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This document comprises a prospectus (the “**Prospectus**”) relating to TP ICAP Group plc, a company incorporated in Jersey with registered number 130617 and legal entity identifier (“**LEI**”) 2138006YAA7IRVKKGE63 (“**New TP ICAP**”) and has been prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the “**FCA**”) under Section 73A of FSMA (the “**Prospectus Regulation Rules**”).

This Prospectus contained herein has been approved by the FCA as competent authority under the UK version of Regulation (EU) 2017/1129 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”) (the “**UK Prospectus Regulation**”). The FCA has only approved this document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of New TP ICAP and of the quality of the New TP ICAP Ordinary Shares. Investors should make their own assessment as to the suitability of investing in the New TP ICAP Ordinary Shares. This Prospectus will be made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

New TP ICAP and its current and proposed directors, whose names appear on page 36 of this Prospectus (the “**Directors**”), accept responsibility for the information contained in this Prospectus. To the best of the knowledge of New TP ICAP and the Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

You should read this Prospectus and the documents incorporated in it by reference in their entirety. In particular, your attention is drawn to the risk factors set out in Part II of this Prospectus headed “Risk Factors”.



TP ICAP GROUP PLC

(Incorporated in Jersey with registered number 130617)

Introduction of up to 796,557,641 New TP ICAP Ordinary Shares of 25 pence each to the premium listing segment of the Official List and to trading on the London Stock Exchange’s main market for listed securities

HSBC

Sponsor and Financial Adviser

This Prospectus has been prepared in connection with a scheme of arrangement pursuant to Part 26 of the Companies Act 2006 (the “**Scheme**”) to introduce New TP ICAP, a new company incorporated in Jersey, as the ultimate holding company of TP ICAP plc, a company incorporated in England and Wales with registered number 5807599 (“**TP ICAP**”) and its subsidiaries from time to time, and has been prepared on the assumption that the Scheme will become effective in accordance with its current terms (“**Effective**”). Further information on the Scheme is set out in Part VII “Information on the Proposals” of this Prospectus.

Application will be made to the FCA for up to 796,557,641 ordinary shares of 25 pence each in the capital of New TP ICAP (the “**New TP ICAP Ordinary Shares**”) to be admitted to listing on the premium listing segment of the Official List of the FCA and to London Stock Exchange plc (the “**London Stock Exchange**”) for the New TP ICAP Ordinary Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities (the “**Main Market**”) (“**Admission**”), subject in each case to the Scheme becoming Effective. If the Scheme proceeds as presently envisaged, it is expected that dealings in the ordinary shares of 25 pence each in the capital of TP ICAP (the “**TP ICAP Ordinary Shares**”) will continue until close of business on 25 February 2021 and that Admission will become effective, and dealings in New TP ICAP Ordinary Shares on the Main Market will commence, at 8.00 a.m. on the date on which the Scheme becomes Effective (the “**Scheme Effective Date**”) which, subject to certain conditions, is expected to occur on 26 February 2021. No application has been, or is currently intended to be, made for the New TP ICAP Ordinary Shares to be admitted to listing or to be dealt with on any other stock exchange.

Prospective holders of New TP ICAP Ordinary Shares (“**New TP ICAP Shareholders**”) should rely only on the information contained in this Prospectus and the documents incorporated herein by reference. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and any document incorporated by reference herein and, if given or made, such information or representation must not be relied upon as having been so authorised. New TP ICAP will comply with its obligation to publish a supplementary prospectus containing further updated information required by law or by any regulatory authority but assumes no further obligation to publish additional information.

The distribution of this Prospectus in jurisdictions other than the United Kingdom and Jersey may be restricted by law and therefore this Prospectus may not be distributed or published in any jurisdiction except under circumstances which result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus and any accompanying documents come should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of the jurisdiction.

A copy of this Prospectus has been delivered to the companies registry of the Jersey Financial Services Commission (“**JFSC**”) (the “**Jersey Companies Registry**”) in accordance with Article 5 of the Companies (General Provision) (Jersey) Order 2002, and it has given, and has not withdrawn, its consent to its publication. The JFSC has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958, to the issue of the New TP ICAP Ordinary Shares by New TP ICAP. It must be clearly understood that, in giving these consents, neither the Jersey Companies Registry nor the JFSC takes any responsibility for the financial soundness of New TP ICAP or for the correctness of any statements made, or opinions expressed, with regard to it. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against any liability arising from the discharge of its functions under that law.

Nothing in this Prospectus or anything communicated to the holders or potential holders of New TP ICAP Ordinary Shares by or on behalf of New TP ICAP is intended to constitute, or should be construed as, advice on the merits of the subscription for New TP ICAP Ordinary Shares or the exercise of any rights attached thereto for the purposes of the Financial Services (Jersey) Law 1998.

HSBC Bank plc (“**HSBC**”) is authorised by the Prudential Regulation Authority (the “**PRA**”) and regulated by the FCA and the PRA in the United Kingdom. HSBC is acting exclusively for TP ICAP and New TP ICAP and no-one else in relation to the Proposals (as defined below) and will not regard any other person (whether or not a recipient of this Prospectus) as a client in relation to the Proposals and will not be responsible to anyone other than TP ICAP and New TP ICAP for providing the protections afforded to its clients or for providing advice in relation to the Proposals or any other transaction, arrangement or matter referred to in this Prospectus. Save for the responsibilities and liabilities, if any, which may be imposed on HSBC by the FSMA or the regulatory regime established thereunder, HSBC nor any of its respective affiliates, directors, officers, employees or advisers accepts any responsibility or liability whatsoever, or makes any representation or warranty, express or implied, in relation to the contents of this Prospectus, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on behalf of it, TP ICAP, New TP ICAP, the Directors or any other person in connection with the Proposals or Admission, and nothing in this Prospectus shall be relied upon as a promise or representation in this respect, whether as to the past or the future. HSBC and its respective affiliates, directors, officers, employees or advisers accordingly disclaim to the fullest extent permitted by law all and any responsibility and liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise be found to have in respect of this Prospectus or any such statement.

THE CONTENTS OF THIS PROSPECTUS ARE NOT TO BE CONSTRUED AS LEGAL, FINANCIAL, BUSINESS OR TAX ADVICE. EACH POTENTIAL INVESTOR SHOULD CONSULT HIS, HER OR ITS OWN LEGAL ADVISER, FINANCIAL ADVISER OR TAX ADVISER FOR LEGAL, FINANCIAL OR TAX ADVICE.

This Prospectus does not constitute, and may not be used for the purposes of, any offer or invitation to sell or issue or the solicitation of any offer to purchase or subscribe for TP ICAP Ordinary Shares and/or New TP ICAP Ordinary Shares. The distribution of this Prospectus and the offering of New TP ICAP Ordinary Shares in certain jurisdictions may be restricted by law and, accordingly, persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of the jurisdiction concerned.

Copies of this document are available free of charge from TP ICAP plc, Level 2, 155 Bishopsgate, London, EC2M 3TQ, United Kingdom, and on the website, www.tpicap.com/investors.

NOTICE TO US TP ICAP SHAREHOLDERS

The Scheme is to be implemented through a scheme of arrangement in accordance with English company law. As such, the New TP ICAP Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”) and the New TP ICAP Ordinary Shares will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof and also will not be subject to the proxy solicitation rules under the US Securities Exchange Act of 1934, as amended (the “**US Exchange Act**”). TP ICAP Shareholders who are or will be affiliates of TP ICAP prior to, or of New TP ICAP after, the Scheme becomes Effective will be subject to certain US transfer restrictions relating to the New TP ICAP Shares received pursuant to the Scheme (see “*Important Information—Notice to potential investors — Information for United States shareholders*”).

The Scheme and this Prospectus are subject to UK procedural and disclosure requirements that are different from those of the United States. TP ICAP Shareholders in the United States should be aware that such requirements are different from those of the United States applicable to registration statements under the US Securities Act and proxy statements under the US Exchange Act. The financial statements and historical financial information included in this Prospectus have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“**IFRS**”), which differ from United States generally accepted accounting principles in certain material respects, and thus are not comparable in all respects to financial statements and historical financial information of United States companies.

TP ICAP Shareholders should be aware that the Scheme and the ownership of New TP ICAP Ordinary Shares may have tax consequences in the United States that are not described in this Prospectus. TP ICAP Shareholders are advised to consult their own tax advisers to determine the particular tax consequences to them of the Scheme.

Enforcement by TP ICAP Shareholders of civil liabilities under US securities laws may be affected adversely by the fact that TP ICAP and New TP ICAP are organised under the laws of a jurisdiction outside the United States, that some or all of their officers and directors are residents of countries other than the United States, that some of the experts named in this Prospectus are residents of countries other than the United States, and that all or a substantial portion of the assets of TP ICAP and New TP ICAP and such persons may be located outside the United States. It may be difficult for New TP ICAP Shareholders located in the US to enforce their rights and any claims they may have arising under the US federal securities laws in connection with the Scheme. Holders of New TP ICAP Ordinary Shares located in the US may not be able to sue New TP ICAP or its directors or officers in a non-US court for violations of US securities laws. Further, it may be difficult to compel New TP ICAP and its respective affiliates to subject itself to the jurisdiction or judgment of a US court.

The New TP ICAP Ordinary Shares to be issued in connection with the Scheme have not been approved or disapproved by the US Securities and Exchange Commission (the “SEC**”) or any securities regulatory authorities of any state of the United States, nor have such authorities passed upon or determined the fairness or merits of such securities or upon the adequacy or accuracy of the information contained in this Prospectus. Any representation to the contrary is a criminal offence in the United States.**

The date of this Prospectus is 7 January 2021.

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PART I

SUMMARY

1. INTRODUCTION AND WARNINGS

This summary has been prepared in accordance with Article 7 of the UK Prospectus Regulation and should be read as an introduction to the Prospectus. Any decision to invest in the ordinary shares of 25 pence each in the capital of TP ICAP Group plc, a company incorporated in Jersey with registered number 130617 (“**New TP ICAP**”) (the “**New TP ICAP Ordinary Shares**”), should be based on consideration of the Prospectus as a whole by the investor. An investor could lose all or part of the invested capital.

New TP ICAP’s registered office is at 22 Grenville Street, St Helier, Jersey JE4 8PX. New TP ICAP is registered with the Jersey Companies Registry under registered number 130617. New TP ICAP’s telephone number is +44 (0)1534 676 720. New TP ICAP’s Legal Entity Identifier (“**LEI**”) is 2138006YAA7IRVKKGE63. The New TP ICAP Ordinary Shares’ International Security Identification Number (“**ISIN**”) is JE00BMDZN391.

The Prospectus was approved as a prospectus for the purposes of Article 3 of the UK Prospectus Regulation by, and filed with, the Financial Conduct Authority (the “**FCA**”), as a competent authority under the UK Prospectus Regulation, on 7 January 2021. The FCA’s registered office is at 12 Endeavour Square, London E20 1JN, United Kingdom and its telephone number is +44 (0)207 066 1000.

Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the New TP ICAP Ordinary Shares.

2. KEY INFORMATION ON NEW TP ICAP

Who is the issuer of the New TP ICAP Ordinary Shares?

Domicile and legal form. New TP ICAP is a public limited company incorporated and registered under the laws of Jersey. The principal legislation under which New TP ICAP operates is the Companies (Jersey) Law 1991 (as amended from time to time) (the “**Jersey Companies Law**”). New TP ICAP’s LEI is 2138006YAA7IRVKKGE63.

Principal activities. New TP ICAP has been incorporated to be the new ultimate holding company of the Group (as defined in Part XVII “Definitions”).

The Group operates at the centre of global wholesale over-the-counter (“**OTC**”) and exchange-traded markets, providing both data and execution services. The Group provides broking services, including facilitating price discovery and execution, to counterparties operating in the world’s major wholesale OTC and exchange-traded financial and commodity markets. The Group is active across all core financial, energy and commodities asset classes, facilitating the flow of liquidity around the world and contributing to economic growth and financial stability.

Major shareholders. As at 5 January 2021 (being the latest practicable date prior to publication of this Prospectus), insofar as it has been notified to TP ICAP plc, a company incorporated in England and Wales with registered number 5807599 (“**TP ICAP**”), pursuant to the Companies Act 2006 and/or Chapter 5 of the disclosure guidance and transparency rules made by the FCA pursuant to section 73A of the Financial Services and Markets Act 2000 (the “**FSMA**”) (the “**Disclosure Guidance and Transparency Rules**”), in the name of each person who, directly or indirectly, has an interest in voting rights representing 3 per cent. or more of the total voting rights in respect of TP ICAP’s issued share capital and who will, immediately following the proposed scheme of arrangement pursuant to Part 26 of the Companies Act 2006 to introduce New TP ICAP as the ultimate holding company of the Group (the “**Scheme**”) becoming effective in accordance with its terms (“**Effective**”), have an interest in voting rights representing 3 per cent. or more of the total voting rights in respect of the issued share capital of New TP ICAP, and the amount of such person’s interest (based on the issued ordinary share capital of TP ICAP as at 5 January 2021 being the last practicable date prior to the

publication of this Prospectus and assuming full take up by such persons of their entitlement under the Rights Issue and all of the TP ICAP Rights Issue Shares are issued), are set out below:

<u>Name</u>	<u>Percentage of New TP ICAP Ordinary Shares</u>
Schroders plc	12.417%
Jupiter Fund Management Plc	8.852%
Liontrust Asset Management plc	5.070%
Silchester International Investors LLP	5.040%

None of the shareholders referred to above will have, upon implementation of the Proposals (as defined in Part XVII “Definitions”), different voting rights from any other holder of New TP ICAP Ordinary Shares (the “**New TP ICAP Shareholders**”).

Executive directors. The executive directors of TP ICAP (who are also the directors of New TP ICAP as at the date of this Prospectus) are Nicolas Breteau (Group Chief Executive Officer), Robin Stewart (Group Chief Financial Officer) and Philip Price (Group General Counsel). It is anticipated that, prior to Admission, each director of TP ICAP will be appointed as a director of New TP ICAP.

Statutory auditor. Deloitte LLP with its address at 1 New Street Square, London, EC4A 3HQ, United Kingdom, will be appointed the statutory auditor of New TP ICAP.

What is the key financial information regarding New TP ICAP?

This is not applicable for New TP ICAP. New TP ICAP has not traded since 23 December 2019, its date of incorporation and, as such, there is no historical key financial information on New TP ICAP.

The tables below set out summary financial information for the Group for the periods indicated. The data below has been extracted without material adjustment from the Group’s audited consolidated financial statements as at and for the years ended 31 December 2017, 2018 and 2019 prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“**IFRS**”) and the Group’s unaudited interim financial statements as at and for the nine months ended 30 September 2020 prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as adopted by the European Union (“**IAS 34**”) (except for the omission of separate disclosures of financial information for the three month period commencing 1 July 2020 and ending 30 September 2020) (together, the “**Consolidated Financial Statements**”).

Consolidated Income Statement

	<u>Year ended 31 December</u>			<u>Nine months ended 30 September</u>	
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2019</u>	<u>2020</u>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
	<i>(£ million)</i>			<i>(£ million)</i>	
Revenue	1,757	1,763	1,833	1,400	1,378
Operating profit	102	93	142	164	147
Profit for the period	87	35	68	104	81

Consolidated Balance Sheet

	<u>As at 31 December</u>			<u>As at 30 September</u>
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>
	<i>(£ million)</i>			<i>(£ million)</i>
Total assets	37,373	25,513	52,065	73,681
Total liabilities	(35,540)	(23,683)	(50,335)	(71,917)
Total equity	1,833	1,830	1,730	1,764

Condensed Consolidated Cash Flow Statement

	Year ended 31 December			Nine months ended 30 September	
	2017	2018	2019	2019	2020
	(audited)	(audited)	(audited)	(unaudited)	(unaudited)
	(£ million)			(£ million)	
Cash flows from operating activities	87	149	148	26	75
Net cash flows from investment activities	(84)	(71)	(55)	(33)	(73)
Net cash flows from financing activities	(49)	(51)	(71)	(6)	(5)

Selected unaudited pro forma financial information. The unaudited pro forma statement of net assets and the pro forma consolidated income statements (together, the “**Unaudited Pro Forma Financial Information**”) set out below have been prepared for illustrative purposes only, to illustrate the effect on the profit and financial position of the Group of the Rights Issue and the Liquidnet Acquisition. The unaudited pro forma statement of net assets has been presented assuming the Rights Issue and the Liquidnet Acquisition occurred on 30 September 2020. The unaudited pro forma income statements for the year ended 31 December 2019 and for the nine months ended 30 September 2020 have been presented assuming that the Liquidnet Acquisition occurred on 1 January 2019 and 1 January 2020, respectively. The Unaudited Pro Forma Financial Information, by its nature, addresses a hypothetical situation and, therefore, does not represent the actual financial position or results of the Group and the Liquidnet Group. Such information may not, therefore, give a true picture of the Group’s financial position or results of operations nor is it indicative of its results. The Unaudited Pro Forma Financial Information has been prepared in accordance with the UK version of Annex 20 of Commission Delegated Regulation (EU) 2019/980 (which is part of UK law by virtue of the EUWA) supplementing the UK Prospectus Regulation. The Unaudited Pro Forma Financial Information has not been prepared, and shall not be construed as having been prepared, in accordance with the Regulation S-X under the US Securities Act.

The Unaudited Pro Forma Financial Information is based on the Group’s unaudited consolidated balance sheet as at 30 September 2020, the Group’s audited consolidated income statement for the year ended 31 December 2019 and the Group’s unaudited consolidated income statement for the nine months ended 30 September 2020 and is stated on the basis of the accounting policies of the Group set out in the TP ICAP 2019 Financial Statements.

Unaudited Pro Forma Statement of Net Assets

The following unaudited pro forma statement of net assets of the enlarged Group has been prepared to illustrate the consolidated statement of net assets of the Group as if the Liquidnet Acquisition had taken place on 30 September 2020.

	TP ICAP as at 30 September 2020	Liquidnet as at 30 September 2020	Adjustments		Consideration paid and net intangible assets	Pro forma net assets as at 30 September 2020
			Rights issue	Draw down on Facilities		
			(£ million)			
Non-current assets	1,941.0	200.3	—	—	274.5	2,415.8
Current assets	71,740.0	293.2	311.1	81.0	(392.1)	72,033.2
Total assets	73,681.0	493.6	311.1	81.0	(117.6)	74,449.1
Current liabilities	(70,916.0)	(133.8)	—	(81.0)	—	(71,130.9)
Non-current liabilities	(1,001.0)	(178.1)	—	—	(64.0)	(1,243.1)
Total liabilities	(71,917.0)	(312.0)	—	(81.0)	(64.0)	(72,374.0)
Net assets	1,764.0	181.6	311.1	—	(181.6)	2,075.1

Unaudited Pro Forma Income Statement for the year ended 31 December 2019

The following unaudited pro forma income statement of the enlarged Group has been prepared to illustrate the consolidated statement of operating income of the Group as if the Liquidnet Acquisition had taken place on 1 January 2019.

	TP ICAP for the year ended 31 December 2019	Adjustments		Pro forma for the year ended 31 December 2019
		Liquidnet for the year ended 31 December 2019	Liquidnet Acquisition	
		(£ million)		
Revenue	1,833.0	236.1	—	2,069.1
Operating profit — underlying	279.0	(2.8)	—	276.2
Operating profit — reported	142.0	(2.8)	(16.5)	122.7
Profit for the period	68.0	(10.0)	(16.0)	42.1

Unaudited Pro Forma Income Statement for the nine months ended 30 September 2020

The following unaudited pro forma income statement of the enlarged Group has been prepared to illustrate the consolidated income statement of the Group as if the Liquidnet Acquisition had taken place on 1 January 2020.

	TP ICAP for the nine months ended 30 September 2020	Adjustments		Pro forma for the nine months ended 30 September 2020
		Liquidnet for the nine months ended 30 September 2020	Liquidnet Acquisition	
		(£ million)		
Revenue	1,378.0	198.9	—	1,576.9
Operating profit — underlying	218.0	5.3	—	223.3
Operating profit — reported	147.0	5.3	(11.9)	140.4
Profit for the period	81.0	(3.1)	(11.7)	66.2

Other key financial information. There has been no significant change in the financial performance and financial position of the Group since 30 September 2020, being the end of the last financial period for which financial information has been published. No profit forecast has been included in the Prospectus. There are no qualifications in the audit reports covering the historical financial information of either the Group for the financial years ended 31 December 2017, 2018 and 2019.

What are the key risks that are specific to New TP ICAP?

The following is a selection of key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. In making the selection, the following circumstances have been considered: the probability of a risk materialising on the basis of the current state of affairs, the potential impact which the materialisation of a risk could have, and the attention that management would, on the basis of current expectations, need to devote to managing these risks if they were to materialise.

The Group operates in highly competitive markets and competition could intensify in the future.

The Group currently operates in market conditions that remain challenging across a number of product areas. The markets in which the Group operates may be subject to reduced trading activity driven by low trading volumes and market uncertainty.

The ongoing COVID-19 (coronavirus) pandemic may adversely impact the Group's business in a number of areas, including its revenues, operational risks and strategy.

The Group requires access to exchanges and trading venues, settlement services, clearing organisations and other market infrastructure arrangements without which its ability to undertake some or all of its activities would be adversely affected.

The completion of the Liquidnet Acquisition (the “**Completion of the Liquidnet Acquisition**”) is conditional and the conditions may fail to be satisfied, which could result in the delay of Completion of the Liquidnet Acquisition or could result in the Liquidnet Acquisition not becoming effective, preventing TP ICAP from

realising the anticipated benefits of the Liquidnet Acquisition and could result in TP ICAP incurring certain liabilities and other additional costs.

The planned for benefits of the Liquidnet Acquisition may fail to be achieved within the stated time period, or at all, because of a number of factors, any of which may have a material adverse effect on the Group's business, financial condition and results of operations.

Changes in market dynamics or structure as a result of regulatory changes or a rapid change in the method of broking in one or more products are difficult to accurately predict and could significantly undermine the Group's business and profitability.

The Group operates in a regulated environment that imposes significant compliance requirements, and changes in regulations may increase the cost and complexity of doing business.

The Group requires significant liquidity to facilitate its operations and insufficient liquidity could adversely impact the Group's operations.

3. KEY INFORMATION ON THE NEW TP ICAP ORDINARY SHARES

What are the main features of the New TP ICAP Ordinary Shares?

Type, class and ISIN. Existing holders of the ordinary shares of 25 pence each in the capital of TP ICAP (the "TP ICAP Ordinary Shares") are expected to be issued with 788,670,932 New TP ICAP Ordinary Shares in aggregate pursuant to the Scheme (based on the issued ordinary share capital of TP ICAP as at 5 January 2021, being the latest practicable date prior to publication of this Prospectus and on the basis that all TP ICAP Rights Issue Shares are issued). The New TP ICAP Ordinary Shares are ordinary shares in the share capital of New TP ICAP with a nominal value of 25 pence each. When admitted to trading, the ISIN number of the New TP ICAP Ordinary Shares will be JE00BMDZN391.

Rights attached to the New TP ICAP Ordinary Shares. The New TP ICAP Ordinary Shares will be issued credited as fully paid and rank *pari passu* in all respects with each other, including in relation to any dividends or other distributions with a record date falling after the issue of the New TP ICAP Ordinary Shares. Subject to any special rights, restrictions or prohibitions as regards voting for the time being attached to any New TP ICAP Ordinary Shares (for example, in the case of joint holders of a share, the only vote which will count is the vote of the person whose name is listed before the other person(s) on the register for that share), New TP ICAP Shareholders shall have the right to receive notice of and to attend and vote at general meetings of New TP ICAP. Subject to the provisions of the Jersey Companies Law, New TP ICAP may from time to time declare dividends and make other distributions on the New TP ICAP Ordinary Shares. New TP ICAP Shareholders are entitled to participate in the assets of New TP ICAP attributable to their shares in a winding-up of New TP ICAP or other return of capital, but they have no rights of redemption.

Rank of the New TP ICAP Ordinary Shares in New TP ICAP's capital structure in the event of insolvency. The New TP ICAP Ordinary Shares do not carry any rights to participate in a distribution other than those that exist under the Jersey Companies Law. The New TP ICAP Ordinary Shares will rank *pari passu* in all respects.

Restrictions on free transferability of the New TP ICAP Ordinary Shares. The New TP ICAP Ordinary Shares are freely transferable and there are no restrictions on transfer. A New TP ICAP Shareholder may transfer all or any of their New TP ICAP Ordinary Shares in any manner which is permitted by the Jersey Companies Law and is from time to time approved by the directors of New TP ICAP, subject to:

- the absolute discretion of the directors of New TP ICAP to refuse to register any transfer of any certificated New TP ICAP Ordinary Share which is not fully paid up (but not so as to prevent dealings in New TP ICAP Ordinary Shares admitted to the Official List of the FCA from taking place on an open and proper basis) or on which New TP ICAP has a lien;
- the absolute discretion of the directors of New TP ICAP to refuse to register any instrument of transfer of a certificated New TP ICAP Ordinary Share unless it is: (i) lodged at the registered office, or such other place as the directors of New TP ICAP may decide, for registration; (ii) accompanied by the share certificate for the New TP ICAP Ordinary Share to be transferred; (iii) accompanied by such other evidence as the directors of New TP ICAP may reasonably require to prove title of the intending transferor or his right to transfer the New TP ICAP Ordinary Share; and (iv) in respect of only one class of New TP ICAP Ordinary Shares; and

- the restrictions on transfer which apply on the failure by a holder or interested person to provide requested information within 14 days of having been issued with a disclosure notice by New TP ICAP on the basis that New TP ICAP knows or has reasonable cause to believe that the person is either interested in New TP ICAP Ordinary Shares or has been so interested at any time during the three years immediately preceding the date on which the disclosure notice is issued.

Dividend policy. As previously announced, if the Liquidnet Acquisition is approved by TP ICAP Shareholders, the Directors intend to recommend a one-off 50 per cent. reduction of the minimum £94 million dividend in respect of the year ending 31 December 2020. This will help fund the Liquidnet Acquisition and minimise dilution of earnings on a per share basis of the enlarged Group as a result of the Rights Issue.

For the financial year ending 31 December 2021 onwards, the Board intends to introduce a new dividend policy that will target a dividend cover of approximately two times underlying earnings (defined as profit for the year adjusted for acquisition, disposal and integration costs, exceptional items and taxation). The new dividend policy reflects a balanced approach to capital allocation and is expected to allow the enlarged Group to invest to drive growth, while allowing dividends to increase in line with underlying earnings.

Where will the New TP ICAP Ordinary Shares be traded?

Application will be made to the FCA for the New TP ICAP Ordinary Shares to be admitted to listing on the premium listing segment of the Official List of the FCA and to the London Stock Exchange for the New TP ICAP Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities (the "**Main Market**"), subject in each case to the Scheme becoming Effective ("**Admission**"). If the Scheme proceeds as presently envisaged, it is expected that Admission will become Effective, and that dealings in New TP ICAP Ordinary Shares on the Main Market will commence, on 26 February 2021. No application has been, or is currently intended to be, made for the New TP ICAP Ordinary Shares to be admitted to listing or to be dealt with on any other stock exchange.

What are the key risks that are specific to the New TP ICAP Ordinary Shares?

The following is a summary of selected key risks that relate to the New TP ICAP Ordinary Shares.

The New TP ICAP Ordinary Shares may be subject to market price volatility, as a result of a variety of factors, including in response to developments that are unrelated to the Group's operating performance.

Shareholders in the United States may not be able to participate in future equity offerings due to limitations under United States securities laws or otherwise.

Legal investment considerations, including legal investment laws and regulations, or review or regulation by certain authorities may restrict certain investments.

The level of any dividend paid in respect of the New TP ICAP Ordinary Shares is within the discretion of the Board and is subject to a number of factors and any failure to pay dividends in any financial year, could adversely affect the market price of New TP ICAP Ordinary Shares.

4. KEY INFORMATION ON ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in the New TP ICAP Ordinary Shares?

Terms of the offer. This Prospectus does not comprise an offer of New TP ICAP Ordinary Shares. If the Scheme becomes Effective, existing holders of TP ICAP Ordinary Shares are expected to be issued with 788,670,932 New TP ICAP Ordinary Shares in aggregate pursuant to the Scheme (based on the issued ordinary share capital of TP ICAP as at 5 January 2021, being the latest practicable date prior to publication of this Prospectus and on the basis that all TP ICAP Rights Issue Shares are issued).

Estimated expenses. The total costs, charges and expenses payable by the Group in connection with the Proposals are estimated to be approximately £10 million. No expenses will be charged to prospective New TP ICAP Shareholders by New TP ICAP in respect of the Proposals.

Dilution. No dilution will occur as this Prospectus does not comprise an offer of New TP ICAP Ordinary Shares. If the Scheme becomes Effective, existing holders of TP ICAP Ordinary Shares will receive, for each one TP ICAP Ordinary Share held, one New TP ICAP Ordinary Share.

Timetable. If the Scheme proceeds as presently envisaged, it is expected that Admission will become effective, and that dealings in New TP ICAP Ordinary Shares on the Main Market will commence, on 26 February 2021.

Why is the prospectus being produced?

This Prospectus is being produced in connection with the Admission of the New TP ICAP Ordinary Shares issued and to be issued pursuant to the Scheme. If the Scheme is implemented, New TP ICAP, a company incorporated in Jersey, will become the ultimate holding company of the Group. The Proposals are expected to create a more capital efficient corporate structure that is expected to provide greater financial flexibility.

Net proceeds. New TP ICAP will not receive any proceeds as a result of the Admission of the New TP ICAP Ordinary Shares.

Underwriting agreements. This Prospectus does not comprise an offer of New TP ICAP Ordinary Shares and, as such, the Group has not entered into any underwriting arrangements in connection with the Proposals.

Material conflicts of interest pertaining to the admission. There are no material conflicts of interest pertaining to the Admission of the New TP ICAP Ordinary Shares.

PART II

RISK FACTORS

Any investment in TP ICAP Ordinary Shares and New TP ICAP Ordinary Shares is subject to a number of risks. Accordingly, TP ICAP Shareholders and any prospective New TP ICAP Shareholders and any potential investors in New TP ICAP Ordinary Shares should carefully consider the following risks and uncertainties together with all the other information set out in, or incorporated by reference into, this Prospectus prior to making any decision relating to the New TP ICAP Ordinary Shares. The risks described below are based on information known at the date of this Prospectus, but may not be the only risks to which the Group is or might be exposed. Additional risks and uncertainties, which are currently unknown to the Directors or that the Directors do not currently consider to be material, may materially affect the business of the Group and could have a material adverse effect on the business, financial condition, results of operations and/or prospects of the Group. This Prospectus also contains estimates that involve risks and uncertainties. The Group's results may differ significantly from those previously estimated as a result of certain factors, including the risks as described below.

If any of the following risks were to occur, the business, financial condition, results of operations and/or prospects of the Group could be materially adversely affected and the value of the New TP ICAP Ordinary Shares could decline and New TP ICAP Shareholders and investors could lose all or part of the value of their investment in the New TP ICAP Ordinary Shares.

TP ICAP Shareholders and any prospective New TP ICAP Shareholders should read this Prospectus as a whole and not rely solely on the information set out in this section. The financial information set out in this section has been extracted without material adjustment from the financial information referred to in Part XII "Selected Financial Information of the Group".

1. RISKS RELATING TO THE GROUP'S BUSINESS AND INDUSTRY

1.1 The markets in which the Group operates, including the financial technology industry generally and the financial markets, in particular, are highly competitive and competition could intensify in the future. If the Group is unable to continue to compete effectively for any reason, certain aspects of its business may be materially adversely affected which could result in lower revenue, increased costs, loss of opportunities or damage to the Group's reputation.

The Group has numerous current and prospective competitors in each of its key markets. Some of its competitors and potential competitors may have, in certain markets, larger client bases, more established name recognition and greater financial, marketing, technology and personnel resources, or may be able to offer services that are significantly cheaper than the services offered by the Group or are otherwise disruptive to the Group's market assumptions. Some of these competitors may be able to respond more quickly to new or evolving opportunities, technologies, client requirements and industry standards than the Group, and may be able to undertake more extensive marketing activities. The Group may also face competition in the future from new entrants, or from the introduction of new and more advanced technologies, in its markets, particularly those markets where it enjoys a scale advantage.

The Group's competitors may be able to:

- develop services similar to those of the Group or new services that are more attractive to clients;
- provide access to trading in products or a range of products that the Group does not currently or is unable to offer;
- provide better execution and lower transaction costs;
- adapt more swiftly to new or emerging technologies and changes in client requirements;
- provide new services to clients more quickly and efficiently;
- offer better, faster and more reliable technology to support client needs and requirements;
- take greater advantage of acquisitions, alliances and other opportunities;
- market, promote and sell their services more effectively to clients of the Group;
- hire the Group's brokers and other key revenue-generating employees and managerial staff;
- migrate products to new broking platforms or venues which could move trading activity away from the Group;

- better leverage their relationships with their clients, including new classes of clients in order to generate greater revenues; or
- offer better contractual terms to clients.

The Group has experienced intense price competition in its voice brokerage business in recent years. In addition, as the historical markets for OTC products shift to become more commoditised due, in part, to central counterparty clearing and electronic execution, the Group could lose market share to other inter-dealer brokers, exchanges and electronic multi-dealer brokers who specialise in providing brokerage services in more commoditised markets or who have a broader client base. Furthermore, new or existing competitors could gain access to markets or products in which the Group currently enjoys a scale or competitive advantage. Such competitors may have a greater ability to offer new services, or provide existing services to more diverse clients, and this may result in competitors gaining market share. Even if new or existing competitors do not significantly erode the Group's market share, they may offer their services at lower prices, and the Group may be required to reduce its brokerage commissions to remain competitive, which could have a material adverse effect on its revenue and profitability. There can be no assurance that the Group will have sufficient resources to continue to make discretionary investment in the development of its services to clients or that it will otherwise be successful in maintaining its current market position.

Any of the foregoing factors could materially and adversely affect the Group's business, financial condition and results of operations.

1.2 The Group operates in market conditions that remain challenging across a number of product areas. The markets in which the Group operates may be subject to reduced market activity driven by low trading volumes and trading uncertainty. A prolonged period of reduced trading activity over the medium to longer term could significantly reduce the Group's revenues and materially impact its profitability.

Adverse market conditions, economic conditions and geopolitical uncertainties have in the past adversely affected the revenues of the Group and may in the future adversely affect the Group's business and profitability. The Group's brokerage business, and the brokerage and financial services industry in general, are affected by national and international economic and political conditions and investor sentiment generally, among other factors. The Group generates revenue primarily from brokerage commissions it earns by facilitating and executing client orders, and its revenue is therefore substantially dependent on client trading volumes. For example, during the nine months ended 30 September 2020 and 2019, the Group generated 88.2 per cent. and 90.0 per cent. of its revenue, respectively, from its Global Broking and Energy & Commodities businesses by facilitating and executing client orders.

Client trading volumes are determined by a number of factors, including the global level of issuance of financial instruments, price volatility of financial instruments, macroeconomic conditions, creation and adoption of new financial products, the regulatory environment, and the introduction and adoption of new trading technologies. Historically, increased price volatility has often increased trading activity and the demand for services provided by the Group. Conversely, the Group's revenues and profitability are likely to decline significantly during periods of stagnant economic conditions or low trading volumes in the financial, energy and commodity markets, which can result from periods of very low market volatility (which tends to correlate to reduced trading opportunities) or extremely high market volatility which may generate structural uncertainty such that many clients have reduced risk appetite and are less willing to trade (such as the period during the initial outbreak of COVID-19 in late March 2020), resulting in a reduction in risk appetite amongst clients. During periods of low volatility, the level of financial market activity is generally lower, and the volume of transactions undertaken by the Group's business on behalf of its clients tends to be lower, leading to lower revenues.

Market volatility is driven by a number of financial, economic and other factors which are, by their nature, directly affected by national and international economic and political conditions and investor sentiment that are beyond the Group's control.

In addition to the factors noted above, the following additional factors, among others, have had and may have a negative impact on the volume of transactions the Group's clients conduct and, accordingly, on the Group's revenue and profitability:

- economic, political and market developments, including tariffs, trade policies and decline in global trade;
- economic and operational challenges created by the ongoing COVID-19 (coronavirus) pandemic ("COVID-19"), including subsequent "waves" of infections;

- broad trends in the finance industry, including the volume of new issuances and fee levels;
- adverse market conditions, including unforeseen market closures or other disruptions in trading;
- changes in trading patterns in the relevant financial markets which depend on client confidence levels and risk appetite, both of which may be adversely affected at times when the financial markets generally are unsettled;
- price levels and price volatility in the securities, currency, commodities and other markets, changes in yield curves (particularly when yield curves are flat, and short or long term market rates are low, which generally correlate with lower levels of market activity) and changes in market sentiment;
- legislative and regulatory changes, including changes to financial industry regulations and tax laws, that may generate significant uncertainty in the finance industry and therefore reduce activity by the Group's clients;
- changes in market dynamics or structures as a result of new regulations or a rapid change in the method of broking in one or more products (see *"Financial services regulation and legislation has undergone and is anticipated to continue to undergo significant changes and developments. Changes in market dynamics or structure as a result of new or amended regulations directly or indirectly affecting the Group's activities or its clients, or a rapid change in the method of broking in one or more products, are difficult to accurately predict. The timing, scope or form of future regulatory initiatives could significantly undermine the Group's ability to serve its clients and maintain its profitability."* below);
- actions of competitors (see *"The markets in which the Group operates, including the financial technology industry generally and the financial markets, in particular, are highly competitive and competition could intensify in the future. If the Group is unable to continue to compete effectively for any reason, certain aspects of its business may be materially adversely affected which could result in lower revenue, increased costs, loss of opportunities or damage to the Group's reputation."* above);
- changes in government and central bank monetary policies, with financial stimulus measures or the easing of monetary policy in certain markets resulting in a flattening of yield curves and the dampening of activity in certain asset classes;
- changes in interest rates, foreign exchange rates and inflation;
- availability of cash for investment by mutual funds, exchange traded funds and other wholesale and retail investors;
- credit availability and other liquidity concerns;
- concerns over credit default or bankruptcy of one or more sovereign nations or corporate entities;
- disruption and potential loss of competitive advantage from the advent or application of novel technology;
- natural disasters; and
- concerns about terrorism, war or other armed hostilities.

Material decreases in trading volumes from period to period are likely to significantly reduce the Group's revenue, which can significantly reduce the Group's profit.

1.3 The Group's business, including its financial performance, operations and strategy, may be impacted by the persistence of COVID-19.

COVID-19 has had and continues to have a very significant impact on socio-economic conditions both regionally, and globally. Although the initial outbreak of COVID-19 in developed markets in late March 2020 resulted in a reduction in risk appetite and trading amongst clients, the overall impact of COVID-19 in the first half of 2020 was increased volatility and higher trading volumes, to the benefit of the Group's revenue. However, the persistence of COVID-19 and the economic impact of government responses to it, which continues to affect various countries, may yet result in lower trading activity from certain of the Group's clients and therefore may adversely impact the Group's business operations and revenue. It is currently unclear how long lower levels of market activity resulting from COVID-19, or from the macro-economic uncertainty resulting from government reactions to the pandemic, will persist and, accordingly, the impact on the Group's revenues and profitability remain uncertain. The impact of the COVID-19 pandemic on the Group may also vary materially by geographic location, in part as a result of the varying levels of success in containing COVID-19 across different regions.

The COVID-19 pandemic may negatively impact the credit ratings of certain of the Group's clients, leading to the imposition of limitations on the amount of business the Group can transact with a given client, and, negatively impacting the Group's revenues. The COVID-19 pandemic may also significantly impact client activity, which may result in operational issues arising from the clearing and settlement of client orders. In some cases, a potential side effect of clients failing to match trades could be the requirement from certain exchanges that the Group provides additional cash collateral or margin deposits for a period of time. The provision of such margin for an uncertain period and in uncertain amounts may negatively impact the Group's cash reserves. See *"The Group's Matched Principal broking and Executing Broker activities and the resultant settlement processes create exposure to both market risk and liquidity risk that may reduce the Group's liquidity and adversely affect its profitability."* below.

Whilst the majority of the Group's employees who are client-facing (i.e., interdealer brokers) successfully transitioned to working from home during the COVID-19 pandemic, the Group may face a situation whereby key client-facing staff may become ill, and be required to undergo long absences from certain of the Group's operations due to COVID-19, resulting in gaps in client coverage and support, delaying effective responses for support or business management functions. A prolonged economic downturn from the negative effects of COVID-19 could result in the Group reducing its workforce or incurring charges related to staff long-term sick pay if staff become impacted by the COVID-19 virus. Furthermore, with the majority of its employees working remotely, or by video and tele-conference, the Group may determine that its business cannot be effectively operated or managed in the medium to long-term and any prolonged restrictions on movement or travel may therefore have a significant adverse impact on the Group and its operations. Moreover, the Group faces and will continue to face additional technological challenges due to the large number of employees working from home in response to the COVID-19 pandemic, which if not supervised appropriately and supported with adequate IT infrastructure, could increase the Group's operational risks, including those relating to trade execution, cybersecurity and regulatory compliance, any of which could have a material adverse effect on the Group's business, financial condition and results of operations. See also *"The failure, loss or disruption of the Group's key software, infrastructure or information systems could limit the Group's ability to conduct its operations and materially adversely impact the Group."* below.

Disruptions resulting from the COVID-19 pandemic, whether as a result of the absence of key personnel due to illness or other COVID-19 related disruptions, may also result in a delay of the implementation of the Group's strategy, including with respect to integrating the Liquidnet business or realising the anticipated benefits of the Acquisition, which could have an adverse impact on the Group's business, financial condition and results of its operations.

A decline in revenues as a result of the pandemic may lead to a decline in the Group's share price and, as a result of such decline, its market capitalisation. Although the Group has sought to take remedial measures to address any potential decline in profitability resulting from the COVID-19 pandemic (for example, a reduction in its cost base), such actions may not be sufficient to offset any potential decline in revenue as a result of the COVID-19 pandemic resulting in a material adverse impact on the Group's business, financial condition and results of operations.

1.4 The Group's future success depends to a significant degree upon the continued contributions of its key personnel, the Group's ability to recruit, train, retain and motivate personnel, and its ability to ensure that employment contract terms are appropriate and enforceable.

The Group's future success depends upon the expertise and continued services of key personnel, including personnel involved in the management and development of its business, personnel directly generating revenue, and personnel involved in the management of control functions, and upon the continued ability of the Group to recruit, train, retain and motivate qualified and highly skilled personnel in all areas of its business. Competition for senior executives and management personnel in the Group's industry is intense, and the Group may not be able to attract and retain qualified personnel or replace members of senior management team or other key personnel. Although the Group seeks to ensure that there are appropriate succession plans in place to lessen the impact of the departure of key personnel or a team of front office (i.e., revenue-generating) staff, the departure of one or more key personnel may nevertheless have a material adverse effect on the Group's business, financial condition and results of its operations. Additionally, employment contracts with key personnel featuring minimum notice periods, non-compete provisions and fixed terms with staggered renewal dates may prove insufficient to protect against the loss of such key personnel. Moreover, in common with its competitors, certain of the Group's employment agreements contain terms under which it may be obliged to make payments to its employees in excess of the actual economic benefit accrued by the business from the employee's services during certain periods. Such agreements may adversely affect the Group's profitability.

The Group competes with other interdealer brokers and data providers for experienced client-facing personnel, and the level of such competition is intense. Such competition may significantly increase front office personnel costs or the Group may lose such front office personnel to competitors, potentially resulting in the loss of capability, client relationships and expertise. In addition, the Group's competitors may also seek to hire large teams of front office personnel from the Group. If the Group is unable to attract and retain highly skilled front office personnel, or if it incurs increased costs associated with attracting and retaining such personnel through higher compensation or additional benefits, it could have an adverse effect on the Group's business, financial condition and results of operations.

The Group's continuing ability to recruit, train, retain and motivate personnel and to ensure that employment contract terms are appropriate and enforceable is essential to the Group's performance and ability to effectively execute on its business model and growth strategy. Any factors that degrade the Group's ability to recruit, train, retain and motivate its key personnel, including potentially the Liquidnet Acquisition or the management or corporate restructuring of the Group, may adversely affect the Group's operational and financial performance. In addition, if the Group fails to adequately assess the training needs of its employees and key personnel, including those relating to internal and regulatory compliance, and technology, or fails to deliver appropriate training, the Group's reputation and its ability to compete in its industry may be harmed, which could have an adverse effect on the Group's business, financial condition and results of operations.

1.5 To remain competitive, the Group must continue to invest in the development of its business and the failure to realise the benefits of such investments could adversely affect the Group's business, financial condition and results of operations. Changes in the risk profile of the Group as a result of developing its business could also result in new, or increased exposure to, risks that could negatively impact the Group.

The markets in which the Group operates are dynamic and in order to remain competitive, the Group will be required to invest in the development of its business to respond to changes in client demand. Such business development activity may include enhancing the Group's technological capabilities to support the trend toward electrification as well as investing in other product innovations and new technologies, hiring brokers, opening offices in new countries, expanding existing offices, providing broking and other services in new product markets, serving different types of clients and undertaking activities through different business models. Such investments may result in changes in the risk profile of the Group, for example, by exposing the Group to economic and political conditions in new markets as well as to new regulatory regimes. In addition, the Group may fail in its attempts to successfully introduce or integrate enhanced versions of its electronic trading platforms, onboarding processes, new services and/or service enhancements in a timely or cost-effective manner, or may fail to gain client acceptance of such enhancements, which could both result in increased costs and harm its competitive position. Additionally, the Group may be unable to successfully customise its approach to electrification in each of its product categories to reflect the relevant market structure characteristics, which could further harm its competitive position. Furthermore, investing within existing markets may similarly increase the Group's exposure to particular risks within such markets or increase the applicable oversight of the Group by its existing regulators. Any failure to manage changes in the Group's risk profile or to realise the benefit of investments in its business, either due to management decision-making or as a direct result of regulatory action, may result in the failure to achieve any or all of the anticipated benefits of such investments or result in the costs of delivering such benefits exceeding the anticipated costs, all of which could adversely affect the Group's business, financial condition and results of its operations.

1.6 The Group has historically made and the Group may continue to make acquisitions and the failure to successfully integrate such acquired businesses could have a material adverse effect on the Group's business, financial condition and results of operations. Furthermore, the acquisition and disposal of businesses may give rise to unforeseen or unexpected liabilities or contingencies.

The Group has historically made and may continue to make acquisitions and may encounter any number of challenges during the integration of the Liquidnet Group, or of any future acquisition. In particular, the Group's management attention and resources may be diverted from its core business activities if personnel are required to spend more time than anticipated to assist in the integration process. See "*Management distraction as a result of the Liquidnet Acquisition or any challenges in integrating Liquidnet could have an adverse effect on the business of the Group.*" below. The Group may undertake cost improvement and restructuring programmes to integrate the Liquidnet Group, and may undertake further such programmes to integrate future acquisitions from time to time in the future. Any such future action might fail to achieve the desired improvement in profitability, could involve significant implementation costs, may have a disruptive effect on the Group's business, and may harm the Group's business through its impact on capability or employee morale, and the

anticipated benefits of any actions might not be realised in full, or may be delayed materially, all of which could have a material adverse effect on the Group's business, financial condition and results of operations. Moreover, any integration processes of an acquired business may lead to a temporary increase in the level of administrative errors or a decline in the service standards of the Group, which may result in a decrease in client satisfaction, increases in client complaints and client and/or regulatory actions, which may, in turn, lead to reputational damage and the loss of key clients. Furthermore, during an integration period, the Group may not be in a position to invest in developing its existing business or to acquire or invest in other businesses that it might otherwise have sought to acquire. In view of the demands the integration process may have on management time, it may also cause a delay in other material revenue enhancing projects undertaken in furtherance of the Group's strategy. Finally, the Group may fail to realise the anticipated benefits of the Liquidnet Acquisition on its earnings profile and growth trajectory, and the Liquidnet Acquisition may fail to contribute to enhanced revenue growth and margin expansion for the Group, as a result of which, it may fail to achieve its stated financial targets.

The acquisition and disposal of businesses may also give rise to unforeseen legal, regulatory, contractual, employment or other issues, or significant unexpected liabilities or contingencies. For example, as a result of non-disclosure by a vendor the Group may fail to discover certain contingent or undisclosed liabilities in businesses that it acquires, or its due diligence processes to discover any such liabilities may be inadequate. The Group may also be subject to regulatory actions in respect of historical conduct by the acquired businesses for which its indemnities from a seller are not sufficient. In the case of disposals, the Group may be exposed to claims of breach of representations and warranties under the sale agreements of disposed businesses. If any of the foregoing occur, the Group could suffer reputational damage and may be liable for losses suffered by an affected party, which could have a material adverse effect on the Group's business, financial condition and results of operations.

To the extent that the Group incurs higher integration costs or achieves lower synergy benefits than expected, or is exposed to material historical liabilities, its business, financial condition and results of operations may be adversely affected.

1.7 The Group may suffer reputational harm or financial losses arising from historical liabilities arising from acquired businesses, including those that have not been disclosed to the Group prior to acquisition, or a vendor may be unable to fulfil its obligations under warranties provided in the terms of an acquisition.

Under the terms of the acquisition agreement originally entered into between Tullett Prebon plc and ICAP plc ("ICAP") on 11 November 2015 and amended, restated and novated on 16 August 2016 (the "**IGBB Acquisition Agreement**"), the Group's liability is limited in respect of certain liabilities that may arise in respect of the global broking business acquired from ICAP ("**IGBB**"), certain activities historically undertaken by IGBB prior to the completion of the acquisition of IGBB on 30 December 2016, and incidents that occurred prior to that date. Under the terms of the IGBB Acquisition Agreement, the Group is protected from these liabilities by specific indemnities (including in respect of claims against IGBB entities in relation to any injury caused as a result of any action or conspiracy to manipulate or fix USD LIBOR, EURIBOR, Yen LIBOR and certain other claims) and general warranties given by ICAP's successor firm, Nex Group Limited ("**NEX**"). Nevertheless, should such claims arise in respect of IGBB prior to completion of the acquisition, the Group may suffer reputational or financial loss arising from any such claims due to the time required to enforce any such claims against NEX, the uncertain outcome of any court or arbitration process, or where a matter is not protected by a specific warranty or indemnity from NEX. IGBB may have historical liabilities of which the Group is currently unaware which, whether or not covered by the specific indemnities or general warranties given by NEX, may adversely affect the reputation of the Group or its business, financial condition and results of operations.

In addition, although the Group would have the benefit of the specific indemnities and the general warranties that NEX provided in the IGBB Acquisition Agreement against certain liabilities, including some that are the subject to ongoing disputes, NEX may be unable to fulfil its obligations in full under those indemnities or warranties if it lacks sufficient financial or capital resources to do so. In the event of a claim against the Group for which such indemnification proves to be insufficient, the Group's business, financial condition and results of operations could be materially adversely affected. See "*The Group may face material liabilities as a result of ongoing or future legal and regulatory cases or may incur significant costs associated with legal action taken to defend its business, employees, rights and assets, including its intellectual property.*" for additional information on ongoing disputes relating to acquired businesses.

1.8 Damage to the Group's reputation and other consequences of perceived or actual failures in governance or regulatory compliance, or in operational or financial controls, may materially and adversely impact the Group.

The Group's ability to operate, to attract and retain clients and employees, or to obtain appropriate financing or capital may be adversely affected as a result of its reputation being harmed. As a counterparty in wholesale financial markets and a key provider of financial data, the Group's clients rely on the Group's integrity and probity. If the Group fails, or appears to fail to operate with integrity or to deal promptly and effectively with reputational issues, its reputation and in turn its business, financial condition and results of operations may be materially harmed. Such reputational issues include, but are not limited to:

- appropriately dealing with actual or potential conflicts of interest;
- complying with all applicable legal and regulatory requirements;
- effectively managing client relationships and ensuring appropriate communication with clients;
- avoiding claims of discrimination;
- maintaining effective anti-money laundering, anti-terrorist financing and anti-corruption procedures;
- ensuring effective data security, privacy, recordkeeping, sales and trading practices;
- ensuring effective control and use of its proprietary data and intellectual property adequately;
- properly identifying and managing the legal, reputational, credit, liquidity and market risks inherent in its business; and
- ensuring full compliance with applicable corporate governance and reporting requirements.

Any failure by the Group to address these or any other issues could adversely affect its reputation, which could result in losses of front office personnel and clients, reduce its ability to compete effectively and result in potential litigation and regulatory actions and penalties against the Group, all of which could have a material adverse effect on the Group's business, financial condition and results of operations.

1.9 The Group's businesses may face concentration risk as a result of the fact that a small number of clients represent a disproportionate amount of revenue.

Certain of the Group's businesses derive a significant proportion of their revenues from a limited number of clients, particularly the trading desks of global investment banks, and rely on these clients, for a significant proportion of their respective trading volume. Loss of significant trading volumes from any of these key clients to competitors or otherwise may adversely impact the Group's financial performance.

In addition, consolidation or withdrawal from certain trading activities among the Group's key clients may cause revenue to be dependent on an even smaller number of clients and may result in additional pricing pressure for the Group's products and services. If certain of the Group's clients were to consolidate, or significantly reduce their trading activities, and new clients did not generate offsetting additional volumes of transactions, the Group's revenue would become concentrated in a smaller number of clients. If the Group is dependent on a smaller number of clients, the Group's revenue may be even more dependent on continued good relationships with such clients and any adverse change in those relationships could materially adversely impact the Group's revenue.

1.10 The relationship of the United Kingdom with the EU could impact the Group's ability to operate efficiently in certain jurisdictions or in certain markets and could affect the Group's profitability.

Under the terms of the ratified EU-UK Article 50 withdrawal agreement, a transition period was agreed which ended on 31 December 2020. During that transition period, most EU rules and regulations continued to apply to the Group in the UK. The transition period has now ended and the UK and the EU have agreed a new trade deal to govern their trading relationship. This trade deal does not create a detailed framework to govern the cross-border provision of regulated financial services from the UK into the EU and from the EU into the UK. It is still not possible to determine the impact that the UK's departure from the EU and/or any related matters may have on general economic conditions in the UK and/or on the business of the Group, including its ability to provide services across the EU. This uncertainty could impact the Group's business by causing volatility in the market and impacting the Group's liquidity.

Moving forward, the future terms of the UK's relationship with the EU could result in further changes to the movement of capital and the mobility of personnel. Regardless of the form of the current trading agreement

between the UK and EU, there are likely to be changes in the legal rights and obligations of commercial parties across all industries going forward, and relevant UK regulatory requirements once outside the EU could be subject to significant change. These developments could have material adverse effects on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these risks could result in the Group having to materially change its operating model in order to continue to serve its clients. This includes the transfer of staff from the UK into the EU, the hiring of additional new staff in the EU, the creation and capitalisation of legal entities and branches in the EU, the establishment of trading venues in the EU, and changes to how clients are covered and serviced. The Group already made some of these changes and will continue to implement its Brexit readiness plan, and will adjust it as and when further detail on the nature of the arrangements that will exist between the EU and UK become clearer. However, there can be no assurance that such changes and plans will be effective and the Group's business, financial condition and results of operations and prospects may be adversely impacted as a result of these developments.

This and any other future UK political developments, including, but not limited to, any changes in Government structure and policies, could affect the fiscal, monetary and regulatory landscape to which the Group is subject. Consequently, no assurance can be given that the Group's business, financial condition and results of operations and prospects would not be adversely impacted as a result of these developments.

1.11 Financial markets are generally affected by seasonality, which could have a material adverse effect on the Group's results of operations in a given period.

Typically, global financial markets experience lower trading volumes during the summer and at the end of the calendar year due to a general slowdown in the business environment around holiday seasons, and, therefore, transaction volume levels may decrease during those periods. The timing of local holidays also affects transaction volumes. These factors could have a material effect on the Group's results of operations in any given period. The seasonality of the Group's businesses makes it difficult to determine during the course of the year whether budgeted results will be achieved, and thus to adjust to changes in expectations. To the extent that the Group is not able to identify and adjust for changes in expectations or is confronted with negative conditions that inordinately impact seasonal norms, the Group's businesses, financial condition, results of operations and prospects could be materially adversely affected.

2. RISK FACTORS RELATED TO THE GROUP'S OPERATIONS

2.1 The failure, loss or disruption of the Group's key software, infrastructure or information systems could limit the Group's ability to conduct its operations and materially adversely impact the Group.

The Group is dependent on the capacity, reliability and performance of the computer and communications systems supporting its operations, whether owned and operated internally or by third parties, and on the integrity of the data held within and used by such systems. These systems include broking platforms essential to transacting business and middle office and back office systems required to record, monitor and settle transactions as well as order book reconciliation tools. Many of these systems are concentrated at the Group's operating sites and, in the event of loss or failure, would be difficult to replicate. While these systems are mirrored by duplicated recovery systems that are regularly tested, these back-up systems and any switch to them may not be as resilient as expected. Any failures, glitches or outages could impact the Group's ability to perform its core broking and related services.

Furthermore, the Group transitioned approximately 2,000 of its employees who are interdealer brokers to working from home during the COVID-19 pandemic. See "*The Group's business, including its financial performance, operations and strategy, may be impacted by the persistence of COVID-19.*" above. Even with the approval of the Group's financial regulators, the large number of interdealer brokers working remotely increases the risks and challenges associated with the Group's computer and communications systems, including those relating to network connectivity, cybersecurity and handling of confidential data, as they are reliant on the computer and communications infrastructure at the relevant employees' work locations and third party network providers.

The Group has in the past experienced, and may experience in the future, incidents with its information technology ("IT") systems and infrastructure. Although none of these historical incidents have resulted in a material adverse impact on the Group's business or that of its clients, there can be no assurance that future IT incidents will not result in material disruptions to the Group's systems or that the Group's remedial measures will be sufficient to prevent any further disruptions. If any of the Group's critical processes or systems do not operate properly, are disabled or are subject to unauthorised access, misuse, hacking and release of confidential

information or computer viruses, the Group's ability to perform effective broking and related services could be materially impaired and the Group may suffer reputational harm or be subject to litigation and regulatory inquiries, proceedings or penalties, which may be material. The performance of the Group's IT and communications systems could deteriorate or fail for any number of reasons, including power disruptions, human error, natural disasters, fire, sabotage, hardware or software malfunctions or defects, computer viruses, intentional acts of vandalism, client error or misuse, lack of proper maintenance or monitoring, loss of data, data disruption and similar events. Any such deterioration or failure could have an adverse effect on the Group's business, financial condition and results of operations.

A failure to maintain an adequate infrastructure commensurate with the size and scope of its business, or failure to maintain the Group's IT systems and networks properly or to upgrade and expand such systems in response to technological change, or to accommodate the growth of its business, could limit the Group's ability to conduct its operations, impede the ability of the Group to implement its strategy and prevent the Group from expanding its business operations. These systems are supported by in-house technical teams and third party service providers. Failure by these personnel or external third parties could contribute to the failure of these systems. If a system degradation or failure were to occur, it could cause, among other things: significant disruptions in service to the Group's clients, slower response times, delays in trade execution, failed settlement of trades, and incomplete or inaccurate accounting, recording or processing of trades.

Failure of the communications and IT systems and facilities on which the Group relies may lead to significant financial losses, reputational harm, litigation or arbitration claims filed by or on behalf of its clients and regulatory inquiries, proceedings, fines or sanctions. In addition, the business operations, IT systems and processes of the Group, as well as the systems and processes of its third party providers, are vulnerable to damage or interruption from fires, floods, power loss, telecommunication failures, bomb threats, explosions or other forms of terrorist activity and other natural and man-made disasters. These operations and systems may also be subject to sabotage, vandalism, theft and similar misconduct, whether from employees or third parties. The Group operates in major centres around the world, and, despite any business continuity and disaster recovery arrangements that the Group may have, any event causing significant disruption in any such centres or cities in the world (which may prevent the Group's employees from travelling to or occupying its offices, including the COVID-19 pandemic) or any major disruption to its communications, data transmission systems and data centres could have a material adverse effect on its ability to continue to operate significant parts of its business. The Group's insurance policies may only partially reimburse the losses suffered or may not cover certain losses which are too remote or losses which are otherwise excluded from the policy. Any claims made under the Group's insurance policies may also negatively impact future insurance policy premiums. Any such failure could also have a negative effect on the Group's reputation and an adverse effect on the Group's business, financial condition and results of operations.

The secure transmission of confidential client and market information over public and private networks is a critical element of the Group's operations. These networks and those of the third party service providers and counterparties with whom the Group trades, and the networks of its clients may be vulnerable to unauthorised access, computer viruses and other security problems, including the inadvertent dissemination of non-public information by the Group. Since techniques used to obtain unauthorised access or to sabotage computer systems change frequently and generally are not recognised until used against a target, the Group may be unable to anticipate these techniques or to implement adequate preventative measures. The Group's activities also require the recording, storing, manipulation and dissemination of significant amounts of data. While the Group maintains electronic and physical security measures, loss of data integrity could occur. In addition, the General Data Protection Regulation (Regulation 2016/679) ("**GDPR**") imposes significant financial and other penalties on companies for misuse of client data; see "*The Group must comply with data protection regulations, including the GDPR.*" below.

Any failure by the Group to maintain the confidentiality of information or other data security failures could impact the Group's reputation, result in significant regulatory penalties or litigation and result in significant financial losses, which could have an adverse effect on the Group's business, financial condition and results of operations.

2.2 The Group relies on third party providers for certain critical aspects of its operations.

The Group requires continual access to exchanges and trading venues, settlement services, clearing organisations and other market infrastructure arrangements without which its ability to undertake some or all of its revenue-generating activities would be affected. For example, the Group relies upon market infrastructure arrangements, including settlement services, provided by Euroclear and Clearstream, Luxembourg, central clearing counterparties, such as the Depository Trust & Clearing Corporation

(“DTCC”), certain vendor distribution partners in the Data & Analytics business, as well as other third party providers of similar services. Loss of access to, or restrictions on the Group’s use of, these services, or other third party services, due to widespread disruptions or shutdowns of such services, the Group’s non-compliance with membership or participants’ requirements, or credit rating or reputational issues, could materially impact the Group’s ability to carry out its activities, which could have an adverse effect on the Group’s business, financial condition and results of operations. In the event that Group is unable to access clearing and settlement services from Euroclear and Clearstream, Luxembourg or DTCC, there are limited sources of alternative clearing organisations, and the Group may not be able to access them.

The Group’s operations team has implemented a methodology (including ongoing third party due diligence and key performance indicator monitoring) to ensure that any outsourced service providers meet specific delivery and performance criteria. If the Group does not effectively develop and monitor such strategies, or if its third party providers do not perform as anticipated, or the Group experiences technological or other problems with a transition between service providers, it may experience operational difficulties, increased costs and a loss of business. Moreover, if the contracts with any third party providers are terminated, the Group may be unable to find alternative service providers on a timely basis or on comparable terms or may suffer disruption as a result of the transition of functions to a new service provider. Furthermore, errors by third party providers could result in reputational damage, a requirement to pay compensation to clients or regulatory action (including fines). The Group may be unable to fully recover losses resulting from a third party provider, for example in the event of a provider’s financial distress or due to contractual limitations on the provider’s liability. In addition, the Group’s ability to reliably receive services from third party providers outside the UK (or the jurisdictions in which subsidiaries operate) may be impacted by additional factors related to cultural differences, political instability in such jurisdictions, consequences of Brexit, and unanticipated regulatory requirements or policies inside or outside the UK, any of which could make it more difficult for the Group to receive required services in a timely manner, or at all, or to replace such services.

2.3 The Group operates in a rapidly evolving business and technological environment and must adapt its business and keep pace with technological innovation in order to compete effectively. If the Group fails to replace, upgrade and expand its IT and communications systems in response to technological or market developments, its business may suffer and the Group may be exposed to an increased risk of operational loss events.

The Group relies on the constant availability of the IT and communications systems and networks that it currently operates. Any failure to maintain these systems and networks adequately could have a material effect on the performance and reliability of such systems and networks, which in turn could have an adverse effect on the Group’s business, financial condition and results of operations.

The markets in which the Group operates are characterised by rapidly changing technology, evolving client demands and uses of its services, frequent product and service introductions employing new technologies, and the emergence of new industry standards and practices that could render its existing technology and systems obsolete. The Group’s success will depend in part on its ability to anticipate and adapt to technological advances, evolving client demands and changing standards in a timely, cost-efficient and competitive manner and to upgrade and expand its systems accordingly. A particular risk faced by the Group is the development by competitors of new and superior electronic trade execution or market information products that gain acceptance in the market. These products could give competitors a “first mover” advantage that may be difficult for the Group to readily overcome with its own technology. Furthermore, changes in existing laws and regulations may require the Group to develop and maintain new brokerage systems, services or functionalities in order to meet the standards set forth in such regulations or as may be required by regulators. There can be no assurance that the Group will successfully implement new technologies or adapt its hybrid brokerage systems and transaction-processing systems to meet clients’ requirements or emerging regulatory or industry standards.

Any upgrades or improvements in technology and the use of technology may require significant capital expenditure. In the longer term, the Group may not have sufficient resources to update and expand its systems adequately, and any upgrade or expansion attempts may not be successful and accepted by the marketplace, its clients or its regulators. Any failure by the Group to update and expand its systems and technology adequately or to adapt its systems and technology to evolving client demands or emerging industry standards would have a material effect on the Group’s ability to serve its clients or its compliance with applicable law and regulations, which could have an adverse effect on the Group’s business, financial condition and results of operations.

2.4 The Group may fail to detect, deter or prevent employee misconduct, employee errors or fraudulent activity, including security breaches and cyber-attacks, and may suffer financial loss either directly or as a consequence of damage to its reputation.

The Group is increasingly exposed to the risk that third parties or malicious insiders may attempt to use cyber-crime techniques, including distributed denial of service attacks to disrupt the availability, confidentiality and integrity of its IT systems and demand payment to return stolen data or reverse lock machines, which could result in disruption to key operations, make it difficult to recover critical services, and damage assets. If the Group is subject to a cyber-attack, its systems may be subject to down-time in an effort to prevent or mitigate a security breach. Such an outage may lead to loss of trading volumes, harm client relationships, or contribute to reputational damage, any of which could have an adverse effect on the Group's business.

The Group maintains controls designed to mitigate a wide range of cyber-security risks. However, the Group's infrastructure and controls may not prove effective in all circumstances and any failure of the controls could result in significant financial losses and could therefore have a material adverse effect on the Group's business, financial condition, and results of operations.

The principal operational risks faced by the Group in respect of security breaches and cyber-attacks include:

- **Systems** — Unauthorised use of systems or data by the Group's employees or third parties leading to loss of data integrity, dissemination of confidential material, introduction of malicious software or the theft of intellectual property;
- **Employee error** — Failure by an employee, whether in the front office or in a control function, to properly execute a function, properly enter or manage data, or otherwise perform their assigned role, resulting in significant economic loss or damage to the Group's reputation. Employee errors in the front office may also give rise to losses. This could be caused by residual balances, incorrect charging of broker commission on Name Passing trades or other broker errors;
- **Fraudulent transactions** — Unauthorised or fraudulent trading activity;
- **Employee misconduct** — Misconduct including clients or employees hiding unauthorised activities from the Group, improper or unauthorised activities on behalf of clients, improper use of confidential information, the use of improper marketing materials, or the inappropriate use of authority or influence by current or former personnel; and
- **Settlements** — The unauthorised transfer of funds or the use of incorrect settlement instructions leading to loss.

If attempts by malicious third parties or insiders to compromise the Group's sensitive data are successful, such a breach could result in loss of trust from the Group's clients, causing reputational damage and financial loss. In addition, the GDPR imposes significant financial and other penalties for misuse of client data. Cyber-attacks can be technologically sophisticated and may be difficult or impossible to detect and defend against. If an actual, threatened or perceived breach of the Group's security occurs, the market's perception of the effectiveness of its security aspects could be harmed, which could cause reputational damage and have an adverse effect on the Group's business. In addition, there can be no assurance that the Group will successfully detect a cyber-attack if one occurs on a timely basis, or at all. Should the Group's operational risk controls prove to be inadequate and an operational risk occurs, the Group is likely to be adversely impacted and this could result in significant damage to the Group's reputation, a material financial loss or potential litigation and regulatory sanctions, which could have an adverse effect on the Group's business, financial condition and results of operations.

2.5 The Group may face material liabilities as a result of ongoing or future legal and regulatory cases or may incur significant costs associated with legal action taken to defend its business, employees, rights and assets, including its intellectual property.

Many aspects of the Group's business, and the businesses of its clients, involve substantial risks of liability. Dissatisfied clients may make claims regarding quality of trade execution, improperly settled trades or mismanagement against the Group. The Group may become subject to these claims as the result of failures or malfunctions of its IT systems, other brokerage services or of the data and analytics services provided by the Group, and third parties may seek recourse for any losses. While the Group attempts to limit its liability to clients through the use of written or "click-through" agreements, it does not have liability caps in place with all clients. Accordingly, the Group could incur significant legal expenses defending claims, even those without

merit. An adverse resolution of any lawsuit or claim against the Group could result in an obligation to pay substantial damages.

The Group may also be subject to other claims of economic or reputational significance, whether by a third party or an employee. Such claims could include actions arising from acts inconsistent with employment law, health and safety laws or contractual agreements, from infringements of intellectual property rights (including infringements by entities acquired or to be acquired by the Group), or from personal injury, diversity or discrimination claims. The Group may incur significant costs in defending any claims, or if any such action is successful, in making payments to resolve the action and may suffer reputational damage.

From time to time, the Group may be engaged in litigation in relation to a variety of matters, and the Group may be required to provide information to regulators and other government agencies as part of informal and formal enquiries or market reviews. The Group's reputation may 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 adverse findings, even where the associated fine or penalty is not material. The Group's reputation may also be damaged by association in cases of regulatory investigations into or allegations or findings of fraud or other material misconduct relating to one of its competitors or clients or any of their employees. If the Group or any of its employees were to be implicated in any misconduct uncovered by a regulatory investigation, the Group may be subject to the imposition of substantial fines and penalties. Moreover, any involvement of the Group in any such regulatory investigation and in proceedings resulting from any allegations or findings arising therefrom may place significant strain on management time and resources. The Group is currently involved in a number of ongoing legal and regulatory cases where the outcome and any potential liability are subject to varying degrees of uncertainty. The eventual actual outcome and any potential liability of such matters may have a material impact on the Group's profitability or performance. Adverse outcomes in the LIBOR class actions, which relate to allegations of LIBOR manipulation for various currencies, could have a material impact on the Group's reputation and financial condition.

In the normal course of business, the Group may enter into guarantees and indemnities from time to time in order to cover trading arrangements. To the extent the Group is held financially responsible or faces any liability as a result of such guarantees and indemnities, the Group's business, results of operations, financial condition and/or prospects may be adversely impacted. In addition, as the Group has a diverse workforce that includes a large number of highly paid investment professionals, the Group may face lawsuits relating to employment compensation claims, which may individually or in the aggregate be significant in amount. The Group considers that such claims are more likely to occur in the current environment and in situations where previously highly-compensated employees are terminated for performance or efficiency reasons. The cost of settling such claims should it be required could adversely affect the Group's business, financial condition and results of operations. Also, as a listed and regulated company in the case of TP ICAP, as at the date of this Prospectus, and in the case of New TP ICAP, following the Scheme Effective Date and Admission, the Group may be subject to the risk of investigation or litigation by certain parties including, without limitation, its regulators and public shareholders arising from an array of possible claims, including investor dissatisfaction with the performance of its businesses or its share price, allegations of misconduct by its officers and directors or claims that it has inappropriately dealt with conflicts of interest.

The Group may take legal action against third parties to enforce its contractual, intellectual property and other legal rights where it believes that those rights have been violated and that legal action is an appropriate remedy. However, the steps the Group has taken, or may take, in order to protect contractual, intellectual property and other legal rights may prove to be inadequate and such actions may not be successful or may expose the Group to significant reputational risk or liability arising from counter-claims. Action taken to exercise the Group's contractual, intellectual property and other legal rights may be expensive, protracted, and involve significant managerial resources, any of which may result in an adverse impact on the Group's financial position.

If the Group is required to incur all or a portion of the costs arising out of litigation or investigations, it could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects. Furthermore, any such litigation or investigation could be protracted, expensive, consume significant management time and highly damaging to the Group's reputation, even if underlying claims are without merit. In addition, the Group may participate in or initiate litigation proceedings (including the enforcement of contractual rights) from time to time, and participating in such proceedings may expose the Group to significant reputational risk and as well as a risk of liability arising from counterclaims against the Group.

Any of the foregoing factors could have a material adverse effect on the Group's business, financial condition and results of operations.

2.6 The Group depends on the use of its intellectual property and proprietary data, and loss of the exclusive use of such intellectual property could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group depends on certain intellectual property, whether registered or not, and proprietary data generated by key investment professionals working within the Group, including certain proprietary market information. The Group may be exposed to the potential risk of its intellectual property being subject to challenges based on third-party intellectual property rights claims, unlawful copying or other anti-competitive practices. Whilst the Group intends to continue to protect its intellectual property in order to preserve its competitive position, there is a risk that its competitive position will be damaged by unlawful, illegal or unforeseen actions or practices taken by third parties. Accordingly, the loss of exclusive use of the Group's intellectual property or claims by third parties that limit the Group's use of its intellectual property, regardless of merit, could have a material adverse effect on the Group's business, financial condition, and results of operations.

2.7 Loss of access to its premises or an inability to operate from its facilities could limit the Group's ability to conduct its operations.

The Group's employees operate from premises that provide the necessary facilities and systems to enable them to carry out their roles. Although the Group transitioned over 2,000 of its interdealer brokers to working from home during the COVID-19 pandemic, certain key employees maintained access to its offices throughout the pandemic. See *"The Group's business, including its financial performance, operations and strategy, may be impacted by the persistence of COVID-19."* above. The loss of access to these sites for all of its employees or an inability to operate from these sites, due to, for example, loss of power or internet connectivity, acts of war or terrorism, human error, natural disasters, fire, or sabotage, could limit the Group's ability to conduct its operations. Whilst the Group has disaster recovery sites, and business continuity plans are in place and are regularly tested, these may fail to cover all needed activities. Further, if the Group's business continuity plans do not operate effectively, they may not be adequate to correct or mitigate the effects of any of the above eventualities. In addition, the business continuity plans or personnel of the Group's third party service providers, including its network providers, may not be adequate to correct or mitigate any of the above eventualities or may not be implemented properly. Accordingly, loss of access to the Group's facilities or the failure of its continuity plans could have a material adverse effect on the Group's business, financial condition, and results of operations.

2.8 The Group may have inadequate insurance to protect it against losses it may suffer.

The Group maintains an insurance programme provided by a syndicate of third-party insurers in respect of potential third-party liabilities, loss of assets, business interruption and people-related exposures. There can be no assurance, however, that the Group will be able to secure adequate insurance coverage for all risks on commercially reasonable terms, or at all, or that losses resulting from any of the risk factors outlined in this section would be covered by insurance policies or that insurers will not dispute the validity of an insurance claim or, if covered, that the claims will not exceed the limits of available insurance coverage. Moreover, there can be no assurance that any insurer will remain solvent and will meet its obligations to provide the Group with coverage, or that insurance coverage will continue to be available with sufficient limits at a reasonable cost. Renewals of insurance policies may expose the Group to additional costs through higher premiums or the assumption of higher deductibles or co-insurance liability. The future costs of maintaining insurance cover or meeting liabilities not covered by insurance could have a material adverse effect on the Group's business, financial condition, and results of operations.

2.9 Risk management policies, procedures and practices may not be fully effective in achieving their purposes or may be violated.

The risk management frameworks implemented by the Group may not be fully effective in achieving their purposes and may leave exposure to identified or unidentified risks. Although the risk management frameworks of the Group are intended to identify, monitor and manage material risks, such frameworks may be insufficient to effectively manage their respective risk profiles. Such risk management frameworks could fail to prevent misconduct by employees or vendors, resulting in violations of law by the Group, and may potentially expose each such entity to regulatory sanctions and/or serious reputational or financial harm.

There may also be existing risks, or risks which develop in the future, that the Group may not have appropriately anticipated, identified or mitigated, as regulations and markets in which the Group will operate continue to evolve, its risk management framework may not always keep sufficient pace with those changes. If

the Group's risk management framework does not effectively identify or mitigate risks, its business, financial condition and results of operations may be materially adversely affected.

3. RISK FACTORS RELATED TO REGULATION

3.1 Financial services regulation and legislation has undergone and is anticipated to continue to undergo significant changes and developments. Changes in market dynamics or structure as a result of new or amended regulations directly or indirectly affecting the Group's activities or its clients, or a rapid change in the method of broking in one or more products, are difficult to accurately predict. The timing, scope or form of future regulatory initiatives could significantly undermine the Group's ability to serve its clients and maintain its profitability.

In response to geopolitical factors, regulators worldwide continue to adopt an increased level of scrutiny in supervising the financial markets, and have been developing a number of new regulations and other reforms designed to strengthen the integrity and stability of the financial system and to improve the operation of the world's wholesale financial markets. It is difficult to accurately predict the timing, scope or form of future regulatory initiatives or reforms, although it is widely expected that there will continue to be a substantial amount of regulatory change and a high degree of supervisory oversight of regulated financial services firms. Certain of the detailed rules and regulations are still in the process of being finalised, and some of those that have already been agreed are being phased in over time. In addition, under certain principles-based rules and regulations, there may be different views within the industry about how to achieve particular outcomes. Regulators may from time to time have varying approaches to ensuring market participants meet regulatory outcomes, and the interpretations of regulators may therefore differ from generally accepted market practice. These and future changes in regulations and other reforms may affect the Group's business directly, through their impact on the way in which trading in one or more OTC product markets is undertaken (which may reduce the role of interdealer brokers as intermediaries in those markets) or by the introduction of rules and requirements that the Group operate as an intermediary which the Group is unable to respond to satisfactorily. Such regulatory changes may also have an indirect effect through their impact on the Group's clients and their willingness and ability to trade.

In particular, recent regulations, including the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") and its implementing regulations in the United States and the European Markets Infrastructure Regulation (Regulation 648/2012) ("EMIR"), the Regulation amending EMIR (Regulation 2019/834) ("EMIR Refit"), the Markets in Financial Instruments Directive II (Directive 2014/65/EU) and the Markets in Financial Instruments Regulation (Regulation 600/2014), as amended, and any implementing legislation ("MiFID II"), regulations governing NMS Stock Alternative Trading Systems in the United States and the GDPR in Europe, any proposed amendments to such regulations and future regulations, may result in changes in the method of broking in certain product markets, may create new types of competition between interdealer brokers or alternative trading systems and other market intermediaries for execution business, and may create additional compliance burdens.

As a result, the Group faces significant compliance challenges in light of an operating environment with continually evolving rules and regulations. Supervisory authorities around the world are assuming an increasingly active and assertive role in introducing, interpreting and enforcing regulations in the jurisdictions in which the Group operates. Any inability of the Group to adapt or deliver services that are compliant with new regulations could materially adversely affect its competitive position and therefore reduce its business prospects, financial condition, and results of operations. To date, the Group has been required to incur certain additional costs to comply with the new regulations, and even if successful in adapting its services to new regulations, the costs of making those adaptations or otherwise complying with such regulations have in the past and may, in the future, significantly increase the cost base of the Group, thereby reducing its profitability. There is also a possibility that further regulations and reforms affecting the OTC markets, including in respect of the production or sale of market data and reference rates, may be introduced that may adversely affect the role of interdealer brokers or may introduce requirements or rules that the Group is unable to meet.

Any significant changes in regulation, including in particular the changes in regulation in the United Kingdom, the European Union and the United States discussed above, may result in rules that are more onerous than the existing rules to which the Group is currently subject, and the Group may incur significant costs in establishing the necessary systems and procedures and compliance infrastructure, and in training its front office personnel, to enable it to comply with any new regulations to which it may become subject. Changing regulation may also impact the activities of the Group's clients, including through increased capital and liquidity requirements, which may cause a reduction in overall trading activity or increased costs in certain markets. This may in turn

reduce the Group's revenue. As the Group develops and implements new technologies, it may become subject to additional laws or regulations that develop alongside new technology. Additionally, as the Group expands its business into new geographic markets and/or expands its product and service offerings, it becomes subject to additional laws, rules and regulations. In addition, changes in the Group's regulatory environment may disadvantage the Group relative to its competitors operating under different regulatory environments which may reduce the Group's relative competitiveness.

Any of the above factors could have a material adverse effect on the Group's business, financial condition and results of operations.

3.2 The Group operates in a regulated environment that imposes significant compliance requirements. Changes in regulations may increase the cost and complexity of doing business, or may disadvantage the Group relative to its competitors. The failure to comply with regulations could subject the Group to sanctions, force it to cease providing certain services, or oblige it to change the scope or nature of its operations.

The Group and each of its subsidiaries and affiliates are subject to extensive regulation and legislation. Changing regulations, policies, standards or interpretations in a number of jurisdictions (including in respect of the conduct of periodic examinations, inquiries and both announced and unannounced investigations by governmental and self-regulatory organisations) may adversely affect the Group. The Group's ability to comply with applicable laws, rules and regulations will be largely dependent on its ability to establish and maintain effective compliance, control and reporting systems, as well as its ability to attract and retain qualified compliance and other risk management personnel. These requirements may require the Group to make changes to its management and support structure that could significantly increase its cost of doing business. Failure to maintain effective compliance and reporting systems or failure to attract and retain qualified personnel who are capable of designing and operating such systems, may increase the risk that the Group could breach applicable laws and regulations, thereby exposing it to the risk of litigation and investigations and possible sanctions by regulatory agencies. These agencies have broad powers to investigate and enforce compliance with applicable rules and regulations and to punish non-compliance, and any investigations or actions by these agencies could adversely affect the Group, both in terms of its reputation, and financially to the extent that fines and penalties are imposed. Likewise, any failure of commercial management to understand and act upon applicable laws and regulations would present a similar risk.

In the UK, the Group's business is subject to regulation by the FCA, and the Group is currently required to meet the systems and controls requirements of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended, and as implemented in UK law (known as "CRD IV"). The FCA adopts a risk-based approach to supervision which it undertakes in various ways, including through the review of prudential returns, visits to the Group's UK operations and engagement with senior management. In addition, the FCA's Senior Managers & Certification Regime (the "SMCR") was extended to all UK authorised firms in December 2019. Under the SMCR, the FCA could take enforcement or other action against key individuals at the Group, including senior management. Any enforcement or other actions may last a number of years and could divert management attention from day-to-day running of the Group's business, result in increased turnover if senior staff elect to leave the Group due to exposure, and involve considerable cost and expense. The extension of the SMCR to the Group may also make it more challenging for the Group to attract and retain key senior individuals. Other jurisdictions (including Singapore and Hong Kong) have been developing their own individual accountability regimes. As these regimes develop there is a risk that they may have similar impacts to the SMCR on the Group in their respective jurisdictions.

In the United States, entities within the Group that are registered with the SEC as a broker-dealer are regulated by the Securities and Exchange Commission ("SEC"), the Financial Industry Regulatory Authority ("FINRA"), the exchanges and other self-regulatory organisations ("SROs") of which they are members and the securities regulators of the individual states in which they operate. Entities within the Group that are registered with the Commodity Futures Trading Commission ("CFTC") as swap execution facilities ("SEFs"), introducing brokers ("IBs") or swap dealers ("SDs") are regulated by the CFTC and, with respect to IBs and SDs, by the National Futures Association ("NFA"). Under Title VII of the Dodd-Frank Act, certain activities of the Group relating to OTC derivatives are also now regulated by the CFTC. In addition, recently finalised regulations, such as the CFTC's rules establishing new position limits on certain swaps, rules establishing capital requirements for certain categories of SDs, and rules prohibiting SEFs from disclosing the identity of a counterparty to a swap executed anonymously and intended to be cleared, could impose new regulatory burdens and compliance costs on regulated entities of the Group.

The SEC, FINRA, the CFTC, the NFA and other SROs have the power to take a range of investigative, disciplinary or enforcement actions, including suspension or revocation of regulatory authorisations, permissions or approvals, public censure, client restitution, fines or other sanctions. Such regulatory action against a member of the Group could also result in adverse publicity for, or negative perceptions regarding, the Group by its clients. Each of the SEC, FINRA, the CFTC, the NFA, and other SROs may make enquiries of the Group companies that it regulates regarding compliance matters and, like all UK- and US-regulated financial services firms, the Group faces the risk that such regulatory bodies could find that a Group entity has failed to comply with applicable regulations or has not undertaken corrective action as required.

Any of the foregoing may damage the Group's relationships with existing clients, impair its ability to operate its business or undertake its strategy, or contravene provisions concerning compliance with law in agreements to which any subsidiary of the Group is a party. This may result in regulators subjecting the regulated Group entity to closer scrutiny than would otherwise be the case, which in turn may result in higher compliance costs, fines or other sanctions for the Group. In addition, the Group's operations in other countries are subject to relevant local regulatory requirements which may change from time to time.

The Group has invested significantly in its risk management and operational processes, often reflecting regulatory feedback, with the objective of ensuring that there is clear accountability for the management of all risks, that risk management is an integral part of day-to-day activity across all areas of the Group and that risk management behaviours are appropriately reflected in employee performance management, which is linked to remuneration. The Group may face significant additional costs as a result of improving its risk and compliance management to reflect developing best practice within the markets in which it operates and within the financial markets generally. The increased burden of responding to regulatory enquiry and supervision may require investment in management and support resources that could also increase costs further. The nature of the client base or the geographic markets in which the Group operates may change as a result of the development of the Group's activities and strategy. This may increase the Group's regulatory burden and the risk of infringement of rules and regulations.

The compliance requirements imposed by regulators are designed to ensure the integrity of the financial markets and to protect clients and other third parties who deal with the Group and are not designed to protect the Group's investors. Consequently, these regulations may restrict the Group's flexibility regarding its capital structure. Client protection and market conduct requirements may also restrict the scope of the Group's activities.

The imposition of regulatory sanctions or penalties, or a significant increase in compliance costs, could have a material effect on the Group's business, financial condition and results of operations.

3.3 The Group is required to maintain capital in its regulated entities above a minimum level set by the relevant regulators. The amount of capital resources required may increase in the future, which could limit the Group's flexibility regarding its capital structure and its ability to pay dividends. Failure to maintain capital resources to the required level could subject the Group to sanctions, or force it to change the scope of its operations.

The current regulatory regimes under which the Group operates require the maintenance of minimum levels of capital in each of its regulated entities. Any changes in the Group's regulatory environment, or the imposition of new or increased regulatory capital requirements on any of the Group's businesses in the future, could require the Group to increase the capital held in a regulated subsidiary.

Each of the Group's regulated entities must hold sufficient capital resources to meet their local regulatory capital requirements. Local regulatory capital requirements are subject to change either through changes to the relevant rules or their application, or through changes to the scale and nature of the underlying business or particular issues affecting the business. Any changes in the Group's regulatory environment, or the imposition of new or increased regulatory capital requirements on any of the Group's businesses in the future, could require the Group to increase the capital held in a regulated subsidiary.

Following the Scheme Effective Date and upon Admission, it is expected that only TP ICAP Group Services Limited and its subsidiaries (the "EMEA Sub-Group") will be subject to prudential regulation under the Internal Capital Adequacy Assessment Process ("ICAAP"), under CRD IV and onshored CRR, as well as the FCA's rules and policy statements.

Pillar 2 requires financial institutions to conduct an ICAAP assessment to demonstrate that they have implemented methods and procedures to ensure adequate capital resources, with due attention to all material risk. Regulators then must conduct a "Supervisory Review and Evaluation Process" to assess the soundness of

the financial institution's ICAAP and take any appropriate actions that may be required. In addition, the FCA may impose a capital add-on or multiplier, which would require the EMEA Sub-Group's ICAAP companies to increase capital if the FCA believes the internal assessment does not adequately reflect the risks within the firm. The FCA is expected to also implement measures on an on-going basis to monitor the risks of the Group and their potential impact on the EMEA Sub-Group.

Proposals for a revised legislative framework for prudential requirements for investment firms, set out in the Investment Firms Regulation (the “**IFR**”) and the Investment Firms Directive (the “**IFD**” and together with the IFR, the “**IFR/IFD**”), have received political agreement and were published in the Official Journal on 6 December 2019. The IFR will apply from 26 June 2021 and Member States are expected to apply legislation and regulation implementing the IFD from that date. In the UK, the FCA is targeting 1 January 2022 as the date for UK implementation of reforms to achieve the same outcomes as IFR/IFD. It is expected that TP ICAP's UK and EU investment firms will be subject to the new prudential framework under the IFR/IFD. Further detail of the IFR/IFD reforms will be provided for in regulatory technical standards, which have not yet been published. Accordingly, the precise impact of the IFR/IFD reforms on the EMEA Sub-Group is not yet known. Additionally in light of Brexit, the UK is at liberty to determine when and to what extent it wishes to implement IFR/IFD. As such, the UK government, the FCA and the Prudential Regulation Authority announced on 16 November 2020 that the implementation of prudential rules in the UK will be delayed to 1 January 2022. As a consequence, the exact nature of implementation of the IFR/IFD in the UK and its application to the EMEA Sub-Group is unknown. There is a risk that the implementation of IFR/IFD reforms in the EU and/or the UK may increase the capital required to be held across the Group, or may otherwise change the way in which European and/or UK supervisory authorities calibrate and manage capital requirements for in-scope EU investment firms.

Although there remains uncertainty as to the final calibration and implementation of the IFR/IFD proposals and the manner in which any of these proposals may ultimately impact the EMEA Sub-Group and/or regulated entities within the Group, any changes which impose additional capital requirements on the EMEA Sub-Group or its regulated entities generally, or require the EMEA Sub-Group or those regulated entities to hold increased capital against certain exposures, may have an impact on the growth and operations of the EMEA Sub-Group's businesses. Further, any increase in any individual entity's capital requirements may restrict the ability of an entity to distribute its earnings within the Group or may require the Group to inject additional capital into an entity, which may restrict the EMEA Sub-Group's ability to pay interest, principal and dividends to the Group. A perceived or actual shortage of capital in relation to any of the Group's regulated entities, the EMEA Sub-Group or sub-groups could result in actions or sanctions, which may have a material adverse effect on the Group's business, financial condition, and results of operations. Based on the Group's current understanding of the IFR/IFD and their proposed implementation in the UK and the EU, the Group does not expect there to be a material impact on the overall regulatory capital requirements imposed on the Group, however, there can be no assurance that such a material impact will not arise.

The EMEA Sub-Group's assessment of its regulatory prudential positions including through the ICAAP process and other various regulatory regimes applicable to it require management to make judgements, estimates and assumptions. Estimates, judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, there can be no assurance that one or more of these judgements, estimates and assumptions will not be subsequently revised as a result of new factors or circumstances emerging, which could result in an actual or perceived shortage of capital and could, in turn, have a material adverse effect on the Group's business, financial condition, and results of operations.

3.4 The Group must comply with data protection regulations, including the GDPR.

The Group is subject to regulations in the jurisdictions in which the Group operates regarding the use of personal data. The Group collects and processes personal data from its clients, business contacts and employees as part of the operation of its business, and therefore it must comply with data protection and privacy laws. Those laws generally impose certain requirements on the Group in respect of the collection, retention, use and processing of such personal information. Failure to operate effective data collection controls could potentially lead to regulatory censure, fines, reputational and financial costs, as well as result in potentially inaccurate rating of policies or overpayment of claims. The Group seeks to ensure that procedures are in place to comply with the relevant data protection regulations by employees and third party service providers, and also implement security measures to help prevent cyber theft. Notwithstanding such efforts, the Group will be exposed to the risk that this data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of data protection laws. In addition, the Group may not have the appropriate controls in place and may

be unable to invest on an ongoing basis to ensure such controls are current and keep pace with the growing threat.

The GDPR has increased the regulatory burden on the Group with respect to the processing of personal client, employee and other data and has also increased the potential sanctions for breaches. New data protection regulations with potentially similar impacts are also being developed and implemented in a number of other jurisdictions, including in jurisdictions where the Group operates. If the Group or any third party service providers fail to comply with data protection laws, including the GDPR, or fail to adapt to new or amended data protection laws, due to any failure to store or transmit client information in a secure manner or any loss or wrongful processing of personal client data, the Group could be subject to investigative and enforcement action by relevant regulatory authorities, claims or complaints from the individuals to whom the data relates or could face liability under data protection laws. Although the Group carries out due diligence checks on third party service providers, the Group may be held accountable under GDPR for any data breach or other failure to comply with data protection laws by any of its third party service providers. Any of these events could also result in the Group suffering reputational damage, which could have a material adverse effect on the Group's business, financial condition, and results of operations.

4. RISK FACTORS RELATED TO THE GROUP'S FINANCES

4.1 The Group requires significant liquidity to facilitate its day-to-day operations. Insufficient liquidity could adversely impact the Group's operations.

The Group requires financial liquidity to facilitate trading and settlement by clients. In addition to significant cash balances, the Group maintains overdraft facilities provided by settlement agents or clearing banks in various jurisdictions. The Group's existing credit facilities impose certain operating and financial restrictions on its activities, and contain covenants that require maintaining specified financial ratios and satisfying specified financial tests that may limit how the Group conducts its business. In the medium to longer term, the Group may be unable to renew existing facilities or raise additional financing and the withdrawal, non-renewal or lack of access to credit facilities, whether as a result of market conditions, general market disruption or a failure by the Group itself, could severely impact the Group's access to funding, which could have a material adverse effect on the Group's business, financial condition, and results of operations.

4.2 The Group's Matched Principal broking and Executing Broker activities and the resultant settlement processes create exposure to both market risk and liquidity risk that may reduce the Group's liquidity and adversely affect its profitability.

The Group arranges transactions using three distinct broking models: the Matched Principal model, the Executing Broker model, and the Name Passing (Name Give Up) Model.

The Group's Matched Principal activity, where the Group is the counterparty to both sides of a matching trade and enters into a commitment to simultaneously buy and sell financial instruments with counterparties, may give rise to market risk as a result of trades that fail to settle on the due date in executing trades for customers. Broking illiquid instruments, such as certain emerging markets bonds, may elevate the market risk of any residual balances should they occur. Additionally, proposed regulation, such as the European Central Securities Depositories Regulations ("CSDR"), which may impose penalties and mandatory buy-in procedures for failed or delayed settlements, may increase settlement and market risk for brokers such as TP ICAP which facilitate matched principal trading. The Group's Executing Broker activity, where the Group executes transactions on certain regulated exchanges in accordance with client orders and then "gives-up" the trade to the relevant client or its clearing member, also gives rise to market risk in the event that the client or its clearing member fails to take up the position traded, or through broker error. When residual balances occur, the Group's policy is to close the unmatched position promptly, whether or not this results in a mark-to-market loss to the Group, reflecting the fact that the Group's risk management policies, and the terms of its regulatory permissions, prevent the Group from taking proprietary positions in financial instruments, which can adversely impact the Group's results. The Group brokers large value transactions in volatile markets, and errors can and do occur, and can generate losses which could be material. Any error which gives rise to a significant loss or a series of such losses could adversely impact the Group's business, financial condition, and results of operations, as well as damaging its reputation.

The Group's Matched Principal and Executing Broker models also give rise to liquidity risk. The Group uses settlement agents, and central clearing counterparties where appropriate, to effect the settlement of trades. Providers of these facilities generally require cash collateral or margin deposits from the Group and providers can call for increased cash collateral or margin deposits to be made at short notice. Such calls can be driven by

volatile market conditions outside the Group's control, operational errors or failures by the Group or a client, or by the Group's trading with counterparties who are not themselves members of a central clearing counterparty. Additionally, if during the settlement process the Group were to receive a security from the selling counterparty (paying cash in settlement of the same) but is unable to effect onward delivery of the security to the buying counterparty, such settlement would give rise to a funding requirement, reflecting the value of the security which the Group has 'failed to deliver' until such time as the delivery leg is finally settled, or the security sold, and the business has received the associated cash. This could occur for technical or operational reasons, including due to errors in the delivery instructions. Such matters could have a significant impact on the Group's liquidity, and if the Group is unable to access sufficient liquidity to enable continued clearing and settlement, or fund the posting of collateral and margin deposits, this would severely limit the Group's ability to trade under the Matched Principal and Executing Broker models.

Settlement failures on matched principal trades can also give rise to financing charges which may or may not be recoverable from the counterparty. In instances where the failure to deliver is prolonged or widespread, there may also be regulatory capital charges required to be taken by the Group which, depending on their size and duration, could limit the flexibility to transact other business and could adversely affect the Group's business, financial condition and results of its operations.

4.3 Clients and counterparties that owe the Group money, securities or other assets may fail to fulfil their obligations to the Group, due to bankruptcy, lack of liquidity, operational failure or other reasons, and affect the Group's own operational capability or its profitability.

Where the Group brokers on a Matched Principal basis, the Group is exposed to a risk of loss if one of the counterparties to a transaction defaults prior to the settlement date, requiring the Group to replace the defaulted contract in the market by brokering a replacement trade. This is a contingent risk in that the Group will only suffer loss if the market price of the securities has moved adversely to the original trade price. The Group undertakes a limited amount of Matched Principal broking where a counterparty is buying its own securities and, in these circumstances, if such counterparty defaults prior to settlement, the risk of loss due to movement in the value of the securities is heightened. The Group is also exposed to short term pre-settlement risk where it acts as an Executing Broker during the period between the execution of the trade and the client claiming the trade.

Where the Group brokers on a Matched Principal basis it is exposed to settlement risk in cases where a counterparty defaults on its contractual obligation to deliver securities or cash after the Group has completed its part of the transaction. Unlike with pre-settlement risk, in such cases, settlement risk exposes the Group to the full principal value of the transaction. The Group seeks to mitigate this risk by effecting settlement on a delivery-versus-payment basis. However, these procedures and controls do not eliminate settlement risk and defaults may still occur and may have a significant impact on the Group's business, financial condition and results of its operations.

Where the Group operates on a Name Passing basis it is exposed to the risk that the client fails to pay the brokerage commissions it is charged. The Group generally invoices clients for its Name Passing activities on a monthly basis. Failure or delay in the process of collecting invoiced receivables also gives rise to liquidity risk to the Group.

The Group is also exposed to counterparty credit risk in respect of cash deposits held with financial institutions. The Group is also exposed to concentration risk in that it may have exposures with a counterparty arising through a number of different activities in a number of different regions and may also have cash deposits with the same counterparty.

Although the Group seeks to mitigate its credit risk through the adoption of specific credit risk management policies, these procedures cannot eliminate all defaults, particularly those that may arise from events or circumstances that are difficult to detect or foresee. In addition, reflecting the inter-connected nature of the global financial system, concerns about, or a default by, one institution could lead to significant systemic liquidity problems, including losses or defaults by other institutions.

The Group's business, financial condition and results of operations may be materially adversely affected in the event of a significant default by any of its clients and counterparties and this could be exacerbated where it has a concentrated exposure to the counterparty or where the default arises from, or gives rise to further losses as a result of, systemic risk.

4.4 There can be no assurance that the Group will be able to secure borrowings on commercially favourable terms, or at all, and the failure to secure borrowings on commercially favourable terms may adversely affect the Group's business, financial condition, results of operations and/or prospects.

The Group's ability to borrow funds or access debt capital markets is dependent on a number of factors, including the credit market's view of the Group, credit market conditions generally and the Group's credit ratings. The credit market's view of the Group and its credit ratings could be adversely affected by many factors, including an actual or perceived material deterioration in the market environment in which the Group operates or a significant increase in indebtedness. The Group's credit ratings have been and may continue to be affected by these and other factors. See "*Damage to the Group's reputation and other consequences of perceived or actual failures in governance or regulatory compliance, or in operational or financial controls, may materially and adversely impact the Group.*" above.

The Group is not required to refinance its existing debt within the next 12-month period. However, should the Group choose to refinance any existing debt or obtain new financing (for example, in order to make new investments), difficult credit market conditions and/or a significant lowering of the Group's credit rating may make it difficult for the Group to obtain such financing on terms that are as favourable as those applicable to its current borrowings (including as to costs, an increase in interest rates or applicable covenants). If the Group's borrowings become more expensive, the Group's finance expense could increase significantly, which could have a material adverse effect on the business, financial condition, and results of operations of the Group.

4.5 The Group's financial position and results of operations could be adversely affected by changes in exchange rates and interest rates, or by changes in taxation rates and regimes, failure to comply with tax requirements, or from challenges by tax authorities.

The Group reports its financial results in pounds sterling. However, a significant proportion of the activities of the Group is conducted outside the United Kingdom in currencies other than pounds sterling. For the purposes of preparing its consolidated financial statements, the Group converts the results of operations of its subsidiaries that account in other currencies into sterling at period average or period-end rates in accordance with International Financial Reporting Standards ("IFRS"). As a result, the Group's reported results of operations are affected by movements in the exchange rates between sterling and the other currencies in which Group companies operate, and these movements can have a significant impact on the Group's business, financial condition and results of operations.

Moreover, in the ordinary course of business the Group does not attempt to mitigate its currency exposure through the use of hedging contracts. The Group also has an exposure to the effect of movements in foreign exchange rates on its financial assets and liabilities denominated in foreign currencies. Significant movements in exchange rates can have a material adverse effect on the value of the Group's assets denominated in foreign currencies, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group is exposed to interest rate risk in that the rates of interest which it receives on its interest earning assets may not match the rates that it pays on its borrowings and other interest-bearing liabilities and these differences can affect its results of operations in each financial period.

The Group is subject to taxes in the various jurisdictions in which it operates and any failure to comply with all local tax rules and regulations may result in penalties and fines being imposed on the Group. The Group is exposed to changes in taxation rates and regimes which may result in an increased proportion of the Group's profit being paid in taxation, or may result in parts of the Group's activities becoming less profitable or unprofitable through the imposition of higher transaction taxes or indirect taxes borne by the Group or its clients. The Group has exposure to historic tax issues including through businesses that have been acquired, and the Group may be subject to challenge from tax authorities on these or other matters that may result in significant tax payments being required to be made in the future, which could have a material adverse effect on the business, financial condition and results of operations of the Group.

4.6 An impairment of goodwill or other intangible assets could adversely affect the Group's reputation or reported results of operations.

Goodwill arising on consolidation (including arising from the Liquidnet Acquisition) represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary or associate at the date of acquisition. Goodwill is initially recognised at cost and subsequently measured at cost less any accumulated impairment losses. Under IFRS, goodwill and

intangible assets with indefinite lives are not amortised but are tested for impairment annually or more often if an event or circumstance indicates that an impairment loss may have been incurred. Other intangible assets with a finite life are amortised on a straight-line basis over their estimated useful lives and reviewed for impairment whenever there is an indication of impairment.

Goodwill is allocated to each of the Group's cash-generating units ("CGUs") expected to benefit from the synergies of the combination. If the CGU meets with unexpected difficulties, or if the business of the Group does not develop as expected, the value of the CGU could be deemed to be less than its carrying value, and impairment charges may then be incurred which could be significant and which could have an adverse effect on the Group's results of operations and financial condition. For example, as a result of the Group's annual review for 2019, the carrying value of the Asia Pacific CGU was written down by £24 million. As a result of the Group's annual impairment review for 2018, the carrying value of its Americas CGU was written down by £58 million and the carrying value of the Asia Pacific CGU was written down by £7 million, both of which were included as acquisition-related items in the Group's results of operations.

Upon Completion of the Liquidnet Acquisition, the excess of the cost of Liquidnet Acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of Liquidnet at the date of Liquidnet Acquisition, will be recorded as goodwill on the Group's consolidated balance sheet. In addition, other intangible assets will be recorded as a result of the purchase price allocation. If the combination of the businesses meets with unexpected difficulties, or if the business of the Group does not develop as expected, or if the value of Liquidnet proves to be less than the consideration paid by the Group, goodwill impairment charges may be incurred in the future, which could be significant and which could have an adverse effect on the Group's results of operations and financial condition. Such charges may also reduce the Group's distributable reserves and thus reduce its ability to pay future dividends.

4.7 Changes in the Group's accounting policies or in accounting standards could materially affect how it reports its financial condition and results of operations.

From time to time, the International Accounting Standards Board (the "IASB") and/or the European Union change the financial accounting and reporting standards that will govern the preparation of the Group's financial statements. These changes can be difficult to predict and may materially impact how the Group records and reports its financial condition and results of operations. In some cases, the Group could be required to apply a new or revised standard retroactively, resulting in restating prior period financial statements.

The IASB may make other changes to financial accounting and reporting standards that will govern the preparation of the Group's financial statements, which the Group may adopt if determined to be appropriate by its management, or which the Group may be required to adopt. Any such change in the Group's accounting policies or accounting standards could materially affect its reported financial condition and results of operations.

4.8 Changes in judgements, estimates and assumptions made by management in the application of the Group's accounting policies may result in significant changes to the Group's reported financial condition and results of operations.

Accounting policies and methods are fundamental to how the Group will record and report its financial condition and results of operations. In the application of the Group's accounting policies, management must make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These judgements, estimates and assumptions are based on historical experience and other factors that are considered relevant. Judgements, estimates and assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in the accounting period in which an estimate is revised. Actual results may differ from these estimates, and revisions to estimates can result in significant changes to the carrying value of assets and liabilities.

The Group's management has identified that the following significant judgements and estimates that are necessary in the application of certain accounting policies. These include:

- impairment of goodwill and intangible assets — the determination as to whether or not goodwill and intangible assets are impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires estimation of future cash flows expected to arise for the cash-generating unit, the selection of suitable discount rates and the estimation of future growth rates;

- the value of provisions — provisions are established based on management's assessment of relevant information and advice available at the time of preparing financial statements. Outcomes are uncertain and dependent on future events and where outcomes differ from management's expectations, differences from the amount initially provided will affect profit or loss in the accounting period in which the outcome is determined; and
- the disclosure of contingent liabilities — possible obligations arising from past events whose existence will be confirmed only by the occurrence, or non-occurrence, of one or more uncertain future events, which may take an extended period of time to materialise and which may not be wholly within the control of the Group. Judgements are also applied in concluding the appropriateness of contingent liabilities disclosure.

For additional information on the Group's significant judgements and estimates, see Note 3(w) to the TP ICAP 2019 Financial Statements.

Because of the uncertainty surrounding the Group's management's judgements and the estimates pertaining to these matters, the Group may make changes in accounting judgements or estimates that have a significant effect on the reported value of the Group's assets and liabilities and the Group's reported results of operations and financial position.

5. RISKS AND OTHER CONSIDERATIONS RELATING TO THE PROPOSALS AND THE NEW TP ICAP ORDINARY SHARES

5.1 New TP ICAP Ordinary Shares may be subject to market price volatility, and their market price may decline, in response to developments that are unrelated to the Group's operating performance.

The market price of New TP ICAP Ordinary Shares may be volatile and subject to fluctuations, as a result of a variety of factors, including, but not limited to, actual or anticipated fluctuations in the financial performance of the Group and its competitors; the operating and share price performance of other companies in the country, industry and markets in which the Group operates; speculation about the Group's business in the press, media or the investment community; changes to the Group's financial results; and the publication of research reports by analysts.

5.2 Shareholders in the United States may not be able to participate in future equity offerings.

The New TP ICAP Articles provide for pre-emptive rights to be granted to New TP ICAP Shareholders, unless such rights are disappplied by a shareholder resolution. However, New TP ICAP Shareholders in the United States may not be entitled to exercise these rights unless either the rights and the New TP ICAP Ordinary Shares are registered under the US Securities Act, or New TP ICAP has available to it, and utilises, an exemption from the registration requirements of the US Securities Act. There can be no assurance that New TP ICAP will file any such registration statement, or that an exemption from the registration requirements of the US Securities Act will be available, which would result in New TP ICAP Shareholders in the United States being unable to exercise their pre-emptive rights.

New TP ICAP would expect to evaluate at the time of any rights or similar offering the costs and potential liabilities associated with any such registration statement or qualifying for an exemption from registration, as well as the indirect benefits of enabling New TP ICAP Shareholders in the United States to exercise any pre-emptive rights for the New TP ICAP Ordinary Shares and any other factors considered appropriate at the time, prior to making a decision whether to file a registration statement with the SEC or utilise an exemption from the registration requirements of the US Securities Act.

5.3 Legal investment considerations may restrict certain investments.

The investment activities of certain investors, including those outside the United Kingdom, are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each TP ICAP Shareholder, any prospective New TP ICAP Shareholder and any potential investor should consult its legal advisers to determine whether and to what extent (1) the New TP ICAP Ordinary Shares are legal investments for it, (2) the New TP ICAP Ordinary Shares can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any New TP ICAP Ordinary Shares. Relevant prospective New TP ICAP Shareholders should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the New TP ICAP Ordinary Shares under any applicable risk-based capital or similar rules.

5.4 The level of any dividend paid in respect of the New TP ICAP Ordinary Shares is subject to a number of factors.

The level of any dividend paid in respect of the New TP ICAP Ordinary Shares is within the discretion of the Board and is subject to a number of factors, including the business and financial condition, earnings, cash flow and regulatory capital position of, and other factors affecting, the Group, as well as the availability of retained earnings and of funds from which dividends can be legally paid. Any reduction in dividends paid on the New TP ICAP Ordinary Shares from those historically paid, or the failure to pay dividends in any financial year, could adversely affect the market price of New TP ICAP Ordinary Shares.

6. RISKS ASSOCIATED WITH THE LIQUIDNET ACQUISITION

6.1 Completion of the Liquidnet Acquisition is conditional and the conditions may fail to be satisfied.

Completion of the Liquidnet Acquisition is conditional, among other things, upon: (i) Shareholders passing the ordinary resolution to approve the Liquidnet Acquisition; (ii) admission (of the nil paid rights) in connection with the Rights Issue having occurred; (iii) the Scheme becoming Effective and the Admission having occurred; and (iv) certain regulatory approvals necessary under the laws of various jurisdictions to enable TP ICAP to own and operate Liquidnet's business, including in particular the approval of the Financial Industry Regulatory Authority ("FINRA"), the UK Financial Conduct Authority ("FCA"), the Central Bank of Ireland ("CBI"), the US Federal Trade Commission, the Hong Kong Securities and Futures Commission ("SFC"), the Monetary Authority of Singapore ("MAS"), the Ontario Securities Commission ("OSC"), the Alberta Securities Commission ("ASC") and the Investment Industry Regulatory Organisation of Canada ("IIROC"). The Liquidnet Acquisition is also conditional upon the implementation of the Proposals (and the Liquidnet Acquisition will therefore not proceed if the Proposals are not implemented). There can be no assurance that these conditions will be satisfied or waived, if applicable, and that Completion of the Liquidnet Acquisition will be achieved.

Whilst the Group is confident that all conditions to the Liquidnet Acquisition can be satisfied or waived, as applicable, there can be no guarantee that this will occur in a timely manner and on terms acceptable to the Group or at all, or can be met without undue diversion of financial resources or management time and attention. As a result of any of the conditions to Completion of the Liquidnet Acquisition not being met, the Liquidnet Acquisition may be delayed (which would prolong the period of uncertainty for the Group and the Liquidnet Group and may result in additional costs to their businesses), or may not become effective. If Completion of the Liquidnet Acquisition does not occur, the Group will not realise the planned-for benefits of the Liquidnet Acquisition in a timely manner or at all and could incur liability and other significant costs. Under the Liquidnet Acquisition Agreement, TP ICAP is required to take any and all steps required to avoid the entry of any permanent or temporary injunction or other order that would enjoin or prohibit Completion of the Liquidnet Acquisition, including agreeing to divest, dispose or hold separate assets or business of the Group or the Liquidnet Group.

If the Liquidnet Acquisition is not completed as a result of TP ICAP's failure to obtain the requisite regulatory approvals, including as a result of a potential violation of applicable antitrust laws or regulations, the Group could incur liability to Liquidnet if it fails to comply with its obligations to obtain such approvals. In addition, the Group would still be required to pay significant fees and other costs incurred in connection with the Liquidnet Acquisition (which include financing, financial advisory, legal and accounting fees and expenses) and, in certain circumstances, including if the ordinary resolution to approve the Liquidnet Acquisition fails to pass, may also be required to pay a termination fee of approximately \$17 million, being an amount equal to 1 per cent. of the market capitalisation of TP ICAP as calculated, in accordance with the Listing Rules, at 5.00 p.m. on 8 October 2020, the last business day prior to the date of the Liquidnet Acquisition Agreement. Further, if the Liquidnet Acquisition does not become effective, the Group could incur additional costs and divert additional resources in seeking alternatives to the Liquidnet Acquisition and there can be no assurance that such alternatives will materialise on commercially acceptable terms, if at all.

The Proposals are not conditional upon the Liquidnet Acquisition, and accordingly, the Proposals may be implemented even if the Liquidnet Acquisition does not proceed.

6.2 The Group's and the enlarged Group's actual financial position and results of operations may differ materially from the unaudited pro forma condensed combined financial information contained in this Prospectus.

The unaudited pro forma condensed combined financial information contained in this Prospectus is presented for illustrative purposes only and does not represent what the Group's or the enlarged Group's financial

position or results of operations would have been had the Liquidnet Acquisition been completed on the date indicated. The unaudited pro forma condensed combined financial information has been derived from the audited and unaudited financial statements of the Group and the Liquidnet Group, and certain adjustments and assumptions have been made in the preparation of such pro forma financial information. The application of purchase accounting for the Liquidnet Acquisition has also required the Group to make preliminary estimates with respect to the fair values of the net assets acquired, and applicable guidance allows certain adjustments until the Group receives the information about facts and circumstances that existed as of date of the Liquidnet Acquisition. However, this period cannot exceed one year from the Completion of the Liquidnet Acquisition. The finalised carrying values of the net assets acquired may differ materially from the Group's current estimates reflected in the unaudited pro forma condensed combined financial information in the Prospectus. The future reported results of operations and balance sheet data may therefore differ from those that might be expected based on the unaudited pro forma condensed combined financial information set forth in this Prospectus. In addition, the assumptions used in preparing the pro forma combined financial information may not prove to be accurate, and other factors may affect the Group's financial condition or results of its operations.

6.3 The Group may not be able to fully realise the benefits of the Liquidnet Acquisition.

Through the Liquidnet Acquisition, the Group seeks to expand its buy-side connectivity via Liquidnet's global integrated buy-side network, achieve greater diversification of its asset class exposure through Liquidnet's platform in the equities segment, and take advantage of new opportunities, particularly in the dealer-to-client ("D2C") credit and rates markets. However, there can be no assurance that the Liquidnet Acquisition will deliver the planned for benefits or that the Group will realise the anticipated return on investment within the expected timeframe. Achieving the advantages of the Liquidnet Acquisition will depend partly on the efficient management and integration of the activities of TP ICAP and Liquidnet, two businesses that currently function independently with geographically dispersed operations, and with different clients, business cultures and compensation structures. The planned for benefits of the Liquidnet Acquisition, including the targeted medium-term improvements to revenue and underlying operating profit margins, may fail to be achieved within the stated time period, or at all, because of a number of factors, including failure by the Group to effectively sell or cross-sell products and services to Liquidnet customers, failure to a gain meaningful share of new market segments, failure to leverage Liquidnet's existing capabilities in line with the expectations of the Group, adverse conditions in the markets in which TP ICAP and Liquidnet operate and failures relating to integration of business operations or support functions, any of which could have a material adverse effect on the Group's business, financial condition and results of operations. For more information relating to integration, see also *"Management distraction as a result of the Liquidnet Acquisition or any challenges in integrating Liquidnet could have an adverse effect on the business of the Group."* In addition, the costs associated with successfully completing the integration process necessary to achieve these benefits may exceed expectations.

The Group will also face risks associated with retaining existing client relationships or establishing new client relationships. For example, the Group will face the risk of being unable to retain the Group's or the Liquidnet Group's existing clients following the Liquidnet Acquisition. Further, there can be no assurance that the Group will be successful in establishing relationships with new clients. Additionally, even if the Group is able to reach new clients, the number of such clients may be lower than expectations for the Group to realise its anticipated benefits from the Liquidnet Acquisition.

Any of the foregoing may have a material adverse effect on the Group's business, financial condition and results of operations.

6.4 As a result of the Liquidnet Acquisition the enlarged Group may fail to retain key management or other personnel.

The calibre and performance of the Liquidnet Group's and the Group's senior management and other key employees once the Liquidnet Acquisition has completed will be critical to the success of the enlarged Group. Such employees have key relationships with clients, knowledge of key IT systems and processes, among other skills, and are key to the successful operations and prospects of the enlarged Group. Although the Group intends to implement incentive plans for key personnel with a view to retaining them after the Liquidnet Acquisition, there can be no assurance that key personnel will not leave the Group or the Liquidnet Group, following the Liquidnet Acquisition, either as a result of the Liquidnet Acquisition or for other reasons. Such attrition may take place either before the Liquidnet Acquisition is completed or during the enlarged Group's integration process following the Liquidnet Acquisition, or thereafter. Failure of the Group to put in place new long-term incentive plans/arrangements and otherwise remunerate employees appropriately could result in loss

of key personnel. The loss of a significant number of management or key employees could adversely affect both the Group's ability to conduct its businesses (through an inability to execute business operations and strategies effectively) and could have a material adverse effect on the Group's business, financial condition and results of operations.

6.5 Management distraction as a result of the Liquidnet Acquisition or any challenges in integrating Liquidnet could have an adverse effect on the business of the Group.

The Group will be required to devote significant management attention and resources to integrating the Liquidnet Group's business practices and operations. Furthermore, the enlarged Group will continue to operate businesses across multiple time zones and, although regulatory and operational decision-making will often be undertaken by each of the businesses locally, coordinating its decision-making across all the businesses in the enlarged Group will present challenges to the enlarged Group's management team.

Integrating the Liquidnet Group's business with the rest of the Group presents a number of challenges, including with respect to the integration of certain back office capacity covering areas such as finance, compliance, risk and legal support. There is a risk that the challenges associated with integrating the Liquidnet Group's business will distract management's attention from managing other parts of the Group or that management will have insufficient capacity to meet the demands of integration or to manage the enlarged Group. As a result the underlying business may not perform in line with management or shareholder expectations.

6.6 TP ICAP has limited rights to terminate the Liquidnet Acquisition if an adverse event affects Liquidnet before Completion of the Liquidnet Acquisition.

Prior to Completion of the Liquidnet Acquisition, as is typical for this type of acquisition, TP ICAP has limited rights to terminate the Liquidnet Acquisition Agreement. Accordingly, if an adverse event occurs that negatively affects Liquidnet's business or if Liquidnet's business performance or prospects were to decline prior to Completion of the Liquidnet Acquisition, the value of the Liquidnet business purchased by the Group may be less than the consideration agreed to be paid by TP ICAP and, accordingly, the net assets of the enlarged Group could be reduced. There can be no assurance that TP ICAP would be able to renegotiate the consideration paid for Liquidnet in such circumstances and the Group may therefore pay an amount in excess of market value for Liquidnet, which could have an adverse effect on the Group's business, financial condition and results of operations.

6.7 The Group may suffer reputational or financial losses arising from historical issues arising in Liquidnet, including those that have not been disclosed to the Company.

Liquidnet has provided certain customary representations and warranties under the Liquidnet Acquisition Agreement and TP ICAP has obtained a representation and warranty liability insurance policy insuring against the breach by Liquidnet of such representations and warranties.

The Group has relied on these representations and warranties about the Liquidnet Group's business in connection with the Liquidnet Acquisition. If these representations and warranties are not true and correct in all material respects, the Group may suffer losses or be unable to perform to expectations. If this were to occur, there can be no assurance that the Group would be able to recover damages under the representations and warranties liability insurance policy in relation to such breaches or losses in an amount sufficient to fully compensate the Group for its losses or underperformance.

In addition, Liquidnet may have historical issues of which the Group is currently unaware which, whether or not covered by the specific representations and warranties given by Liquidnet pursuant to the terms of the Liquidnet Acquisition Agreement, may adversely affect the reputation of the Group.

6.8 TP ICAP will have foreign exchange risk related to the purchase price for the Liquidnet Acquisition.

TP ICAP is obligated to pay the purchase price for the Liquidnet Acquisition in US dollars. It will finance part of the consideration payable on Completion of the Liquidnet Acquisition through the Rights Issue, with additional non-contingent deferred consideration of US\$50 million in the form of 3.20 per cent. unsecured loan notes issued by TP ICAP to certain stockholders in Liquidnet (the "**Loan Notes**"), the principal amount of which will be paid three years following the closing of the Acquisition. In relation to the portion of the purchase price that will be financed through the Rights Issue, there could be a period of a number of months between the publication of this Prospectus, the receipt of the proceeds of the Rights Issue, which will be

received in pounds sterling, and TP ICAP's obligation to acquire Liquidnet for payment in US dollars becoming unconditional. During this time, the Group will be exposed to the risk of a significant appreciation in the US dollar against the pound sterling. The Group has entered into a currency hedging arrangement, in order to limit its total exposure in respect of the Liquidnet Acquisition to adverse currency movements, although there can be no guarantee that such arrangement will be effective.

6.9 Following the Liquidnet Acquisition, a greater portion of the revenues and costs of the Group will be denominated in US dollars and euros, and the Group will therefore be subject to additional foreign exchange risk on its revenues.

Before the Liquidnet Acquisition, a significant portion of the revenues and a significant portion of the costs of the Group have been denominated in foreign currencies, particularly US dollars and euros. Moreover, because of the nature of the Liquidnet business, following the Liquidnet Acquisition, an even greater portion of the revenues and costs of the enlarged Group will be denominated in foreign currencies. Fluctuations in the exchange rate, particularly between the pound sterling and the US dollar and the euro, respectively, may lead to fluctuations in the revenues and costs of the enlarged Group as reported in pounds sterling, which would affect its reported profits. Given the significant portion of enlarged Group's revenues generated in US dollars and euros, a weakening of the US dollar or the euro against the pound sterling may have a negative impact on the enlarged Group's reported results of operations which may be only part offset by a decrease in costs denominated in US dollars or euros, as applicable, as a result of such exchange rate fluctuations. The enlarged Group may enter into hedging arrangements to mitigate some of this exposure, but there can be no assurance that the enlarged Group will do so, that such arrangements will be available on acceptable terms, or that such hedging arrangements will be effective if entered into.

6.10 The Group has incurred and will incur substantial costs in connection with the Liquidnet Acquisition.

The Group has incurred and will incur significant transaction fees and other costs associated with completing the Liquidnet Acquisition. These fees and costs are substantial and include financing, financial advisory, legal and accounting fees and expenses. Although the Group believes that the benefits of the Liquidnet Acquisition will offset the transaction costs over time, this net benefit may not be achieved in the near term, or at all. See also *"The Group has historically made and the Group may continue to make acquisitions and the failure to successfully integrate such acquired businesses could have a material adverse effect on the Group's business, financial condition and results of operations. Furthermore, the acquisition and disposal of businesses may give rise to unforeseen or unexpected liabilities or contingencies"* above.

PART III

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Current Directors	Nicolas Breteau Robin Stewart Philip Price	<i>Group Chief Executive Officer</i> <i>Group Chief Financial Officer</i> <i>Group General Counsel</i>
Proposed Directors	Richard Berliand Angela Knight Edmund Ng Roger Perkin Michael Heaney Angela Crawford-Ingle Mark Hemsley Tracy Clarke Kath Cates ¹	<i>Chairman</i> <i>Senior Independent Non-Executive Director</i> <i>Independent Non-Executive Director</i> <i>Independent Non-Executive Director</i> <i>Independent Non-Executive Director</i> <i>Independent Non-Executive Director</i> <i>Independent Non-Executive Director</i> <i>Independent Non-Executive Director</i>
Current Company Secretary and Proposed Assistant Company Secretary	Mourant Secretaries (Jersey) Limited 22 Grenville Street St Helier JE4 8PX Jersey	
Proposed Company Secretary	Richard Cordeschi	
Registered Office of New TP ICAP	22 Grenville Street St Helier JE4 8PX Jersey	
<i>Advisers</i>		
Financial Adviser and Sponsor	HSBC Bank plc 8 Canada Square London E14 5HQ United Kingdom	
Legal Advisers to TP ICAP and New TP ICAP as to English and United States law	Allen & Overy LLP One Bishops Square London E1 6AD United Kingdom	
Legal Advisers to TP ICAP and New TP ICAP as to Jersey law	Mourant Ozannes 22 Grenville Street St Helier JE4 8PX Jersey	
Legal Advisers to the Sponsor as to English law	Linklaters LLP One Silk Street London EC2Y 8HQ United Kingdom	
Auditors and Reporting Accountants	Deloitte LLP 1 New Street Square London EC4A 3HQ United Kingdom	
Registrars to New TP ICAP	Link Market Services (Jersey) Limited 12 Castle Street St Helier JE2 3RT Jersey	
Registrars to TP ICAP	Link Group The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom	

¹ Kath Cates will become an Independent Non-Executive Director with effect from 1 February 2021.

PART IV
EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Time and/or date
Latest time for lodging Forms of Proxy for the:	
— Court Meeting (Blue Form of Proxy)	1.15 p.m. on 28 January 2021 ⁽²⁾
— General Meeting (Yellow Form of Proxy)	1.30 p.m. on 28 January 2021 ⁽³⁾
Voting Record Time	6.30 p.m. on 28 January 2021 ⁽⁴⁾
Court Meeting	1.15 p.m. on 1 February 2021
General Meeting	1.30 p.m. on 1 February 2021 ⁽⁵⁾
<i>Certain of the following dates are subject to change (please see Note (1) below):</i>	
Court hearing to sanction the Scheme and confirm the reduction in the share capital of TP ICAP	24 February 2021
Last day of dealings in TP ICAP Ordinary Shares	25 February 2021 ⁽¹⁾
Scheme Record Time	6.00 p.m. on 25 February 2021 ⁽¹⁾
Scheme Effective Date	26 February 2021 ⁽¹⁾
Delisting of TP ICAP Ordinary Shares, Admission of New TP ICAP Ordinary Shares to listing on the premium listing segment of the Official List	by no later than 8.00 a.m. on 26 February 2021 ⁽¹⁾
Crediting of New TP ICAP Ordinary Shares to CREST accounts	on or soon after 8.00 a.m. on 26 February 2021 ⁽¹⁾
New TP ICAP Reduction of Capital becomes effective	by no later than 1 March 2021 ⁽¹⁾
Dispatch of share certificates in respect of New TP ICAP Ordinary Shares	by no later than 12 March 2021 ⁽¹⁾

The Court Meeting and the General Meeting will each be held at 2 Broadgate, London EC2M 7UR.

Notes

- (1) The times and dates given are based on the Directors' expectations and may be subject to change. The times and dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme and the date on which the Conditions are satisfied or, if capable of waiver, waived. The timetable is also dependent on (i) when the Court Order sanctioning the Scheme and the associated reduction of capital of TP ICAP is delivered to the English Registrar of Companies; and (ii) the directors' solvency statement made in connection with the New TP ICAP Reduction of Capital and the New TP ICAP Capital Reduction Minute being delivered to and registered by the Jersey Companies Registry. TP ICAP will give notice of any change(s) to the expected timetable by issuing an announcement through a Regulatory Information Service.
 - (2) It is requested that blue Forms of Proxy for the Court Meeting be lodged before 1.15 p.m. on 28 January 2021 or, if the Court Meeting is adjourned, not later than 48 hours (excluding any day that is not a Business Day) before the time appointed for the holding of the adjourned meeting.
 - (3) Yellow Forms of Proxy for the General Meeting must be lodged before 1.30 p.m. on 28 January 2021 in order for them to be valid or, if the General Meeting is adjourned, not later than 48 hours (excluding any day that is not a Business Day) before the time appointed for the holding of the adjourned meeting.
 - (4) If either of the Meetings is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.30 p.m. on the date two Business Days before the date set for the adjourned meeting.
 - (5) To commence at the time fixed or as soon thereafter as the Court Meeting has been concluded or adjourned.
- (All references in this Prospectus to times are to London time (unless otherwise stated).)

PART V
IMPORTANT INFORMATION

Notice to potential investors

This Prospectus has been prepared for the purposes of complying with English law, the Prospectus Regulation Rules and the listing rules of the FCA made under section 74(4) of FSMA (the “Listing Rules”), and the information disclosed may not be the same as that which would have been disclosed if this Prospectus had been prepared in accordance with the laws of jurisdictions outside of England and Wales.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any security. None of the securities referred to in this Prospectus shall be sold, issued or transferred in any jurisdiction in contravention of any applicable law.

No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorised by New TP ICAP, TP ICAP, the Group, the Directors, HSBC or any other person. Without prejudice to any obligation of New TP ICAP to publish a supplementary prospectus pursuant to section 87G of FSMA, neither the delivery of this Prospectus nor any share exchange effected under the Scheme will, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this Prospectus or that the information in it is correct as of any subsequent time to the date of this Prospectus.

Nothing in this Prospectus or anything communicated to the holders or potential holders of any New TP ICAP Ordinary Shares (or interests in them) by or on behalf of New TP ICAP is intended to constitute or should be construed as advice on the merits of the purchase of, or subscription for, any New TP ICAP Ordinary Shares (or interests in them) or the exercise of any rights attached to the New TP ICAP Ordinary Shares (or interests in them). The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own legal adviser, financial adviser or tax adviser for legal, financial or tax advice. It should be remembered that the price of securities and the income from them can go down as well as up.

Information for United States shareholders

The New TP ICAP Ordinary Shares have not been and will not be registered under the US Securities Act and the New TP ICAP Shares will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof. For the purpose of qualifying for this exemption from the registration requirements of the US Securities Act, TP ICAP will advise the Court before it holds a hearing on the Scheme that its sanctioning of the Scheme will be relied upon by New TP ICAP for purposes of the section 3(a)(10) exemption as an approval of the Scheme following a hearing on its fairness to TP ICAP Shareholders at which hearing all such shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all such shareholders.

The New TP ICAP Ordinary Shares generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities under the Scheme (other than “affiliates” as described below) may generally resell them without restriction under the US Securities Act. Under US federal securities laws, TP ICAP Shareholders who are or will be deemed to be affiliates (as defined under the US Securities Act) of TP ICAP prior to, or of New TP ICAP after, the implementation of the Scheme may not resell the New TP ICAP Ordinary Shares received in connection with the Scheme without registration under the US Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Whether a person is an affiliate of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers and directors and significant shareholders. TP ICAP Shareholders who believe they may be affiliates for the purposes of the US Securities Act should consult their own legal advisers prior to any resale of New TP ICAP Ordinary Shares received under the Scheme.

The New TP ICAP Ordinary Shares have not been, and will not be, registered under the securities laws of any state or jurisdiction of the United States and, accordingly, will only be issued to the extent that exemptions from the registration or qualification requirements of state “blue sky” securities laws are available.

Incorporation by reference

Certain information has been incorporated by reference in this Prospectus. Please see Part VI “Information Incorporated by Reference” for further details of the information incorporated by reference.

No incorporation of website information

Except to the extent expressly set out below in Part VI “Information Incorporated by Reference”, neither the content of the Group’s website nor any other website, nor the content of any website accessible from hyperlinks on the Group’s website or any other website, is incorporated into, or forms part of, this Prospectus.

Forward-looking statements

This Prospectus (including any information incorporated by reference) includes forward-looking statements. The words “believe”, “anticipate”, “expect”, “intend”, “aim”, “plan”, “predict”, “project”, “target”, “continue”, “assume”, “positioned”, “may”, “will”, “should”, “would”, “could”, “shall”, “risk” and other similar expressions that are predictions of or indicate future events and future trends identify forward-looking statements. These forward-looking statements include all matters that are not current or historical facts. In particular, the statements in Part I “Summary”, Part II “Risk Factors”, Part VIII “Information on New TP ICAP and the Group” and Part XIII “Operating and Financial Review” of this Prospectus regarding New TP ICAP strategy, future financial position and other future events or prospects are forward-looking statements.

These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the control of the Group, which could cause the actual results of the Group to differ materially from those indicated in any such statements. These factors include, but are not limited to, those described in Part II “Risk Factors” of this Prospectus which are known to New TP ICAP at the date of this Prospectus, but may include other factors which arise in the future and are not known, or not considered to be material, at such date. Part II “Risk Factors” of this Prospectus should be read in conjunction with the other cautionary statements included in this Prospectus.

Prospective New TP ICAP Shareholders and others should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the control of the Group. By their nature, forward-looking statements involve risks and uncertainties because such statements relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not indicative of future performance and the actual results of operations and financial condition of the Group and the development of the industry in which the Group operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus.

These forward-looking statements reflect New TP ICAP judgement at the date of this Prospectus and are not intended to give any assurances as to future results. To the extent required by the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and other applicable regulations, New TP ICAP will update or revise the information in this Prospectus. Otherwise, New TP ICAP undertakes no obligation to update or revise any forward-looking statements, and will not publicly release any revisions it may make to these forward-looking statements that may result from events or circumstances arising after the date of this Prospectus. New TP ICAP will comply with its obligations to publish updated information as required by law or by any regulatory authority but assumes no further obligation to publish additional information.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that the Group, or persons acting on its behalf, may issue.

These forward-looking statements do not seek to qualify the working capital statement contained in paragraph 16 (Working Capital) of Part XVI “Additional Information” of this Prospectus.

Presentation of financial information

Unless otherwise stated, financial information relating to the Group has been extracted without material adjustment from:

- TP ICAP audited consolidated financial statements for the year ended 31 December 2017 (prepared in accordance with IFRS) and the audit report in respect of that year (“**TP ICAP 2017 Financial Statements**”);

- TP ICAP audited consolidated financial statements for the year ended 31 December 2018 (prepared in accordance with IFRS) and the audit report in respect of that year (“**TP ICAP 2018 Financial Statements**”);
- TP ICAP audited consolidated financial statements for the year ended 31 December 2019 (prepared in accordance with IFRS) and the audit report in respect of that year (“**TP ICAP 2019 Financial Statements**”); and
- TP ICAP unaudited interim financial statements for the nine months ended 30 September 2020 (“**TP ICAP 2020 Interim Financial Statements**”),

together the “**Consolidated Financial Statements**”.

The Consolidated Financial Statements have been incorporated by reference in this Prospectus. Please refer to Part VI “Information Incorporated by Reference” of this Prospectus.

Unless otherwise indicated, financial information in this Prospectus relating to the Group has been prepared in accordance with IFRS and in accordance with the Group’s accounting policies. The TP ICAP interim financial statements for the nine months ended 30 September 2020 have been prepared in accordance with IAS 34 (except for the omission of separate disclosures of financial information for the three month period commencing 1 July 2020 and ending 30 September 2020).

The preparation of financial information in conformity with IFRS requires the use of certain significant accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. Please see paragraph 11.2 (Significant Accounting Policies) of Part XIII “Operating and Financial Review” for further information. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial information, are disclosed in the notes to the Consolidated Financial Statements incorporated by reference in this Prospectus.

Under IFRS, the Liquidnet Acquisition will be accounted for using the acquisition method. TP ICAP is the acquirer. In the Consolidated Financial Statements, the identifiable assets acquired and liabilities assumed of Liquidnet will be recognised at fair value; the excess of the cost of the Acquisition over the net fair value of the identifiable assets acquired and liabilities assumed recognised will be recorded as goodwill.

The Group evaluates its operations by monitoring certain key indicators of business performance, certain of which are presented in this Prospectus or in the information incorporated by reference in this Prospectus. Such measures as presented, or incorporated by reference, in this Prospectus may not be comparable with similarly titled data presented by other companies in the Group’s industry. Nevertheless, New TP ICAP believes that such data is important to understand the Group’s performance from period to period and that such data facilitates comparison with the Group’s peers. Certain of these measures are non-IFRS financial measures and such measures are not intended to be substitutes for any IFRS measures of performance.

Unaudited Pro Forma Financial Information

In this Prospectus, any reference to “pro forma” financial information is to information which has been extracted without material adjustment from the unaudited pro forma financial information contained in Part XIV “Unaudited Pro Forma Financial Information of TP ICAP” of this Prospectus.

The unaudited pro forma financial information is for illustrative purposes only, to illustrate the effect on the profit and financial position of the Group of the Rights Issue and the Liquidnet Acquisition. The unaudited pro forma statement of net assets has been presented assuming the Rights Issue and the Liquidnet Acquisition had occurred on 30 September 2020. The unaudited pro forma income statement for the year ended 31 December 2019 and for the nine months ended 30 September 2020 have been prepared assuming the Liquidnet Acquisition had occurred on 1 January 2019 and 1 January 2020, respectively. Owing to its nature, the unaudited pro forma financial information addresses a hypothetical situation and, therefore, does not represent the actual financial position or results of the Group. Further results of operations may differ materially from those presented in the unaudited pro forma information due to various factors. Unaudited Pro Forma Financial Information has not been prepared, or shall not be construed as having been prepared, in accordance with the Regulation S-X under the US Securities Act.

Rounding

Certain figures contained in this Prospectus or incorporated by reference in this Prospectus, including financial, statistical and operating information, have been subject to rounding adjustments. Accordingly, in certain

instances, the sum of the numbers in a column or a row in tables contained in this Prospectus or incorporated by reference in this Prospectus may not conform exactly to the total figure given for that column or row.

Currency presentation

Unless otherwise indicated, all references in this Prospectus to “**US dollars**”, “**dollars**”, “**USD**”, “**US\$**” or “**cents**” are to the lawful currency of the US, all references to “**pounds sterling**”, “**sterling**”, “**£**”, “**pence**” or “**p**” are to the lawful currency of the United Kingdom and all references to “**€**”, “**EUR**” or “**euro**” are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.

Sources of information

Where information contained in this Prospectus has been sourced from a third party, New TP ICAP and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where information in this Prospectus has been sourced from third parties, the source of such information has been clearly stated adjacent to the reproduced information.

Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. New TP ICAP has not independently verified any of the data from third party sources nor has it ascertained the underlying economic assumptions relied upon therein.

References to time

Unless otherwise stated, all references to time in this Prospectus are to the time on the relevant date in London in the United Kingdom.

Defined terms

Certain terms used in this Prospectus, including capitalised terms and certain technical and other items, are defined and explained in Part XVII “Definitions” of this Prospectus.

PART VI

INFORMATION INCORPORATED BY REFERENCE

The following documents, which have been approved, filed with or notified to the FCA, and which are available for inspection in accordance with paragraph 26 (Documents for Inspection) of Part XVI “Additional Information” of this Prospectus, contain information about the Group which is relevant to this Prospectus:

- 2019 Annual Report and Financial Statements (including the TP ICAP 2019 Financial Statements) (the “**TP ICAP 2019 Annual Report**”);
- 2018 Annual Report and Financial Statements (including the TP ICAP 2018 Financial Statements) (the “**TP ICAP 2018 Annual Report**”);
- 2017 Annual Report and Financial Statements (including the TP ICAP 2017 Financial Statements) (the “**TP ICAP 2017 Annual Report**”);
- TP ICAP Prospectus published on 7 January 2021; and
- TP ICAP Class 1 Circular published on 7 January 2021.

The table below sets out the sections of these documents which are incorporated by reference in, and form part of, this Prospectus, and only the parts of the documents identified in the table below are incorporated by reference in, and form part of, this Prospectus. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Prospectus. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information shall not form part of this Prospectus.

Reference document	Information incorporated by reference in this Prospectus	Page number(s) in reference document
As at and for the year ended 31 December 2019		
TP ICAP 2019 Annual Report	Independent Auditor’s Report to the members of TP ICAP plc	106 - 112
	Consolidated Income Statement	113
	Consolidated Statement of Comprehensive Income	114
	Consolidated Balance Sheet	115
	Consolidated Statement of Changes in Equity	116 - 117
	Consolidated Cash Flow Statement	118
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As at and for the year ended 31 December 2018		
TP ICAP 2018 Annual Report	Independent Auditor’s Report to the members of TP ICAP plc	113 - 119
	Consolidated Income Statement	120
	Consolidated Statement of Comprehensive Income	121
	Consolidated Balance Sheet	122
	Consolidated Statement of Changes in Equity	123
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As at and for the year ended 31 December 2017		
TP ICAP 2017 Annual Report	Independent Auditor’s Report to the members of TP ICAP plc	95 - 101
	Consolidated Income Statement	102
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Reference document	Information incorporated by reference in this Prospectus	Page number(s) in reference document
	Consolidated Balance Sheet	104
	Consolidated Statement of Changes in Equity	105
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	Notes to the Consolidated Financial Statements	107 - 152
TP ICAP Prospectus	Business Overview of the Liquidnet Group	141 - 152
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TP ICAP Class 1 Circular	Principal Terms and Conditions of the Acquisition	31 - 35
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	Accountant's Report on the Historical Financial Information relating to the Liquidnet Group	101 - 102

PART VII

INFORMATION ON THE PROPOSALS

1. INTRODUCTION

On 23 December 2019, TP ICAP announced its intention to implement a corporate reorganisation pursuant to which it is proposed that a new ultimate holding company be introduced for the Group. The new ultimate holding company, New TP ICAP, is a company registered in Jersey. The Proposals are expected to create a more capital efficient corporate structure that is expected to provide greater financial flexibility.

It is intended that this new corporate structure will be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006, which needs to be approved by a majority in number of TP ICAP Shareholders present and voting (either in person, electronically or by proxy) at the Court Meeting and who represent not less than 75 per cent. of the nominal value of the TP ICAP Ordinary Shares voted (either in person, electronically or by proxy) by such TP ICAP Shareholders as well as the Court. If the Scheme becomes Effective, TP ICAP's existing share capital will be cancelled and Scheme Shareholders will be entitled to receive one New TP ICAP Ordinary Share for each TP ICAP Ordinary Share held immediately before such cancellation. As explained in paragraph 6 (The New TP ICAP Reduction Of Capital), following the Scheme becoming Effective, it is proposed that the entire amount standing to the credit of the share premium account of New TP ICAP will be cancelled under Part 12 of the Jersey Companies Law, which will have the effect of creating distributable reserves in New TP ICAP.

Following the corporate reorganisation, it is anticipated that the FCA will prudentially supervise the EMEA Sub-Group (as defined in Part XVII "Definitions") on a consolidated basis, and the EMEA Sub-Group will submit returns to the FCA on its capital adequacy and other related matters.

Subsidiary undertakings of the Group that currently operate in the Americas and Asia will be reorganised under New TP ICAP and will continue to be prudentially regulated by their respective local regulators, but not by the FCA. Following the proposed changes, the Board will continue to assess the Group's capital needs against its operational and strategic requirements.

2. REASONS FOR THE PROPOSALS

2.1 Background to and reasons for the Scheme

The Proposals are expected to create a more capital efficient corporate structure that is expected to provide greater financial flexibility.

Currently, TP ICAP and the Group have been subject to prudential requirements, including regulatory capital requirements, under CRD IV/CRR. In this regard, the Group has been under the FCA's consolidated prudential supervision, subject to an investment firm consolidation waiver in respect of certain UK regulated entities (the "**Consolidation Waiver**"). As a result of the Proposals, only the EMEA Sub-Group will be subject to consolidated prudential supervision by the FCA under CRD IV/CRR (and, post-Brexit, under the Onshored CRR). The FCA will assert capital adequacy requirements on the consolidated position of the financial institutions within the EMEA Sub-Group only, resulting in a change in the capital adequacy requirements imposed for the purposes of mitigating broader group risk. Consequently, any future growth in the business of the Group (whether organically or by acquisition) outside of the EMEA Sub-Group would not have the same impact on the Group's capital requirements as today. In particular, any goodwill and other intangible assets held outside of the EMEA Sub-Group should not result in a deduction from eligible capital resources in the same manner as if those assets were held in the consolidation group. Consequently, once the Proposals have been implemented, the Group is likely to benefit from greater regulatory capital efficiency and therefore have greater flexibility to achieve growth.

Since the acquisition of IGBB, TP ICAP has been engaged in a process of simplification of its Group corporate structure. The Directors believe that an additional benefit of the Proposals would be to streamline governance further, which, it is anticipated, would have benefits in terms of risk management and controls.

The Group believes that the credit ratings of the Group and its outstanding bonds will not be impacted by the Proposals.

The Group is not currently expecting there to be any impact on the location of employees as a result of the Proposals.

It is intended that the Group will remain headed by a UK tax resident company following the implementation of the Proposals. The Group believes that New TP ICAP will also remain eligible for inclusion in the FTSE index following completion of the Proposals.

2.2 Creation of distributable reserves

The Group's dividend policy will not be affected by the Proposals. For the financial year ending 31 December 2021 onwards, the Board intends to introduce a new dividend policy that will target a dividend cover of approximately two times underlying earnings (defined as profit for the year adjusted for acquisition, disposal and integration costs, exceptional items and taxation). The new dividend policy reflects a balanced approach to capital allocation and is expected to allow the enlarged Group to invest to drive growth, while allowing dividends to increase in line with underlying earnings.

The level of any dividend paid in respect of TP ICAP Ordinary Shares is within the discretion of the Board and is subject to a number of factors, including the business and financial condition, earnings, cash flow and regulatory capital position of, and other factors affecting, the Group, as well as the availability of retained earnings and of funds from which dividends can be legally paid. The Group expects to generate surplus capital over time, primarily from earnings. It is intended that, after taking into account required capital, capital for investment, capital for potential strategic opportunities and a prudent buffer, available capital will be distributed to shareholders over time by way of dividend payments.

The purpose of the New TP ICAP Reduction of Capital is to create distributable reserves in the accounts of New TP ICAP, which provides for a financially and operationally efficient manner of supporting the payment of future dividends. Under Jersey law and subject to the Directors making the required solvency statement, New TP ICAP has the ability to pay dividends from profits or retained earnings from any account (including its share premium account), other than its capital redemption reserve or nominal capital account.

3. EFFECTS OF THE SCHEME

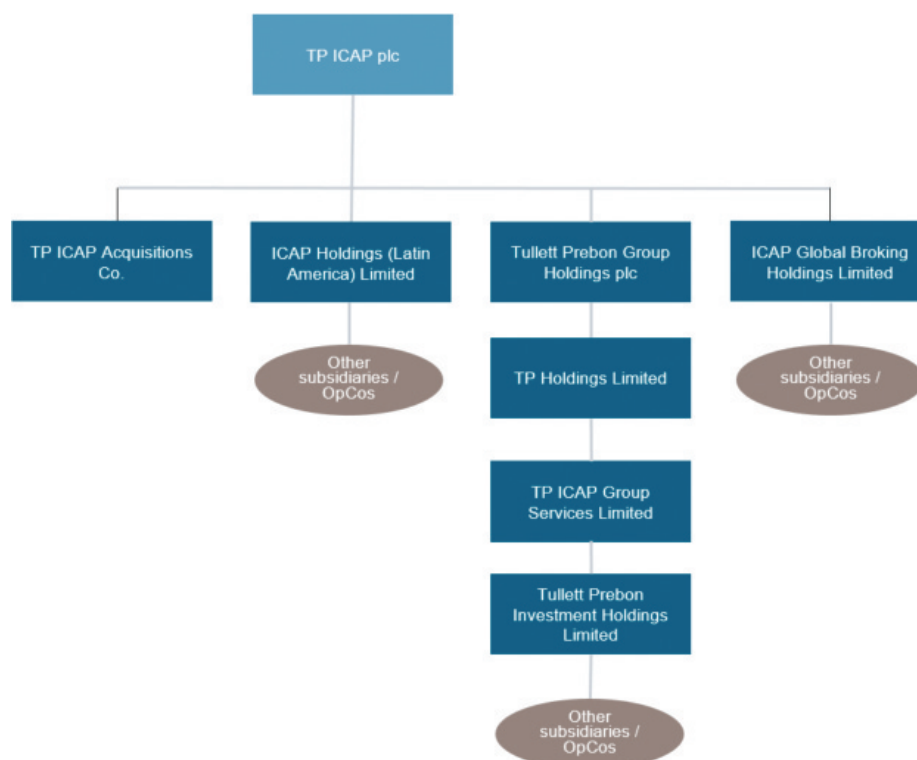
The effects of the implementation of the Scheme will be as follows:

- instead of owning a given number of TP ICAP Ordinary Shares, each TP ICAP Shareholder will own the same number of New TP ICAP Ordinary Shares;
- New TP ICAP will be the new holding company of the Group; and
- instead of having its ordinary share capital owned by the TP ICAP Shareholders, TP ICAP will become a wholly-owned subsidiary of New TP ICAP.

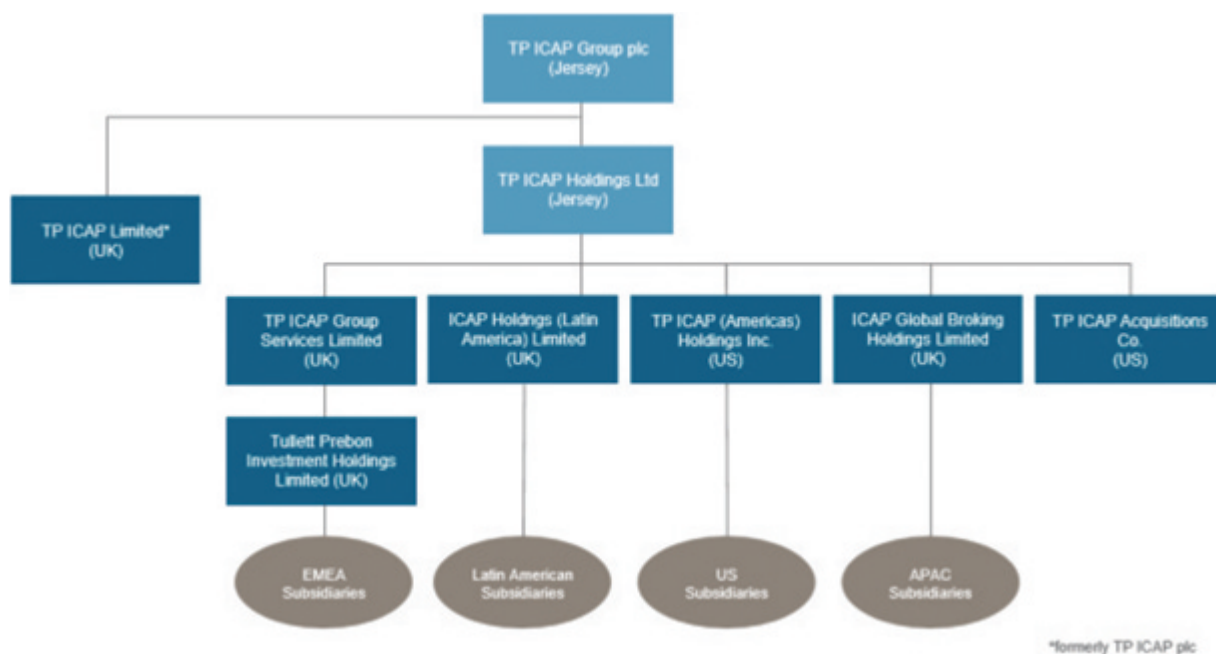
Immediately following the Scheme becoming Effective, New TP ICAP will own no assets other than the ordinary share capital of TP ICAP and TP ICAP Holdings Limited ("**TP ICAP Holdings**"). As soon as reasonably practicable after the Scheme Effective Date, TP ICAP's subsidiaries will first be transferred to New TP ICAP and, immediately following that transfer, be transferred to New TP ICAP's wholly-owned subsidiary, TP ICAP Holdings (a Jersey-incorporated holding company).

The charts below illustrate the structure of the Group: (i) as at the date of this Prospectus (and prior to the implementation of the Proposals); and (ii) following the implementation of the Proposals:

3.1 Structure of the Group prior to the implementation of the Proposals



3.2 Structure of the Group following the implementation of the Proposals



4. SUMMARY OF THE SCHEME

The principal steps involved in the Scheme are as follows:

4.1 Cancellation of Scheme Shares

All of the Scheme Shares will be cancelled by way of a reduction of capital (the “**Scheme Reduction of Capital**”) on the Scheme Effective Date (which is expected to be 26 February 2021). In consideration of the cancellation of the Scheme Shares, the holders of the Scheme Shares will receive, in respect of any Scheme Shares held as at the Scheme Record Time:

for each one Scheme Share cancelled one New TP ICAP Ordinary Share

With effect from the Scheme Effective Time, the rights attaching to the New TP ICAP Ordinary Shares will be substantially the same as those attaching to the TP ICAP Ordinary Shares. Upon the implementation of the Scheme, a New TP ICAP Shareholder will effectively have the same voting rights and the same proportionate interest in the profits, net assets and dividends of the Group as they would have as a TP ICAP Shareholder immediately prior to the Scheme becoming Effective.

A summary of the rights attaching to the New TP ICAP Ordinary Shares and a summary of the principal differences between English law and Jersey law are set out in paragraphs 3 and 4 of Part XVI “Additional Information” of this Prospectus. Certain provisions in the articles of association of New TP ICAP to be adopted by New TP ICAP prior to the Scheme becoming Effective (the “**New TP ICAP Articles**”) have been included in order to enshrine rights that are not conferred by the Jersey Companies Law but which shareholders of a company listed on the main market of the London Stock Exchange would normally expect. These provisions are highlighted in the summary of the New TP ICAP Articles as set out in paragraph 5 (Summary Of The New TP ICAP Articles) of Part XVI “Additional Information” of the Prospectus. In all other material respects, the New TP ICAP Articles are the same as the TP ICAP Articles.

4.2 Establishing New TP ICAP as the new ultimate holding company of the Group

Following the Scheme Reduction of Capital to cancel the Scheme Shares, the credit arising in the accounts of TP ICAP as a result of the cancellation will be capitalised and applied in paying up, in full at par, such number of TP ICAP Scheme New Ordinary Shares as shall be equal to the number (and aggregate nominal value) of the TP ICAP Ordinary Shares cancelled.

New ordinary shares of 25 pence each in the capital of TP ICAP will be allotted and issued, credited as fully paid, to New TP ICAP pursuant to the Scheme (the “**TP ICAP Scheme New Ordinary Shares**”) which will, as a result, become the new direct holding company of TP ICAP and of the Group.

The New TP ICAP Subscriber Shares are currently held by Nicolas Breteau, Chief Executive Officer of the Group, and Robin Stewart, Chief Financial Officer of the Group, respectively having been transferred to them by Maurant Governance Services (Jersey) Limited shortly after the incorporation of New TP ICAP. The New TP ICAP Subscriber Shares will be bought back by New TP ICAP immediately after the Scheme Effective Date.

4.3 Amendments to the TP ICAP Articles

TP ICAP Shareholders will be asked to approve at the General Meeting, by way of a special resolution, certain amendments to the articles of association of TP ICAP (the “**TP ICAP Articles**”) in order to facilitate the Scheme.

It is proposed that, at the General Meeting, the TP ICAP Articles be amended in such a way as to ensure that:

- any TP ICAP Ordinary Shares which are issued to any person other than New TP ICAP (or its nominee(s)) before the Scheme Record Time (but after the General Meeting) are allotted subject to the terms of the Scheme and the holders of such shares will be bound by the Scheme accordingly; and
- any TP ICAP Ordinary Shares which are allotted to any person other than New TP ICAP after the Scheme Record Time will be immediately transferred to New TP ICAP in exchange for the issue or transfer to the relevant allottees by New TP ICAP of one New TP ICAP Ordinary Share for each TP ICAP Ordinary Share transferred. These changes are necessary because, in some cases, TP ICAP Ordinary Shares may need to be allotted before the Scheme Record Time (for example, because of the exercise of rights granted by TP ICAP under the TP ICAP Share Plans) but the fact that they are issued after the Scheme Record Time could mean that they are not classified as Scheme Shares and are therefore outside the scope of the

Scheme. In addition, TP ICAP Ordinary Shares may be issued (again, for example, under the TP ICAP Share Plans) after the Scheme Record Time, which would also put them outside the scope of the Scheme.

These measures will avoid any person other than New TP ICAP being left with TP ICAP Ordinary Shares after dealings in such shares have ceased on the London Stock Exchange and will further ensure that New TP ICAP will own the entire issued ordinary share capital of TP ICAP despite any issues of TP ICAP Ordinary Shares that would otherwise not be classified as Scheme Shares.

For the avoidance of doubt, the Board does not anticipate that any TP ICAP Ordinary Shares will be allotted between the Scheme Record Time and the Scheme Effective Time.

5. CONDITIONS TO IMPLEMENTATION OF THE SCHEME

The implementation of the Scheme is conditional upon:

- (a) the approval of the Scheme by a majority in number of, and representing at least 75 per cent. in value of the TP ICAP Ordinary Shares held by, TP ICAP Shareholders present and voting, either in person or by proxy, at the Court Meeting (or at any adjournment of such meeting);
- (b) the passing of Resolutions 1 to 3 (inclusive) as set out in the Notice of General Meeting (inclusive) to approve the Proposals and various matters in connection with the Proposals including (i) the cancellation of the Scheme Shares by way of the Scheme Reduction of Capital, (ii) the de-listing of the TP ICAP Ordinary Shares, (iii) the issue and allotment of TP ICAP Scheme New Ordinary Shares to New TP ICAP, (iv) changes to the TP ICAP Articles and (v) the New TP ICAP Reduction of Capital at the General Meeting;
- (c) the Relevant Regulators each having been notified of, and having approved or having been deemed to have approved in accordance with the relevant applicable law or regulation (to the extent such notification, approval (or deemed approval) is required by the relevant applicable law or regulation and has not been withdrawn or deemed withdrawn):
 - (i) any acquisition or increase of control or ownership (howsoever described in the relevant applicable law or regulation) by New TP ICAP of any relevant entities within the Group or otherwise; and
 - (ii) any change in the nature of control or ownership (howsoever described in the relevant applicable law or regulation) by any other person in any relevant entity within the Group or otherwise, that in each case would occur (or be deemed to occur) upon the Scheme becoming Effective;
- (d) the sanction of the Scheme, and the confirmation of the Scheme Reduction of Capital, by the Court;
- (e) a copy of the Court Order and a copy of the TP ICAP Statement of Capital having been delivered to the English Registrar of Companies for registration;
- (f) permission having been granted by the FCA to de-list the TP ICAP Ordinary Shares and to admit (subject to the allotment of New TP ICAP Ordinary Shares in connection with the Scheme and satisfaction of Conditions (a) to (e) above, save to the extent such Conditions are already satisfied) the New TP ICAP Ordinary Shares to the premium listing segment of the Official List; and
- (g) the London Stock Exchange having agreed to admit the New TP ICAP Ordinary Shares to trading on its main market for listed securities and its agreement not being withdrawn prior to the Scheme Effective Date,

(together, the “**Conditions**”).

As indicated above, the Scheme constitutes a change in control of TP ICAP for regulatory purposes albeit that TP ICAP Shareholders will retain the same proportionate ownership of New TP ICAP as they had of TP ICAP immediately prior to the Scheme becoming Effective and, accordingly, the Scheme is subject to obtaining the relevant regulatory approvals. The requisite approval by the FCA of those matters referred to in paragraphs (c)(i) to (ii) above was obtained on 15 May 2020. The requisite approvals of the regulators in Canada, France, Hong Kong, Nigeria, Norway, Portugal, Singapore, Spain, Switzerland, the UAE, and the US have also been obtained. As at the date of this Prospectus, approval from the regulator in the Netherlands has yet to be obtained. It is anticipated that such approval will be obtained before 26 February 2021 (being the expected date that the Scheme will become Effective).

The Directors will not take the necessary steps to implement the Scheme unless the Conditions have been satisfied (or, where capable of waiver, waived) and, at the relevant time, they consider that it continues to be in the best interests of TP ICAP and of TP ICAP Shareholders that the Scheme should be implemented.

The Court Hearing (at which it is proposed that the Court sanction the Scheme) is expected to be held on or around 24 February 2021 at The Royal Courts of Justice, Rolls Building, Fetter Lane, London EC4A 1NL, United Kingdom. It is possible that the hearing may be conducted remotely or partially remotely. TP ICAP will confirm the date of the Court Hearing and further information on how the hearing will be conducted by issuing an announcement through a Regulatory Information Service following the approval of the Scheme at the Court Meeting. TP ICAP Shareholders who wish to support or oppose the Scheme are entitled to appear in person, or be represented by legal representative, at the Court Hearing.

The Scheme contains a provision for TP ICAP and New TP ICAP jointly to consent, on behalf of all persons concerned, to any modification of or addition to the Scheme, or to any condition that the Court may think fit to approve or impose. The Court is unlikely to approve something substantially different to what has been approved at the Court Meeting or would be likely to cause a hypothetical reasonable shareholder to take a different view in relation to the Scheme. It will be a matter for the Court to decide, in its discretion, whether or not further meetings of TP ICAP Shareholders should be held. If the Court does approve or impose a modification of, or addition or condition to, the Scheme which, in the opinion of the Directors, requires the consent of the TP ICAP Shareholders, the Directors will not take the necessary steps to enable the Scheme to become Effective unless and until such consent is obtained.

If the Scheme and Scheme Reduction of Capital is sanctioned by the Court and the other Conditions are satisfied (or waived), the Scheme is expected to become Effective, and dealings in New TP ICAP Ordinary Shares on the London Stock Exchange are expected to commence, on 26 February 2021.

If the Scheme has not become Effective by 30 September 2021 (or such later date as TP ICAP and New TP ICAP agree and the Court allows), it will lapse, in which event the Scheme will not proceed, there will not be a new holding company of TP ICAP, the Scheme Shareholders will remain shareholders of TP ICAP and the TP ICAP Ordinary Shares will continue to be listed on the Official List and admitted to trading on the London Stock Exchange.

The full text of the Scheme and of the resolutions to be proposed at the Court Meeting and the General Meeting are set out in Parts 5, 6 and 7 of the TP ICAP Scheme Circular.

6. THE NEW TP ICAP REDUCTION OF CAPITAL

Following the Scheme becoming Effective, it is proposed that the entire amount standing to the credit of the share premium account of New TP ICAP will be cancelled. The purpose of the New TP ICAP Reduction of Capital is to create distributable reserves in the accounts of New TP ICAP, which provides for a financially and operationally efficient way of supporting the payment of future dividends.

Based on the issued ordinary share capital of TP ICAP as at 5 January 2021 (being the latest practicable date prior to the publication of this Prospectus) and on the basis that all of the TP ICAP Rights Issue Shares are issued, and on the closing price of a TP ICAP Ordinary Share of 246.6 pence on 6 January 2021 (being the last trading day prior to the publication of this Prospectus), the New TP ICAP Reduction of Capital is expected to create distributable reserves on the balance sheet of New TP ICAP of approximately £1,507,488,153. The actual amount of distributable reserves created will be dependent on TP ICAP's share price and the number of TP ICAP Ordinary Shares in issue immediately before the Scheme becomes Effective. The New TP ICAP Reduction of Capital is not expected to have any impact on the market value of the ordinary shares of New TP ICAP.

The implementation of the New TP ICAP Reduction of Capital is conditional upon:

- (a) confirmatory approval of the New TP ICAP Reduction of Capital by TP ICAP Shareholders by the passing of Resolution 3 as set out in the Notice of General Meeting;
- (b) the Scheme becoming Effective; and
- (c) the registration by the Jersey Registrar of Companies of the directors' solvency statement made in connection with the New TP ICAP Reduction of Capital and the New TP ICAP Capital Reduction Minute.

The necessary shareholder resolution for New TP ICAP to implement the New TP ICAP Reduction of Capital is expected to be passed by the New TP ICAP Subscriber Shareholders shortly before the Scheme Effective

Date, conditional upon the Scheme becoming Effective. As the TP ICAP Shareholders will become New TP ICAP Shareholders if the Scheme becomes Effective, it has been decided that the New TP ICAP Reduction of Capital should also be conditional upon receipt of confirmatory approval from the TP ICAP Shareholders, by way of a special resolution which is to be proposed at the General Meeting. The confirmatory resolution by the TP ICAP Shareholders is not required by Jersey law to effect the New TP ICAP Reduction of Capital. However, by making the New TP ICAP Reduction of Capital conditional upon the confirmatory resolution being passed, the Board has made the express approval of the incoming New TP ICAP Shareholders a condition not only of the New TP ICAP Reduction of Capital but also of the Scheme itself proceeding.

For the avoidance of doubt, the New TP ICAP Reduction of Capital is a separate and independent process from the Scheme Reduction of Capital. The Scheme Reduction of Capital relates to TP ICAP and is part of the mechanics of the Scheme. The Scheme Reduction of Capital involves the reduction of the share capital of TP ICAP by the cancellation of the Scheme Shares. The reserve arising as a result of the cancellation of the Scheme Shares is applied by paying up the TP ICAP Scheme New Ordinary Shares and to allot and issue, credited as fully paid, such number of TP ICAP Scheme New Ordinary Shares as are equal to the number of Scheme Shares cancelled, to New TP ICAP, in accordance with the Scheme. This is the means by which TP ICAP becomes a wholly-owned subsidiary of New TP ICAP. The New TP ICAP Reduction of Capital relates to the ability of New TP ICAP to pay dividends and will take place after the Scheme becomes Effective.

7. RE-REGISTRATION OF TP ICAP

Shortly after New TP ICAP becomes the holding company for the Group pursuant to the Scheme, TP ICAP will be re-registered as a private limited company. New TP ICAP will continue to be called TP ICAP Group plc.

On the Scheme Effective Date, the existing share certificates of the TP ICAP Ordinary Shares will cease to be valid and should be destroyed. It is expected that share certificates for New TP ICAP Ordinary Shares which are allotted and issued pursuant to the Scheme will be dispatched within 10 Business Days of the Scheme Effective Date (these certificates will be in the name of “TP ICAP Group plc” with company number 130617).

8. TAXATION

Your attention is drawn to paragraph 23 (Taxation) of Part XVI “Additional Information” of this Prospectus for further information about certain Jersey, United Kingdom and United States taxation consequences of holding the New TP ICAP Ordinary Shares.

Summary information on taxation in this Prospectus is intended as a guide only and holders of TP ICAP Ordinary Shares who are in any doubt about their tax position, including those who are resident for tax purposes outside Jersey, the United Kingdom or the United States, are strongly advised to contact an appropriate independent professional adviser without delay.

9. DIRECTORS’ AND OTHER INTERESTS

As at 5 January 2021 (being the latest practicable date prior to publication of this Prospectus), the directors of New TP ICAP are currently Nicolas Breteau, Robin Stewart and Philip Price. Upon the Scheme becoming Effective, all of the current directors of TP ICAP will become directors of New TP ICAP.

Details of the Directors’ service contracts, the terms of their appointment and their fees and remuneration are set out in paragraphs 3 (Compensation) of Part XI “Directors and Corporate Governance” and 9 (Directors’ Terms Of Appointment) of Part XVI “Additional Information” of this Prospectus. The total fees and remuneration receivable by each Director will not be varied as a result of the Scheme. In addition and with effect from the Scheme Effective Date, the service agreements of the Executive Directors and the letters of appointment of the Non-Executive Directors will be amended, such that they will each be entered into on substantially the same terms with New TP ICAP, rather than TP ICAP.

Details of the current interests of the Directors in, and options and awards relating to, TP ICAP Ordinary Shares are set out in paragraph 7 (Directors’ Interests) of Part XVI “Additional Information” of this Prospectus.

The effect of the Scheme on the interests of the Directors is set out in paragraphs 7 and 8 of Part 3 of the TP ICAP Scheme Circular. Save as described above, the effect of the Scheme on the interests of the Directors does not differ from its effect on the like interests of other persons.

10. LIQUIDNET ACQUISITION

On 9 October 2020, TP ICAP announced that it has reached agreement on the terms of the proposed acquisition of Liquidnet for a total consideration of between \$575 million and \$700 million, comprising of, \$525 million (subject to customary adjustments) payable on Completion of the Liquidnet Acquisition, non-contingent deferred consideration of \$50 million and contingent consideration of up to \$125 million. The Liquidnet Acquisition is expected to be completed in the first quarter of 2021.

Owing to its size, the Liquidnet Acquisition is a “class 1” transaction for the purposes of the Listing Rules and therefore requires the approval of TP ICAP Shareholders: the Liquidnet Acquisition is conditional on, amongst other things, such approval. The Liquidnet Acquisition is also conditional upon the implementation of the Proposals. Accordingly, if the Proposals are not implemented, the Liquidnet Acquisition will not proceed. The Proposals are not conditional upon the Liquidnet Acquisition and the Proposals may therefore be implemented even if the Liquidnet Acquisition does not complete.

The Liquidnet Acquisition will be financed through a combination of the proceeds of a rights issue commenced by TP ICAP on the date of this Prospectus (the “**Rights Issue**”) to raise gross proceeds of approximately £315 million, drawdown of existing debt facilities and unsecured loan notes issued by TP ICAP to certain stockholders in Liquidnet. The Scheme Effective Date will occur following completion of the Rights Issue.

TP ICAP has published the TP ICAP Prospectus (in connection with the Rights Issue) and dispatched the TP ICAP Class 1 Circular (in connection with the Liquidnet Acquisition) to TP ICAP Shareholders on the date of this Prospectus.

11. DEBT FINANCING

11.1 Syndicated Revolving Credit Facility

The Group currently has in place a £270,000,000 multicurrency revolving credit facility (the “**Syndicated RCF**”), as further described in paragraph 18.5 (Syndicated Multicurrency Revolving Credit Facility Agreement) of Part XVI “Additional Information” of this Prospectus. TP ICAP is currently a party to the Syndicated RCF in the capacity of a facility A borrower and as a guarantor.

The Syndicated RCF contains a leverage covenant and an interest cover financial covenant. The Syndicated RCF is scheduled to mature in December 2023.

Under the terms of the Syndicated RCF, TP ICAP must promptly notify the Facility Agent (i) if it becomes aware of any change of control or (ii) if TP ICAP ceases to hold (directly or indirectly) 100 per cent. of the issued share capital of certain Group companies party to the Syndicated RCF. A change of control will not occur solely as a result of a holding company being interposed between TP ICAP and its shareholders if TP ICAP is a wholly-owned subsidiary of that holding company. If there is a change of control, or TP ICAP ceases to hold (directly or indirectly) 100 per cent. of the issued share capital of certain Group companies party to the Syndicated RCF, then a lender shall not be obliged to fund a loan (other than a rollover loan).

On the basis that the Proposals will trigger certain defaults and change of control provisions under the Syndicated RCF, TP ICAP has obtained the consent of the lenders to waive each breach, provided that certain conditions are fulfilled. Following the Scheme, it is intended that the Syndicated RCF will be amended and restated to reflect the new Group structure with TP ICAP resigning as a guarantor under the Syndicated RCF, and New TP ICAP acceding to the Syndicated RCF as a guarantor.

11.2 Bilateral Revolving Credit Facility Agreement — Tokyo Tanshi

The Group currently has in place a JPY10,000,000,000 revolving credit facility (the “**Bilateral RCF**”), as further described in paragraph 18.6 (Bilateral Revolving Credit Facility Agreement — Tokyo Tanshi) of Part XVI “Additional Information” of this Prospectus. TP ICAP is currently a party to the Bilateral RCF in the capacity of borrower. The Bilateral RCF contains an accession mechanic such that New TP ICAP shall accede to the Bilateral RCF as a guarantor on or before the Scheme Effective Date.

The Bilateral RCF contains a leverage covenant and an interest cover financial covenant. The Bilateral RCF is scheduled to mature in August 2022, but contains an extension option whereby TP ICAP may request that the Final Maturity Date be extended for a period of six months.

Under the terms of the Bilateral RCF, TP ICAP must prepay the loan in full in certain circumstances, including in the event of a change of control. A change of control occurs where (i) before the Scheme Effective Date occurs, any person or group of persons acting in concert gains control of TP ICAP; (ii) on and from the

Scheme Effective Date, any person or group of persons acting in concert gains control of the guarantor; or (iii) on and from the Scheme Effective Date, the guarantor (or any replacement parent company of the Group) ceases to hold (directly or indirectly) 100 per cent. of the issued share capital of TP ICAP. The change of control provisions under the Bilateral RCF will not be triggered by the Proposals.

11.3 Euro Medium Term Notes

In January 2017, TP ICAP issued £500,000,000 5.250 per cent. Notes due 2024 (the “**2024 Notes**”) under its £1,000,000,000 Euro Medium Term Note Programme (the “**EMTN Programme**”). As of the date of this Prospectus, £431 million of the 2024 Notes are outstanding following a £69 million buy back in 2019.

In May 2019, TP ICAP issued £250,000,000 5.250 per cent. Notes due 2026 (the “**2026 Notes**”, and together with the 2024 Notes, the “**EMTN Notes**”) under the EMTN Programme.

No consents are required from the holders of the EMTN Notes for, or in connection with, the Proposals.

On completion of the Proposals, the TP ICAP Scheme New Ordinary Shares will not be listed and TP ICAP will be re-registered as a private limited company. TP ICAP will remain the issuer of the EMTN Notes and the EMTN Notes will continue to be listed on the regulated market of the London Stock Exchange.

The TP ICAP Scheme New Ordinary Shares will be directly held by New TP ICAP, which will become the new holding company for the Group in place of TP ICAP. Immediately following completion of the Proposals, TP ICAP will have no subsidiaries. While TP ICAP expects to be able to continue servicing the EMTN Notes from revenues generated by intra-group funding arrangements to be entered into between TP ICAP and New TP ICAP in connection with the Proposals, following completion of the Proposals the EMTN Notes will also benefit from an unconditional and irrevocable guarantee to be given by New TP ICAP pursuant to a supplemental trust deed to be entered into on or around the Scheme Effective Date, between TP ICAP, New TP ICAP and US Bank Trustees Limited supplementing the trust deed constituting the EMTN Notes.

The terms of the EMTN Notes provide for a coupon ratchet whereby the rate of interest will increase by 1.250 per cent. per annum during any interest period if an investment-grade rating is not maintained on the relevant EMTN Notes at the start of that interest period. TP ICAP does not currently expect the coupon ratchets in the terms of the EMTN Notes to be triggered as a result of the Proposals.

12. NEW TP ICAP ARTICLES AND DIFFERENCES IN JERSEY COMPANIES LAW

The New TP ICAP Articles, which will be adopted by New TP ICAP prior to the Scheme becoming Effective, are based on the TP ICAP Articles (excluding, for the avoidance of doubt, the changes to the TP ICAP Articles proposed to be made pursuant to Resolution 2 to be put to TP ICAP Shareholders at the General Meeting).

As set out in more detail in the comparison between Jersey law and English law in paragraph 4 (Summary Of Significant Differences Between English and Jersey Company Law) of Part XVI “Additional Information” of this Prospectus, there are a number of differences between the Jersey Companies Law and the Companies Act which may impact on the rights of holders of New TP ICAP Ordinary Shares. For example, Jersey law does not contain certain statutory safeguards (e.g. pre-emption rights) which English law does. As such, where considered appropriate and subject to the Jersey Companies Law, provisions have been incorporated into the New TP ICAP Articles to enshrine certain rights that are not conferred by Jersey Companies Law but which shareholders of a company listed on the premium listing segment of the Official List and admitted to trading on the London Stock Exchange would normally expect. These provisions are highlighted in the summary of the New TP ICAP Articles as set out in paragraph 5 (Summary Of The New TP ICAP Articles) of Part XVI “Additional Information” of this Prospectus. In all other material respects, the New TP ICAP Articles are the same as the TP ICAP Articles.

13. OVERSEAS SHAREHOLDERS

13.1 General

The implications of the Scheme for, and the distribution of this Prospectus to TP ICAP Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside of the United Kingdom (“**Overseas Shareholders**”) may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about and observe all applicable legal requirements.

It is the responsibility of any person into whose possession this Prospectus comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme and the distribution of this Prospectus and/or the accompanying documents, including the obtaining of any governmental, exchange

control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

If, in respect of any Overseas Shareholder, New TP ICAP is advised that the allotment and issue of New TP ICAP Ordinary Shares pursuant to the Scheme would or might infringe the laws of any jurisdiction outside the United Kingdom, or would or might require New TP ICAP to obtain any governmental or other consent or effect any registration, filing or other formality with which, in the opinion of New TP ICAP, it would be unable to comply or which it regards as unduly onerous, the Scheme provides that New TP ICAP may determine that the New TP ICAP Ordinary Shares shall be issued to such Overseas Shareholder and then sold on his behalf as soon as reasonably practicable at the best price which can reasonably be obtained at the time of sale, with the net proceeds of sale being remitted to the Overseas Shareholder at the risk of such Overseas Shareholder. Alternatively, New TP ICAP may determine that no New TP ICAP Ordinary Shares shall be allotted and issued to that Overseas Shareholder but instead those New TP ICAP Ordinary Shares shall be allotted and issued to a nominee appointed by New TP ICAP as trustee for such Overseas Shareholder, on terms that they shall be sold on behalf of such Overseas Shareholder as soon as reasonably practicable after the Scheme becomes Effective, with the net proceeds of sale being remitted to the Overseas Shareholder concerned at the risk of such Overseas Shareholder.

Overseas Shareholders should consult their own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the Scheme in their particular circumstances.

13.2 United States

The New TP ICAP Ordinary Shares have not been and will not be registered under the US Securities Act and the New TP ICAP Shares will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof. For the purpose of qualifying for this exemption from the registration requirements of the US Securities Act, TP ICAP will advise the Court before it holds a hearing on the Scheme that its sanctioning of the Scheme will be relied upon by New TP ICAP for the purposes of the section 3(a)(10) exemption as an approval of the Scheme following a hearing on its fairness to TP ICAP Shareholders at which hearing all such shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all such shareholders.

The New TP ICAP Ordinary Shares generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities under the Scheme (other than “affiliates” as described below) may generally resell them without restriction under the US Securities Act. Under US federal securities laws, TP ICAP Shareholders who are or will be deemed to be affiliates (as defined under the US Securities Act) of TP ICAP prior to, or of New TP ICAP after, the implementation of the Scheme may not resell the New TP ICAP Ordinary Shares received in connection with the Scheme without registration under the US Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Whether a person is an affiliate of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers and directors and significant shareholders. TP ICAP Shareholders who believe they may be affiliates for the purposes of the US Securities Act should consult their own legal advisers prior to any resale of New TP ICAP Ordinary Shares received under the Scheme.

The New TP ICAP Ordinary Shares have not been, and will not be, registered under the securities laws of any state or jurisdiction of the United States and, accordingly, will only be issued to the extent that exemptions from the registration or qualification requirements of state “blue sky” securities laws are available.

TP ICAP Shareholders should be aware that the Scheme and the ownership of New TP ICAP Ordinary Shares may have tax consequences in the United States that are not described in this Prospectus. TP ICAP Shareholders are advised to consult their own tax advisers to determine the particular tax consequences to them of the Scheme.

14. LISTING, DEALINGS, SHARE CERTIFICATES AND SETTLEMENT

Application will be made to (i) the FCA for all of the New TP ICAP Ordinary Shares to be admitted to listing on the premium listing segment of the Official List and (ii) the London Stock Exchange for all of the New TP ICAP Ordinary Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities.

If all of the Conditions are satisfied (or, where permitted, waived), TP ICAP intends to seek the de-listing of the TP ICAP Ordinary Shares from the premium listing segment of the Official List and the cancellation of admission to trading of the TP ICAP Ordinary Shares on the London Stock Exchange's main market for listed securities. The last day of dealings in TP ICAP Ordinary Shares on the London Stock Exchange is expected to be 25 February 2021.

It is currently expected that, at 8.00 a.m. (London time) on 26 February 2021, New TP ICAP Ordinary Shares will be issued pursuant to the Scheme, Admission will become effective and dealings in the New TP ICAP Ordinary Shares will commence.

These dates may be deferred if it is necessary to adjourn any meeting required to approve the arrangements described in this Prospectus or if there is any delay in obtaining the Court's sanction of the Scheme. In the event of a delay, the application for the TP ICAP Ordinary Shares to be de-listed will be deferred, so that the listing will not be cancelled until immediately before the Scheme becomes Effective.

It is proposed that following the Scheme becoming Effective, TP ICAP will be re-registered as a private limited company and adopt new articles of association that are appropriate for a private holding company within the Group.

With effect from (and including) the Scheme Effective Date, all share certificates representing the Scheme Shares will cease to be valid and binding in respect of such holdings and should be destroyed.

New TP ICAP Ordinary Shares can be held in certificated or uncertificated form. Definitive share certificates for the New TP ICAP Ordinary Shares of TP ICAP Shareholders who held their TP ICAP Ordinary Shares in certificated form are expected to be dispatched within 10 Business Days after the Scheme Effective Date. In the case of joint holders, share certificates will be dispatched to the joint holder whose name appears first in the register. All share certificates will be sent by pre-paid first class post at the risk of the person entitled thereto. Pending the dispatch of such certificates, transfers of New TP ICAP Ordinary Shares in certificated form will be certified against the register of New TP ICAP. Temporary documents of title have not been, and will not be, issued in respect of such shares.

TP ICAP Ordinary Shares held in uncertificated form will be disabled in CREST at the Scheme Record Time. For TP ICAP Shareholders who held their TP ICAP Ordinary Shares in a CREST account, New TP ICAP Ordinary Shares which are allotted and issued pursuant to the Scheme are expected to be credited to the relevant CREST member account on the Scheme Effective Date. CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The New TP ICAP Articles permit the holding of New TP ICAP Ordinary Shares under the CREST system. Application will be made for the New TP ICAP Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in New TP ICAP Ordinary Shares following Admission may take place within the CREST system. CREST is a voluntary system and holders of New TP ICAP Ordinary Shares who wish to receive and retain share certificates will be able to remove their New TP ICAP Ordinary Shares from the CREST system following the Scheme becoming Effective.

New TP ICAP will have the right to issue New TP ICAP Ordinary Shares to all shareholders in certificated form if, for any reason, it wishes to do so.

All instructions, dividend reinvestment plan mandates, other mandates, elections and communication preferences in force on the Scheme Effective Date relating to notices and other communications will, unless and until varied or revoked, be deemed from the Scheme Effective Date to be valid and effective mandates or instructions to New TP ICAP in relation to the corresponding holding of New TP ICAP Ordinary Shares.

All documents, certificates, cheques or other communications sent by, to, from or on behalf of TP ICAP Shareholders, or as such persons shall direct, will be sent entirely at their own risk.

15. MEETINGS AND CONSENTS FOR IMPLEMENTATION OF THE SCHEME

The Scheme will require the approval of the TP ICAP Shareholders at the Court Meeting, convened pursuant to an order of the Court, and the passing by TP ICAP Shareholders of the Resolutions set out in the Notice of General Meeting. Both of the Meetings have been convened for 1 February 2021 and will be held at 2 Broadgate, London EC2M 7UR.

The Scheme and the associated Scheme Reduction of Capital also require separate sanction from the Court. In addition, the Scheme is subject to the receipt of certain regulatory approvals, the details of which are summarised in paragraph 5 (Conditions to the Implementation of the Scheme) of this Part VII "Information on the Proposals".

New TP ICAP has agreed to appear by legal counsel at the hearing to sanction the Scheme and to undertake to be bound by the Scheme.

Notices of the Court Meeting and the General Meeting are contained, respectively, in Parts 6 and 7 of the TP ICAP Scheme Circular.

Entitlement to attend and vote in person or electronically at these Meetings and the number of votes which may be cast will be determined by reference to the register of members of TP ICAP at the Voting Record Time. All TP ICAP Shareholders whose names appear on the register of members of TP ICAP at the Voting Record Time, shall be entitled to attend and speak and vote at the relevant Meeting in respect of the number of TP ICAP Ordinary Shares registered in their name at that time.

Due to the COVID-19 pandemic, public health or other applicable rules or regulations may restrict your ability to attend the Court Meeting and the General Meeting in person. Arrangements have been made for TP ICAP Shareholders to attend and participate in the Court Meeting and the General Meeting electronically. Further instructions on how to attend and participate in the meeting electronically are contained in the Notice of Court Meeting and the Notice of General Meeting and the guide in the appendix to the TP ICAP Scheme Circular. Irrespective of whether TP ICAP Shareholders intend to attend, they are strongly encouraged to complete and send each Form of Proxy.

15.1 Court Meeting

The Court Meeting has been convened for 1.15 p.m. (London time) on 1 February 2021 pursuant to an order of the Court. At the Court Meeting, or at any adjournment thereof, the TP ICAP Shareholders will consider and, if thought fit, approve the Scheme.

Voting at the Court Meeting will be by poll and not on a show of hands and each TP ICAP Shareholder entitled to attend and who is present in person, electronically or by proxy will be entitled to one vote for each TP ICAP Ordinary Share held. The statutory majority required to approve the Scheme at the Court Meeting is a simple majority in number of the TP ICAP Shareholders present and voting (either in person, electronically or by proxy) at the Court Meeting and representing not less than 75 per cent. of the nominal value of the TP ICAP Ordinary Shares voted (either in person, electronically or by proxy) by such TP ICAP Shareholders.

In order that the Court can be satisfied that the votes cast constitute a fair representation of the views of the TP ICAP Shareholders, it is important that as many votes as possible are cast at the Court Meeting. TP ICAP Shareholders are therefore urged to take the action referred to in paragraph 20 of Part 2 of the TP ICAP Scheme Circular.

It is also particularly important for you to be aware that if the Scheme is approved and becomes Effective, it will be binding on all TP ICAP Shareholders irrespective of whether they attended the Court Meeting in person or electronically and irrespective of the manner in which they voted.

15.2 General Meeting

The General Meeting has been convened for 1.30 p.m. (London time) on 1 February 2021 (or as soon thereafter as the Court Meeting has finished or is adjourned). At the General Meeting or at any adjournment thereof, TP ICAP Shareholders will consider and, if thought fit, pass the Resolutions set out in the Notice of General Meeting contained in Part 7 of the TP ICAP Scheme Circular.

Resolutions

The Resolutions are proposed in order to approve:

- (a) for the purposes of giving effect to the Scheme:
 - (i) the authority to enable the Directors to take all such actions as they may consider necessary or appropriate for carrying the Scheme into effect;
 - (ii) the reduction of the share capital of TP ICAP by the cancellation of the Scheme Shares;
 - (iii) the authority to enable the Directors to allot TP ICAP Scheme New Ordinary Shares in accordance with section 551 of the Companies Act;
 - (iv) the application of the reserve arising as a result of the cancellation of the Scheme Shares by paying up the TP ICAP Scheme New Ordinary Shares and the allotment and issuance, credited

as fully paid, of such number of TP ICAP Scheme New Ordinary Shares as are equal to the number of Scheme Shares cancelled, to New TP ICAP, in accordance with the Scheme; and

- (v) the de-listing of the TP ICAP Ordinary Shares;
- (b) amendments to the TP ICAP Articles to deal with certain matters relating to the Scheme; and
- (c) the confirmation of the New TP ICAP Reduction of Capital.

These Resolutions will be proposed as special resolutions. The majority required for the passing of the special resolutions is not less than 75 per cent. of the votes cast (in person, electronically or by proxy) at the General Meeting.

Voting on the Resolutions will be by poll and not on a show of hands.

15.3 Forms of Proxy

Whether or not you intend to be present at the Court Meeting and/or the General Meeting either in person or electronically, please complete and sign both Forms of Proxy accompanying the TP ICAP Scheme Circular, blue for the Court Meeting and yellow for the General Meeting, in accordance with the instructions printed on them and return them to TP ICAP's Registrars, Link Group, at the return address printed on the back of the Forms of Proxy as soon as possible, and in any event so as to be received no later than 1.15 p.m. (London time) on 28 January 2021, in the case of the Court Meeting and 1.30 p.m. (London time) on 28 January 2021 in the case of the General Meeting.

You can also submit your proxy electronically at the Link Group website, www.signalshares.com, so as to be received by no later than 1.15 p.m. (London time) on 28 January 2021 in the case of the Court Meeting and 1.30 p.m. (London time) on 28 January 2021 in the case of the General Meeting (or, in the case of any adjournment, not later than 48 hours (excluding any day that is not a Business Day) before the time fixed for the holding of the adjourned meeting). If you are registered with www.signalshares.com, you can log on and vote through that service no later than 1.15 p.m. (London time) on 28 January 2021 in the case of the Court Meeting and 1.30 p.m. (London time) on 28 January 2021 in the case of the General Meeting (or, in the case of any adjournment, not later than 48 hours (excluding any day that is not a Business Day) before the time fixed for the holding of the adjourned meeting). The return of a completed Form of Proxy (or the transmittal of an electronic proxy) will not prevent you from attending the Court Meeting and/or the General Meeting and voting in person or electronically if you so wish and if you are entitled to do so.

If you hold your TP ICAP Ordinary Shares in uncertificated form through CREST, you may vote using the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST manual (please also refer to the accompanying notes to the Notice of General Meeting set out at the end of Part 7 of the TP ICAP Scheme Circular). Proxies submitted via CREST (under CREST participant ID RA10) must be received by TP ICAP's Registrars, Link Group, not later than 1.15 p.m. (London time) on 28 January 2021 in the case of the Court Meeting and by 1.30 p.m. (London time) on 28 January 2021 in the case of the General Meeting (or, in the case of any adjournment, not later than 48 hours (excluding any day that is not a Business Day) before the time fixed for the holding of the adjourned meeting).

15.4 Sanction of the Scheme by the Court

Under the Companies Act, the Scheme and the associated Scheme Reduction of Capital both require the sanction of the Court. The Court Hearing to sanction the Scheme and the Scheme Reduction of Capital is expected to be held on 24 February 2021 at The Royal Courts of Justice, Rolls Building, Fetter Lane, London EC4A 1NL, United Kingdom. All TP ICAP Shareholders are entitled to attend the Court Hearing in person or through legal representative to support or oppose the sanctioning of the Scheme.

The Scheme will become Effective as soon as a copy of the Court Order and a copy of the related TP ICAP Statement of Capital have been duly delivered to the English Registrar of Companies for registration. This is expected to occur on 26 February 2021.

15.5 Effective date of the New TP ICAP Reduction of Capital

The New TP ICAP Reduction of Capital will become effective once the directors' solvency statement made in connection with the New TP ICAP Reduction of Capital and the New TP ICAP Capital Reduction Minute have been duly delivered for registration to, and registered by, the Jersey Registrar of Companies. The New TP ICAP Reduction of Capital is expected to become effective on or about 1 March 2021.

16. AUTHORITIES RELATING TO NEW TP ICAP

The New TP ICAP Subscriber Shareholders and/or directors of New TP ICAP have or are expected to approve prior to the Scheme Effective Date, certain resolutions in connection with the Proposals and the post-Scheme operation of New TP ICAP. These include:

- (a) the approval of the appointment of auditors of New TP ICAP;
- (b) the authority for the members of the Audit Committee of New TP ICAP to fix the auditors' remuneration;
- (c) the authority for the directors of New TP ICAP to allot New TP ICAP Ordinary Shares pursuant to the Scheme;
- (d) the authority for the directors of New TP ICAP to allot New TP ICAP Ordinary Shares generally and to make allotments otherwise than in accordance with pre-emption rights;
- (e) the authority to make market purchases of New TP ICAP Ordinary Shares;
- (f) the approval of the New TP ICAP Reduction of Capital;
- (g) the adoption by New TP ICAP of the New TP ICAP Share Plans;
- (h) the approval of the Directors' Remuneration Policy of New TP ICAP;
- (i) the authority to make political donations; and
- (j) the ability for New TP ICAP to call general meetings (other than annual general meetings) on 14 days' notice.

Save for (c) and (f), which are specific to the Scheme, the authorities granted or to be granted to the directors of New TP ICAP referred to above (including the authorities in relation to allotment of shares and the ability for New TP ICAP to purchase its own shares) are equivalent to the corresponding authorities that the TP ICAP Shareholders approved at the 2020 Annual General Meeting.

The directors of New TP ICAP are authorised to implement the New TP ICAP Reduction of Capital only if TP ICAP Shareholders pass Resolution 3 which will be proposed at the General Meeting as a special resolution to provide confirmatory approval of the New TP ICAP Reduction of Capital (details of which are set out in the Notice of General Meeting). Accordingly, TP ICAP Shareholders will not be required separately to approve the New TP ICAP Reduction of Capital once they have become shareholders in New TP ICAP pursuant to the Scheme.

PART VIII
INFORMATION ON NEW TP ICAP AND THE GROUP

1. INTRODUCTION

The Group operates at the centre of global wholesale OTC and exchange-traded markets, providing both data and execution services. The Group provides broking services, including facilitating price discovery and execution, to counterparties operating in the world's major wholesale OTC and exchange-traded financial and commodity markets. The Group is active across all major capital, energy and commodities asset classes, facilitating the flow of these asset classes around the world and contributing to economic growth and financial stability. The Group provides an important service to its clients by enabling them to trade a wide range of financial, energy and commodities products in numerous markets and regions. These trades are often bespoke in nature, complex and of a high nominal value, with the Group's brokers having access to deep pools of liquidity. The Group's broking activities require it to act as an intermediary between buyers and sellers of complex financial products, enabling them to trade efficiently and effectively. The Group's business model is focused on providing an intermediation service to its clients, which can be provided without actively taking market risk.

By seeking to act as a trusted partner to its clients, the Group enables them to transact their business with confidence.

The Group also provides independent, neutral data products to participants in the financial, energy and commodities markets, including live and historical pricing content, as well as advanced valuation and risk analytics.

The Group's business is organised into three geographic reporting segments, EMEA; the Americas; and Asia Pacific. The Group operates through five divisions (four of which are client-facing):

- *Global Broking*: Global Broking accounted for 67.9 per cent. of the Group's revenue and 79.2 per cent. of the Group's underlying operating profit for the year ended 31 December 2019. The Group's Global Broking division provides brokerage and execution services to a number of markets and asset classes, including: Rates (derivative products which facilitate the management of interest rate risk), FX and Money Markets (treasury products, foreign exchange options, and cash and deposits), Emerging Markets (local market products, including emerging market bonds), Equities (equity derivative products and depositary receipts) and Credit Products (corporate bonds);
- *Energy & Commodities*: Energy & Commodities accounted for 20.8 per cent. of the Group's revenue and 16.5 per cent. of the Group's underlying operating profit for the year ended 31 December 2019. The Energy & Commodities division operates in the oil, gas, power, renewables, precious and non-precious metals, soft commodities and coal markets for a range of clients including banks, corporates, physical commodity trading companies, asset managers and hedge funds;
- *Institutional Services*: Institutional Services accounted for 4.1 per cent. of the Group's revenue and 1.1 per cent. of the Group's underlying operating profit for the year ended 31 December 2019. The Institutional Services division provides agency execution services in a range of financial products to buy-side institutions such as hedge funds, asset managers and corporates;
- *Data & Analytics*: Data & Analytics accounted for 7.4 per cent. of the Group's revenue and 21.1 per cent. of the Group's underlying operating profit for the year ended 31 December 2019. The Data & Analytics division is a leading provider of scarce OTC data and neutral pricing information, with more than 1,000 clients and a global sales presence. Data & Analytics clients include traders, middle and back office personnel, across banks and buy-side institutions. Use cases include price and liquidity discovery, portfolio valuation, and fulfilment of regulatory obligations. Recurring subscription-based revenue comprised more than approximately 94 per cent. of total Data & Analytics revenues in 2019; and
- *Corporate Centre*: The Group's Corporate Centre division provides support staff and infrastructure to the Group's client-facing divisions, including technology, compliance, risk, finance, HR, legal and other essential corporate functions. The Corporate Centre division does not generate revenue but is used to eliminate inter-divisional revenue.

Within the Group's client-facing divisions, the Group operates a global portfolio of brands, each with a separate and distinct client identity and offering, including:



On 23 December 2019, TP ICAP announced its intention to implement a corporate reorganisation pursuant to which it is proposed that a new Jersey incorporated holding company be introduced for the Group. The Proposals are expected to create a more capital efficient corporate structure that is expected to provide greater financial flexibility.

The new holding company structure will be implemented by way of a scheme of arrangement under Part 26 of the Companies Act 2006, following which there will be a reduction of capital of New TP ICAP by cancellation of the entire amount standing to the credit of the share premium account of New TP ICAP under Part 12 of the Jersey Companies Law. The new holding company, TP ICAP Group plc (i.e. New TP ICAP), was incorporated in Jersey on 23 December 2019 as a public limited company with registered number 130617 and has its registered office at 22 Grenville Street, St Helier, Jersey JE4 8PX and principal place of business in Jersey. The principal legislation under which New TP ICAP operates is the Jersey Companies Law.

If the Scheme is approved and becomes Effective, TP ICAP Shareholders will hold New TP ICAP Ordinary Shares and TP ICAP will become a wholly-owned subsidiary of New TP ICAP. Following the Scheme Effective Date, TP ICAP will be re-registered as a private limited company.

The Proposals will not affect the commercial operations of the Group.

2. HISTORY

The Group can trace its roots back to 1868 when Marshall & Son was established as an exchange brokerage company. The Marshall family remained in active control of the business, which was renamed M.W. Marshall and Co., through to 1967. During the 1970s and 1980s, the business, along with a number of other independent broking houses, was consolidated by Mercantile House Holdings. In 1999 M.W. Marshall and Co. merged with Prebon Yamane to form Prebon Marshall Yamane.

Tullett plc was originally founded as Tullett & Riley in 1971. The Tullett business merged with Liberty Brokerage in 1999 and was renamed Tullett Liberty in 2000. In 2003 Collins Stewart Holdings plc, a financial services group whose principal activities were institutional and private client stock broking and wealth management, acquired Tullett plc, and the enlarged business was renamed Collins Stewart Tullett plc.

In 2004, Collins Stewart Tullett plc acquired Prebon Marshall Yamane and integrated the two interdealer broker businesses to form Tullett Prebon.

In 2005, Tullett Prebon entered into a joint venture with Shanghai Pudong Development Bank to establish the first money brokerage company in the People's Republic of China, Tullett Prebon SITICO (China) Limited ("TP SITICO"). TP SITICO brokers domestic and overseas foreign exchange market transactions, money market transactions, bond market transactions and derivative transactions as well as other deals licensed by the China Banking Regulatory Commission.

In 2006, through a court approved scheme of arrangement, Collins Stewart Tullett plc formed a new parent company, Tullett Prebon plc, which acquired Collins Stewart Tullett plc and demerged the stock broking and wealth management business to form a separate listed company, Collins Stewart plc. The demerger was effective on 19 December 2006 when Tullett Prebon plc became the listed parent of the interdealer broker business.

Since December 2006, the Group has continued to acquire businesses to extend its product and geographic coverage, including the 2008 acquisition of oil products brokers Primex and Aspen, both based in London. The Group also acquired Convenção, an interdealer broker based in Brazil, in 2011, followed by the 2012 acquisition of Chapdelaine & Co., a New York based municipal bonds broker.

Since 2012, the Group has further grown as follows:

- In November 2014, the Group acquired PVM Oil Associates Limited and its subsidiaries (“**PVM**”), a leading independent broker of oil-related trading instruments. PVM is focused entirely on energy products. The acquisition increased the scale of the Group’s activities in the energy sector, particularly in Asia Pacific and the United States and gave the Group a significant presence in broking crude oil and petroleum products, complementing its existing activities in these areas. Crude oil is the world’s most actively traded commodity.
- During 2015, the Group expanded its broking activities in North America through the acquisition in January 2015 of 40 brokers from Murphy & Durieu, a New York based interdealer broker in a wide range of fixed income products and through the acquisition in July 2015 of MOAB Oil, Inc., a leading independent broker of physical and financial trading instruments in the energy markets.
- On 30 December 2016, the Group completed the acquisition of IGBB, including:
 - ICAP’s three regionally managed hybrid voice broking and information services businesses in EMEA, the Americas and Asia Pacific, including all e-trading products and services developed by ICAP’s e-Commerce team (including Fusion);
 - ICAP’s 42.8 per cent. economic interest in iSwap Limited, a global electronic trading platform for EUR, USD, and GBP interest rate swaps; and
 - certain of ICAP’s joint ventures, associates and investments, including (but not limited to) SIF ICAP, SA de CV (Mexico), Totan ICAP Co Limited (Japan), Central Totan Securities Co Limited (Japan) and Corretaje e Informacion Monetaria y de Divisas, SA (Spain),

but excluding ICAP plc’s oil broking business, which was sold on 16 December 2016 to INTL FCStone Limited in connection with the terms of the Competition and Markets Authority’s approval of the IGBB acquisition.

- On 30 January 2017, the Group acquired Burton Taylor International Consulting LLC, an information business that provides data and insight across key industries, including financial services, media and software. Its range of reports covers financial market data, risk, exchange services, media intelligence and public relations.
- On 20 November 2017, the Group acquired Coex Partners Limited (“**Coex**”), an independent agency broker with offices in London, Paris and New York. It was founded in 2014 and at the date of acquisition had 55 brokers. Coex provides trade and execution services in listed derivatives and OTC foreign exchange to hedge funds, asset managers and other clients.
- On 8 January 2018, the Group acquired SCS Commodities Corp (“**SCS**”), a US energy broker with expertise in crude oil futures, soft commodities, petroleum and refined products, natural gas options and crude oil options. At the date of acquisition, SCS had 26 brokers who provide clients with continuous coverage of energy markets around the world including pre-trade intelligence and execution expertise of high volume trades, including blocks, inter-commodity spreads and complex option strategies.
- On 2 November 2018, the Group acquired Axiom Commodity Group (“**Axiom**”), a US energy broker which specialises in crude oil, refined oil products, ethanol and physical grains. Axiom is headquartered in Houston, Texas, and has an office in Chicago. Axiom had 22 brokers at the date of acquisition.
- On 28 June 2019, the Group entered into a joint venture in China with Enmore Investment Group. From 2 September 2019, the joint venture has offered brokerage services in iron ore, coal, LPG and naphtha.

- On 31 July 2020, the Group completed its acquisition of Louis Capital Markets and MidCap Partners (collectively “**Louis Capital**”), a private brokerage group specialising in equities and fixed income, primarily based in Europe but with offices in New York, Hong Kong and Tel Aviv.

3. STRENGTHS

The Directors believe that the Group’s businesses continue to benefit from a strong competitive position and that its principal strengths are as follows.

3.1 Quality of broking service

The Group aims to provide exceptional client service, liquidity and efficient pricing enabling clients to achieve the outcomes they desire. The business employs experienced brokers with established relationships with potential counterparties in the wholesale financial markets, who work to bring together buyers and sellers of financial instruments. The Group seeks to regularly adapt its offering, to better suit the evolving requirements of its global client base. The Group’s people are key to its success, and the Directors believe that their relationships and expertise set the Group apart from its competitors. Furthermore, the deep pools of liquidity to which Group has access enable its brokers to provide efficient execution services at competitive prices for its clients.

The Group uses its technological capabilities to build advanced platform technologies and analytical tools and to provide its clients with a wide choice of ways to transact with the Group combined with greater efficiency and ease.

3.2 Breadth of product and geographic coverage

The Group has broking expertise across the main financial asset classes that are traded in the OTC markets, and also has a significant presence in broking physical energy and commodities and related financial instruments. The Group is a member of major derivatives exchanges and offers broking services in listed and exchange-traded derivatives. As markets evolve and new financial instruments are introduced, the Group has demonstrated its ability to adapt its broking offering to facilitate client trading activity in those instruments. The Group is able to service its clients across the Americas, EMEA and Asia Pacific, operating in 26 countries as at the date of this Prospectus.

3.3 Variety of execution methods

As the world’s largest inter-dealer broker by revenue in 2019 (based on the Group’s assessment by reference to publicly available data), with a weighted average market share of 40 per cent., the Group offers a broad range of voice, hybrid and pure electronic solutions. The Group continues to look for new ways to innovate across its four client-facing business divisions to develop the services it offers in response to changing client requirements.

The Group offers voice broking services for those clients and products to which this service is suited. It also offers and continues to develop hybrid execution protocols for clients and products where this is appropriate. These include electronic functionalities which the Group seeks to continually develop with the objective to enrich clients’ experience, optimise liquidity provision and improve client workflows. In 2018, the Group successfully deployed volume matching execution protocols to new products globally, including SGD Swaps, NZD Electricity Auctions and US Treasuries. The Group offers pure electronic execution protocols and the Group’s activity in this area increased overall during 2018 and 2019.

The Group provides clients globally with post-trade risk mitigation. Matchbook improves the efficiency of clients’ portfolios and reduces their risk exposures. Matchbook contains a forward-rate agreement and non-deliverable forwards (“**NDFs**”) matching algorithm that optimises client portfolios to reduce fixing risk exposures. This service is a post-trade solution that is complementary to the broking services of the Group. NDFs refer to cash-settled derivative contracts whereby two parties agree to exchange cash at a given price or rate on a future date. The parties involved, establish a settlement between the leading spot rate or price and the contracted NDF rate or price. The notional amount of an NDF is never exchanged.

The Group operates a number of Onshored MiFID and MiFID II-compliant venues in the UK and EMEA. It also operates Swap Execution Facilities in the United States that meet the requirements of the Dodd Frank Act.

As a result of the continuing investment that is being made in these execution protocols, platforms, venues and associated infrastructure, the Directors believe that the Group is well positioned to respond to and benefit from

changes in the way in which OTC product markets operate as a result of the evolving client preferences and needs, regulatory reforms, and technological developments of these markets.

3.4 Limited exposure to market and credit risk

The Group's business model is based on earning brokerage commissions from providing intermediation services to clients, enabling them to trade efficiently and effectively. This service can be provided without actively taking market risk. The Group does not take trading risk and does not assume proprietary trading positions.

The majority of the Group's revenue is derived from Name Passing broking (*"Business Overview — Broking Business Models"* below) where the Group's exposure to credit risk is limited to the client failing to pay the brokerage commission charged. The Group's exposure to credit and market risk from its Matched Principal and Executing Broker activities is short-term in nature (most trades settle one to two days after execution) and the risk is contingent in nature – in the event of client default, the Group would only suffer loss if the value of the underlying financial instrument had moved adversely in that time.

The Group's exposure to Matched Principal settlement risk is minimal as the Group seeks to effect settlement on a delivery-versus-payment basis where possible.

3.5 Quality of Data & Analytics

The Group considers that it has a competitive advantage as the provider of proprietary OTC pricing data from the largest inter-dealer broker, by revenue in 2019, in the world (based on the Group's assessment by reference to publicly available data). The Group's Data & Analytics division provides unique OTC data products to enable clients to analyse, trade, record, and risk manage their portfolios and financial exposures. The Group intends to continue to invest in its Data & Analytics offering.

The Group derives attractive subscription-based revenues from its Data & Analytics business. The client base is somewhat broader than for the broking businesses and includes buy-side asset owners and managers, who use the Group's data and analytics products for various use cases, such as portfolio and security valuation, risk management, and fulfilment of compliance and regulatory requirements.

3.6 Strong underlying cash generation and prudent financial structure

The Group's business has strong underlying cash flow generation and, in the two years since the completion of the acquisition of IGBB, a good track record of converting its underlying operating profit into underlying operating cash flow.

The Group has a conservative approach to its financial structure. Of the Group's total interest bearing loans and borrowings of £770 million as at 30 September 2020, £687 million was in the form of the EMTN Notes maturing in 2024 and 2026.

At the date of this Prospectus, the remainder is financed through the Group's £270 million Syndicated RCF, which has a final maturity of 19 December 2023, and through the Group's approximately £73 million (JPY10,000,000,000) Bilateral RCF, which has a current maturity of 27 August 2022, subject to an extension option whereby on every six month anniversary, and subject to both parties' agreement, the final maturity date may be extended a further six months. For further information on the Group's facilities, see paragraph 18.5 (Syndicated Multicurrency Revolving Credit Facility Agreement) and paragraph 18.6 (Bilateral Revolving Credit Facility Agreement — Tokyo Tanshi) of Part XVI "Additional Information" of this Prospectus.

The Group manages its day-to-day liquidity through holding significant cash balances and other financial assets, and through various credit and settlement facilities provided by the Group's bankers and settlement agents. The Group's cash, cash equivalents and short-term financial assets as at 30 September 2020 totalled £71,614 million.

3.7 Strong underlying operating profit margin

The underlying operating profit margin percentage of the Group for the year ended 31 December 2019 was 15.2 per cent. (calculated on the basis of underlying operating profit of £279 million divided by revenue of £1,833 million for this period, and expressed as a percentage), and for the year ended 31 December 2018 was 15.7 per cent. (calculated on the basis of underlying operating profit of £276 million divided by revenue of £1,763 million for this period, and expressed as a percentage).

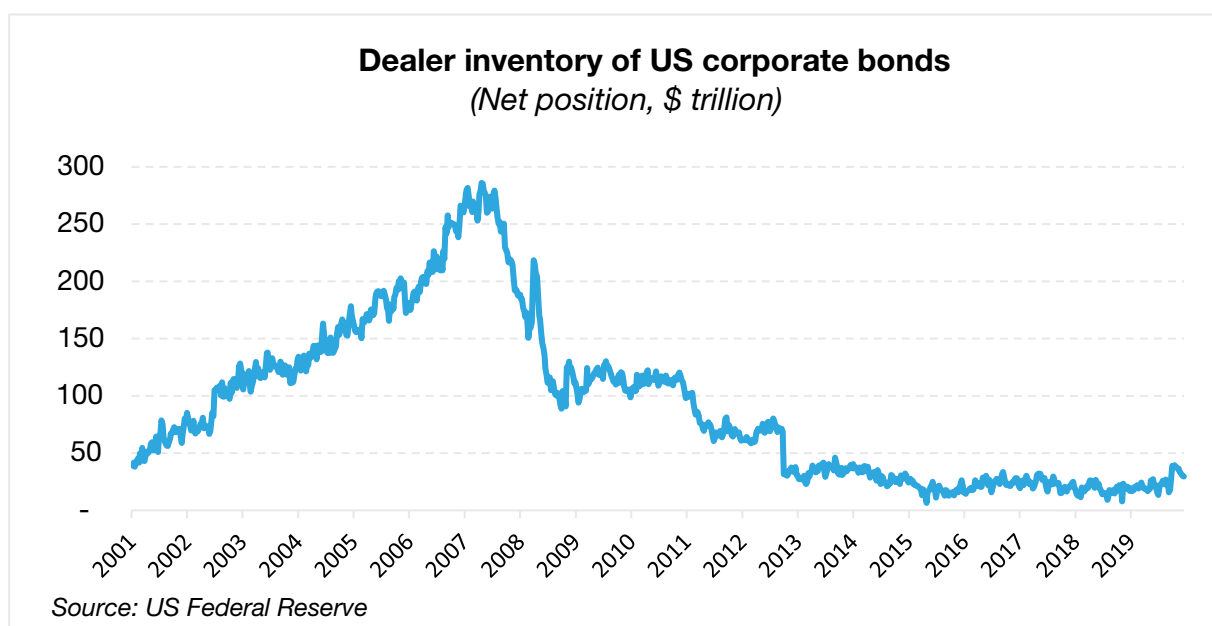
The underlying operating profit margin percentage of the Group for the nine months ended 30 September 2020 was 15.8 per cent. (calculated on the basis of underlying operating profit of £218 million divided by revenue of £1,378 million for this period, and expressed as a percentage), and for the nine months ended 30 September 2019 was 16.7 per cent. (calculated on the basis of underlying operating profit of £234 million divided by revenue of £1,400 million for this period, and expressed as a percentage).

4. KEY MARKET TRENDS

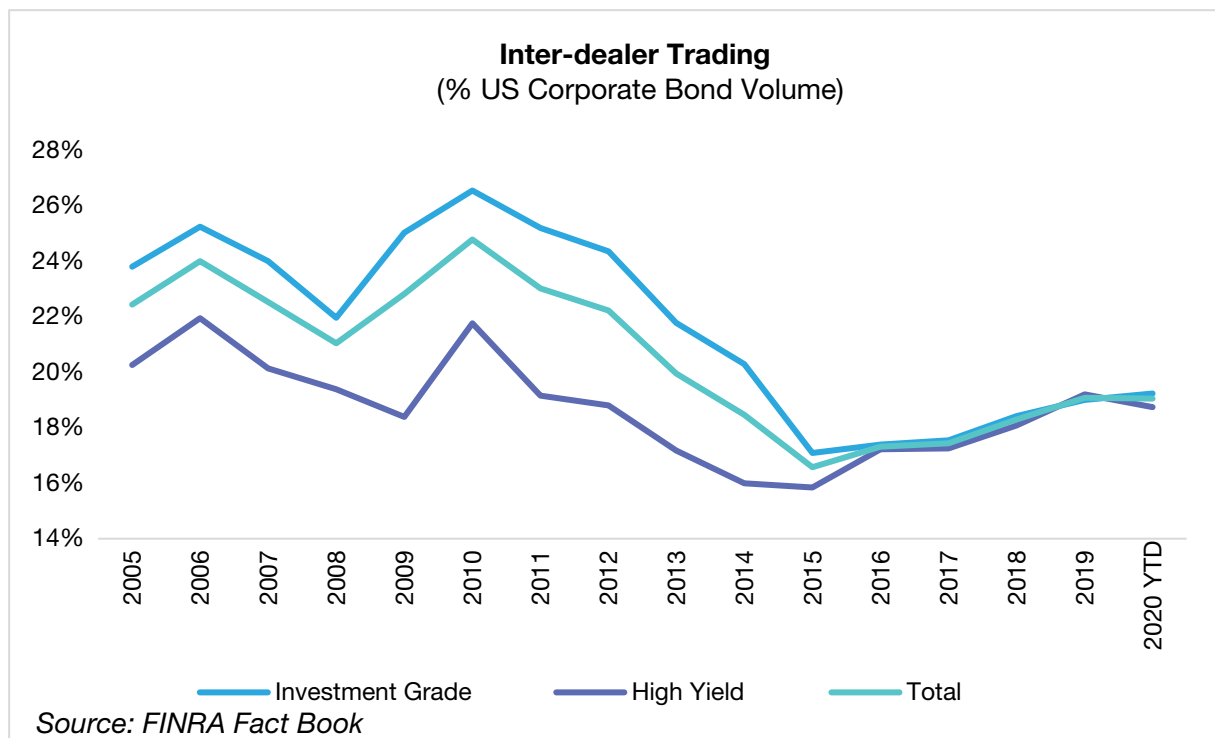
4.1 Credit Market

Regulation implemented following the 2008 financial crisis has prompted behavioural changes that have significantly impacted global market structures, particularly in the US and Europe. Prior to the 2008 financial crisis, dealers used their balance sheets to hold inventories of long and short bond positions, allowing them to provide immediate liquidity to asset managers that wanted to trade a particular security.

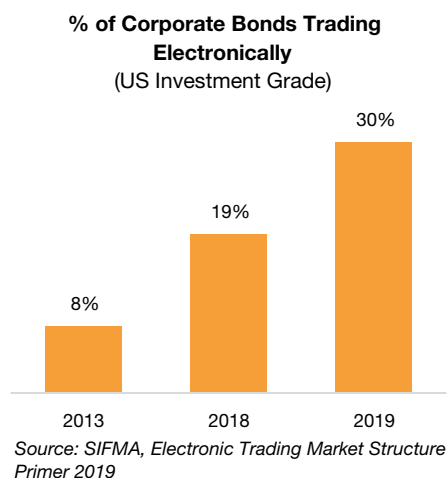
Following the 2008 financial crisis, changes to regulatory capital rules, including Basel III and the Volcker Rule (Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act), which went into effect in 2014, have made it more difficult and expensive for banks to use their balance sheets to hold illiquid positions. As a result, dealers have provided significantly less liquidity since 2008, as illustrated by the diagram below, increasing search costs for the buy-side for trading a particular security or otherwise altering portfolio exposure. Dealers now often behave more like agents, rather than as principals, in the market, which results in higher search costs for the buy-side. This has been one of the factors that has driven buy-side trades to electronic platforms, which make it easier to send out multiple electronic requests for quotes (“RFQs”) and to trade algorithmically. The diagram below reflects dealer inventory of US corporate bonds for the period from 2001 to 2019.



Because dealers now provide less liquidity to the buy-side and hold less inventory, dealers also trade less with other dealers, as illustrated by the following diagram.



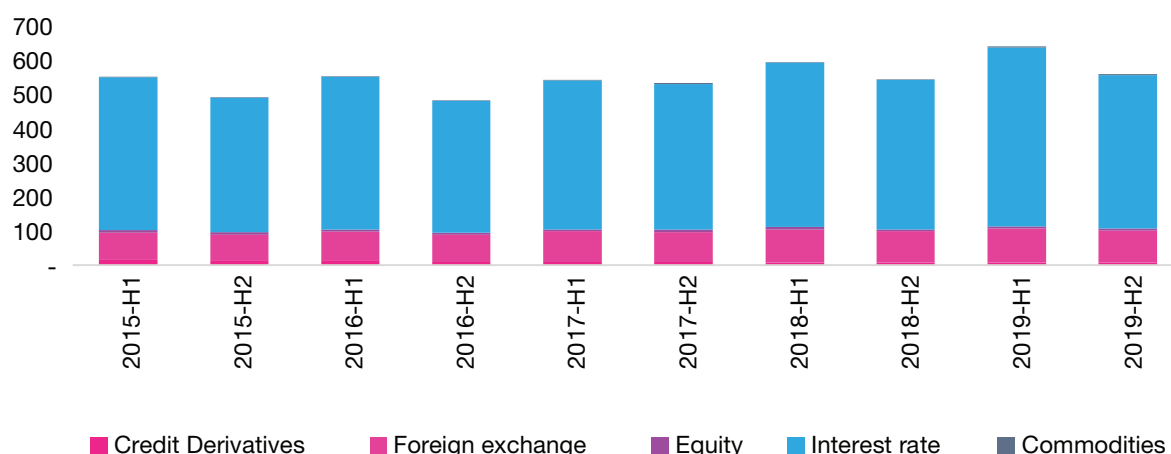
Electronic trading platforms have been able to provide greater search efficiency for buy-side traders and have benefited from MiFID II best execution requirements, by being able to offer transactions via electronic platforms that provide clear audit trails throughout the process, from pre-trade to post-trade fund allocation. The chart below shows the increase in electronic trading of corporate bonds.



4.2 Rates Market

Rates is the largest overall asset class in the world. The Rates asset class comprises government bonds (with US Treasuries being the largest segment) and interest rate derivatives. OTC interest rate derivatives are the largest derivatives asset class, in terms of volume traded and significantly larger than FX derivatives, according to the Bank for International Settlements — April 2019 Triennial Survey.

OTC Derivatives Notional Outstanding by Asset Class (US\$ Trillion)

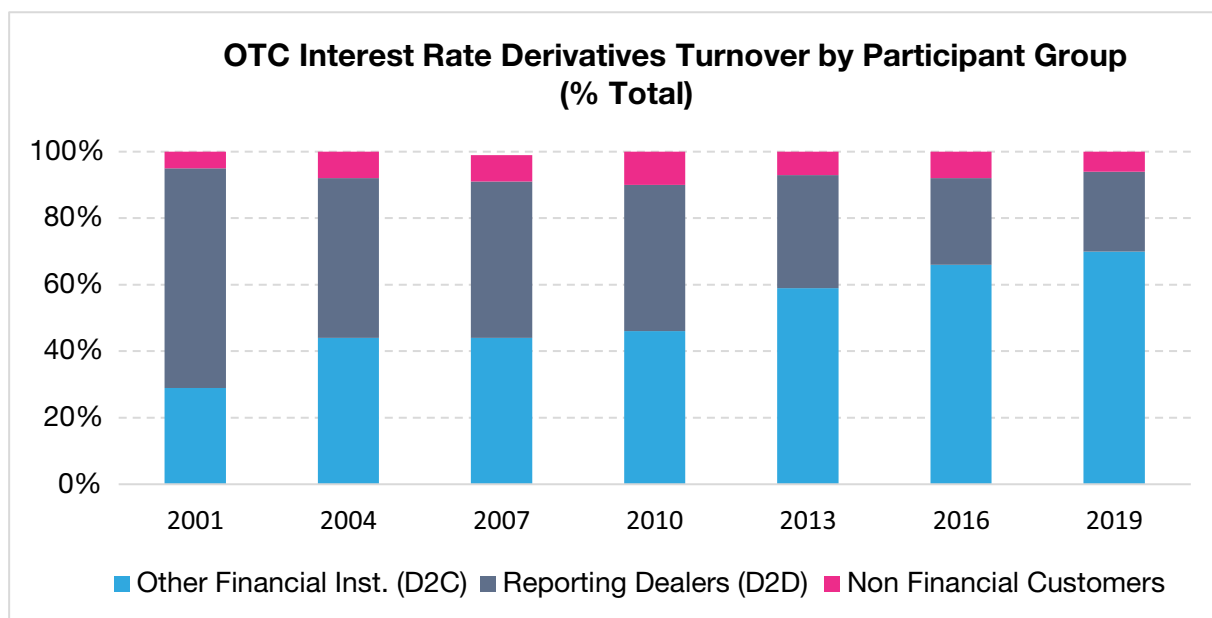


Source: BIS

In response to the 2008 global financial crisis, the G20 countries agreed to a financial regulatory reform agenda covering the OTC derivatives markets. One objective of these reforms was to decrease the potential systemic risk posted by global derivatives markets. Two of the key tools for reducing risk posed by OTC derivatives markets to the wider financial system were the introduction of (i) margin requirements for certain non-centrally cleared derivatives (the Uncleared Margin Rules, or “UMR”) and (ii) mandatory central counterparty clearing for certain derivatives between different categories of counterparties. For additional information on the UMR, please see Part X “Regulatory Overview – Global derivatives markets reform”.

As a result of the central clearing mandate, OTC derivatives trading has gained market share compared to exchange-traded derivatives. OTC derivatives provide a level of customisation that is not available in the exchange-traded market, and clearing requirements for OTC trades have removed counterparty credit risk, which can be material in longer-dated swaps. MiFID II’s best execution requirements for buy-side firms have also encouraged electronic trading of interest rate products, including interest rate swaps.

With central clearing and electronic trading having a particularly strong impact on the D2C segment of interest derivatives trading, D2C transaction volume has grown materially faster than D2D activity, which has been relatively less impacted by the clearing mandate. The chart below provides a breakdown of interest rate derivative turnover by market participant grouping from 2001 to 2019 and shows the proportional growth of D2C trades over that period.



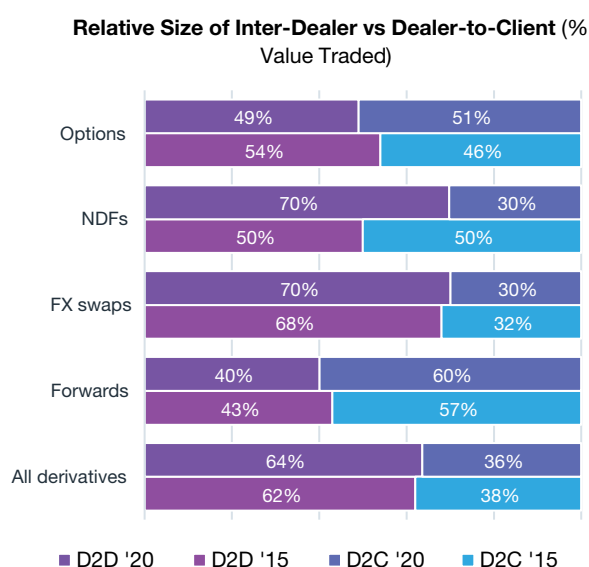
Source: BIS

The growth in D2C electronic penetration reinforces the impact of clearing and has resulted in margin compression for dealers. Additionally, the limited number of D2C platforms having substantial buy-side connectivity, currently limited to two key players, reinforces the pricing pressure for dealers.

4.3 FX derivatives market

The FX derivatives market is dominated by OTC trading.

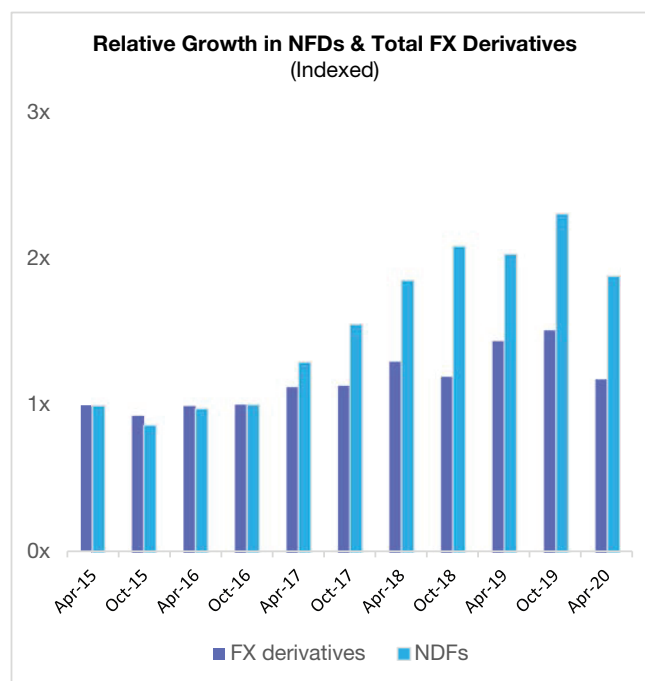
Because FX products were not made subject to the G20 central counterparty clearing mandates as was the case for Rates products there has been limited regulatory impact on the overall share of D2C and D2D trading within total FX derivatives activity.



Source: BoE FXJSC

In the D2D market, the UMR have had an impact on volumes, with an increase in interbank trading of NDFs. The UMR set forth margin requirements for OTC derivatives that were not subject to the central clearing mandate, and the regulation particularly incentivises central clearing of NDFs. When UMR implementation began in 2016, many banks were already members of the LCH ForexClear service, which has offered central clearing of NDFs since 2012.

Similar to the impact of central clearing on interest rate swap volume growth, the rise in central clearing penetration in the NDF segment has also led to an overall increase in NDF trading volume, compared with transaction activity in the broader FX derivatives market. The table below shows the growth of NDFs relative to total FX derivatives for the period between April 2015 and April 2020.



Source: BoE FXJSC

The Group believes that a similar trend is likely in the D2C market, as more asset managers are brought into scope of the UMR during 2021 and 2022. In addition, because many asset managers prefer cleared to bilateral exposures, it is possible that market participants will seek to trade more FX derivatives products in non-deliverable formats (rather than the traditional deliverable format). If this happens, the market may experience a more broad-based increase in transaction activity, echoing the central clearing-driven growth observed in interest rate swaps.

The Group therefore anticipates a positive medium-term outlook for volumes in both D2D and D2C FX derivatives.

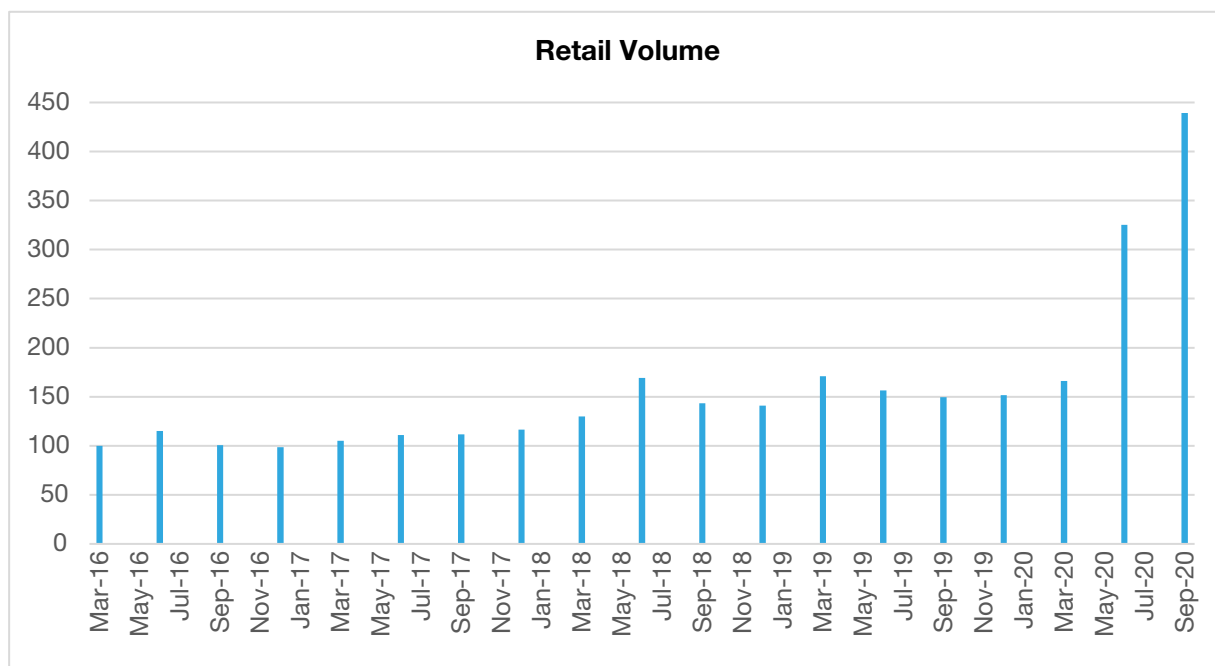
4.4 Equities market

The equities market has been subject to various regulatory initiatives such as the national market system regulation (“**Reg NMS**”) in the United States and MiFID I. With the aim of promoting transparency, best execution, and creating a level playing field amongst venues, Reg NMS and MiFID I resulted in increased fragmentation in the equities markets. These changes led to an emergence of new lit venues, which, unlike dark venues, show prices at which participants are prepared to trade. The emergence of new lit venues, along with the rapid development of smart order routing and algo trading led to a decline in average trade sizes. The challenges of achieving efficient order execution on lit venues led asset managers toward alternative dark venues to help with larger size trade execution.

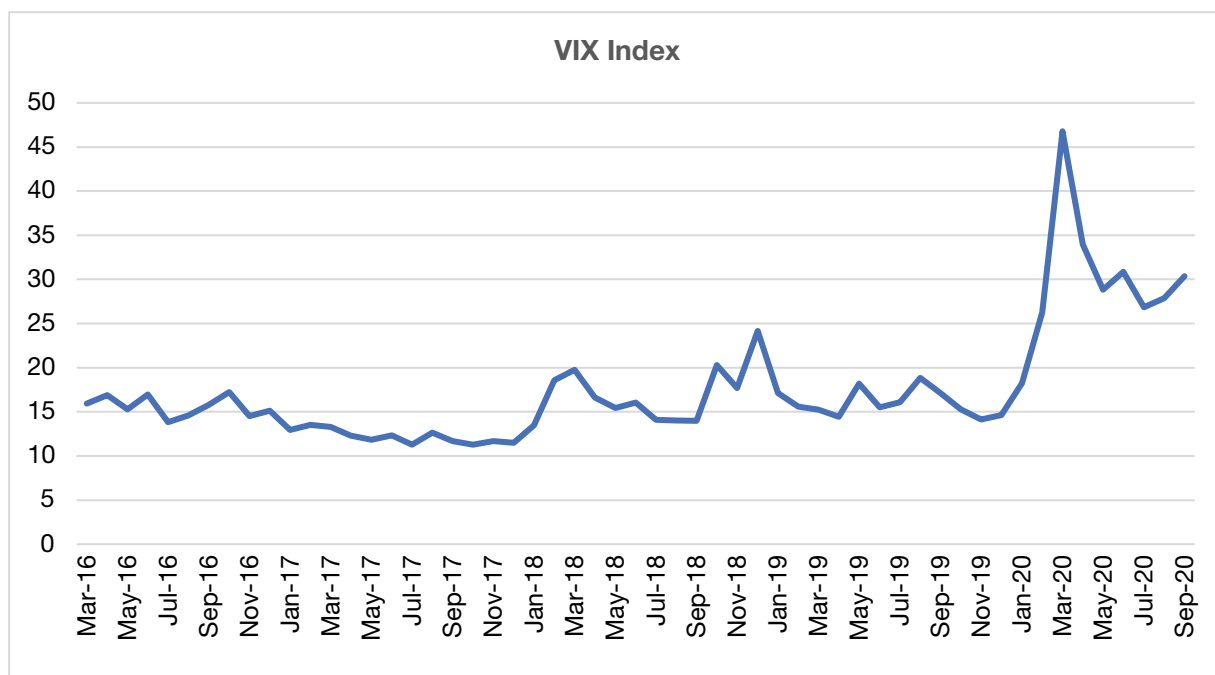
In 2019, dark trading represented approximately 15 per cent. of total market trading volume in the United States and approximately 10 per cent. of total trades concluded in European trading venues that permit dark trading.

MiFID II introduced the unbundling of payment for content and execution, increased requirements for the buy-side to demonstrate best execution, and introduced limits on dark trading, reinforcing the trend of price competition and introducing further complexity to the execution landscape. With many asset managers operating globally, MiFID II has also indirectly impacted the US market.

Retail trading has also been growing over time, particularly in the US. The chart below shows the growth in retail trading as well as the responsiveness of retail activity to changes in market volatility.



Source: TD Ameritrade, Interactive Brokers, E Trade, Charles Schwab, aggregated and indexed (Q1 16 = 100)



Source: Bloomberg

Equities represent a large asset class. The Liquidnet Acquisition is expected to enable TP ICAP to gain exposure via an electronic platform specialised in large size execution, which remains a critical need in the marketplace.

5. BUSINESS STRATEGY

The focus of the Group's strategy is to retain its position as one of the world's largest providers of inter-dealer OTC execution services by revenues, including broker-supported voice and hybrid execution services and fully electronic platforms, by ensuring that its product and service offering evolves and remains relevant to its bank

clients. In addition, the Group intends to continue to diversify its revenue streams by expanding its product range and the client base for its data and analytics offerings, as well as the client base for its institutional agency broking services.

As part of this strategy, the Group seeks to evolve, in line with, and seeks to anticipate changes in, market structure and the associated needs of key market participants, in order to optimise the products and services the Group provides to its clients.

Whilst the Group's near-term financial performance in any given reporting period will reflect then-prevailing operating conditions (including market direction and price volatility), over the medium term, the Directors expect the Group's strategic foci to deliver a higher percentage of recurring electronic revenues, further diversification of earnings, and underlying operating margin expansion.

The three key pillars of the Group's strategy are as follows:

5.1 Electronification: Increase use of electronification and technology

The Directors believe that better use of technology will improve the efficiency and profitability of client-facing services and internal operations across the Group.

Going forward, the Group seeks to enhance its medium-term profitability potential by increasing the amount of client activity and services that are delivered electronically. Electronification plans include coverage of pre- to post-trade transaction client services, as well as delivery of data and analytics, and internal processes. The Group intends to customise its approach to electronification in each of its product markets to reflect the relevant market structure characteristics, such as market size, maturity, level of standardisation, applicable regulations and any other relevant attributes. This includes but is not limited to developing new service offerings to better serve its clients and build upon its Data & Analytics offering.

The Liquidnet Acquisition is expected to enhance the Group's electronic network assets and capabilities by expanding the Group's buy-side connectivity / data science capabilities and embedded institutional workflow and access to Liquidnet's unique "blotter sync" technology ("**Blotter-sync Technology**"), which leverages connectivity with major OMS/EMS and approximately 500 fixed income asset managers.

5.2 Aggregation: Improve client access to liquidity across the Group's franchise

Following the completion of a number of recent acquisitions, most notably of ICAP's voice broking division, the Group has expanded its inter-dealer brokerage business. The Group operates a number of liquidity pools across products, asset classes and brands. TP ICAP intends to maintain its leading global position, as the largest inter-dealer broker by revenue, by using its technology to improve the efficiency of clients' access to these separate product liquidity pools, including via harmonisation of the appearance of screens between products and brands, better application programming interface access, and integrated extraction and delivery of related data and analytics.

Moreover, the Group intends to use technology to improve market depth by giving clients the ability to access the liquidity pools available across the Group's separate brands.

The Group believes the Liquidnet Acquisition will enable it to create a fully integrated platform to support client trading and liquidity needs. The Liquidnet Acquisition is expected to provide a significant fixed income opportunity by leveraging Liquidnet's connectivity/data science and existing liquidity pools with the Group's rich data sets and the Group's dealer relationships, connectivity and asset class expertise, particularly with respect to Credit and Rates.

5.3 Diversification: Build out earnings from buy-side, corporates, and data businesses

The Group has seen greater diversification of its revenue, with its three faster growing businesses, Data & Analytics, Institutional Services, and Energy & Commodities representing 32 per cent. of revenue and 40 per cent. of operating profit. In particular, by diversifying its client mix in Institutional Services and Energy & Commodities, TP ICAP has been growing its brokerage presence with a range of non-bank financial institutions, such as corporates, asset managers and hedge funds. The Group expects to continue to invest in these business segments, by expanding its product and geographic footprint. To continue to leverage its OTC markets expertise and capabilities and to reinforce its position as a leading provider of OTC data products and services, TP ICAP expects to expand its Data & Analytics product and service offering, targeting buy-side client needs, which is anticipated to diversify the client base by making it more focused on the buy-side client.

The Liquidnet Acquisition is further expected to enhance diversification by providing access to Liquidnet's established position in institutional cash equities, the opportunity to develop credible D2C offerings in Credit and Rates through Liquidnet's global client base and a much wider and accessible client base for Data & Analytics products through Liquidnet's on-boarded buy-side relationships. Moreover, the Directors believe that Liquidnet's technology team and its capabilities in artificial intelligence and machine learning provide significant additional potential for product development.

6. BUSINESS OVERVIEW

6.1 Reporting segments

The Group is organised by geographic reporting segment: EMEA, Americas and Asia Pacific. Its principal offices are in London, New York, New Jersey, Singapore, Hong Kong and Tokyo. The table below presents the Group's revenue and operating profit for the years ended 31 December 2017, 2018 and 2019, and for the nine months ended 30 September 2019 and 2020 respectively, broken down in relation to each reporting segment.

	Year ended 31 December			Nine months ended 30 September	
	2017	2018	2019	2019	2020
	(£ million)			(£ million)	
Revenue by reporting segment					
EMEA	877	886	900	690	677
Americas	628	636	687	521	519
Asia Pacific	252	241	246	189	182
Total revenue	1,757	1,763	1,833	1,400	1,378
Underlying operating profit by reporting segment					
EMEA	170	173	164	141	126
Americas	64	81	94	75	77
Asia Pacific	29	22	21	18	15
Total underlying operating profit	263	276	279	234	218

(a) EMEA

The Group's EMEA region comprises its operations in the United Kingdom, France, Spain, Germany, the Netherlands, Norway, Denmark, Switzerland, Austria, South Africa, Nigeria, Bahrain, and the UAE, and accounted for 49.1 per cent. and 58.8 per cent. of the Group's revenue and operating profit during the year ended 31 December 2019. In its EMEA segment, the Group comprises Global Broking, Energy & Commodities, Institutional Services and Data & Analytics.

(b) Americas

The Group's Americas region comprises its operations in the United States, Canada, Brazil and Ecuador, and accounted for 37.5 per cent. and 33.7 per cent. of the Group's revenue and underlying operating profit during the year ended 31 December 2019. In its Americas segment, the Group comprises Global Broking, Energy & Commodities, Institutional Services and Data & Analytics.

(c) Asia Pacific

The Group's Asia Pacific region comprises its operations in Singapore, Hong Kong, Thailand, Japan, Australia, Indonesia, New Zealand, Korea and the Philippines, and accounted for 13.4 per cent. and 7.5 per cent. of the Group's revenue and underlying operating profit during the year ended 31 December 2019. In its Asia Pacific segment, the Group offers Global Broking, Energy & Commodities, Institutional Services and Data & Analytics.

6.2 Broking business models

The Directors believe that the Group provides an essential service to its clients by offering deep pools of liquidity which enables them to trade a wide range of financial and energy products in numerous markets and regions. These trades are often bespoke in nature, complex, and of a high nominal value, and the Directors believe that the access the Group's brokers have to the largest pools of liquidity makes the Group relevant to its clients.

In accordance with the risk appetite set by the Board, the Group is willing to accept a limited exposure to certain risks as a consequence of its activities, primarily to counterparty credit risk and operational risk, and also to a limited extent, liquidity and market risk. The Group's counterparty credit risks vary by broking model, and are explained below. Operational risks include the risk of business disruptions, employee errors and failures of business processes or IT systems, as well as the risk of litigation. The Group's limited liquidity risk, in the form of cash collateral or margin deposits, is described in the context of its Matched Principal and Executive Broker trades below. The Group's limited market risk is reflected in the business model adopted by the Group whereby it acts only as an intermediary in the financial markets, rather than a principal acting for its own account. The Group's regulatory permissions, reflected in its risk management policies, explicitly prohibit the Group from actively taking trading risk and, as a result, the Group does not trade for its own account.

The Group's Global Broking business is conducted through three distinct broking models: the "Name Passing" model (also known as "Name Give Up"); the "Matched Principal" model; and the "Executing Broker" model. These three models are described further below.

6.2.1 Name Passing (Name Give Up)

Approximately 75 per cent. of the Group's Global Broking revenue in the year ended 31 December 2019 was derived from brokerage commissions earned on trades executed as Name Passing activities, where the Group identifies and introduces buyers to sellers but the Group itself is not a counterparty to the trade. Under the Name Passing model the Group's exposure to counterparty credit risk is limited to outstanding invoices for brokerage commission from its clients. Almost all of the Group's activities in derivatives, such as forward FX, FX options, interest rate swaps, interest rate options, credit derivatives, and the vast majority of its Energy & Commodities activities are conducted under the Name Passing model.

6.2.2 Matched Principal

Approximately 20 per cent. of the Group's Global Broking revenue in the year ended 31 December 2019 was derived from brokerage commissions earned on trades executed as Matched Principal activities, where the Group is the counterparty to both the buyer and the seller of a matching trade. The vast majority of the Group's activities conducted under the Matched Principal model are in government and agency bonds, municipal bonds, mortgage backed securities and corporate bonds.

Under the Matched Principal broking model the Group bears the risk of counterparty default during the period between execution and settlement of the trade. In a Matched Principal trade, in the event of a counterparty default prior to settlement, the Group is still committed to complete the other side of the matched trade. In such circumstances, the cost to the Group would be the difference in value of a replacement trade compared to the original defaulted leg. The Group's exposure on the pre-settlement counterparty risk is therefore not to the absolute value of the underlying security but to any change in value of the underlying security during the period between the original trade execution date and the settlement date. The Directors therefore consider the Group's pre-settlement counterparty exposure to be a contingent market risk. Where practical, the Group mitigates pre-settlement counterparty exposure by the use of central clearing counterparty services (whereby a financial intermediary providing central clearing services takes on the counterparty credit risk between the parties to a transaction, rather than the Group) and other default risk transfer agreements, and by taking swift action to close out any position that arises as a result of a counterparty default.

The Group does undertake a limited amount of Matched Principal broking where its counterparty is buying its own securities, and in these circumstances in the event of that counterparty defaulting prior to settlement, the risk of loss due to movements in the value of the underlying instrument is heightened. If a buyer in one of these trades were to default it is likely that their own securities would be subject to a considerable loss of value. Finding a new counterparty to replace the defaulted trade may be difficult and the value the Group would receive for the underlying security could be significantly reduced. The Group's risk management policies impose stricter controls on such trades along with enhanced monitoring and reporting.

Matched Principal transactions can also be exposed to settlement risk where a party to a transaction could pay the consideration or deliver a security but fails to receive the security or cash in exchange. To mitigate the settlement risk in such circumstances the Group's risk management policies require that such transactions are undertaken on a strict delivery-versus-payment basis. Under the Group's risk management policies, any transaction where such an arrangement is not available is subject to specific authorisation, significant controls and enhanced monitoring.

The Group's Matched Principal activities also give rise to liquidity risk as the settlement agents and central clearing counterparty services used by the Group can require increased cash collateral or margin deposits at

short notice to reflect changes in the value of the securities being traded, due to the fact that the Group may be required to fund a purchase of a security before the delivery of that security on to the Group's matching counterparty. Once a Matched Principal transaction has settled (usually within one to three business days after the trade date), there is generally no further liquidity risk for the Group.

6.2.3 Executing Broker

Approximately 5 per cent. of the Group's Global Broking revenue in the year ended 31 December 2019 was derived from brokerage commissions earned on trades executed as Executing Broker activities, where the Group executes transactions on certain regulated exchanges in its own name to fulfil clients' orders, and then "gives-up" the economic returns on the trades to the client (or their clearing members). The majority of the Group's revenue generated under the Executing Broker model relates to listed equity derivatives, listed interest rate futures, and options on futures.

Under the Executing Broker broking model, the Group bears short term pre-settlement risk of counterparty default between the execution of the trade and the client claiming the trade. Under the terms of the "give-up" agreements the Group generally has in place with its clients, trades should be claimed by the end of the trade day. Once the trade has been claimed by its client, the Group's only exposure to the client is for the invoiced brokerage commission receivable.

The Group's Executing Broker activities also give rise to liquidity risk as exchanges and central clearing counterparty services used by the Group may require additional cash collateral or margin deposits at short notice if trades have not been claimed.

6.3 Principal activities

(a) Overview

The Group's business is organised into five divisions (the first four of which are client-facing and front office, or revenue-generating): Global Broking, Energy & Commodities, Institutional Services, Data & Analytics and Corporate Centre. The table below presents the Group's revenue for the years ended 31 December 2017, 2018 and 2019, and for the nine months ended 30 September 2019 and 2020 respectively, broken down by each client-facing division.

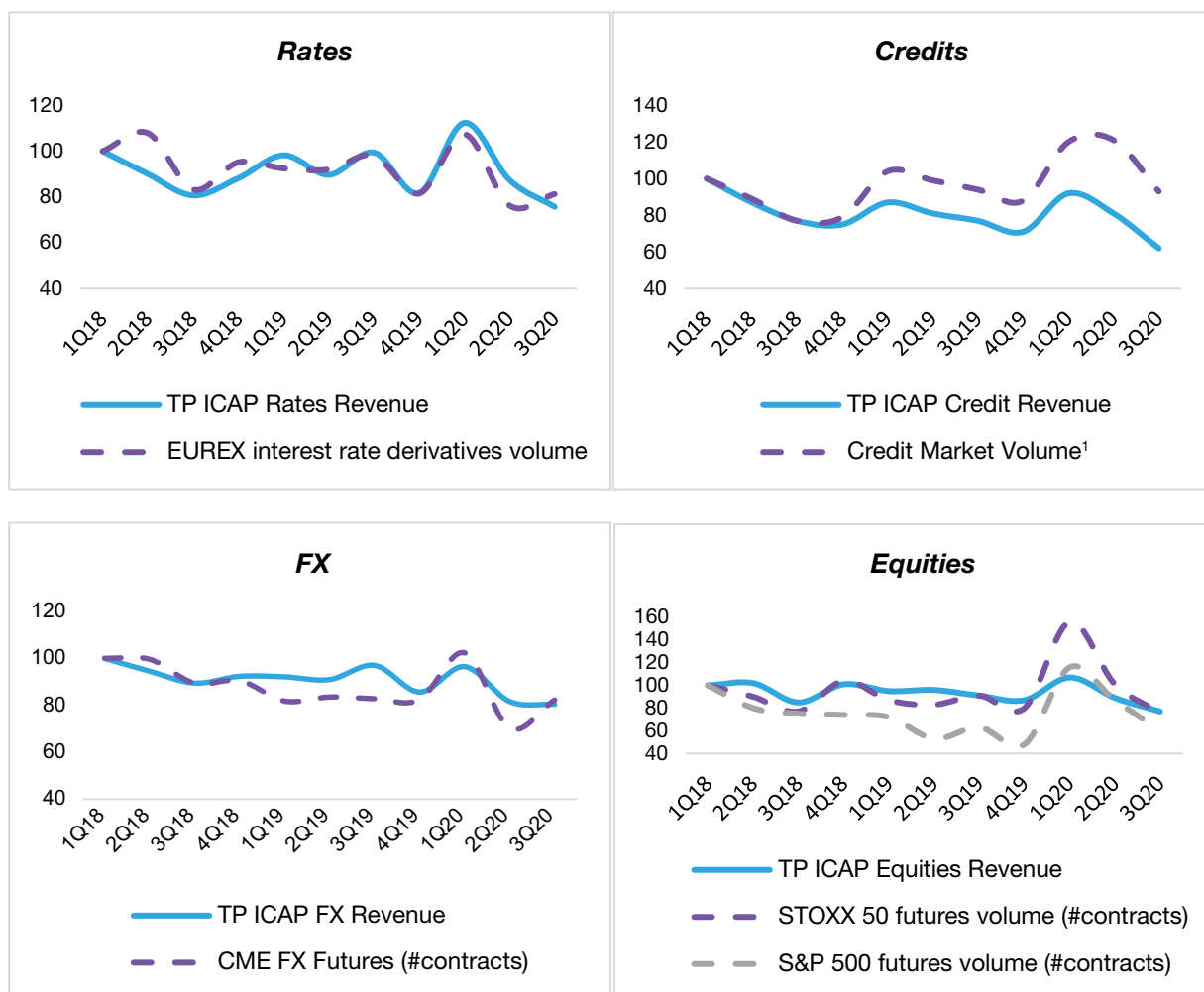
	Year ended 31 December			Nine months ended 30 September	
	2017	2018 ⁽¹⁾	2019	2019	2020
	(£ million)			(£ million)	
Revenue by division					
Global Broking	1,270	1,272	1,262	972	916
Energy & Commodities	343	333	382	287	299
Institutional Services	32	61	75	57	73
Data & Analytics ⁽²⁾	112	117	135	99	106
Corporate Centre ⁽³⁾	—	—	—	—	—
Inter-Division Eliminations ⁽⁴⁾	N/A ⁽⁵⁾	(20)	(21)	(15)	(16)
Total	1,757	1,763	1,833	1,400	1,378

Notes:

- (1) In 2019, the RV broking business was transferred from Global Broking to Institutional Services. The 2018 revenue has been restated to reclassify £24 million of revenues and all associated costs from Global Broking into Institutional Services.
- (2) Contracts for the provision of Data & Analytics services gives the Group a right to revenue which corresponds directly to the value of the performance completed. The Group has applied the practical expedient in IFRS 15 and has disclosed neither the remaining amount due under the contract nor when the Group expects to recognise that amount.
- (3) This division comprises internal services and earns no external revenue.
- (4) Inter-division charges have been made by Global Broking and Energy & Commodities to reflect the value of proprietary data provided to the Data & Analytics division. The figure for 2018 has been restated in line with the new presentation format. The broking inter-segmental revenues and Data & Analytics inter-segmental costs are eliminated upon the consolidation of the Group financial results.
- (5) Prior to 2019, the Group did not report inter-divisional revenues and eliminations. The practice was first implemented in the TP ICAP 2019 Financial Statements with a comparison for 2018 included therein.

(b) Business drivers and outlook

The Group's business is influenced by cyclical factors. For example, TP ICAP's Global Broking revenue is transaction-volume driven and has historically been closely correlated with broader secondary market activity, with market direction and volatility generally having a positive impact on transaction volume and therefore TP ICAP's revenue. As shown in the below charts, exchange-traded derivatives and corporate bond volume data tend to be useful approximations of activity in the relevant market segments:



Sources: TP ICAP, CME, Eurex, ICE, SIFMA, Trax

Note:

(1) Data include US corporate bond trading volumes, Trax Eurobonds and Trax Emerging Market volumes.

TP ICAP's business is also affected by secular influences, which tend to dominate cyclical factors on a multi-period basis. Regulatory changes and developments, such as central counterparty clearing mandates, UMR, the Volcker Rule, regulatory capital treatment of market risk as well as best execution obligations under MiFID II, have been one of the principal drivers of market participant behaviour and absolute and relative changes in trading volumes in various asset classes, in recent periods. Notable market effects of regulatory changes include the growth in the volume of cleared products, the adoption of electronic trading, and increasing margin pressure. In light of these structural market events, TP ICAP has implemented the business-unit strategies, as set out below, which TP ICAP believes to be aligned with its three key strategic pillars discussed above.

In the medium term, the Group (on a standalone basis) will target a revenue CAGR of approximately 3 per cent., reflecting the blended effect of an expected 1 per cent. revenue CAGR for the Global Broking business, a 4 per cent. revenue CAGR for Energy & Commodities, and revenue CAGRs of approximately 11 per cent. and 12 per cent. for its Data & Analytics and Institutional Services, respectively.

In addition, the Group will aim to achieve an underlying operating profit margin of approximately 17 per cent. by 2023 and approximately 20 per cent. in the medium term. The Group expects that its targeted underlying

operating profit margin expansion will not be linear, given the weighting of its planned strategic investments, which is expected to disproportionately occur in the next two years.

The Group will also aim to achieve annualised cost savings of approximately £35 million by the end of 2021, with approximately half of the £35 million expected to improve its 2021 contribution.

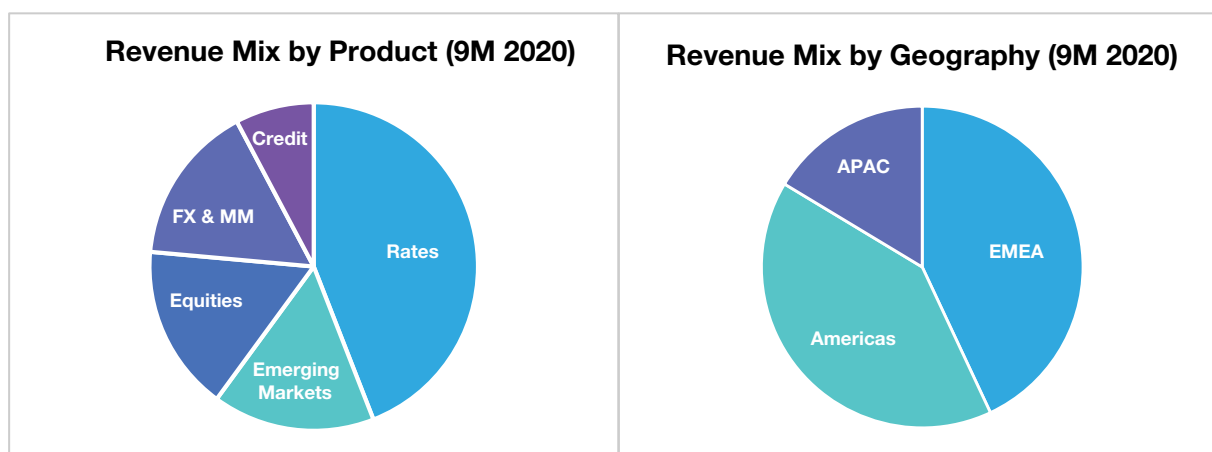
The Group expects net income improvement over the medium term to be driven by margin expansion, a greater contribution from higher-growth businesses and improved operating leverage which may partly be offset by any increases in tax rates and interest costs. Additionally, the Group will target a cash conversion rate of approximately 80 per cent. by 2023.

The Group will aim to reduce the share of front office costs as a proportion of revenue over time, with a focus on improving contribution margins. The Group aims to reduce front office costs from 62 per cent. of revenue in 2019 to approximately 60 per cent. in 2023 and approximately 57 per cent. in the medium term. In addition, the Group will target to maintain support costs and technology investment broadly stable at approximately 14 per cent. and 9 per cent. of revenue, respectively, in the medium term.

(c) Global Broking

Global Broking is the Group's largest division by revenue offering broking services in five major product groups, Rates, Credit, FX and Money Markets, Equities, and Emerging Markets, where it has material market shares. The Group brings together buyers and sellers by providing a range of professional intermediary services that enables its clients to execute trades successfully. The Group operates through the Tullett Prebon and ICAP brands, and offers its clients a range of ways to interact with the Group, through voice, hybrid or electronically, depending on the nature of the market, product and transaction. One of the Group's fundamental strengths is the long-established relationships it has with its investment bank clients.

The charts below provide a breakdown of Global Broking revenue by product group and geography.



Rates

The Group brokers derivative products which facilitate the management of interest rate risk. The products brokered cover the full yield curve on a multi-currency basis and include interest rate swaps, interest rate options, basis swaps, inflation swaps, Government bonds, US Treasuries, municipal bonds, mortgage-backed securities, repo, bond futures and options and forward rate agreements. The total revenue of the Group's Rates business for the year ended 31 December 2019 was £537 million (year ended 31 December 2018: £523 million).

Credit

The Group brokers credit products including corporate bonds, financial bonds, high yield bonds, convertible bonds, insurance linked securities, and high yield and index credit default swaps. The total revenue of the Group's Credit business for the year ended 31 December 2019 was £94 million (year ended 31 December 2018: £101 million).

FX and Money Markets Products

The Group brokers treasury products including spot and forward foreign exchange, non-deliverable forwards in non-convertible currencies, foreign exchange options, and cash and deposits. The total revenue of the Group's FX and Money Markets Products business for the year ended 31 December 2019 was £201 million (year ended 31 December 2018: £207 million).

Equities

The Group offers broking services to its clients in a variety of equity derivative products including index and single stock options, some cash equity products including American depositary receipts and global depositary receipts, exotic derivatives, single stock delta 1 and index delta 1, Eurostoxx options, MSCI futures and Global equity arbitrage. The total revenue of the Group's Equities business for the year ended 31 December 2019 was £199 million (year ended 31 December 2018: £210 million).

Emerging markets

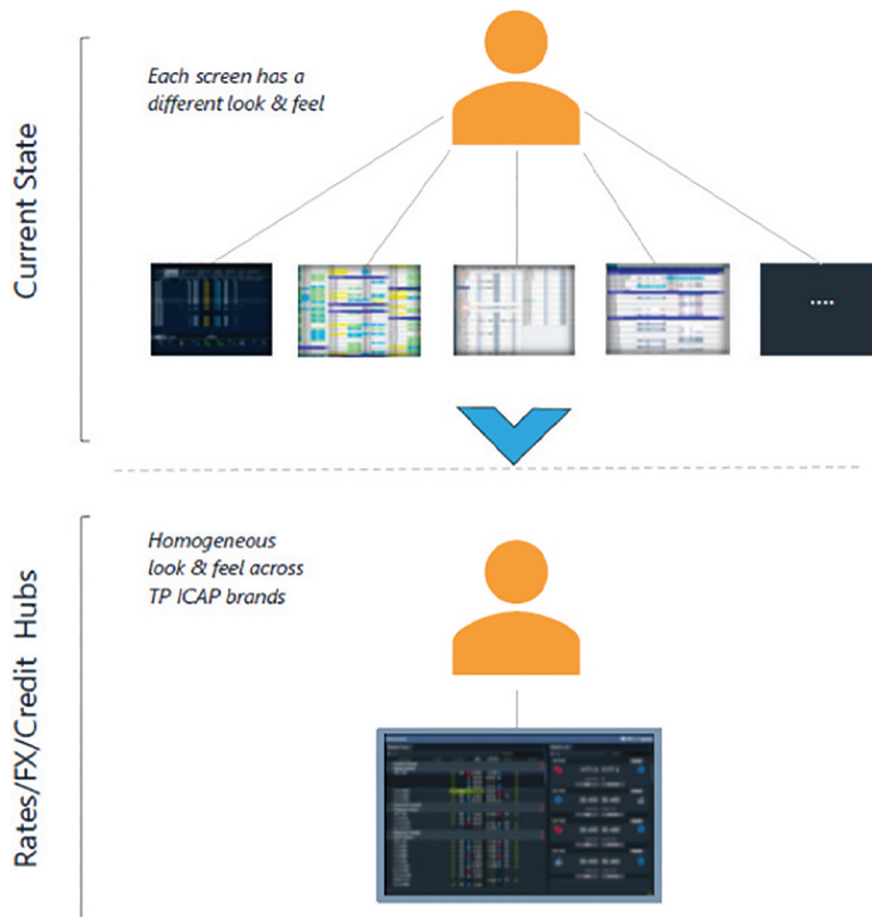
The Group brokers local markets products including emerging market bonds, emerging markets FX and FX options, emerging markets swaps, forward foreign exchange and non-deliverable forwards in non-convertible currencies. The total revenue of the Group's Emerging Markets business for the year ended 31 December 2019 was £213 million (year ended 31 December 2018: £213 million).

Risk management

The Global Broking division also houses the Group's Risk Management Services business which provides clients with services to facilitate their post-trade management of interest rate risk in a number of currencies and date mismatch risk on non-deliverable forward contracts. See "*Risk Management*" below for further information.

Global Broking strategy

As part of its implementation of the electronification and aggregation pillars of the Group's overall strategy, the Group intends to introduce "hubs", whereby clients will be able to more efficiently access the Group's liquidity within an asset class, to consume relevant information and transact. The Group has a hub strategy for each of the Rates, FX and Credit asset classes. The hub strategy will include harmonisation of the appearance of screens across brands and product segments, as well as providing access to multiple platforms via a single login.



This hub strategy is designed to respond to evolving market trends, such as sell-side economic pressures, an increasing rate of internalisation by large dealers of trading flows and a shift toward electronic (as opposed to voice) trading tools amongst sell-side traders when transacting with their own clients, and is expected to enable the Group to better capitalise on the liquidity it offers clients across its separate brands and products. Anticipated benefits of this hub strategy include higher quality revenue (i.e., a stickier client base, increased execution and cross-selling opportunities, and enhanced data gathering capability) and higher profitability (i.e., higher profitability compared to voice, higher revenue/volume per broker and improved compensation ratios in electronified segments).

In the medium term, the Group expects each of its Rates, FX and Credit hubs to offer clients access to multiple liquidity pools in a given asset class via a single login and screens having a common look and feel across TP ICAP brands and products.

In 2020, the Group has made the following progress with respect to its hub strategy:

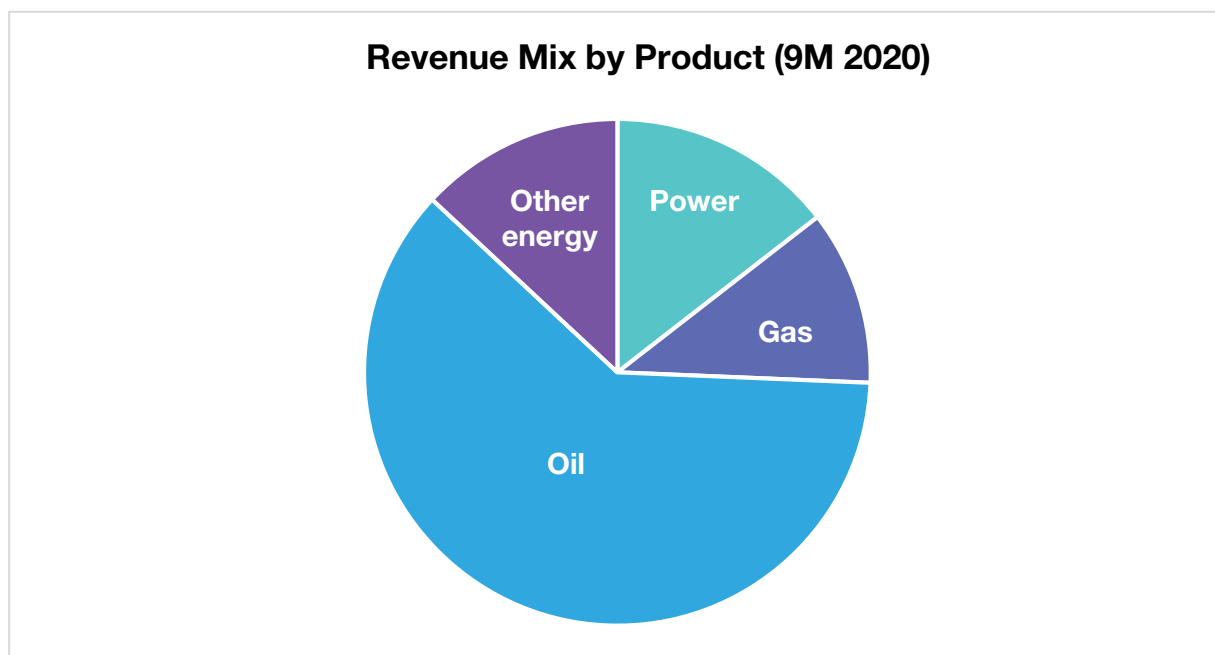
- **Rates Hub:** TP ICAP enhanced its electronic platform capability for interest rate options and gilts by upgrading its matching engine, which resulted in improved volume matching functionality, smarter order generation, better risk management and improved trading outcomes for its clients. TP ICAP also launched its “ICAP Sterling Hub” as part of its cross-product pound sterling aggregation and electronification, as well as extending its successful ICAP-brand interest rate options platform to the Tullett Prebon brand (initially for selected products).
- **FX Hub:** TP ICAP accelerated its cross-brand electronification and aggregation by launching its FX platform, FXO Hub. FXO Hub has been a key driver of improvement in TP ICAP’s FX options market share, which, according to Clarus, grew by approximately 5 percentage points between the fourth quarter of 2019 and the third quarter of 2020 (based on notional trading volume).
- **Credit Hub:** TP ICAP launched its first solution specifically designed for credit algorithm traders, which has resulted in further cross-brand and cross-product diversification. Further electronification of workflows also took place through additional integration with the existing post trade solutions used by the Group’s bank clients, the enabling of self-service trade recaps with Excel integration, and the introduction of auctions with automated real-time execution prices.

In the medium term, the Group will target a revenue CAGR of 1 per cent. for Global Broking. The Group will also aim to achieve a Global Broking contribution margin of approximately 40 per cent. by 2023 and approximately 42 per cent. in the medium term. Additionally, the Group will target a Global Broking operating margin of approximately 19 per cent. by 2023, rising to approximately 20 per cent. in the medium term.

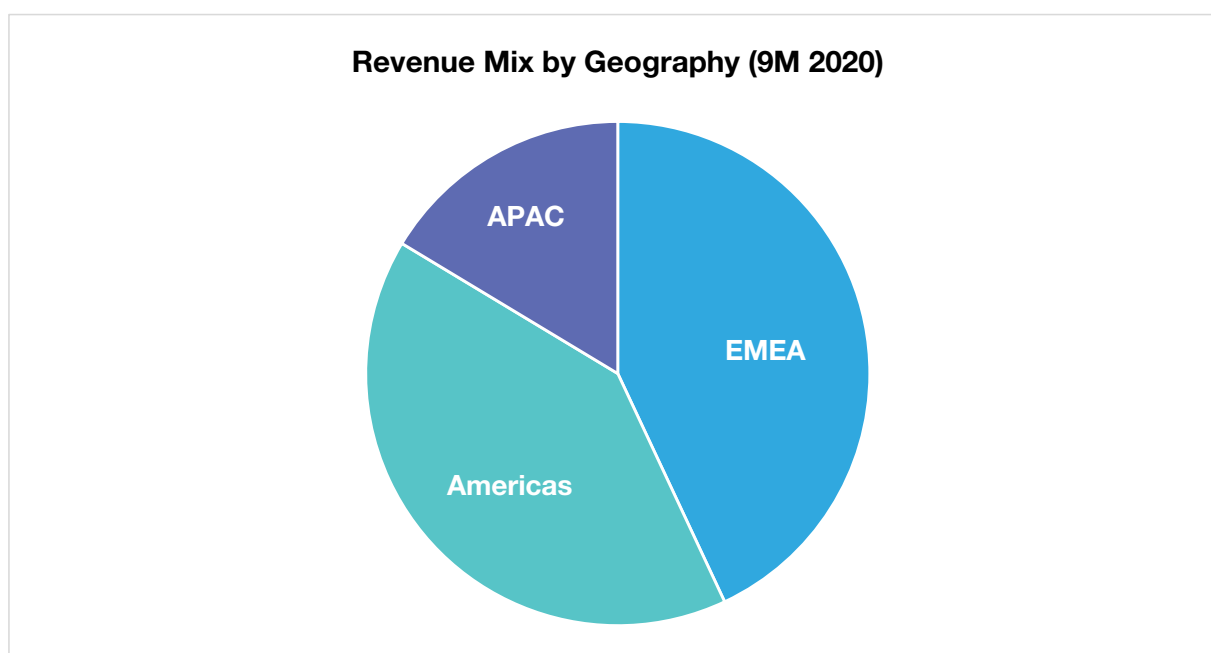
(d) Energy & Commodities

Energy & Commodities is the Group's second largest division by revenue and operates through the Tullett Prebon, ICAP and PVM brands in key commodities markets.

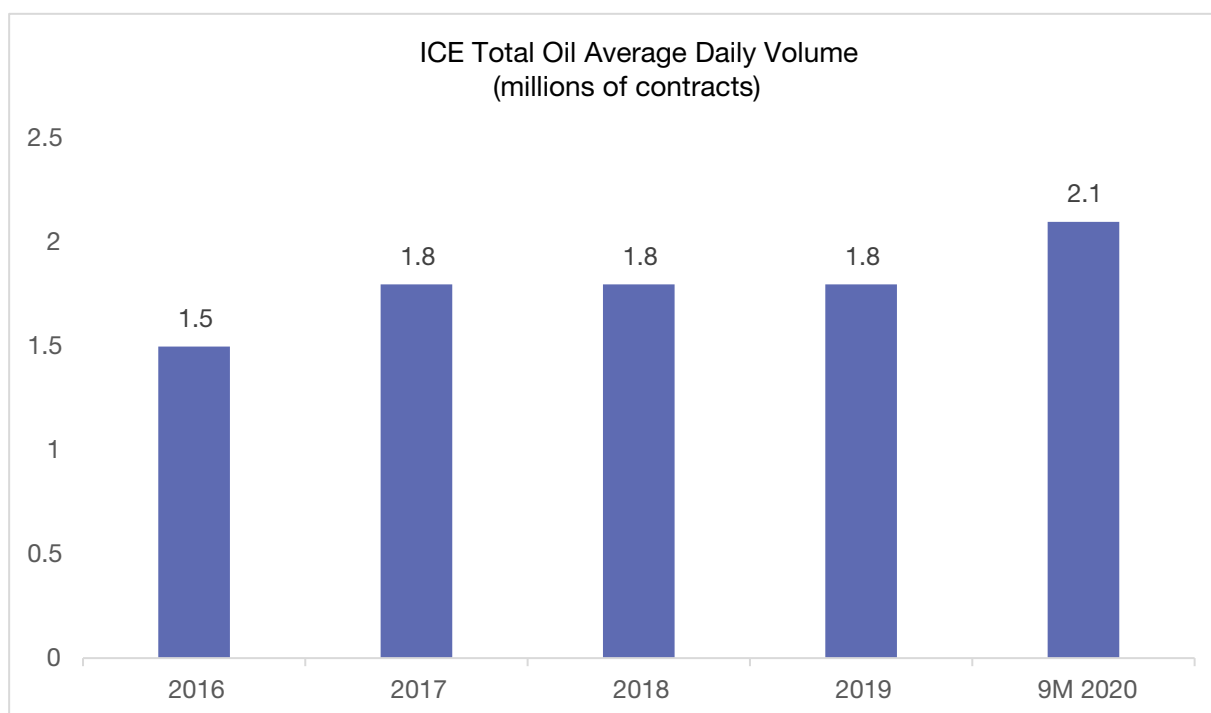
The Group's Energy & Commodities Products include crude oil, fuel oil, gas oil, gasoline, naphtha, and derivatives related to those products, ethanol, coal, power (electricity) and gas, as well as base and precious metals, and soft commodities such as grains.



TP ICAP is the largest OTC Energy & Commodities broker in the world by revenue and has a leading presence in the OTC trading of oil and oil products, with strong positions in the European Union, UK, US and Australian power and gas markets.

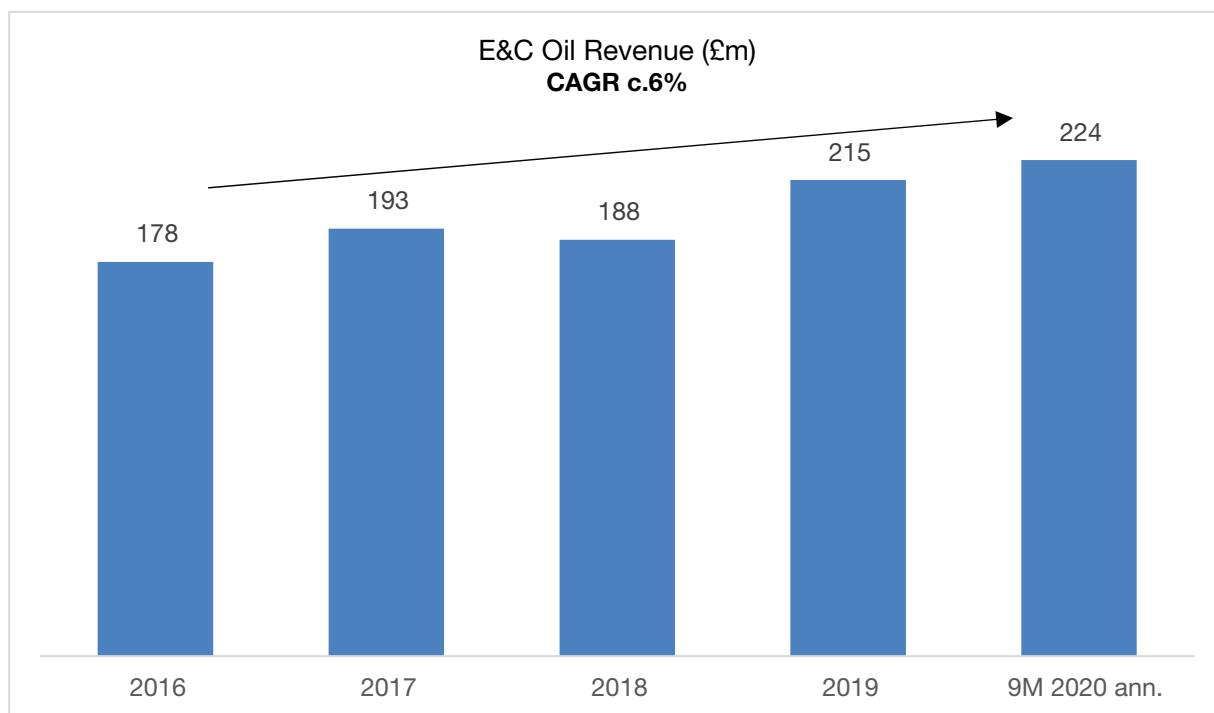


On-exchange average daily trading of oil contracts products has been relatively stable over the past few years, with strong trading activity observed in the first half of 2020.

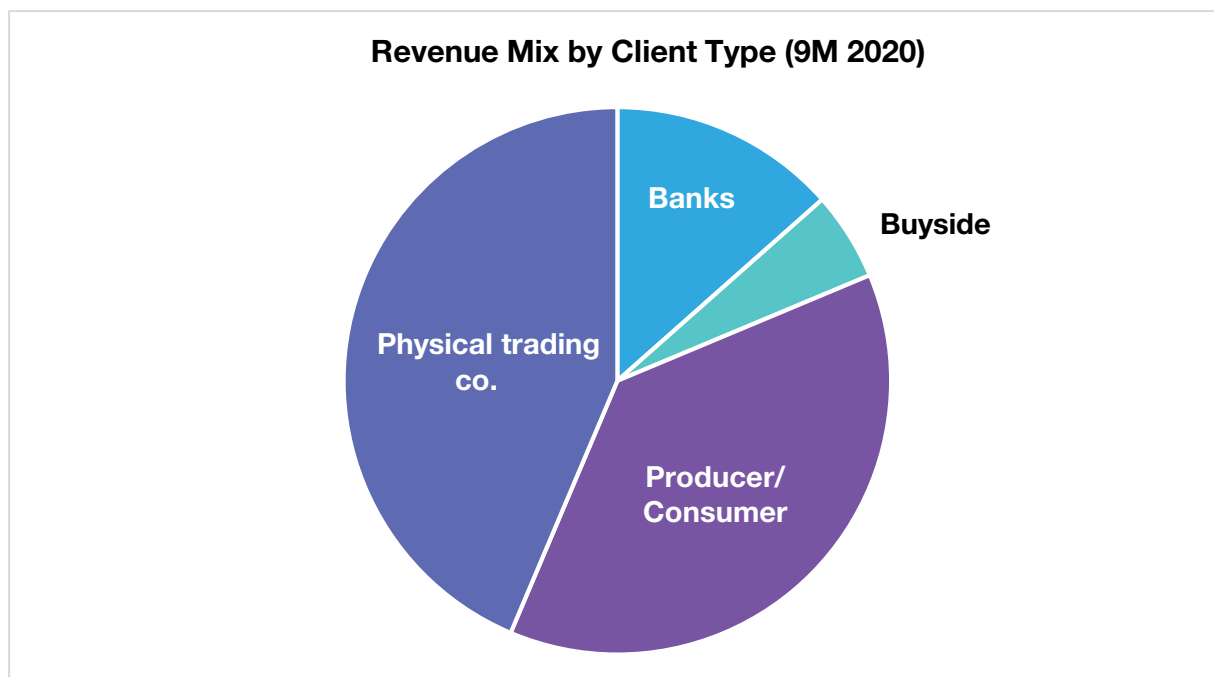


Source: ICE

The Group's Energy & Commodities oil revenue has broadly tracked wider market activity, as approximated by the Intercontinental Exchange Futures volumes presented below.



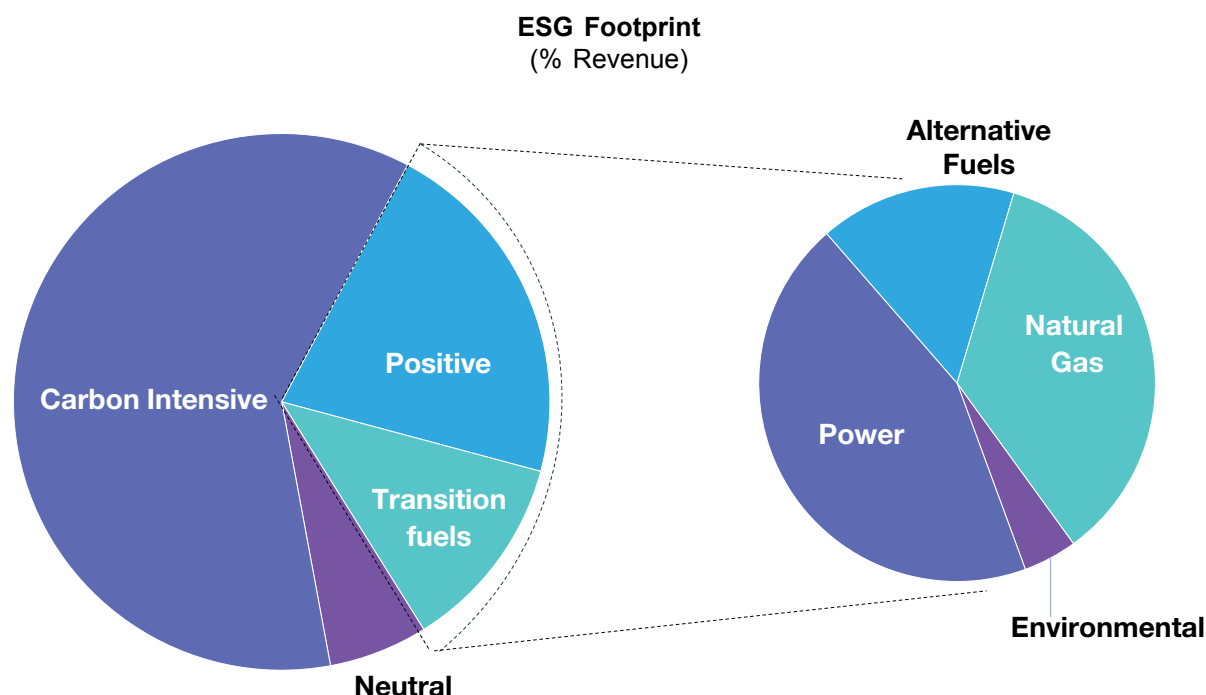
The Group's Energy & Commodities division has a diversified and growing client base comprising of producers, consumers, commodity trading houses, as well as banks, asset managers and hedge funds.



Environmental, social and corporate governance (ESG) criteria and trends have had a significant impact on the oil market in recent years. While oil volumes remain strong, various large players in the oil industry have announced targets to reduce carbon emissions, among other initiatives. The Group believes that the “decarbonisation” of the energy market and the shift toward alternative fuels over the next 10 to 20 years presents additional opportunities for growth in low-carbon markets such as renewables as well as carbon credits and electricity and gas.

In 2019 and the nine months ended 30 September 2020, approximately 40 per cent. of Energy & Commodities revenue was derived from (i) positive or neutral products such as power derived from renewable sources and

alternative fuels such as biodiesel, carbon credits and weather and (ii) transitional products such as liquefied natural gas (“LNG”). The Group expects revenue from environmentally friendlier products to be an important and growing part of its business. In particular, the Group anticipates LNG to become increasingly more important in the coming years as a result of LNG infrastructure investments globally, particularly for the transportation of LNG. Additionally, the Group expects new markets to develop for hydrogen and battery metals, whilst demand for oil is expected to continue for certain industrial processes such as the production of petrochemicals.



Energy & Commodities strategy

TP ICAP aims to create an Oil Hub for its Energy & Commodities business to automate its OTC oil broking model and aggregate liquidity across its brands. TP ICAP believes that this aggregation of liquidity across its brands into one platform will result in more efficient management of liquidity by brokers, operational and technological efficiencies, additional business opportunities for its Data & Analytics business, increased stickiness of broker relationships, enhanced broker productivity and better protection of its revenue and market share. TP ICAP also intends to provide a digital assistant tool called Darwin, a proprietary machine learning solution that will rely on oil hub data to assist brokers with tools and information to analyse trading activity.

As of the date of this Prospectus, in respect of its Oil Hub plans, TP ICAP has completed the initial build of its Order Management System (“OMS”) and, from August 2020, began to implement it on broker desks. Completion of the OMS rollout is expected in the first half of 2021. TP ICAP has also completed initial work on its post-trade straight-through processing requirements of the Oil Hub strategy. In 2021 and onwards, TP ICAP intends to further implement the Oil Hub strategy by expanding straight-through processing feeds, enabling liquidity-sharing between brands, introducing a real time oil price data feed, and integrating Darwin’s Digital Assistant within the platform.

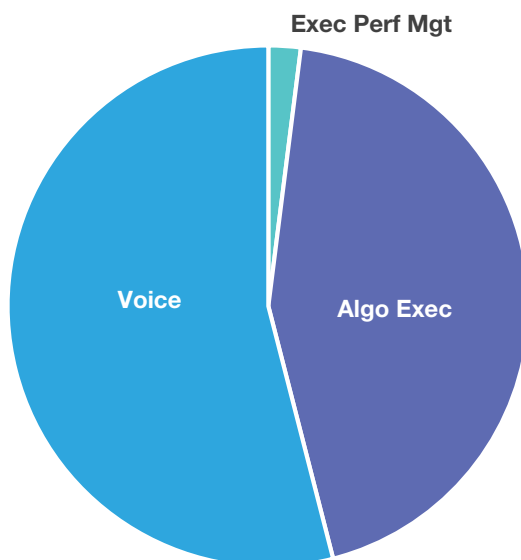
In the medium term, the Group will target a revenue CAGR of approximately 4 per cent. for the Energy & Commodities division. The Group will also aim to achieve an Energy & Commodities contribution margin of approximately 35 per cent. by 2023 and approximately 38 per cent. in the medium term. Additionally, the Group will target an Energy & Commodities operating margin of approximately 15 per cent. by 2023 and approximately 18 per cent. in the medium term.

(e) Institutional Services

The Group’s Institutional Services division provides venue agnostic, agency execution services to buy-side clients including hedge funds, asset managers, and other non-bank financial institutions. Institutional Services comprises a mix of voice and algorithmic execution services.

The below chart provides a breakdown of services (as a percentage of revenue) for the nine months ended 30 September 2020:

Institutional Services Mix (as % of Revenue)

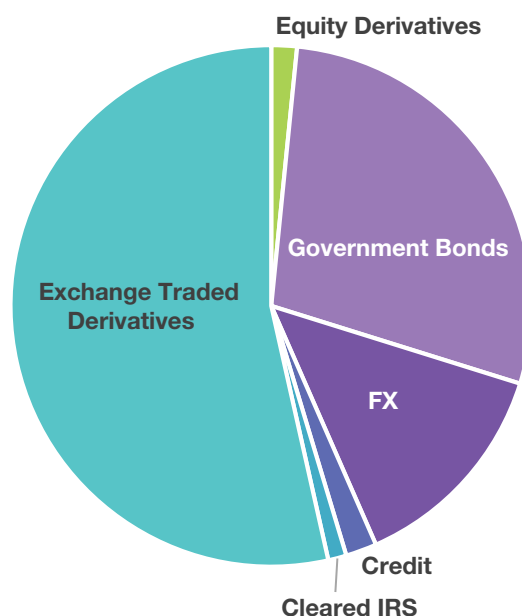


Note: Execution Performance Management refers to revenue that is attributable to TP ICAP work on pre-trade dynamics and post-trade execution analysis.

Institutional Services assists clients, with a focus on the buy-side, in the task of trade and venue selection, order routing and post-trade analytics across listed derivatives, FX, government bonds, cleared interest rate swaps and, as of December 2019, cash equities.

The below chart provides a breakdown of revenue mix by product for the nine months ended 30 September 2020:

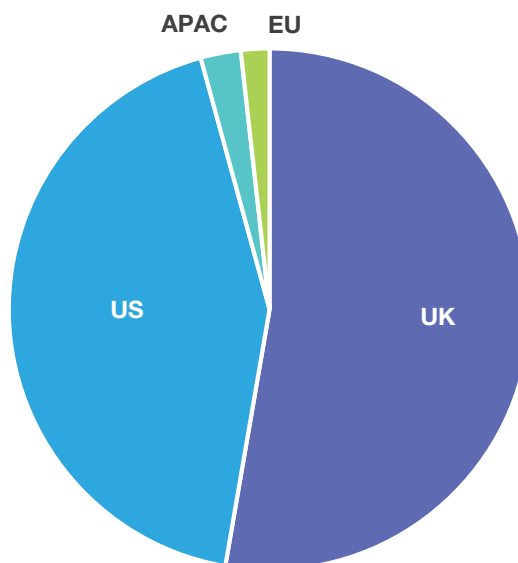
Institutional Services Revenue Mix (by Product)



Institutional Services has a global presence with operations in London, the United States, Paris and Singapore and has a headcount of more than 100 professionals.

The below chart provides a breakdown of revenue mix by region for the nine months ended 30 September 2020:

Institutional Services Revenue Mix (by Region)



Since its inception in 2017, Institutional Services has grown through investment in new products and client-facing teams, creating what the Group believes is an efficiency advantage for clients compared with other execution options. The Group intends to leverage this efficiency advantage to maximise shorter term margin growth and to drive long term revenue growth through product and headcount buildout. The Group intends to continue to execute its growth strategy by aiming to broaden its asset market coverage and geographical presence and originate higher-value electronic execution services.

The Group employs an agency execution model in its Institutional Services division, which means that TP ICAP does not carry out proprietary trading and does not market make or hold inventory. Where TP ICAP acts as a counterparty in an Institutional Services trade, it does so solely for purposes of settlement, billing and the maintenance of client anonymity. Clients rely on the Group for difficult-to-execute trades, e.g., trades for derivatives with low liquidity or multiple legs. Institutional Services assists clients in identifying trading opportunities by considering factors such as market dislocations, relative value, liquidity events, trends and cycles as well as macroeconomic and regulatory events, funding efficiency and venue incentives.

Overall, the agency execution model has benefited as traditional dealers contend with balance sheet limitations, declining average trade size, increasing organisational complexity, ‘juniorised’ sales coverage, legacy technology, slow response times for legal and onboarding processes, rationing of client solutions as well as off-shored or outsourced operations. The Group believes that the agency execution model responds to client demand for electronification of more complex and fragmented markets, better execution outcomes and increased transparency and responsiveness.

Institutional Services strategy

As a relatively new business, TP ICAP’s Institutional Services business has been built on some of the newest technology available, providing efficiency benefits. As this business moves through further growth phases, TP ICAP intends to utilise this efficiency advantage in driving its long-term revenue growth through product and headcount buildout, and in maximising shorter term margin growth. TP ICAP also intends to expand its asset market coverage and geographical presence, while facilitating higher-value electronic execution services, as it continues to execute this growth strategy.

In the medium term, the Group will target a revenue CAGR of approximately 12 per cent. for the Institutional Services business. The Group will also aim to achieve an Institutional Services contribution margin of approximately 30 per cent. by 2023 and approximately 34 per cent. in the medium term. Additionally, the Group will target an Institutional Services operating margin of approximately 19 per cent. by 2023 and approximately 24 per cent. in the medium term.

(f) Data & Analytics

The Group's Data & Analytics business provides unbiased data products that facilitate trading, enhance transparency, reduce risk and improve operational efficiency for the Group's clients. The Data & Analytics division is a leading provider of scarce OTC data and natural pricing information, and the Group has access to more OTC data than any other company globally (based on the Group's assessment by reference to publicly available data). The Group leverages its own proprietary trade data, as well as third-party data, to provide over 500,000 pricing, reference data and analytical tools for major asset classes and markets and operates a rigorous quality assurance process to ensure the integrity and robustness of the Group's products.

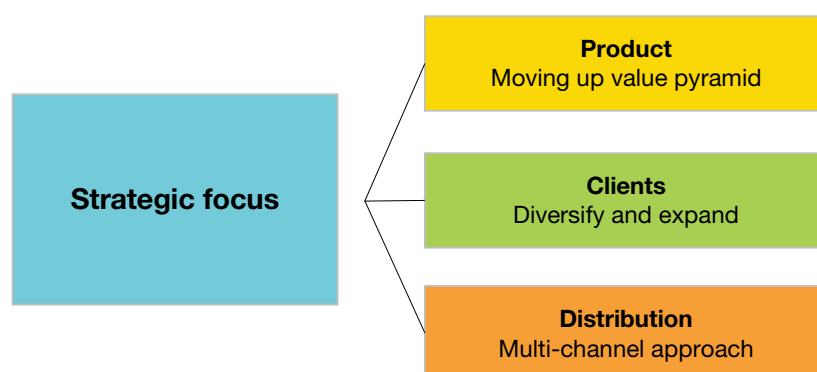
The Data & Analytics division provides independent real-time and end-of-day price information from the wholesale interdealer brokered financial and energy and commodity markets to both major data vendors and directly to end users. The data sets cover products in Rates, Credit, FX and Money Markets, Emerging Markets, Energy & Commodities.

Data & Analytics services over 1,000 clients and has a global sales presence in APAC, EMEA and the Americas and currently employs over 180 dedicated staff. Approximately 94 per cent. of its revenue is comprised of recurring subscription-based fees.

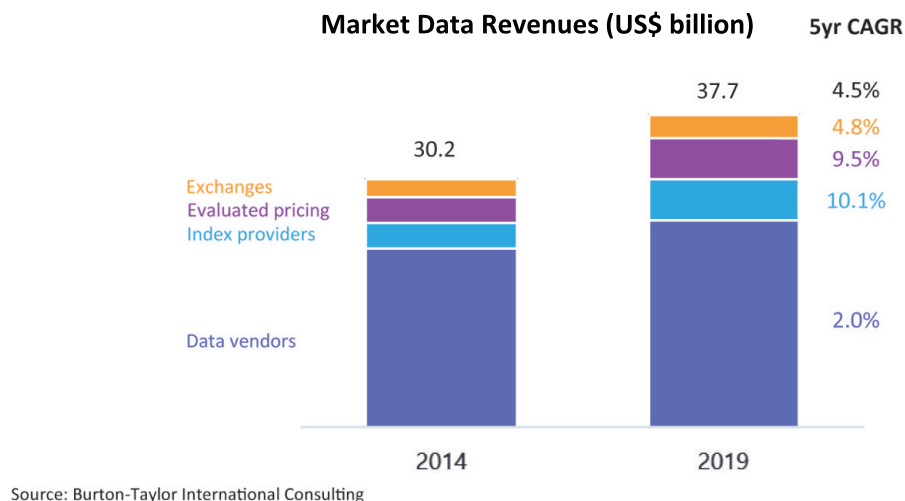
From 2011–2020, TP ICAP has been named Broker Data Provider of the Year by Inside Market Data ten consecutive times. TP ICAP expects to undertake a re-branding initiative for the Data & Analytics business in the first quarter of 2021.

Data & Analytics strategy

TP ICAP has established a three-pronged strategy for its Data & Analytics business, which is designed to capture the growth of a large and growing global data and analytics market, while increasing TP ICAP's market share in the data and analytics market. TP ICAP's Data & Analytics business strategy comprises product, client and distribution sub-strategies.



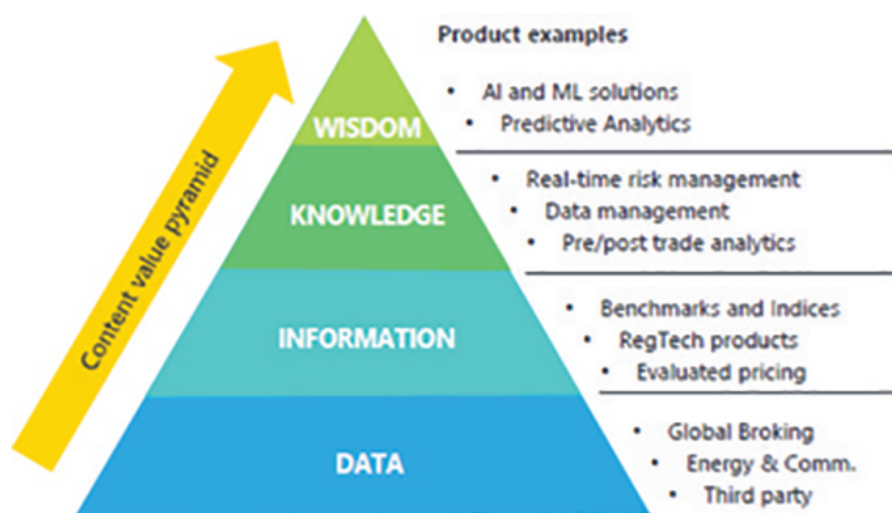
Data & Analytics' strategy is intended to enable TP ICAP to increase its market share by pursuing potential opportunities to expand its data offering into other under-serviced areas with growing client requirements, such as index providers and evaluated pricing segments, which, according to Burton-Taylor International Consulting, grew globally by a CAGR of approximately 10.1 per cent. and 9.5 per cent., respectively, between 2014 and 2019, as well as assisting clients with regulatory obligations and analytics requirements. The graphic below presents the growth in global market data revenue by industry participant between 2014 and 2019.



With this strategy, TP ICAP aims to sustain the growth of its Data & Analytics business, which experienced double-digit growth in contribution and operating profit between 2017 and 2019, compared to overall revenue for the industry, which grew by a CAGR of 4.5 per cent. between 2014 and 2019 (according to Burton-Taylor International Consulting). In particular, the expected stickiness of revenue from the Data & Analytics subscription business is anticipated to contribute to the achievement of revenue growth targets.

The specific elements of TP ICAP's Data & Analytics business strategy are set out below.

- **Product strategy:** TP ICAP's product strategy is focused on moving up the content value pyramid illustrated below.

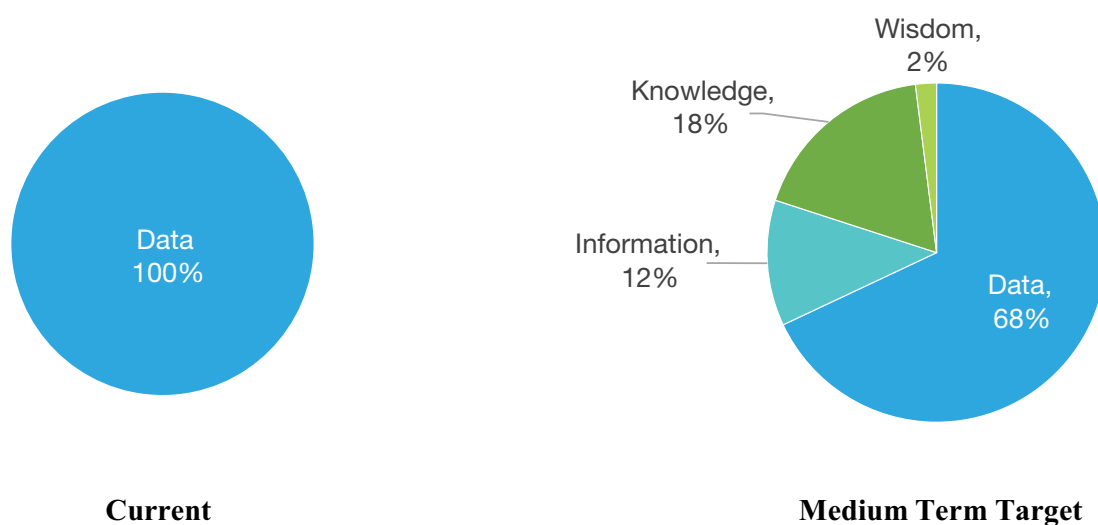


Historically, the focus of the Data & Analytics business has been on data products, including 25 new products launched since 2018. In 2020, 32 per cent. of TP ICAP's sales were from new products. TP ICAP aims to improve its profitability by moving up the value pyramid, as products higher up the value pyramid are expected to generate higher revenue and profitability, and expand its market presence to a broader range of clients, particularly asset managers and hedge funds.

TP ICAP launched its first information only product, Bond Evaluated Pricing (BEP), in 2020, and intends to further expand its product portfolio. Data & Analytics intends to continue to focus on higher value solutions areas, such as pre- and post-trade analytics (knowledge products), indices such as for LNG and interest rates (information products), as well as new data products, resulting over time in a diversified revenue mix of data, information, knowledge and wisdom products.

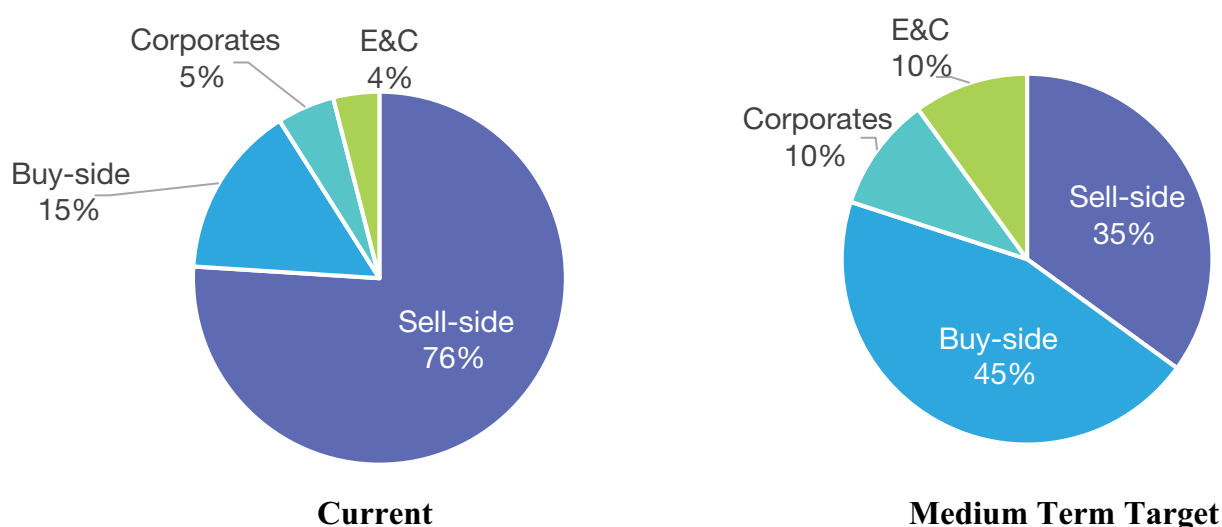
The below represents the Group's current and target product mix:

Target product mix (% revenue)



- Client strategy:** TP ICAP's client strategy is focused on diversifying and expanding its client base. As of 30 September 2020, sell-side, buy-side, corporate and Energy & Commodities clients accounted for approximately 76 per cent., 15 per cent., 5 per cent., and 4 per cent. of TP ICAP's Data & Analytics client base, respectively. TP ICAP intends to shift its emphasis to buy-side clients, with new information and knowledge products designed for unmet buy-side needs, including regulatory requirements for neutral and observable data, advanced analytics and benchmarks and index information. TP ICAP also intends to develop client segment-focused sales teams for each of sell-side, buy-side and corporate and energy and commodities segments. In addition, TP ICAP aims to diversify its Energy & Commodities client base by expanding products that include real time oil and distillates, providing direct display solutions and utilising new proprietary data. This diversification of TP ICAP's Data & Analytics client base is expected to triple its Data & Analytics revenue from the Energy & Commodities business. Through the implementation of its client strategy discussed above, TP ICAP aims to establish a more buy-side centric client mix in the medium term as shown below:

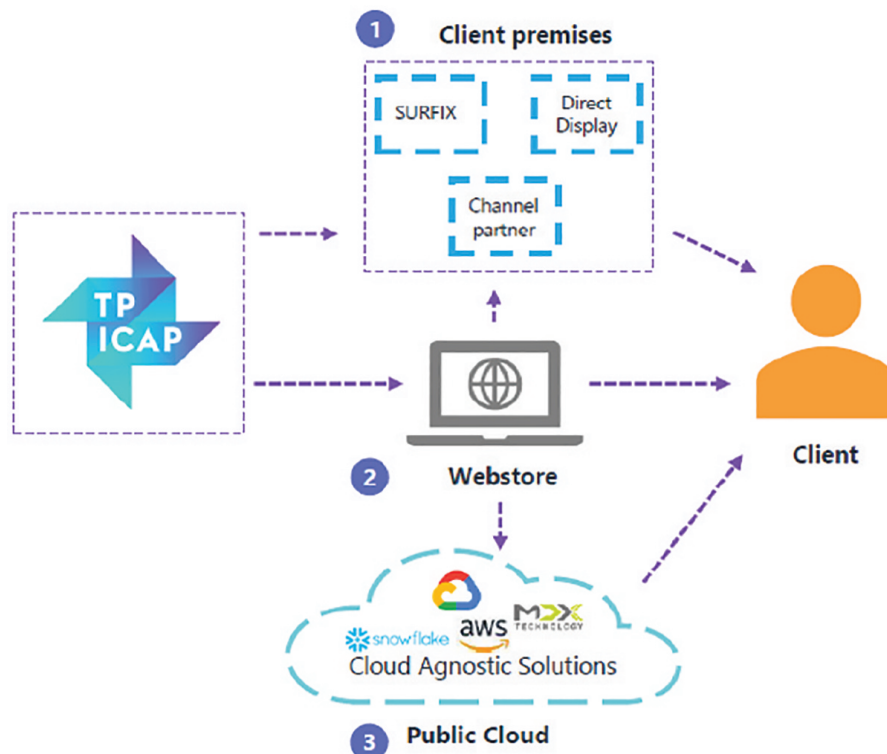
Client mix (% of clients)



- Distribution strategy:** TP ICAP's distribution strategy is aimed at enabling clients and diversifying channel partners. Enabling clients involves improving optionality and accessibility through new initiatives that provide three key ways by which clients can access TP ICAP's Data & Analytics products – direct data delivery to clients' premises, direct purchase through TP ICAP's Web store,

and via cloud providers. Improving client optionality and accessibility is expected to increase client sales by providing customers with greater flexibility and lowering costs of ownership, while also reducing TP ICAP's operational expenditures through its offering of cloud-based off-premises access to Data & Analytics products. As of the date of this Prospectus, TP ICAP has broadened its channel partner relationships to include new OMS/EMS partners and public cloud providers, and expects to continue to expand its distribution channels and offer greater choice for clients.

Client Enablement Strategy – Providing Optionality



In the medium term, the Group will target a revenue CAGR of approximately 11 per cent. for Data & Analytics. The Group will also aim to achieve a Data & Analytics contribution margin of approximately 50 per cent. by 2023 and approximately 53 per cent. in the medium term. Additionally, the Group will aim to achieve a Data & Analytics operating margin of approximately 45 per cent. by 2023, rising to approximately 48 per cent. in the medium term.

(g) Corporate Centre

The Group's Corporate Centre division provides support staff and infrastructure to its business divisions, including technology, compliance, risk, finance, HR, legal and other essential services.

7. RISK MANAGEMENT AND CAPITAL

7.1 Risk Management

Effective risk management is essential to the financial strength and resilience of the Group and for setting and achieving its business objectives. This section provides a summary of how risk is managed by the Group through its Enterprise Risk Management Framework and describes the Group's principal risks.

7.1.1 Enterprise Risk Management Framework

In 2019, the Group undertook a review of its global risk management framework to take into account the increased scale and diversity of its business and to respond to regulatory expectations. As a result of this work, the Group introduced a new Enterprise Risk Management Framework ("ERMF") in the second half of 2019.

The purpose of the ERMF is to enable the Group to understand and manage the risks it is exposed to in line with its stated risk appetite. The ERMF comprises three mutually reinforcing components: a sound risk

management culture, a comprehensive risk management and governance structure and a range of risk management processes.

The Group has undertaken a range of actions to develop and implement its new risk management framework to ensure that its risk management capability appropriately reflects the scale and diversity of the Group's business activities and is in line with regulatory requirements. The framework continues to evolve with the objective of improving the Group's risk management capability and supporting the delivery of the Group's business strategy.

The Directors believe that a robust risk management framework will enable the Group to help maintain the integrity and professionalism of the markets in which it operates. The Directors also believe that it is a competitive differentiator, particularly as the Group seeks to win new clients who in their selection of service providers look beyond liquidity and pricing.

7.1.2 Risk management culture

The Group recognises that in order to ensure the effective operation of the ERMF, it must implement an appropriate risk management culture that fosters the desired risk management values and behaviours and that is aligned to TP ICAP's values. This includes promoting an environment of openness that encourages the reporting and discussions of risk related incidents.

The Group seeks to achieve the implementation of its risk management culture through a range of actions. These include the setting of an appropriate 'tone-from-the-top', clear communication of risk management expectations and responsibilities, and through remuneration structures that effectively support the achievement of the desired risk management behaviours.

7.1.3 Risk management and governance structure

The Board has overall responsibility for the management of risk within the Group which includes:

- defining the nature and extent of risks it is willing to take in achieving its business objectives through formal risk appetite statements;
- ensuring that the Group has an appropriate and effective risk management and internal control framework; and
- monitoring the Group's risk profile to ensure that it remains within the Group's defined risk appetite.

The Group's risk governance structure seeks to ensure the effective oversight and management of risk through the implementation and operation of the ERMF. It comprises:

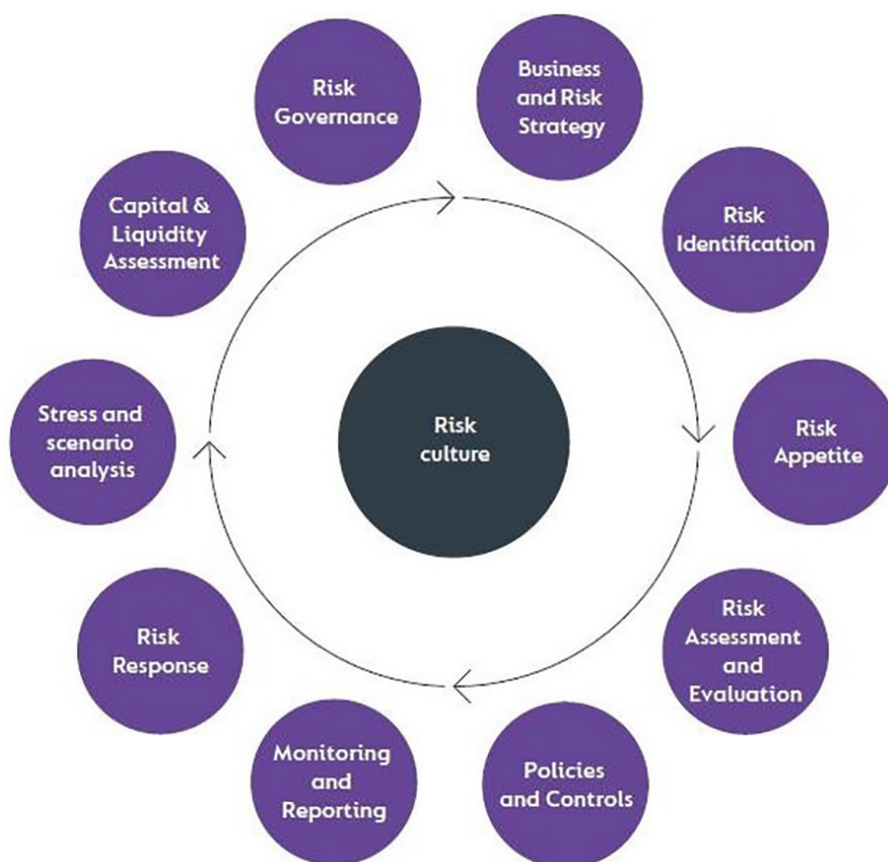
- the Board Risk Committee;
- the Group Risk, Conduct and Culture Committee; and
- the Regional Risk, Conduct and Culture Committees (in each of EMEA, the Americas and Asia Pacific).

The Group has implemented a risk management governance structure based on the industry-standard 'three lines of defence' that segregates risk management (first line of defence) from risk oversight (second line of defence) and independent risk assurance (third line of defence):

- *First line of defence — Risk management within the business:* The first line of defence comprises the management of the business units and support functions. It has primary responsibility for ensuring that the business operates within its risk appetite on a day-to-day basis.
- *Second line of defence — Risk oversight and challenge:* The second line of defence comprises the Risk and Compliance functions, which are separate from operational management. The Compliance function is responsible for overseeing the Group's compliance with regulatory requirements. The Risk function is responsible for overseeing and challenging the business, support and control functions in their identification, assessment and management of the risks to which they are exposed, and for assisting the Board (and its various committees) in discharging its overall risk oversight responsibilities.
- *Third line of defence — Independent assurance:* Internal Audit provides independent assurance on the design and operational effectiveness of the Group's risk management framework and associated activity.

7.1.4 Risk management processes

The ERMF sets out the core risk management activities undertaken by the Group to identify, assess and manage its risk profile within the prescribed risk appetite.



7.1.5 Risk strategy and risk appetite

The Board is responsible for setting the risk strategy and risk appetite which together provide the overarching context for the Group's risk management activity.

The risk strategy defines the risk objectives which must be met for the Group to achieve its business strategy and ensure that the Group focuses on those risk issues which are of most significance to the Group. The Group has defined the following risk objectives:

- *Financial position* — The Group's objective is to maintain a robust financial position in both normal and stressed conditions, to be achieved by maintaining profitability, ensuring capital resources and liquidity resources are sustained at levels that reflect the Group's risk profile, and maintaining access to capital markets.
- *Operational effectiveness and resilience* — The Group's objective is to ensure that operational processes and infrastructure operate effectively and with an appropriate degree of resilience.
- *Regulatory standing* — The Group's objective is to maintain its good standing with all of its regulators and to fully comply with all applicable laws and regulations to which the Group is subject.
- *Reputation* — The Group's objective is to maintain its reputation as an unbiased intermediary in the financial markets, with market integrity and the fair treatment of clients being at the heart of its business.
- *Business strategy* — The Group's objective is to adopt and execute a well-defined business plan which ensures the continued viability and growth of the Group's business, and to ensure that the Group does not undertake any activity which could undermine its ability to meet its strategic goals.

The risk appetite statement provides the Board's strategic view of the Group's attitude to, and appetite for, particular risk types to inform the more detailed articulation and operationalisation of risk appetite throughout the Group. The Group implements its risk appetite statements through the adoption of risk metrics and

thresholds at individual risk level. These thresholds constitute the operational parameters within which the first line of defence must operate on a day-to-day basis.

The risk strategy and risk appetite are reviewed by the Board on at least an annual basis and more frequently when required to address a change in the Group's business or risk profile.

7.2 Regulation

The Group is subject to minimum capital requirements set by various regulators of its worldwide businesses. Adherence to the stipulated capital ratios and requirements is extremely important to the on-going operations and business of the Group.

TP ICAP and the Group are subject to prudential requirements, including regulatory capital requirements, under CRD IV/CRR and, post-Brexit, under the Onshored CRR. In this regard, the Group is currently under the FCA's consolidated prudential supervision, subject to the Consolidation Waiver in respect of certain UK regulated entities. The Group consists of a number of 'investment firms', as defined in CRD IV, and each investment firm is required to comply with prudential requirements under CRR/Onshored CRR on a solo basis. In accordance with CRR/Onshored CRR, each investment firm is also required to comply with own funds and capital buffers on the basis of the consolidated situation of TP ICAP plc. However, the UK FCA granted TP ICAP the Consolidation Waiver which provided for derogation to the application of own funds requirements and the capital buffer requirements for the Group on a consolidated basis subject to certain conditions set out in the Consolidation Waiver. The terms of the Consolidation Waiver require the Group to eliminate the excess of its consolidated own funds requirement compared with its consolidated own funds ("**Excess Goodwill**") over the ten-year period to 30 December 2026. The amount of the Excess Goodwill must not exceed the amount determined as at the date the waiver took effect (the "**Excess Goodwill Ceiling**"). The Excess Goodwill Ceiling is reduced to nil in line with a schedule over ten years to December 2026, with the first reduction of 25 per cent. having occurred at the end of June 2019. The Excess Goodwill Ceiling continues to reduce 25 per cent. every 2.5 years on a straight line basis. The Group expects to reduce its Excess Goodwill in accordance with the declining Excess Goodwill Ceiling. The Consolidation Waiver also sets out conditions with respect to the maintenance of financial ratios relating to leverage, debt service and debt maturity profile.

Following the Scheme Effective Date and upon Admission, it is expected that only the EMEA Sub-Group will be subject to consolidated prudential supervision by the FCA under CRD IV/CRR and, post-Brexit, under Onshored CRR. Following the Scheme Effective Date, the entities in the EMEA Sub-Group will comply with prudential requirements under CRR/Onshored CRR on both a solo basis and on the basis of the consolidated situation of TP ICAP Group Services Limited. The Consolidation Waiver will no longer apply to the Group and TP ICAP will not seek a further investment firm consolidation waiver for the EMEA Sub-Group. Each regulated entity within the Group's corporate structure, outside the EMEA Sub-Group, will be subject to their respective local regulators' capital requirements (and not those imposed by the FCA). Consequently, once the Proposals have been implemented, the Group is likely to benefit from greater regulatory capital efficiency and therefore have greater flexibility to achieve growth.

Part X "Regulatory Overview" of this Prospectus contains further information on the regulatory environment that will apply to the Group following the implementation of the Proposals.

7.3 Capital structure

The Group is financed through shareholders' equity and debt. The Group seeks to ensure that it has access to an appropriate level of cash, marketable securities and facilities to enable it to finance its on-going operations on cost effective terms. The primary source of liquidity for the Group's operations is the cash balances and marketable securities that are held in each individual legal entity, and overdraft facilities provided by settlement agents or clearing banks to support the settlement process. The Group also has recourse to the Syndicated RCF, which is committed in the amount of £270 million, and the Bilateral RCF, which is in the amount of JPY10,000,000,000.

8. BREXIT READINESS

The Group continues to undertake Brexit readiness planning to ensure it can operate effectively and service its clients across the EU regardless of the ultimate outcome of trade negotiations between the EU and the UK.

As part of its planning, the Group has established and capitalised a new company in France, TP ICAP Europe S.A., to transact the Group's trading business in France, Germany, Spain and Denmark. The Group has also established three new trading venues in the EU, one multilateral trading facility ("**MTF**") and two

organised trading facilities (“OTFs”), so that all of the Group’s activity in the EU is now conducted on MiFID II compliant venues.

The Group intends to protect the business it transacts for EU-based clients through broking desks in the UK by increasing the number of front-office staff in its EU offices and changing workflows.

Due to the extraordinary circumstances relating to the COVID-19 pandemic, it has not been possible to complete this move of brokers to its EU-based offices yet. Following discussions with its lead regulators, the Group believes that, as a temporary measure, those lead regulators will allow the Group to continue to provide services to clients based in the 27 countries of the EU using London-based brokers acting on behalf of its UK-regulated entities, in order to support the stability and connectivity of the markets.

The Group’s acquisition of Louis Capital has significantly increased the Group’s presence in the EU, adding approximately 65 brokers to the headcount.

The Group continues to liaise with clients to understand what plans they have so that the Group can continue to provide them with a high quality service. Moreover, the Group continues to expect the UK to remain a major centre for financial, energy and commodities markets.

9. INFORMATION TECHNOLOGY AND INFRASTRUCTURE

The Group deploys a number of computer and communication systems and networks to operate its broking business, including front office broking platforms available to clients and brokers to disseminate information, provide analytics and to collect and manage orders, and middle office systems to record, confirm, enrich, report, monitor and settle trades and to calculate brokerage commissions.

The Group deploys back office systems for invoicing clients, for financial reporting and to support administrative functions. The Group’s systems form an integral part of the services offered to clients who rely on them to facilitate their activities. The capability, availability and performance of these systems are a significant factor in the Group’s ability to attract and maintain client business.

The Group recognises importance of technology on to the future success of the Group, and as such continues to invest in its technology systems in line with its overall strategy. Internally, the Group has established IT Development and Support capabilities across key centres in New York, London, Belfast, Singapore and Manila, facilitating the delivery of key initiatives. In addition, the Group intends to continue to partner with specialist third party vendors across a range of technologies to accelerate and scale its capabilities and to drive innovation.

In addition, in 2019, the Group successfully completed the integration of Tullett Prebon and ICAP, which resulted in the decommissioning of a number of platforms and the streamlining of processes and procedures.

In recent periods, the Group has made investments in the development and launch of new electronic platforms, straight-through processing functionality and associated technology infrastructure. For example, the Group’s global broking credit business launched two new platforms in the US in 2019. The first was Matchbook, a portfolio optimisation bond platform, and the second was Crosstrade, which has been designed to enable asset management firms to transition bonds between funds. The Group has also acquired a fintech company, ClearCompress that provides a market leading bilateral compression service in cleared and uncleared interest rate swaps.

The Group’s Energy & Commodities division has developed an electronic whiteboard, which when fully deployed, is expected to enable better sharing of liquidity across the broking desks, automatic price calculations, and straight through processing of executed trades. The Group continues to explore emerging and innovative technologies, for example Machine Learning, with a view to maximise business value by increasing liquidity share and driving down the overall cost of execution.

The Group continues to invest in its IT infrastructure and operational processes to maintain system resilience and reliability and to ensure that its technology services meet the evolving needs of its clients. A recent example is the provision of virtual desktops and voice collaboration services in the cloud to rapidly support new ways of working as a result of the COVID-19 pandemic, which enabled the Group to continue to operate markets without disruption.

The Group’s operates regionally paired, highly resilient datacentres in London, New York and Singapore. These datacentres are supported by separate power and network connectivity and are designed to support the Group’s systems in full, with critical data replicated between the sites in near real. Data centres are connected through a wide area network designed to provide resilient interconnectivity capable of supporting the distributed

technology and communication requirements. The Group leverages third party cloud hosting services to complement and enhance the capabilities of its data centres. Furthermore, the Group believes that its core electronic trading systems have reserve capacity, or are easily scalable, to handle trade volumes significantly higher than current peaks. Performance testing of key systems has shown that the Group's IT infrastructure is capable of supporting a significant uplift in order and execution rates while maintaining site resilience.

The Group views IT security as being a key part of its technology and overall business strategy, and has invested significantly in improving its cyber defence capabilities via a two-year remediation programme providing multi-layer defences with in depth capability to protect the Group's systems and data.

10. PROPERTIES

As of 30 September 2020, the Group occupies approximately 70 offices globally, using conventional lease agreements. These offices are distributed throughout EMA, the Americas, and the Asia-Pacific regions, with key offices locations situated in London, Belfast, New York, New Jersey, Hong Kong, Singapore, Tokyo and Sydney.

11. EMPLOYEES

11.1 Overview

The Group's principal offices are located in London, New York, New Jersey, Singapore, Hong Kong and Tokyo, with its two largest offices located at London and New York. The Group has also increased its shared service centre in Belfast which as of 30 September 2020, had approximately 300 employees working in a number of different functions including operations, IT services, human resources and procurement.

As at 30 September 2020, the Group's total headcount, including employees, contractors and consultants, was 5,035. This total included 3,011 revenue generating employees, with the remainder split across broker support and support functions.

The following table shows the total headcount of the Group by region at the end of the periods indicated.

	Year ended 31 December			Nine months ended 30 September
	2017	2018	2019	2020
EMEA	2,279	2,193	2,319	2,435
Americas	1,591	1,553	1,546	1,512
Asia Pacific	1,037	998	1,043	1,088
Total⁽¹⁾	4,907	4,744	4,908	5,035

Note:

(1) Total headcount shown is based on active employees and contingent workers' physical headcount at the end of the specified period, not including anyone on long term disability or consultants or third parties.

The Group categorises employees as either revenue-generating or non-revenue generating staff. Those in the four business divisions considered client-facing and revenue-generating (Global Broking, Energy & Commodities, Institutional Services and Data & Analytics) are considered "front office" staff, whereas all Corporate and Support are considered "back office" staff.

The Group has certain employees who are directly related to broker support who play an important role in the overall operation of the Group's business, such as Operations, Risk and Compliance who provide direct support and control over the front office revenue-generating employees as well as the wider business.

Generally, Group employees are not subject to any collective bargaining agreements, except for certain of its employees based in its EMEA offices that are covered by the national, industry-wide collective bargaining agreements relevant to the countries in which they work.

11.2 Focus on people, business conduct and compliance

The Group aims to continue to attract, develop and retain the very best talent and provide a respectful and enjoyable workplace that supports innovation and high performance with opportunities for continuing personal and professional development. The Group believes that a robust culture of business conduct and regulatory compliance is essential to the Group's position as a trusted operator in highly regulated markets. The Group's newly-created regional chief executive officer positions ensure high standards of conduct and compliance and improved communication with various regulatory bodies.

11.3 Diversity and inclusion

The Group seeks to ensure that current and prospective employees from diverse backgrounds view the Group as an inclusive place to work and that everyone has an equal opportunity to join and progress. Having more diverse teams brings diversity of thought – meaning smarter decisions and more innovation which help drive the business forward.

The Group's goal is to ensure that all employees:

- are fairly and proportionately represented within its workforce at all levels;
- have equal opportunities to progress their careers within the Group;
- are not subject to remuneration barriers as a result of their gender, race, religion, age, sexual orientation, gender identity, or disability; and
- can achieve a positive and fulfilling work experience, feeling both supported and respected.

12. COMPETITION

The Group encounters competition in the market infrastructure space. It competes primarily with other inter-dealer brokers, exchanges, electronic platforms, fintech companies, market data and information vendors and software companies. Competition has intensified in certain areas in recent years due to a difficult economic backdrop and the impact of changes in market structure on the Group's clients. Certain competitors to the Group have also discounted their offerings to attract and retain new business, and have also offered significant remuneration packages to attract new staff.

The Group has adopted a proactive approach to client engagement and client experience. It has focused on improving the attractiveness of the organisation as a place to work for employees. It also defends itself efficiently against aggressive poaching practices by competitors.

13. INTELLECTUAL PROPERTY

The Group regards its technology and intellectual property rights, including its brands, as a critical part of its business. The Group holds various trademarks and trade names and relies on a combination of patents, copyrights and trademarks, as well as contractual restrictions, to establish and protect its intellectual property rights.

The Group has registered a number of its important trademarks, such as "TP ICAP" and the TP ICAP logo in certain jurisdictions (including the UK and United States), through which the Group markets the majority of its products. The Group also owns registrations for certain key domain names for the Group and its operating brands.

The Group regards certain aspects of its internal operations, software and documentation as proprietary, and relies on a combination of contracts, copyrights, trademarks and confidentiality agreements to protect its proprietary information and its intellectual property rights in its software. The Group does not routinely file patent applications covering its software or methodologies. The Group grants licences for the use of its proprietary software to its clients and certain business associates. It does not license its proprietary software to other third parties. Software developers are employed by the Group under employment contracts and consultancy agreements under which the Group retains the intellectual property rights to developed products.

PART IX

LIQUIDNET ACQUISITION

1. OVERVIEW

On 9 October 2020, TP ICAP announced that it had reached agreement on the terms of the proposed acquisition of Liquidnet for a total consideration of between \$575 million and \$700 million. This comprises non-contingent cash consideration of \$525 million payable on Completion of the Liquidnet Acquisition and \$50 million deferred consideration in the form of 3.20 per cent. unsecured loan notes. TP ICAP will pay up to a further \$125 million depending on the revenue performance of Liquidnet's Equities business over the three year period which commenced on 1 January 2021. The consideration implies an EV/EBITDA multiple of between 8.2x and 10.0x Liquidnet's LTM September 2020 Adjusted EBITDA¹ of \$70.2 million.

Liquidnet is a premier brand, technology-driven, international electronic trading network that connects nearly 1,000 buy-side clients globally to liquidity in the equities and fixed income markets. Liquidnet has acted as a trusted partner to its clients for 20 years and its platform is fully integrated into their end-to-end workflows.

The Liquidnet Acquisition will be financed through a combination of the proceeds of the Rights Issue, drawdown of existing debt facilities and the unsecured loan notes issued by TP ICAP to certain stockholders in Liquidnet. Owing to its size, the Acquisition is a "Class 1" transaction for the purposes of the Listing Rules and therefore requires the approval of TP ICAP Shareholders: the Liquidnet Acquisition is conditional on, amongst other things, such approval. The Liquidnet Acquisition is also conditional upon the implementation of the Proposals.

TP ICAP published a prospectus in connection with the Rights Issue and Liquidnet Acquisition (the "**TP ICAP Prospectus**") and a Class 1 circular in connection with the Liquidnet Acquisition ("**TP ICAP Class 1 Circular**") on 7 January 2021.

The following information on Liquidnet and the Liquidnet Acquisition from the TP ICAP Prospectus and the TP ICAP Class 1 Circular are incorporated by reference into, and form part of, this Prospectus.

2. BUSINESS OVERVIEW OF THE LIQUIDNET GROUP

The Business Overview of the Liquidnet Group contained in Part XIII of the TP ICAP Prospectus is incorporated by reference into this Prospectus.

3. PRINCIPAL TERMS OF THE LIQUIDNET ACQUISITION

The information regarding the principal terms of the Liquidnet Acquisition contained in Part 3 of the TP ICAP Class 1 Circular is incorporated by reference into this Prospectus.

4. HISTORICAL FINANCIAL INFORMATION OF THE LIQUIDNET GROUP

4.1 Incorporation of Historical Financial Information of the Liquidnet Group by reference

The consolidated financial statements of the Liquidnet Group for the years ended 31 December 2019, 2018 and 2017 and the interim financial statements for the Liquidnet Group for the nine months ended 30 September 2020 and 2019 contained in Part 4 of the TP ICAP Class 1 Circular are incorporated by reference into this Prospectus.

4.2 Cross-reference lists

The tables below set out the sections of the above documents which contain information incorporated by reference into, and forming part of, this Prospectus. They are intended to enable readers of this Prospectus to identify easily specific items of financial information which has been incorporated by reference herein.

¹ This reflects an update from the previously announced EV/EBITDA multiple as a result of (i) the conversion of Liquidnet's financial results to the IFRS accounting standard and (ii) update of Liquidnet's Adjusted EBITDA to LTM September 2020 from LTM June 2020. For additional Liquidnet Group financial information, including its Adjusted EBITDA, see Part XVII "Selected Financial Information of the Liquidnet Group" of the TP ICAP Prospectus.

4.2.1 Interim financial information for the nine months ended 30 September 2020 and 2019

<u>Reference document</u>	<u>Information incorporated by reference into this Prospectus</u>	<u>Page number in reference document</u>
TP ICAP Class 1 Circular	Consolidated Income Statement	36
TP ICAP Class 1 Circular	Consolidated Statement of Comprehensive Income	38
TP ICAP Class 1 Circular	Consolidated Balance Sheet	37
TP ICAP Class 1 Circular	Consolidated Statement of Changes in Equity	39
TP ICAP Class 1 Circular	Consolidated Cash Flow Statement	38
TP ICAP Class 1 Circular	Notes to the Consolidated Financial Statements	40 – 51

4.2.2 Year ended 31 December 2019

<u>Reference document</u>	<u>Information incorporated by reference into this Prospectus</u>	<u>Page number in reference document</u>
TP ICAP Class 1 Circular	Consolidated Income Statement	52
TP ICAP Class 1 Circular	Consolidated Statement of Comprehensive Income	54
TP ICAP Class 1 Circular	Consolidated Balance Sheet	53
TP ICAP Class 1 Circular	Consolidated Statement of Changes in Equity	55
TP ICAP Class 1 Circular	Consolidated Cash Flow Statement	54
TP ICAP Class 1 Circular	Notes to the Consolidated Financial Statements	56 – 100

4.2.3 Year ended 31 December 2018

<u>Reference document</u>	<u>Information incorporated by reference into this Prospectus</u>	<u>Page number in reference document</u>
TP ICAP Class 1 Circular	Consolidated Income Statement	52
TP ICAP Class 1 Circular	Consolidated Statement of Comprehensive Income	54
TP ICAP Class 1 Circular	Consolidated Balance Sheet	53
TP ICAP Class 1 Circular	Consolidated Statement of Changes in Equity	55
TP ICAP Class 1 Circular	Consolidated Cash Flow Statement	54
TP ICAP Class 1 Circular	Notes to the Consolidated Financial Statements	56 – 100

4.2.4 Year ended 31 December 2017

<u>Reference document</u>	<u>Information incorporated by reference into this Prospectus</u>	<u>Page number in reference document</u>
TP ICAP Class 1 Circular	Consolidated Income Statement	52
TP ICAP Class 1 Circular	Consolidated Statement of Comprehensive Income	54
TP ICAP Class 1 Circular	Consolidated Balance Sheet	53
TP ICAP Class 1 Circular	Consolidated Statement of Changes in Equity	55
TP ICAP Class 1 Circular	Consolidated Cash Flow Statement	54
TP ICAP Class 1 Circular	Notes to the Consolidated Financial Statements	56 – 100

4.2.5 Other

<u>Reference document</u>	<u>Information incorporated by reference into this Prospectus</u>	<u>Page number in reference document</u>
TP ICAP Class 1 Circular	Accountant's report on the Historical Financial Information relating to the Liquidnet Group	101 – 102

5. OPERATING AND FINANCIAL REVIEW OF THE LIQUIDNET GROUP

The Operating and Financial Review of the Liquidnet Group contained in Part XXI of the TP ICAP Prospectus is incorporated by reference into this Prospectus.

PART X

REGULATORY OVERVIEW

1. OVERVIEW

The Group's operations are subject to extensive financial services regulation in the UK, the US and in other jurisdictions in which it operates. This section of the Prospectus is intended to give an overview of the regulatory framework that will apply to the Group after completion of the Proposals in the key jurisdictions where it operates.

2. REGULATION IN THE UNITED KINGDOM

2.1 Statutory Framework

The statutory framework for the regulation of financial services in the UK is set out in the FSMA. The FSMA requires firms that provide financial services in the UK to be authorised and regulated by the relevant regulatory authority. Financial services firms are subject to the authority of one or both of the two UK regulators – the FCA and the PRA.

2.2 FCA

The UK regulated entities in the Group are regulated and authorised by the FCA as their sole regulator for both prudential and conduct matters. The following entities within the Group are authorised and regulated in the UK by the FCA: Tullett Prebon (Europe) Limited; Tullett Prebon (Securities) Limited; Tullett Prebon (Equities) Limited; PVM Oil Futures Limited; ICAP Securities Limited; ICAP Energy Limited; The Link Asset and Securities Company Limited; ICAP WCLK Limited; ICAP Global Derivatives Limited; ICAP Europe Limited; Louis Capital Markets LLP; and iSwap Euro Limited (together, the **“UK Regulated Entities”**).

There are also three regulated UK branches of third-country entities within the Group: ICAP Corporates LLC, ICAP Securities USA LLC and PVM Oil Associates Ltd (the **“UK Regulated Branches”**). The UK Regulated Branches are all regulated in the UK by the FCA.

The FCA's strategic objective is to ensure that the relevant markets function well and its operational objectives are to protect consumers, to protect and enhance the integrity of the UK financial system and to promote effective competition in the interests of consumers. It has investigative and enforcement powers derived from the FSMA and subsequent legislation and regulations.

Generally the full panoply of UK (including EU driven) regulation applies to the UK Regulated Entities and a smaller sub-set of that regulation applies to the UK Regulated Branches. At a high level, prudential regulation and especially rules relating to capital requirements do not apply to the UK Regulated Branches. The UK Regulated Branches will be subject to prudential and capital requirements applied at the entity level in the location of their head office establishment.

Threshold conditions

In order to authorise a person to carry on regulated activities in the UK, the FCA must determine that the applicant meets regulatory requirements, including certain “threshold conditions”. The threshold conditions are the minimum conditions which must be satisfied (both at the time of authorisation and on an on-going basis) in order for a firm to gain and continue to have permission to carry on the relevant regulated activities under the FSMA. The threshold conditions for FCA regulated firms relate to matters including the firm's legal form and location of offices, whether the firm is capable of being effectively supervised by the FCA, whether the firm has adequate resources (both financial and non-financial) to carry on its business and whether, having regard to all the circumstances (including whether the firm's affairs are conducted soundly and prudently), the firm is a fit and proper person to conduct the relevant regulated activities. Once authorised, in addition to continuing to meet the threshold conditions, firms must comply with the relevant provisions of the FSMA, related secondary legislation and the rules made by the FCA under the FSMA (such rules, as well as guidance, are published in the **“FCA Handbook”**).

Supervision and Enforcement

The nature and extent of the FCA's supervisory relationship with an authorised firm depends on, among other considerations, how much of a risk the FCA considers that firm could pose to the achievement of their statutory objectives. The FCA has powers to take a range of enforcement actions, including the

ability to sanction authorised firms and individuals carrying out functions within them. In particular, enforcement action may include restrictions on undertaking new business, public censure, restitution, fines and, ultimately, revocation of permission to carry on regulated activities. The FCA may take direct enforcement action under the SMCR against individuals undertaking senior management functions for authorised firms, including revocation of an individual's approval to perform particular roles within a firm.

The FCA has further powers to obtain injunctions against UK authorised firms where a UK authorised firm has breached relevant requirements, including requirements imposed by or under FSMA or under certain EU legislation, and to impose or seek restitution orders where clients or other affected parties have suffered loss, or the firm has obtained a profit as a result of a breach of a relevant requirement. In certain circumstances, the FCA also has the power to take action against unauthorised parent undertakings of UK authorised persons (such as New TP ICAP), including by issuing directions to do or refrain from doing a particular activity.

Principles for Businesses

The FCA's Principles for Businesses (the "**Principles**") set out high-level principles that apply to all authorised firms. The Principles include requirements for firms to treat customers fairly, maintain adequate financial resources and risk management systems, communicate with customers in a way that is clear, fair and not misleading, and deal with regulators in an open and co-operative way.

2.3 Summary of United Kingdom regulatory framework

The UK regulatory framework contains rules which govern the following areas of the operation of the UK Regulated Entities, and the UK Regulated Branches:

Market conduct

These rules impose certain conduct obligations to ensure that the UK Regulated Entities deal fairly with clients and also help to ensure the proper functioning and integrity of the wider UK financial markets. A number of these obligations stem from European pieces of legislation including, among others, MiFID II and MAR. Post-Brexit these obligations will be contained within Onshored MiFID and Onshored MAR.

Capital requirements

Following the implementation of the Proposals, the EMEA Sub-Group will be subject to capital and liquidity requirements imposed by the FCA on both a solo and a consolidated basis. These are designed to attempt to ensure that the UK Regulated Entities always have sufficient capital and liquidity to be able to operate or wind down their businesses in an orderly manner.

Recovery and resolution planning

The Group is required to maintain a recovery and resolution plan so that it is able to wind down the business in times of extreme stress in an orderly manner, minimising market disruption.

SMCR

The UK Regulated Entities are subject to the SMCR which has been designed to increase individual accountability and responsibility within the financial services sector to decrease perceived moral hazard and to encourage more prudent and less risky processes.

Risk management, Compliance and Governance

The UK regulatory framework imposes a number of requirements, the purpose of which is to ensure that the UK Regulated Entities have robust risk management, compliance and governance processes in order to ensure that the UK Regulated Entities are operated in accordance with the regulatory framework and with sound risk management processes.

Anti-money laundering and financial crime

The UK Regulated Entities are relevant persons for the purposes of and are subject to the requirements of the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and are required to have robust systems and controls, policies and training in place to attempt to detect and prevent money laundering and financial crime.

A number of these areas have either seen recent change or are areas where future change is anticipated. Where these changes may pose a material risk to the future operation of the business, they have been disclosed in the *Risk Factors* section of this Prospectus.

3. REGULATION IN THE EUROPEAN UNION

The Group's operating entities across the EU, including the UK Regulated Entities, are subject to financial services regulatory requirements derived from various sources of EU legislation, including EU treaties, regulations and directives. Regulations are legal acts that apply automatically and uniformly to all EU countries as soon as they enter into force, without needing to be transposed into national law. Regulations are binding in their entirety on all EU countries. Directives require EU countries to adopt measures to transpose them into national law in order to achieve the objectives set by the directive.

Together with the UK Regulated Entities, the following Group Companies or investments operate in the EU: TP ICAP (Europe) SA (France), ICAP Energy AS (Norway); Sociedade Gestora de Fundos de Investimento, S.A. (Portugal); Corretaje e Informacion Monetaria y de Divisas SA (Spain), Corretaje e Informacion Monetaria y de Divisas Sociedad de Valores SA (Spain), Intermoney Valores Sociedad de Valores S.A. (Spain), Intermoney Gestion S.G.I.I.C. S.A. (Spain), Intermoney Titulizacion S.G.F.T. S.A. (Spain), and iSwap Euro B.V. (The Netherlands), (together, the "**EU Regulated Entities**").

3.1 European Union Legislation

The following pieces of EU legislation impact the Group's operations across the EU:

MiFID II

The MiFID II Directive and Markets in Financial Instruments Regulation ("**MiFID II**") set out the legal framework governing the requirements applicable to investment firms and trading venues. MiFID II provides for detailed and specific requirements relating to investment firms within its scope, including provisions relating to systems and controls, outsourcing, customer classification, conflicts of interest, best execution, client order handling, suitability and appropriateness, transparency and transaction reporting. MiFID II also provides for a regulatory regime for securities markets, including MTFs and OTFs. The UK Regulated Entities and the EU Regulated Entities are investment firms and a number of these entities are operators of MTFs and OTFs.

MiFID II also confers passporting rights on investment firms authorised in accordance with its provisions, enabling them to carry on certain investment activities in other EEA States without needing to obtain separate authorisations there. The UK Regulated Entities and the EU Regulated Entities currently undertake activities across the EU on reliance of passporting rights.

Market Abuse Regulation

The Market Abuse Regulation, or MAR, establishes across the EU a common regulatory framework on market abuse, as well as measures to prevent market abuse to ensure the integrity of the EU financial markets and enhance investor protection and confidence in those markets.

MAR refers to three abusive behaviours which, when committed in relation to publicly traded financial instruments, commodity derivatives or emission allowances, constitute market abuse. The relevant behaviours are: insider dealing; the unlawful disclosure of inside information; and market manipulation. MAR requires the UK Regulated Entities and the EU Regulated Entities to undertake monitoring and surveillance to identify potential market abuse and report any suspicions of market abuse to the relevant competent authority.

Under MAR, competent authorities are required to have powers to impose an unlimited fine on any person that engages in market abuse, or that has encouraged or required another person to do so. As an alternative to imposing a fine, a competent authority may publish a statement of public censure or apply to the court for an injunction or restitution order. Competent authorities also have the power to impose other administrative sanctions, including the power to carry out on-site inspections at sites other than private residences and the power to cancel or suspend trading in financial instruments.

MAR is complemented by the Directive on Criminal Sanctions for Market Abuse ("**CSMAD**"). CSMAD is a minimum harmonising directive mandating minimum requirements for criminal penalties. CSMAD provides minimum levels for the maximum term of imprisonment: at least four years' imprisonment for insider dealing, recommending or inducing another person to engage in insider dealing and market

manipulation offences and a minimum two years' imprisonment for the unlawful disclosure of inside information offence. All EU countries except for the UK and Denmark have agreed to transpose CSMAD into domestic law.

In the UK, the FCA has the power to prosecute the criminal offences of insider dealing under the Criminal Justice Act 1993 and the criminal offences of making false or misleading statements, creating false or misleading impressions and making false or misleading statements or creating a false or misleading impression in relation to specified benchmarks under the Financial Services Act 2012.

CRD IV/CRR

The CRD IV package sets out the EU framework for the regulation of credit institutions and certain investment firms, applicable in the main since January 2014, in particular in respect of capital adequacy. Certain MiFID investment firms and, in particular, those with permissions relating to the safeguarding of client assets or handling of client money are subject to the provisions of CRD IV as regards prudential and capital standards. This includes the UK Regulated Entities and the EU Regulated Entities.

MLD5

The Fifth Money Laundering Directive (“**MLD5**”) updates a number of the obligations under the Fourth Money Laundering Directive (“**MLD4**”) and, in summary, imposes obligations on a variety of firms to take steps to prevent money laundering by, among other things, ensuring robust systems and controls and training are in place for staff, undertaking customer due diligence of varying levels, monitoring clients on an ongoing basis, monitoring clients' transactions and reporting any suspicious behaviour to relevant authorities.

A number of these areas have either seen recent change or are areas where future change is anticipated. Where these changes may pose a material risk to the future operation of the business, they have been disclosed in Part II “Risk Factors” section of this Prospectus.

3.2 European Union — Brexit

The UK ceased to be a member of the EU on 31 January 2020. Directly applicable EU legislation referred to in this Prospectus continued to apply in the UK until the end of a transitional period, which ended on 31 December 2020. EU legislation currently transposed into UK law will remain a part of UK law following the end of the transitional period. The UK has gone through a process of onshoring previously directly applicable EU law so that it will continue to apply post-Brexit. In this regard we note that post-Brexit Onshored MAR, Onshored MiFID and Onshored CRR will apply to the Group's UK Regulated Entities and UK Regulated Branches.

4. REGULATION IN THE UNITED STATES

4.1 Broker-Dealers

The Group wholly owns four broker-dealers that are registered with the SEC: (i) Tullett Prebon Financial Services LLC; (ii) ICAP Securities USA LLC; (iii) ICAP Corporates LLC; and (iv) Louis Capital Markets LLC. It also has a 40 per cent. minority ownership interest in another SEC-registered broker-dealer, First Brokers Securities LLC.

The US Exchange Act governs the way in which the US securities markets and its broker-dealers operate. Unless an exemption or an exception applies, a broker or dealer operating in the United States or that solicits US persons must be registered with the SEC and become a member of FINRA prior to conducting broker-dealer activities. In addition, each broker-dealer must ensure that its associated persons have satisfied applicable qualification and licensing requirements and are appropriately supervised. Broker-dealers and their associated persons are also regulated by state regulators in the states they conduct business and are subject to the laws and regulations of those states.

SEC-registered broker-dealers and their associated persons are subject to a wide range of requirements under federal securities laws, FINRA rules, the rules of other SROs to which they may be subject and state laws and regulations. These requirements are extensive and apply to all aspects of a broker-dealer's business activities. Although there will be some variation depending on the specific business activities of the broker-dealer, these requirements include, among others, compliance with: (i) financial responsibility rules, including the duty to maintain required levels of regulatory net capital, duty to protect customer funds and securities, satisfy financial reporting requirements and make and maintain required books and

records; (ii) business conduct standards, including a duty to deal fairly, engage in fair and balanced communication with the public, recommend only suitable securities to customers and satisfy best execution requirements; (iii) rules relating to the extension of credit; (iv) order handling rules, procedures relating to the clearance and settlement of trades and trade reporting rules; (v) supervision rules, including an obligation to develop and implement written policies and procedures that are reasonably designed to prevent and detect violations of the securities laws, regulations and applicable SRO rules; (vi) a prohibition on associating with persons who have been the subject of certain criminal or other disciplinary actions; (vii) rules relating to maintaining an effective anti-money laundering program; and (viii) the general anti-fraud provisions of the US securities laws.

Broker-dealers are subject to examination by the SEC, SROs and state regulators. The SEC, SROs and state regulators may take disciplinary action against broker-dealers and their associated persons for violating the securities laws, regulations and SRO rules. Such actions could result in the imposition of sanctions which may include censures, fines, limitations on business activities and bars from the securities industry. In addition, broker-dealers and their associated persons may be subject to criminal actions by the Department of Justice (“**DOJ**”) and state criminal authorities.

4.2 CFTC-Regulated Entities

TP ICAP owns a number of entities that are registered with the CFTC, as (i) SEFs, (ii), IBs and (iii) SDs.

The Commodity Exchange Act (“**CEA**”) governs the operation of markets for commodity-linked derivatives in the United States, including futures, options and swaps. Under the CEA, certain categories of participants are required to register with the CFTC (and for certain categories of registrants to be members of the NFA). Trading systems or platforms that facilitate the execution of swaps between multiple persons (swap execution facilities, or “SEFs”), are required to register with the CFTC. Persons who solicit or accept orders for the purchase and sale of futures or swaps, but do not accept money to facilitate such transactions (IBs), and certain persons that make markets in swaps (swap dealers or “SDs”) are required to register with the CFTC and become members of the NFA.

As a condition of registration, SEFs must adhere to numerous “core principles” set forth in the CEA which are intended to ensure, among other things, access to the trading platform, integrity of the price formation process, fairness of trading and transparency of activity on the platform. SEFs are subject to periodic rule review by the CFTC to test both the SEFs’ compliance with its regulatory obligations and the effectiveness of the rules imposed by the SEF on participants on the platform.

IBs and SDs are similarly subjected to a wide range of requirements, including regulations focused on onboarding and documentation of customer relationships, financial soundness of the regulated entity, protection of customers/counterparties of the registrant, recordkeeping, transparency of the registrant’s activities and supervision. The NFA periodically audits its members, including IBs and SDs, to confirm the registrant’s compliance with applicable rules and the robustness of the processes and procedures in place to ensure compliance with such rules. In addition, IBs are subject to certain AML requirements.

5. REGULATION IN SINGAPORE

The Group operates several entities regulated by the Monetary Authority of Singapore (“**MAS**”) in Singapore. The entities regulated by the MAS comprise:

- Capital markets services (“**CMS**”) licensees: Tullett Prebon Energy (Singapore) Pte. Ltd, PVM Oil Futures Pte Ltd, ICAP Energy (Singapore) Pte. Ltd, and PVM Oil Associates Pte Ltd; and
- Recognised Market Operators (“**RMOs**”): ICAP (Singapore) Pte Ltd, Tullett Prebon (Singapore) Limited, and ICAP Securities USA LLC,

(together, the “**Singapore Regulated Entities**”).

The overarching legislation that regulates capital markets services-related activities, which include the activities of CMS licensees and RMOs in Singapore, is the Securities and Futures Act (Cap. 289) (“**SFA**”). The MAS is the central bank and integrated financial regulator in Singapore. The Singapore Regulated Entities are subject to the regulation and supervision of the MAS, which establishes rules for financial institutions which are implemented through legislation, regulations, directions, notices, guidelines and other regulatory instruments.

Under the Monetary Authority of Singapore Act, the functions of the MAS are to, amongst others, act as the central bank of Singapore, conduct monetary policy, issue currency, oversee payment systems and

serve as banker to and financial agent of the Singaporean Government; and to conduct integrated supervision of the financial services sector and financial stability surveillance. As an integrated financial supervisor, the principal objectives of the MAS are to foster a sound financial services sector through its prudent oversight of all financial institutions in Singapore and to promote Singapore as a dynamic international financial centre by working with the financial industry.

In relation to CMS licensees and RMOs, in order to grant a licence, the MAS must determine that the applicant meets regulatory requirements, including certain “threshold conditions”. The threshold conditions are of a general or specific nature as the MAS may impose on the applicant, which must be satisfied (both at the time of granting of the licence, and on an on-going basis) in order for an entity to gain and continue to have permission to carry on the relevant regulated activities under the SFA. These conditions may relate to matters including (but not limited to): (i) in respect of an RMO, the activities that the applicant may undertake; the products that may be traded on any organised market established or operated by the applicant; and the financial requirements imposed on the applicant; and (ii) in respect of a CMS licensee whether the applicant’s minimum financial requirements, and the applicant’s or its substantial shareholders’ financial standing are satisfied: whether the applicant has adequate resources to carry on its business, whether the applicant’s affairs are conducted soundly and prudently, and whether the applicant is a fit and proper person to conduct the relevant regulated activities; and whether the applicant’s officers or employees have satisfactory qualifications and/or experiences to perform their duties. Once licensed, in addition to continuing to meet the threshold conditions, the licensees must comply with the provisions of the SFA, related subsidiary legislation and notices and guidelines issued by the MAS, and any other obligations or requirements prescribed by the MAS.

The supervisory assessment of an institution’s impact and risk will determine the MAS’ supervisory strategy towards that institution and the supervisory activities in which the MAS engages. The MAS expects an institution’s board and senior management, with whom the primary responsibility for risk oversight lies, to address any issues of supervisory concern that are identified in the course of its supervision. The MAS has powers to take a range of enforcement actions, including the ability to sanction the Singapore Regulated Entities. Enforcement actions may include restrictions on undertaking of businesses, public censure, fines, suspension or revocation of authorisation to carry on regulated activities.

6. REGULATION IN HONG KONG

6.1 Authorisation and licensing

Licensed Corporation

Tullett Prebon (Hong Kong) Limited and ICAP Securities Hong Kong Limited are each licensed and regulated by the Securities and Futures Commission (“SFC”) in Hong Kong to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 7 (providing automated trading services) regulated activities under the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (“SFO”). The SFC has imposed certain licensing conditions on Tullett Prebon (Hong Kong) Limited and ICAP Securities Hong Kong Limited. In particular, neither company is allowed to hold clients assets and, with respect to Type 1 (dealing in securities) and Type 2 (dealing in futures contracts) regulated activities they can only provide services to “professional investors” (as defined in the SFO and its subsidiary legislation). Their Type 7 (providing automated trading services) licence is also subject to a number of conditions around (among other things) business continuity planning, reporting and notification requirements, record-keeping requirements and types of persons to which they can provide services. As licensed corporations, both entities are subject to and required to comply with various rules and regulations applicable to the businesses in Hong Kong, including the SFO and its subsidiary legislation as well as codes, guidelines and circulars issued by the SFC.

Approved Money Broker

ICAP Brokers Pty Limited, Tullett Prebon (Australia) Pty Limited, Tullett Prebon (Hong Kong) Limited, Totan ICAP Co. Limited (which is 40 per cent. owned by the Group), ICAP (Hong Kong) Ltd, ICAP (Singapore) Pte Limited, Tullett Prebon (Europe) Limited, Tullett Prebon (Singapore) Limited and Tullett Prebon (Japan) Limited are each licensed and supervised by the Hong Kong Monetary Authority (“HKMA”) in respect of their money broking activities. As Hong Kong approved money brokers, these entities are subject to various rules and regulations that are applicable to the money broking industry.

6.2 Summary of applicable rules

Licensed Corporation

The SFC is an independent statutory body responsible for regulating Hong Kong's securities and futures market and its powers, roles and responsibilities are set out in the SFO. The SFC's regulatory objectives include maintaining and promoting the fairness, efficiency, competitiveness, transparency and orderliness of the securities and futures industry, providing protection for the members of the investing public and minimising crime and misconduct in the securities and futures industry. It is empowered to grant licenses to those who are appropriately qualified and can demonstrate their fitness and properness to be licensed, and it monitors their on-going fitness and properness and compliance with applicable requirements. The legal framework in Hong Kong governing licensed corporations is predominantly included in the SFO and its subsidiary legislation. Additionally, the SFC issues codes, guidelines and circulars from time to time which licensed corporations are required to comply with (where applicable). Licensed corporations and their licensed representatives (including responsible officers), substantial shareholders and other persons who are employed by or associated with the licensed corporations for the purposes of the regulated activities for which the licensed corporations are licensed must remain fit and proper at all times.

Approved Money Broker

The HKMA is Hong Kong's central banking institution. Its functions include promoting the stability and integrity of the financial system, and helping to maintain Hong Kong's status as an international financial centre, including the maintenance and development of Hong Kong's financial infrastructure. Under section 118C(1)(a) of the Banking Ordinance (Cap. 155, Laws of Hong Kong) ("BO"), the HKMA has the power to approve a company to act as a money broker. The main regulation governing the supervision by the HKMA of approved money brokers is the BO. Additionally, the HKMA issues guidelines and circulars from time to time, which approved money brokers have to observe (where applicable when conducting their business).

7. Global derivatives markets reform

In response to the 2008 global financial crisis, the G20 countries agreed to a financial regulatory reform agenda covering the OTC derivatives markets and market participants. One objective of these reforms was to decrease the potential systemic risk posed by global derivatives markets. Two of the key tools for reducing risk posed by OTC derivatives markets to the wider financial system were the introduction of (i) margin requirements for certain non-centrally cleared derivatives and (ii) mandatory central counterparty clearing for certain derivatives between different categories of counterparties. Mandatory clearing and UMR have been phased in gradually across the world from 2016 with final implementation expected in some jurisdictions in 2022. Generally both mandatory clearing and UMR have been applied to the largest, most sophisticated market participants first and then gradually the scope has been extended to capture smaller less sophisticated market participants. There remain a potentially large number of counterparties who are not yet subject to UMR that are due to be brought within scope in the future.

PART XI

DIRECTORS AND CORPORATE GOVERNANCE

1. DIRECTORS

The following table sets out certain information with respect to the members of the TP ICAP Board as at the date of this Prospectus. The business address for each of the members of the TP ICAP Board is Floor 2, 155 Bishopsgate, London EC2M 3TQ, United Kingdom.

<u>Name⁽¹⁾</u>	<u>Position</u>	<u>Age</u>	<u>Date appointed</u>
Richard Berliand	Chairman	58	March 2019
Nicolas Breteau	Group Chief Executive Officer	52	July 2018
Robin Stewart	Group Chief Financial Officer	53	July 2018
Philip Price	Group General Counsel	55	September 2018
Angela Knight	Senior Independent Non-Executive Director	70	September 2011
Edmund Ng	Independent Non-Executive Director	57	November 2017
Roger Perkin	Independent Non-Executive Director	72	July 2012
Michael Heaney	Independent Non-Executive Director	56	January 2018
Angela Crawford-Ingle	Independent Non-Executive Director	68	March 2020
Mark Hemsley	Independent Non-Executive Director	58	March 2020
Tracy Clarke	Independent Non-Executive Director	53	January 2021

Note:

(1) Kath Cates will become an Independent Non-Executive Director with effect from 1 February 2021.

As at the date of this Prospectus, the directors of New TP ICAP are Nicolas Breteau, Robin Stewart and Philip Price. The board and corporate governance structure of New TP ICAP will be the same as the existing board and corporate governance structure of TP ICAP from the Scheme Effective Date. Upon the Scheme becoming Effective, the Proposed Directors (as defined in Part XVII “Definitions”) will be appointed as directors of New TP ICAP and their business address will be 22 Grenville Street, St Helier, Jersey JE4 8PX.

Directors’ profiles

The names, business experience and principal business activities outside the Group of the Directors are set out below.

Richard Berliand – Chairman

Richard Berliand was appointed to the TP ICAP Board in March 2019 and was appointed Chairman of TP ICAP in May 2019. He held a number of senior roles at J.P. Morgan over a 23 year career at the firm, including Global Head of Prime Services, Global Head of Cash Equities and Chairman of J.P. Morgan’s Market Structure practice. He was also a member of the board of directors of Rothesay Life Plc until February 2019, and a member of Deutsche Börse AG’s supervisory board until May 2019. Richard is currently senior independent non-executive director and chair of the remuneration committee of Man Group plc, following his appointment to the board of directors in January 2016.

Nicolas Breteau – Group Chief Executive Officer

Nicolas Breteau was appointed as Group Chief Executive Officer of TP ICAP in July 2018. He joined Tullett Prebon plc as Chief Commercial Officer in 2016, and ran the Group’s largest business, Global Broking. He started his career in 1993 on the listed derivatives exchange MATIF (later part of Euronext), and from 1993 to 1998 held several senior positions at derivatives broker FIMAT, including Deputy CEO of its Paris office, Head of Risk for EMEA, and Deputy CEO and then CEO of the London branch. Following the merger of FIMAT with Calyon Financial to create Newedge, Nicolas was appointed Global Head of Sales in 2009 and Chief Executive in 2010. In 2014 he became Senior Managing Partner of a consulting firm, 99 Advisory. Nicolas was previously a member of the boards of directors of the Futures and Options Association, the Futures Industry Association and Altura.

Robin Stewart – Group Chief Financial Officer

Robin Stewart was appointed Group Chief Financial Officer of TP ICAP in July 2018. Robin joined Collins Stewart Tullett plc in 2003 as Head of Tax, before becoming Head of Group Finance & Tax for

Tullett Prebon plc in 2010 and Deputy Group Chief Financial Officer of TP ICAP in 2017. Prior to that he spent 13 years at Dresdner Kleinwort where he was Deputy Head of Tax, having started his career at Arthur Andersen.

Philip Price – Group General Counsel

Philip Price was appointed to the TP ICAP Board in September 2018. He qualified as a solicitor in 1990 and after time in private practice in London and Hong Kong subsequently held a number of roles in both buy-side and sell-side financial services firms. He was Group Legal Adviser at Dresdner Kleinwort Wasserstein from 1995 to 1997, and then Managing Director and Head of EMEA Corporate Legal Services at UBS Investment Bank from 1997 to 2006. In 2006, Philip was appointed as General Counsel and Chief Operating Officer at SRM Global Fund in Monaco and on his return to the UK held the role of General Counsel and Company Secretary at Candover Investments plc from 2009 to 2012. Prior to joining TP ICAP's predecessor firm Tullett Prebon plc in 2015, Philip was a partner and General Counsel at Arle Capital LLP, based in London.

Angela Knight – Senior Independent Non-Executive Director

Angela Knight CBE was appointed to the TP ICAP Board in September 2011. She was formerly the Chief Executive of Energy UK until December 2014, the Chief Executive of the British Bankers' Association from 2007 to 2012 and the Chief Executive of the Association of Private Client Investment Managers and Stockbrokers from 1997 to 2006. Angela was also formerly the Member of Parliament for Erewash from 1992 to 1997, serving as a Treasury Minister from 1995 to 1997. Her previous non-executive directorships include Lloyds TSB plc, Scottish Widows, LogicaCMG plc, Transport for London, Port of London Authority and Brewin Dolphin Holdings plc. Angela was also Chair of Tilman Brewin Dolphin. She is currently a non-executive director of Taylor Wimpey plc, Arbuthnot Latham & Co Ltd and Provident Financial plc, and a board member of Encore Capita Group Inc. Angela will be retiring from the TP ICAP Board at the conclusion of TP ICAP's 2021 annual general meeting.

Edmund Ng – Independent Non-Executive Director

Edmund Ng was appointed to the TP ICAP Board in November 2017. He is currently Chief Investment Officer and co-founder of Eastfort Asset Management, prior to which he was Head of the Direct Investment Division of the Hong Kong Monetary Authority ("HKMA") from 2007 to 2015. Before joining the HKMA, Edmund spent 20 years at J.P. Morgan, working in various trading functions and serving as Managing Director of its Asia ex-Japan trading division.

Roger Perkin – Independent Non-Executive Director

Roger Perkin was appointed to the TP ICAP Board in July 2012. He was a partner at EY and spent 40 years in the accounting profession before retiring from the firm in 2009. He was formerly a non-executive director at The Evolution Group plc until its acquisition in 2011, Friends Life Group Limited until its acquisition in 2015 and Nationwide Building Society until 2016. He is currently a non-executive director of AIB Group (UK) plc and Hargreaves Lansdown plc. He is a trustee of two charities, Chiddingstone Castle and the Charities Aid Foundation. Roger will be retiring from the TP ICAP Board at the conclusion of TP ICAP's 2021 annual general meeting.

Michael Heaney – Independent Non-Executive Director

Michael Heaney was appointed to the TP ICAP Board in January 2018. He held senior roles at Morgan Stanley in New York and London over a 28-year career at the firm, including Global Co-Head of the Fixed Income Sales and Trading Division. Michael was also a member of Morgan Stanley's Operating Committee, Management Committee and Risk Management Committee. He is currently chair of the US Securities and Exchange Commission Fixed Income Market Structure Advisory Committee.

Angela Crawford-Ingle – Independent Non-Executive Director

Angela Crawford-Ingle was appointed to the TP ICAP Board in March 2020. She is a qualified chartered accountant and was previously a Partner at PricewaterhouseCoopers for 20 years specialising in Financial Services, during which time she led the Insurance and Investment Management Division. Her career has included audit experience of both multinational and listed companies. Angela is currently senior independent director and chair of the audit committee at River and Mercantile Group plc, the listed asset

manager and advisory business, and chair of the audit committee at Openwork Holdings Limited, a financial advice network. Angela is also a Council member and chair of the audit committee of Lloyds of London. Angela has previously served in non-executive director roles at Beazley plc where she was chair of the audit and risk committee and Swinton Group Limited where she was senior independent director and chaired the audit and risk committee.

Mark Hemsley – Independent Non-Executive Director

Mark Hemsley was appointed to the TP ICAP Board in March 2020. Mark was President of Cboe Europe, the European arm of Cboe Global Markets Inc. until his recent retirement. Mark was a founding employee of Bats Europe in 2008 and led the acquisition and integration of Chi-X Europe in 2011. Bats Europe was acquired by Cboe Global Markets in 2017 and Mark assumed the role of President of Cboe Europe. Prior to joining Bats, Mark was Managing Director and Chief Information Officer at LIFFE, running its Market Solutions group. Mark was also a board member and member of the audit committee of Euro CCP NV and was a member of the ESMA Securities and Markets Stakeholder Group and Securities and Markets Consultative Working Group.

Tracy Clarke – Independent Non-Executive Director

Tracy Clarke was appointed to the TP ICAP Board on 1 January 2021. Until 31 December 2020, Tracy was a director of Standard Chartered Bank UK, having been appointed in January 2013, and was Regional CEO Europe and Americas and CEO Private Banking since 2015 and 2018, respectively. Tracy is a non-executive director of Greensill Capital Pty. Limited, and of the All England Netball Association, for which she is chair of its remuneration committee. She has served in non-executive director roles at Standard Chartered First Bank in Korea, China Britain Business Council, Zodia Holdings Limited, Zodia Custody Ltd and Eaga plc, where she chaired the remuneration committee and was a member of the audit and risk committees. She has also chaired the boards of Standard Chartered Bank AG, Standard Chartered Yatirim Bankasi Turk A.S. and she was a non-executive member of the board of the TheCityUK, for which she was a member of the audit and risk committee. Tracy has also served on the board of Sky plc from 2012 to 2018, where she chaired the remuneration committee, and most recently was a non-executive director and member of the remuneration committee of Inmarsat plc during 2019.

Kath Cates – Independent Non-Executive Director

Kath Cates' appointment to the TP ICAP Board was announced in September 2020 and will become effective on 1 February 2021. A qualified lawyer, Kath has spent over 25 years in global financial services both in the UK and overseas. She was previously Global Chief Operations Officer, Wholesale Banking for Standard Chartered plc. Prior to that she spent 22 years at UBS in roles spanning legal, operations, risk and compliance. Since 2013 Kath has focused on her non-executive roles, gaining considerable experience on the boards of a number of companies, as a member and chair of main board committees, and undertaking the role of senior independent director. Kath is currently a non-executive director of RSA Insurance Group plc, chairing the remuneration committee and also a member of the risk, audit and nominations committees. Kath is a non-executive director of Threadneedle Investment Services Limited, Threadneedle Asset Management Holdings Sarl and Threadneedle Pensions Limited, chairing the audit committee of the latter. She is also a non-executive director, chair of the risk committee and member of the audit and nominations committees of Brewin Dolphin Holdings plc, although she will be stepping down from that company's board in February 2021. Most recently Kath was appointed a non-executive director of United Utilities Group plc where she is a member of the remuneration and nomination committees.

2. CONFLICTS OF INTEREST

There are no potential or actual conflicts of interest between any duties of the Directors towards New TP ICAP or the Group and their private interests and/or other duties.

3. COMPENSATION

Under the terms of their service contracts, letters of appointment, employment agreements and any applicable incentive plans, effective in the year ended 31 December 2020, the basic aggregate remuneration and benefits (including pension contributions on a defined contribution basis but excluding variable remuneration, as explained further below) to the Directors who served during the year ended 31 December 2020, consisting of 11 individuals, was £2,533,529.

The remuneration and benefits of the Non-Executive Directors of the TP ICAP Board who served during 2020, in respect of the year ended 31 December 2020, were as follows:

<u>Name</u>	<u>Date of appointment</u>	<u>Start of current term of office</u>	<u>Fees</u>	<u>Taxable benefit (£)</u>	<u>Total Board Fees</u>
Richard Berliand	March 2019	May 2020	300,000	n/a	300,000
Angela Knight ⁽¹⁾	September 2011	May 2020	124,205	n/a	124,205
Edmund Ng	November 2017	May 2020	126,250	n/a	126,250
Roger Perkin	July 2012	May 2020	105,000	n/a	105,000
Michael Heaney	January 2018	May 2020	141,250	n/a	141,250
Angela Crawford-Ingle ⁽²⁾	March 2020	May 2020	71,654	n/a	71,654
Mark Hemsley ⁽³⁾	March 2020	May 2020	69,820	n/a	69,820
Lorraine Trainer ⁽⁴⁾	July 2018	n/a	42,314	n/a	42,314

Notes:

- (1) Angela Knight took over as chair of the Remuneration Committee from Lorraine Trainer on 13 May 2020. Her remuneration for 2020 has been pro-rated accordingly.
- (2) Angela Crawford-Ingle was appointed to the Board on 16 March 2020. Her remuneration for 2020 has been pro-rated accordingly.
- (3) Mark Hemsley was appointed to the Board on 16 March 2020. His remuneration for 2020 has been pro-rated accordingly.
- (4) Lorraine Trainer retired from the Board on 13 May 2020. Her remuneration for 2020 has been pro-rated accordingly.

The Non-Executive Directors' fees for 2021 are as follows:

<u>Position</u>	<u>Fees for 2021 (£)</u>
Chairman of the Board	300,000
Board fee	70,000
Senior Independent Director	15,000
Audit Committee chair	25,000
Other Audit Committee members	10,000
Remuneration Committee chair	25,000
Other Remuneration Committee members	10,000
Nominations & Governance Committee chair	n/a
Other Nominations & Governance Committee members	n/a
Risk Committee chair	25,000
Other Risk Committee members	10,000
Regional engagement fee	10,000
Overseas attendance allowance	35,000

The remuneration and benefits to the Executive Directors who served during 2020, in respect of the financial year ended 31 December 2020, were as follows:

<u>Name</u>	<u>Date of appointment</u>	<u>Basic Salary</u>	<u>Taxable benefits</u>	<u>Short term variable</u>	<u>Long term variable (£)</u>	<u>Pension benefits</u>	<u>Non-taxable benefit</u>	<u>Total Remuneration</u>
Nicolas Breteau	July 2018	670,000	1,233.12	—	—	—	n/a	671,233.12
Robin Stewart	July 2018	432,500	1,233.12	—	—	6,336.00	n/a	440,069.12
Philip Price	September 2018	437,500	1,233.12	—	—	3,000.06	n/a	441,733.18

Executive Directors' remuneration is made up of fixed and variable remuneration. Fixed remuneration includes base salary, pension and benefits. Benefits provided are medical and other benefits. Variable remuneration includes a short-term performance bonus, deferrals into shares and long-term incentive plans with performance measures that are critical drivers for the Group. The Executive Directors' variable remuneration for the financial year ended 31 December 2020 will be determined by the Remuneration Committee in advance of the 2021 annual general meeting.

Details of share-based awards held by the Directors are to be found under paragraph 7 (Directors' Interests) of Part XVI "Additional Information" of this Prospectus.

Pension and benefit provision

The Executive Directors are entitled to participate in the TP ICAP defined contribution pension scheme. In line with the pension allowance available to the wider UK employee population of the Group, the Executive Directors are eligible to receive an employer contribution of 6 per cent. of pensionable salary up to a cap set at £105,600, unless otherwise made available to all UK employees. As at 5 January 2021 (being the latest practicable date prior to publication of this Prospectus), no amounts have been set aside or accrued by the Group to provide pension benefits for the Executive Directors. In particular, the Executive Directors are not eligible for any defined benefits.

Provision	Policy
Private Medical Insurance	Provided to the employee and their immediate family (subject to annual election). Subject to scheme rules.
Group Life Assurance	Automatically provided to employees at 4 x base annual salary (capped at £166,200, so maximum lump sum benefit is £664,800). Subject to scheme rules.
Group Income Protection	Automatically provided to employees at two thirds of base annual salary from 27 th week of absence, subject to claim acceptance, and which continues until return to work, retirement or death. Subject to scheme rules.
Holiday Pay	30 days annual holiday entitlement
Other Benefits ⁽¹⁾	Pension, digital GP, executive medical, employee assistance programme, season ticket loan, flu vaccination programme and other flexible benefits.

Note:

(1) Certain of these benefits are cost neutral for accounting purposes.

4. CORPORATE GOVERNANCE

The following description relates to the corporate governance structure which is intended will be in place for New TP ICAP on Admission and also represents the current corporate governance arrangements in place at TP ICAP.

4.1 UK Corporate Governance Code

The TP ICAP Board is firmly committed to high standards of corporate governance. The principal governance rules applying to all companies listed on the main market of the London Stock Exchange (regardless of whether they are incorporated in the United Kingdom or elsewhere) are contained in the UK Corporate Governance Code 2018 published by the Financial Reporting Council (the “**UK Corporate Governance Code**”). TP ICAP considers that as at the date of this Prospectus, it is in compliance with the provisions of the UK Corporate Governance Code and that New TP ICAP will take the same approach as TP ICAP from Admission.

4.2 The Board

The UK Corporate Governance Code currently provides that at least half of the board of directors (excluding the Chair) of a UK listed company should be non-executive directors whom the Board considers to be independent.

The Board of directors of New TP ICAP, as at the date of this Prospectus, comprises Nicolas Breteau (the Group Chief Executive Officer), Robin Stewart (the Group Chief Financial Officer) and Philip Price (the Group General Counsel) and, prior to Admission but after the date of this Prospectus, the Proposed Directors will be appointed as directors of New TP ICAP on substantially the same terms of appointment as they have with TP ICAP. The Non-Executive Directors, all of whom are considered by the TP ICAP Board to be independent, have extensive experience of senior roles in financial institutions, a keen understanding of financial markets and the international experience and global outlook necessary for the direction of the business.

The UK Corporate Governance Code also provides that the Board of directors should appoint one of its independent Non-Executive Directors as a Senior Independent Director. Angela Knight is the current

Senior Independent Director, but Michael Heaney will assume the role upon Angela's retirement from the Board at the conclusion of TP ICAP's 2021 annual general meeting in May 2021. The Senior Independent Director should provide a sounding board for the Chairman and serve as an intermediary, when required, for the other directors and for shareholders.

The UK Corporate Governance Code also provides that a Non-Executive Director should be appointed for engagement with the workforce. The Board has appointed Michael Heaney, Edmund Ng and Mark Hemsley as designated workforce engagement Non-Executive Directors for each of the Group's three key regions (the Americas, Asia Pacific and EMEA respectively), to improve oversight and communication with employees and gain a deeper understanding of their views.

The TP ICAP Board held eight scheduled meetings and multiple off-cycle sessions during the year ended 31 December 2020.

Most Board Committee meetings tend to be scheduled around Board meetings in such a way that Committee chairpersons can give a full and timely report to their colleagues on Committee debate and decision making and bring to the Board's attention any issues of note or concern.

The process for the appointment of directors to the Board is led by the Chairman and the Nominations & Governance Committee. The terms of Non-Executive Directors' appointments are set out in their letter of appointment. The letters of appointment are not for a fixed term, but each Non-Executive Director is subject to annual re-appointment by shareholders at the annual general meeting. Each non-executive director appointment is also formally reviewed by the Nominations & Governance Committee on the third anniversary of that director's appointment, with the Nominations & Governance Committee determining whether the non-executive director continues to commit appropriate time to TP ICAP, the Board and its Board Committees, that there are no overboarding concerns and that the director continues to contribute effectively to the Board's discussions. Any extension of a non-executive director's appointment beyond six years will be subject to rigorous review, taking into account the strengths and profile of the individual and balancing the need for continuity of knowledge and experience and the refreshing of skills and outlook. Both the TP ICAP Articles and the New TP ICAP Articles provide that all directors are subject to reappointment by shareholders at each annual general meeting.

4.3 Board Committees

TP ICAP has established Audit, Nomination & Governance, Remuneration and Risk Committees with formally delegated duties and responsibilities set out in written terms of reference.

The following descriptions relate to the Board Committees which it is intended will be in place for New TP ICAP on Admission and represent the current Board Committees in place at TP ICAP.

Audit Committee

Current members

The members of TP ICAP's Audit Committee are Roger Perkin (Committee Chair), Angela Knight and Angela Crawford-Ingle. Kath Cates will become a member of the Audit Committee upon her effective date of appointment to the Board and Edmund Ng will also be appointed to the Audit Committee with effect from the conclusion of the 2021 annual general meeting in May 2021. Angela Crawford-Ingle will assume the role of Committee Chair upon Roger Perkin's retirement from the Board at the conclusion of TP ICAP's 2021 annual general meeting in May 2021.

The UK Corporate Governance Code provides that the Audit Committee should be comprised of at least three members who should all be independent non-executive directors, that at least one member should have recent and relevant financial experience, and that the Audit Committee as a whole shall have competence relevant to the sector in which the Group operates. Roger Perkin is a director of Hargreaves Lansdown PLC and AIB Group (UK) plc. He was previously a partner at Ernst & Young LLP and spent 40 years in the accountancy profession, and is considered by the Board to have the necessary recent and relevant financial experience for his role as Committee Chairman. Similarly, the Board considers that Angela Crawford-Ingle has the necessary recent and relevant financial experience for this role given she is a qualified chartered accountant, was previously a Partner at PricewaterhouseCoopers for 30 years specialising in Financial Services and currently chairs the audit committees at Lloyds of London, River and Mercantile Group plc and at Openwork Limited.

The other members of the Audit Committee also hold, or have held, senior leadership roles in a variety of financial institutions. TP ICAP, therefore, considers that it complies with the UK Corporate Governance Code recommendation regarding the composition of the Audit Committee.

The Audit Committee held four scheduled meetings and one extraordinary during the year ended 31 December 2020.

Role of the Audit Committee

The Audit Committee operates under defined terms of reference and its principal responsibilities include:

- providing recommendations on the appointment, reappointment, removal and terms of engagement of the external auditor;
- approving the audit fee and ensuring that the level of fees is appropriate to enable an effective and high quality audit to be conducted;
- reviewing the independence, objectivity and experience of the external auditor;
- developing and implementing policy on the engagement of the external auditor to supply non-audit services;
- initiating and supervising a tender process for the external audit in accordance with regulatory requirements, including influence over the appointment of the engagement partner and to be responsible for the selection procedures for the appointment of audit firms;
- if an auditor resigns, to investigate the issues leading to this and decide whether any action is required;
- agreeing with the Board a policy on the employment of former employees of the Company's auditor and monitoring the implementation of this policy;
- monitoring the auditor's compliance with the Ethical Standard and professional guidance on the rotation of audit partner, the level of fees paid by the Company compared to the overall fee income of the firm, office and partner and other related requirements;
- assessing annually the qualifications, expertise and resources of the external auditor and the effectiveness of the audit process;
- reviewing and approving the annual audit plan, scope of engagement and reviewing the effectiveness of the audit process;
- overseeing the relationship with the external auditor including review and agreement of their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;
- monitoring the integrity of TP ICAP's financial statements and any formal announcements relating to the Company's financial performance;
- reviewing and challenging where necessary all material information presented with the financial statements. Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company it shall report its views to the Board;
- evaluating the risks to the quality and effectiveness of the financial reporting process, especially in light of the auditor's communication with the Committee;
- reviewing the results of the audit;
- reviewing the effectiveness of TP ICAP's internal control and risk management procedures;
- approving the internal audit plan, reviewing the effectiveness of the internal audit function, and considering the internal audit reports;
- reviewing the arrangements by which staff may, in confidence, raise concerns about improprieties in financial reporting and other matters;
- reviewing TP ICAP's procedures for preventing and detecting fraud and bribery;
- reporting to the Board on how the Audit Committee has discharged its responsibilities; and

- providing advice to the Board on whether the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess TP ICAP's position, performance, business model and strategy.

Nominations & Governance Committee

Current members

The current members of the Nominations & Governance Committee are Richard Berliand (Committee Chairman), Angela Knight, Roger Perkin, Edmund Ng, Michael Heaney, Angela Crawford-Ingle, Mark Hemsley and Tracy Clarke. Kath Cates will become a member of the Nominations & Governance Committee upon her effective date of appointment to the Board.

The UK Corporate Governance Code provides that the majority of the members of the Nominations & Governance Committee should be independent non-executive directors. TP ICAP, therefore, considers that it complies with the UK Corporate Governance Code recommendations regarding the composition of the Nominations & Governance Committee.

The Nominations & Governance Committee held nine scheduled meetings during the year ended 31 December 2020. In addition to the nine scheduled meetings, five further extraordinary meetings were held.

Role of the Nominations & Governance Committee

The Nominations & Governance Committee operates under defined terms of reference and its principal responsibilities include:

- regularly reviewing the structure, size and composition of the Board;
- reviewing the balance and skill, knowledge and experience, independence and diversity (including age, gender, social and ethnic backgrounds, and cognitive and personal strengths) of the Board in order for it to competently discharge its duties and, having regard to the strategic direction of the Group, make recommendations to the Board as to adjustments, measures and/or appropriate training and development that may be appropriate;
- considering the succession planning process for the identification of suitable candidates for appointment to the Board and to senior management, including to the level immediately below Executive Committee and having regard to the skills, knowledge, experience, independence and diversity required on the Board and at senior management level in the future;
- as part of the on-going succession planning process, assessing whether or not the desired outcomes of the Company are being achieved, and amending the process as required;
- agreeing and implementing procedures for the selection of new Board appointments;
- making recommendations to the Board on all proposed new appointments, elections and re-elections of Directors at annual general meetings;
- making recommendations to the Board on the membership of the Board's Committees;
- agreeing procedures for the selection of, and making recommendations to, the UK Regulated Entity boards on new appointments of independent Non-Executive Directors and considering the succession planning process for the UK Regulated Entity boards;
- reviewing the balance, skills, knowledge and experience, time commitment, independence and diversity of the UK Regulated Entity boards, and making recommendations as required;
- developing and overseeing the performance evaluation process for the Board, Board committees and Directors, considering the results of the same that relate to the composition of the Board and overseeing any remedial action required;
- reviewing annually the time required from non-executive directors, and assessing whether they are meeting that requirement;
- making recommendations to the Board on the proposed re-election of an existing director retiring by way of rotation or otherwise at any annual general meeting of the Company taking into consideration the evaluation of the retiring director's performance.

- assessing and making recommendations to the Board as to the independence of Directors;
- advising the Board on all corporate governance matters, including the Group's compliance with the UK Corporate Governance Code, its progress in achieving its diversity objectives and the content of key non-pay related workforce policies;
- reviewing and making appropriate recommendations to the Board on compliance pursuant to the requirements of S172 of the Companies Act 2006 including, inter alia, the identification of key stakeholders, engagement mechanisms and associated reporting;
- where departure from "comply or explain" standards is required or believed to be appropriate, the Committee will recommend to the Board the appropriate explanation to be communicated to shareholders in the annual report. Where this overlaps with the work of another Board Committee the proposed explanation will also be reviewed by the relevant Board Committee;
- with assistance of the Group General Counsel and Group Company Secretary, advising the Board periodically with respect to significant developments in the law and practice of corporate governance;
- making recommendations to the Board on all matters of corporate governance including any proposed changes to existing governance structures, practices or policies;
- reviewing and assessing the Company's compliance with, and policies and processes relating to, the Senior Managers and Certification Regime and/or other relevant regulatory regime(s) to which the Company is required to comply;
- assisting the Board in its review, at least annually, of the gender, ethnic and social diversity of the Group's workforce and the Group's progress in achieving its diversity objectives;
- reviewing and approving (for recommendation to the Board where required) the content of key non-pay related workforce policies (including, but not limited to, those relating to social and environmental matters and conduct);
- annually reviewing the Company's directors' and officers' liability insurance;
- producing a report to be included in the Company's annual report which describes the work of the Committee and how it has discharged its responsibilities;
- and, if thought fit, recommending to the Board for approval the Corporate Governance Statement for inclusion in the annual report;
- reviewing and considering any actual or potential conflicts or related person transactions involving a Director;
- making recommendations to the Board as to the Group's approach to social responsibility and environmental matters;
- reviewing and providing guidance on TP ICAP's code of conduct, share dealing code and related policies;
- reviewing requests from directors for authorisation of situations of actual or potential conflict and make recommendations to the Board in relation to the authorisation of such situations, in accordance with the Company's articles of association;
- regularly reviewing any situations of actual or potential conflict that have been previously authorised by the Board, together with any updates and making recommendations to the Board regarding whether the authorisation remains appropriate; and
- reviewing and approving related person transactions and reporting these to the Board.

Remuneration Committee

Current members

The current members of the Remuneration Committee are Angela Knight (Committee Chair), Edmund Ng, Michael Heaney and Tracy Clarke. Tracy will assume the role of Committee Chair upon Angela's retirement from the Board at the conclusion of the TP ICAP's 2021 annual general meeting in May 2021.

The UK Corporate Governance Code provides that the Remuneration Committee should be comprised exclusively of independent non-executive directors with a minimum membership of three. TP ICAP,

therefore, considers that it complies with the UK Corporate Governance Code provisions regarding the composition of the Remuneration Committee.

The Remuneration Committee held nine meetings during the year ended 31 December 2020. In addition to the seven scheduled meetings, two further extraordinary meetings were held.

Role of the Remuneration Committee

The Remuneration Committee operates under defined terms of reference and its principal responsibilities include:

- reviewing and approving the general principles of TP ICAP's remuneration policies and giving full consideration to the principles of good governance and specifically the code of best practice contained in the UK Corporate Governance Code 2018 and the FCA Remuneration Code;
- considering the relationship between incentives and risk, including review of the Enterprise Risk Management Framework to assess risks which may be affected by remuneration policies, and ensuring that risk and risk appetite are properly considered in setting remuneration policy;
- determining the application of TP ICAP's remuneration policies to the Executive Directors;
- reviewing the application of TP ICAP's remuneration policies to senior management, brokers engaged in control functions and other employees including compliance with the FCA Remuneration Code;
- determining the remuneration of Executive Directors and the Chairman;
- approving the remuneration of Senior Management after consultation with the Chief Executive;
- approving all share and long term incentive schemes and their application;
- reviewing and approving the Report on Directors' Remuneration;
- reviewing wider workforce pay and considering the mechanisms for explaining to the workforce how executive pay is aligned with wider workforce remuneration; and
- reviewing TP ICAP's gender and ethnic pay gaps and overseeing the implementation of any required actions.

Risk Committee

Current members

The current members of the Risk Committee are Michael Heaney (Interim Committee Chairman), Angela Knight, Edmund Ng, Roger Perkin, Angela Crawford-Ingle and Mark Hemsley. Kath Cates will become a member of the Risk Committee upon her effective date of appointment to the Board and will assume the role of Committee Chair from Michael Heaney (who will remain a member of the Risk Committee) at the conclusion of the TP ICAP's 2021 annual general meeting in May 2021. On that date Edmund Ng will also step down from the Risk Committee.

The UK Corporate Governance Code provides that the Board should carry out a robust assessment of the Company's emerging and principal risks and monitor the company's risk management and internal control systems. TP ICAP has set up the Risk Committee to ensure that the Group complies with its obligations under the UK Corporate Governance Code and to promote a sound risk management culture underpinned by a robust framework of risk governance and controls.

The Risk Committee held six scheduled meetings during the year ended 31 December 2020. In addition to the five scheduled meetings, one further extraordinary meeting was held.

Role of the Risk Committee

The Risk Committee operates under defined terms of reference and its principal responsibilities include:

- overseeing the development, implementation, effectiveness and maintenance of the Group's overall risk management and compliance framework and its risk appetite, principles and policies to ensure that they are in line with emerging regulatory, corporate governance and industry best practice and support the Group's strategy;

- overseeing the implementation of the Group's Enterprise Risk Management Framework including the adoption of risk tolerances to embed risk appetite and the adoption and implementation of Risk Management Standards;
- monitoring the Enterprise Risk Management Framework by ensuring that an annual review of its effectiveness has been carried out;
- reviewing the resourcing within the Three Lines of Defence model to ensure the Group has the capacity to operate the Enterprise Risk Management Framework effectively;
- tracking risk management activity against the annual Risk Plan;
- monitoring risk exposure against risk appetite and agreeing any risk response required to address any breach of risk appetite;
- reviewing the status of the control environment and track the status of any remedial actions required to remediate control deficiencies;
- identifying and monitoring Emerging Risks with the potential to impact the organisation and enable relevant mitigants where appropriate;
- reviewing new risk principles and policies and any material amendments recommended by the Executive Directors, for approval by the Board;
- considering future and emerging risks and current and upcoming regulatory developments and advising the Board as appropriate;
- overseeing the Group's actual risk exposures and risk and compliance management practices to ensure that they are effective, in line with risk appetite and comply with regulatory requirements or any other higher standards set by the Board;
- considering the prospects of TP ICAP in light of its current position and principal risks and assessing whether there is a reasonable expectation that TP ICAP will be able to continue to operate and meet its liabilities as they fall due;
- reviewing the Group's prudential regulatory requirements and related submissions (capital and liquidity/ICAAP) and making recommendations to the Board;
- considering the risks arising from any strategic initiatives and advising the Board accordingly;
- aligning the key risks of TP ICAP to the internal audit plan;
- overseeing the independence and effectiveness of the risk and compliance functions including adequacy of resourcing, capabilities and succession planning;
- ensuring the Board receives appropriate and timely risk and compliance information;
- reviewing the appointment, resignation or dismissal of the Chief Risk Officer, Group General Counsel and Group Head of Compliance and making appropriate recommendations to the Board;
- reviewing reports from management and the internal auditor on the effectiveness of systems for risk management;
- monitoring the risk management and compliance framework by ensuring that an annual review of effectiveness has been carried out;
- providing input to the Remuneration Committee on the alignment of remuneration to risk performance;
- facilitating the effective contribution and involvement of Non-Executive Directors and aiding their understanding of risk issues and the way they are managed in the Group;
- liaising with the Audit Committee to ensure clear delineation of responsibilities; and
- reviewing the Group's culture monitoring activities.

PART XII

SELECTED FINANCIAL INFORMATION OF THE GROUP

The selected consolidated financial information set forth below shows the Group's historical consolidated financial information as at and for the years ended 31 December 2019, 2018 and 2017, and for the nine months ended 30 September 2020 and 2019. The information set forth below has been extracted without material adjustment from, and should be read in conjunction with, the Group's audited consolidated financial information incorporated by reference in this Prospectus and unaudited consolidated interim financial information incorporated by reference in this Prospectus (See Part V "Important Information — Presentation of financial information" and Part VI "Information Incorporated by Reference" of this document).

The selected consolidated financial information of the Group should also be read in conjunction with Part V "Important Information — Presentation of financial information" and Part VI "Information Incorporated by Reference" of this Prospectus.

New TP ICAP has not traded since 23 December 2019, its date of incorporation, and as such there is no historical key financial information on New TP ICAP. The information presented in the tables below relates to TP ICAP.

Historical results are not indicative of the results to be expected in the future and results of interim periods are not necessarily indicative of results for the entire year. The Consolidated Financial Statements are prepared in accordance with IFRS.

1. CONSOLIDATED INCOME STATEMENT

	Year ended 31 December			Nine months ended 30 September	
	2017 (audited)	2018 (audited) (£ million)	2019 (audited)	2019 (unaudited)	2020 (unaudited)
Revenue	1,757	1,763	1,833	1,400	1,378
Administrative expenses	(1,671)	(1,681)	(1,716)	(1,246)	(1,242)
Impairment loss on trade receivables	(2)	(1)	—	—	—
Other operating income	18	12	25	10	11
Operating profit	102	93	142	164	147
Finance income	6	5	6	4	2
Finance costs	(36)	(36)	(55)	(41)	(39)
Profit before tax	72	62	93	127	110
Taxation	3	(39)	(40)	(36)	(42)
Profit after tax	75	23	53	91	68
Share of results of associates and joint ventures	12	12	15	13	13
Profit for the period	87	35	68	104	81
Attributable to:					
Equity holders of TP ICAP plc	87	32	67	103	80
Non-controlling interests	—	3	1	1	1
	87	35	68	104	81

2. CONSOLIDATED BALANCE SHEET

	As at 31 December			As at 30 September
	2017	2018	2019	2020
	(audited)	(audited) (£ million)	(audited)	(unaudited) (£ million)
Non-current assets				
Intangible assets arising on consolidation	1,642	1,594	1,511	1,501
Other intangible assets	69	69	61	58
Property, plant and equipment	38	74	72	89
Right-of-use assets	—	—	91	162
Investment in associates	52	53	58	61
Investment in joint ventures	24	26	28	26
Other investments	19	20	20	17
Deferred tax assets	2	4	3	3
Retirement benefit assets	57	55	—	—
Other long-term receivables	19	20	26	24
	1,922	1,915	1,870	1,941
Current assets				
Trade and other receivables	34,690	22,798	49,371	70,897
Financial investments	139	133	148	164
Cash and cash equivalents	622	667	676	679
	35,451	23,598	50,195	71,740
Total assets	37,373	25,513	52,065	73,681
Current liabilities				
Trade and other payables	(34,681)	(22,735)	(49,305)	(70,762)
Interest bearing loans and borrowings	(12)	(144)	(11)	(91)
Lease liabilities	—	—	(23)	(26)
Current tax liabilities	(46)	(55)	(48)	(23)
Short term provisions	(42)	(31)	(21)	(14)
	(34,781)	(22,965)	(49,408)	(70,916)
Net current assets	670	633	787	824
Non-current liabilities				
Interest bearing loans and borrowings	(577)	(498)	(678)	(679)
Lease liabilities	—	—	(117)	(190)
Deferred tax liabilities	(116)	(123)	(83)	(82)
Long-term provisions	(19)	(30)	(26)	(23)
Other long-term payables	(43)	(64)	(21)	(25)
Retirement benefit obligations	(4)	(3)	(2)	(2)
	(759)	(718)	(927)	(1,001)
Total liabilities	(35,540)	(23,683)	(50,335)	(71,917)
Net assets	1,833	1,830	1,730	1,764
Equity				
Equity attributable to equity holders of TP ICAP plc	1,820	1,814	1,712	1,744
Non-controlling interests	13	16	18	20
Total equity	1,833	1,830	1,730	1,764

3. CONSOLIDATED CASH FLOW STATEMENT

	Year ended 31 December			Nine months ended 30 September	
	2017	2018	2019	2019	2020
	(audited)	(audited)	(audited)	(unaudited)	(unaudited)
	(£ million)			(£ million)	
Cash flows from operating activities	87	149	148	26	75
Investing activities					
Sale/(purchase) of financial investments	(54)	4	(20)	(2)	(17)
Sale of equity instruments at FVTOCI	—	7	1	1	2
Purchase of equity instruments at FVTOCI	—	—	(1)	(1)	—
Sale of available-for-sale investments	4	—	—	—	—
Interest received	3	3	5	4	3
Dividends from associates and joint ventures	13	10	10	9	11
Expenditure on intangible fixed assets	(26)	(26)	(20)	(15)	(10)
Purchase of property, plant and equipment	(15)	(47)	(13)	(13)	(22)
Rights-of-use asset capital expenditure	—	—	—	—	(2)
Deferred consideration paid	(4)	(3)	(12)	(11)	(21)
Investment in associates	(1)	(2)	(5)	(5)	(1)
Acquisition consideration paid	(5)	(18)	—	—	(18)
Cash acquired with acquisitions	1	1	—	—	2
Net cash flows from investment activities	(84)	(71)	(55)	(33)	(73)
Financing activities					
Dividends paid	(58)	(94)	(94)	(63)	(63)
Dividends paid to non-controlling interests	(1)	(1)	(1)	(1)	(1)
Dividend equivalents paid on share-based awards	—	—	(1)	(1)	—
Sale of equity to non-controlling interests	—	—	6	—	—
Equity repayment to non-controlling interests	(6)	—	—	—	—
Share issue costs	(7)	—	—	—	—
Own shares acquired for employee trusts	(4)	(5)	(7)	(7)	(9)
Drawdown of revolving credit facility	—	87	39	39	161
Repayment of revolving credit facility	—	(35)	(91)	(61)	(151)
Funds received from loans from related parties	—	—	35	35	72
Repayment of loans from related parties	—	—	(38)	(38)	—
Gain on derivative financial instruments	—	—	3	3	—
Funds received from issue of Sterling Notes	500	—	250	250	—
Repayment/repurchase of Sterling Notes	—	—	(149)	(149)	—
Repayment of bank debt	(470)	—	—	—	—
Bank facility arrangement fees and debt issue costs	(3)	(3)	(2)	(2)	—
Payment of lease liabilities	—	—	(21)	(11)	(14)
Net cash flows from financing activities	(49)	(51)	(71)	(6)	(5)
Net increase/(decrease) in cash and cash equivalents	(46)	27	22	(13)	(3)
Net cash and cash equivalents at the beginning of the period	696	622	667	667	676
Adjustment on initial application of IFRS 9	—	(1)	—	—	—
Effect of foreign exchange rate changes	(28)	19	(13)	13	6
Net cash and cash equivalents at period end	622	667	676	667	679

PART XIII

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis is intended to convey management's perspective on the Group's operational performance and financial performance as measured in accordance with IFRS. The Group intends this disclosure to assist readers in understanding and interpreting the financial statements incorporated by reference in this document. The section that follows should be read in conjunction with Part V "Important Information", Part VIII "Information on New TP ICAP and the Group" and Part XII "Selected Financial Information on the Group" of this Prospectus. Prospective New TP ICAP Shareholders should read the entire document and not only rely on the information set out below and the unaudited consolidated interim financial information included in this Prospectus. The historical financial information considered in this part is extracted without adjustment from the Group's historical consolidated financial information incorporated by reference into Part XII "Selected Financial Information on the Group" of this Prospectus, which should be read in full in conjunction with this Prospectus.

In addition to historical information, the following discussion and other parts of this Prospectus contain forward-looking information that involves risks and uncertainties. Accordingly, the results of operations for the periods reflected herein are not necessarily indicative of results that may be expected for future periods, and the Group's actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including those set forth under Part II "Risk Factors" and the paragraph "Forward-looking statements" of Part V "Important Information of this Prospectus."

1. OVERVIEW

The Group operates at the centre of global wholesale OTC and exchange-traded markets, providing both data and execution services. The Group provides broking services, including facilitating price discovery and execution, to counterparties operating in the world's major wholesale OTC and exchange-traded financial and commodity markets. The Group is active across all core financial, energy and commodities asset classes, facilitating the flow of liquidity around the world and contributing to economic growth and financial stability. The Group provides an important service to its clients by enabling them to trade a wide range of financial, energy and commodities products in numerous markets and regions. These trades are often bespoke in nature, complex and of a high nominal value, with the Group's brokers having access to deep pools of liquidity. The Group's broking activities require it to act as an intermediary between buyers and sellers of complex financial products, enabling them to trade efficiently and effectively. The Group's business model is focused on providing an intermediation service to its clients, which can be provided without actively taking market risk.

By seeking to act as a trusted partner to its clients, the Group enables them to transact their business with confidence.

The Group also provides independent, neutral data products to participants in the financial, energy and commodities markets, including live and historical pricing content, as well as advanced valuation and risk analytics.

The Group's business is organised into three geographic reporting segments: EMEA; the Americas; and Asia Pacific. The Group operates through five divisions (four of which are client-facing):

- *Global Broking:* Global Broking accounted for 67.9 per cent. of the Group's revenue and 79.2 per cent. of the Group's underlying operating profit for the year ended 31 December 2019. The Group's Global Broking division provides brokerage and execution services to a number of markets and asset classes, including: Rates (derivative products which facilitate the management of interest rate risk), FX and Money Markets (treasury products, foreign exchange options, and cash and deposits), Emerging Markets (local market products, including emerging market bonds), Equities (equity derivative products and depositary receipts) and Credit Products (corporate bonds);
- *Energy & Commodities:* Energy & Commodities accounted for 20.8 per cent. of the Group's revenue and 16.5 per cent. of the Group's underlying operating profit for the year ended 31 December 2019. The Energy & Commodities division operates in the oil, gas, power, renewables, precious and non-precious metals, soft commodities and coal markets for a range of clients including banks, corporates, physical commodity trading companies, asset managers and hedge funds;
- *Institutional Services:* Institutional Services accounted for 4.1 per cent. of the Group's revenue and 1.1 per cent. of the Group's underlying operating profit for the year ended 31 December 2019. The

Institutional Services division provides agency execution services in a range of financial products to buy-side institutions such as hedge funds, asset managers, and corporates;

- *Data & Analytics:* Data & Analytics accounted for 7.4 per cent. of the Group's revenue and 21.1 per cent. of the Group's underlying operating profit for the year ended 31 December 2019. The Data & Analytics division is a leading provider of scarce OTC data and neutral pricing information, with more than 1,000 clients and a global sales presence. Data & Analytics clients include traders, middle and back office personnel, across banks and buy-side institutions. Use cases include price and liquidity discovery, portfolio valuation, and fulfilment of regulatory obligations. Recurring subscription-based revenue comprised more than 90 per cent. of total revenues in 2019; and
- *Corporate Centre:* The Group's Corporate Centre division provides support staff and infrastructure to the Group's client-facing divisions, including technology, compliance, risk, finance, HR, legal and other essential corporate functions. The Corporate Centre division does not generate revenue but is used to eliminate inter-divisional revenue.

2. KEY FACTORS AFFECTING RESULTS OF OPERATIONS

The Group's results from operations have been, and will continue to be, affected by a number of factors, many of which are beyond the Group's control. See also Part II "*Risk Factors*" in this Prospectus. There are several key items that the Group expects will impact its results from operations on a consolidated basis. These items are described below.

2.1 Financial market volumes, price direction and volatility

The Group's revenue is substantially driven by client trading volumes. Volumes are determined by a number of factors, including the global level of issuance of financial instruments, price volatility of financial instruments, price trends in financial markets, macro-economic conditions, creation and adoption of new financial products, the regulatory environment, and the introduction and adoption of new trading technologies. Historically, increased price volatility has often increased trading activity and the demand for services provided by the Group.

Volatility and price market trends are key drivers of activity in the financial markets. During periods of substantial market uncertainty regarding the future level or directional trend of prices, the level of volatility tends to be high and the Group's business tends to benefit from increased trading volumes, such as the period during the initial outbreak of COVID-19 in late March 2020 resulting in a reduction in risk appetite amongst clients. During periods of low volatility the level of financial market activity is generally more muted, and the volume of transactions undertaken by the Group's business on behalf of its clients tends to be lower.

The steepness and absolute level of yield curves can also be key drivers of activity in financial markets. When yield curves are relatively flat, the level of activity tends to be lower than when yield curves are relatively steep. As a result, muted volatility and a flat yield curve are generally negative for the Group's broking business, whereas higher volatility and a steeper yield curve are more positive.

Additionally, commodity price volatility also tends to lead to increased market activity. The Group's second largest division by revenue, Energy & Commodities, operates in all the key commodities markets, including oil, gas, power, renewables, ferrous metals, base metals, precious metals, soft commodities and coal. Activity in these markets tends to increase during periods of rapid change in commodity prices, and to be more subdued when prices are stable.

In 2017, market conditions were challenging as a result of low volatility and restrictions on clients' balance sheets, resulting in lower trading volumes throughout the year. In 2018, conditions in financial markets were generally supportive with an increase in volatility, especially in interest rates and equities markets, in the face of a reduced quantitative easing policy within the US and uncertain political environments across the world. In 2019, financial market conditions were marked by challenging conditions with generally muted levels of volatility. In the first half of 2020, the emergence of COVID-19 caused a significant shock to the global economy and resulted in an uplift of volatility, particularly in March, resulting in significantly higher trading volumes in the OTC markets where the Group operates. On the other hand, the third quarter of 2020 has been marked by lower volatility, as compared to the first half of 2020, resulting in lower trading volumes.

2.2 Competition and Pricing

The Group's profitability depends on its ability to offer its products to its clients at competitive pricing. In addition, the Group competes with other market participants not only in respect of pricing and product offerings, but also in other areas such as the execution, effectiveness, liquidity and connectivity/integration with client systems. Competition has intensified due to the cost pressures on investment banks, which are among the Group's most significant clients, as they seek to make their trading operations more profitable by reducing costs of their service providers, including the Group. In addition, certain rivals have discounted heavily to retain and win new business, as well as offering significant remuneration packages to attract new staff.

Significantly offsetting this pricing pressure is the fact that the Group is the world's largest inter-dealer broker and has the scale to make its products and services more efficient than its competitors, as well as offering enhanced speed of execution, higher price visibility and levels of liquidity which are sought after by clients, who see bringing their business to the Group as the most effective way to access market infrastructure. TP ICAP has previously won Interdealer Broker of the Year at the Financial News' Trading & Technology Awards.

2.3 Technological capabilities and electrification

The Group's success has been, and will continue to be, attributable in significant part to its technology. For example, the Group's ability to attract and retain clients, as well as the types of products that the Group can offer, depends on the usability and reliability of its systems.

The Group has invested substantial amounts of capital to optimise the performance and increase the capacity of its trading systems, aiming to capture higher trading volumes and revenue, whilst incurring lower costs. For example, the launch of its FCOhub for FX options order book and request-for-quote execution in 2020 has been a key driver of TP ICAP's FX options market share, which grew by approximately 5 percentage points between the fourth quarter of 2019 and the third quarter of 2020. Information technology-related investment costs have been a significant portion of the Group's costs in the period under review, as the Group continues to focus on electrification in line with market trends. The post-merger integration of the Tullett Prebon and ICAP operating platforms, which was completed in 2019, resulted in the elimination of legacy platforms and the streamlining of several processes. The Group intends to continue to enhance medium-term profitability potential by better using technology to align with market trends toward greater electrification and to improve the efficiency of client-facing services and internal operations.

2.4 The impact of the changing regulatory environment

The jurisdictions in which the Group operates are highly regulated. Applicable regulations largely influence the Group's product offering and consequently have a significant effect on the Group's revenue and profitability. For example, the Data & Analytics, Rates and FX businesses in particular have benefited from increased demand for data as a result of new regulatory requirements, including best execution requirements under MiFID II and UMR. The Group's business is subject to direct and indirect regulation by a variety of regulators in multiple jurisdictions, and the overall trend globally continues to be towards increasing levels of regulatory oversight.

The Group is required to meet capital adequacy tests in certain jurisdictions in which it operates to ensure that it has sufficient capital to mitigate risks from market movements and client and counterparty default. In the UK, the Group is required by the FCA to maintain adequate regulatory capital on a consolidated and solo (i.e., individual-entity) basis. The FCA has wide discretion to change the Group's capital adequacy requirements, as well as the right to impose additional capital guidance if it considers the Group's amount and type of capital to be insufficient.

In order to ensure regulatory compliance, the Group continues to invest in its risk and compliance functions and in staff to ensure it has the right skills to advise and direct its business on the implications of the changing regulatory environment. The Directors believe that additional regulation or changes in rules promulgated by the numerous authorities and regulators that oversee the Group's business are likely to increase the Group's compliance costs over the short and medium-term.

2.5 Diversification

The Group has sought to continue to leverage its OTC markets expertise and capability to further diversify its revenues. These efforts include continued investment in the Data & Analytics division where the Group is already a leading provider of OTC data products and services, as well as investing in its Institutional Services and Energy & Commodities divisions, which collectively provide diversification in terms of revenue model and client base, compared with the inter-dealer focus of Global Broking.

The Liquidnet Acquisition is expected to further diversify the Group's product offering by expanding buy-side connectivity via Liquidnet's global integrated buy-side network, enabling greater asset class diversification through Liquidnet's platform in the equities dark trading segment, and provide new growth opportunities, particularly in the D2C credit and rates markets.

2.6 Impairment of Goodwill

The Group's consolidated balance sheet includes a balance relating to goodwill arising through business combinations. The initial recognition of goodwill represents the excess of the costs of acquisitions over the identifiable net assets of the entities acquired. Goodwill arising through business combinations is allocated to groups of individual CGUs, reflecting the lowest level at which the Group monitors and tests goodwill for impairment purposes. CGUs to which goodwill has been allocated, are tested for impairment at least annually. The Group undertook an impairment assessment as at 31 December 2017 as part of its annual impairment assessment. In 2018 and 2019, the Group undertook impairment assessments as at 30 June and as at 31 December and, in 2020, the Group undertook impairment assessments as at 30 June and 30 September. Each of these assessments was triggered as a result of changes in expected CGU cash flows. Determining whether goodwill is impaired requires an estimation of the recoverable amount of each group of CGUs. The recoverable amount is the higher of its value in use ("VIU") or its FVLCD. For additional information on impairment of goodwill in 2019, 2018 and 2017, please refer to the notes to the TP ICAP 2019 Financial Statements, TP ICAP 2018 Financial Statements and TP ICAP 2017 Financial Statements respectively, and for the nine months ended 30 September 2020, please see Note 10 to the TP ICAP 2020 Interim Financial Statements.

As a result of the Group's impairment reviews, the carrying value of the Asia Pacific CGU was written down by £21 million in 2020 and £24 million in 2019; these charges were included as an acquisition-related item. In 2018, the carrying value of the Americas CGU was written down by £58 million and the carrying value of the Asia Pacific CGU was written down by £7 million; these charges were included as an acquisition-related item.

2.7 Foreign exchange fluctuations

Fluctuations in exchange rates can affect the results of operations of the Group. The Group reports revenue in pounds sterling, although it generates significant revenue in foreign currencies, particularly in US dollars and euros. In addition, a significant portion of the Group's expenses are denominated in currencies other than pounds sterling, particularly in US dollars and euros. Costs denominated in foreign currencies provide a degree of natural hedge against some of the currency risk associated with revenue generated in foreign currencies. Given the significant proportion of Group revenues generated in US dollars and euros, a strengthening of the US dollar or the euro, respectively, against the pound sterling could have a positive impact on the Group's reported results of operations, which may be wholly or partly offset by an increase in the translation of costs denominated in US dollars or euros, as applicable, as a result of such exchange rate fluctuations.

3. KEY FACTORS AFFECTING COMPARABILITY OF RESULTS OF OPERATIONS

3.1 Use of constant currency

The term "constant currency" as used in this Prospectus refers to the rebasing of prior period results by calculating the foreign exchange translation applied to the prior period, using the average foreign exchange rate for the period under review in order to eliminate the effect of fluctuations arising from foreign exchange translation in comparisons of period-on-period financial performance, thereby adjusting for the impact of fluctuations in foreign exchange rates between accounting periods when translating certain non-pound sterling (such as US dollar and euro) results into the Group's functional currency (which is the pound sterling). To calculate comparative figures on a constant currency basis, the Group's non-pound sterling prior period comparatives are translated using the same foreign exchange rates applied in translating results in the period under review. The Directors believe that the use of constant currency

allows for a more direct comparison of underlying performance between given accounting periods. See also Part V “Important Information — Currency presentation” for additional information.

4. RESULTS OF OPERATIONS

4.1 Description of Line Items

The following section presents the Group’s principal income statement line items derived from the Consolidated Financial Statements. For a description of the Group’s key accounting policies see paragraph 11 (*Critical Accounting Judgements And Key Sources Of Estimation Uncertainty*) in this Part XIII “Operating and Financial Review” and Note 3 to the TP ICAP 2019 Financial Statements.

4.1.1 Revenue

Revenue, which excludes sales taxes, includes brokerage commissions, fees earned and subscriptions for information sales. Fee income is recognised when the related services are completed and the income is considered receivable. The Group is organised by geographic reporting segments, which are used for the purposes of resource allocation and assessment of segmental performance by Group management. These are the Group’s reportable segments under IFRS 8 *Operating Segments*.

Each geographic segment comprises the following types of revenue:

- Name Passing brokerage, where counterparties to a transaction settle directly with each other. Revenue for the service of matching buyers and sellers of financial instruments is stated net of sales taxes, rebates and discounts and is recognised in full on the trade date;
- Matched Principal brokerage revenue, being the net proceeds from a commitment to simultaneously buy and sell financial instruments with counterparties, is recognised on the trade date;
- Executing Broker brokerage, where the Group executes transactions on certain regulated exchanges and then ‘gives-up’ the trade to the relevant client, or its clearing member. Revenue for the service of matching buyers and sellers of financial instruments is stated net of sales taxes, rebates and discounts and is recognised in full on the trade date; and
- Revenue arising in each geographic reportable segment is derived from four business divisions: Global Broking, Energy & Commodities, Institutional Services and Data & Analytics.

Fees earned from the sales of price information from financial and commodity markets to third parties are recognised on an accruals basis to match the provision of the service.

4.1.2 Administrative expenses

Administrative expenses include front-office costs (which include travel and entertainment, telecommunications and information services, clearing and settlement fees as well as other direct costs) and management and support costs. Front office costs tend to have a large variable component to them and are directly linked to the output of the Group’s brokers.

4.1.3 Operating profit

The Group’s operating profit is presented on a reported and underlying basis. Underlying operating profit excludes acquisition, disposals and integration costs and the gains and losses on business acquisitions and disposals, impairment charges and exceptional items. The adjustments between the reported operating profit and underlying operating profit are set out in more detail in Note 2 to the TP ICAP 2019, 2018 and 2017 Financial Statements, and Note 2 to the TP ICAP 2020 Interim Financial Statements incorporated by reference herein.

4.1.4 Net finance income/costs

Finance income/costs includes interest receivable and similar income, interest receivable on finance leases and deemed interest arising on the defined benefits pension scheme surplus, subject to the application of the asset ceiling. Dividends received from equity instruments are included as finance income in profit or loss.

4.1.5 Taxation

The tax charge/credit represents current and deferred tax and includes the sum of current tax payable arising in the year, movements in deferred tax and movements in tax provisions. The tax expense includes any interest and penalties payable. The current tax payable arising in the year is based on taxable profit for the year using tax rates that have been enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of prior years. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

4.2 Results of Operations of the Group

The following table sets out the Group's consolidated income statement data for the periods indicated.

	Year ended 31 December			Nine months ended 30 September	
	2017	2018	2019	2019	2020
	(audited)	(audited)	(audited)	(unaudited)	(unaudited)
	(£ million)	(£ million)	(£ million)	(£ million)	(£ million)
Revenue	1,757	1,763	1,833	1,400	1,378
Administrative expenses	(1,671)	(1,681)	(1,716)	(1,246)	(1,242)
Impairment loss on trade receivables	(2)	(1)	—	—	—
Other operating income	18	12	25	10	11
Operating profit	102	93	142	164	147
Finance income	6	5	6	4	2
Finance costs	(36)	(36)	(55)	(41)	(39)
Profit before tax	72	62	93	127	110
Taxation	3	(39)	(40)	(36)	(42)
Profit after tax	75	23	53	91	68
Share of results of associates and joint ventures	12	12	15	13	13
Profit for the period	87	35	68	104	81
Attributable to:					
Equity holders of TP ICAP plc	87	32	67	103	80
Non-controlling interests	—	3	1	1	1
Total	87	35	68	104	81

Reconciliation of operating profit to underlying operating profit

	Year ended 31 December			Nine months ended 30 September	
	2017	2018	2019	2019	2020
	(£ million)	(£ million)	(£ million)	(£ million)	(£ million)
Operating profit	102	93	142	164	147
Acquisition, disposal & integration costs ⁽¹⁾	127	160	115	7	58
Exceptional items ⁽²⁾	34	23	22	63	13
Underlying operating profit	263	276	279	234	218

Notes:

- (1) Acquisition, disposal & integration costs include any gains, losses or other associated costs on the full or partial disposal of investments, associates, joint ventures or subsidiaries and costs associated with a business combination that do not constitute fees relating to the arrangement of financing; amortisation of intangible assets arising on consolidation; any remeasurement after initial recognition of contingent consideration which has been classified as a liability; and any gains or losses on the revaluation of previous interests.
- (2) Exceptional items include charges relating to business reorganisation, pension scheme past service and closure costs, charges relating to employee long-term benefits, charges relating to exceptional legal and regulatory costs and settlements, and related taxation.

Reconciliation of profit before tax to underlying profit before tax

	Year ended 31 December			Nine months ended 30 September	
	2017	2018	2019	2019	2020
	(£ million)			(£ million)	
Profit before tax	72	62	93	127	110
Acquisition, disposal & integration costs ⁽¹⁾	127	160	115	63	58
Exceptional items ⁽²⁾	34	23	22	7	13
Underlying profit before tax	233	245	230	197	181

Notes:

- (1) Acquisition, disposal & integration costs include any gains, losses or other associated costs on the full or partial disposal of investments, associates, joint ventures or subsidiaries and costs associated with a business combination that do not constitute fees relating to the arrangement of financing; amortisation of intangible assets arising on consolidation; any remeasurement after initial recognition of contingent consideration which has been classified as a liability; and any gains or losses on the revaluation of previous interests.
- (2) Exceptional items include charges relating to business reorganisation, pension scheme past service and closure costs, charges relating to employee long-term benefits, charges relating to exceptional legal and regulatory costs and settlements, and related taxation.

4.2.1 Results of Operations for the nine months ended 30 September 2020 compared to the nine months ended 30 September 2019

(a) Revenue

Revenue decreased in the nine months ended 30 September 2020 by £22 million, or 2 per cent., on a reported basis to £1,378 million, compared to £1,400 million in the nine months ended 30 September 2019. Against a strong prior year comparative and after a relatively strong start to the year, trading volumes in the third quarter tailed off, resulting in an overall decrease.

Revenue by region

The Group's revenue by business division for the nine months ended 30 September 2020 and the nine months ended 30 September 2019 is shown below:

Revenue by region	Nine months ended 30 September			
	2019	2020	Reported Change	Constant Currency Change
	(£ million)		(%)	
EMEA	690	677	(2)	(2)
Americas	521	519	0	1
Asia Pacific	189	182	(4)	(3)
Total Revenue	1,400	1,378	(2)	(1)

EMEA

EMEA revenue decreased in the nine months ended 30 September 2020 by £13 million, or 2 per cent. on a reported basis (a decline of 2 per cent. on a constant currency basis), to £677 million, compared to £690 million in the nine months ended 30 September 2019. The decrease reflected lower trading volumes mainly in Global Broking, following a very strong first quarter. This was only partially offset by the improved performance in Energy & Commodities, Data & Analytics and Institutional Services businesses.

Americas

Americas revenue remained largely unchanged in the nine months ended 30 September 2020 at £519 million on a reported basis (an increase of 1 per cent. on a constant currency basis), compared to £521 million in the nine months ended 30 September 2019, demonstrating resilient performance in the region despite challenging market conditions in the third quarter.

Asia Pacific

Asia Pacific revenue decreased in the nine months ended 30 September 2020 by £7 million, or 4 per cent. on a reported basis (a decline of 3 per cent. on a constant currency basis), to £182 million, compared to £189 million in the nine months ended 30 September 2019. The decrease reflected a sharp decline in market activity in the third quarter of 2020, especially in Global Broking.

Revenue by business division

The Group's revenue by business division for the nine months ended 30 September 2020 and the nine months ended 30 September 2019 is shown below:

	Nine months ended 30 September			
	2019	2020	Reported Change	Constant Currency Change
	(£ million)		(%)	
Revenue by division				
Rates	417	399	(4)	(4)
Credit	73	70	(4)	(4)
FX & Money Markets	154	142	(8)	(7)
Emerging Markets	164	144	(12)	(11)
Equities	151	147	(3)	(2)
Inter-Divisional	13	14	8	8
Global Broking	972	916	(6)	(5)
Energy & Commodities	285	297	4	5
Inter-Divisional	2	2	—	—
Total Energy & Commodities	287	299	4	5
Institutional Services	57	73	28	28
Data & Analytics ⁽¹⁾	99	106	7	8
Inter-Divisional Eliminations	(15)	(16)	7	7
Total Revenue	1,400	1,378	(2)	(1)

Notes:

- (1) Contracts for the provision of Data & Analytics services gives the Group a right to revenue which corresponds directly with the value of the performance completed. The Group has applied the practical expedient in IFRS 15 and has not disclosed either the remaining amount due under the contract nor when the Group expects to recognise that amount.

Global Broking revenue decreased in the nine months ended 30 September 2020 by £57 million, or 6 per cent. on a reported basis (a decline of 5 per cent. on a constant currency basis), to £902 million, compared to £959 million in the nine months ended 30 September 2019. The decrease reflected weaker trading volumes in the third quarter of 2020, which was partly offset by strong performance during the earlier part of the year as a result of an increase in volatility driven by the emergence of the COVID-19 pandemic.

Energy & Commodities revenue increased in the nine months ended 30 September 2020 by £12 million, or 4 per cent. on a reported basis (an increase of 5 per cent. on a constant currency basis), to £299 million, compared to £285 million in the nine months ended 30 September 2019. The increase reflected the division's revenue growth in its oil trading activity.

Institutional Services revenue increased in the nine months ended 30 September 2020 by £16 million, or 28 per cent. on a reported basis (an increase of 28 per cent. on a constant currency basis), to £73 million, compared to £57 million in the nine months ended 30 September 2019. The increase was driven by the growing size and strength of its buy-side franchise and supportive market conditions in the first half of 2020.

Data & Analytics revenue increased in the nine months ended 30 September 2020 by £7 million, or 7 per cent. on a reported basis (an increase of 8 per cent. on a constant currency basis), to £106 million, compared to £99 million in the nine months ended 30 September 2019. The increase reflected the growth of TP ICAP's subscription-based business as it continued to roll out new product sets and signed new client mandates.

Inter-division eliminations remained largely unchanged at £16 million in the nine months ended 30 September 2020 compared to £15 million in the nine months ended 30 September 2019.

(b) Operating profit

Operating profit decreased in the nine months ended 30 September 2020 by £17 million, or 10 per cent., to £147 million compared to £164 million in the nine months ended 30 September 2019. The decrease in operating profit was mainly due to a decrease in revenues driven by challenging market conditions, as well as higher acquisition, disposal and integration costs and exceptional items.

Underlying operating profit

Underlying operating profit decreased in the nine months ended 30 September 2020 by £16 million, or 7 per cent., to £218 million, compared to £234 million in the nine months ended 30 September 2019. The decrease reflected a decline in revenue, particularly in the Global Broking business.

Underlying operating profit by region

	Nine months ended 30 September		
	2019	2020	Change
	(£ million)		(%)
Underlying operating profit by region			
EMEA	141	126	(11)
Americas	75	77	3
Asia Pacific	18	15	(17)
Underlying operating profit	234	218	(7)

EMEA underlying operating profit decreased in the nine months ended 30 September 2020 by £15 million, or 11 per cent., to £126 million, compared to £141 million in the nine months ended 30 September 2019. The decrease reflected lower revenue, which was driven by a decline in Global Broking revenue.

Americas underlying operating profit increased in the nine months ended 30 September 2020 by £2 million, or 3 per cent., to £77 million, compared to £75 million in the nine months ended 30 September 2019. The increase reflected the higher revenue (on a constant currency basis) and lower support costs.

Asia Pacific underlying operating profit decreased in the nine months ended 30 September 2020 by £3 million, or 18 per cent., to £15 million, compared to £18 million in the nine months ended 30 September 2019. The decrease reflected a decrease in revenue, particularly in the Global Broking business.

Underlying operating profit by business division

	Nine months ended 30 September		
	2019	2020	Change
	(£ million)		(%)
Underlying operating profit by division			
Global Broking	197	160	(19)
Energy & Commodities	36	39	8
Institutional Services	4	8	100
Data & Analytics	44	45	2
Corporate Centre (and other unallocated costs)	(47)	(34)	28
Underlying operating profit	234	218	7

Global Broking underlying operating profit decreased in the nine months ended 30 September 2020 by £37 million, or 19 per cent., to £160 million, compared to £197 million in the nine months ended 30 September 2019. The decrease reflected a decrease in revenue driven by an overall reduction in activity that resulted in a lower contribution, especially that of higher contribution margin products.

Energy & Commodities underlying operating profit increased in the nine months ended 30 September 2020 by £3 million, or 8 per cent., to £39 million, compared to £36 million in the nine months ended 30 September 2019. The increase reflected an increase in revenue that led to improved contribution flow-through across energy, power and gas products.

Institutional Services underlying operating profit increased in the nine months ended 30 September 2020 by £4 million, or 100 per cent., to £8 million, compared to £4 million in the nine months ended

30 September 2019. The increase reflected strong top-line growth, leading to improved operational leverage.

Data & Analytics underlying operating profit increased in the nine months ended 30 September 2020 by £1 million, or 2 per cent., to £45 million, compared to £44 million in the nine months ended 30 September 2019. The increase reflected top-line growth, leading to continuous economies of scale.

(c) Finance income/costs

Net finance costs remained unchanged at £37 million in the nine months ended 30 September 2020, reflecting a higher level of debt due to higher Revolving Credit Facility usage but offset in part by lower resulting facility fees.

(d) Taxation

Taxation increased in the nine months ended 30 September 2020 by £6 million to £42 million, compared to £36 million in the nine months ended 30 September 2019. The increase in the effective tax rate reflected an increase in non-deductible acquisition and exceptional costs.

4.2.2 Results of Operations for the year ended 31 December 2019 compared to the year ended 31 December 2018

(a) Revenue

Revenue increased in the year ended 31 December 2019 by £70 million, or 4 per cent. to £1,833 million, compared to £1,763 million in the year ended 31 December 2018. The increase reflected strong performance by Energy & Commodities and Data & Analytics and Institutional Services, partly offset by subdued performances in Global Broking's Credit, Equities and FX & Money Markets.

Revenue by region

The Group's revenue by region in the year ended 31 December 2019 and in the year ended 31 December 2018 is shown below:

	Year ended 31 December		Reported Change	Constant Currency Change
	2018	2019		
	(£ million)		(%)	
Revenue by region				
EMEA	886	900	2	1
Americas	636	687	8	3
Asia Pacific	241	246	2	1
Total Revenue	1,763	1,833	4	(1)

EMEA

EMEA revenue increased in the year ended 31 December 2019 by £14 million or 2 per cent. on a reported basis (an increase of 1 per cent. on a constant currency basis), to £900 million, compared to £886 million in the year ended 31 December 2018. Global Broking revenue declined slightly, with Rates being the only asset class to increase revenues year-on-year. The other four EMEA business divisions saw small revenue declines. The first half of 2019 saw a Brexit-related deadlock leading to a lack of volatility and lower volumes amidst uncertainty. Further, the prospect of additional quantitative easing throughout Europe represented an additional challenge. However, the third quarter of 2019 experienced a significant increase in volatility and trading volumes, with macro-economic developments around the UK election, the US-China trade war and the first US Federal Reserve rate cut in 11 years, all contributing to higher volumes.

Revenue from Energy & Commodities increased slightly in the region year-on-year. The growth came from fuel oil & middle distillates, precious metals, power & gas, coals, liquefied natural gas ("LNG") and gasoil physical. Institutional Services revenue experienced a 25 per cent. year-on-year increase. This was due to Coex growth, specifically in FX options with a larger clientele.

Americas

Americas revenue increased in the year ended 31 December 2019 by £51 million, or by 8 per cent., on a reported basis (an increase of 3 per cent. on a constant currency basis) to £687 million, as compared to £636 million in the year ended 31 December 2018, despite difficult market conditions for TP ICAP's traditional Global Broking business. Within the Global Broking business, general market conditions worsened during 2018 due to a material decrease in market volatility leading to reduced client appetite. Rates revenue increased by 2 per cent. as USD swaps and Treasuries markets strengthened in the second half of the year.

Rates continued to be Americas' largest asset class in the year ended 31 December 2019. Americas' Equities revenue declined by 6 per cent. year-on-year in spite of new product development. This was due to lower volumes and volatility in US equities market. Emerging Markets and FX & Money Markets businesses saw small revenue declines in the year ended 31 December 2019. This was due to lower volatility levels, client de-risking in forward FX, and some new competitors in local markets. US fixed income markets remained subdued, as TP ICAP reported a single-digit decline in revenue.

The Americas' Energy & Commodities business performed strongly in the year ended 31 December 2019, with a 23 per cent. revenue increase. Revenue increased in oil products and ethanol, bolstered by the acquisition of Axiom Commodities in November 2018. In addition, the Group's traditional power and gas businesses experienced strong organic growth.

Finally, TP ICAP's Institutional Services performed strongly in the year ended 31 December 2019, continuing to expand its product offerings.

Asia Pacific

Revenue in Asia Pacific increased in the year ended 31 December 2019 by £5 million, or 2 per cent. on a reported basis (a decrease of 1 per cent. on a constant currency basis), to £246 million as compared to £241 million in the year ended 31 December 2018, reflecting difficult conditions in the Global Broking business, offset by strong revenue growth in Energy & Commodities. Global Broking revenues in the region declined by 8 per cent. year-on-year. Hong Kong business was impacted from subdued equity derivatives markets and lower FX activity. In Singapore, the Rates business was affected by quieter markets and personnel changes. Japan saw some revenue decline due to fewer central bank stimulating actions compared to the prior year. In Australia, business experienced significant improvements as the brand recovered post the broker departures in 2017.

Overall, conditions in the Energy & Commodities markets in the region were favourable in the year ended 31 December 2019 and revenue from these products grew strongly by 31 per cent. year-on-year. Moreover, the Australian Energy & Commodities business revenue increased by 61 per cent., with strong electricity revenues supported by favourable market conditions. In addition, the gas business and the newly established precious metals desk provided further revenue uplift.

Revenue by business division

The Group's revenue by business division for the year ended 31 December 2019 and the year ended 31 December 2018 is shown below:

	Year ended 31 December			
	2018 (restated) ⁽¹⁾ (£ million)	2019	Reported Change (%)	Constant Currency Change
Revenue by division				
Rates ⁽¹⁾	523 ⁽¹⁾	537	3	1
Credit	101	94	(7)	(10)
FX & Money Markets	207	201	(3)	(5)
Emerging Markets	213	213	(0)	(2)
Equities	210	199	(5)	(7)
Inter-Divisional	18	18	—	—
Global Broking	1,272	1,262	(1)	(3)
Energy & Commodities	331	379	15	11
Inter-Divisional	2	3	50	50
Total Energy & Commodities	333	382	15	11

	Year ended 31 December			
	2018	2019	Reported Change	Constant Currency Change
	(restated) ⁽¹⁾ (£ million)			
Institutional Services	61 ⁽¹⁾	75	23	21
Data & Analytics	117	135	15	11
Inter-Divisional Eliminations	(20)	(21)	5	5
Total Revenue	1,763	1,833	4	1

Note:

- (1) In 2019, part of the Rates business line (representing the RV businesses) were reclassified from Global Broking to the Institutional Services division. The 2018 division results were reclassified to reflect this change, but division results for 2017 and previous periods were not reclassified. Consequently the division results for the years ended 31 December 2018 and 2019 are not directly comparable with those reported for previous periods. 2018 revenue has been restated to reclassify £24 million from Global Broking to Institutional Services. June 2019 revenue has been restated to reclassify £15 million from Global Broking to Institutional Services.

Global Broking revenues in the year ended 31 December 2019 declined by £10 million, or 1 per cent., on a reported basis (a decline of 3 per cent. on a constant currency basis) to £1,244 million compared to £1,254 million in the year ended 31 December 2018, with the Rates division revenue growing by 3 per cent. on reported basis (an increase of 1 per cent. on constant currency basis). Conditions in credit markets continued to remain challenging in 2019, with a number of new competitors, lack of new issuance as well as restrictions on clients' balance sheets, resulting in a reduction in Credit revenue of 7 per cent. on a reported basis (a decline of 10 per cent. on a constant currency basis). Equities and FX & Money Markets experienced revenue declines of 5 per cent. on a reported basis (a decline of 7 per cent. on a constant currency basis) and 3 per cent. (a decline of 5 per cent. on constant currency basis), respectively, compared with the prior year due to subdued client activity on lower volume and volatility. Energy & Commodities revenue increased by 15 per cent. on a reported basis (an increase of 11 per cent. on a constant currency basis) compared to 2018 due to a combination of positive markets, strategic hires and the acquisition of Axiom at the end of 2018. Oil revenues increased by 9 per cent. year-on-year, with increased market activity driven by events in the Middle East. The Power & Gas businesses both reported strong revenue growth as they benefitted from favourable market conditions.

(b) Operating profit

Operating profit for the year ended 31 December 2019 increased by £49 million or 53 per cent. to £142 million as compared to £93 million for the year ended 31 December 2018 partially due to lower integration costs and lower impairment of intangible assets.

Underlying operating profit

The Group underlying operating profit for the year ended 31 December 2019 increased by £3 million or 1 per cent. to £279 million, compared to £276 million in the year ended 31 December 2018, with an underlying operating profit margin in the year ended 31 December 2019 of 15.2 per cent., which was 0.5 percentage points lower than in the year ended 31 December 2018, due to the foreign currency exchange obstacles and minor increases in the management and support costs.

Underlying operating profit by region

	Year ended 31 December		
	2018	2019	Change
	(£ million)		(%)
Underlying operating profit by region			
EMEA	173	164	(5)
Americas	81	94	16
Asia Pacific	22	21	(5)
Underlying operating profit	276	279	1

EMEA

Underlying operating profit in EMEA for the year ended 31 December 2019 decreased by £9 million, or 5 per cent., to £164 million compared to £173 million in the year ended 31 December 2018. With revenue up 2 per cent. on a reported basis, the underlying operating profit margin decreased by 1.3 percentage points, to 18.2 per cent. The decrease reflected adverse FX foreign exchange movements, with slightly inflated support costs mainly through increased employee in-sourcing of IT consultancy and investment in strengthening risk and compliance functions.

Americas

In the Americas, the underlying operating profit for the year ended 31 December 2019 increased by £13 million, or 16 per cent., to £94 million, compared to £81 million in the year ended 31 December 2018, supported by the underlying operating profit margin improving by 1 percentage point to 13.7 per cent. reflecting higher revenue growth.

Asia Pacific

Underlying operating profit in Asia Pacific for the year ended 31 December 2019 decreased by £1 million, or 5 per cent., to £21 million compared to £22 million in the year ended 31 December 2018, whilst the underlying operating profit margin reduced by 0.6 percentage points to 8.5 per cent. with the benefit of reductions in management and support costs as a result of the TP and ICAP integration being more than offset by revenue decline.

Underlying operating profit by business division

	Years ended 31 December		
	2018	2019	Change
	(£ million)		(%)
Underlying operating profit by division			
Global Broking	253	221	(13)
Energy & Commodities	32	46	44
Institutional Services	1	3	200
Data & Analytics	49	59	20
Corporate Centre	(59)	(50)	(15)
Underlying operating profit	276	279	1

In the year ended 31 December 2019, the Group presented underlying operating profit by division for the first time, which includes allocation of net management and support costs (excluding Corporate Centre) to the different divisions. For Global Broking, the underlying operating profit for the year ended 31 December 2019 decreased by £32 million or 13 per cent. to £221 million, as compared to £253 million for the year ended 31 December 2018. This was due to higher front-office costs reflecting a higher compensation ratio as a result of increased retention efforts, as well as increased clearing and settlement costs due to vendor cost increases. Moreover, other costs increased due to ongoing legal costs in the US, IT consultancy investments, cyber and risk and compliance costs.

For Energy & Commodities, the underlying operating profit for the year ended 31 December 2019 increased by £14 million, or 44 per cent., to £46 million, as compared to £32 million in the year ended 31 December 2018. This increase was primarily due to higher revenues, which were partially offset by higher management and support costs.

Institutional Services for the year ended 31 December 2019 improved its underlying operating profit by £2 million to £3 million, as compared to £1 million in the year ended 31 December 2018.

Data & Analytics underlying operating profit for the year ended 31 December 2019 increased with strong growth of £10 million, or 20 per cent., to £59 million, as compared to £49 million in the year ended 31 December 2018. The results benefited from strong revenue growth and a positive impact on the operating margin.

(c) Finance income/costs

Net finance costs increased for the year ended 31 December 2019 by £18 million, or 58 per cent., to £49 million, compared to £31 million for the year ended 31 December 2018. The increase reflected a

high amount of interest payable on lease liabilities in the year ended 31 December 2019, as well as increased borrowing costs.

(d) Taxation

Taxation increased for the year ended 31 December 2019 by £1 million to £40 million, compared to £39 million for the year ended 31 December 2018. The increase in taxation reflects the increase in reported profits from 2018 to 2019, offset by the effect of non-deductible items included within acquisition costs and other exceptionals.

4.2.3 Results of Operations for the year ended 31 December 2018 compared to the year ended 31 December 2017

(a) Revenue

Revenue increased slightly for the year ended 31 December 2018 by £6 million to £1,763 million as compared to £1,757 million for the year ended 31 December 2017 on a reported basis. Conditions in financial markets were generally favourable in the year ended 31 December 2018 with an increase in volatility, especially interest rates and equities markets, in the face of a reduced quantitative easing policy within the US and uncertain political environments across the world. Volatility and a steepening yield curve were favourable to the Group's business and Global Broking and the Rates and Equities divisions, in particular, benefited from these conditions.

Revenue by region

The Group's revenue by region for the year ended 31 December 2018 and for the year ended 31 December 2017 is shown below:

	Year ended 31 December			
	2017	2018	Reported Change	Constant Currency Change
	(£ million)		(%)	
Revenue by region				
EMEA	877	886	1	2
Americas	628	636	1	5
Asia Pacific	252	241	(4)	(2)
Total Revenue	1,757	1,763	0	3

EMEA

Revenue for the region for the year ended 31 December 2018 increased by £9 million, or 1 per cent., (2 per cent. on a constant currency basis) to £886 million compared to £877 million for the year ended 31 December 2017. EMEA Global Broking revenue increased overall by 2 per cent. for the year ended 31 December 2018 driven primarily from strong performance within the Rates and Equities divisions. Market conditions were supportive of increased trading in these products due to volatility created from the macroeconomic environment, which included: interest rate increases in the US and UK and the speculation preceding them; US-China trade concerns; Brexit uncertainty; and Eurozone slowdown expectations.

EMEA revenue from Energy & Commodities was flat in the region year-on-year due to challenging market conditions.

EMEA Institutional Services revenue experienced a 4 per cent. decrease year-on-year resulting from a decline in the Mirexa business, which saw the Euro Government Bonds and FX Options desks close in 2018. This was partially offset by gains in Real Estate and COEX, which saw favourable market conditions and increased volatility, along with onboarding of a number of new clients.

Americas

Americas increased revenues by 1 per cent. (5 per cent. on a constant currency basis) in the year ended 31 December 2018 as compared to the year ended 31 December 2017. The Americas reduced underperforming broker headcount over the course of the year ended 31 December 2017 and the year ended 31 December 2018, increasing revenue per broker by 7 per cent., which positioned the business

to take advantage of the stronger market conditions and increased volatility seen in the year ended 31 December 2018.

Within the Americas Global Broking business, general market conditions improved during the year ended 31 December 2018 leading to increased trading. Rates revenue increased by 7 per cent. as interest rate rises benefited trading across interest rate derivatives, government bonds and repos. Rates continues to be Americas' largest asset class.

Americas' Equities revenue in the year ended 31 December 2018 increased by 27 per cent. on the back of significantly increased volatility relative to historically low levels of volatility in US Equity markets in the year ended 31 December 2017. Equities continues to be an area of investment and new product expansion.

Americas' FX & Money Markets businesses saw flat revenues in the year ended 31 December 2018 as compared to the year ended 31 December 2017 as Forward FX and derivatives offset subdued conditions in the Money Markets area.

A more subdued market in the second half of 2018 led to decreased volumes in Local Markets resulting in a slowdown in revenue in the period.

US Credit markets remained subdued despite heightened activity in other areas of financial markets.

The Americas' Energy & Commodities business had flat revenues in the year ended 31 December 2018. The region saw increased revenue in oil products on the back of the acquisitions of SCS Commodities in January 2018 and Axiom in November 2018. However, these gains were offset by poor year-on-year comparables in US Power and Natural Gas.

The Americas also saw growth in the Institutional Services business with a full year performance of the Coex business, which was acquired in November 2017. This business continues to perform well and is a growth opportunity for the region.

Asia Pacific

Revenue in Asia Pacific declined by 4 per cent. (2 per cent. on a constant currency basis) in the year end 31 December 2018 compared to the year ended 31 December 2017, reflecting difficult conditions in the Energy & Commodities business as well as within certain products in Global Broking.

Global Broking revenue in the region increased by 1 per cent. year-on-year with the benefit of business development in the Tullett Prebon brand, where revenue grew by 11 per cent., but this was offset by a loss of revenue in the ICAP brand, where revenue fell by 14 per cent. largely as a result of brokers moving to competitors in late 2017. Within specific markets, such as Hong Kong, the Global Broking business performed well, as a result of the hire of a new equities derivatives desk, as well as within the Rates business, which benefited from movements in the US dollar yield curve. The Singapore business had a good year in 2018 with both the FX & Money Markets and Rates businesses in particular performing well. During 2018, the region restructured its operations in Indonesia and Korea to operate under a single Tullett Prebon brand.

Overall, conditions in the Energy & Commodities markets in the region were unfavourable in the year ended 31 December 2018 and revenue from these products declined by 13 per cent. year-on-year. The ICAP iron ore business suffered a steep decline in revenue due to the migration of liquidity from the OTC market onto exchange. Revenue from oil and gas and their related products fell by approximately 13 per cent. due to a shift of gasoil market activity from Asian hours to the London market, together with some disruption to the Tullett Prebon branded naphtha desk. However, the Australian energy business, mainly power, gathered momentum and achieved a 17 per cent. increase in revenue, while the Singapore-based precious metals desk grew by 30 per cent.

Revenue by Business Division

The Group's revenue by region for the year ended 31 December 2018 and the year ended 31 December 2017 is shown below excluding inter-divisional eliminations:

	Year ended 31 December			
	2017	2018	Reported Change	Constant Currency Change
	(£ million)		(%)	
Revenue by division				
Rates	528	547	4	5
Credit	117	101	(14)	(11)
FX & Money Markets	218	207	(5)	(3)
Emerging Markets	225	213	(5)	(3)
Equities	182	210	15	18
Global Broking	1,270	1,278	1	3
Energy & Commodities	343	331	(3)	(1)
Institutional Services	32	37	16	16
Data & Analytics	112	117	4	8
Total Revenue	1,757	1,763	0	3

Global Broking revenues in the year ended 31 December 2018 increased by £18 million, or 1 per cent. on a reported basis (an increase of 3 per cent. on a constant currency basis), to £1,278 million compared to £1,270 million in the year ended 31 December 2017, driven in large part by an increase in Equities revenue in light of generally supportive financial markets, offset by a decrease in Credit revenue due to a lack of new issuances, as well as restrictions on clients' balance sheets. FX & Money Markets, and Emerging Markets both saw revenue declines compared with prior year due to subdued activity. Energy & Commodities revenue decreased by 3 per cent. (or 1 per cent. on a constant currency basis) compared to 2017. Market conditions were favourable in gas, environmental products, European power, metals, and softs, but the benefit of these was offset by weaker US power markets, the closure of some non-core desks (i.e., desks that have moved away from the Group's core offering) and bulks (i.e., commodities offered in powder form (including iron ore and coal)) where challenging iron ore and coal markets saw volume move away from the Group's core offering. Oil revenue was flat and the market experienced high volatility caused by the US-China trade war, Iranian sanctions and US mid-term elections, with many of the Group's clients experiencing difficulties. Institutional services grew by 16 per cent. (an increase of 16 per cent. on a constant currency basis) due in part to strong growth within the US and within the Group's global foreign exchange offering. Data & Analytics revenue was 4 per cent. higher (8 per cent. on a constant currency basis) than in 2017 with the business division executing a number of targeted organic growth opportunities during the year that have enabled it to monetise more proprietary data by releasing new products with a restructured salesforce.

(b) Operating profit

Operating profit for the year ended 31 December 2018 decreased by £9 million or 9 per cent. to £93 million, compared to £102 million in the year ended 31 December 2017.

Underlying operating profit by region

	Year ended 31 December		
	2017	2018	Change
	(£ million)		(%)
Underlying operating profit by region			
EMEA	170	173	2
Americas	64	81	27
Asia Pacific	29	22	(24)
Underlying operating profit	263	276	5

EMEA

Underlying operating profit in EMEA for the year ended 31 December 2018 increased by £3 million or 2 per cent. to £173 million, compared to £170 million in the year ended 31 December 2017, and with revenue up 1 per cent., the underlying operating profit margin has increased by 0.1 percentage point, to 19.5 per cent. in the year ended 31 December 2018. These improvements reflect growth in the

contribution margin of the business due to a reduction in other front office costs as well as the growth in revenue.

Americas

In the Americas, the underlying operating profit for the year ended 31 December 2018 increased £17 million or 27 per cent. to £81 million compared to £64 million in the year ended 31 December 2017, and the underlying operating profit margin has improved by 2.5 percentage points to 12.7 per cent. reflecting higher revenue growth and contribution as well as cost savings from the TP and ICAP integration.

Asia Pacific

Underlying operating profit in Asia Pacific decreased by £7 million, or 24 per cent., to £22 million in the year ended 31 December 2018, compared to £29 million in the year ended 31 December 2017, whilst the underlying operating profit margin has reduced by 2.4 percentage points to 9.1 per cent. with reductions in management and support costs as a result of the TP and ICAP integration being more than offset by increases in broker compensation. These increases were in response to competition for our brokers increasing the level of initial contract payments the region paid at the end of the year ended 31 December 2017 into the beginning of 2018.

(c) Finance income/costs

Net finance costs increased for the year ended 31 December 2018 by £1 million, or 3 per cent., to £31 million, compared to £30 million for the year ended 31 December 2017. The increase reflected a decrease in the deemed interest income arising on the defined benefit pension scheme surplus from the year ended 31 December 2018 to the year ended 31 December 2017, as well as an increase in interest payable on certain Sterling Notes.

(d) Taxation

Taxation increased for the year ended 31 December 2018 by £42 million to a tax charge of £39 million, compared to a tax credit of £3 million for the year ended 31 December 2017. The increase primarily reflected a large deferred tax credit in the year ended 31 December 2017 due to a reduction in US federal tax rates.

5. LIQUIDITY AND CAPITAL RESOURCES

5.1 Overview

The Group does not take trading risk and does not hold proprietary trading positions. Consequently, the Group is exposed to trading book market risk only in relation to trades that fail to settle when executing Matched Principal trades for customers. The Group does retain a limited degree of exposure to non-trading book market risk, specifically to interest rate risk and currency risk. Thus the overall approach to the planning and management of the Group's capital and liquidity is to ensure its solvency, i.e., its continued ability to conduct business, deliver returns to shareholders, and support growth and strategic initiatives. The Group's risk profile meets the necessary conditions for an investment firm consolidation waiver under CRD IV and the Group benefits from the Consolidation Waiver in respect of CRD IV provisions. For additional information on the Consolidation Waiver, please see paragraph 7.2 (Regulation) of Part VIII "Information on New TP ICAP and the Group".

The Group seeks to ensure that it has access to an appropriate level of cash, other forms of marketable securities (including financial investments in the form of government securities and term deposits) and liquidity facilities to enable it to finance its ongoing operations on cost effective terms. Cash and cash equivalent balances are held with the primary objective of capital security and availability, with a secondary objective of generating returns.

5.2 Cash Flows

5.2.1 Cash flows for the nine months ended 30 September 2020 compared to the nine months ended 30 September 2019

(a) Net cash flows from operating activities

Net cash from operating activities for the nine months ended 30 September 2020 increased by £49 million to a cash inflow of £75 million, compared to a cash inflow of £26 million for the nine months ended 30 September 2019 due to improvements in working capital balances.

(b) Net cash flows from investing activities

Net cash used in investing activities for the nine months ended 30 September 2020 increased by £40 million to £73 million, compared to £33 million for the nine months ended 30 September 2019 due to increased expenditure on property, plant and equipment, Liquidnet Acquisition related spending and the purchase of other financial investments, representing government securities, term deposits and restricted funds.

(c) Net cash flows from financing activities

Net cash from financing activities for the nine months ended 30 September 2020 increased by £1 million to a cash outflow of £5 million compared to a cash outflow of £6 million for the nine months ended 30 September 2019 reflecting various financing activities during the period.

5.2.2 Cash flows from the year ended 31 December 2019 compared to the year ended 31 December 2018

(a) Net cash flows from operating activities

Net cash from operating activities for the year ended 31 December 2019 remained largely unchanged at £148 million compared to £149 million for the year ended 31 December 2018.

(b) Net cash flows from investing activities

Net cash used in investing activities for the year ended 31 December 2019 decreased by £16 million to £55 million, compared to £71 million for the year ended 31 December 2018 due to a decrease in the purchase of property, plant and equipment in the year ended 31 December 2019, offset by a purchase of financial investments, representing government securities, term deposits and restricted funds in the year ended 31 December 2019, compared to a sale of financial investments in the year ended 31 December 2018.

(c) Net cash flows from financing activities

Net cash used in financing activities for the year ended 31 December 2019 increased by £20 million to £71 million, compared to £51 million for the year ended 31 December 2018 due to a payment of lease liabilities of £21 million being classified as a financing activity following the adoption of IFRS 16 in 2019.

5.2.3 Cash flows from the year ended 31 December 2018 compared to the year ended 31 December 2017

(a) Net cash flows from operating activities

Net cash from operating activities for the year ended 31 December 2018 increased by £62 million to £149 million, compared to £87 million for the year ended 31 December 2017 mainly due to a reduction in expenditure relating to the integration of acquired businesses.

(b) Net cash flows from investing activities

Net cash used in investing activities for the year ended 31 December 2018 decreased by £13 million to £71 million, compared to £84 million for the year ended 31 December 2017 due to a sizeable purchase of financial investments in the year ended 31 December 2017 that was not repeated in the year ended 31 December 2018 and a sale of financial investments in the year ended 31 December 2018, offset by an increase in the year ended 31 December 2018 in the purchase of property, plant and equipment, and acquisition consideration paid.

(c) Net cash flows from financing activities

Net cash used in financing activities for the year ended 31 December 2018 increased by £2 million to £51 million, compared to £49 million for the year ended 31 December 2017 due to an increase in dividends paid and a repayment of the Syndicated RCF, offset by a drawdown of the Syndicated RCF. In 2017, there was also a £30 million cash inflow resulting from the issuance of £500 million Sterling notes offset by the repayment of bank debt in a total amount of £470 million. Also reflected in 2017 was a £13 million outflow related to equity repayments and share issuance costs.

5.3 Capital Expenditure

The Group's capital expenditures for the nine months ended 30 September 2020 were £34 million, consisting of spending on the Group's new London Headquarters and continued IT spending on routine, mandatory and investment projects.

Going forward, the Group expects to make approximately £25 million to £30 million incremental capital expenditure on Liquidnet in the 12 to 24 months following the Completion of the Liquidnet Acquisition, focusing mainly on developing the IT infrastructure related to the D2C Credit and D2C Rates opportunities.

Additionally, the Group expects approximately £100 million in further incremental strategic investment over the next five years to support margin improvement, which is in addition to its planned annual technology investment of between approximately £140 million and £160 million. Of this £100 million, approximately 60 per cent. is expected to be invested over the next two years and this investment is expected to be in addition to the capital expenditure planned for Liquidnet.

6. CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES

As at 30 September 2020, the contractual maturities, including future interest obligations, of the Group's financial liabilities were as follows:

	Less than three months	Three and 12 months	One to five years (£ million)	More than five years	Total
Settlement balances ⁽¹⁾	69,666	—	—	—	69,666
Deposits received for securities loaned ⁽²⁾	776	—	—	—	776
Trade payables	18	—	—	—	18
Bank loan ⁽³⁾	10	—	—	—	10
Loans from related party ⁽⁴⁾	73	—	—	—	73
Sterling Notes January 2024 ⁽³⁾	—	23	488	—	511
Sterling Notes May 2026 ⁽³⁾	7	7	52	263	329
Lease liabilities ⁽⁵⁾	10	29	114	156	309
Deferred consideration ⁽⁶⁾	—	15	20	—	35
Total	70,560	74	674	419	71,727

Notes:

- (1) Settlement balances arise on Matched Principal brokerage whereby securities are bought from one counterparty and simultaneously sold to another counterparty. Settlement of such transactions is primarily on a delivery vs payment basis (DVP) and typically takes place within a few business days of the transaction date according to the relevant market rules and conventions.
- (2) Deposits received for securities loaned 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.
- (3) For more information, see Note 13 to the TP ICAP 2020 Interim Financial Statements.
- (4) Loans from related party represents borrowing from Tokyo Tanshi, a related party of the Group. For more information, see Note 13 to the TP ICAP 2020 Interim Financial Statements. For additional information on related party transactions, please also see Part XVI "Additional Information — Related Party Transactions".
- (5) For more information, see Note 14 to the TP ICAP 2020 Interim Financial Statements.
- (6) Represents outstanding liabilities on deferred acquisition consideration.

7. OFF-BALANCE SHEET ARRANGEMENTS

As at 30 September 2020, the Group had no material off-balance sheet arrangements.

8. CONTINGENT LIABILITIES

As at 30 September 2020, the Group's contingent liabilities related to certain of its legal and regulatory cases. See paragraph 19 (Material litigation) of Part XVI "Additional Information" for more information on specific provisions and other contingent liabilities of the Group.

Further, the Group operates in a wide variety of jurisdictions around the world and uncertainties therefore exist with respect to the interpretation of complex tax laws and practices of those territories. The Group establishes provisions for taxes other than current and deferred income taxes, based upon various factors that 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.

9. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Group is subject to several market risks. These include primarily liquidity risk and counterparty credit risk. The Group does not take trading risk and does not hold proprietary trading positions. Consequently, the Group is exposed to trading book market risk only in relation to trades that fail to settle when executing Matched Principal trades. The Group has limited exposure to non-trading book market risk, specifically to interest rate risk and currency risk.

9.1 Liquidity risk

As a normal part of its operations, the Group faces liquidity risk through the risk of being required to fund transactions that fail to settle on the due date in executing trades for customers on the Matched Principal and Executing Broker models. The Group uses settlement agents, and clearing counterparties where appropriate, to effect the settlement of trades. Providers of these facilities generally require cash deposits collateral or margin deposits from the Group and providers can call for increased cash collateral or margin to be made at short notice.

From a risk perspective, the most problematic scenario in respect of these trades concerns 'fail to deliver' transactions, where the business has received a security from the selling counterparty (and has paid cash in settlement of the same) but is unable to effect onward delivery of the security to the buying counterparty. Such settlement 'fails' give rise to a funding requirement, reflecting the value of the security which the Group has 'failed to deliver' until such time as the delivery leg is finally settled, or the security sold, and the business has received the associated cash. The Group has addressed this funding risk by arranging overdraft facilities to cover 'failed to deliver' trades, either with the relevant settlement agent/depository or with a clearing bank. Under such arrangements, the facility provider will fund the value of any 'failed to deliver' trades until delivery of the security is effected. Certain facility providers require collateral (such as a cash deposit or parent company guarantee) to protect them from any adverse mark-to-market movement and some also charge a funding fee for providing the facility. The Group is also exposed to potential margin calls. Margin calls can be made by central clearing counterparties under the Matched Principal broking model when not all legs of a matched principal trade are settled at the central clearing counterparty or when there is a residual balance or confirmation error. Margin calls can be made by the Group's clearers or correspondent clearers under the Executing Broker broking model when there is a trade error or a counterparty is slow to confirm their trade. These margin calls occur mainly in the US and UK. In the event of a liquidity issue arising, the firm has recourse to existing global cash resources, after which it could draw down on its Syndicated RCF, the £270 million committed revolving credit facility, or its JPY10,000,000,000 Bilateral RCF, as additional contingency funding.

9.2 Counterparty credit risk

The Group is exposed to credit risk in the event of non-performance by counterparties in respect of its Name Passing, Matched Principal, Executing Broker and corporate treasury operations. The Group does not bear any significant concentration risk to either counterparts or markets. The credit risk in respect of the Name Passing business and the information sales and risk management services is limited to the collection of outstanding commission and transaction fees and this is managed proactively by the Group's accounts receivable functions. As at the year end, a substantial majority of the Group's counterparty exposure is to investment grade counterparts (rated BBB-/Baa3 or above). For more information see Note 12 to the TP ICAP 2020 Interim Financial Statements.

The Matched Principal business involves the Group acting as a counterparty on trades that are undertaken on a delivery versus payment basis. The Group manages its credit risk in these transactions through appropriate policies and procedures in order to mitigate this risk including stringent on-boarding requirements, setting appropriate credit limits for all counterparties which are closely monitored by the regional credit risk teams to restrict any potential loss through counterparty default. Settlement of these transactions takes place according to the relevant market rules and conventions and the credit risk is considered to be minimal. 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.

As at the year end, a substantial majority of the Group's counterparty exposure is to investment grade counterparties. For more information see Note 22 to the TP ICAP 2019 Financial Statements.

The credit risk on cash, cash equivalents, and financial assets at amortised cost, FVTOCI or FVTPL are subject to frequent monitoring. All financial institutions that are transacted with are approved and internal limits are assigned to each one based on a combination of factors, including external credit ratings. As at the year end, a significant proportion of cash and cash equivalents is deposited with investment grade-rated financial institutions.

The 'maximum exposure to credit risk' is the maximum exposure before taking account of any securities or collateral held, or other credit enhancements, unless such enhancements meet accounting offsetting requirements. For financial assets recognised on the balance sheet, excluding equity instruments as they are not subject to credit risk, the maximum exposure to credit risk equals their carrying amount.

10. CURRENT TRADING

TP ICAP provided a trading update for the first nine months of 2020 on 9 November 2020. As stated at that time, TP ICAP's revenue for the first nine months of 2020 was 1 per cent. lower on a constant currency basis and 2 per cent. lower on a reported basis, compared to the first nine months of 2019. While trading volumes continued to be subdued during much of the fourth quarter of 2020, revenue for the full year 2020 is expected to be 1 per cent. lower than in 2019. This demonstrates the resilience of the TP ICAP franchise and the benefits of its diversification strategy, as revenue growth achieved in Data & Analytics, Institutional Services and Energy & Commodities, offset much of the decline in Global Broking revenue following its strong performance in the first quarter of 2020.

11. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

11.1 Overview

The Group's consolidated financial statements are prepared in accordance with IFRS adopted by the EU and comply with Article 4 of the EU IAS Regulation. Financial statements are prepared on the historical cost basis, except for the revaluation of certain financial instruments held at fair values at the end of each reporting period.

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in the period an estimate is revised.

11.2 Significant Accounting Policies

For the Group's significant accounting policies, see Notes 3(a) to 3(v) to the TP ICAP 2019 Financial Statements, Accounting estimates and judgements.

For the critical judgements, apart from those involving estimations, that the Directors have made in the process of preparing the Consolidated Financial Statements, see Note 3(w) to the TP ICAP 2019 Financial Statements.

PART XIV

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF TP ICAP

SECTION A — UNAUDITED PRO FORMA FINANCIAL INFORMATION

The Unaudited Pro Forma Financial Information set out in this Part XIV has been prepared to illustrate the effect on the profit and financial position of the Group of the Rights Issue and the Liquidnet Acquisition. The unaudited pro forma statement of net assets has been presented assuming the Rights Issue and the Liquidnet Acquisition had occurred on 30 September 2020. The unaudited pro forma income statements for the year ended 31 December 2019 and for the nine months ended 30 September 2020 have been presented assuming that the Liquidnet Acquisition had occurred on 1 January 2019 and 1 January 2020, respectively.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and by its nature, addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position or results. Such information may not, therefore, give a true picture of the Group's financial position or results of operations nor is it indicative of its results. The Unaudited Pro Forma Financial Information has been prepared in accordance with the UK version of Annex 20 of Commission Delegated Regulation (EU) 2019/980 (which is part of UK law by virtue of the EUWA) supplementing the UK Prospectus Regulation.

The Unaudited Pro Forma Financial Information is based on TP ICAP's unaudited consolidated balance sheet as at 30 September 2020, the Group's audited consolidated income statement for the year ended 31 December 2019 and the Group's unaudited consolidated income statement for the nine months ended 30 September 2020 and is stated on the basis of the accounting policies of the Group set out in the TP ICAP 2019 Financial Statements.

The Unaudited Pro Forma Financial Information does not constitute financial statements within the meaning of section 434 of the Companies Act 2006. The Unaudited Pro Forma Financial Information has not been prepared, or shall not be construed as having been prepared, in accordance with Regulation S-X under the US Securities Act. Investors should read the whole of this document, including documents incorporated by reference herein, and not rely solely on the summarised unaudited financial information contained below.

Unaudited Pro Forma Statement of Net Assets

The following unaudited pro forma statement of net assets of the Group has been prepared on the basis set out in the Notes below to illustrate the consolidated statement of net assets of the Group as if the Liquidnet Acquisition had taken place on 30 September 2020.

	TP ICAP as at 30 September 2020 (Note 1)	Liquidnet as at 30 September 2020 (Note 2)	Adjustments		Consideration paid and net tangible assets (Note 5)	Pro forma net assets as at 30 September 2020
			Rights issue (Note 3) (£ million)	Draw down on Facilities (Note 4)		
Non-current assets						
Intangible assets arising on consolidation	1,501.0	50.5	—	—	274.5	1,826.0
Other intangible assets	58.0	21.7	—	—	—	79.7
Property, plant and equipment	89.0	36.0	—	—	—	125.0
Right-of-use assets	162.0	65.6	—	—	—	227.6
Investment in associates	61.0	—	—	—	—	61.0
Investment in joint ventures	26.0	—	—	—	—	26.0
Other investments	17.0	1.9	—	—	—	18.9
Deferred tax assets	3.0	22.7	—	—	—	25.7
Other long-term receivables	24.0	—	—	—	—	24.0
Retirement benefit assets	—	1.9	—	—	—	1.9
	1,941.0	200.3	—	—	274.5	2,415.8
Current assets						
Trade and other receivables	70,897.0	78.2	—	—	—	70,975.2
Financial investments	164.0	—	—	—	—	164.0
Cash and cash equivalents	679.0	215.0	311.1	81.0	(392.1)	894.0
	71,740.0	293.2	311.1	81.0	(392.1)	72,033.2

		Adjustments				
	TP ICAP as at 30 September 2020	Liquidnet as at 30 September 2020	Rights issue	Draw down on Facilities	Consideration paid and net tangible assets	Pro forma net assets as at 30 September 2020
	(Note 1)	(Note 2)	(Note 3)	(Note 4)	(Note 5)	
			(£ million)			
Total assets	73,681.0	493.6	311.1	81.0	(117.6)	74,449.1
Current liabilities						
Trade and other payables	(70,762.0)	(120.6)	—	—	—	(70,882.6)
Interest bearing loans and borrowings	(91.0)	(7.0)	—	(81.0)	—	(179.0)
Lease liabilities	(26.0)	(5.2)	—	—	—	(31.2)
Current tax liabilities	(23.0)	(1.0)	—	—	—	(24.0)
Short term provisions	(14.0)	—	—	—	—	(14.0)
	(70,916.0)	(133.8)	—	(81.0)	—	(71,130.9)
Net current assets	824.0	159.4	311.1	—	(392.1)	902.4
Non-current liabilities						
Interest bearing loans and borrowings	(679.0)	(92.2)	—	—	—	(771.2)
Lease liabilities	(190.0)	(82.2)	—	—	—	(272.2)
Deferred tax liabilities	(82.0)	—	—	—	—	(82.0)
Long-term provisions	(23.0)	—	—	—	—	(23.0)
Other long-term payables	(25.0)	(1.8)	—	—	(64.0)	(90.8)
Retirement benefit obligations	(2.0)	(1.9)	—	—	—	(3.9)
	(1,001.0)	(178.1)	—	—	(64.0)	(1,243.1)
Total liabilities	(71,917.0)	(312.0)	—	(81.0)	(64.0)	(72,374.0)
Net assets	1,764.0	181.6	311.1	—	(181.6)	2,075.1

Unaudited Pro Forma Income Statement for the year ended 31 December 2019

The following unaudited pro forma income statement of the enlarged Group has been prepared on the basis set out in the Notes below to illustrate the consolidated statement of operating income of the Group as if the Liquidnet Acquisition had taken place on 1 January 2019.

	Adjustments			Pro forma for the year ended 31 December 2019
	TP ICAP for the year ended 31 December 2019 (Note 1)	Liquidnet for the year ended 31 December 2019 (Note 2)	Liquidnet Acquisition (Note 7) (£ million)	
Revenue	1,833.0	236.1	—	2,069.1
Administrative expenses	(1,570.0)	(239.0)	—	(1,809.0)
Other operating income	16.0	—	—	16.0
Operating profit — underlying	279.0	(2.8)	—	276.2
Acquisition costs related to the Liquidnet Acquisition	—	—	(16.5)	(16.5)
Acquisition, disposal and integration costs	(115.0)	—	—	(115.0)
Exceptional items	(22.0)	—	—	(22.0)
Operating profit — reported	142.0	(2.8)	(16.5)	122.7
Finance income	6.0	1.6	—	7.6
Finance costs	(55.0)	(14.0)	—	(69.0)
Profit before tax	93.0	(15.2)	(16.5)	61.3
Taxation	(40.0)	5.3	0.6	(34.2)
Profit after tax	53.0	(10.0)	(16.0)	27.1
Share of results of associates and joint ventures	15.0	—	—	15.0
Profit for the period	68.0	(10.0)	(16.0)	42.1

Unaudited Pro Forma Income Statement for the nine months ended 30 September 2020

The following unaudited pro forma income statement of the enlarged Group has been prepared on the basis set out in the Notes below to illustrate the consolidated income statement of the Group as if the Liquidnet Acquisition had taken place on 1 January 2020.

		Adjustments		
	TP ICAP for the nine months ended 30 September 2020 (Note 1)	Liquidnet for the nine months ended 30 September 2020 (Note 2)	Liquidnet Acquisition (Note 7)	Pro forma for the nine months ended 30 September 2020
		(£ million)		
Revenue	1,378.0	198.9	—	1,576.9
Administrative expenses	(1,170.0)	(193.7)	—	(1,363.7)
Other operating income	10.0	—	—	10.0
Operating profit — underlying	218.0	5.3	—	223.3
Acquisition costs related to the Liquidnet Acquisition	(4.6)	—	(11.9)	(16.5)
Acquisition, disposal and integration costs	(58.0)	—	—	(58.0)
Exceptional items	(8.4)	—	—	(8.4)
Operating profit — reported	147.0	5.3	(11.9)	140.4
Finance income	2.0	0.3	—	2.3
Finance costs	(39.0)	(9.5)	—	(48.5)
Profit before tax	110.0	(3.9)	(11.9)	94.2
Taxation	(42.0)	(0.8)	0.2	(41.0)
Profit after tax	68.0	(3.1)	(11.7)	53.2
Share of results of associates and joint ventures	13.0	—	—	13.0
Profit for the period	81.0	(3.1)	(11.7)	66.2

Notes

- (1) The net assets of the Group used in the unaudited pro forma consolidated net asset statement as at 30 September 2020 have been extracted without adjustment from the unaudited interim consolidated financial statements for the nine months ended 30 September 2020.

The financial information for the Group used in the unaudited pro forma consolidated income statement for the year ended 31 December 2019 has been extracted without adjustment from the audited consolidated financial statements for the year ended 31 December 2019.

The financial information for the Group used in the unaudited pro forma consolidated income statement for the nine months ended 30 September 2020 has been extracted without adjustment from the unaudited interim consolidated financial statements for the nine months ended 30 September 2020.

- (2) The net assets of the Liquidnet Group used in the unaudited pro forma consolidated net asset statement as at 30 September 2020 have been extracted without adjustment from the Historical Financial Information included in Part XIX *Historical Financial Information of the Liquidnet Group* of the TP ICAP Prospectus, translated at an exchange rate of £1.00:\$1.339 being the closing rate as at 30 September 2020.

The financial information for the Liquidnet Group used in the pro forma unaudited pro forma consolidated income statement for the year ended 31 December 2019 has been extracted without adjustment from the Historical Financial Information included in Part XIX *Historical Financial Information of the Liquidnet Group* of the TP ICAP Prospectus, translated at an exchange rate of £1.00:\$1.28 being the average exchange rate for the year ended 31 December 2019.

The financial information for the Liquidnet Group used in the unaudited pro forma consolidated income statement for the nine months ended 30 September 2020 has been extracted without adjustment from the Historical Financial Information included in Part XIX *Historical Financial Information of the Liquidnet Group* of the TP ICAP Prospectus, translated at an exchange rate of £1.00:\$1.28 being the average exchange rate for the nine months ended 30 September 2020.

- (3) The net proceeds of the Rights Issue of £311.1 million are calculated on the basis that TP ICAP issues 135 million new shares at a price of 235 pence per share, net of estimated expenses in connection with the Rights Issue of approximately £6.3 million.
- (4) It is estimated that \$108.5 million (£81 million) will be drawn under the existing revolving credit facilities of the Group to fund an equivalent amount of the purchase consideration.

No interest charge adjustments have been made to the unaudited pro forma income statements.

- (5) The unaudited pro forma statement of net assets has been prepared on the basis that the acquisition of Liquidnet will be accounted for using the acquisition method. The excess of consideration over the book value of assets acquired has been reflected as a net intangible asset arising on consolidation less the reversal of previously recognised intangible assets of Liquidnet.

For the purposes of this pro forma, no account has been taken of any Completion of the Liquidnet Acquisition date settlement adjustments under the terms of the acquisition. These adjustments can only be performed as at the date of Completion of the Liquidnet Acquisition and may be material.

- (i) The estimated undiscounted purchase consideration is \$650 million. Of that, the amount of deferred contingent consideration is estimated to be \$75 million and is dependent on the performance of the business over a three year period post Completion of the Liquidnet Acquisition and may therefore be materially different. Deferred amounts are discounted at 13.4 per cent. and are set out in (ii) below.

- (ii) The intangible assets on this basis has been calculated as follows:

	<u>No. of shares (m)</u>	<u>Share price (p)</u>	<u>\$million (undiscounted)</u>	<u>\$million (discounted)</u>	<u>£million</u>
Consideration settled in shares (at date closing price) . .	135.0642747	235.0	425.0	425.0	317.4
Estimated expenses in connection with the Rights Issue			(8.5)	(8.5)	(6.3)
			416.5	416.5	311.1
Consideration settled in cash			108.5	108.5	81.0
Vendor Loan Notes (\$50m undiscounted)			50	34.3	25.6
Fair value of deferred consideration (\$75m undiscounted)			75	51.4	38.4
			650.0	610.7	456.1
Net assets as at 30 September 2020					(181.6)
Net intangible assets arising on consolidation					274.5

- (6) The unaudited pro forma statement of net assets does not include any adjustments which would be required to restate the assets and liabilities of the Liquidnet Group to their fair values, nor any associated deferred tax adjustments. The fair value measurements of the acquired assets, including the recognition of separately identifiable intangible assets, if any, and liabilities will only be performed as at the date of Completion of the Liquidnet Acquisition and may be material.
- (7) £16.5 million is the estimated transaction related costs which do not qualify to be capitalised as part of the estimated purchase consideration. An adjustment for the full estimated cost has been made to include these estimated expenses because the unaudited pro forma income statement for the year ended 31 December 2019 has been prepared as if the transaction had completed at the start of the period stated.

Some of these estimated costs were recorded as expenses in the Group income statement for the nine months ended 30 September 2020. Therefore, a further adjustment has been made to include the remainder.

These expenses are non-recurring in nature and are not expected to have a continuing impact on the consolidated results. The estimated tax benefit of the above adjustment is £0.6 million in the pro forma income statements for the year to 31 December 2019 and £0.2 million in the nine month period to 30 September 2020 based on current corporation tax rates.

- (8) The unaudited pro forma income statements do not include amortisation of intangible assets on acquisition as this will not be determined until the purchase price allocation exercise is completed.
- (9) There are no material differences in the accounting policies applied by the Group and those applied by the Liquidnet Group under IFRS as presented in Part XIX “*Historical Financial Information of the Liquidnet Group*” in the TP ICAP Prospectus.
- (10) No account has been taken of any trading of the Group or of the Liquidnet Group after 30 September 2020.

SECTION B — ACCOUNTANT’S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

Deloitte LLP
1 New Street Square
London
EC4A 3HQ

The Board of Directors
on behalf of TP ICAP Group plc (Jersey registered)
22 Greenville Street
St Helier
Jersey
JE4 8PX

HSBC Bank plc
8 Canada Square
London
E14 5HQ

7 January 2021

Dear Sirs/Mesdames

TP ICAP Group plc (Jersey registered) (the “Company”)

We report on the pro forma financial information (the “**Pro forma financial information**”) set out in Part XIV of the prospectus dated 7 January 2021 (the “**Prospectus**”), which has been prepared on the basis described in the notes thereto, for illustrative purposes only, to provide information about how the acquisition of Liquidnet Holdings, Inc. by TP ICAP might have affected the financial information presented on the basis of the accounting policies to be adopted by the Company in preparing the financial statements for the nine months interim period ended 30 September 2020. This report is required by the UK version of the Commission delegated regulation (EU) 2019/980 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the “**Prospectus Delegated Regulation**”) and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the “**Directors**”) to prepare the Pro forma financial information in accordance with Annex 20 sections 1 and 2 of the Prospectus Delegated Regulation.

It is our responsibility to form an opinion, as to the proper compilation of the Pro forma financial information and to report that opinion to you in accordance with Annex 20 section 3 of the Prospectus Delegated Regulation.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1 item 1.3 of the Prospectus Delegated Regulation, consenting to its inclusion in the Prospectus.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards or practices.

Opinion

In our opinion:

- (a) the Pro forma financial information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that to the best of our knowledge, the information contained in this report is, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex 1 item 1.2 of the Prospectus Delegated Regulation.

Yours faithfully

Deloitte LLP

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom. Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients.

PART XV
CAPITALISATION AND INDEBTEDNESS

The following tables should be read in conjunction with the information appearing elsewhere in this Prospectus, including the financial and other information in Part XIII “Operating and Financial Review” and Part VIII “Information on New TP ICAP and the Group”.

1. CAPITALISATION AND INDEBTEDNESS STATEMENT OF THE GROUP

The following table shows the capitalisation of the Group. The information on current and non-current debt, and Shareholders’ equity has been extracted without material adjustment from the unaudited accounting records of TP ICAP as at 31 October 2020.

	As at 31 October 2020 <i>(unaudited)</i> <i>(£ million)</i>
Total current debt	
Guaranteed	—
Secured	
Overdrafts ⁽¹⁾	(11)
Lease liabilities	(26)
Unguaranteed/Unsecured	
Current bank debt ⁽²⁾	(55)
Fixed rate loans — accrued interest ⁽⁴⁾	(12)
Loans from related party	(37)
Total current financial indebtedness	(141)
Total non-current debt	
Guaranteed	—
Secured	
Lease liabilities	(188)
Unguaranteed/Unsecured	
Fixed rate loans ⁽⁵⁾	(679)
Total non-current financial indebtedness	(867)
	As at 31 October 2020 <i>(unaudited)</i> <i>(£ million)</i>
Shareholders’ equity	
Share capital	141
Share premium	17
Merger reserve	1,384
Other reserves ⁽³⁾	(1,194)
Retained earnings	1,400
Equity attributable to equity holders of TP ICAP	1,748
Non-controlling interests	20
Total equity	1,768

Notes:

- (1) Overdrafts arising as a result of settling security transactions pending the completion of the onward sale.
- (2) Relates to amounts drawn down on the Group’s bank revolving credit facility.
- (3) Other reserves include acquisition reserve, revaluation reserve, hedging and translation, and own shares.
- (4) Relates to the accrued interest on the 2024 Notes and 2026 Notes.
- (5) Relates to outstanding principal balance less the unamortised debt issue costs of 2024 Notes and 2026 Notes.

Since 31 October 2020, there has been no material change in the capitalisation of the Group.

The following table shows the net financial indebtedness of the Group as at 31 October 2020. This information has been extracted without material adjustment from the unaudited accounting records of the Group as at 31 October 2020.

	As at 31 October 2020 <i>(unaudited)</i> <i>(£ million)</i>
Cash	699
Cash equivalents	6
Liquidity	705
Current financial receivable ⁽¹⁾	153
Current bank debt ⁽²⁾	(55)
Overdrafts ⁽³⁾	(11)
Fixed rate loans — accrued interest ⁽⁴⁾	(12)
Loans from related party	(37)
Lease liabilities	(26)
Current financial debt	(141)
Net current funds	717
Fixed rate loans — principal ⁽⁵⁾	(681)
Fixed rate loans — unamortised debt issue costs ⁽⁶⁾	2
Lease liabilities	(188)
Non-current financial indebtedness	(867)
Net debt	(150)

Notes:

- (1) Financial investments comprise short term government securities, term deposits and restricted funds held with banks and clearing organisations.
- (2) Relates to amounts drawn down on the Group's Syndicated RCF.
- (3) Overdrafts arising as a result of settling security transactions pending the completion of onward sale.
- (4) Relates to the accrued interest on the 2024 Notes and 2026 Notes.
- (5) Relates to outstanding principal balance of 2024 Notes and 2026 Notes.
- (6) Relates to unamortised debt issue costs of 2024 Notes and 2026 Notes.

The Group has no material indirect or contingent indebtedness as at 31 October 2020.

2. CAPITALISATION AND INDEBTEDNESS STATEMENT OF NEW TP ICAP

As at 5 January 2021, New TP ICAP had no outstanding indebtedness and zero net financial indebtedness.

As at 5 January 2021, New TP ICAP's total capitalisation was 50 pence divided into two New TP ICAP Ordinary Shares (each of which had been issued and credited as fully paid.)

PART XVI
ADDITIONAL INFORMATION

1. RESPONSIBILITY

New TP ICAP and the Directors (whose names appear in the section headed “Directors” in Part XI “*Directors and Corporate Governance*”) accept responsibility for the information contained in this Prospectus. To the best of the knowledge of New TP ICAP and the Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

2. INCORPORATION AND REGISTERED OFFICE OF NEW TP ICAP

- 2.1 New TP ICAP was incorporated and registered in Jersey on 23 December 2019 under the Jersey Companies Law as a public company limited by shares under the name “TP ICAP Group plc” with registered number 130617.
- 2.2 New TP ICAP operates under the Jersey Companies Law and subordinate legislation made under the Jersey Companies Law.
- 2.3 The registered office of New TP ICAP is 22 Grenville Street, St Helier, Jersey JE4 8PX and its principal place of business is in Jersey. New TP ICAP’s telephone number is +44 (0)1534 676 720, and its LEI is 2138006YAA7IRVKKGE63. New TP ICAP’s website is www.tpicap.com.
- 2.4 New TP ICAP has not traded since incorporation.

3. SHARE CAPITAL OF NEW TP ICAP

- 3.1 As at 5 January 2021 (being the latest practicable date prior to publication of this Prospectus), the issued share capital of New TP ICAP was 50 pence divided into two New TP ICAP Ordinary Shares (each of which has been issued and credited as fully paid). The aggregate nominal value of the issued ordinary share capital of New TP ICAP immediately following the Scheme becoming Effective is expected to be £197,167,733 divided into 788,670,932 New TP ICAP Ordinary Shares of 25 pence each (based on the issued ordinary share capital of TP ICAP as at 5 January 2021 and on the basis that all TP ICAP Rights Issue Shares are issued), all of which will be issued and credited as fully paid.
- 3.2 The share capital history of New TP ICAP is as follows:
 - 3.2.1 On incorporation the issued share capital of New TP ICAP was 50 pence divided into two ordinary shares of 25 pence each (the “**New TP ICAP Subscriber Shares**”), issued to Maurant Fiduciary (Jersey) Limited and Maurant Governance Services (Jersey) Limited.
 - 3.2.2 Following incorporation, Nicolas Breteau acquired one New TP ICAP Subscriber Share from Maurant Governance Services (Jersey) Limited and Robin Stewart acquired one New TP ICAP Subscriber Share from Maurant Fiduciary (Jersey) Limited.
 - 3.2.3 Immediately prior to publication of this Prospectus, the issued share capital of New TP ICAP was 50 pence, comprising two New TP ICAP Subscriber Shares (each of which has been issued and credited as fully paid).
 - 3.2.4 It is anticipated that, prior to the Scheme Effective Date, the following resolutions will be passed by the New TP ICAP Subscriber Shareholders (with any such amendments as may be deemed necessary by the Directors):
 - (a) THAT the New TP ICAP Articles be adopted by New TP ICAP in substitution for and to the exclusion of its current articles of association.
 - (b) THAT the Directors be generally and unconditionally authorised to exercise all or any of the powers of New TP ICAP to allot and issue shares in New TP ICAP up to an aggregate nominal amount equal to the aggregate nominal amount of TP ICAP Ordinary Shares in issue immediately before the Scheme becomes Effective.
 - (c) THAT, subject to and conditional upon the Scheme becoming Effective, the Directors be generally and unconditionally authorised to exercise all or any of the powers of New TP

ICAP pursuant to Article 6 of the New TP ICAP Articles to allot shares in New TP ICAP or to grant rights to subscribe for or to convert any security into shares in New TP ICAP:

- (i) up to an aggregate nominal amount of £46,944,698.25 (such amount to be reduced by the nominal amount of any equity securities (as defined in the New TP ICAP Articles) allotted under paragraph (ii) below in excess of £46,944,698.25); and
- (ii) comprising equity securities up to a maximum nominal amount of £93,889,396.50 (such amount to be reduced by any shares allotted or rights granted under paragraph (i) above) in connection with an offer by way of a rights issue (as defined in the New TP ICAP Articles),

(together, the “**Securities**”),

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, such authorities to expire (unless previously renewed, varied or revoked by New TP ICAP in general meeting) on the earlier of the conclusion of the Annual General Meeting of New TP ICAP to be held in 2021 or the close of business on 30 June 2021 but, in each case, so that New TP ICAP may make offers and enter into agreements before the authorities expire which would, or might, require Securities to be allotted after the authorities expire and the Directors may allot Securities under any such offer or agreement as if the authorities conferred hereby had not expired. References to the nominal amount of rights to subscribe for or to convert any security into shares (including where such rights are referred to as equity securities) are to the nominal amount of shares that may be allotted pursuant to the rights.

- (d) THAT subject to and conditional upon the Scheme becoming Effective, in addition to any authority granted by the resolution set out at paragraph (c) above, the Directors be empowered, pursuant to Article 8 of the New TP ICAP Articles, to allot equity securities (as defined in the New TP ICAP Articles) for cash pursuant to the authority conferred by the resolution referred to at (c) above and/or sell New TP ICAP Ordinary Shares to New TP ICAP as treasury shares for cash, provided that such authority shall be limited to the allotment of equity securities having a nominal amount not exceeding in aggregate £7,041,704.75 (other than in connection with a rights issue (as defined in the New TP ICAP Articles)), as if Article 7(b) of the New TP ICAP Articles did not apply to such allotment or sale, and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, such power to apply (unless previously renewed, varied or revoked by New TP ICAP in general meeting) until the earlier of the conclusion of the Annual General Meeting of New TP ICAP to be held in 2021 or the close of business on 30 June 2021, but in each case, so that New TP ICAP may make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted after the power expires and the Directors may allot equity securities under any such offer or agreement as if the power conferred hereby had not expired.
- (e) THAT, subject to and conditional upon the Scheme becoming Effective and in addition to any authority granted by the resolution set out at (d) above, the Directors be authorised, pursuant to Article 8 of the New TP ICAP Articles, to allot equity securities for cash under the authority given by the resolution at (c) above and/or to sell New TP ICAP Ordinary Shares held by New TP ICAP as treasury shares for cash as if Article 7(b) of the New TP ICAP Articles did not apply to such allotment or sale, provided that such authority shall be:
 - (i) limited to the allotment of equity securities shares up to a nominal amount of £7,041,704.75; and
 - (ii) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently

published by the Pre-Emption Group prior to the date of the passing of the resolution,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, such power to apply (unless previously renewed, varied or revoked by New TP ICAP in general meeting) until the earlier of the conclusion of the Annual General Meeting of New TP ICAP to be held in 2021 and the close of business on 30 June 2021 but, in each case, so that New TP ICAP may make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted after the power expires and the Directors may allot equity securities under any such offer or agreement as if the power conferred hereby had not expired.

- (f) THAT subject to and conditional upon the Scheme becoming Effective, New TP ICAP be generally and unconditionally authorised:
 - (i) pursuant to Article 57 of the Jersey Companies Law, to make market purchases of New TP ICAP Ordinary Shares on such terms and in such manner as the Directors may determine, provided that:
 - (A) the maximum number of New TP ICAP Ordinary Shares which may be purchased is 56,333,638;
 - (B) the minimum price which may be paid for each New TP ICAP Ordinary Share is 25 pence (exclusive of expenses payable by New TP ICAP in connection with the purchase);
 - (C) the maximum price which may be paid for a New TP ICAP Ordinary Share (exclusive of expenses payable by New TP ICAP in connection with the purchase) is an amount equal to the higher of:
 - (1) 105 per cent. of the average of the middle market quotations for New TP ICAP Ordinary Shares derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such shares are contracted to be purchased; and
 - (2) an amount equal to the higher of the price of the last independent trade of a New TP ICAP Ordinary Share and the highest current independent bid for a New TP ICAP Ordinary Share on the London Stock Exchange Trading System; and
 - (D) the authority shall expire on the earlier of the conclusion of the Annual General Meeting of New TP ICAP to be held in 2021 or the close of business on 30 June 2021 (except that New TP ICAP may make a contract or contracts to purchase New TP ICAP Ordinary Shares under this authority before such authority expires, which will or may be executed wholly or partly after the expiry of such authority, and may make purchases of New TP ICAP Ordinary Shares in pursuance of any such contract as if such authority had not expired); and
 - (ii) pursuant to Article 58A of the Jersey Companies Law, to hold, if New TP ICAP so desires, as treasury shares any New TP ICAP Ordinary Shares purchased pursuant to the authority conferred in paragraph (f)(i) above.
- (g) THAT the Directors be authorised to call general meetings of New TP ICAP other than annual general Meetings on not less than 14 clear days' notice, provided that this authority shall expire at the conclusion of the Annual General Meeting to be held in 2021.
- (h) THAT, subject to and conditional upon the Scheme becoming Effective, New TP ICAP and any company which is or becomes a subsidiary of New TP ICAP at any time during the

period to which this resolution (g) relates be authorised for the purposes of Section 366 of the Companies Act 2006 to:

- (i) make political donations to political parties or independent election candidates (as such terms are defined in Sections 363 and 364 of the Companies Act 2006), not exceeding £100,000 in total;
- (ii) make political donations to political organisations other than political parties (as such terms are defined in Sections 363 and 364 of the Companies Act 2006), not exceeding £100,000 in total; and/or
- (iii) to incur political expenditure (as such term is defined in Section 365 of the Companies Act 2006), not exceeding £100,000 in total,

during the period beginning with the date of the passing of this resolution and ending with the conclusion of the next Annual General Meeting of New TP ICAP to be held in 2021 or the close of business on 30 June 2021 (whichever is earlier), provided that the combined aggregate amount of donations made and political expenditure incurred pursuant to such authority shall not exceed £100,000 and that the maximum amounts referred to in (i), (ii) and (iii) above may comprise sums in different currencies which shall be converted at such rate as the Directors may in their absolute discretion determine to be appropriate.

- (i) THAT subject to and conditional upon:
 - (i) the passing of the resolutions approving the Scheme and providing confirmatory approval of the New TP ICAP Reduction of Capital as set out in the Notice of General Meeting;
 - (ii) the New TP ICAP Ordinary Shares having been allotted and issued and registered in the names of the persons entitled to such New TP ICAP Ordinary Shares in New TP ICAP's register of members pursuant to the resolution in sub-paragraph (b) above; and
 - (iii) the Scheme becoming Effective,
the amount standing to the credit of New TP ICAP's share premium account (including the amount arising upon the allotment and issue of the New TP ICAP Ordinary Shares pursuant to the Scheme) on the date on which the Scheme becomes effective be cancelled and such amount be credited to a reserve of profit to be available to New TP ICAP to be: (i) distributed by New TP ICAP from time to time as dividends in accordance with the Jersey Companies Law and the New TP ICAP Articles; or (ii) applied by New TP ICAP from time to time toward any other lawful purpose to which such a reserve may be applied.
- (j) THAT New TP ICAP purchase from Nicolas Breteau one fully paid New TP ICAP Ordinary Share (the "**NB Share**") in New TP ICAP registered in his name in New TP ICAP's register of members for an aggregate cash consideration of 25 pence pursuant to the purchase contract referred to in the resolution in sub-paragraph (k) below.
- (k) THAT the purchase contract relating to the purchase of the NB Share from Nicolas Breteau be approved.
- (l) THAT New TP ICAP purchase from Robin Stewart one fully paid New TP ICAP Ordinary Share (the "**RS Share**") in New TP ICAP registered in his name in New TP ICAP's register of members for an aggregate cash consideration of 25 pence pursuant to the purchase contract referred to in the resolution in sub-paragraph (m) below.
- (m) THAT the purchase contract relating to the purchase of the RS Share from Robin Stewart be approved.

3.2.5 Save as disclosed in this paragraph 3 (Share Capital Of New TP ICAP), at the date of this Prospectus:

- (a) there has been no issue of shares or loan capital of New TP ICAP since its incorporation; and
- (b) no share or loan capital of New TP ICAP is under option or agreed to be put under option.

3.3 At the date of this Prospectus, other than TP ICAP Holdings, New TP ICAP has no subsidiaries and there has been no material issue of share or loan capital by TP ICAP Holdings for cash or other consideration.

- 3.4 The New TP ICAP Ordinary Shares are, or will, when issued, be, in registered form and capable of being held in uncertificated form. No temporary documents of title have been or will be issued in respect of the New TP ICAP Ordinary Shares. The New TP ICAP Ordinary Shares rank *pari passu* for dividends.
- 3.5 The New TP ICAP Ordinary Shares have not been marketed and are not available in whole or in part to the public otherwise than pursuant to the Scheme.
- 3.6 No commissions, discounts, brokerages or other special terms have been granted in respect of the issue of any share capital of New TP ICAP.
- 3.7 As at 5 January 2021 (being the latest practicable date prior to the publication of this Prospectus), New TP ICAP held no treasury shares. No New TP ICAP Ordinary Shares have been issued other than as fully paid.
- 3.8 Accordingly, based on the issued ordinary share capital of TP ICAP as at 5 January 2021, and on the basis that all TP ICAP Rights Issue Shares are issued, the proposed issued and fully paid share capital of New TP ICAP as it will be immediately following the New TP ICAP Reduction of Capital becoming effective is as follows:

<u>Class</u>	<u>Issued and fully paid number</u>	<u>Issued and fully paid aggregate nominal value</u>
New TP ICAP Ordinary Shares	788,670,932	197,167,733

The New TP ICAP Ordinary Shares will be registered with ISIN number JE00BMDZN391 and SEDOL number BMDZN39.

4. SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN ENGLISH AND JERSEY COMPANY LAW

- 4.1 There are a number of differences between the Companies Act and the Jersey Companies Law which could impact upon the rights of New TP ICAP Shareholders. However, where it was thought appropriate to confer similar rights on and protections to holders of New TP ICAP Shares, and where permitted under Jersey Companies Law, provisions to enshrine rights that are not conferred by Jersey Companies Law, but which shareholders in a company listed on the London Stock Exchange would normally expect, have been incorporated into the New TP ICAP Articles. These provisions are marked with an asterisk in the summary setting out the key provisions of the New TP ICAP Articles in paragraph 5 (Summary Of The New TP ICAP Articles).
- 4.2 Certain key differences between the Companies Act and the Jersey Companies Law are set out below, together with commentary on how these differences will be addressed by New TP ICAP:
- (a) The Jersey Companies Law provisions on directors' conflicts of interest are less onerous than under the Companies Act. Under the Companies Act, subject to statutory provisions and an interest being duly declared, a director shall not be disqualified by his office from entering into any contract with a company. Statutory limits apply on a director intending to vote on any resolution relating to any contract in which he knows he has a material interest. The New TP ICAP Articles include provisions on directors' conflicts that mirror the Companies Act requirements (as summarised in paragraph 5.15.7 (***Directors' interests****)).
 - (b) Under the Companies Act, shareholders have a right to remove the directors of a company from the board. There is no such right under the Jersey Companies Law. The New TP ICAP Articles include equivalent provisions to those contained in the current articles of TP ICAP so that shareholders will retain the right to remove the directors of New TP ICAP (as summarised in paragraph 5.15.5 (***Removal by ordinary resolution****)).
 - (c) The Jersey Companies Law does not confer pre-emption rights on shareholders relating to new share issues. The New TP ICAP Articles include provisions for pre-emption rights that mirror the Companies Act requirements (as summarised in paragraph 5.7.3 (Authority to allot shares and disapplication of pre-emption rights*)).
 - (d) The directors of a Jersey company do not need the approval of shareholders to issue and allot shares. The New TP ICAP Articles include provisions requiring shareholder approval to issue

and allot shares that mirror the provisions under the Companies Act (as summarised in paragraph 5.7.3 (Authority to allot shares and disapplication of pre-emption rights*)).

- (e) There is no minimum capital requirement for Jersey public limited companies. In addition, Jersey law allows for partly paid shares to be allotted by a public company even if they are not paid up to at least one quarter of their nominal value. In relation to the latter point, listed companies do not issue shares that are not fully paid, and therefore the more onerous English law provision has not been reflected in the New TP ICAP Articles.
- (f) Under English law, a special resolution requires 75 per cent. majority, whereas under Jersey law the threshold can be set (in the company's articles) at any threshold so long as it is at least a two thirds majority. The New TP ICAP Articles state that a 75 per cent. majority is required to pass a special resolution (as summarised in paragraph 5.6 (Special resolutions*)).
- (g) Pursuant to the Jersey Companies Law, a Jersey company may make a distribution to shareholders from any source (other than nominal capital account and capital redemption reserve). Accordingly, a distribution can be made from a share premium account and/or from a profit and loss account, even where a company has accumulated losses. A Jersey company is therefore technically permitted to make distributions to shareholders without reference to distributable reserves. Instead, pursuant to the Jersey Companies Law, the directors approving the distribution must make a 12 month forward-looking cash flow solvency statement in connection with the making of any distribution. These Jersey statutory provisions, rather than the Companies Act provisions, will apply to New TP ICAP.
- (h) Any increase in the authorised share capital of a company requires a special resolution under Jersey law whereas the concept of authorised share capital no longer exists under English law. The authorised share capital of New TP ICAP in the New TP ICAP Articles will be set at £5,000,000,000 divided into 20,000,000,000 New TP ICAP Ordinary Shares. This is significantly higher than the current share capital of TP ICAP which, as at 5 January 2021 (being the latest practicable date prior to publication of this Prospectus), was £140,834,095, and should provide sufficient headroom for New TP ICAP to issue shares in the future without having to increase the authorised share capital limit. Separately, upon incorporation of New TP ICAP, the Jersey Financial Services Commission granted the New TP ICAP a consent under Article 2 of the Control of Borrowing (Jersey) Order to issue an unlimited number of shares. Notwithstanding the foregoing, any allotments of shares in New TP ICAP will still be subject to the pre-emption regime referred to in paragraph (c) above.
- (i) The general circumstances in which the Jersey Companies Law permits a Jersey company to indemnify its directors in respect of liabilities incurred by the directors in carrying out their duties are limited in a similar manner to those in the UK. There is however no general prohibition on the granting of loans by a company to its directors (but directors remain subject to fiduciary duties when considering the grant of any such loans) and any costs incurred in defending any proceedings which relate to anything done or omitted to be done by that director in carrying out his duties may be funded by way of loans. Any such loan shall be repayable by the Director in the event that the indemnity is not available to reimburse such costs incurred. The New TP ICAP indemnity in favour of its Directors is broadly consistent with indemnity protection that the Directors currently receive from TP ICAP and consistent with indemnification customarily provided for by an English company to its directors.
- (j) The Jersey Companies Law does not require the directors of a Jersey company to disclose to the company their beneficial ownership of any shares in the company. The Directors will however be subject to the directors' interest provisions in the New TP ICAP Articles (as summarised in paragraph 5.15.7 (Directors' interests*)), the obligations that apply to them under the Disclosure Guidance and Transparency Rules, and the Market Abuse Regulation.
- (k) Under Chapter 5 of the Disclosure Guidance and Transparency Rules, a person must notify an issuer of the percentage of voting rights that it holds as shareholder (or holds or is deemed to hold through its direct or indirect holding of financial instruments) if, as a result of an acquisition or disposal of shares or financial instruments, the percentage of those voting rights reaches, exceeds or falls below certain thresholds. In the case of issuers that are not "non-UK issuers", these thresholds are 3% and each 1% above 3% up to 100%. For "non-UK issuers", the thresholds are 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75%. For the purposes of Chapter 5 of the Disclosure Guidance and Transparency Rules, TP ICAP is an "issuer" and

not a “non-UK issuer”, but New TP ICAP would be considered a “non-UK issuer”. The New TP ICAP Articles include provisions that require members to comply with the notification obligations set out in Chapter 5 of the Disclosure Guidance and Transparency Rules as if New TP ICAP were an “issuer” and not a “non-UK issuer”.

- (l) The Jersey Companies Law does not grant the directors of a Jersey company a statutory power to request information concerning the beneficial ownership of shares. The New TP ICAP Articles include provisions that grant the Directors such rights so as to mirror the relevant Companies Act provisions.
- (m) Under the Jersey Companies Law, shareholders holding not less than 10 per cent. of the total voting rights of the shareholders of the company may requisition a meeting of shareholders, whereas under the Companies Act this right may be exercised by shareholders representing at least 5 per cent. of the paid up voting capital of the company. The Jersey Companies Law provisions have been retained in the New TP ICAP Articles.
- (n) Under the Companies Act, annual general meetings are called by not less than 21 clear days’ notice in writing. Any other general meetings are called on not less than 14 clear days’ notice in writing. Under the Jersey Companies Law, the minimum notice period for the convening of all general meetings is 14 days. The New TP ICAP Articles include minimum notice periods for annual general meetings and other general meetings which reflect the position under the Companies Act (as summarised in paragraph 5.13.1 (Notice of general meetings*)).
- (o) A UK incorporated public limited company cannot implement a reduction of capital without court approval. A Jersey incorporated public limited company may implement a reduction of capital (whether to create distributable reserves or otherwise) by a special resolution of its shareholders and a solvency statement from its directors, without the need for court approval.
- (p) Under the Companies Act, a UK incorporated public limited company (and its subsidiaries) is prohibited from granting financial assistance for the purchase of its own shares. No such prohibition exists in the Jersey Companies Law, however the granting of financial assistance by a Jersey company would be contrary to the fiduciary duties owed by its directors to the company under Jersey law in any case.
- (q) Under the Companies Act, a UK incorporated public limited company may purchase any of its own shares (including any redeemable shares) on market subject to having sufficient distributable profits and following certain procedural requirements. Pursuant to the Jersey Companies Law, a Jersey company may only purchase its own shares on market subject to shareholder approval by special resolution and the directors making a 12 month forward looking cash flow solvency statement. The purchase may be funded from any source. The Directors intend to continue to seek authorisation of the shareholders of New TP ICAP to buy back shares at future annual general meetings of New TP ICAP in the same way TP ICAP has previously.
- (r) The Jersey Companies Law does not confer on members the right to an independent scrutiny of a poll taken at a general meeting, nor does it confer rights on members to require a company to circulate resolutions proposed to be moved by members at the next annual general meeting, or to circulate explanatory statements relating to any matter regarding a proposed resolution at a general meeting, or rights for a nominee holder of shares to have information rights granted to the underlying beneficial owner of the share. These rights will be conferred on the New TP ICAP Shareholders pursuant to the provisions in the New TP ICAP Articles, which reflect the position under the Companies Act (as summarised in paragraph 5.13.4 (Independent report on poll*)).
- (s) There is no restriction on donations by a company to political organisations under Jersey law. The restrictions on donations to political organisations set out in the Companies Act have not been incorporated into the New TP ICAP Articles. Under the wide definitions in the Companies Act, expenditure on routine business activities that form part of the normal relationships between TP ICAP and organisations concerned with matters of public policy, law reform and other business matters affecting TP ICAP could have been construed as falling within the Companies Act restrictions on political donations. Accordingly, in the past TP ICAP has sought authority from its shareholders at its annual general meeting to make such political donations, as a precautionary measure to ensure that TP ICAP did not commit

any technical breach that could arise from the uncertainty generated by the wider definition. Therefore, although the Companies Act provisions will not apply to New TP ICAP, as a matter of good practice, the Directors intend to continue to seek approval from shareholders for political donations at the next annual general meeting of New TP ICAP, however this will not be used to make political donations or incur political expenditure within the normal meaning of those expressions.

- (t) Under the Jersey Companies Law, at a meeting of shareholders, a poll may be demanded in respect of any question by: (i) no fewer than five shareholders having the right to vote on the question; or (ii) a shareholder or shareholders representing not less than 10 per cent. of the total voting rights of all shareholders having the right to vote on the question whereas, in addition, under the Companies Act, a shareholder or shareholders representing 10 per cent. of the total sum paid up on all shares giving the right to vote may also demand a poll. The New TP ICAP Articles include provisions that allow shareholders representing 10 per cent. of the total sum paid up on all shares giving the right to vote to also demand a poll in order to reflect the position under the Companies Act.
- (u) Under Jersey law, it is more difficult for shareholders to bring a derivative claim against a company than is the case under the Companies Act. However, Jersey Companies Law contains provisions protecting shareholders from unfair prejudice (which are similar to the Companies Act provisions) and Jersey has (subject to certain exceptions) a broadly similar position under customary law to the common law position under English law. No specific provisions have been included in the New TP ICAP Articles.
- (v) Under Jersey law, the two procedures for dissolving a Jersey company are winding up and *désastre*. Concepts such as receivership, administration and voluntary arrangements do not exist under Jersey law. The concept of a winding up is broadly similar to that under English law, except that under Jersey law, a winding up may only be commenced by the Jersey company and not by one of its creditors. If the company is solvent, the winding up will be a summary winding up. If the company is insolvent, the winding up will be a creditors' winding up. A creditor wishing to dissolve a Jersey company would need to seek to have the company's property declared *en désastre* (literally meaning "in disaster") by a Jersey court. If the company's property is declared *en désastre*, all of the powers and property of the company (whether present or future and whether situated in Jersey or elsewhere) are vested in the Viscount (an officer of the court). The role of the Viscount is similar to that of a liquidator. The Viscount's principal duty is to act for the benefit of the company's creditors. He is not under an obligation to call any creditors' meetings, although he may do so. These provisions will apply to New TP ICAP.

- 4.3 This list does not purport to be exhaustive or to constitute legal advice. Any TP ICAP Shareholder wishing to obtain further information regarding his rights as a New TP ICAP Shareholder under Jersey law should consult his Jersey legal advisers.

5. SUMMARY OF THE NEW TP ICAP ARTICLES

- 5.1 As referred to in paragraph 4 (Summary Of Significant Differences Between English And Jersey Company Law of this Part XVI "Additional Information", there are a number of differences between the Jersey Companies Law and the Companies Act which might impact on the rights of holders of the New TP ICAP Shares. As such, where considered appropriate and subject to the Jersey Companies Law, provisions have been incorporated into the New TP ICAP Articles to enshrine certain rights including, but not limited to, pre-emption rights, that are not conferred by the Jersey Companies Law but which shareholders in a company listed on the London Stock Exchange would normally expect. These provisions are marked with an asterisk in the summary below.
- 5.2 The New TP ICAP Articles are available for inspection at the address specified at paragraph 26 (Documents For Inspection) of this Part XVI "Additional Information".
- 5.3 The New TP ICAP Articles contain the provisions referred to in paragraphs 5.5 (Share capital) to 5.16 (Failure to disclose interests in shares*) below.

5.4 Objects of New TP ICAP

The New TP ICAP Articles do not contain an objects clause, and New TP ICAP's objects are therefore unrestricted.

5.5 Share capital

The share capital of New TP ICAP is divided into ordinary shares of 25 pence each.

5.6 Special resolutions*

A 75 per cent. majority of New TP ICAP Shareholders present and entitled to vote at a general meeting of New TP ICAP is required to pass a special resolution of New TP ICAP.

5.7 Rights attaching to shares

5.7.1 Voting Rights of New TP ICAP Shareholders

Subject to any special rights or restrictions as to voting for the time being attached to any class of shares and subject to disenfranchisement in the event of non-payment of any call or other sum due and payable in respect of any share or non-compliance with any statutory notice requiring disclosure of the beneficial ownership of any shares, on a show of hands every New TP ICAP Shareholder present in person or by proxy has one vote, and where a proxy has been appointed by more than one New TP ICAP Shareholder, such proxy shall have one vote for each way directed by the New TP ICAP Shareholders. On a poll, every New TP ICAP Shareholder present in person or by proxy has one vote for every share of which he is a holder. If more than one of the joint holders of a share tenders a vote on the same resolution, whether in person or by proxy, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote(s) of the other joint holders.

A New TP ICAP Shareholder in respect of whom an order has been made by any court having jurisdiction (whether in Jersey or elsewhere) relating to a mental disorder may vote (whether on a show of hands or on a poll) by any person authorised to do so on that New TP ICAP Shareholder's behalf by such court. Such authorised person may, on a poll, vote by proxy.

5.7.2 Dividends

Subject to the provisions of the Jersey Companies Law, New TP ICAP may, by ordinary resolution, declare a dividend to be paid to the New TP ICAP Shareholders, according to their respective rights and interests in the profits, and may fix the time for payment of such dividend, but no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of the Jersey Companies Law, the Board may pay such interim dividends as appear to the Board to be justified by the financial position of New TP ICAP and may also pay any dividend payable at a fixed rate at intervals settled by the Board whenever the financial position of New TP ICAP, in the opinion of the Board, justifies its payment. If the Board acts in good faith, none of the Directors shall incur any liability to the New TP ICAP Shareholders conferring preferred rights for any loss such holders may suffer in consequence of the payment of an interim dividend on any shares having non-preferred or deferred rights.

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:

- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for these purposes as paid up on the share;
- (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid;
- (c) dividends may be declared or paid in any currency.

No dividend, distribution or other moneys payable by New TP ICAP on or in respect of any share shall bear interest as against New TP ICAP unless otherwise provided by the rights attached to the share. The Board may deduct from any dividend, distribution or other moneys payable to any person (either alone or jointly with another) on or in respect of a share all such sums as may be due from him (either alone or jointly with another) to New TP ICAP on account of calls or otherwise in relation to shares of New TP ICAP.

All unclaimed dividends, interest or other sums payable may be invested or otherwise made use of by the Board for the benefit of New TP ICAP until claimed. All dividends unclaimed for a period of 12 years after having been declared shall be forfeited and cease to remain owing by New TP ICAP. The payment of any unclaimed dividend, interest or other sum payable by New TP ICAP on or in respect of any share into a separate account shall not constitute New TP ICAP a trustee in respect of it. For these purposes, “dividend” and “other sum payable” shall be deemed to include any dividend, or as applicable, any sums payable on or in respect of any share in TP ICAP in consideration for the cancellation of which a share in New TP ICAP was issued.

With the authority of an ordinary resolution of New TP ICAP and on the recommendation of the Board, payment of any dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company.

Where any difficulty arises with the distribution, the Board may settle the difficulty as it thinks fit and, in particular, may issue fractional certificates (or ignore fractions), fix the value for distribution of the specific assets (or any part of them, determine that cash payments be made to any members on the basis of the value so fixed in order to secure equality of distribution and vest any of the specific assets in trustees on such trusts for the persons entitled to the dividend as the board may think fit.

The Board may, with the authority of an ordinary resolution, offer New TP ICAP Shareholders the right to elect to receive New TP ICAP Ordinary Shares, credited as fully paid, instead of cash in respect of all (or some part) of any dividend specified by the ordinary resolution (a “**scrip dividend**”) in accordance with the New TP ICAP Articles. The ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period, but such period may not end later than five years after the date of the meeting at which the ordinary resolution is passed.

The basis of allotment shall be decided by the Board so that, as nearly as may be considered convenient, the value of the further New TP ICAP Ordinary Shares, including any fractional entitlement, is equal to the amount of the cash dividend which would otherwise have been paid (disregarding the amount of any associated tax credit).

The dividend or that part of it in respect of which an election for the scrip dividend is made shall not be paid and instead further New TP ICAP Ordinary Shares shall be allotted in accordance with elections duly made and the Board shall capitalise a sum equal to the aggregate nominal amount of the New TP ICAP Ordinary Shares to be allotted out of such sums available for the purpose as the Board may consider appropriate.

The further New TP ICAP Ordinary Shares so allotted shall rank *pari passu* in all respects with the fully paid New TP ICAP Ordinary Shares then in issue except as regards participation in the relevant dividend.

The Board may decide that the right to elect for any scrip dividend shall not be made available to New TP ICAP Shareholders resident in any territory where, in the opinion of the Board, compliance with local laws or regulations would be unduly onerous.

The Board may do all acts and things as it considers necessary or expedient to give effect to the provisions of a scrip dividend election and the issue of any New TP ICAP Ordinary Shares in accordance with the provisions of the New TP ICAP Articles, and may make such provisions as it thinks fit for the case of shares becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of fractional entitlements accrues to New TP ICAP rather than to the members concerned).

The Board shall not make a scrip dividend available unless New TP ICAP has sufficient undistributed profits or reserves to give effect to elections which could be made to receive that scrip dividend.

The Board may decide at any time before the further New TP ICAP Ordinary Shares are allotted that such shares shall not be allotted and pay the relevant dividend in cash instead. Such decision may be made before or after any election has been made by holders of New TP ICAP Ordinary Shares in respect of the relevant dividend.

New TP ICAP may pay any dividend or other sum payable in respect of a share by such method as the Board may decide. The Board may decide to use different methods of payment from different New TP ICAP Shareholders or groups of New TP ICAP Shareholders. Without limiting any other method of payment which the Board may decide upon, the Board may decide that payment can be made, wholly

or partly and exclusively or optionally: (i) by cheque or warrant; (ii) by a bank or other funds transfer system or by such other electronic means as the Board may decide (including, in the case of an uncertificated share, a relevant system) (a “**Transfer**”); or (iii) in such other way as may be agreed between New TP ICAP and the New TP ICAP Shareholder.

If the Board decide that a dividend or other sum payable in respect of a New TP ICAP Ordinary Share will be made exclusively by a Transfer to an account, but no such account is nominated by the New TP ICAP Shareholder or if an attempted payment into a nominated account is rejected or refunded, New TP ICAP may treat that dividend or other sum payable as unclaimed.

Every cheque or warrant is sent, and payment in any other way is made, at the risk of the person or persons entitled to it and New TP ICAP will not be responsible for any sum lost or delayed when it has sent or transmitted the sum in accordance with the New TP ICAP Articles. Clearance of a cheque or warrant or transmission of funds through a bank or other funds transfer system or by such other electronic means as is permitted by the New TP ICAP Articles shall be a good discharge to New TP ICAP.

Any joint holder or other person jointly entitled to a New TP ICAP Ordinary Share may give an effective receipt for any dividend or other sum paid in respect of that New TP ICAP Ordinary Share.

5.7.3 Authority to allot shares and disapplication of pre-emption rights*

New TP ICAP may, subject to the New TP ICAP Articles, from time to time pass an ordinary resolution authorising the Board to exercise all of the powers of New TP ICAP to allot shares up to the nominal amount specified in the resolution. The authority shall expire on the day specified in the resolution, not being more than five years after the date on which the resolution is passed.

Subject to the New TP ICAP Articles or unless otherwise directed by way of a special resolution, no equity securities in the authorised capital of New TP ICAP shall be allotted and issued wholly for cash unless all equity securities to be allotted and issued shall first be offered on the same or more favourable terms to the New TP ICAP Shareholders in proportion to their existing holding. This shall not apply to (i) any equity securities or options which may be granted or allotted in accordance with the New TP ICAP employee share scheme or to the issue of equity securities pursuant to the exercise of any such options; (ii) the allotment of bonus shares; or (iii) the allotment and issue of any equity securities for a consideration that is wholly or partly otherwise than cash.

On the passing of a special resolution, the New TP ICAP Board shall have power to allot equity securities wholly for cash as if the pre-emption rights set out in the New TP ICAP Articles did not apply but that power shall be limited: (i) to the allotment of equity securities in connection with a rights issue; and (ii) to the allotment (other than in connection with a rights issue) of equity securities having a nominal amount not exceeding in aggregate the sum specified in the special resolution.

5.7.4 Purchase of own shares*

Subject to the provisions of the Jersey Companies Law and to any rights conferred on the holders of any class of shares, New TP ICAP may purchase all or any of its shares of any class, including any redeemable shares. Subject to Jersey law, New TP ICAP may hold as treasury shares any shares purchased or redeemed by it.

5.7.5 Return of capital

If New TP ICAP is in liquidation, the Board or the liquidator (as the case may be) may, with the authority of a special resolution and on obtaining any sanction required by the Jersey Companies Law, divide among the New TP ICAP Shareholders in specie the whole or any part of the assets of New TP ICAP and, for that purpose, value any assets and determine how the division shall be carried out as between the New TP ICAP Shareholders or different classes of New TP ICAP Shareholders. The Board or the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the New TP ICAP Shareholders as the Board or the liquidator (as the case may be), with the like sanction, shall think fit but no New TP ICAP Shareholder shall be compelled to accept any assets upon which there is any liability.

5.8 Transfer of shares

5.8.1 Certificated Shares

Subject to the New TP ICAP Articles, any New TP ICAP Shareholder may transfer a certificated share in any usual form, or in such other form as the Board may approve and shall be signed by or on behalf of the transferor and (in the case of a share which is unpaid or not fully paid) by or on behalf of the transferee. The Board may, in its absolute discretion, refuse to register any instrument of transfer of a certificated share which is not fully paid up but, in the case of a class of shares which has been admitted to official listing by the Financial Conduct Authority, not so as to prevent dealings in those shares from taking place on an open and proper basis; or on which New TP ICAP has a lien. The Board may also refuse to register any instrument of transfer of a certificated share unless it is:

- (a) left at the office, or at such other place as the Board may decide, for registration;
- (b) accompanied by the certificate for the shares to be transferred and such other evidence (if any) as the board may reasonably require to prove the title of the intending transferor or his right to transfer the shares; and
- (c) in respect of only one class of shares.

All instruments of transfer which are registered may be retained by New TP ICAP, but any instrument of transfer which the Board refuses to register shall (except in any case where fraud or any other crime involving dishonesty is suspected in relation to such transfer) be returned to the person presenting it.

If the Board refuses to register a transfer of a certificated share it shall, as soon as practicable and in any event within two months after the date on which the instrument of transfer was lodged, give to the transferee notice of the refusal, together with its reasons for refusal. The Board shall provide the transferee with such further information about the reasons for the refusal as the transferee may reasonably request.

5.8.2 Uncertificated Shares

Subject to Jersey law, the Board may permit any class of shares to be held in uncertificated form and to be transferred by means of a relevant system (as defined in the New TP ICAP Articles) and may revoke any such permission.

The Company shall maintain a record of uncertificated shares in accordance with the Uncertificated Securities Order. Any provisions of the New TP ICAP Articles which are inconsistent with the holding or transfer of an uncertificated share in the manner prescribed or permitted by Jersey law, shall not apply.

5.9 Variation of rights

Whenever the share capital of New TP ICAP is divided into different classes of shares, all or any of the rights for the time being attached to any class of shares in issue may from time to time (whether or not New TP ICAP is being wound up) be varied in such manner as those rights may provide or (if no such provision is made) either with the consent in writing of the holders of 75 per cent. in nominal value of the issued shares of that class or with the authority of a special resolution passed at a separate general meeting of the holders of those shares.

Unless otherwise expressly provided by the rights attached to any class of shares those rights shall not be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them or by the purchase or redemption by New TP ICAP of any of its own shares.

5.10 Lien on partly paid shares

New TP ICAP shall have a first and paramount lien on every share (not being a fully paid share) for all amounts payable (whether or not due) in respect of that share. The lien shall extend to every amount payable in respect of that share. The Board may at any time either generally or in any particular case declare any share to be wholly or partly exempt from this article. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of New TP ICAP's lien (if any) on that share.

5.11 **Forfeiture**

New TP ICAP may serve notice on the New TP ICAP Shareholders in respect of any amounts unpaid on their shares after due date for payment. The New TP ICAP Shareholder shall be given not less than fourteen clear days' notice to pay the unpaid amount. In the event of non-compliance, a share in respect of which the notice is given may be forfeited by resolution of the Board. Such forfeiture shall include all dividends declared and other moneys payable in respect of the forfeited share and not actually paid before the forfeiture. If the share is forfeited notice of the forfeiture shall be given to the relevant New TP ICAP Shareholder. Notwithstanding the forfeiture, amounts owing in respect of forfeited shares (together with all interest and expenses) at the time of forfeiture will continue to be payable, together with interest thereon, by the person ceasing to be a New TP ICAP Shareholder (unless payment is waived in whole or in part by the Board).

Failure to give notice to the relevant New TP ICAP Shareholder will not invalidate the forfeiture. Forfeited shares shall be deemed to be the property of New TP ICAP until they are cancelled in accordance with the Jersey Companies Law.

5.12 **Redeemable Shares**

Subject to Jersey law, any share may be issued on terms that it is to be redeemed or is liable to be redeemed at the option of New TP ICAP or the New TP ICAP Shareholder. The terms, conditions and manner of redemption of such shares may be determined by the Board before the shares are allotted.

5.13 **General Meetings**

5.13.1 **Notice of general meetings***

An annual general meeting shall be called by not less than 21 clear days' written notice. In any other case, provided that conditions A to C (as set out below) are met, all other general meetings of New TP ICAP may be called by not less than 14 clear days' written notice.*

Condition A is that the general meeting is not an annual general meeting.

Condition B is that New TP ICAP offers the facility for New TP ICAP Shareholders to vote by electronic means accessible to all New TP ICAP Shareholders who hold shares that carry rights to vote at general meetings. This condition is met if there is a facility, offered by New TP ICAP and accessible to all such New TP ICAP Shareholders, to appoint a proxy by means of a website.

Condition C is that a special resolution reducing the period of notice to not less than 14 days has been passed:

- (a) at the immediate preceding annual general meeting; or
- (b) at a general meeting held since the annual general meeting.

Condition C shall not apply in relation to any general meeting to be held prior to New TP ICAP's 2021 annual general meeting.

The notice of meeting shall be given to New TP ICAP Shareholders entitled to receive notice from New TP ICAP, to New TP ICAP's auditors and to each Director.

An accidental omission to give notice of a general meeting or the non-receipt of such notice by any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

If it is anticipated that a meeting will be conducted as an electronic general meeting or a combined physical and electronic general meeting, the notice of meeting shall state how it is proposed that persons attending or participating in the meeting electronically should communicate with each other during the meeting.

5.13.2 **Circulation of shareholder resolutions***

The New TP ICAP Shareholders may require New TP ICAP to circulate a notice of a resolution to New TP ICAP Shareholders. For this purpose, the New TP ICAP Shareholders must represent (i) at least 5 per cent. of the total voting rights of all New TP ICAP Shareholders who have a right to vote on the relevant resolution, or (ii) not less than 100 in number, who have a right to vote on such resolution and hold an average of at least £100, per member, of paid up shares in New TP ICAP. Similarly, if so requested New TP ICAP shall circulate to New TP ICAP Shareholders a statement of

not more than 1,000 words with respect to a matter referred to in a proposed resolution to be dealt with at a particular meeting or other business to be dealt with at that meeting. Such a statement must be received by New TP ICAP at least one week before the meeting to which it relates.

5.13.3 Right of New TP ICAP Shareholders to requisition a general meeting

New TP ICAP Shareholders holding not less than 10 per cent. of the total voting rights attached to the New TP ICAP Ordinary Shares may requisition a general meeting of New TP ICAP in the manner prescribed by the Jersey Companies Law.

5.13.4 Independent report on poll*

New TP ICAP Shareholders may require the Board of New TP ICAP to obtain an independent report on any poll taken at a general meeting of New TP ICAP on similar terms to those set out in the Companies Act (with certain exceptions).

5.14 Notices and Communications

5.14.1 Notices

Subject to Jersey law (and other rules applicable to New TP ICAP), any notice, document or information to be sent or supplied by New TP ICAP may be sent or supplied in hard copy form, in electronic form or by means of a website.

In the case of joint holders of a share, a notice, document or information shall be validly sent or supplied to all joint holders if sent or supplied to the joint holder who is named first in the register.

A New TP ICAP Shareholder whose registered address is not within Jersey or the United Kingdom shall not be entitled to receive any notice from New TP ICAP unless he gives New TP ICAP a postal address within Jersey or the United Kingdom at which notices may be given to him.

If on three consecutive occasions any document or information sent or supplied to a New TP ICAP Shareholder has been returned undelivered, such New TP ICAP Shareholder shall not thereafter be entitled to receive documents or other information from New TP ICAP until he shall have communicated with New TP ICAP and supplied to New TP ICAP (or its agent) a new registered address, or a postal address within Jersey or the United Kingdom for the dispatch or supply of documents and other information, or shall have informed New TP ICAP of an address for the dispatch or supply of documents and other information in electronic form.

Any such notice, document or information sent by first class post shall be deemed to be received by the intended recipient on the day after it was put in the post. If sent by second class post, it shall be deemed to have been received on the second day following that on which the envelope containing it is put into the post. In proving such service, it shall be sufficient to prove that the envelope or wrapper containing the document or information was properly addressed, prepaid and posted.

Any document or information not sent by post but left at a registered address or address at which a document or information may be received shall be deemed to have been received on the day it was so left.

Any document or information, if sent or supplied by electronic means, shall be deemed to have been received on the day on which the document or information was sent or supplied by or on behalf of New TP ICAP.

A notice, document or information sent or supplied by means of a website is deemed to have been received when (i) the material was first made available on the website or (ii) if later, when the recipient received was deemed to have received notification of the fact that the material was available on the website.*

A New TP ICAP Shareholder present at a meeting of the holders of a class of shares (either in person or by proxy) is deemed to have received notice of the meeting and, where required, of the purposes for which it was called.

5.14.2 Information rights*

A New TP ICAP Shareholder who holds shares on behalf of another person may nominate that person to enjoy the same information rights. "Information Rights" means:

- (i) the right to receive a copy of all communications that New TP ICAP sends to New TP ICAP Shareholders generally or to any class of New TP ICAP Shareholders that includes the person making the nomination;
- (ii) the right of a debenture holder to receive a copy of the New TP ICAP Shareholders's last annual accounts, a copy of the strategic report (if any) for the last financial year, a copy of the last directors' report, and a copy of the auditor's report on the accounts, the strategic report and the directors' report; and
- (iii) the right of a member to receive a document or information from New TP ICAP in hard copy form.

5.14.3 Power to require website publication of audit concerns*

If so requested by New TP ICAP Shareholders, New TP ICAP shall publish on its website a statement setting out any matter relating to the audit of its accounts (including the auditor's report and the conduct of the audit) that are to be laid before the next accounts meeting or any circumstances connected with an auditor of New TP ICAP ceasing to hold office. For this purpose, the New TP ICAP Shareholders must represent (i) at least five per cent. of the total voting rights of all members who have a right to vote at the relevant general meeting, or (ii) not less than 100 in number who have a right to vote at such meeting and hold an average of at least £100, per member, of paid up shares in New TP ICAP.

5.15 Directors

5.15.1 Number of Directors

The New TP ICAP Directors (other than alternate directors) shall not, unless otherwise determined by an ordinary resolution of New TP ICAP, be less than 2 nor more than 15 in number.

5.15.2 Election

Subject to the New TP ICAP Articles, New TP ICAP may by ordinary resolution elect any person who is willing to act to be a director, either to fill a vacancy or as an additional director, but so that the total number of directors shall not exceed any maximum number fixed by or in accordance with the New TP ICAP Articles.

No person (other than a director retiring in accordance with the New TP ICAP Articles) shall be elected or re-elected a director at any general meeting unless: (i) he is recommended by the Board; or not less than 14 nor more than 42 days before the date appointed for the meeting there has been given to New TP ICAP, by a New TP ICAP Shareholder (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the election of that person.

As set out above, any New TP ICAP director so appointed by the Board shall hold office only until the next annual general meeting.

The Board may appoint any person who is willing to act to be a director, either to fill a vacancy or by way of addition to their number, but so that the total number of Directors shall not exceed any maximum number fixed by or in accordance with the New TP ICAP Articles.

5.15.3 Remuneration

The Non-Executive Directors shall be paid such fees not exceeding in aggregate £1,100,000 per annum (or such larger sum as New TP ICAP may, by ordinary resolution, determine) as the Board may decide to be divided among them in such proportion and manner as they may agree or, failing agreement, equally.

The Board may grant special remuneration to any Director who performs any special or extra services to or at the request of New TP ICAP. Such special remuneration may be paid by way of lump sum, salary, commission, participation in profits or otherwise as the Board may decide in addition to any remuneration payable.

A Director shall be paid out of the funds of New TP ICAP all travelling, hotel and other expenses properly incurred by him in and about the discharge of his duties, including his expenses of travelling to and from board meetings, committee meetings and general meetings. Subject to any guidelines and

procedures established from time to time by the Board, a Director may also be paid out of the funds of New TP ICAP all expenses incurred by him in obtaining professional advice in connection with the affairs of New TP ICAP or the discharge of his duties as a director.

The Board may exercise all the powers of New TP ICAP to:

- (a) pay, provide, arrange or procure the grant of pensions or other retirement benefits, death, disability or sickness benefits, health, accident and other insurances or other such benefits, allowances, gratuities or insurances, including in relation to the termination of employment, to or for the benefit of any person who is or has been at any time a Director or in the employment or service of New TP ICAP or of any body corporate which is or was associated with New TP ICAP or of the predecessors in business of New TP ICAP or any such associated body corporate or the relatives or dependants of any such person. For that purpose the Board may procure the establishment and maintenance of, or participation in, or contribution to, any pension fund, scheme or arrangement and the payment of any insurance premiums;
- (b) establish, maintain, adopt and enable participation in any profit sharing or incentive scheme including shares, share options or cash or any similar schemes for the benefit of any Director or employee of New TP ICAP or of any associated body corporate, and to lend money to any such director or employee or to trustees on their behalf to enable any such schemes to be established, maintained or adopted; and
- (c) support and subscribe to any institution or association which may be for the benefit of New TP ICAP or of any associated body corporate or any directors or employees of New TP ICAP or associated body corporate or their relatives or dependants or connected with any town or place where New TP ICAP or an associated body corporate carries on business, and to support and subscribe to any charitable or public object whatsoever.

5.15.4 Indemnity

As far as Jersey law allows, New TP ICAP may:

- (a) indemnify any director of New TP ICAP (or of an associated body corporate) against any liability;
- (b) indemnify a director of a company that is a trustee of an occupational pension scheme for employees (or former employees) of New TP ICAP (or of an associated body corporate) against liability incurred in connection with the company's activities as trustee of the scheme;
- (c) purchase and maintain insurance against any liability for any director referred to in paragraphs (a) or (b) above; and
- (d) provide any Director referred to in paragraphs (a) or (b) above with funds (whether by loan or otherwise) to meet expenditure incurred or to be incurred by him in defending any criminal, regulatory or civil proceedings or in connection with an application for relief (or to enable any such director to avoid incurring such expenditure).

Subject only to Jersey law, the powers given by the New TP ICAP Articles shall not limit any general powers of New TP ICAP to grant indemnities, purchase and maintain insurance or provide funds (whether by way of loan or otherwise) to any person in connection with any legal or regulatory proceedings or applications for relief.

5.15.5 Removal by ordinary resolution*

New TP ICAP may by special resolution, or by ordinary resolution of which not less than 28 days' notice has been given, remove any Director before his period of office has expired notwithstanding anything in the New TP ICAP Articles or in any agreement between him and New TP ICAP.

5.15.6 Retirement by rotation

At each annual general meeting every Director who held office on the date seven days before the date of notice of the annual general meeting shall retire from office. A retiring director shall be eligible for re-election, and a director who is re-elected will be treated as continuing in office without a break.

A retiring director who is not re-elected shall retain office until the close of the meeting at which he retires.

If New TP ICAP, at any meeting at which a Director retires in accordance with the New TP ICAP Articles, does not fill the office vacated by such Director, the retiring director, if willing to act, shall be deemed to be re-elected, unless at the meeting a resolution is passed not to fill the vacancy or to elect another person in his place or unless the resolution to re-elect him is put to the meeting and lost.

5.15.7 **Directors' interests***

The Board may authorise any matter proposed to it which would, if not so authorised, involve a breach by a Director of the directors' interests provisions of the New TP ICAP Articles. Only Directors who have no material interest in the matter under consideration will count in the quorum at the meeting at which the matter is considered and will be entitled to vote. The Board may give any authorisation upon such terms as it thinks fit and may vary or terminate any such authorisation at any time.

A Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with New TP ICAP or a subsidiary of New TP ICAP, or a contract that has been entered into by New TP ICAP or a subsidiary of New TP ICAP, shall declare the nature and extent of that interest to the other Directors in accordance with Jersey law and either:

- (a) at a meeting of the Directors; or
- (b) by the notice to the Directors and the Company Secretary in accordance with:
 - (i) section 184 of the CA 2006 (notice in writing); or
 - (ii) section 185 of the CA 2006 (general notice).

Any declaration of interest must be made before New TP ICAP or the subsidiary of New TP ICAP enters into the transaction or arrangement or as soon as is reasonably practicable thereafter.

A Director need not declare an interest if it cannot reasonably be regarded as likely to give rise to a conflict of interest.

5.15.8 **General voting and quorum requirements**

Unless otherwise provided by the New TP ICAP Articles, a Director shall not vote on or be counted in any quorum in relation to a resolution of the Board in respect of any transaction in which he is interested which may reasonably be regarded as likely to give rise to a conflict of interest. Notwithstanding the above but subject to the Jersey Companies Law, this prohibition does not apply to a resolution concerning, *inter alia*, any of the following matters:

- (a) any transaction or arrangement in which the Director is interested by virtue of an interest in shares, debentures or other securities of New TP ICAP or otherwise in or through New TP ICAP;
- (b) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by such Director or for the benefit of New TP ICAP or any of its subsidiary undertakings;
- (c) the giving of a guarantee, security or indemnity in respect of a debt or obligation of New TP ICAP or any of its subsidiary undertakings for which such Director has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity or by the giving of security;
- (d) indemnification (including loans made in connection with it) by New TP ICAP in relation to the performance of his duties on behalf of New TP ICAP or of any of its subsidiary undertakings;
- (e) any issue or offer of shares, debentures or other securities of New TP ICAP or any of its subsidiary undertakings in respect of which he is or may be entitled to participate in his capacity as holder of any such securities or in the underwriting or sub-underwriting of which he is to participate;
- (f) any transaction or arrangement concerning any other company in which he does not hold, directly or indirectly as shareholder, or through his direct or indirect holdings of financial

instruments (within the meaning of Chapter 5 of the Disclosure Guidance and Transparency Rules) voting rights representing 1% or more of any class of shares in the capital of that company;

- (g) any arrangement for the benefit of the employees of New TP ICAP or any of its subsidiary undertakings which does not accord to him any privilege or benefit not generally awarded to the employees to whom it relates; or
- (h) a transaction or arrangement concerning the purchase or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors.

A Director shall not vote or be counted in the quorum on any resolution concerning his own appointment (including fixing or varying terms) or termination of his own appointment as the holder of any office or place of profit with New TP ICAP (or any company in which New TP ICAP is interested).

Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with New TP ICAP (or any body corporate in which New TP ICAP is directly or indirectly interested), such proposals may be divided and considered in relation to each Director separately, in which case each of the Directors concerned (if not otherwise debarred from voting under the New TP ICAP Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

5.15.9 Executive Directors

The Board may appoint one or more of the Directors to hold an executive office within New TP ICAP for such period and on such terms as it may decide and may revoke or terminate any appointment so made without prejudice to any claim for damages for breach of any contract of service between the Director and New TP ICAP.

The remuneration of a Director appointed to any executive office shall be fixed by the Board and may be by way of salary, commission, participation in profits or otherwise and either in addition to or inclusive of his remuneration as a Director.

5.15.10 Publication of annual reports and accounts*

New TP ICAP must ensure that its annual reports and accounts are made available on a website for the period until New TP ICAP's accounts and reports for the next financial year are made available. Any such website must identify New TP ICAP and be maintained by or on behalf of New TP ICAP. Access to the annual accounts and reports on the website must not be conditional on the payment of a fee or restricted in any other way, except insofar as necessary to comply with any enactment or regulatory requirement.

5.16 Failure to disclose interests in shares*

The New TP ICAP Articles provide that each member of New TP ICAP shall comply with the notification obligations to the Company set out in Chapter 5 of the Disclosure Guidance and Transparency Rules as if New TP ICAP were an "issuer" (and not a "non-UK issuer") for the purposes of such rules. If the Directors determine that a holder of shares has not complied with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, with respect to some or all of such shares held by that holder, the Directors shall have the right, in the circumstances set out in the New TP ICAP Articles, to impose restrictions upon the relevant shares.

If any New TP ICAP Shareholder or other person appearing to be interested in shares of New TP ICAP (within the three year period preceding the date of the notice hereinafter referred to) has been duly served with a disclosure notice under the New TP ICAP Articles and is in default for the prescribed period from the date of service of the notice in supplying to New TP ICAP the information thereby required, then the Board may impose restrictions upon the relevant shares.

The restrictions available are the suspension of voting or other rights conferred by membership in relation to meetings of New TP ICAP in respect of the relevant shares and, additionally, in the case of shares representing at least 0.25 per cent. of their class of shares (excluding any shares of their class

held as treasury shares), the withholding of payment of dividends on, and in certain cases the restriction of transfers of, the relevant shares.

The restrictions shall not prejudice the right of either the New TP ICAP Shareholder holding the default shares or, if different, any person having a power of sale over those shares to sell or agree to sell those shares under an exempt transfer.

6. DIRECTORS AND COMPANY SECRETARY

- 6.1 The Directors and their functions within the Group are set out in Part XI “Directors and Corporate Governance”.
- 6.2 The business address of the Directors is Floor 2, 155 Bishopsgate, London EC2M 3TQ, United Kingdom. Following the Scheme Effective Date, the business address of each of the Directors of New TP ICAP will be 22 Grenville Street, St Helier, Jersey, JE4 8PX.
- 6.3 In addition to their directorships of TP ICAP and New TP ICAP, as the case may be, the Directors hold or have held the following directorships or equivalent roles (except directorships or equivalent roles of subsidiaries of TP ICAP and New TP ICAP), as the case may be, and are or were members of the following partnerships, within the five years prior to the date of this Prospectus:

Directors

Name	Position	Company/partnership	Position still held
Richard Berliand	Director	Man Group Plc	Yes
	Director	Saranac Partners Limited	Yes
	Director	Richard Berliand Limited	Yes
	Director	CloudMargin Limited	Yes
	Director	ITRS Global Holdings Limited	(Resigned 17 March 2017)
	Director	Rothsay Holdco UK Limited	(Resigned 28 February 2019)
	Director	Earth-i Limited	(Resigned 30 April 2018)
	Director	Renshaw Bay LLP (In Liquidation)	(Resigned 27 December 2017)
	Director	Rothsay Life plc	(Resigned 28 February 2019)
	Director	Rothsay Assurance Limited	(Resigned 20 February 2017)
	Director	Mako Europe Ltd	(Resigned 31 August 2016)
	Director	RB SFOF (UK) Origination Limited (Dissolved 02 February 2019)	(Resigned 30 April 2015)
	Director	RB SFOS I (UK) Origination Limited (Dissolved 02 November 2016)	(Resigned 30 April 2015)
	Director	RB SFO 1 Limited (In Liquidation)	(Resigned 30 April 2015)
	Director	RB SFO 2 Limited (In Liquidation)	(Resigned 30 April 2015)
Nicolas Breteau	Director	London Wine Agencies Limited	(Resigned 15 December 2017)
	Director	BCMG Consulting Limited (Dissolved 13 June 2017)	(Resigned 17 March 2017)
Robin Stewart	None	None	None
Philip Price	None	None	None
Angela Knight	Director	Froggatt Trustee Limited	Yes
	Director	Provident Financial PLC	Yes
	Director	Taylor Wimpey PLC	Yes
	Director	Arbuthnot Latham & Co Limited	Yes
	Independent Board Member	Astana Financial Services Authority	Yes
	Board Member		
	Board Member	Encore Capital Group Inc	Yes
	Associate	Goodacre UK	Yes
	Chair	Office of Tax Simplification	(Resigned 18 March 2019)
	Director	Brewin Dolphin Holdings PLC	(Resigned 03 February 2017)
	Director	Brewin Dolphin Limited	(Resigned 03 February 2017)
	Director	Angelak Services Limited	(Resigned 01 November 2016)
	Director	Association of Independent Electricity Producers Limited	(Resigned 01 January 2015)
	Director	Association of Electricity Producers Limited	(Resigned 01 January 2015)
Edmund Ng	Chief Investment Officer & Founder	Eastfort Asset Management	Yes
Roger Perkin	Director	AIB Group (UK) PLC	Yes
	Director	Hargreaves Lansdown Plc	Yes

Name	Position	Company/partnership	Position still held
Michael Heaney	Director	Bower Bequest Trustee Company Limited	Yes
	Trustee	Charities Aid Foundation	Yes
	Trustee	Chiddingstone Castle	Yes
	Director	CAF Nominees	Yes
	Trustee	The Conservation Volunteers	Resigned (23 March 2020)
	Director	Electra Private Equity PLC	Resigned (27 February 2019)
	Director	Sova	Resigned (31 December 2016)
	Director	Nationwide Building Society	Resigned (21 July 2016)
	Director	Friends Life Holdings Plc	Resigned (10 January 2015)
	Director	Friends Life Group Limited	Resigned (10 April 2015)
	Trustee	Change, Grow, Live	Resigned (31 December 2016)
	Director	Electra Private Equity Investments PLC	Dissolved (28 March 2018)
	Director	Electra General Partner Number One Limited	In Liquidation
	Chairman	Securities & Exchange Commission Fixed Income Market Structure Advisory Committee	Yes
Angela Crawford-Ingle	Director	Ambre Limited	Yes
	Designated Member	Ambre Partners LLP	Yes
	Director	River and Mercantile Group plc	Yes
	Director	Openwork Holdings Limited	Yes
	Director	Lloyds of London	Yes
	Director	Beazley plc	Resigned (31 May 2019)
Mark Hemsley	Director	Swinton Group Limited	Resigned (31 December 2018)
	Director	Belvedere Hill Limited	Yes
	Director	Fairhurst Investments Limited	Yes
	Director	Curve Global Limited	Resigned (01 January 2020)
	Director	Cboe Europe Limited	Resigned (01 January 2020)
	Director	Cboe Chi-X Europe Limited	Resigned (01 January 2020)
	Director	Cboe FX Europe Limited	Resigned (01 January 2020)
	Director	Cboe Worldwide Holdings Limited	Resigned (01 January 2020)
	Director	Cboe UK Limited	Resigned (01 January 2020)
	Director	Cboe Europe Indices Limited	Resigned (01 January 2020)
	Director	Fledermaus Limited	Dissolved (23 October 2018)
	Director	Cboe International Holdings Limited	Dissolved (17 December 2019)
	Director	Greensill Capital Pty. Limited	Yes
	Director	TheCityUK	Resigned (31 December 2020)
	Director	All England Netball Association Ltd	Yes
Tracy Clarke	Director	Standard Chartered Bank UK	Resigned (31 December 2020)
	Director	Standard Chartered Holdings Limited	Resigned (31 December 2020)
	Director	Zodia Holdings Limited	Resigned (31 December 2020)
	Director	Zodia Custody Limited	Resigned (31 December 2020)
	Chair of the Board	Standard Chartered AG	Resigned (31 December 2020)
	Chair of the Supervisory Board	Standard Chartered Yatirim Bankasi Turk A.S	Resigned (31 December 2020)
	Director	Inmarsat Group Holdings Limited	Resigned (04 December 2019)
	Director	Sky plc	Resigned (09 October 2018)
	Trustee	Working for Youth	Dissolved (21 November 2017)
	Director	United Utilities Group plc	Yes
	Director	RSA Insurance Group plc	Yes
	Director	Threadneedle Investment Services Limited	Yes
	Director	Threadneedle Pensions Limited	Yes
	Director	Threadneedle Asset Management Holdings Sarl	Yes
	Director	Brewin Dolphin Holdings plc	Yes (resigned with effect from February 2021)
Kath Cates			

- 6.4 Save as set out above and in Part XI “Directors and Corporate Governance”, none of the Directors has any business interests, or performs any activities, outside of the Group which are significant with respect to the Group.
- 6.5 There are no family relationships between any Directors.
- 6.6 As at the date of this Prospectus, none of the Directors has, at any time within the last five years:
- been convicted in relation to fraudulent offences;
 - been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body of or senior manager of any company;

- (c) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities including, where relevant, designated professional bodies; or
- (d) been disqualified by a court from acting as a member of the administrative, management or supervisory body of an issuer or from acting in the management or conduct of the affairs of any issuer.
- 6.7 No Director has or has had any interest in any transactions which are or were unusual in their nature or conditions or are or were significant to the business of the Group and which were affected by the Group during the current or immediately preceding financial year or during an earlier financial year and which remain in any respect outstanding or unperformed.
- 6.8 There are no outstanding loans or guarantees granted or provided by any member of the Group to or for the benefit of any of the Directors.

7. DIRECTORS' INTERESTS

- 7.1 As at 5 January 2021 (being the latest practicable date prior to publication of this Prospectus), the Directors have beneficial interests in TP ICAP Ordinary Shares, and will have, immediately following the Scheme becoming Effective (based on the issued ordinary share capital of TP ICAP as at 5 January 2021 and on the basis that all of the TP ICAP Rights Issue Shares are issued), beneficial interests in New TP ICAP Ordinary Shares by virtue of the effect of the Scheme on their TP ICAP Ordinary Shares:

Directors

Name	Number of TP ICAP Ordinary Shares	Percentage of issued TP ICAP Ordinary Shares	Number of New TP ICAP Ordinary Shares ⁽¹⁾	Percentage of issued New TP ICAP Ordinary Shares ⁽¹⁾
Richard Berliand	75,000	0.01%	105,000	0.01%
Nicolas Breteau ⁽²⁾	44,982	0.01%	62,974	0.01%
Robin Stewart ⁽³⁾	33,710	0.01%	47,194	0.01%
Philip Price	49,000	0.01%	68,600	0.01%
Angela Knight	2,150	0.00%	3,010	0.00%
Edmund Ng	20,000	0.00%	28,000	0.00%
Roger Perkin	5,000	0.00%	7,000	0.00%
Michael Heaney	40,000	0.01%	56,000	0.01%
Angela Crawford-Ingle	9,716	0.00%	13,602	0.00%
Mark Hemsley	—	—	—	—
Tracy Clarke	10,000	0.00%	14,000	0.00%
Kath Cates	—	—	—	—

Notes:

- (1) Figures calculated based on the issued ordinary share capital of TP ICAP as at 5 January 2021 and assuming full take-up by such persons of their entitlement under the Rights Issue and all of the TP ICAP Rights Issue Shares are issued.
- (2) Nicolas Breteau owns one New TP ICAP Subscriber Share which was transferred to him by Maurant Governance Services (Jersey) Limited shortly after incorporation of New TP ICAP, and will be bought back by New TP ICAP immediately after the Scheme Effective Date.
- (3) Robin Stewart owns one New TP ICAP Subscriber Share which was transferred to him by Maurant Fiduciary (Jersey) Limited shortly after incorporation of New TP ICAP, and will be bought back by New TP ICAP immediately after the Scheme Effective Date.
- 7.2 The interests of the Directors together represent approximately 0.1 per cent. of the issued TP ICAP Ordinary Shares and are expected to represent approximately 0.1 per cent. of the issued New TP ICAP Ordinary Shares upon the Scheme becoming Effective (based on the issued ordinary share capital of TP ICAP as at 5 January 2021 and assuming full take up by such persons of their entitlement under the Rights Issue and all of the TP ICAP Rights Issue Shares are issued).
- 7.3 In addition to the interests in TP ICAP Ordinary Shares described in this paragraph 7 (Directors' Interests), certain of the Directors also have the following interests in TP ICAP Ordinary Shares as at 5 January 2021 (being the latest practicable date prior to publication of this Prospectus) as a result of their participation in the TP ICAP Share Schemes:

LTIP

Name	Date of Grant	Number of TP ICAP Ordinary Shares under option	Vesting Date	End of Retention Period
Nicolas Breteau	26.06.2019	548,042	26.06.2022	26.06.2024
Nicolas Breteau	30.03.2020	483,433	30.03.2023	30.03.2025
Robin Stewart	26.06.2019	358,335	26.06.2022	26.06.2024
Robin Stewart	30.03.2020	312,067	30.03.2023	30.03.2025
Philip Price	26.06.2019	358,335	26.06.2022	26.06.2024
Philip Price	30.03.2020	315,674	30.03.2023	30.03.2025

Deferred Bonus Share Plan

Name	Date of Grant	Number of TP ICAP Ordinary Shares under option	Vesting Date	End of Retention Period
Nicolas Breteau	20.06.2018	63,499	21.06.2021	21.06.2021
Nicolas Breteau	29.03.2019	135,991	31.03.2022	31.03.2022
Nicolas Breteau	30.03.2020	220,496	30.03.2023	30.03.2023
Robin Stewart	20.06.2018	14,653	21.06.2021	21.06.2021
Robin Stewart	29.03.2019	62,280	31.03.2022	31.03.2022
Robin Stewart	30.03.2020	111,043	30.03.2023	30.03.2023
Philip Price	20.06.2018	30,528	21.06.2021	21.06.2021
Philip Price	29.03.2019	60,679	31.03.2022	31.03.2022
Philip Price	30.03.2020	114,723	30.03.2023	30.03.2023

7.4 The interests set out above are based upon the interests of the Directors in TP ICAP Ordinary Shares which:

- (a) have been notified by each Director to TP ICAP pursuant to the Disclosure Guidance and Transparency Rules or the Market Abuse Regulation before 5 January 2021 (being the latest practicable date prior to the publication of this Prospectus); and
- (b) are interests of a connected person (within the meaning of the Disclosure Guidance and Transparency Rules or the Market Abuse Regulation) of a Director which have been notified to TP ICAP by such connected person pursuant to the Disclosure Guidance and Transparency Rules or the Market Abuse Regulation before such date.

7.5 Save as set out above, no Director (nor any person connected with a Director) has any interests (beneficial or non-beneficial) in the share capital of TP ICAP or New TP ICAP or holds any interest in any other securities of the Group.

8. SIGNIFICANT SHAREHOLDERS' INTERESTS

8.1 As at 5 January 2021 (being the latest practicable date prior to publication of this Prospectus), insofar as it has been notified to TP ICAP pursuant to the Companies Act and/or Chapter 5 of the Disclosure Guidance and Transparency Rules, the name of each person who, directly or indirectly, has an interest in voting rights representing 3 per cent. or more of the total voting rights in respect of TP ICAP's issued share capital and who will immediately following the Scheme becoming Effective have an interest in voting rights representing 3 per cent. or more of the total voting rights in respect of the issued share capital of New TP ICAP, and the amount of such person's interest (based on the issued ordinary share capital of TP ICAP as at 5 January 2020 and assuming full take up by such persons of their entitlement under the Rights Issue and all of the TP ICAP Rights Issue Shares are issued), are set forth below:

<u>Shareholder</u>	<u>Percentage</u>
Schroders plc	12.417%
Jupiter Fund Management Plc	8.852%
Liontrust Asset Management plc	5.070%
Silchester International Investors LLP	5.040%

- 8.2 Save as disclosed above, insofar as it is known to the Directors, there is no other person who is or will immediately following the Scheme becoming Effective be, directly or indirectly, interested in voting rights (within the meaning of Chapter 5 of the Disclosure Guidance and Transparency Rules) representing 3 per cent. or more of the total voting rights in respect of the issued share capital of New TP ICAP, or of any other person who can, will or could, directly or indirectly, jointly or severally, exercise control over New TP ICAP.
- 8.3 Neither New TP ICAP nor the Directors are aware of any arrangements, the operation of which may at a subsequent date result in a change of control of New TP ICAP.
- 8.4 There are no differences between the voting rights enjoyed by the TP ICAP Shareholders described in this paragraph 8 (Significant Shareholders' Interests) and those enjoyed by any other TP ICAP Shareholder and expected to be enjoyed by the New TP ICAP Shareholders.

9. DIRECTORS' TERMS OF APPOINTMENT

It is expected that the Remuneration Committee of New TP ICAP will adopt the same policy in respect of Directors' terms of employment and/or appointment as the current Remuneration Committee of TP ICAP. The terms of their employment and/or appointment which will apply from Admission are set out below. In addition, New TP ICAP will continue to operate the Group's remuneration arrangements in accordance with the Directors' Remuneration Policy approved by TP ICAP shareholders on 15 May 2019. New TP ICAP will in the future put forward a resolution for shareholder approval of a Directors' Remuneration Policy in line with the regulatory provisions which would have applied to TP ICAP.

9.1 Executive Directors' service contracts

With effect from the Scheme Effective Date, the service contracts of the Executive Directors will be novated, such that they will each be entered into with New TP ICAP and will be on substantially the same terms as their current service contracts with TP ICAP.

<u>Name</u>	<u>Contract date</u>	<u>Annual salary (£)</u>	<u>Term</u>	<u>Notice period</u>
Nicolas Breteau	9 July 2018	670,000	n/a	12 months
Robin Stewart	9 July 2018	432,500	n/a	12 months
Philip Price	3 September 2018	437,500	n/a	12 months

The Executive Directors each have service contracts with TP ICAP which do not have a fixed term but which provide for termination on the expiry of not more than 12 months' notice by either party (save in circumstances justifying summary termination). The treatment of long-term incentive share awards or other share rights is governed by the relevant TP ICAP Share Plan or New TP ICAP Share Plan. TP ICAP's Remuneration Committee may, at its sole discretion, permit a resigning Executive Director to retain a time pro-rated portion of their incentive bonus, reflecting the period of employment from the start of the performance period to the termination date. TP ICAP's Remuneration Committee may, at its sole discretion, award a resigning Executive Director a part-year bonus for the period worked if that Executive Director is deemed to be a "good leaver". To protect the Group's business interests, the service contracts contain covenants which restrict the Executive Directors' ability to deal with clients and their ability to solicit senior employees.

9.2 Non-Executive Directors' letters of appointment

With effect from the Scheme Effective Date, the letters of appointment of the Non-Executive Directors will be novated, such that they will each be entered into with New TP ICAP on substantially the same terms as are currently in place with respect to their appointments to the TP ICAP Board.

The annual fee levels for the Non-Executive Directors for 2021 are expected to be as follows:

Name	Date of appointment	Base Fee	Committee Chair	Committee Member	Senior Independent Director	Overseas Attendance Allowance	Regional Engagement	Total
Richard Berliand	19 March 2019	300,000	n/a	n/a	n/a	n/a	n/a	300,000
Angela Knight ⁽¹⁾	1 September 2011	70,000	25,000	20,000	15,000	n/a	n/a	130,000
Edmund Ng ⁽²⁾	1 November 2017	70,000	n/a	20,000	n/a	35,000	10,000	135,000
Roger Perkin ⁽³⁾	1 July 2012	70,000	25,000	10,000	n/a	n/a	n/a	105,000
Michael Heaney ⁽⁴⁾	15 January 2018	70,000	25,000	10,000	n/a	35,000	10,000	150,000
Angela Crawford-Ingle ⁽⁵⁾	16 March 2020	70,000	n/a	20,000	n/a	n/a	n/a	90,000
Mark Hemsley	16 March 2020	70,000	n/a	10,000	n/a	n/a	10,000	90,000
Tracy Clarke ⁽⁶⁾	1 January 2021	70,000	n/a	10,000	n/a	n/a	n/a	80,000
Kath Cates ⁽⁷⁾	1 February 2021	70,000	n/a	20,000	n/a	n/a	n/a	90,000

Notes:

- (1) Angela Knight is expected to retire from the Board at the 2021 annual general meeting and her remuneration will be pro-rated accordingly.
- (2) Edmund Ng agreed a temporary suspension to his Overseas Attendance Allowance from 1 October 2020 until such time as Board and Board Committee meetings, and overseas travel to them, are once again normalised.
- (3) Roger Perkin is expected to retire from the Board at the 2021 annual general meeting and his remuneration will be pro-rated accordingly.
- (4) Michael Heaney is expected to step down as Interim Chair of the Risk Committee and expected to succeed Angela Knight as Senior Independent Director following the 2021 annual general meeting and his remuneration will be pro-rated accordingly. Michael Heaney also agreed a temporary suspension to his Overseas Attendance Allowance from 1 October 2020 until such time as Board and Board Committee meetings, and overseas travel to them, are once again normalised.
- (5) Angela Crawford-Ingle is expected to succeed Roger Perkin as Chair of the Audit Committee following the 2021 annual general meeting and her remuneration will be pro-rated accordingly.
- (6) Tracy Clarke is expected to succeed Angela Knight as Chair of the Remuneration Committee following the 2021 annual general meeting and her remuneration will be pro-rated accordingly.
- (7) Kath Cates will be appointed to the Board with effect from 1 February 2021 and is expected to be appointed as Chair of the Risk Committee following the 2021 annual general meeting and her remuneration will be pro-rated accordingly.

Non-Executive Directors have formal letters of appointment. The appointment of the Chairman is terminable on six months' notice. The letters of appointment of each of the other Non-Executive Directors contain a three month notice period.

Non-Executive Directors' appointments are not for a fixed term, but are terminable on the earliest of: (i) the director not being re-appointed at an annual general meeting of TP ICAP and, going forward, New TP ICAP; (ii) removal as a director or being required to vacate office under the TP ICAP Articles, and, going forward, the New TP ICAP Articles; or (iii) resignation at the request of the Board. Each of the Non-Executive Directors was elected or re-elected by shareholders at the 2020 Annual General Meeting, except for Tracy Clarke and Kath Cates whose appointments were announced after the 2020 Annual General Meeting.

Non-Executive Directors receive a base fee for service on the TP ICAP Board and the Nominations & Governance Committee of the TP ICAP Board of £70,000 per annum, together with additional fees for chairmanship and membership of other committees of the TP ICAP Board. The Chairman's remuneration, which was £300,000 per annum as at 31 December 2020, is recommended by the Remuneration Committee of the TP ICAP Board and has been approved by the TP ICAP Board. Non-Executive Directors do not participate in any share option or share incentive schemes.

10. SHARE PLANS

10.1 TP ICAP Share Plans

Options and awards outstanding under the TP ICAP Share Plans will not vest early as a result of the Scheme but will be exchanged by New TP ICAP for options and awards which will continue on the same basis, except that participants will acquire New TP ICAP Ordinary Shares rather than TP ICAP Ordinary Shares. Participants in the TP ICAP Share Plans will be written to separately to explain the impact of the Scheme on their rights under the TP ICAP Share Plans in more detail.

10.2 New TP ICAP Share Plans

The following is a summary of the main provisions of the New TP ICAP Share Plans, which have been adopted by New TP ICAP. Other than the New TP ICAP Savings-Related Share Option Plan, the New TP ICAP Share Plans are substantially the same as the TP ICAP Share Plans that they replace.

New TP ICAP will operate the New TP ICAP Long Term Incentive Plan, the New TP ICAP Savings-Related Share Option Plan and the New TP ICAP Deferred Bonus Share Plan with the ability to satisfy awards and options granted under these plans using newly-issued, treasury or market-purchased shares. Awards granted under the New TP ICAP Special Equity Award Plan may only be satisfied using market-purchased shares.

New TP ICAP will also operate cash-based incentive plans which are substantially the same as the TP ICAP cash based incentive plans which they replace.

New TP ICAP Long Term Incentive Plan (the “LTIP”)

Administration

The LTIP permits the grant of conditional share awards (“**LTIP Awards**”) over New TP ICAP Ordinary Shares. The LTIP will be administered by the Remuneration Committee.

Eligibility

All employees within the Group, including executive directors, are eligible to participate in the LTIP.

Grant of LTIP Awards

The Remuneration Committee will determine which employees will be granted LTIP Awards. LTIP Awards will normally be granted within forty-two days of: (a) the announcement of New TP ICAP’s results for any period; (b) a general meeting of New TP ICAP; or (c) the lifting of any restrictions on dealing in New TP ICAP Ordinary Shares. LTIP Awards may be granted at other times if the Remuneration Committee determines that there are exceptional circumstances. LTIP Awards may not be granted when dealing in New TP ICAP Ordinary Shares is not permitted under any order or regulation to which the New TP ICAP is subject.

Holding period

The New TP ICAP Ordinary Shares acquired on vesting of an LTIP Award may be subject to a holding period determined by the Remuneration Committee at the time of grant. During the holding period the Shares may not be transferred, assigned or disposed of without the written consent of the Remuneration Committee. Where a holding period applies the New TP ICAP Ordinary Shares will be delivered to a nominee for the participant or into another arrangement determined by the Remuneration Committee.

Individual limit

The maximum value of New TP ICAP Ordinary Shares which may normally be subject to an LTIP Award granted to an employee in respect of any financial year will be 250 per cent. of the annual basic salary (as at the date of grant) for executive directors and 200 per cent. of the annual basic salary (as at the date of grant) for any other employees. This value may be exceeded if the employee commenced employment with the Group within the previous twelve months, or if the Remuneration Committee thinks that there are special circumstances pertaining to the employee.

Limit on the use of New TP ICAP Ordinary Shares

The use of New TP ICAP Ordinary Shares which are newly issued or transferred from treasury under the LTIP is limited to 10 per cent. of New TP ICAP’s issued share capital from time to time, taking into account New TP ICAP Ordinary Shares issued or to be issued or transferred from treasury over the previous ten year period under all employee share plans adopted by New TP ICAP or TP ICAP. Within this limit not more than 5 per cent. of the issued share capital of New TP ICAP from time to time may be used under the LTIP and any other discretionary employee share plan operated by the New TP ICAP or TP ICAP. Treasury shares will count as new issue New TP ICAP Ordinary Shares

for the purposes of these limits unless the guidelines of the Investment Association are amended to provide that they need not count.

Performance conditions

The vesting of LTIP Awards may be subject to the satisfaction of a performance condition which will be stated at the date of grant. The Remuneration Committee will determine any performance condition that will apply to an LTIP Award and whether and to what extent any performance condition has been met. The Remuneration Committee will have discretion to determine that an LTIP Award will vest to a lesser extent despite the performance condition having been satisfied in whole or part, if it considers that the overall performance of New TP ICAP (as determined by the Remuneration Committee) does not warrant the LTIP Award vesting in full.

A performance condition may be amended if the Remuneration Committee considers that it would be appropriate to do so, provided that the new performance condition is no less difficult to satisfy than the original performance condition.

Vesting of LTIP Awards

LTIP Awards will normally vest, subject to the satisfaction of the applicable performance condition, on the third anniversary of their date of grant, provided that the participant is still employed by a member of the Group. The Remuneration Committee may determine that a participant will receive a cash payment equal to the market value of the New TP ICAP Ordinary Shares in respect of which the LTIP Award vests or the net (after tax) number of New TP ICAP Ordinary Shares, following the vesting of an LTIP Award.

Dividend equivalents

On vesting of an LTIP Award, a participant will, unless the Remuneration Committee determines otherwise, receive cash or further New TP ICAP Ordinary Shares (at the discretion of the Remuneration Committee) equal in value, so far as is possible, to any dividends paid or payable on the New TP ICAP Ordinary Shares between the date of grant of the LTIP Award until the date of vesting (or expiry of any holding period).

Malus

The Remuneration Committee may before the vesting of an LTIP Award reduce (including to zero) the number of New TP ICAP Ordinary Shares subject to the LTIP Award in circumstances where the Committee determines such action is justified.

Clawback

The Remuneration Committee may at any time within a period determined at the date of grant of the LTIP Award, require the repayment of any number of New TP ICAP Ordinary Shares (or cash amount) received in respect of the LTIP Award, in circumstances where the Remuneration Committee determines such action is justified. The clawback period will normally be three years following vesting.

Cessation of employment

If a participant ceases to be employed by a member of the Group before the vesting date of an LTIP Award because of injury, ill health, disability, the sale of the participant's employing company or business out of the Group, or for any other reason (except for dishonesty, fraud, misconduct, or other circumstances justifying summary dismissal) determined by the Remuneration Committee, the participant's LTIP Award will vest on the normal vesting date or on an earlier date that the Remuneration Committee determines. An LTIP Award held by a participant who dies will vest on the date of death and the New TP ICAP Ordinary Shares will be transferred to the participant's personal representatives as soon as practicable. The extent to which an LTIP Award will vest in these situations will depend on: (a) the extent to which the performance conditions have, in the opinion of the Remuneration Committee, been satisfied over the performance period; and (b) any reduction in the size of the LTIP Award that the Remuneration Committee determines appropriate taking into account the time that has elapsed between the date of grant and the date of the relevant event as a proportion of the period between the date of grant and the normal vesting date.

If a participant ceases to be employed by a member of the Group before the vesting date in any other circumstances, the participant's LTIP Award(s) will lapse immediately.

Corporate events

In the event of a takeover or the winding up of New TP ICAP (not for the purpose of a corporate reorganisation) all LTIP Awards will vest at the time of the relevant event, subject to: (a) the extent that the performance conditions have been satisfied at that time; and (b) any reduction in the size of the LTIP Award that the Remuneration Committee determines appropriate taking into account the time that has elapsed between the date of grant and the date of the relevant event as a proportion of the period between the date of grant and the normal vesting date, and any other factors it considers appropriate.

If there is an internal corporate reorganisation LTIP Awards will be replaced by equivalent awards over shares in a new holding company unless the Remuneration Committee decides that LTIP Awards should vest on the basis which would apply in the case of a takeover.

Participants' rights

LTIP Awards will not confer any shareholder rights until the LTIP Awards have vested and the participants have received their New TP ICAP Ordinary Shares. LTIP Awards are not pensionable benefits and may not be transferred, assigned, charged or otherwise disposed of to any person other than to a personal representative on the death of a participant. No consideration is payable by participants on the grant of an LTIP Award. Any New TP ICAP Ordinary Shares acquired when an LTIP Award vests will rank equally with New TP ICAP Ordinary Shares then in issue (except for rights arising by reference to a record date before their acquisition).

Variation of capital

If there is any variation of New TP ICAP's share capital or a demerger, or similar event which materially affects the market price of New TP ICAP Ordinary Shares, the Remuneration Committee may make any adjustment it considers appropriate to the number of Shares subject to an LTIP Award, so that the underlying economic value of the LTIP Award remains unchanged.

Alterations and termination

The Board may amend the rules of the LTIP, provided that no amendment to the advantage of participants or employees may be made to the provisions relating to who is eligible to participate in the LTIP, the limit on the number of New TP ICAP Ordinary Shares that can be issued or transferred from treasury under the LTIP, the maximum entitlement for any one participant, the rights attached to LTIP Awards and New TP ICAP Ordinary Shares, the rights of participants in the event of a variation in share capital, or the terms of the alterations provisions, without the prior approval of the shareholders of New TP ICAP in general meeting, unless the amendment is minor and made to benefit the administration of the LTIP or to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment.

No alteration to the material disadvantage of a participant as to existing LTIP Awards may be made without the written consent of participants who hold LTIP Awards to acquire 75 per cent. of the New TP ICAP Ordinary Shares which would be delivered if all the LTIP Awards granted and subsisting vested, or by resolution of a meeting of participants passed by at least 75 per cent. of the participants who attend and vote.

The LTIP will terminate on 25 June 2029, unless previously terminated by the Board.

Overseas plans

The Board may establish additional schedules of the LTIP to operate the LTIP outside the UK. A schedule may vary the rules of the LTIP to take account of any securities, exchange control or taxation laws or regulations in an overseas jurisdiction. However, no schedule may increase the individual limit on the size of an LTIP Award and any New TP ICAP Ordinary Shares made available under any schedules will count towards the overall limit on the number of Shares which may be used under the LTIP.

New TP ICAP Savings-Related Share Option Plan (the “SRP”)

Administration

The SRP will be administered by the Board or a duly authorised committee of the Board.

Eligibility

All employees (including full-time directors) who have worked for a member of the Group for any qualifying period determined by the Board (not to exceed five years) and any other employees invited by the Board, are eligible to participate in the SRP.

Operation of the SRP and grant of Options

The SRP will be operated at the discretion of the Board.

Invitations for the grant of options under the SRP (“Options”) will normally only be issued within forty-two days of: (a) the announcement of New TP ICAP’s results for any period; (b) any day on which the Board resolves that exceptional circumstances exist which justify the grant of Options; (c) the announcement of a change to the legislation affecting tax-advantaged savings-related share options plans; or (d) a general meeting of New TP ICAP.

Options granted under the SRP will enable participants to acquire New TP ICAP Ordinary Shares at an exercise price which is not less than the higher of their nominal value, or 80 per cent. (or any other percentage permitted by the relevant legislation) of the middle market quotation of a New TP ICAP Ordinary Share on the London Stock Exchange dealing day before the date that invitations are sent out, or if the Board decides, the average middle market quotation of a New TP ICAP Ordinary Share over the three London Stock Exchange dealing days before the date that invitations are sent out. Options will be granted no later than thirty days of the last London Stock Exchange dealing day by reference to which the exercise price of the Option was fixed.

Savings contract and the right to acquire New TP ICAP Ordinary Shares

Participants granted an Option must enter into a savings contract with a savings body designated by the Board under which they make monthly savings by way of salary deduction for a period of three or five years. The amount saved each month must fall within the specified limits imposed by the relevant legislation (currently not less than £5 and not more than £500 per month).

Options are normally exercisable during a six month period following the completion of the relevant savings contract. Options not exercised within this six month period will lapse.

Limit on the use of New TP ICAP Ordinary Shares

The use of New TP ICAP Ordinary Shares which are newly issued or transferred from treasury under the SRP is limited to 10 per cent. of New TP ICAP’s issued share capital from time to time, taking into account New TP ICAP Ordinary Shares issued or to be issued or transferred from treasury over the previous ten year period under all employee share plans adopted by New TP ICAP or TP ICAP. Treasury Shares will count as new issue New TP ICAP Ordinary Shares for the purposes of this limit unless the guidelines of the Investment Association are amended to provide that they need not count.

Cessation of employment

Options will normally lapse when a participant ceases to be employed by a member of the Group. However, if a participant ceases employment with the Group by reason of death, injury, disability, redundancy, retirement or the sale of their employing company or business out of the Group, Options may be exercised during a six month period following cessation of employment, or during a twelve month period following death. Options may also be exercised where a participant ceases to be employed by a member of the Group for any other reason (other than dismissal for gross misconduct), provided that the Option has been held for at least three years.

Corporate events

Options may be exercised in the event of a takeover or company reorganisation in the period starting up to twenty days before and ending six months following the date on which the offeror obtains control of New TP ICAP, or the reorganisation becomes binding (as applicable).

Options may be exercised at any time during the six month period following the passing of a resolution for the voluntary winding-up of New TP ICAP.

If another company acquires control of New TP ICAP, participants may, in certain circumstances, be allowed to exchange their Options for options of equivalent value over shares in the acquiring company.

Participants' rights

Options will not confer any shareholder rights until the Options have been exercised and the participants have received their New TP ICAP Ordinary Shares. Options are not pensionable benefits and may not be transferred, assigned, charged or otherwise disposed of to any person other than to a personal representative on the death of a participant. Shares acquired under the SRP will rank equally with Shares then in issue, except for rights to dividends and rights arising by reference to a record date before their acquisition.

Variation of capital

In the event of any variation of New TP ICAP's share capital, the number, and / or the Option price and / or the nominal value and / or description of the New TP ICAP Ordinary Shares over which Options have been granted, may be adjusted by the Board, so that the aggregate exercise price and the value of the Option remains substantially the same.

Alterations and termination

The Board may amend the rules of the SRP, provided that no amendment to the advantage of participants or employees may be made to the provisions relating to who is eligible to participate in the SRP, the limit on the number of New TP ICAP Ordinary Shares that can be issued or transferred from treasury under the SRP, the maximum entitlement for any one participant, the rights attached to Options and New TP ICAP Ordinary Shares, the determination of the Option price, the rights of participants in the event of a variation in share capital, or the terms of the alterations provisions, without the prior approval of the shareholders of the New TP ICAP in general meeting, unless the amendment is minor and made to benefit the administration of the SRP or to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment.

No alteration to the material disadvantage of a participant may be made without the written consent of Participants who hold Options to acquire 75 per cent. of the New TP ICAP Ordinary Shares which would be delivered if all the Options granted and subsisting were exercised, or by resolution of a meeting of participants passed by at least 75 per cent. of the participants who attend and vote.

The SRP will terminate on the tenth anniversary of its date of adoption, unless previously terminated by the Board.

Overseas plans

The Board may establish additional schedules of the SRP to operate the SRP outside the UK. The additional schedules may vary the rules of the SRP to take account of any securities, exchange control or taxation laws or regulations in an overseas jurisdiction. However, no additional schedules may increase the individual limit on the size of an Option and any New TP ICAP Ordinary Shares made available under any additional schedules will count towards the overall limit on the number of New TP ICAP Ordinary Shares which may be used under the SRP.

New TP ICAP Special Equity Award Plan (the "SEAP")

Administration

The SEAP permits the grant of conditional share awards ("**SEAP Awards**") over existing New TP ICAP Ordinary Shares. The SEAP will be administered by the Remuneration Committee.

Eligibility

All employees within the Group other than executive directors of New TP ICAP are eligible to participate in the SEAP. The Remuneration Committee and the Chief Executive Officer will determine which employees will be granted SEAP Awards.

Grant of SEAP Awards

SEAP Awards may be granted at any time that the Remuneration Committee thinks appropriate, but SEAP Awards may not be granted when dealing in New TP ICAP Ordinary Shares is not permitted under any order or regulation to which New TP ICAP is subject.

Limit on the use of New TP ICAP Ordinary Shares

Only existing issued New TP ICAP Ordinary Shares can be used under the SEAP.

Vesting conditions

The vesting of SEAP Awards may be subject to the satisfaction of a condition which will be stated at the date of grant. The Remuneration Committee will determine any condition that will apply to a SEAP Award and whether and to what extent any condition has been met.

Vesting of SEAP Awards

SEAP Awards may be granted so that they will normally vest on the third anniversary of their date of grant or may be granted so that they will vest in tranches over a number of vesting periods. A SEAP Award will normally only vest while the participant is still employed by a member of the Group. The Remuneration Committee may determine that a participant will receive a cash payment equal to the market value of the New TP ICAP Ordinary Shares in respect of which a SEAP Award vests or the net (after tax) number of New TP ICAP Ordinary Shares, following the vesting of a SEAP Award.

Dividend equivalents

On vesting of a SEAP Award, a participant will, unless the Remuneration Committee determines otherwise, receive cash or further New TP ICAP Ordinary Shares (at the discretion of the Committee) equal in value, so far as is possible, to any dividends paid or payable on the New TP ICAP Ordinary Shares between the date of grant of a SEAP Award until the date of vesting.

Malus

The Remuneration Committee may before the vesting of a SEAP Award reduce (including to zero) the number of New TP ICAP Ordinary Shares subject to a SEAP Award in circumstances where the Remuneration Committee determines such action is justified.

Clawback

The Remuneration Committee may at any time within a period determined at the date of grant of a SEAP Award, require the repayment of any number of New TP ICAP Ordinary Shares (or cash amount) received in respect of the SEAP Award, in circumstances where the Remuneration Committee determines such action is justified. The clawback period will normally be three years following vesting.

Cessation of employment

If a participant ceases to be employed by the Group before any vesting date of a SEAP Award because of injury, ill health, disability, redundancy, mutual agreement with their employer, the sale of the participant's employing company or business out of the Group, or for any other reason (except for dishonesty, fraud, misconduct, or other circumstances justifying summary dismissal) determined by the Remuneration Committee, the participant's SEAP Award will vest on the normal vesting date(s). A SEAP Award held by a participant who dies will vest on the date of death and the New TP ICAP Ordinary Shares will be transferred to the participant's personal representatives as soon as practicable. A SEAP Award vesting in one tranche held by a participant who resigns will vest on its normal vesting date on a pro rata basis depending on the amount of the vesting period for which the participant remained employed and subject to compliance with post-termination restrictions.

If a participant ceases to be employed by the Group before any vesting date in any other circumstances, the participant's SEAP Award(s) will lapse immediately.

Corporate events

In the event of a takeover or the winding up of New TP ICAP (not for the purpose of a corporate reorganisation) all SEAP Awards will vest at the time of the relevant event.

If there is an internal corporate reorganisation SEAP Awards will be replaced by equivalent awards over shares in a new holding company unless the Remuneration Committee decides that SEAP Awards should vest on the basis which would apply in the case of a takeover.

Participants' rights

SEAP Awards will not confer any shareholder rights until the SEAP Awards have vested and the participants have received their New TP ICAP Ordinary Shares. SEAP Awards are not pensionable benefits and may not be transferred, assigned, charged or otherwise disposed of to any person (other than to a personal representative on the death of a participant). No consideration is payable by participants on the grant of a SEAP Award. Any New TP ICAP Ordinary Shares acquired when a SEAP Award vests will rank equally with New TP ICAP Ordinary Shares then in issue (except for rights arising by reference to a record date before their acquisition).

Variation of capital

If there is any variation of New TP ICAP's share capital or a demerger, or similar event which materially affects the market price of New TP ICAP Ordinary Shares, the Remuneration Committee may make any adjustment it considers appropriate to the number of New TP ICAP Ordinary Shares subject to a SEAP Award, so that the underlying economic value of the SEAP Award remains unchanged.

Alterations and termination

The Board may amend the rules of the SEAP, provided that no alteration to the material disadvantage of a participant as to existing SEAP Awards may be made without the written consent of participants who hold SEAP Awards to acquire 75 per cent. of the New TP ICAP Ordinary Shares which would be delivered if all the SEAP Awards granted and subsisting vested, or by resolution of a meeting of participants passed by at least 75 per cent. of the participants who attend and vote.

The SEAP will terminate on the tenth anniversary of the date of adoption, unless previously terminated by the Board.

Overseas plans

The Board may establish additional schedules of the SEAP to operate the SEAP outside the UK. A schedule may vary the rules of the SEAP to take account of any securities, exchange control or taxation laws or regulations in an overseas jurisdiction.

New TP ICAP Deferred Bonus Share Plan (the "DBSP")

Administration

The DBSP permits the grant of conditional share awards ("**DB Awards**") over New TP ICAP Ordinary Shares. The DBSP will be administered by the Remuneration Committee.

Eligibility

All employees of the Group who are awarded a bonus under any bonus arrangement operated by a member of the Group are eligible to participate in the DBSP. The Remuneration Committee will determine which employees will be granted DB Awards and what percentage of the bonus awarded will be deferred.

Grant of DB Awards

DB Awards will normally be granted only after bonuses for the previous financial period have been determined and within forty-two days of: (i) the announcement of the New TP ICAP's results for any period; (ii) a general meeting of New TP ICAP; or (iii) the lifting of any restrictions on dealing in New TP ICAP Ordinary Shares. DB Awards may be granted at other times if the Remuneration Committee determines that there are exceptional circumstances. DB Awards may not be granted when

dealing in New TP ICAP Ordinary Shares is not permitted under any order or regulation to which the New TP ICAP is subject.

Limit on the use of New TP ICAP Ordinary Shares

The use of New TP ICAP Ordinary Shares which are newly issued or transferred from treasury under the DBSP is limited to 10 per cent. of New TP ICAP's issued share capital from time to time, taking into account New TP ICAP Ordinary Shares issued or to be issued or transferred from treasury over the previous ten year period under all employee share plans adopted by New TP ICAP or TP ICAP. Within this limit not more than 5 per cent., of the issued share capital of New TP ICAP from time to time may be used under the DBSP and any other discretionary employee share plan operated by the New TP ICAP or TP ICAP. Treasury shares will count as new issue New TP ICAP Ordinary Shares for the purposes of these limits unless the guidelines of the Investment Association are amended to provide that they need not count.

Vesting of DB Awards

DB Awards may be granted so that they will normally vest on the third anniversary of their date of grant or may be granted so that they will vest in tranches over a number of vesting periods. A DB Award will normally only vest while the participant is still employed by a member of the Group. The Remuneration Committee may determine that a participant will receive a cash payment equal to the market value of the New TP ICAP Ordinary Shares in respect of which the DB Award vests or the net (after tax) number of New TP ICAP Ordinary Shares, following the vesting of a DB Award.

Dividend equivalents

On vesting of a DB Award, a participant will, unless the Remuneration Committee determines otherwise, receive cash or further New TP ICAP Ordinary Shares (at the discretion of the Remuneration Committee) equal in value, so far as is possible, to any dividends paid or payable on the New TP ICAP Ordinary Shares between the date of grant of the DB Award until the date of vesting.

Malus

The Remuneration Committee may before the vesting of a DB Award reduce (including to zero) the number of New TP ICAP Ordinary Shares subject to a DB Award in circumstances where the Remuneration Committee determines such action is justified.

Clawback

The Remuneration Committee may at any time within a period determined at the date of grant of a DB Award, require the repayment of any number of New TP ICAP Ordinary Shares (or cash amount) received in respect of the DB Award, in circumstances where the Remuneration Committee determines such action is justified. The clawback period will normally be three years following vesting.

Cessation of employment

If a participant ceases to be employed within the Group before any vesting date of a DB Award because of injury, ill health, disability, redundancy, mutual agreement with their employer, the sale of the participant's employing company or business out of the Group, or for any other reason (except for dishonesty, fraud, misconduct, or other circumstances justifying summary dismissal) determined by the Remuneration Committee, the participant's DB Award will vest on the normal vesting date(s). A DB Award held by a participant who dies will vest on the date of death and the New TP ICAP Ordinary Shares will be transferred to the participant's personal representatives as soon as practicable. A DB Award vesting in one tranche held by a participant who resigns will vest on its normal vesting date on a pro rata basis depending on the amount of the vesting period for which the participant remained employed and subject to compliance with post-termination restrictions.

If a participant ceases to be employed within the Group before the vesting date(s) in any other circumstances, the participant's DB Award(s) will lapse immediately.

Corporate events

In the event of a takeover or the winding up of New TP ICAP (not for the purpose of a corporate reorganisation) all DB Awards will vest at the time of the relevant event.

If there is an internal corporate reorganisation, DB Awards will be replaced by equivalent awards over shares in a new holding company unless the Remuneration Committee decides that DB Awards should vest on the basis which would apply in the case of a takeover.

Participants' rights

DB Awards settled in New TP ICAP Ordinary Shares will not confer any shareholder rights until the DB Awards have vested and the participants have received their TP ICAP Ordinary Shares. DB Awards are not pensionable benefits and may not be transferred, assigned, charged or otherwise disposed of to any person other than to a personal representative on the death of a participant. No consideration is payable by participants on the grant of a DB Award. Any New TP ICAP Ordinary Shares acquired when a DB Award vests will rank equally with New TP ICAP Ordinary Shares then in issue, except for rights arising by reference to a record date before their acquisition.

Variation of capital

If there is any variation of TP ICAP's share capital or a demerger, or similar event which materially affects the market price of New TP ICAP Ordinary Shares, the Remuneration Committee may make any adjustment it considers appropriate to the number of New TP ICAP Ordinary Shares subject to a DB Award, so that the underlying economic value of the DB Award remains unchanged.

Alterations and termination

The Board may amend the rules of the DBSP, provided that no amendment to the advantage of participants or employees may be made to the provisions relating to who is eligible to participate in the DBSP, the limit on the number of New TP ICAP Ordinary Shares that can be issued or transferred from treasury under the DBSP, the maximum entitlement for any one participant, the rights attached to DBSP Awards and New TP ICAP Ordinary Shares, the rights of participants in the event of a variation in share capital, or the terms of the alterations provisions, without the prior approval of the shareholders of New TP ICAP in general meeting, unless the amendment is minor and made to benefit the administration of the DBSP or to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment.

No alteration to the material disadvantage of a participant may be made without the written consent of participants who hold DB Awards to acquire 75 per cent. of the New TP ICAP Ordinary Shares which would be delivered if all the DB Awards granted and subsisting vested, or by resolution of a meeting of participants passed by at least 75 per cent. of the participants who attend and vote.

The DBSP will terminate on the tenth anniversary of the date of adoption, unless previously terminated by the Board.

Overseas plans

The Board may establish additional schedules of the DBSP to operate the DBSP outside the UK. A schedule may vary the rules of the DBSP to take account of any securities, exchange control or taxation laws or regulations in an overseas jurisdiction. However, no schedule may increase the individual limit on the size of a DB Award and any New TP ICAP Ordinary Shares made available under any schedules will count towards the overall limit on the number of Shares which may be used under the DBSP.

11. STATUTORY AUDITORS

- 11.1 Deloitte LLP ("**Deloitte**"), whose address is at 1 New Street Square, London EC4A 3HQ, United Kingdom, will be appointed the statutory auditors of TP ICAP and audited the financial statements set out in the TP ICAP 2019 Annual Report, the TP ICAP 2018 Annual Report and the TP ICAP 2017 Annual Report. The reports in respect of the financial statements set out in the TP ICAP 2019 Annual Report, the TP ICAP 2018 Annual Report and the TP ICAP 2017 Annual Report were unqualified. Deloitte is registered to carry on audit work in the United Kingdom by the Institute of Chartered Accountants in England and Wales.

11.2 Deloitte will be appointed the statutory auditors of New TP ICAP.

12. DIVIDEND POLICY AND HISTORY

12.1 Dividend policy

If the Liquidnet Acquisition is approved by TP ICAP Shareholders, the Directors intend to recommend a one-off 50 per cent. reduction of the minimum £94 million dividend in respect of the year ending 31 December 2020. This will help fund the Liquidnet Acquisition and minimise dilution of earnings on a per share basis of the enlarged Group as a result of the Rights Issue.

For the financial year ending 31 December 2021 onwards, the Board intends to introduce a new dividend policy that will target a dividend cover of approximately two times underlying earnings (defined as profit for the year adjusted for acquisition, disposal and integration costs, exceptional items and taxation). The new dividend policy reflects a balanced approach to capital allocation and is expected to allow the Group to invest to drive growth, while allowing dividends to increase in line with underlying earnings.

12.2 Dividend history

Payment date	Amount per share (pence)	Ex-dividend date	Record date	DRIP ⁽¹⁾	DRIP ⁽¹⁾ share price (pence)	DRIP ⁽¹⁾ share purchase date
06/11/20	5.6	01/10/20	02/10/20	Yes	2.047	06/11/2020
19/05/20	11.25	02/04/20	03/04/20	Yes	3.628	19/05/2002
08/11/19	5.6	03/10/19	04/10/19	Yes	372.5	08/11/19
21/05/19	11.25	04/04/19	05/04/19	Yes	276.3	22/05/19
09/11/18	5.6	04/10/18	05/10/18	Yes	2.97	12/11/18
17/05/18	11.25	05/04/18	06/04/18	Yes	4.41828	17/05/18
10/11/17	5.6	12/10/17	13/10/17	Yes	4.867717	10/11/17
13/01/17	11.25	22/12/16	23/12/16	No	—	—

Note:

(1) TP ICAP offers, and New TP ICAP intends to offer, a Dividend Reinvestment Plan (the “DRIP”) which gives shareholders the opportunity to use their dividend to purchase further TP ICAP Ordinary Shares and New TP ICAP Ordinary Shares, respectively. TP ICAP Shareholders receive, and New TP ICAP Shareholders will receive, as many whole shares as can be bought with their dividend, taking into account any costs of the DRIP. Any residual money left, after purchasing the shares out of the dividend payment, will be added to the next dividend payment.

13. SIGNIFICANT SUBSIDIARIES AND PRINCIPAL INVESTMENTS

New TP ICAP will be the ultimate holding company of the Group as of the Scheme Effective Date.

13.1 Significant subsidiaries

Subject to the Scheme becoming Effective, New TP ICAP will have the following significant subsidiary undertakings, each of which is incorporated or organised in and has its registered office as set out below, and is owned, either directly or indirectly, by TP ICAP and consolidated into TP ICAP’s annual financial statements. All subsidiaries are involved in either broking or information sales activities.

Company name	Country of incorporation or organisation	Percentage held directly or indirectly by New TP ICAP
Coex Partners Inc	United States	100%
Coex Partners Limited	England	100%
ICAP (Hong Kong) Limited	Hong Kong	100%
ICAP (Singapore) Pte Limited (formerly ICAP AP (Singapore) Pte. Limited)	Singapore	100%
ICAP Brokers Pty Limited	Australia	100%
ICAP Corporates LLC	United States	100%

<u>Company name</u>	<u>Country of incorporation or organisation</u>	<u>Percentage held directly or indirectly by New TP ICAP</u>
ICAP do Brasil Corretora de Títulos e Valores Mobiliários Ltda	Brazil	100%
ICAP Energy Limited	England	100%
ICAP Energy LLC	United States	100%
ICAP Europe Limited	England	100%
ICAP Global Derivatives Limited	England	100%
ICAP Information Services Inc.	United States	100%
ICAP Information Services Limited	England	100%
ICAP Management Services Limited	England	100%
ICAP Securities Hong Kong Limited	Hong Kong	100%
ICAP Securities Limited	England	100%
ICAP Securities USA LLC	United States	100%
ICAP SEF (US) LLC	United States	100%
ICAP WCLK Limited	England	100%
iSwap Limited	England	50.1%
PT. Inti Tullett Prebon Indonesia	Indonesia	57.52%
PVM Futures Inc	United States	100%
PVM Oil Associates Limited	Bermuda (operating in England)	100%
PVM Oil Associates Pte. Ltd.	Singapore	100%
PVM Oil Futures Limited	England	100%
The Link Asset and Securities Company Limited	England	100%
TP ICAP (Dubai) Limited	United Arab Emirates	100%
TP ICAP (Europe) S.A.	France	100%
TP ICAP Management Services (Singapore) Pte. Ltd.	Singapore	100%
Tullett Prebon (Europe) Limited	England	100%
Tullett Prebon (Hong Kong) Limited	Hong Kong	100%
Tullett Prebon (Japan) Limited	Japan	80%
Tullett Prebon (Securities) Limited	England	100%
Tullett Prebon (Singapore) Limited	Singapore	100%
Tullett Prebon Americas Corp.	United States	100%
Tullett Prebon Brasil Corretora de Valores e Cambio Ltda	Brazil	100%
Tullett Prebon Energy (Singapore) Pte. Ltd.	Singapore	100%
Tullett Prebon Financial Services LLC	United States	100%
Tullett Prebon Information Inc	United States	100%
Tullett Prebon Information Limited	Guernsey (operating in England)	100%

13.2 Principal investments

The Group has made no principal investments during the period covered by the Consolidated Financial Statements and up to the date of this Prospectus.

14. PROPERTIES, PLANT AND EQUIPMENT

Subject to the Scheme becoming Effective, subsidiaries of New TP ICAP will have the following principal properties:

<u>Location</u>	<u>Tenure</u>	<u>Utilisation</u>
Tower 42, Level 37, 25 Old Broad Street, London EC2N 1HQ, United Kingdom	Existing lease expires on 11 December 2023	Offices
Level 2 and part of Level 3, 155 Bishopsgate, London EC2M 3YX, United Kingdom	Existing lease expires on 3 October 2025 Rolling expiry date aligned to the occupation of 135 Bishopsgate, London EC2	Offices

Location	Tenure	Utilisation
2 nd , 3 rd , 4 th , 9 th and 11 th Floors, 135 Bishopsgate, London EC2M 3UR, United Kingdom	Existing lease expires on 26 January 2035	Offices
1-2 Broadgate, London EC2M 7UP, United Kingdom	Existing lease expired on 31 August 2020 Rolling expiry date aligned to the occupation of 135 Bishopsgate London EC2	Offices
City Quays 2, Clarendon Dock, Belfast, BT1 3BG, United Kingdom	Existing lease expires on 19 November 2027	Offices
10 Bressenden Place, Verde, London SW1E 5DH, United Kingdom	Existing lease expires on 4 October 2034	Offices
117 Jermyn Street, London SW1Y 6HH, United Kingdom	Existing lease expires on 23 November 2021	Offices
10 th Floor, Paseo de la Castellana no. 95, Madrid-Edificio Torre Europa, Spain	Existing lease expires on 18 April 2021	Offices
Rue du Faubourg Saint-Honoré, 89/91, Paris Saint-Honoré, France	Office owned	Offices
333 Thornall Street, 10 th Floor, Edison, New Jersey, NJ 08837, United States	Existing lease expires 31 October 2025	Offices
23rd and 24th Floors, 101 Hudson Street, Jersey City, New Jersey, United States	Existing lease expires on 30 November 2023	Offices
12th Floor, 101 Hudson Street, Jersey City, New Jersey, United States	Existing lease expires on 31 August 2033	Offices
17th Floor and part of 16th Floor, 199 Water Street, New York, NY 10038, United States	Existing lease expires on 31 December 2026	Offices
200 Vesey Street, 5 th Floor, New York, NY 10285, United States	Existing lease expires on 30 December 2026	Offices
9931 Corporate Campus Dr, Suite 3000, Louisville, KY 40223, United States	Existing lease expires on 31 March 2023	Offices
5177 Richmond Ave, Suite, 500 & 590, Houston, Texas TX77056, United States	Existing lease expires on 30 November 2025	Offices
1 Hennessey Road, 20 th & 21 st Floor, One Hennessey Building, Hong Kong	Existing lease expires on 29 February 2024	Offices
Level 27 & 29, 9 Castlereagh Street, Sydney, Australia	Existing lease expires on 31 August 2022	Offices
50 Raffles Place, Singapore—Land Tower#38-05-39#-01/06, #40-06,341-01/06#42-04, Singapore	Existing lease expires on 30 June 2023	Offices

15. PENSION SCHEMES

Details of the Group's pension schemes are set out in Note 37 of the Notes to the Consolidated Financial Statements on page 172 of the 2019 Annual Report, which is hereby incorporated by reference into this document.

16. WORKING CAPITAL

New TP ICAP is of the opinion that, taking into account the facilities available to the New TP ICAP Group, the working capital available to the New TP ICAP Group is sufficient for its present requirements, that is for at least the next 12 months from the date of publication of this Prospectus.

17. SIGNIFICANT CHANGE

There has been no significant change in the financial performance and financial position of the Group since 30 September 2020, being the date to which the latest interim financial information of the Group has been published.

18. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by a member of the Group within the two years immediately preceding the date of this Prospectus and are, or may be, material or have been entered into at any time by any member of the Group and contain provisions under which any member of the Group has an obligation or entitlement which is, or may be, material to the Group at the date of this Prospectus:

18.1 Liquidnet Acquisition Agreement

A description of the principal terms and conditions of the Liquidnet Acquisition Agreement is set out in paragraph 2 of Part 3 of the TP ICAP Class 1 Circular, which is incorporated by reference into this Prospectus.

18.2 Liquidnet vendor loan notes

A description of the principal terms and conditions of the Liquidnet vendor loan notes is set out in paragraph 3 of Part 3 of the TP ICAP Class 1 Circular, which is incorporated by reference into this Prospectus.

18.3 Rights Issue Underwriting Agreement

A description of the principal terms and conditions of the underwriting agreement entered into in connection with the Rights Issue is set out in paragraph 13 of Part XXIV of the TP ICAP Prospectus, which is incorporated by reference into this Prospectus.

18.4 Sponsor's Agreement

On 7 January 2021, an agreement was entered into between TP ICAP, New TP ICAP and HSBC, whereby HSBC agreed to act as sponsor to New TP ICAP in connection with the applications for Admission and the publication of this Prospectus. Pursuant to this agreement, each of TP ICAP and New TP ICAP has agreed to provide HSBC with certain indemnities, undertakings and warranties in connection with its role as New TP ICAP's sponsor. The indemnities provided by each of TP ICAP and New TP ICAP indemnify HSBC against claims made against it or losses incurred in connection with its role as sponsor to New TP ICAP, subject to certain exceptions.

18.5 Syndicated Multicurrency Revolving Credit Facility Agreement

TP ICAP entered into a facilities agreement (the "**Facilities Agreement**") in respect of a £270,000,000 multicurrency revolving credit facility (the "**Syndicated RCF**") (split between Facility A of £245,000,000 which is made available to TP ICAP and Facility B of £25,000,000 which is made available to the UK regulated entities in the Group) and a \$100,000,000 swingline facility which forms part of Facility A (the "**Swingline Loans**") dated 19 December 2018 as a borrower with (i) Bank of America Europe DAC, HSBC Bank plc, Lloyds Bank Corporate Markets plc and Sumitomo Mitsui Banking Corporation London Branch as bookrunners and mandated lead arrangers with AIB Group (UK) p.l.c. as lead arranger, (ii) Bank of America Europe DAC, HSBC Bank plc, Lloyds Bank Corporate Markets plc, Sumitomo Mitsui Banking Corporation London Branch and AIB Group (UK) p.l.c. as original lenders, (iii) Bank of America Europe DAC as document coordinator and facility agent, and (iv) Bank of America, N.A. as swingline facility agent. TP ICAP has obtained consent of the lenders to waive certain breaches under the Syndicated RCF which would occur as a result of the Proposals, provided that certain conditions are fulfilled. These conditions include (i) the Syndicated RCF being amended and restated to reflect the new Group structure and (ii) completion of the Scheme. Pursuant to the terms of a supplemental agreement and amended facilities agreement, New TP ICAP is expected to accede to the Facilities Agreement as a guarantor or on before the Scheme Effective Date.

Purpose

Facility A of the Syndicated RCF is made available for (i) general corporate purposes of the Group, including acquisitions and to refinance, repay and/or prepay any outstanding amounts under a previous (now repaid) facilities agreement and (ii) refinancing the Swingline Loans. Each Swingline Loan is made available only to fund margin calls and cannot be applied towards the repayment or prepayment of another Swingline Loan. Facility B of the Syndicated RCF is made available for the general corporate purposes of the regulated entities.

Interest and fees

The Facilities Agreement contains customary provisions relating to interest and fees payable.

The rate of interest payable on borrowings under the Syndicated RCF is the aggregate of LIBOR (or, in relation to any loan denominated in euro, EURIBOR) and an applicable margin equal to 2 per cent. per annum. TP ICAP may select interest periods for each loan of one, two, three or six months or any other period agreed with the lenders.

The rate of interest payable on each Swingline Loan for each day is during its term the higher of, the prime commercial lending rate in US dollars announced by the swingline agent in force on that day, and the applicable margin over the rate per annum determined by the swingline agent to be the federal funds rate (weighted average of the rates on overnight Federal funds transactions with members of the US Federal Reserve System, published by the Federal Reserve Bank of New York, or if a rate is not published, the average quotation for that day on those transactions received by the swingline agent from three Federal funds. TP ICAP may select the interest period of no more than five New York Business Days for a Swingline Loan in the relevant request for that loan.

Certain fees and expenses, including, the facility agent's fee, the swingline agent's fee, the arrangement fee, the Syndicated RCF commitment fee, the document coordination fee and the Syndicated RCF utilisation fee, are also payable.

Repayment

Each loan made under the Syndicated RCF is repayable on the last day of its interest period but, subject to the terms of the Facilities Agreement, may be re-borrowed.

Mandatory and voluntary prepayment

The Facilities Agreement allows for voluntary prepayments and requires mandatory prepayments in full in certain circumstances, including in the event of a change of control. A change of control occurs where (i) there is a change of TP ICAP (other than as a result of a corporate reorganisation which retains the same ultimate shareholders of the Group), or (ii) where TP ICAP ceases to hold (directly or indirectly) 100 per cent. of the issued share capital of any Facility B Borrower. It is intended that the change of control provisions are updated in the Syndicated RCF amendment and restatement such that a change of control will occur if (i) there is a change of control of New TP ICAP, (ii) if New TP ICAP ceases to hold (directly or indirectly) 100 per cent. of the issued share capital of any Facility B Borrower, or (iii) if New TP ICAP (or any replacement parent company of the Group) ceases to hold (directly or indirectly) 100 per cent. of the issued share capital of TP ICAP. It is anticipated that the Syndicated RCF amendment and restatement will occur once the Scheme is Effective.

Representations, warranties and undertakings

The Facilities Agreement contains certain customary representations and warranties. It requires TP ICAP to comply with certain negative covenants, including covenants relating to creation of security, financial indebtedness, disposals, acquisitions and change in business. In addition, the Facilities Agreement requires TP ICAP to maintain specified financial ratios in relation to consolidated total net borrowings to consolidated EBITDA, and consolidated EBIT to consolidated net interest payable. The Facilities Agreement also contains certain customary affirmative undertakings including, amongst others, undertakings in relation to delivery of financial statements, compliance with laws, insuring the business and assets and *pari passu* ranking.

Final maturity

The final date of the Facilities Agreement is 19 December 2023. Each outstanding loan shall be repaid on the final maturity date.

Events of default

The Facilities Agreement contains certain customary events of default including, amongst others, events relating to failure to pay, misrepresentation, cross default, breach of financial covenants, insolvency, insolvency proceedings and material adverse change.

Covenants

The Facilities Agreement contains certain covenants, being:

- (a) Leverage: TP ICAP must ensure that consolidated total net borrowings do not, at the end of each relevant measurement period, exceed 2.5:1 times consolidated EBITDA for such measurement period; and
- (b) Interest Cover: TP ICAP must ensure that the ratio of consolidated EBIT to consolidated net interest payable is not, in respect of each relevant measurement period, less than 4.0:1.

The measurement period is the 12-month period ending on the last day of TP ICAP's financial year or financial half-year.

18.6 **Bilateral Revolving Credit Facility Agreement — Tokyo Tanshi**

TP ICAP entered into a facilities agreement (the “**Facilities Agreement**”) in respect of a JPY10,000,000,000 revolving credit facility (the “**Bilateral RCF**”) which is made to TP ICAP dated 27 August 2020 with Tokyo Tanshi as the original lender. The Bilateral RCF contains an accession mechanic such that New TP ICAP shall accede to the Bilateral RCF as a guarantor on or before the Scheme Effective Date.

Purpose

The facility is made available for the general corporate purpose of the Group, including acquisitions.

Interest and fees

The Facilities Agreement contains customary provisions relating to interest and fees chargeable.

The rate of interest payable on borrowings under the Bilateral RCF is the aggregate of TIBOR and an applicable margin equal to 1.6 per cent. per annum. TP ICAP may select the relevant interest period by notification to the lender and each interest period of six months or less is agreed by the borrower and lender.

Certain fees and expenses including the arrangement fee and the Bilateral RCF commitment fee are also payable.

Repayment

Each loan made under the Bilateral RCF is repayable on the last day of its interest period but, subject to the terms of the Facilities Agreement, may be re-borrowed.

Mandatory and voluntary prepayment

The Facilities Agreement allows for voluntary prepayments and requires mandatory prepayments in full in certain circumstances, including in the event of a change of control. A change of control occurs where (i) before the Scheme Effective Date occurs, any person or group of persons acting in concert gains control of TP ICAP; (ii) on and from the Scheme Effective Date, any person or group of persons acting in concert gains control of the guarantor; or (iii) on and from the Scheme Effective Date, the guarantor (or any replacement parent company of the Group) ceases to hold (directly or indirectly) 100 per cent. of the issued share capital of TP ICAP.

Representations, warranties and undertakings

The Facilities Agreement contains certain customary representations and warranties. It requires TP ICAP to comply with certain negative covenants, including covenants relating to creation of security, financial indebtedness, disposals, acquisitions and change in business. In addition, the Facilities Agreement requires TP ICAP to maintain specified financial ratios in relation to consolidated total net borrowings to consolidated EBITDA, and consolidated EBIT to consolidated net interest payable. The Facilities Agreement also contains certain customary affirmative undertakings including, amongst others, undertakings in relation to delivery of financial statements, compliance with laws, and *pari passu* ranking.

Final maturity

The final date of the Facilities Agreement is 27 August 2022, subject to an extension option whereby, every six month anniversary, and subject to both parties agreement, the final maturity date may be extended a further six months. Each outstanding loan shall be repaid on the final maturity date (being either 27 August 2022, or the date on which the facilities agreement is eventually extended to).

Events of default

The Facilities Agreement contains certain customary events of default including, amongst others, events relating to failure to pay, misrepresentation, cross default, breach of financial covenants, insolvency, insolvency proceedings and material adverse change.

Covenants

The Facilities Agreement contains certain covenants, being:

- (a) Leverage: TP ICAP must ensure that consolidated total net borrowings do not, at the end of each relevant measurement period, exceed 2.5:1 consolidated EBITDA for such measurement period; and
- (b) Interest Cover: TP ICAP must ensure that the ratio of consolidated EBIT to consolidated net interest payable is not, in respect of each relevant measurement period, less than 4.0:1.

The measurement period is the 12-month period ending on the last day of TP ICAP's financial year or financial half-year.

18.7 Notes issued under the £1,000,000,000 Euro Medium Term Note Programme

On 26 January 2017, TP ICAP issued £500,000,000 5.250 per cent. Notes due 2024 (the “**2024 Notes**”) under its £1,000,000,000 Euro Medium Term Note Programme (the “**EMTN Programme**”). As of the date of this Prospectus, £431 million of the 2024 Notes are outstanding following a £69 million buy back in 2019.

On 29 May 2019, TP ICAP issued £250,000,000 5.250 per cent. Notes due 2026 (the “**2026 Notes**”, and, together with the 2024 Notes, the “**EMTN Notes**”) under the EMTN Programme.

The EMTN Notes are governed by English law and their terms and conditions contain a negative pledge and events of default which are customary for euro medium term notes. Under the terms of the EMTN Notes, the interest rates payable thereon would increase by 1.250 per cent. per annum during any interest period if, at the start of such interest period, TP ICAP is not maintaining an investment-grade credit rating in respect of the EMTN Notes. As of the date of this Prospectus, TP ICAP is maintaining an investment-grade credit rating (BBB- by Fitch).

On or around the Scheme Effective Date, TP ICAP, New TP ICAP and US Bank Trustees Limited will enter into a supplemental trust deed, supplementing the trust deed constituting the EMTN Notes, pursuant to which New TP ICAP will provide an unconditional and irrevocable guarantee of TP ICAP's obligations with respect to the EMTN Notes following implementation of the Proposals.

18.8 Standby Underwriting Letter for the Rights Issue

On 9 October 2020, TP ICAP entered into a standby underwriting letter with HSBC pursuant to which HSBC agreed to underwrite the Rights Issue, on the terms and subject to the conditions set out in the

standby underwriting letter. The standby underwriting letter automatically terminated in accordance with its terms upon the execution of the underwriting agreement in connection with the Rights Issue.

19. MATERIAL LITIGATION

Save as disclosed below in this Prospectus, during the 12 months preceding the date of this Prospectus, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which New TP ICAP is aware) which may have, or have had in the recent past, a significant effect on the financial position or profitability of New TP ICAP or the Group.

European Commission – Yen LIBOR

In February 2015, the European Commission imposed a fine of £13 million (€15 million) on NEX International Limited (formerly ICAP plc), ICAP Management Services Limited and ICAP New Zealand Limited for alleged competition violations in relation to the involvement of certain of ICAP's brokers in the attempted manipulation of Yen LIBOR by bank traders between October 2006 and January 2011. Whilst this matter relates to alleged conduct violations that occurred prior to the Group's acquisition of IGBB from ICAP, the fine imposed by the European Commission was appealed and the Group sought a full annulment of the Commission's decision. In the event that the European Commission imposes a fine in excess of €15m, such excess will be borne by ICAP's successor firm, NEX. In November 2017, the European General Court granted a partial annulment of the European Commission's findings. The European Commission appealed this decision in February 2018 and IEL served its reply during April 2018. A decision from the Courts of Justice of the European Union was received on 10 July 2019 which determined that the decision of the European Commission in relation to the competition violations stood but the decision of the European Commission imposing the fine was annulled. The European Commission is likely to adopt new articles in relation to a fine however, and therefore, on the basis of legal advice received, the Group initially retained a £9m (€10m) provision in its accounts in connection with this matter. Based on the latest review, the Group updated the provision to £5.8 million (€6.5 million) in December 2020.

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. The investigation is still in the fact-finding phase and TP ICAP is co-operating with the CFTC in its enquiries. It is not possible to predict the ultimate outcome of the investigation or to provide an estimate of any potential financial impact at this time. As the investigation relates in part to historic matters that occurred prior to the Group's acquisition of IGBB from ICAP, but which were not disclosed to the Group prior to completion of the acquisition, the Group has initiated a court action against ICAP's successor company, NEX, for breach of warranty.

IFUS

On 11 May 2020, Tullett Prebon (Europe) Ltd ("TPE") received notice of the instigation of disciplinary proceedings by ICE Futures US ("IFUS") relating to activities undertaken between March 2018 and September 2019. Following engagement and consultation with IFUS, TPE agreed a settlement with IFUS dated 13 August 2020 under which TPE agreed to pay a fine of \$520,000 in respect of failures of block trades, general record requirements, order ticket requirements, minimum quantity requirements, disclosure of customer identity and failure to supervise. As part of that agreement TPE agreed to enhance its compliance manual, take reasonable proactive and appropriate measures to be in compliance with Exchange Rules of IFUS, conduct training covering Exchange Rules and require all TPE brokers to acknowledge receipt and understanding of such training and to cooperate with periodic audits of TPE compliance in connection with Exchange Rules.

FCA Investigation

On 11 October 2019, the FCA issued its Final Notice in respect of its investigation into Tullett Prebon Europe Limited ("TPEL"). The FCA imposed a financial penalty on TPEL of £15.4 million which

takes into account a discount of 30 per cent. under the FCA's settlement procedures. Without this discount, the fine would have been £22 million. The matter related to certain trades undertaken between 2008 and 2011 which were found by the FCA to have no commercial rationale or economic purpose, on which brokerage was paid and the failure by TPEL to discover certain audio files and produce them to the FCA in a timely manner. The FCA found that certain former managers in TPEL's Global Broking Division and in TPEL's Compliance Department failed to act with due skill, care and diligence. It was also found that at the time there were inadequate systems and controls in place to deal with the risk of improper broker conduct. The investigation also related to the circumstances surrounding both a failure by TPEL to discover certain audio files and produce them to the FCA in a timely manner, together with the incorrect account given by TPEL to the FCA as to how those files were discovered. TPEL entered into a settlement agreement with the FCA in connection with the Final Notice and will not appeal the FCA's findings. The financial penalty was reported as an exceptional item in the notes to the TP ICAP 2019 Consolidated Financial Statements in the TP ICAP 2019 Annual Report.

Bank Bill Swap Reference Rate case

On 16 August 2016, a complaint was filed in the United States District Court for the Southern District of New York naming Tullett Prebon plc, ICAP plc, ICAP Australia Pty LTD and Tullett Prebon (Australia) Pty. Limited as defendants together with various Bank Bill Swap Reference Rate ("BBSW") setting banks. The complaint alleges collusion by the defendants to fix BBSW-based derivatives prices through manipulative trading during the fixing window and false BBSW rate submissions. On 26 November 2018, the Court dismissed all of the claims against the TP ICAP defendants and certain other defendants. On 28 January 2019, the Court ordered that a stipulation signed by the plaintiffs and the TP ICAP defendants meant that the TP ICAP defendants were not required to respond to any Proposed Second Amended Class Action Complaint ("PSAC") that the plaintiffs were seeking to file. On 3 April 2019 the plaintiffs filed a PSAC, however the TP ICAP defendants have no obligation to respond. The plaintiffs have reserved the right to appeal the dismissal of the TP ICAP defendants but have not yet done so. It is not possible to predict the ultimate outcome of the litigation or to provide an estimate of any potential financial impact.

Labour claims – ICAP Brazil

ICAP do Brasil Corretora De Títulos e Valores Mobiliários Ltda ("**ICAP Brazil**") is a defendant in 11 pending lawsuits filed between October 2007 and November 2018 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 BRL60 million (£8 million). The Group is the beneficiary of an indemnity from NEX in relation to any liabilities in respect of seven of the eleven Labour Claims insofar as they relate to periods prior to completion of the Group's acquisition of ICAP. This includes a claim that is indemnified by a predecessor to ICAP Brazil by way of escrowed funds in the amount of BRL24.5 million (£3 million). As of the date of this Prospectus, the Labour Claims are at various stages of their respective proceedings and are pending an initial witness hearing, the court's decision on appeal or a ruling on a motion for clarification. The Group intends to contest liability in each of these matters and to vigorously defend itself. It is not possible to predict the ultimate outcome of these actions or to provide an estimate of any potential financial impact.

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 S.A. Corretora de Valores e Câmbio 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 BRL257 million (£35 million). The Group intends to vigorously defend itself but there is no certainty as to the outcome of these claims. The case is currently in an evidentiary phase. As of the date of this Prospectus, the Group has not made and does not intend to make any financial provisions in relation to this case.

LIBOR Class actions

The Group is currently defending three 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 the 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 Yen LIBOR. On 9 December 2020, the Dutch Court issued a final judgment dismissing the foundation’s claims in their entirety. The foundation has until 9 March 2021 to appeal this final judgment. The Group is covered by an indemnity from NEX in relation to any liabilities 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.

(ii) *Swiss Franc LIBOR Class Action*

On 4 December 2017, a class of plaintiffs filed a Second Amended Class Action Complaint in the matter of Sonterra Capital Master Fund Ltd. et al. v. Credit Suisse Group AG et al. naming as defendants, among others, TP ICAP plc, Tullett Prebon Americas Corp., Tullett Prebon (USA) Inc., Tullett Prebon Financial Services LLC, Tullett Prebon (Europe) Limited, Cosmorex AG, ICAP Europe Limited, and ICAP Securities USA LLC (together, the “**Companies**”). The Second Amended Complaint generally alleges that the Companies conspired with certain bank customers to manipulate Swiss Franc LIBOR and prices of Swiss Franc LIBOR based derivatives by disseminating false pricing information in false run-throughs and false prices published on screens viewed by customers in violation of the Sherman Act (antitrust) and RICO. On 16 September 2019, the Court granted the Companies’ motions to dismiss in their entirety. The plaintiffs appealed the dismissal to the United States Court of Appeals for the Second Circuit. The Companies intend to contest liability in the matter and to vigorously defend themselves. It is not possible to predict the ultimate outcome of this action or to provide an estimate of any potential financial impact.

(iii) *Yen LIBOR Class Actions*

In April 2013, ICAP plc was added as a defendant to an existing civil litigation originally filed in April 2012, Laydon v. Mizuho Bank, Ltd, against certain Yen LIBOR and Euroyen TIBOR panel banks alleging purported manipulation of the Yen LIBOR and Euroyen TIBOR benchmark interest rates. The United States District Court for the Southern District of New York dismissed the plaintiff’s antitrust and unjust enrichment claims, but upheld the plaintiff’s claim for purported manipulation under the Commodity Exchange Act. ICAP plc and certain other foreign defendants were dismissed in March 2015 for lack of personal jurisdiction. The Court permitted plaintiffs to file an amended complaint whereby they added new defendants to the action including ICAP Europe Limited and Tullett Prebon plc. On 10 March 2017, both ICAP Europe Limited and Tullett Prebon plc were dismissed for lack of personal jurisdiction. On 23 October 2020, the plaintiffs served their formal notice of intent to appeal the dismissal of the TP ICAP defendants. It is not possible to predict the ultimate outcome of the litigation 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 ICAP Europe Limited with regard to these matters.

Other plaintiffs filed a related complaint, *Sonterra Capital Master Fund, Ltd. v. UBS AG*, which included ICAP plc, ICAP Europe Limited and Tullett Prebon plc as defendants, asserting a cause of action for antitrust injury only as a result of the purported manipulation of Yen LIBOR and Euroyen TIBOR by panel banks and brokers. Defendants filed motions to dismiss for lack of jurisdiction and failure to state a claim. On 10 March 2017, the Court issued an order dismissing the entirety of the Sonterra case on the grounds that the plaintiffs lacked antitrust standing. Plaintiffs appealed the dismissal, which was then stayed to accommodate new settlements reached between the plaintiffs and some of the defendants. The briefing on the appeal was completed on 28 January 2019 and oral argument was heard on 5 February 2020. On 1 April 2020, the Second Circuit Court of Appeals reversed and remanded the dismissal. In October 2020, the Company filed a renewed motion to dismiss on grounds that were not reached in the original decision to dismiss including but not limited to lack of personal jurisdiction. It is not possible to predict the ultimate outcome of the litigation 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 ICAP Europe Limited with regard to these matters.

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

ICAP Securities Limited, Frankfurt branch (“ISL”) received a letter dated 19 December 2018 from the Attorney General’s office in Frankfurt notifying ISL it had commenced administrative proceedings against ISL and criminal proceedings against former employees 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 may be confiscated. ISL has appointed external counsel and is in the process of investigating the activities of the desk from 2006 to 2009. This investigation is complicated as the majority of records are held by NEX. The Group has issued proceedings against NEX in respect of (i) breach of warranties under the sale and purchase agreement, and (ii) an indemnity claim under the tax deed entered into in connection with the IGBB acquisition in relation to these matters. It is not possible at this stage to provide an 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 ISL 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 or 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 has issued proceedings against NEX in respect of (i) breach of warranties under the sale and purchase agreement, and (ii) an indemnity claim under the tax deed entered into in connection with the IGBB acquisition in relation to these matters. Since the proceedings brought by the Cologne Public Prosecutor 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.

Autorité des Marchés Financiers (“AMF”)

In August 2019, Tullett Prebon (Europe) Limited was notified that the AMF was investigating alleged facilitation of market abuse conduct concerning historic transactions with a client undertaken in 2015 on Eurex. In June 2020, the AMF initiated enforcement proceedings before the Enforcement Committee of the AMF. TPEL has responded to the AMF’s letter of grievance and is waiting to hear further.

NYMEX

On 14 December 2020, TPE, TPAC, and ICAP Corporates LLC (**ICAP Corp.**) collectively settled four related enforcement matters with the New York Mercantile Exchange (**NYMEX**) that included total fines of \$282,500. The matters involved alleged violations of NYMEX rules related to the timely

and accurate reporting of block trades to the exchange, maintenance of records relating to block trades, adequate supervision of the execution of block trades by company employees, and unauthorized disclosure of the identity of parties to a block trade.

20. RELATED PARTY TRANSACTIONS

Financial information relating to related party transactions for each of the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017 is set out:

- (a) in note 38 in the notes to the TP ICAP 2019 Financial Statements on page 175 of the TP ICAP 2019 Annual Report;
- (b) in note 36 in the notes to the TP ICAP 2018 Financial Statements on page 174 of the TP ICAP 2018 Annual Report; and
- (c) in note 36 in the notes to the TP ICAP 2017 Financial Statements on page 151 of the TP ICAP 2017 Annual Report,

each of which are incorporated by reference into this Prospectus.

Details of related party transactions during the period between 31 December 2019 and 5 January 2021 (being the latest practicable date) are set out below:

- The Group holds a 4.97 per cent. ownership in Tokyo Tanshi, a Japanese financial services provider, and a 40 per cent., 60 per cent. and 20 per cent. ownership stake in Totan ICAP Co. Ltd, ICAP Totan Securities Co. Ltd and Central Totan Securities Co. Ltd, respectively (collectively, the **Totan Subsidiaries**). Tokyo Tanshi owns the remaining stakes in the Totan Subsidiaries and also owns 20 per cent. in each of the Group's subsidiaries Tullett Prebon (Japan) Limited and of Tullett Prebon ETP (Japan) Ltd. On this basis, Tokyo Tanshi is classified as a related party.
- In August 2020, the Group, acting as a borrower, entered into a JPY10 billion (£73 million) committed facility with Tokyo Tanshi that matures in August 2022. Facility commitment fees of 0.64 per cent. on the undrawn balance are payable on the facility. Arrangement fees of less than £1 million are being amortised over the maturity of the facility. The facility has been provided to the Group on arm's length commercial terms.
- As at 30 September 2020, JPY10 billion (£73 million) of the facility was drawn by the Group. Amounts drawn down are reported as loans from related parties on the Group's consolidated balance sheet as at 30 September 2020.
- The total amount due from related parties, representing certain TP ICAP associates, was £4 million as at 30 September 2020 (31 December 2019: £3 million) and amounts due to related parties other than Tokyo Tanshi, representing certain TP ICAP joint ventures, was £2 million as at 30 September 2020 (31 December 2019: £3 million). The amounts outstanding represent unsecured intercompany trading and non-trading balances between the Group and such associates and joint ventures, and are expected to be settled in cash. No guarantees have been given or received in connection with such amounts. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.
- During the period from 31 December 2019 to 30 November 2020, less than £1 million of interest, facility and the amortisation of arrangement fees amounts was paid on loans from related parties.

21. SOURCES OF INFORMATION

Unless otherwise stated, financial information relating to TP ICAP or the Group has been extracted or provided (without material adjustment) from the Consolidated Financial Statements.

22. CONSENTS

- 22.1 HSBC has given and not withdrawn its consent to the inclusion in this Prospectus of its name in the form and context in which it appears.
- 22.2 Deloitte has given and has not withdrawn its written consent to the inclusion in this Prospectus of its report set out in Part XIV "*Unaudited Pro Forma Financial Information of TP ICAP*" of this

Prospectus and the report on the historical financial information of the Liquidnet Group set out in Part 4 (*Historical Financial Information relating to the Liquidnet Group*) of the TP ICAP Class 1 Circular, which is incorporated by reference herein, and has authorised the contents of those parts of this Prospectus which comprise its reports.

23. TAXATION

EACH SHAREHOLDER SHOULD SEEK ADVICE FROM ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES FOR IT OF HOLDING NEW TP ICAP ORDINARY SHARES UNDER THE LAWS OF THE UNITED KINGDOM, THE UNITED STATES AND THEIR CONSTITUENT JURISDICTIONS AND ANY OTHER JURISDICTION WHERE THE PURCHASER MAY BE SUBJECT TO TAXATION.

The following section is a summary guide only to certain aspects of tax in Jersey, the United Kingdom and the United States. This is not a complete analysis of the potential tax effects of the Proposals nor will it relate to the specific tax position of all TP ICAP Shareholders or New TP ICAP Shareholders in all jurisdictions. This summary does not purport to be a legal opinion. TP ICAP Shareholders are advised to consult their own tax advisers as to the effects of the Proposals in relevant jurisdictions, including whether the Proposals could give rise to any potential tax charges on them.

23.1 Jersey taxation

The following summary of the anticipated treatment of New TP ICAP and New TP ICAP Shareholders is based on Jersey tax law and practice as it is understood to apply at the date of this Prospectus. It does not constitute legal or tax advice and does not address all aspects of Jersey tax law and practice. New TP ICAP Shareholders should consult their professional advisers on the implications of acquiring, holding, selling or otherwise disposing of New TP ICAP Ordinary Shares under the laws of the jurisdictions in which they may be liable to tax. New TP ICAP Shareholders should be aware that tax laws and practice and their interpretation may change.

23.1.1 Jersey income tax

Prima facie, as a company incorporated under Jersey Companies Law, New TP ICAP will be considered Jersey tax resident.

However, under Article 123(1) of the Income Tax (Jersey) Law 1961 (the “**Income Tax Law**”), New TP ICAP will not be regarded as tax resident in Jersey if:

- (a) its business is centrally managed and controlled outside Jersey in a country or territory where the highest rate at which any company may be charged to tax on any part of its income is 10 per cent. or higher; and
- (b) the company is resident for tax purposes in that country or territory (under the tax legislation of that jurisdiction).

New TP ICAP intends to be tax resident in the United Kingdom through the exercise of central management and control in the United Kingdom (where the highest rate at which any company may be charged to tax on any part of its income is higher than 10 per cent.) and therefore will not be regarded as tax resident in Jersey for Jersey income tax purposes. If New TP ICAP is not tax resident in Jersey, it will only be liable to Jersey income tax on certain types of Jersey source income (broadly income from the ownership, exploitation or disposal of land/property in Jersey or the trade of importing or supplying hydrocarbon oil to or in Jersey). Such income will be charged to Jersey income tax at a rate of 20 per cent. It is not anticipated that New TP ICAP will derive any such income. Jersey source bank interest or dividends are not subject to Jersey income tax in the hands of a non-Jersey tax resident. New TP ICAP will not have a permanent establishment in Jersey. As a Jersey incorporated company, there will be an annual Jersey income tax filing requirement confirming that it is not tax resident in Jersey.

New TP ICAP is entitled to pay dividends or other distributions to New TP ICAP Shareholders without making any deduction or withholding for or on account of Jersey income tax. Unless they are tax resident in Jersey, New TP ICAP Shareholders should not be subject to Jersey income tax in respect of the dividends from, acquisition, ownership, exchange, sale or other disposition of New TP ICAP Ordinary Shares.

Shareholders who are tax resident in Jersey may be liable to pay Jersey income tax on dividends or other distributions received from New TP ICAP.

23.1.2 **Goods and Services Tax**

Jersey levies an indirect tax, the Goods and Services Tax (or “GST”) which is typically charged at the rate of 5 per cent. on taxable supplies of goods and services (though some supplies may be zero rated or exempt from GST altogether).

Jersey operates a GST carve-out scheme for International Service Entities (or “ISEs”). An ISE is an entity outside the scope of GST so that it is neither charged nor charges, GST. Entities that are eligible to register for ISE status are set out in the Goods and Services Tax (Jersey) Law 2007 and the Goods and Services Tax (International Services Entities) (Jersey) Regulations 2008.

To become an ISE a company must be included on a list of ISEs maintained by the Comptroller of Revenue in Jersey or by a regulated trust company (i.e. corporate service providers). New TP ICAP is included on such a list and therefore is an ISE outside the scope of GST. An annual fee is payable to maintain ISE status.

23.1.3 **Stamp duty**

No stamp duty is payable in Jersey on the acquisition, ownership, exchange, sale or other disposition of New TP ICAP Ordinary Shares except when a New TP ICAP Ordinary Shareholder dies.

Stamp duty of up to 0.75 per cent. (subject to a maximum of £100,000) is payable on the registration in Jersey of a grant of probate or letters of administration if:

- (a) the deceased died domiciled in Jersey and the net value of the deceased’s entire estate wherever situated (including any New TP ICAP Ordinary Shares) exceeds £10,000; or
- (b) the deceased died domiciled outside of Jersey and the net value of the deceased’s estate situated in Jersey (including any New TP ICAP Ordinary Shares) exceeds £10,000.

In addition, application and other fees may be payable.

Jersey does not otherwise levy death or estate duties, capital gains, gift, wealth, inheritance or capital transfer taxes.

23.1.4 **Jersey economic substance rules**

For accounting periods, starting on or after 1 January 2019, Jersey tax resident companies undertaking a relevant activity (as defined by the Taxation (Companies — Economic Substance) (Jersey) Law 2019) and in receipt of gross income in relation to that relevant activity are required to satisfy the economic substance test. Failure to meet the economic substance test could result in a company being subject to financial penalties and exchange of information between the Comptroller of Revenue (Jersey’s tax authority) and Competent Authorities of jurisdictions where the immediate and ultimate owners of the failing company reside.

New TP ICAP should not be subject to Jersey’s economic substance rules on the basis that New TP ICAP intends to be resident for tax in the UK.

23.2 **UK taxation**

The following statements are intended to apply only as a general guide to certain UK tax considerations in relation to the New TP ICAP Ordinary Shares. They are based on current UK tax law (insofar as it has effect in England) and the current published practice of HM Revenue and Customs (“HMRC”) both of which are subject to change at any time, possibly with retrospective effect.

They relate only to certain limited aspects of the UK taxation treatment of, and are intended to apply only to, New TP ICAP Shareholders who are resident, and in the case of individuals, domiciled or deemed domiciled, solely in the United Kingdom for UK tax purposes (except where the position of non-UK resident or non-UK domiciled New TP ICAP Shareholders is referred to expressly) and do not apply to New TP ICAP Shareholders to whom split year treatment applies. They apply only to New TP ICAP Shareholders who hold the New TP ICAP Ordinary Shares as investments (other than under an individual savings account or a self-invested personal pension) and who are the absolute

beneficial owners of both the New TP ICAP Ordinary Shares and any dividends paid on them. The statements may not apply to certain classes of shareholder such as (but not limited to) trustees, persons acquiring New TP ICAP Ordinary Shares in connection with an office or employment, persons holding their shares through trust arrangements, dealers in securities, banks, insurance companies and collective investment schemes.

Prospective holders of New TP ICAP Ordinary Shares who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their UK tax position should seek their own professional advice.

23.2.1 Dividends

Withholding tax

New TP ICAP will not be required to deduct or withhold amounts on account of UK tax at source from dividend payments it makes, irrespective of the residence or particular circumstances of the New TP ICAP Shareholder receiving such dividend payment.

Individuals

A nil rate of income tax will apply for the first £2,000 of dividend income received by individual New TP ICAP Shareholders in a tax year (the “**Nil Rate Band**”).

The rate of tax applicable to dividend income in excess of the Nil Rate Band will depend on the wider tax position of the New TP ICAP Shareholder. Broadly speaking, after taking into account the amount (if any) of a New TP ICAP Shareholder’s personal allowance, and any other allowances, exemptions and reliefs, the New TP ICAP Shareholder’s taxable income up to the basic rate limit will fall within the basic rate band; taxable income between the basic rate limit and the higher rate limit will fall within the higher rate band; and taxable income above the higher rate limit will fall within the additional rate band.

The rates of income tax on dividends received above the Nil Rate Band are (a) 7.5 per cent. for dividends in the basic rate band; (b) 32.5 per cent. for dividends in the higher rate band; and (c) 38.1 per cent. for dividends in the additional rate band.

In determining the tax band in which any dividend income over the Nil Rate Band falls, dividend income is treated as the top slice of a New TP ICAP Shareholder’s income and dividend income within the Nil Rate Band is still taken into account.

Because dividend income (including income within the Nil Rate Band) is taken into account in assessing whether a New TP ICAP Shareholder’s overall income is above the higher or additional rate limits, the receipt of such income may affect the wider tax position of the New TP ICAP Shareholder, including the amount of personal allowances to which they are entitled.

Companies

New TP ICAP Shareholders within the charge to UK corporation tax that are “small companies” for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 will not be subject to UK corporation tax on any dividend received from the Company provided certain conditions are met (including an anti-avoidance condition).

New TP ICAP Shareholders within the charge to UK corporation tax that are not “small companies” for this purpose will not be subject to UK corporation tax on any dividend received from New TP ICAP so long as the dividend falls within an exempt class and certain conditions are met. For example, (i) dividends paid on shares that are not redeemable and do not carry any present or future preferential rights to dividends or to New TP ICAP’s assets on its winding up, and (ii) dividends paid to a person holding less than a 10 per cent. interest in New TP ICAP, should generally fall within an exempt class. However, the exemptions mentioned above are not comprehensive and are subject to anti-avoidance rules.

If the conditions for exemption are not met or cease to be satisfied, or such a New TP ICAP Shareholder elects for an otherwise exempt dividend to be taxable, the New TP ICAP Shareholder will be subject to UK corporation tax on dividends received from New TP ICAP, at the rate of corporation tax applicable to that New TP ICAP Shareholder (the main rate of corporation tax is currently 19 per cent.).

23.2.2 Capital gains

A disposal or deemed disposal of New TP ICAP Ordinary Shares by a New TP ICAP Shareholder who is resident in the United Kingdom for tax purposes, may, depending on the New TP ICAP Shareholder's circumstances and subject to any available exemptions and reliefs, give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains.

Individuals

For individual New TP ICAP Shareholders, the principal factors that will determine the UK capital gains tax position on a disposal or deemed disposal of New TP ICAP Ordinary Shares are the extent to which the New TP ICAP Shareholder realises any other capital gains in the UK tax year in which the disposal is made, the extent to which the New TP ICAP Shareholder has incurred capital losses in that or earlier UK tax years, the income tax band into which the New TP ICAP Shareholder falls, and the level of the annual allowance of tax-free gains in that UK tax year (the "**Annual Exemption**"). The Annual Exemption for the tax year running 6 April 2020 to 5 April 2021 is £12,300.

The applicable rate for an individual New TP ICAP Shareholder who makes a capital gain on the disposal (or deemed disposal) of New TP ICAP Ordinary Shares which (after taking advantage of the Annual Exemption and deducting any available capital losses) is liable to UK capital gains tax is 10 per cent. or 20 per cent., depending on the individual's personal circumstances, including other taxable income and gains in the relevant year.

A New TP ICAP Shareholder who ceases to be resident in the United Kingdom for tax purposes and then reacquires UK tax residence before five complete tax years have elapsed and who disposes of New TP ICAP Ordinary Shares during that period of non-residence may also be liable on their return to the United Kingdom to tax on any capital gain realised, subject to any available exemptions or reliefs.

Companies

A disposal or deemed disposal of New TP ICAP Ordinary Shares by a New TP ICAP Shareholder within the charge to UK corporation tax may give rise to a chargeable gain or allowable loss for the purposes of UK corporation tax, depending on the circumstances and subject to any available exemptions or reliefs. Corporation tax is charged on chargeable gains at the rate applicable to that company (the main rate of corporation tax is currently 19 per cent.).

23.2.3 Inheritance tax

The New TP ICAP Ordinary Shares will be assets situated outside the United Kingdom for the purposes of UK inheritance tax provided that, and for so long as, they are not registered in any register kept in the United Kingdom.

Accordingly, where a holder is neither domiciled nor deemed domiciled in the UK transactions in relation to the New TP ICAP Ordinary Shares should not generally give rise to a liability to UK inheritance tax.

Where a New TP ICAP Shareholder is domiciled or deemed domiciled in the United Kingdom for UK tax purposes (i) the deemed transfer of New TP ICAP Ordinary Shares on the death of that New TP ICAP Shareholder under the UK inheritance tax rules or (ii) a lifetime disposition (which may include a gift, transfer at less than full market value, settlement or deemed transfer) of the New TP ICAP Ordinary Shares by that New TP ICAP Shareholder, may give rise to a liability to UK inheritance tax. The applicable rate of inheritance tax depends on the circumstances of the New TP ICAP Shareholder and of the disposition and can be up to 40 per cent. Various exemptions and reliefs may be available depending on the circumstances of the New TP ICAP Shareholder and of the disposition.

23.2.4 Stamp duty and stamp duty reserve tax

The following statements about UK stamp duty and stamp duty reserve tax ("**SDRT**") apply regardless of whether a New TP ICAP Shareholder is resident, domiciled or deemed domiciled in the United Kingdom.

Issue of Ordinary Shares

No stamp duty or SDRT will be payable on the issue of the New TP ICAP Ordinary Shares.

Transfer of Ordinary Shares

No stamp duty will arise on a transfer of the New TP ICAP Ordinary Shares provided that (i) any instrument of transfer is executed outside the United Kingdom, and (ii) such instrument of transfer does not relate to any property situated, or any matter or thing done or to be done, in the United Kingdom. In practice, even where a charge does arise on a transfer of the New TP ICAP Ordinary Shares it may not be necessary to pay any such stamp duty which does arise, but New TP ICAP Shareholders should note that if an instrument of transfer is chargeable to UK stamp duty, then that instrument may not be produced in civil proceedings in the United Kingdom, and may not be available for any other purpose in the United Kingdom (other than criminal proceedings), until the UK stamp duty, and any interest and penalties for late stamping, have been paid.

No SDRT will be payable on any agreement to transfer the New TP ICAP Ordinary Shares, provided that the New TP ICAP Ordinary Shares are not registered in a register kept in the United Kingdom.

23.3 **US Taxation**

The following is a general summary based on present law of certain US federal income tax considerations relevant to the ownership of New TP ICAP Ordinary Shares. It addresses only US Holders (as defined below) that hold (or will hold) their New TP ICAP Ordinary Shares as “capital assets” (generally, property held for investment) under the US Internal Revenue Code of 1986, as amended (the “**Code**”) and use the US dollar as their functional currency.

This summary is for general information only. It is not a complete description of all the tax considerations that may be relevant to a particular US Holder and does not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of the New TP ICAP Ordinary Shares by particular investors, or address non-US, US state or local tax considerations. The discussion also does not address any aspect of US federal taxation other than US federal income taxation (such as the estate and gift tax or the Medicare tax on net investment income). It does not consider the circumstances of holders subject to special tax treatment under the US federal income tax laws, such as banks, insurance companies, regulated investment companies, dealers, traders in securities that elect mark-to-market treatment, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, real estate investment trusts, partnerships or other pass-through entities for US federal income tax purposes, tax-exempt entities or persons holding shares as part of a hedge, constructive sale, straddle, conversion or other integrated financial transaction. It does not address persons resident or ordinarily resident in the United Kingdom and persons holding shares through a permanent establishment or fixed base outside the United States. It does not consider consequences for persons that own (or are deemed to own) 5 per cent. or more (by voting power or value) or that will own (or be deemed to own) 5 per cent. or more (by voting power or value) of the shares of New TP ICAP. This summary is based on the federal tax laws of the United States, including the Code, its legislative history, existing and proposed Treasury regulations thereunder, published rulings and court decisions, all as currently available and all subject to change at any time, possibly with retroactive effect. This summary is not a substitute for tax advice.

As used here, “**US Holder**” means a beneficial owner of shares that for US federal income tax purposes is (i) an individual citizen or resident of the United States, (ii) a corporation organised in or under the laws of the United States or its political subdivisions, (iii) a trust subject to the control of a US person and the primary supervision of a US court or (iv) an estate the income of which is subject to US federal income taxation regardless of its source.

The US federal tax consequences to a partner in a partnership generally will depend on the status of the partner and the activities of the partnership. US Holders that are partnerships are urged to consult their own tax advisers about the tax consequences to their partners of owning and disposing of New TP ICAP Ordinary Shares.

The discussion below in “*Dividends*” and “*Dispositions*” assumes that TP ICAP has not been during a US Holder’s holding period for its TP ICAP Ordinary Shares, and that New TP ICAP is not and will not become, a passive foreign investment company (“**PFIC**”). US Holders should discuss with their

own advisers the PFIC rules, which are summarised below in “*Passive Foreign Investment Company Rules*”.

Dividends

US Holders generally must include any dividends paid on New TP ICAP Ordinary Shares in their gross income as foreign source ordinary dividend income. Dividends will not be eligible for the dividends received deduction generally available to corporations. As discussed above under “*Jersey Taxation*”, New TP ICAP intends to be tax resident in the United Kingdom. Dividends should be eligible for the reduced rate on qualified dividend income available to non-corporate US Holders who meet certain holding period and other requirements if New TP ICAP qualifies for benefits under the income tax treaty between the United Kingdom and the United States. New TP ICAP expects to qualify for benefits under that treaty. Dividends paid on New TP ICAP Ordinary Shares generally will constitute income from sources outside the United States for foreign tax credit limitation purposes.

US Holders that receive dividends in a currency other than US dollars must include in their gross income a US dollar amount calculated by reference to the exchange rate in effect on the day the dividends are actually or constructively received by the US Holder, regardless of whether the currency is converted into US dollars. US Holders should consult their tax advisers about how to account for payments that are not made in US dollars.

Dispositions

US Holders generally will recognise capital gain or loss on the sale or other disposition of New TP ICAP Ordinary Shares in an amount equal to the difference, if any, between the US Holder’s adjusted tax basis in the shares (generally, their cost in US dollars) and the US dollar value of the amount realised on the sale or other disposition. Any capital gain will be long-term capital gain if the US Holder has held the TP ICAP Ordinary Shares and the New TP ICAP Ordinary Shares for a combined period of longer than one year. Any capital loss will be long-term capital loss if the US Holder has held the TP ICAP Ordinary Shares and the New TP ICAP Ordinary Shares for a combined period of longer than one year. Deductions for capital losses are subject to limitations. Any gain or loss generally will be treated as arising from US sources. US Holders should consult their advisers with respect to the application of these rules to their particular circumstances.

A US Holder that receives a currency other than US dollars in exchange for its shares will realise an amount equal to the US dollar value of the currency received at the exchange rate in effect on the date of disposition (or, if the shares are traded on an established securities market and a US Holder is a cash-basis or electing accrual basis taxpayer, at the exchange rate in effect on the settlement date). US Holders should consult their advisers about how to account for sale or other disposition proceeds that are not paid in US dollars.

Passive Foreign Investment Company Rules

In general, a non-US corporation will be classified as a PFIC for any taxable year if at least (i) 75 per cent. of its gross income is classified as “passive income” or (ii) 50 per cent. of the average quarterly value of its assets produce or are held for the production of passive income. In making this determination, the non-US corporation is treated as earning its proportionate share of any income and owning its proportionate share of any assets of any company in which it holds a 25 per cent. or greater interest, by value. Under the PFIC rules, if a non-US corporation is classified as a PFIC at any time while a holder owns shares of such corporation, then such corporation will continue to be treated as a PFIC with respect to such holder’s investment unless such holder makes certain elections under the PFIC rules. A US investor in shares of a PFIC may be subject to adverse US federal income tax consequences compared to an investment in shares of a company that is not considered a PFIC, including being subject to greater amounts of US federal income tax on dividends paid on such shares and on gain recognised upon a disposition of such shares.

New TP ICAP does not expect to be a PFIC in its current taxable year or in the future. However, no assurance can be given in this regard because classification as a PFIC depends on the composition and fair market value of New TP ICAP’s and its subsidiaries’ assets each year, the composition of their income each year, and the application of rules that in certain respects are unclear. Each US Holder should consult its tax advisers regarding whether New TP ICAP is a PFIC or is likely to become one in the future, as well as whether TP ICAP has been a PFIC at any time during the US Holder’s

holding period for its TP ICAP Ordinary Shares, and the potential for adverse consequences to such US Holder in respect of its receipt of New TP ICAP Ordinary Shares pursuant to the Scheme and ownership of those shares if TP ICAP has been or New TP ICAP is or in the future becomes a PFIC.

Reporting and Backup Withholding

Information returns may be filed with the US Internal Revenue Service in connection with distributions on the New TP ICAP Ordinary Shares and the proceeds from the sale or other disposition of New TP ICAP Ordinary Shares unless a US Holder establishes that it is exempt from the information reporting rules. A US Holder that does not establish this may be subject to backup withholding on these payments if the US Holder fails to provide its taxpayer identification number or otherwise comply with the relevant certification procedures. The amount of any backup withholding from a payment to a US Holder will be allowed as a credit against its US federal income tax liability and may entitle the US Holder to a refund, provided that the required information is timely furnished to the US Internal Revenue Service.

US Holders should consult their advisers regarding any additional tax reporting or filing requirements they may have as a result of acquiring, owning, or disposing of the New TP ICAP Ordinary Shares. Failure to properly submit certain reports or make certain filings can lead to significant penalties.

THE SUMMARY ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO A PARTICULAR SHAREHOLDER. EACH SHAREHOLDER SHOULD CONSULT HIS OWN TAX ADVISERS ABOUT THE TAX CONSEQUENCES OF HOLDING NEW TP ICAP ORDINARY SHARES UNDER THE HOLDER'S OWN CIRCUMSTANCES.

24. TAKEOVER REGULATION

24.1 Mandatory takeover bids

The Takeover Panel will regulate, and the UK City Code on Takeovers and Mergers (the “**Takeover Code**”) will apply to, takeover bids and merger transactions of New TP ICAP, however effected, including by means of statutory merger or scheme of arrangement. The Takeover Panel will also regulate other transactions which have as their objective or potential effect obtaining or consolidating control of New TP ICAP as well as partial offers for securities in New TP ICAP.

The Takeover Code operates principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment. The Takeover Code provides an orderly framework within which takeovers are conducted.

The Takeover Code is based upon a number of General Principles which are essentially statements of standards of commercial behaviour. General Principle 1 states that all holders of securities of an offeree company of the same class must be offered equivalent treatment and if a person acquires control of a company the other holders of securities must be protected. This is reinforced by Rule 9 of the Takeover Code which requires a person, together with persons acting in concert with him, who acquires, whether by a series of transactions over a period of time or not, an interest in shares carrying voting rights which amount to 30 per cent. or more of the voting rights to make a general offer for the remaining shares of the company. “**Voting rights**” for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting. A general offer will also be required, subject to certain exceptions, where a person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights but does not hold shares carrying more than 50 per cent. of such voting rights, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested.

24.2 Squeeze-out

The Jersey Companies Law provides that where a person (the “**Offeror**”) makes a takeover offer to acquire all of the shares (or all of the shares of any class) in a company incorporated in Jersey (other than any shares already held by the Offeror at the date of the offer), if the Offeror has by virtue of acceptances of the offer acquired or contracted to acquire not less than 90 per cent. in nominal value of the shares (or class of shares) to which the offer relates, the Offeror may (subject to the

requirements of the Jersey Companies Law), by notice to the holders of the shares (or class of shares) to which the offer relates which the Offeror has not already acquired or contracted to acquire, compulsorily acquire those shares. A holder of any shares who receives a notice of compulsory acquisition may (within six weeks from the date on which such notice was given) apply to the Royal Court of Jersey (the “**Jersey Court**”) for an order that the Offeror not be entitled and bound to purchase the holder’s shares or that the Offeror purchase the holder’s shares on terms different of those of the offer.

24.3 **Sell-out**

Where, before the end of the period within which a takeover offer can be accepted, the Offeror has by virtue of acceptances of the offer acquired or contracted to acquire not less than 90 per cent. in nominal value of all of the shares (or all of the shares of a particular class) of the Jersey company, the holder of any shares (or class of shares) to which the offer relates who has not accepted the offer may, by written notice to the Offeror, require the Offeror to acquire the holder’s shares. The Offeror shall (subject to the requirements of the Jersey Companies Law) be entitled and bound to acquire the holder’s shares on the terms of the offer or on such other terms as may be agreed. Where a holder gives the Offeror a notice of compulsory acquisition, each of the Offeror and the holder of the shares is entitled to apply to the Jersey Court for an order that the terms on which the Offeror is entitled and bound to acquire the holder’s shares shall be such as the Jersey Court thinks fit.

25. **GENERAL**

- 25.1 New TP ICAP is not seeking to raise any capital from shareholders so there will be no proceeds of the Scheme. The total costs, charges and expenses payable by the Group in connection with the Proposals are estimated to be approximately £10 million. No expenses will be charged to the shareholders of TP ICAP or New TP ICAP.
- 25.2 The New TP ICAP Ordinary Shares are not marketed to, nor are any available for purchase in whole or in part by, the public in the United Kingdom or elsewhere in connection with Admission.
- 25.3 Where information contained in this Prospectus has been sourced from a third party, New TP ICAP confirms that such information has been accurately reproduced and, so far as New TP ICAP is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

26. **DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection on the website of New TP ICAP (www.tpicap.com) and during normal business hours on any weekday (Saturday, Sundays and public holidays excepted) at the registered office of New TP ICAP at 22 Grenville Street, St Helier, Jersey JE4 8PX and the registered office of TP ICAP at Floor 2, 155 Bishopsgate, London EC2M 3TQ, United Kingdom and the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, United Kingdom until Admission:

- (a) the New TP ICAP Articles;
- (b) the consent letters referred to in paragraph 22 of this Part XVI “Additional Information” of this Prospectus;
- (c) the Consolidated Financial Statements;
- (d) the report on pro forma financial information prepared by Deloitte contained in Part XIV “*Unaudited Pro Forma Financial Information of TP ICAP*”;
- (e) the TP ICAP Prospectus;
- (f) the TP ICAP Class 1 Circular; and
- (g) this Prospectus.

Dated 7 January 2021.

PART XVII

DEFINITIONS

The following definitions apply throughout this Prospectus unless the context requires otherwise:

“2019 Annual General Meeting”	the TP ICAP annual general meeting held on 15 May 2019;
“2020 Annual General Meeting”	the TP ICAP annual general meeting (and any adjournment thereof) held on 13 May 2020;
“2024 Notes”	£500,000,000 5.250 per cent. Notes due 2024 issued by TP ICAP under its £1,000,000,000 Euro Medium Term Note Programme;
“2026 Notes”	£250,000,000 5.250 per cent. Notes due 2026 issued by TP ICAP under its £1,000,000,000 Euro Medium Term Note Programme;
“Admission”	the admission of the New TP ICAP Ordinary Shares to the premium listing segment of the Official List of the FCA and to trading on the Main Market;
“Audit Committee”	prior to the Scheme becoming Effective, the audit committee of TP ICAP, and following the Scheme becoming Effective, the audit committee of New TP ICAP;
“Bilateral RCF”	the JPY10,000,000,000 revolving credit facility dated 27 August 2020 entered into by TP ICAP;
“Board”	the Directors;
“Business Day”	a day (other than Saturday or Sunday or a public holiday) on which banks are generally open in London for the transaction of general banking business;
“Certificated” or “in Certificated Form”	in relation to shares, means shares which are not held in uncertificated form;
“CFTC”	the US Commodity Futures Trading Commission;
“Companies Act”	the UK Companies Act 2006 as amended from time to time;
“Company Secretary”	the company secretary of TP ICAP from time to time, being Richard Cordeschi as at the date of this document;
“Completion of the Acquisition”	the completion of the Liquidnet Acquisition in accordance with the terms of the Liquidnet Acquisition Agreement;
“Conditions”	the conditions to the Scheme set out in paragraph 5 of Part 2 of the TP ICAP Scheme Circular;
“Consolidated Financial Statements” .	TP ICAP’s audited consolidated financial statements for the financial years ended 31 December 2019, 2018 and 2017 and interim financial statements for the nine months ended 30 September 2020;
“Court”	the High Court of Justice in England and Wales;
“Court Hearing”	the hearing by the Court to sanction the Scheme at which the Court Order will be sought;
“Court Meeting”	the meeting of TP ICAP Shareholders to be convened by an order of the Court pursuant to Part 26 of the Companies Act, notice of which is set out in Part 6 of the TP ICAP Scheme Circular, to consider and, if thought fit, approve the Scheme, including any adjournment thereof;
“Court Order”	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act 2006;

“CRD IV”	Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended;
“CREST”	the computerised system for the paperless settlement of sales and purchases of securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) of the Companies (Uncertificated Securities) (Jersey) Order 1999 (as applicable) in each case, as from time to time amended;
“CRR”	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012;
“Current Directors”	the current directors of New TP ICAP, whose names appear on page 36 of this Prospectus under the heading “ <i>Current Directors</i> ”;
“Directors”	the Current Directors and the Proposed Directors;
“Directors’ Remuneration Policy”	the TP ICAP remuneration policy setting out the remuneration arrangements for the Directors of TP ICAP;
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules made by the FCA pursuant to section 73A of the FSMA;
“DRIP”	dividend reinvestment plan;
“EEA”	the European Economic Area;
“Effective”	the Scheme having become effective in accordance with its terms;
“EMEA Sub-Group”	after the Scheme Effective Time, TP ICAP Group Services Limited and its subsidiaries;
“English Registrar of Companies”	Registrar of Companies in England and Wales;
“ERMF”	Enterprise Risk Management Framework;
“EUWA”	European Union (Withdrawal) Act 2018;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“Executive Directors”	Nicolas Breteau, Robin Stewart and Philip Price;
“FCA”	the Financial Conduct Authority;
“FINRA”	the Financial Industry Regulatory Authority;
“MiFID I”	the Markets in Financial Instruments Directive (Directive 2004/39/EC) and any implementing legislation;
“Forms of Proxy”	the blue form of proxy for use at the Court Meeting and the yellow form of proxy for use at the General Meeting both of which accompany the TP ICAP Scheme Circular and a “ Form of Proxy ” means either of them as the context requires;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting”	the general meeting of TP ICAP Shareholders (and any adjournment thereof) convened for the purposes of considering and, if thought fit, approving the Resolutions, notice of which is set out in Part 7 of the TP ICAP Scheme Circular;
“Group”	(a) prior to the Scheme Effective Time, TP ICAP and its subsidiary undertakings and/or, as the context requires, New TP ICAP; and

	(b) after the Scheme Effective Time, New TP ICAP and its subsidiary undertakings.
“HSBC”	HSBC Bank plc;
“IBs”	Introducing brokers;
“IFRS”	International Financial Reporting Standards as adopted by the European Union;
“IGBB”	the ICAP global broking business;
“IRS”	US Internal Revenue Service;
“Jersey Companies Law”	the Companies (Jersey) Law 1991 (as amended from time to time);
“Jersey Companies Registry”	the Companies Registry of the JFSC;
“Jersey Court”	the Royal Court of Jersey;
“JFSC”	the Jersey Financial Services Commission;
“Link Group”	a trading name of Link Market Services;
“Liquidnet Acquisition”	the acquisition of Liquidnet by TP ICAP;
“Liquidnet Acquisition Agreement”	the agreement entered into between, among others, TP ICAP and Liquidnet on 9 October 2020 in connection with the Liquidnet Acquisition;
“Liquidnet Group”	Liquidnet and its subsidiaries and subsidiary undertakings, and, where the context requires it, its associated undertakings from time to time;
“Listing Rules”	the listing rules of the FCA made under section 74(4) of the FSMA;
“London Stock Exchange”	London Stock Exchange plc;
“Main Market”	the London Stock Exchange’s main market for listed securities;
“Market Abuse Regulation”	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse;
“Meetings”	the Court Meeting and the General Meeting;
“MiFID II”	the Markets in Financial Instruments Directive II (Directive 2014/65/EU) and the Markets in Financial Instruments Regulation (Regulation 600/2014), as amended, and any implementing legislation;
“New TP ICAP”	TP ICAP Group plc, a company incorporated in Jersey with registered number 130617 and having its registered office at 22 Grenville Street, St Helier, Jersey JE4 8PX;
“New TP ICAP Articles”	the articles of association of New TP ICAP to be adopted by New TP ICAP prior to the Scheme becoming Effective;
“New TP ICAP Capital Reduction Minute”	the minute showing, with respect to New TP ICAP’s share capital, the information required by Article 61B(2) of the Jersey Companies Law;
“New TP ICAP Group”	New TP ICAP and its subsidiary undertakings upon the Scheme becoming Effective;
“New TP ICAP Ordinary Shares”	the ordinary shares of 25 pence each in the capital of New TP ICAP;
“New TP ICAP Reduction of Capital”	the proposed cancellation of the entire amount standing to the credit of the share premium account of New TP ICAP after the Scheme becomes Effective;

“New TP ICAP’s Registrars”	Link Market Services (Jersey) Limited, 12 Castle Street, St Helier, Jersey JE2 3RT;
“New TP ICAP Share Plans”	the New TP ICAP Long Term Incentive Plan, the New TP ICAP Savings-Related Share Option Plan, the New TP ICAP Special Equity Award Plan and the New TP ICAP Deferred Bonus Share Plan;
“New TP ICAP Shareholders”	the holders of New TP ICAP Ordinary Shares;
“New TP ICAP Subscriber Shareholder”	a holder of New TP ICAP Subscriber Shares;
“New TP ICAP Subscriber Shares”	the two New TP ICAP Ordinary Shares issued on incorporation of New TP ICAP, one of which is held by Nicolas Breteau and the other by Robin Stewart;
“NEX”	Nex Group Limited, a private limited company incorporated in England and Wales with registered number 10013770;
“Nominations & Governance Committee”	prior to the Scheme becoming Effective, the nominations & governance committee of TP ICAP and, following the Scheme becoming Effective, the nominations & governance committee of New TP ICAP;
“Non-Executive Directors”	Richard Berliand, Angela Knight, Edmund Ng, Roger Perkin, Michael Heaney, Angela Crawford-Ingle, Mark Hemsley and Tracy Clarke;
“Notice of Court Meeting”	the notice of the Court Meeting set out in Part 6 of the TP ICAP Scheme Circular;
“Notice of General Meeting”	the notice of the General Meeting set out in Part 7 of the TP ICAP Scheme Circular;
“Official List”	the official list maintained by the FCA;
“Onshored CRR”	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (as amended from time to time);
“Onshored MAR”	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and any implementing legislation as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (as amended from time to time);
“Onshored MiFID”	the Markets in Financial Instruments Directive II (Directive 2014/65/EU) and the Markets in Financial Instruments Regulation (Regulation 600/2014), as amended, and any implementing legislation as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (as amended from time to time);
“OTC”	over-the-counter;
“Overseas Shareholders”	TP ICAP Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside of the United Kingdom;
“PFIC”	passive foreign investment company;
“PRA”	the Prudential Regulation Authority;

“Proposals”	the proposals relating to the Scheme, the New TP ICAP Reduction of Capital, Admission and (in each case) related matters, as described in this Prospectus and the TP ICAP Scheme Circular;
“Proposed Directors”	the persons who will, prior to Admission, be appointed as directors of New TP ICAP, whose names appear on page 36 of this Prospectus under the heading “ <i>Proposed Directors</i> ”;
“Prospectus”	this prospectus approved by the FCA and published on 7 January 2021 as a prospectus prepared in accordance with the Prospectus Regulation Rules;
“Prospectus Regulation Rules”	the prospectus regulation rules of the FCA made under Section 73A of the FSMA;
“Relevant Regulators”	means the FCA, the Monetary Authority of Singapore, the Hong Kong Securities and Futures Commission, the Hong Kong Monetary Authority, the Autorité de Contrôle Prudentiel et de Résolution, the Financial Market Supervisory Authority of Switzerland, the Comisión Nacional del Mercado de Valores, the Dutch Central Bank, the Comissão do Mercado de Valores Mobiliários, the Financial Supervisory Authority of Norway, the Foreign Exchange Dealers’ Association of India, BSE Limited, the National Stock Exchange of India Limited, the Securities Exchange Board of India, the Fixed Income Money Markets & Derivatives Association of India, India Clearing Corporation Limited, NSE Clearing Limited the Dubai Financial Services Authority, the Central Bank of Bahrain, the Ontario Securities Commission, the Alberta Securities Commission, the Nigerian Federal Competition and Consumer Protection Commission, the Central Bank of Brazil and the Danish Financial Supervisory Authority;
“Remuneration Committee”	prior to the Scheme becoming Effective, the remuneration committee of TP ICAP and, following the Scheme becoming Effective, the remuneration committee of New TP ICAP;
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in Part 7 of the TP ICAP Scheme Circular;
“Rights Issue”	the offer by way of a rights issue to qualifying TP ICAP Shareholders to subscribe for new ordinary shares of TP ICAP on terms as set out in the TP ICAP Prospectus;
“Risk Committee”	prior to the Scheme becoming Effective, the risk committee of TP ICAP and, following the Scheme becoming Effective, the risk committee of New TP ICAP;
“Scheme”	a scheme of arrangement pursuant to Part 26 of the Companies Act 2006 to introduce New TP ICAP, a new company incorporated in Jersey, as the ultimate holding company of the Group;
“Scheme Effective Date”	the date on which the Scheme becomes Effective in accordance with its terms;
“Scheme Effective Time”	the time at which the Scheme becomes Effective on the Scheme Effective Date;
“Scheme Record Time”	6.00 p.m. (London time) on the Business Day immediately preceding the Scheme Effective Date;
“Scheme Reduction of Capital”	the cancellation of the Scheme Shares by way of a reduction of capital of TP ICAP in connection with the Scheme;
“Scheme Shareholders”	holders of Scheme Shares;
“Scheme Shares”	the TP ICAP Ordinary Shares which are:

- (a) in issue at the date of this document;
 - (b) issued after the date of this document and before the Voting Record Time; and
 - (c) issued at or after the Voting Record Time and before the Scheme Record Time either on terms that the original or any subsequent holders of such shares shall be bound by the Scheme or in respect of which their holders are, or have agreed in writing to be, bound by the Scheme,
- and, in each case, remaining in issue at the Scheme Record Time.

“SDs”	Swap dealers;
“SEC”	the US Securities and Exchange Commission;
“SEFs”	Swap execution facilities;
“SMCR”	the FCA Senior Managers & Certification Regime;
“Sponsor”	HSBC;
“subsidiary”, “subsidiary undertaking” and “undertaking”	shall be construed in accordance with the Companies Act;
“Syndicated RCF”	the £270,000,000 multicurrency revolving credit facility dated 19 December 2018 entered into by TP ICAP;
“Takeover Code”	the UK City Code on Takeovers and Mergers;
“TP ICAP”	<ul style="list-style-type: none"> (a) prior to the Scheme Effective Time, TP ICAP plc, a public limited company incorporated in England and Wales with registered number 5807599; (b) after the Scheme Effective Time and re-registration as a private company, TP ICAP Limited, a private limited company incorporated in England and Wales with registered number 5807599;
“TP ICAP 2017 Annual Report” . . .	TP ICAP’s annual report for the year ended 31 December 2017, containing TP ICAP’s audited consolidated financial statements (prepared in accordance with IFRS) and audit report in respect of that year;
“TP ICAP 2017 Financial Statements”	TP ICAP’s audited consolidated financial statements for the year ended 31 December 2017 as reported in the TP ICAP 2017 Annual Report
“TP ICAP 2018 Annual Report” . . .	TP ICAP’s annual report for the year ended 31 December 2018, containing TP ICAP’s audited consolidated financial statements (prepared in accordance with IFRS) and audit report in respect of that year;
“TP ICAP 2018 Financial Statements”	TP ICAP’s audited consolidated financial statements for the year ended 31 December 2018 as reported in the TP ICAP 2018 Annual Report
“TP ICAP 2019 Annual Report” . . .	TP ICAP’s annual report for the year ended 31 December 2019, containing TP ICAP’s audited consolidated financial statements (prepared in accordance with IFRS) and audit report in respect of that year;
“TP ICAP 2019 Financial Statements”	TP ICAP’s audited consolidated financial statements for the year ended 31 December 2019 as reported in the TP ICAP 2019 Annual Report

“TP ICAP 2020 Interim Financial Statements”	TP ICAP’s unaudited interim financial statements for the nine months ending 30 September 2020;
“TP ICAP Articles”	the articles of association of TP ICAP;
“TP ICAP Board”	the directors of TP ICAP as at the date of this Prospectus;
“TP ICAP Class 1 Circular”	the circular published by TP ICAP in connection with the Liquidnet Acquisition on 7 January 2021;
“TP ICAP Holdings”	TP ICAP Holdings Limited, a company incorporated in Jersey with registered number 130618 and having its registered office at 22 Grenville Street, St Helier, Jersey JE4 8PX;
“TP ICAP Ordinary Shares”	the ordinary shares of 25 pence each in the capital of TP ICAP in issue prior to the Scheme Effective Date;
“TP ICAP Prospectus”	the prospectus published by TP ICAP in connection with the Rights Issue on 7 January 2021;
“TP ICAP Rights Issue Shares”	the ordinary shares of 25 pence each in the capital of the Company to be issued under the Rights Issue;
“TP ICAP Scheme Circular”	the circular dated 7 January 2021 sent to TP ICAP Shareholders in connection with the Proposals;
“TP ICAP Scheme New Ordinary Shares”	the ordinary shares of 25 pence each in the capital of TP ICAP to be issued to New TP ICAP pursuant to the Scheme;
“TP ICAP Share Plans”	the TP ICAP Long Term Incentive Plan, the TP ICAP Special Equity Award Plans and the Tullett Prebon plc Deferred Bonus Plan;
“TP ICAP Shareholders”	the holders of TP ICAP Ordinary Shares;
“TP ICAP Statement of Capital”	the statement of capital (approved by the Court) showing with respect to TP ICAP’s share capital, as altered by the Court Order confirming the reduction of the share capital of TP ICAP, the information required by section 649 of the Companies Act;
“TP ICAP’s Registrars”, or “Link Group”	Link Group, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom;
“UK Corporate Governance Code”	the UK Corporate Governance Code published by the Financial Reporting Council;
“UK Prospectus Regulation”	the UK version of Regulation (EU) 2017/1129, which is part of UK law by virtue of the EUWA;
“UK Regulated Entities”	Tullett Prebon (Europe) Limited; Tullett Prebon (Securities) Limited; Tullett Prebon (Equities) Limited; PVM Oil Futures Limited; ICAP Securities Limited; ICAP Energy Limited; The Link Asset and Securities Company Limited; ICAP WCLK Limited; ICAP Global Derivatives Limited; ICAP Europe Limited; and iSwap Euro Limited;
“Uncertificated Securities Order”	the Companies (Uncertificated Securities) (Jersey) Order 1999 (as amended from time to time);
“US Exchange Act”	the US Securities Exchange Act of 1934, as amended;
“US Securities Act”	the US Securities Act of 1933, as amended; and
“VAT”	(a) any tax imposed in compliance with the council directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) (including, in relation to the United

Kingdom, value added tax imposed by the Value Added Tax Act 1994 and legislation and regulations supplemental thereto); and

- (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or elsewhere;

“Voting Record Time” 6.30 p.m. (London time) on the day which is two Business Days before the date of the Court Meeting and General Meeting or, if the General Meeting or the Court Meeting is adjourned, 6.30 p.m. (London time) on the second Business Day before the date of such adjourned meeting.

PART XVIII

TECHNICAL GLOSSARY

The following definitions apply throughout this document unless the context requires otherwise:

Blotter-sync Technology	An automated workflow solution integrating client-side order management systems (OMS) and execution management systems (EMS) with Liquidnet — where client's orders are automatically mirrored in Liquidnet's liquidity pools on an uncommitted basis—allowing clients to automatically search for liquidity in Liquidnet's network
Dark trading	Non-exchange-based trading between intermediaries interested in placing orders for the trading of specific securities without information leakage
dealers	Include banks, sell-side institutions, and market-makers
Dealer-to-Client (D2C)	OTC trading market which allows only dealers to negotiate and trade with buy-side clients
Dealer-to-Dealer (D2D)	OTC trading market which allows only dealers to negotiate and trade with other dealers
EMS	Execution management systems — electronic system developed to execute securities orders in an efficient and cost-effective manner
FIX protocol	Financial information exchange (FIX) protocol — an electronic communication protocol supporting trade allocation, order submissions, order changes, execution reporting and advertisements — used by members and non-member buy-side clients
OMS	Order management systems — electronic system developed to execute securities orders in an efficient and cost-effective manner
RFQ	Request for quote — the dominant FIX protocol, whereby asset managers ask dealers for a quote on a trade they would like to carry out
RV business	Relative Value business

