consolidation	21	22	44
Amortisation of intangible assets	36	37	72
Impairment of intangible assets arising on consolidation - goodwill	-	-	47
Impairment of intangible assets arising on consolidation - customer relationships	-	-	39
Impairment of intangible assets	-	-	86
	1,017	1,029	2,085

1. Broker compensation cost and Other staff costs for June 2023 have been decreased and increased by £21m respectively, reflecting a reclassification of Parameta Solutions staff cost as non-brokering.

2. Other administrative costs include £46m (June 2023: £46m) of clearing and settlement costs, £21m (June 2023: £20m) of travel and entertainment, professional fees including audit of £12m (June 2023: £16m) and other miscellaneous costs of £17m (June 2023: £36m).

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

7. Other operating income

Other operating income comprises:

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Business relocation grants	1	1	2
Employee-related insurance receipts	1	1	2
Employee contractual receipts	-	-	4
Management fees from associates	1	1	1
Legal settlement receipts	-	2	8
Other receipts	1	1	5
	4	6	22

8. Finance income

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Interest receivable and similar income	19	11	32
Interest receivable on finance lease receivables	1	1	2
	20	12	34

9. Finance costs

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Fees on bank and other loan facilities	1	1	3
Interest on bank and other loans	-	-	1
Interest on Sterling Notes January 2024	-	4	5
Interest on Sterling Notes May 2026	7	7	13
Interest on Sterling Notes November 2028	3	3	7
Interest on Sterling Notes April 2030	10	4	14
Interest on Liquidnet Vendor Loan Notes	1	1	1
Other interest	-	1	3
Amortisation of debt issue and bank facility costs	1	1	3
Borrowing costs	23	22	50
Interest on lease liabilities	8	8	16
	31	30	66

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

10. Earnings per share

	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
Basic	12.0p	8.4p	9.5p
Diluted	11.6p	8.3p	9.3p

The calculation of basic and diluted earnings per share is based on the following number of shares:

	Six months ended 30 June 2024 No. (m)	Six months ended 30 June 2023 No. (m)	Year ended 31 December 2023 No. (m)
Basic weighted average shares	761.5	781.3	777.7
Contingently issuable shares	21.3	14.7	16.5
Diluted weighted average shares	782.8	796.0	794.2

The earnings used in the calculation of basic and diluted earnings per share are set out below:

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Earnings for the period/year	93	67	76
Non-controlling interests	(2)	(1)	(2)
Earnings attributable to equity holders of the parent	91	66	74

11. Dividends

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Amounts recognised as distributions to equity holders in the period:			
Final dividend for the year ended 31 December 2022 of 7.9p per share	-	62	62
Interim dividend for the year ended 31 December 2023 of 4.8p per share	-	-	37
Final dividend for the year ended 31 December 2023 of 10.0p per share	76	-	-
	76	62	99

An interim dividend of 4.8 pence will be paid to eligible shareholders on 8 November 2024, with an ex-dividend and record date of 3 October 2024 and 4 October 2024, respectively.

During the period, the Trustees of the TP ICAP plc EBT and the TP ICAP Group plc EBT waived their rights to dividends. Dividends are not payable on shares held in Treasury on the relevant record dates.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

12. Intangible assets arising on consolidation

	Goodwill	Other	Total
	£m	£m	£m
As at 1 January 2024	1,156	449	1,605
Recognised with acquisitions	1	-	1
Amortisation of acquisition related intangibles	-	(21)	(21)
Effect of movements in exchange rates	(1)	(1)	(2)
As at 30 June 2024	1,156	427	1,583

As at 30 June 2024 the gross cost of goodwill and other intangible assets arising on consolidation amounted to £1,453m and £812m respectively (31 December 2023: £1,453m and £812m). Cumulative amortisation and impairment charges amounted to £297m for goodwill and £385m for other intangible assets arising on consolidation (31 December 2023: £297m and £363m).

Goodwill

Goodwill arising through business combinations is allocated to groups of cash-generating units ('CGUs'), reflecting the lowest level at which the Group monitors and tests goodwill for impairment purposes. The CGU groupings are as follows:

	30 June 2024 £m	31 December 2023 £m
Goodwill allocated to CGU grouping		
Global Broking	554	555
Energy & Commodities	151	150
Parameta Solutions	333	334
Liquidnet – Agency Execution	42	41
Liquidnet – Equities	76	76
	1,156	1,156

The Group's annual impairment testing of its CGUs is undertaken each September. Between annual tests the Group reviews each CGU for impairment triggers that could adversely impact the valuation of the CGU and, if necessary, undertakes additional impairment testing. As at 30 June 2024 no such impairment triggers were identified.

Other intangible assets

Other intangible assets at 30 June 2024 represent customer relationships, business brands and trademarks that arise through business combinations.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

13. Trade and other receivables

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
Non-current receivables			
Finance lease receivables	25	26	27
Other receivables	4	7	6
	29	33	33
Current receivables			
Trade receivables	332	348	304
Amounts due from clearing organisations	31	54	37
Deposits paid for securities borrowed	2,733	1,375	1,776
Finance lease receivables	4	5	3
Other debtors	52	45	41
Accrued income	10	12	11
Owed by associates and joint ventures	4	4	4
Prepayments	126	102	98
Corporation tax	6	4	5
	3,298	1,949	2,279

Deposits paid for securities borrowed arise on collateralised stock lending transactions. Such trades are complete only when both the collateral and stock for each side of the transaction are returned. The above analysis reflects the receivable side of such transactions. Corresponding deposits received for securities loaned are shown in 'Trade and other payables'. The Group measures loss allowances for these balances under the general approach reflecting the probability of default based on the credit rating of the counterparty together with an assessment of the loss, after the sale of collateral, that could arise as a result of default. As at 30 June 2024, the provision for expected credit losses amounted to less than £1m (31 December 2023: less than £1m).

The Group measures the loss allowance for trade receivables at an amount equal to the lifetime expected credit loss. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

14. Financial assets and financial liabilities at fair value through profit or loss

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
Financial assets at fair value through profit or loss			
Matched Principal financial assets	33	19	24
Fair value gains on unsettled Matched Principal transactions	459	348	545
	492	367	569
Financial liabilities at fair value through profit or loss			
Matched Principal financial liabilities	(7)	(2)	-
Fair value losses on unsettled Matched Principal transactions	(455)	(349)	(541)
	(462)	(351)	(541)
	£m	£m	£m
Notional contract amount of unsettled Matched Principal transactions (restated)			
Unsettled Matched Principal Sales ¹	110,396	44,850	125,673
Unsettled Matched Principal Purchases ¹	110,366	44,834	125,645

1. The notional contract amounts in respect of June 2023 were previously reported in aggregate. The restatement separates sales and purchases and restates those balances for items previously netted. Unsettled purchases and sales both increase by £1,324m and unsettled sales increased by a further £14m.

Fair value gains and losses on unsettled Matched Principal transactions represent the price movement between trade date and the reporting date on regular way transactions prior to settlement. Matched Principal transactions arise where securities are bought from one counterparty and simultaneously sold to another counterparty. Settlement of such transactions is primarily on a delivery vs. payment basis and typically take place within a few business days of the transaction date according to the relevant market rules and conventions.

The notional contract amounts of unsettled Matched Principal transactions indicate the aggregate value of buy and sell transactions outstanding at the balance sheet date. They do not represent amounts at risk.

15. Trade and other payables

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
Trade payables	48	44	40
Amounts due to clearing organisations	18	25	6
Deposits received for securities loaned	2,721	1,361	1,773
Deferred consideration	-	49	51
Other creditors	107	93	85
Accruals ¹	354	359	384
Owed to associates and joint ventures	5	4	3
Tax and social security	26	23	28
Deferred income	3	3	2
	3,282	1,961	2,372

1. Comprises amounts accrued in respect of estimated front and back office bonuses together with unbilled professional fees and other services incurred.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

16. Loans and borrowings

	Current £m	Non-current £m	Total £m
30 June 2024			
Overdrafts	20	-	20
Sterling Notes May 2026	1	250	251
Sterling Notes November 2028	1	248	249
Sterling Notes April 2030	4	247	251
	26	745	771
30 June 2023			
Overdrafts	4	-	4
Sterling Notes January 2024	37	-	37
Liquidnet Vendor Loan Notes March 2024	40	-	40
Sterling Notes May 2026	1	249	250
Sterling Notes November 2028	1	248	249
Sterling Notes April 2030	4	247	251
	87	744	831
31 December 2023			
Overdrafts	10	-	10
Sterling Notes January 2024	37	-	37
Liquidnet Vendor Loan Notes March 2024	40	-	40
Sterling Notes May 2026	1	249	250
Sterling Notes November 2028	1	248	249
Sterling Notes April 2030	4	247	251
	93	744	837

All amounts are stated after unamortised transaction costs.

Settlement facilities and overdrafts

Where the Group purchases securities under matched principal trades but is unable to complete the sale immediately, the Group's settlement agents finance the purchase through the provision of an overdraft secured against the securities and any collateral placed at the settlement agents. As at 30 June 2024, overdrafts for the provision of settlement finance amounted to £20m (31 December 2023: £10m).

Bank credit facilities and bank loans

The Group has a £350m committed revolving facility that matures in May 2027. Facility commitment fees of 0.7% on the undrawn balance are payable on the facility. Arrangement fees of £3m are being amortised over the maturity of the facility.

As at 30 June 2024, the revolving credit facility was undrawn. During the period, the maximum amount drawn was £50m (30 June 2023: £40m), and the average amount drawn was £3m (30 June 2023: £4m). The Group utilises the credit facility throughout the period, entering into numerous short-term bank loans where maturities are less than three months. The turnover is quick and the volume is large and resultant flows are presented net in the Group's cash flow statement in accordance with IAS 7 'Cash Flow'. As at the reporting date, the Group is in compliance with the covenants applicable to the facility.

Interest and facility fees of £1m were incurred to 30 June 2024 (30 June 2023: £1m).

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

16. Loans and borrowings (continued)

Credit facility and loans

The Group has a Yen 20bn committed facility with The Tokyo Mitsubishi Bank, Ltd, which matures in February 2026. Facility commitment fees of 0.64% on the undrawn balance are payable on the facility. Arrangement fees of less than £1m are being amortised over the maturity of the facility.

As at 30 June 2024, the Yen 20bn committed facility equated to £98m and was undrawn. During the period, the maximum amount drawn was Yen 20bn, £98m at June closing rates (30 June 2023: Yen 8bn, £44m at June 2023 closing rates), and the average amount drawn was Yen 6bn, £29m at June closing rates (30 June 2023: Yen 6.8bn, £37m at June 2023 closing rates). The Group utilises the credit facility throughout the year, entering into numerous short-term bank loans where maturities are less than three months. The turnover is quick and the volume is large and resultant flows are presented net in the Group's cash flow statement in accordance with IAS 7 'Cash Flow'. As at the reporting date, the Group is in compliance with the covenants applicable to the facility.

Interest and facility fees of less than £1m were incurred in 2024 (30 June 2023: less than £1m).

Sterling Notes: Due January 2024

In January 2017 the Group issued £500m unsecured Sterling Notes due January 2024. The Notes had a fixed coupon of 5.25% payable semi-annually, subject to compliance with the terms of the Notes. In May 2019, the Group repurchased £69m of the Notes, in November 2021 the Group repurchased £184m of the Notes, in April 2023 the Group repurchased £210m and in January 2024 the remaining £37m were settled at maturity.

Interest of less than £1m was incurred in the period (30 June 2023: £4m).

Liquidnet Vendor Loan Notes Due March 2024

In March 2021, as part of the purchase consideration of Liquidnet, the Group issued \$50m unsecured Loan Notes due March 2024. The Notes had a fixed coupon of 3.2% paid annually. In March 2024 the Notes were settled at maturity.

Interest of less than £1m was incurred in the period (30 June 2023: £1m).

Sterling Notes: Due May 2026

In May 2019 the Group issued £250m unsecured Sterling Notes due May 2026. The Notes have a fixed coupon of 5.25% paid semi-annually, subject to compliance with the terms of the Notes.

Interest of £7m was incurred in 2024 (30 June 2023: £7m). The amortisation expense of issue costs in 2024 and 2023 was less than £1m.

At 30 June 2024 accrued interest amounted to £1m and unamortised issue costs were less than £1m.

At 30 June 2024 the fair value of the Notes (Level 1) was £246m (31 December 2023: £242m).

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

16. Loans and borrowings (continued)

Sterling Notes: Due November 2028

In November 2021 the Group issued £250m unsecured Sterling Notes due November 2028. The Notes were issued at a discount of £1m, raising £249m before issue costs. The Notes have a fixed coupon of 2.625% paid semi-annually, subject to compliance with the terms of the Notes.

Interest of £3m was incurred in 2024 (30 June 2023: £3m). The amortisation expense of discount and issue costs in 2024 was £1m (2023 was less than £1m).

At 30 June 2024 accrued interest amounted to £1m and unamortised discount and issue costs were £2m.

At 30 June 2024 the fair value of the Notes (Level 1) was £215m (31 December 2023: £210m).

Sterling Notes: Due April 2030

In April 2023 the Group issued £250m unsecured Sterling Notes due April 2030. The Notes were issued at a discount of £1m, raising £249m before issue costs. The Notes have a fixed coupon of 7.875% paid semi-annually, subject to compliance with the terms of the Notes.

Interest of £10m was incurred in 2024 (30 June 2023: £4m). The amortisation expense of discount and issue costs in 2024 was £1m (2023 was less than £1m).

At 30 June 2024 accrued interest amounted to £645m and unamortised discount and issue costs were £3m.

At 30 June 2024 the fair value of the Notes (Level 1) was £268m (31 December 2023: £269m).

17. Lease liabilities

The maturity analysis of lease liabilities is as follows:

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
Gross amounts payable:			
- Year 1	46	38	44
- Year 2	46	37	42
- Year 3	39	36	40
- Year 4	32	34	32
- Year 5	31	29	29
- Onwards	129	155	142
	323	329	329
Less: future interest expense	(90)	(68)	(78)
Balance sheet carrying value	233	261	251
Included in current liabilities	30	37	28
Included in non-current liabilities	203	224	223
	233	261	251

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

18. Reconciliation of profit before tax to cash flow from operating activities

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Profit before tax	120	91	96
Add back: finance costs	31	30	66
Deduct: finance income	(20)	(12)	(34)
Earnings Before Interest and Taxation ('EBIT')	131	109	128
Adjustments for:			
- Share-based payment charge	12	9	17
- Depreciation of property, plant and equipment	10	11	22
- Impairment of property, plant and equipment	1	5	5
- Fair value movements on investment properties	1	-	-
- Depreciation of right-of-use assets	11	11	23
- Impairment of right-of-use assets	5	7	6
- Amortisation of intangible assets	15	15	28
- Amortisation of intangible assets arising on consolidation	21	22	44
- Impairment of intangible assets arising on consolidation	-	-	39
- Impairment of goodwill	-	-	47
- Remeasurement of deferred consideration	-	(5)	(3)
- Unrealised foreign exchange (gain)/loss of Vendor Loan Notes	-	(2)	(2)
Operating cash flow before movement in working capital	207	182	354
(Increase)/decrease in trade and other receivables	(69)	28	69
Increase in net Matched Principal related balances	(2)	(8)	(20)
Decrease in net balances with Clearing Organisations	18	1	-
Increase in net stock lending balances	(8)	(13)	(4)
Increase in trade and other payables	22	20	33
Increase in provisions	5	11	6
Cash flow from operating activities	173	221	438

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

19. Analysis of net funds including lease liabilities

	1 January 2024 £m	Cash flow £m	Non-cash items £m	Exchange differences £m	30 June 2024 £m
Cash and cash equivalents	1,029	(92)	-	(4)	933
Overdrafts	(10)	(10)	-	-	(20)
	1,019	(102)	-	(4)	913
Financial investments	189	(12)	-	(3)	174
Sterling Notes January 2024 ¹	(37)	37	-	-	-
Sterling Notes May 2026 ²	(250)	7	(8)	-	(251)
Sterling Notes November 2028 ²	(249)	3	(3)	-	(249)
Sterling Notes April 2030 ²	(251)	10	(10)	-	(251)
Liquidnet Vendor Loan Notes ³	(40)	39	-	1	-
Total debt excluding leases liabilities	(827)	96	(21)	1	(751)
Lease liabilities ⁴	(251)	22	(4)	-	(233)
Total financing liabilities	(1,078)	118	(25)	1	(984)
Net funds	130	4	(25)	(6)	103

1. Cash flow relates to principal repaid of £37m reported as cash flow from financing activities.

2. Cash flows relates to interest paid reported as a cash outflow from operating activities.

3. Cash flow relates to the repayment of the Liquidnet Vendor Loan Notes reported as cash flow from financing activities.

4. Cash flows relates to interest paid of £8m reported as cash outflow from operating activities and principal paid of £14m reported as a cash outflow from financing activities.

Cash and cash equivalents comprise cash at bank and other short term highly liquid investments with an original maturity of three months or less. As at 30 June 2024 cash and cash equivalents, net of overdrafts, amounted to £913m (31 December 2023: £1,019m) of which £118m (31 December 2023: £105m) represent amounts subject to restrictions and are not readily available to be used for other purposes within the Group. Cash at bank earns interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term deposit rates.

Financial investments comprise government debt securities, term deposits and restricted funds held with banks and clearing organisations.

Non-cash items represent interest expense, the amortisation of discount and debt issue costs, and the recognition and derecognition of lease liabilities.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

20. Provisions

	Property	Re- structuring	Legal and other	Total
	£m	£m	£m	£m
At 1 January 2024	12	5	28	45
Charge to income statement	1	4	4	9
Utilisation of provisions	(1)	(3)	(1)	(5)
Effect of movements in exchange rates	-	-	-	-
At 30 June 2024	12	6	31	49
Included in current liabilities				17
Included in non-current liabilities				32
				49

Property provisions outstanding as at 30 June 2024 relate to provisions in respect of building dilapidations and represent the estimated cost of making good dilapidations and disrepair on various leasehold buildings.

Restructuring provisions outstanding as at 30 June 2024 relate to termination and other employee related costs. It is expected that these obligations will be discharged during 2024.

Legal and other provisions include provisions for legal claims brought against subsidiaries of the Group together with provisions against obligations for certain long-term employee benefits and non-property related onerous contracts. At present the timing and amount of any payments are uncertain and provisions are subject to regular review. It is expected that the obligations will be discharged over the next 18 years.

Commodities and Futures Trading Commission—Bond issuances investigation

ICAP Global Derivatives Limited ('IGDL'), ICAP Energy LLC ('Energy'), ICAP Europe Limited ('IEL'), Tullett Prebon Americas Corp. ('TPAC'), tpSEF Inc. ('tpSEF'), Tullett Prebon Europe Limited ('TPEL') Tullett Prebon (Japan) Limited ('TPJL') and Tullett Prebon (Australia) Limited ('TPAL') are currently responding to an investigation by the CFTC in relation to the pricing of issuances utilising certain of TP ICAP's indicative broker pricing screens and certain recordkeeping matters including in relation to employee use of personal devices for business communications and other books and records matters. The investigation remains open and the Group is co-operating with the CFTC in its enquiries. Whilst it is not possible to predict the ultimate outcome of the investigation, the Group has made a provision reflecting management's best estimate as at this date of the cost of settling the investigation. The Group has not disclosed the amount provided as it is considered to be prejudicial to reaching a settlement. The actual outcome may differ significantly from management's current estimate. As the relevant matters occurred prior to the Group's acquisition of the ICAP Global Broking Business ('IGBB') the Group reached a related settlement with ICAP's successor company, NEX Group Limited, under the terms of the purchase agreement, and on confidential terms.

Securities Exchange Commission – Liquidnet investigation

In October 2022, Liquidnet Inc. ("Liquidnet") received an inquiry from the Securities and Exchange Commission relating to, among other things, compliance with SEC Rule 15c3-5 and audit trail and access permissions to its ATS platforms. Whilst it is not possible to predict the ultimate outcome of the investigation, the Group has made a provision reflecting management's best estimate as at this date of the cost of settling the investigation. The Group has not disclosed the amount provided as it is considered to be prejudicial to reaching a settlement. The actual outcome may differ significantly from management's current estimate.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

21. Contingent liabilities

Contingent liabilities represent material cases, investigations or other matters where the Group considers the risk of a material outflow is possible, but not probable, or where the Group assesses and reports the risk to be probable, but are unable to make a reliable estimate to establish a provision. Quantification of potential liability is not given, nor provided for, where it is not practicable to predict the outcome or resolution of the relevant matter, or estimate an amount to be provided.

Labour claims – ICAP Brazil

ICAP do Brasil Corretora De Títulos e Valores Mobiliários Ltda ('ICAP Brazil') is a defendant in 4 (31 December 2023: 7) pending lawsuits filed in the Brazilian Labour Court by persons formerly associated with ICAP Brazil seeking damages under various statutory labour rights accorded to employees and in relation to various other claims including wrongful termination, breach of contract and harassment (together the 'Labour Claims'). The Group estimates the maximum potential aggregate exposure in relation to the Labour Claims, including any potential social security tax liability, to be BRL 8.3m (£1.2m) (31 December 2023: BRL 39.0m (£6.4m)). The Group is the beneficiary of an indemnity from NEX in relation to any liabilities in respect of one of the 4 Labour Claims insofar as they relate to periods prior to completion of the Group's acquisition of ICAP Global Broking Business. The Labour Claims are at similar and final stages of their respective proceedings and are pending the court's decision on appeal. The Group intends to contest liability in each of these matters and to vigorously defend itself. Unless otherwise noted, it is not possible to predict the ultimate outcome of these actions.

Flow case – Tullett Prebon Brazil

In December 2012, Flow Participações Ltda and Brasil Plural Corretora de Câmbio, Títulos e Valores ('Flow') initiated a lawsuit against Tullett Prebon Brasil Corretora de Valores e Câmbio Ltda. and Tullett Prebon Holdings do Brasil Ltda alleging that the defendants have committed a series of unfair competition misconducts, such as the recruitment of Flow's former employees, the illegal obtainment and use of systems and software developed by the plaintiffs, as well as the transfer of technology and confidential information from Flow and the collusion to do so in order to increase profits from economic activities. The amount currently claimed is BRL 419m (£59.7m) (31 December 2023: BRL 400m (£64.1m)). The Group intends to vigorously defend itself but there is no certainty as to the outcome of these claims. Currently, the case is in an early expert testimony phase.

Yen LIBOR Class actions

The Group is currently defending the following LIBOR related actions:

(i) Stichting LIBOR Class Action

On 15 December 2017, the Stichting Elco Foundation, a Netherlands-based claim foundation, filed a writ initiating litigation in the Dutch court in Amsterdam on behalf of institutional investors against ICAP Europe Limited ('IEL'), ICAP plc, Cooperative Rabobank U.A., UBS AG, UBS Securities Japan Co. Ltd, Lloyds Banking Group plc, and Lloyds Bank plc. The litigation alleges manipulation by the defendants of the JPY LIBOR, GBP LIBOR, CHF LIBOR, USD LIBOR, EURIBOR, TIBOR, SOR, BBSW and HIBOR benchmark rates, and seeks a declaratory judgment that the defendants acted unlawfully and conspired to engage in improper manipulation of benchmarks. If the plaintiffs succeed in the action, the defendants would be responsible for paying costs of the litigation, but each allegedly impacted investor would need to prove its own actual damages. It is not possible at this time to determine the final outcome of this litigation, but IEL has factual and legal defences to the claims and intends to defend the lawsuit vigorously. A hearing took place on 18 June 2019 on Defendants motions to dismiss the proceedings. On 14 August 2019 the Dutch Court issued a ruling dismissing ICAP plc from the case entirely but keeping certain claims against IEL relating solely to JPY LIBOR. On 9 December 2020, the Dutch Court issued a final judgement dismissing the Foundation's claims in their entirety. In March 2024, the Appellate Court reversed the majority of the claims that the lower Court had dismissed. In April 2024, defendants filed an application for an immediate appeal of the Appellate Court's decision to the Dutch Supreme Court. This application remains pending decision. The Group is covered by an indemnity from NEX in relation to any outflow in respect of the ICAP entities with regard to these matters. It is not possible to estimate any potential financial impact in respect of this matter at this time.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

21. Contingent liabilities (continued)

Yen LIBOR Class actions

(ii) Euribor Class Action

On 13 August 2015, ICAP Europe Limited, along with ICAP plc, was named as a defendant in a Fourth Amended Class Action Complaint filed in the United States District Court by lead plaintiff Stephen Sullivan asserting claims of Euribor manipulation. Defendants briefed motions to dismiss for failure to state a claim and lack of jurisdiction, which were fully submitted as of 23 December 2015. On 21 February 2017, the Court issued a decision dismissing a number of foreign defendants, including the ICAP Europe Limited and NEX International plc (previously ICAP plc now NEX International Limited), out of the lawsuit on the grounds of lack of personal jurisdiction. Because the action continued as to other defendants, the dismissal decision for lack of personal jurisdiction has not yet been appealed. However, the plaintiffs announced on 21 November 2017 that they had reached a settlement with the two remaining defendants in the case. As a part of their settlement, the two bank defendants have agreed to turn over materials to the plaintiffs that may be probative of personal jurisdiction over the previously dismissed foreign defendants. The remaining claims in the litigation were resolved by a settlement which the Court gave final approval to on 17 May 2019. Plaintiffs filed a notice of appeal on 14 June 2019, appealing the prior decisions on the motion to dismiss and the denial of leave to amend. Defendants filed a cross-notice of appeal on 28 June 2019 appealing aspects of the Court's prior rulings on the motion to dismiss that were decided in the Plaintiffs' favour. These appeals have been stayed since August 2019 pending a ruling in an unrelated appellate matter involving similar issues. In December 2021, the unrelated appeal was decided and the stay of the appeal and cross appeal was lifted and commencing in May 2022 a briefing schedule was implemented. The motions have been fully briefed but the appeal and cross appeal are not anticipated to be ruled upon until sometime in late 2024 or later. It is not possible to predict the ultimate outcome of this action or to provide an estimate of any potential financial impact. The Group is covered by an indemnity from NEX in relation to any outflow in respect of the ICAP entities with regard to these matters.

ICAP Securities Limited, Frankfurt branch – Frankfurt Attorney General administrative proceedings

On 19 December 2018, ICAP Securities Limited, Frankfurt branch ('ISL') (now TP ICAP Markets Limited) was notified by the Attorney General's office in Frankfurt notifying ISL that it had commenced administrative proceedings against ISL and criminal proceedings against former employees and a former director of ISL, in respect of aiding and abetting tax evasion by Rafael Roth Financial Enterprises GmbH ('RRFE'). It is possible that a corporate administrative fine may be imposed on ISL and earnings derived from the criminal offence confiscated. ISL has appointed external counsel and is in the process of investigating the activities of the relevant desk from 2006-2009. This investigation is complicated as the majority of relevant records are held by NEX and NEX failed to disclose its engagement with the relevant authorities prior to the sale of ICAP to Tullett Prebon in 2016. The Group issued proceedings against NEX in respect of breach of warranties under the sale and purchase agreement in connection with the IGGB acquisition in relation to these matters. The claim against NEX has been settled on confidential terms. Since the Frankfurt proceedings are at an early stage, details of the alleged wrongdoing or case against ISL are not yet available, and it is not possible at present to provide a reliable estimate of any potential financial impact on the Group.

ICAP Securities Limited and The Link Asset and Securities Company Limited – Proceedings by the Cologne Public Prosecutor

On 11 May 2020, TP ICAP learned that proceedings have been commenced by the Cologne Public prosecutor against ICAP Securities Limited ('ISL') (now TP ICAP Markets Limited) and The Link Asset and Securities Company Ltd ('Link') in connection with criminal investigations into individuals suspected of aiding and abetting tax evasion between 2004 and 2012. It is possible that the Cologne Public Prosecutor may seek to impose an administrative fine against ISL or Link and confiscate the earnings that ISL or Link allegedly derived from the underlying alleged criminal conduct by the relevant individuals. ISL and Link have appointed external lawyers to advise them. The Group issued proceedings against NEX in respect of breach of warranties under the sale and purchase agreement in connection with the IGGB acquisition in relation to these matters. The claim against NEX has been settled on confidential terms. Since the Cologne proceedings are at an early stage, details of the alleged wrongdoing or case against ISL and Link are not yet available, and it is not possible at present to provide a reliable estimate of any potential financial impact on the Group.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

21. Contingent liabilities (continued)

Portigon Ag and others v. TP ICAP plc

TP ICAP plc (now TP ICAP Finance plc) is a defendant in an action filed by Portigon AG in July 2021 in the Supreme Court of the State of New York County of Nassau alleging losses relating to certain so called “cum ex” transactions allegedly arranged by the Group between 2005 and 2007. In June 2022, the Court dismissed the action for lack of personal jurisdiction. In July 2022, the plaintiffs filed a motion with the Court for reconsideration as well as a notice of appeal. The plaintiff’s motion for reconsideration was denied and the plaintiffs have appealed the dismissal of its claims. Portigon’s appeal has been fully briefed and the parties are awaiting a date for oral argument from the court in late 2024. The Group intends to contest liability in the matter and to vigorously defend itself. It is not possible to predict the ultimate outcome of this action or to provide an estimate of any potential financial impact.

MM Warburg AG and others v TP ICAP Markets Limited, The Link Asset and Securities Company Limited and others

TP ICAP Markets Limited (“TPIM”) and Link are defendants in a claim filed in Hamburg by Warburg on 31 December 2020, but which only reached TPIM and Link on 26 October 2021. The claim relates to certain German “cum-ex” transactions that took place between 2007 and 2011. In relation to those transactions Warburg has refunded EUR 185 million to the German tax authorities and is subject to a criminal confiscation order of EUR 176.5 million. It has also been ordered to repay a further EUR 60.8 million to the German tax authorities and is subject to a related civil claim for EUR 48.8 million. Warburg’s claims are based primarily on joint and several liability (Warburg having now dropped claims initially advanced in tort and most of the claims initially advanced in contract). TPIM/Link filed their defence in April 2022 and received Warburg’s reply to the defence in September 2022. TPIM/Link filed their rejoinder in response to Warburg’s reply to TPIM/Link’s defence on 6 December 2023. A hearing took place on 13 May 2024 with final submissions due late July 2024 and an expected date for final judgment in October 2024. TPIM and Link are contesting liability in the matter and the Group considers it is able to vigorously defend itself. Whilst it is not possible to predict the ultimate outcome of this action, the Group does not expect a material adverse financial impact on the Group’s results or net assets as a result of this case.

General note

The Group operates in a wide variety of jurisdictions around the world and uncertainties therefore exist with respect to the interpretation of complex regulatory, corporate and tax laws and practices of those territories. Accordingly, and as part of its normal course of business, the Group is required to provide information to various authorities as part of informal and formal enquiries, investigations or market reviews. From time to time the Group’s subsidiaries are engaged in litigation in relation to a variety of matters. The Group’s reputation may also be damaged by any involvement or the involvement of any of its employees or former employees in any regulatory investigation and by any allegations or findings, even where the associated fine or penalty is not material.

Save as outlined above in respect of legal matters or disputes for which a provision has not been made, notwithstanding the uncertainties that are inherent in the outcome of such matters, currently there are no individual matters which are considered to pose a significant risk of material adverse financial impact on the Group’s results or net assets.

The Group establishes provisions for taxes other than current and deferred income taxes, based upon various factors which are continually evaluated, if there is a present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

In the normal course of business, certain of the Group’s subsidiaries enter into guarantees and indemnities to cover trading arrangements and/or the use of third-party services or software.

The Group is party to numerous contractual arrangements with its suppliers some of which, in the normal course of business, may become subject to dispute over a party’s compliance with the terms of the arrangement. Such disputes tend to be resolved through commercial negotiations but may ultimately result in legal action by either or both parties.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments

(a) Categorisation of financial assets and liabilities

Financial Assets 30 June 2024	FVTPL trading instruments £m	FVTOCI debt instruments £m	FVTOCI equity instruments £m	Amortised cost £m	Total carrying amount £m
Non-current financial assets measured at fair value					
Equity securities	-	-	16	-	16
Corporate debt securities	-	2	-	-	2
Non-current financial assets not measured at fair value					
Finance lease receivables	-	-	-	25	25
Other receivables	-	-	-	4	4
	-	2	16	29	47
Current financial assets measured at fair value					
Matched Principal financial assets	33	-	-	-	33
Fair value gains on unsettled Matched Principal transactions	459	-	-	-	459
Government debt securities	-	66	-	-	66
Current financial assets Not measured at fair value¹					
Term deposits	-	-	-	108	108
Other debtors	-	-	-	52	52
Accrued income	-	-	-	10	10
Owed to associates and joint ventures	-	-	-	4	4
Trade receivables	-	-	-	332	332
Amounts due from clearing organisations	-	-	-	31	31
Deposits paid for securities borrowed	-	-	-	2,733	2,733
Finance lease receivables	-	-	-	4	4
Cash and cash equivalents	-	-	-	933	933
	492	66	-	4,207	4,765
Total financial assets	492	68	16	4,236	4,812

1. The Directors consider that the carrying value of assets not measured at fair value approximate to their fair values.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments (continued)

(a) Categorisation of financial assets and liabilities (continued)

Financial Assets	FVTPL trading instruments £m	FVTOCI debt instruments £m	FVTOCI equity instruments £m	Amortised cost £m	Total carrying amount £m
30 June 2023					
Non-current financial assets measured at fair value					
Equity securities	-	-	20	-	20
Corporate debt securities	-	2	-	-	2
Non-current financial assets not measured at fair value					
Finance lease receivables	-	-	-	26	26
Other receivables	-	-	-	7	7
	-	2	20	33	55
Current financial assets measured at fair value					
Matched Principal financial assets	19	-	-	-	19
Fair value gains on unsettled Matched Principal transactions	348	-	-	-	348
Government debt securities	-	102	-	-	102
Current financial assets Not measured at fair value¹					
Term deposits	-	-	-	67	67
Other debtors	-	-	-	45	45
Accrued income	-	-	-	12	12
Owed to associates and joint ventures	-	-	-	4	4
Trade receivables	-	-	-	348	348
Amounts due from clearing organisations	-	-	-	54	54
Deposits paid for securities borrowed	-	-	-	1,375	1,375
Finance lease receivables	-	-	-	5	5
Cash and cash equivalents	-	-	-	983	983
	367	102	-	2,893	3,362
Total financial assets	367	104	20	2,926	3,417

1. The Directors consider that the carrying value of assets not measured at fair value approximate to their fair values.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments (continued)

(a) Categorisation of financial assets and liabilities (continued)

Financial Assets	FVTPL trading instruments £m	FVTOCI debt instruments £m	FVTOCI equity instruments £m	Amortised cost £m	Total carrying amount £m
31 December 2023					
Non-current financial assets measured at fair value					
Equity securities	-	-	17	-	17
Corporate debt securities	-	2	-	-	2
Non-current financial assets not measured at fair value					
Finance lease receivables	-	-	-	27	27
Other receivables	-	-	-	6	6
	-	2	17	33	52
Current financial assets measured at fair value					
Matched Principal financial assets	24	-	-	-	24
Fair value gains on unsettled Matched Principal transactions	545	-	-	-	545
Government debt securities	-	92	-	-	92
Current financial assets Not measured at fair value¹					
Term deposits	-	-	-	97	97
Other debtors	-	-	-	41	41
Accrued income	-	-	-	11	11
Owed to associates and joint ventures	-	-	-	4	4
Trade receivables	-	-	-	304	304
Amounts due from clearing organisations	-	-	-	37	37
Deposits paid for securities borrowed	-	-	-	1,776	1,776
Finance lease receivables	-	-	-	3	3
Cash and cash equivalents	-	-	-	1,029	1,029
	569	92	-	3,302	3,963
Total financial assets	569	94	17	3,335	4,015

1. The Directors consider that the carrying value of assets not measured at fair value approximate to their fair values.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments (continued)

(a) Categorisation of financial assets and liabilities (continued)

Financial Liabilities	Mandatorily at FVTPL		Other financial liabilities		Total carrying amount
	Non-current £m	Current £m	Non-current £m	Current £m	
30 June 2024					
Financial liabilities measured at fair value					
Matched Principal financial liabilities	-	7	-	-	7
Fair value losses on unsettled Matched Principal transactions	-	455	-	-	455
	-	462	-	-	462
Financial liabilities Not measured at fair value²					
Overdrafts	-	-	-	20	20
Sterling Notes May 2026	-	-	250	1	251
Sterling Notes November 2028	-	-	248	1	249
Sterling Notes April 2030	-	-	247	4	251
Other creditors	-	-	-	107	107
Accruals ¹	-	-	2	90	92
Owed to associates and joint ventures	-	-	-	5	5
Trade payables	-	-	-	48	48
Amounts payable to clearing organisations	-	-	-	18	18
Deposits received for securities loaned	-	-	-	2,721	2,721
Lease liabilities	-	-	203	30	233
	-	-	950	3,045	3,995
Total financial liabilities	-	462	950	3,045	4,457

1. Accruals of £264m, representing employment related obligations at the reporting date, are not recorded as financial liabilities.

2. The Directors consider that the carrying value of financial liabilities not measured at fair value, excluding lease liabilities and loans and borrowings, approximate to their fair values. Amounts payable under lease liabilities are disclosed in Note 17, and the fair values of loans and borrowings are disclosed in Notes 16.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments (continued)

(a) Categorisation of financial assets and liabilities (continued)

Financial Liabilities	Mandatorily at FVTPL		Other financial liabilities		Total carrying amount
	Non-current	Current	Non-current	Current	
30 June 2023	£m	£m	£m	£m	£m
Financial liabilities measured at fair value					
Matched Principal financial liabilities	-	2	-	-	2
Fair value losses on unsettled Matched Principal transactions	-	349	-	-	349
Deferred consideration	1	49	-	-	50
	1	400	-	-	401
Financial liabilities Not measured at fair value²					
Overdrafts	-	-	-	4	4
Liquidnet Vendor loan Notes	-	-	-	40	40
Sterling Notes January 2024	-	-	-	37	37
Sterling Notes May 2026	-	-	249	1	250
Sterling Notes November 2028	-	-	248	1	249
Sterling Notes April 2030	-	-	247	4	251
Other creditors	-	-	-	93	93
Accruals ¹	-	-	2	108	110
Owed to associates and joint ventures	-	-	-	4	4
Trade payables	-	-	-	44	44
Amounts payable to clearing organisations	-	-	-	25	25
Deposits received for securities loaned	-	-	-	1,361	1,361
Lease liabilities	-	-	224	37	261
	-	-	970	1,759	2,729
Total financial liabilities	1	400	970	1,759	3,130

1. Accruals of £249m, representing employment related obligations at the reporting date, are not recorded as financial liabilities.

2. The Directors consider that the carrying value of financial liabilities not measured at fair value, excluding lease liabilities and loans and borrowings, approximate to their fair values. Amounts payable under lease liabilities are disclosed in Note 17, and the fair values of loans and borrowings are disclosed in Notes 16.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments (continued)

(a) Categorisation of financial assets and liabilities (continued)

Financial Liabilities	Mandatorily at FVTPL		Other financial liabilities		Total carrying amount
	Non-current	Current	Non-current	Current	
31 December 2023	£m	£m	£m	£m	£m
Financial liabilities measured at fair value					
Fair value losses on unsettled Matched Principal transactions	-	541	-	-	541
Deferred consideration	-	51	-	-	51
	-	592	-	-	592
Financial liabilities Not measured at fair value²					
Overdrafts	-	-	-	10	10
Liquidnet Vendor Loan Notes	-	-	-	40	40
Sterling Notes January 2024	-	-	-	37	37
Sterling Notes May 2026	-	-	249	1	250
Sterling Notes November 2028	-	-	248	1	249
Sterling Notes April 2030	-	-	247	4	251
Other creditors	-	-	-	85	85
Accruals ¹	-	-	-	97	97
Owed to associates and joint ventures	-	-	-	3	3
Trade payables	-	-	-	40	40
Amounts payable to clearing organisations	-	-	-	6	6
Deposits received for securities loaned	-	-	-	1,773	1,773
Lease liabilities	-	-	223	28	251
	-	-	967	2,125	3,092
Total financial liabilities	-	592	967	2,125	3,684

1. Accruals of £287m, representing employment related obligations at the reporting date, are not recorded as financial liabilities.
2. The Directors consider that the carrying value of financial liabilities not measured at fair value, excluding lease liabilities and loans and borrowings, approximate to their fair values. Amounts payable under lease liabilities are disclosed in Note 17, and the fair values of loans and borrowings are disclosed in Notes 16.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments (continued)

(b) Maturity profile of financial liabilities

As at 30 June 2024, the contractual maturities, including future interest obligations, of the Group's financial liabilities were as follows:

Contractual maturities of financial and lease liabilities	Less than 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total contractual cash flows
30 June 2024	£m	£m	£m	£m	£m
Matched Principal financial liabilities	7	-	-	-	7
Settlement of open Matched Principal purchases ¹	110,366	-	-	-	110,366
Deposits received for securities loaned	2,721	-	-	-	2,721
Trade payables	48	-	-	-	48
Amount due to clearing organisations	18	-	-	-	18
Other creditors	107	-	-	-	107
Accruals	90	-	2	-	92
Owed to associates and joint venture	5	-	-	-	5
Lease liabilities	11	35	148	129	323
Overdrafts	20	-	-	-	20
Sterling Notes May 2026	-	13	263	-	276
Sterling Notes November 2028	-	7	273	-	280
Sterling Notes April 2030	-	20	78	270	368
	113,393	75	764	399	114,631
30 June 2023 (restated)					
Matched Principal financial liabilities	2	-	-	-	2
Settlement of open Matched Principal purchases ^{1,2}	44,834	-	-	-	44,834
Deposits received for securities loaned	1,361	-	-	-	1,361
Trade payables	44	-	-	-	44
Amount due to clearing organisations	25	-	-	-	25
Other creditors	93	-	-	-	93
Accruals	108	-	2	-	110
Owed to associates and joint venture	4	-	-	-	4
Lease liabilities	10	28	136	155	329
Overdrafts	4	-	-	-	4
Liquidnet Vendor Loan Notes	-	41	-	-	41
Sterling Notes January 2024	-	38	-	-	38
Sterling Notes May 2026	-	13	276	-	289
Sterling Notes November 2028	-	7	26	253	286
Sterling Notes April 2030	-	20	79	289	388
Deferred consideration	-	49	1	-	50
	46,485	196	520	697	47,898

1. Settlement of open Matched Principal purchases represents the payment in exchange for Matched Principal financial assets pending their onward sale. The onward sale results in inflows from the settlement of related open Matched Principal sales.

2. June 2023 has been restated to include £1,324m previously netted against open Matched Principal sales (Note 14).

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments (continued)

(b) Maturity profile of financial liabilities (continued)

Contractual maturities of financial and lease liabilities	Less than 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total contractual cash flows
31 December 2023	£m	£m	£m	£m	£m
Settlement of open Matched Principal purchases ¹	125,645	-	-	-	125,645
Deposits received for securities loaned	1,773	-	-	-	1,773
Trade payables	40	-	-	-	40
Amount due to clearing organisations	6	-	-	-	6
Other creditors	85	-	-	-	85
Accruals	97	-	-	-	97
Owed to associates and joint venture	3	-	-	-	3
Lease liabilities	7	37	143	142	329
Overdrafts	10	-	-	-	10
Liquidnet Vendor Loan Notes	40	-	-	-	40
Sterling Notes January 2024	37	-	-	-	37
Sterling Notes May 2026	-	13	270	-	283
Sterling Notes November 2028	-	7	276	-	283
Sterling Notes April 2030	-	20	79	279	378
Deferred consideration	51	-	-	-	51
	127,794	77	768	421	129,060

1. Settlement of open Matched Principal purchases represents the payment in exchange for Matched Principal financial assets pending their onward sale. The onward sale results in inflows from the settlement of related open Matched Principal sales.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments (continued)

(c) Fair value measurements recognised in the statement of financial position

The following table provides an analysis of the financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30 June 2024	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets measured at fair value				
Matched Principal financial assets	33	-	-	33
Fair value gains on unsettled Matched Principal transactions	459	-	-	459
Equity instruments	-	9	7	16
Corporate debt securities	-	-	2	2
Government debt securities	66	-	-	66
Financial liabilities measured at fair value				
Matched Principal financial liabilities	(7)	-	-	(7)
Fair value losses on unsettled Matched Principal transactions	(455)	-	-	(455)
	96	9	9	114
30 June 2023				
Non-financial assets measured at fair value				
Investment properties	-	-	12	12
Financial assets measured at fair value				
Matched Principal financial assets	19	-	-	19
Fair value gains on unsettled Matched Principal transactions	348	-	-	348
Equity instruments	-	11	9	20
Corporate debt securities	-	-	2	2
Government debt securities	102	-	-	102
Financial liabilities measured at fair value				
Matched Principal financial liabilities	(2)	-	-	(2)
Fair value losses on unsettled Matched Principal transactions	(349)	-	-	(349)
Deferred consideration	-	-	(50)	(50)
	118	11	(27)	102

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

22. Financial instruments (continued)

(c) Fair value measurements recognised in the statement of financial position (continued)

31 December 2023	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Non-financial assets measured at fair value				
Investment properties	-	-	12	12
Financial assets measured at fair value				
Matched Principal financial assets	24	-	-	24
Fair value gains on unsettled Matched Principal transactions	545	-	-	545
Equity instruments	-	8	9	17
Corporate debt securities	-	-	2	2
Government debt securities	92	-	-	92
Financial liabilities measured at fair value				
Fair value losses on unsettled Matched Principal transactions	(541)	-	-	(541)
Deferred consideration	-	(51)	-	(51)
	120	(43)	23	100

Reconciliation of Level 3 fair value movements:

	Investment properties (at FVTPL) £m	Equity instruments (at FVTOCI) £m	Debt securities (at FVTOCI) £m	Total £m
Balance as at 1 January 2024	12	9	2	23
Amounts settled during the period	-	-	-	-
Modification/ remeasurement	(11)	-	-	(11)
Net change in fair value ¹	(1)	(2)	-	(3)
Effect of movements in exchange rates	-	-	-	-
Balance as at 30 June 2024	-	7	2	9

1. Included in 'administrative expenses' for items at FVTPL.

The modification/remeasurement of investment properties reflects a corresponding reduction in the related finance lease liability that was modified during the period. The investment properties were subsequently fair valued by an independent valuer not connected with the Group. Fair value was determined based on the present value of the estimated future cash flows related to the properties, resulting in a change in fair value of £1m.

No offsets have been made in the disclosure of the fair values of financial assets and financial liabilities.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

23. Reconciliation of shareholders' funds

(a) Share capital

The following table shows an analysis of the changes in share capital attributable to the equity shareholders of TP ICAP Group plc.

	Share capital £m
Balance as at 1 January 2024	197
Issuance of new ordinary shares	2
Balance as at 30 June 2024	199

During the period 6,720,000 ordinary shares were issued at par out of retained earnings. The shares were transferred to TP ICAP Group plc EBT to be used for the settlement of eligible equity settled share-based payment awards.

(b) Other reserves

	Re- organisation reserve £m	Revaluation reserve £m	Hedging and translation £m	Treasury shares £m	Own shares £m	Total £m
Balance as at 1 January 2024	(946)	3	29	(29)	(20)	(963)
Exchange differences on translation of foreign operations	-	-	(9)	-	-	(9)
Equity investments at FVTOCI – net change in fair value	-	4	-	-	-	4
Taxation on components of other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss)	-	4	(9)	-	-	(5)
Disposal of equity investments at FVTOCI	-	(3)	-	-	-	(3)
Own shares acquired/share buyback	-	-	-	(17)	-	(17)
Share settlement of equity settled share-based awards	-	-	-	-	4	4
Own shares acquired for employee trusts	-	-	-	-	(6)	(6)
Balance as at 30 June 2024	(946)	4	20	(46)	(22)	(990)

Treasury shares

During the period, as part of the Group's share buyback programmes announced in August 2023 and March 2024, the Group repurchased 8,028,403 ordinary shares (2023:16,634,112 ordinary shares), representing 1.0% (2023: 2.1%) of the shares in issue, at a cost of £17m (2023: £29m).

At 30 June 2024 the shares held had not been cancelled and had a fair value of £49m.

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

23. Reconciliation of shareholders' funds (continued)

(c) Total equity

	Attributable to the equity holders of the parent				Non-controlling interests £m	Total equity £m
	Total from 23(a) £m	Total from 23(b) £m	Retained earnings £m	Total £m		
Balance as at 1 January 2024	197	(963)	2,814	2,048	17	2,065
Profit for the period	-	-	91	91	2	93
Remeasurement of defined benefit pension schemes	-	-	(1)	(1)	-	(1)
Exchange differences on translation of foreign operations	-	(9)	-	(9)	(2)	(11)
Equity investments at FVTOCI	-	4	-	4	-	4
– net change in fair value	-	-	-	-	-	-
Taxation on components of other comprehensive income	-	-	-	-	-	-
Total comprehensive income/(loss)	-	(5)	90	85	-	85
Shares issued	2	-	(2)	-	-	-
Dividends paid	-	-	(76)	(76)	-	(76)
Disposal of equity investments at FVTOCI	-	(3)	3	-	-	-
Own shares acquired/share buyback	-	(17)	-	(17)	-	(17)
Share settlement of equity settled share-based awards	-	4	(4)	-	-	-
Dividend equivalents paid on equity settled share-based awards	-	-	(2)	(2)	-	(2)
Own shares acquired for employee trusts	-	(6)	-	(6)	-	(6)
Credit arising on equity settled share-based awards	-	-	14	14	-	14
Credit arising on the exchange of cash to equity settled share-based awards (Note 25)	-	-	18	18	-	18
Balance as at 30 June 2024	199	(990)	2,855	2,064	17	2,081

Notes to the Condensed Consolidated Financial Statements

for the six months ended 30 June 2024

24. Retirement benefits

(a) Defined benefit schemes

The Group operates a small number of non-UK defined benefit schemes which are not significant in the context of the Group. The Group's UK defined benefit pension scheme was wound up during 2023

	30 June 2024	30 June 2023	31 December 2023
Overseas schemes Balance Sheet	£m	£m	£m
Retirement benefit assets	2	-	3
Retirement benefit obligations	(4)	(2)	(4)

(b) UK Defined benefit scheme

The Group's UK defined benefit scheme, the Tullett Prebon Pension Scheme (the 'Scheme'), was wound up in 2023. The Trustee repaid a net £30m to the Group, representing £46m of remaining Scheme assets less applicable taxes at 35%, amounting to £16m.

25. Share-based awards

Global Equity Plan

During the period the Group introduced a new equity-settled award plan, the Global Equity Plan ('GEP'), for eligible brokers. This plan was introduced to replace relevant awards previously made under the Group's Global Equity Linked Plan ('GELP'), a cash-settled award scheme. Under the GEP, eligible brokers with performance bonuses and initial contract payments over agreed financial values receive a proportion of their payment in deferred shares. The deferred shares will be settled in equity and are subject to the completion of service conditions of between three to five years, and the fulfilment of other conduct requirements. The fair value of the shares equates to the monetary value of the awards at grant date and includes the value of dividends that will accrue to the beneficiaries.

The cancellation of the GELP awards and their replacement with matching GEP awards has been accounted for as a modification in accordance with IFRS 2 'Share based payments'. The liability held in respect of the GELP awards at the time of the modification has been transferred to equity, resulting in a credit to Retained Earnings of £18m. As there were no differences between the fair values of the awards when modified no additional charge to the Income Statement has been recorded.

26. Events after the balance sheet date

On the 7 August 2024 the Group announced a further £30m share buy back.

Statement of Directors' Responsibilities

Each of the Directors who are Directors as at the date of this Statement of Directors' Responsibilities confirm to the best of their knowledge that:

- the condensed set of financial statements has been prepared in accordance with UK and EU adopted IAS 34 'Interim Financial Reporting';
- the condensed set of financial statements gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by DTR 4.2.4R; and
- the Interim Management Report herein includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:
 - an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
 - material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial information differs from legislation in other jurisdictions.

By order of the Board

Robin Stewart
Chief Financial Officer

7 August 2024

TP ICAP Group plc
22 Grenville Street
St Helier
Jersey
JE4 8PX

TP ICAP Group plc is a company registered in Jersey with registered number 130617.



Independent review report to TP ICAP Group plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed TP ICAP Group plc's condensed consolidated interim financial statements (the "interim financial statements") in the Interim management report of TP ICAP Group plc for the 6 month period ended 30 June 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the European Union, UK adopted International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Balance Sheet as at 30 June 2024;
- the Condensed Consolidated Income Statement for the period then ended;
- the Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Cash Flow Statement for the period then ended;
- the Condensed Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Interim management report of TP ICAP Group plc have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the European Union, UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Interim management report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Interim management report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Interim management report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Interim management report, including the interim financial statements, the directors are responsible for assessing the group'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 the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Interim management report based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
7 August 2024

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GLOSSARY

APM

ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures ('APMs') are complementary to measures defined within International Financial Reporting Standards ('IFRS') and are used by management to explain the Group's business performance and financial position. They include common industry metrics, as well as measures management and the Board consider are useful to enhance the understanding of its performance and allow meaningful comparisons between periods, Regions and Business Segments. The APMs reported are monitored consistently across the Group to manage performance on a monthly basis.

APMs, defined below, are considered important in measuring the delivery of the Group's strategic priorities. Detailed reconciliations of APMs to their nearest IFRS Income Statement equivalents and adjusted APMs can be found in this section, if not readily identifiable elsewhere within this Interim Statement.

The APMs the Group uses are:

Term	Definition
Adjusted attributable earnings	Earnings attributable to the equity holders of the parent less significant items and taxation on significant items.
Adjusted earnings	Reported earnings less significant items and taxation on significant items. Used interchangeably with Adjusted profit for the period or Adjusted post-tax earnings
Adjusted earnings per share	Adjusted earnings less earnings attributable to non-controlling interests, divided by the weighted number of shares in issue.
Adjusted EBIT	Earnings before net interest, tax significant items and share of equity accounted investments' profit after tax. Used interchangeably with adjusted operating profit.
Adjusted EBIT margin	Adjusted EBIT margin is adjusted EBIT expressed as a percentage of reported revenue and is calculated by dividing adjusted EBIT by reported revenue for the period.
Adjusted EBITDA	Earnings before net interest, tax, depreciation, amortisation of intangible assets, significant items and share of equity accounted investments' profit after tax.
Adjusted net finance expense	Net finance expense excluding finance income and finance costs included as significant items.
Adjusted performance	Measure of performance excluding the impact of significant items.
Attributable Earnings	Earnings attributable to the equity holders of the parent, being total earnings less earnings attributable to non-controlling interests.
Constant Currency	Comparison of current period results with the prior period will be impacted by movements in foreign exchange rates versus GBP, the Group's presentation currency. In order to present an additional comparison of underlying performance in the period, the Group retranslates foreign denominated prior period results at current period exchange rates.
Contribution	Contribution represents revenue less the direct costs of generating that revenue. Contribution is calculated as the sum of Broking contribution and Parameta Solutions contribution.
Contribution margin	Contribution margin is contribution expressed as a percentage of reported revenue and is calculated by dividing contribution by reported revenue.
Divisional contribution	Represents Divisional revenues less Divisional front office costs, inclusive of the revenue and front office costs internally generated between Global Broking, Energy & Commodities and Parameta Solutions.

ALTERNATIVE PERFORMANCE MEASURES (continued)

Term	Definition
Divisional contribution margin	Divisional contribution margin is Divisional contribution expressed as a percentage of Divisional revenue and is calculated by dividing Divisional contribution by Divisional revenue.
Earnings	Used interchangeably with Profit for the period or year.
EBIT	Earnings before net interest and tax.
EBIT margin	EBIT margin is EBIT expressed as a percentage of reported revenue and is calculated by dividing EBIT by reported revenue for the period.
EBITDA	Earnings before net interest, tax, depreciation, amortisation of intangible assets and share of equity accounted investments' profit after tax.
Leverage ratio	Total debt, excluding finance lease liabilities, divided by an external Rating Agency's definition of adjusted EBITDA, being profit before tax adding back borrowing costs, depreciation and amortisation, and adjusting for significant items and other adjustments (share of results of associates and joint ventures and share based payment expense).
Net finance expense	Reported finance income less reported finance costs.
Significant Items	<p>Items that distort year-on-year and operating-to-operating segment comparisons, which are excluded in order to provide additional understanding, comparability and predictability of the underlying trends of the business, to arrive at adjusted operating and profit measures.</p> <p>Significant items include the amortisation of acquired intangible assets as similar charges on internally generated assets are not included within the reported results as these cannot be capitalised under IFRS. This is despite the adjusted measure including the revenue related to the acquired intangibles.</p> <p>Significant items do not include the amortisation of purchased and developed software and is retained in both the reported and adjusted results as these are considered to be core to supporting the operations of the business. This is because there are similar comparable items included from purchased and developed software in the reported results for ongoing businesses as well as the acquired items.</p>

A.1 Operating costs by type

H1 2024	IFRS Reported £m	Significant items £m	Adjusted £m	Allocated as Front Office £m	Allocated as Support £m
Employment costs	719	(1)	718	546	172
General and administrative expenses	235	(11)	224	153	71
	954	(12)	942	699	243
Depreciation of PPE and ROUA	21	-	21	-	21
Impairment of PPE and ROUA	6	(6)	-	-	-
Amortisation of intangible assets	36	(21)	15	-	15
	1,017	(39)	978	699	279

H1 2023	IFRS Reported £m	Significant items £m	Adjusted £m	Allocated as Front Office (restated) £m	Allocated as Support (restated) £m
Employment costs	700	(3)	697	531	166
General and administrative expenses ¹	258	(19)	239	148	91
	958	(22)	936	679	257
Depreciation of PPE and ROUA	22	-	22	-	22
Impairment of PPE and ROUA	12	(12)	-	-	-
Amortisation of intangible assets	37	(22)	15	-	15
Operating expenses ²	1,029	(56)	973	679	294

June 2023 divisional operating expenses have been restated to reflect the divisional changes reported in the 2023 Annual Report. The restatements are as follows:

1. General and administrative expenses for front office decreased by £14m and for support increased by £14m.
2. Total operating expenses for front office decreased by £14m and for support increased by £14m.

Year end 2023	IFRS Reported £m	Significant items £m	Adjusted £m	Allocated as Front Office £m	Allocated as Support £m
Employment costs	1,360	(6)	1,354	1,035	319
General and administrative expenses	511	(33)	478	308	170
	1,871	(39)	1,832	1,343	489
Depreciation of PPE and ROUA	45	-	45	-	45
Impairment of PPE and ROUA	11	(11)	-	-	-
Amortisation of intangible assets	72	(44)	28	-	28
Impairment of intangible assets	86	(86)	-	-	-
Operating expenses	2,085	(180)	1,905	1,343	562

A2. Adjusted earnings per share

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Adjusted profit (Note 5)	125	118	229
Non-controlling interests	(2)	(1)	(2)
Adjusted earnings	123	117	227
Weighted average number of shares (for Basic EPS – Note 10)	761.5	781.3	777.7
Adjusted Basic EPS	16.2p	15.0p	29.2p
Weighted average number of shares (for Diluted EPS – Note 10)	782.8	796.0	794.2
Adjusted Diluted EPS	15.7p	14.7p	28.6p

A3. Adjusted EBITDA and Contribution

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Adjusted EBIT (Note 5)	170	163	300
Add: Depreciation of PPE and ROUA (Note 6 and A1)	21	22	45
Add: Amortisation of intangibles (Note 6 and A1)	15	15	28
Adjusted EBITDA	206	200	373
Less: Operating income (Note 7)	(4)	(6)	(22)
Add: Operating income reported as significant items (Note 5)	-	2	8
Add: Management and support costs (A1)	243	257	489
Contribution	445	453	848