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Interim results for the six months ended 30 November 2024

23 January 2025

IG Group Holdings plc ("IG", "the Group", "the Company"), today announces its results for the six months ended 30 November 2024 ("H1 FY25").

Financial highlights

Earnings growth on prior year levels reflected more supportive market conditions and lower costs.

- Total revenue of £522.5 million (H1 FY24: £472.6 million), up 11%.
- Net trading revenue of £451.7 million (H1 FY24: £402.4 million), up 12% driven by higher revenue per client.
- Net interest income flat at £70.8 million (H1 FY24: £70.2 million) as higher client money balances offset lower interest rates.
- Adjusted[1] profit before tax of £266.8 million (H1 FY24: £205.7 million), up 30%, at a margin of 51.1% (H1 FY24: 43.5%). Statutory profit before tax of £249.3 million (H1 FY24: £176.4 million), up 41%.
- Adjusted basic EPS of 55.3 pence (H1 FY24: 38.9 pence), up 42% on H1 FY24. Statutory basic EPS of 51.7 pence (H1 FY24: 33.4 pence).
- Total capital return of £281 million split across dividends paid and shares repurchased in the period (H1 FY24: £276 million).
- Increased interim dividend to 13.86p per share (H1 FY24: 13.56p).
- Extending the share buyback programme by £50 million to £200 million to be completed in the second half of FY25.

Strategic and operational highlights

Making progress delivering against the initial priorities outlined in July 2024, to improve our product, embed a high-performance culture and enhance efficiency.

- Announced the acquisition of Freetrade, strengthening IG's UK trading and investments proposition and providing access to new customer segments and capabilities.
- Implemented a decentralised organisational model to enhance client centricity.
- Taken decisive action to exit initiatives not delivering acceptable returns, including the Spectrum multilateral trading facility ("Spectrum"). Spectrum was broadly breakeven in H1 FY25, and its core products will be offered more cost efficiently over-the-counter.
- Total active clients of 295,300 were down fractionally on the prior year (H1 FY24: 296,300). First trades of 33,900 were flat (H1 FY24: 33,800).
- tastytrade total revenue increased 15% year-on-year, within which trading revenue reached a record $90.5 million (H1 FY24: $72.9 million). tastytrade interest income was stable at $45.3 million (H1 FY24: $44.9 million).

[1] Adjusted metrics exclude non-recurring or non-cash items. A reconciliation to statutory measures can be found in the appendix.

Financial summary

£ million (unless stated)	H1 FY25	H1 FY24	% YoY	H2 FY24	% HoH
Net trading revenue	451.7	402.4	12%	442.6	2%
Total revenue	522.5	472.6	11%	514.7	2%
Adjusted operating costs[1]	(277.4)	(281.1)	(1%)	(283.0)	(2%)
Adjusted profit before tax	266.8	205.7	30%	250.5	7%
Adjusting items[1]	(17.5)	(29.3)	(40%)	(26.1)	(33%)
Statutory profit after tax	188.0	132.7	42%	175.0	7%
Basic earnings per share (p)	51.7	33.4	55%	45.1	15%
Adjusted basic earnings per share (p)	55.3	38.9	42%	50.4	10%
Interim dividend per share (p)	13.86	13.56	2%	-	-

[1] H1 FY25 adjusted operating costs exclude £17.5 million of recurring non-cash items relating to the tastytrade acquisition. H1 FY24 adjusted operating costs exclude £18.9 million of recurring non-cash items and £0.5 million of one-off costs relating to the tastytrade acquisition, and £9.9 million of one-off non-recurring costs related to the operational improvement programme. H2 FY24 adjusted operating costs exclude £16.2 million of recurring non-cash items and £0.8 million of one-off costs relating to the tastytrade acquisition, and £9.2 million of one-off non-recurring costs related to the operational improvement programme.

Breon Corcoran, Chief Executive Officer, commented:

“First half performance reflected more supportive market conditions, but we have work to do to grow active customers which will be necessary to deliver sustainably stronger growth.

“Our focus remains on executing against the priorities we outlined in July 2024, which are to improve our product, embed a high-performance culture across the business and enhance efficiency.

“Last week, we were delighted to announce the acquisition of Freetrade, the fast-growing, commission-free UK self-directed investment platform. The transaction will strengthen IG’s UK trading and investments offering and provide access to new customer segments and capabilities.

“We have made progress in the first half of the year and have much more to do. Our people are full of energy and committed to delivering stronger, more sustainable growth.

“Current trading has been satisfactory, and we remain confident of meeting consensus revenue and profit before tax expectations in FY25. I look forward to updating you on progress in the second half of the year.”

Further information

Investor Relations

Martin Price / Adnan Zab

020 7573 0020 / 020 7633 5310

investors@iggroup.com

Media

Edward Berry / Katherine Bell

07703 330 199 / 07976 870 961

iggroup.sc@fticonsulting.com

Analyst presentation

Breon Corcoran (CEO) and Clifford Abrahams (CFO) will host a webcast presentation on IG’s FY25 interim results for analysts and institutional shareholders today at 09:30 (UK time). This will be followed by the opportunity to ask questions via the conference call line and through the web. To access the webcast or telephone conference call please register in advance using the following links.

Webcast: https://pres.iggroup.com/ig063

Conference call: https://pres.iggroup.com/ig063/vip_connect

Presentation slides can be viewed at: https://www.iggroup.com/investors

Alternative performance measures

IG Group management believes that the alternative performance measures included in this document provide valuable information to the readers of the financial statements as they enable the reader to identify a more consistent basis for comparing business performance between financial periods. They also provide more detail concerning the elements of performance which the managers of these businesses are most directly able to influence or are relevant for an assessment of the Group. Furthermore, they reflect how operating targets are defined and performance is monitored by IG Group management. However, any alternative performance measures in this document are not a substitute for statutory measures and readers should also consider the statutory measures. Refer to the appendices for further information and calculations of alternative performance measures included throughout this document, and the most directly comparable statutory measures.

Forward-looking statements

This preliminary statement, prepared by IG Group Holdings plc (the "Company"), may contain forward-looking statements about the Company and its subsidiaries (the "Group"). Such forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "projects", "estimates", "plans", "anticipates", "targets", "aims", "continues", "expects", "intends", "hopes", "may", "will", "would", "could" or "should" or, in each case, their negative or other various or comparable terminology.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which are beyond the Company's control and are based on the Company's beliefs and expectations about future events as of the date the statements are made. If the assumptions on which the Group bases its forward-looking statements change, actual results may differ from those expressed in such statements. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including those set out under "Principal Risks" in the FY24 Group Annual Report for the financial year ended 31 May 2024. The Annual Report can be found on the Company's website (www.iggroup.com).

Forward-looking statements speak only as of the date they are made. Except as required by applicable law and regulation, the Company undertakes no obligation to update these forward-looking statements.

No offer or solicitation

This announcement is not intended to, and does not constitute, or form part of, any offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction.

No profit forecasts or estimates

No statement in this announcement is intended as a profit forecast or estimate for any period.

Some numbers and period on period percentages in this statement have been rounded or adjusted to ensure consistency with the financial statements. This may lead to differences between subtotals and the sum of individual numbers as presented. Acronyms used in this report are as defined in the Group's Annual Report.

About IG

IG Group (LSEG:IGG) provides online trading platforms and educational resources to empower ambitious clients around the globe. Headquartered in the UK, IG Group is a FTSE 250 company that offers clients access to ~19,000 financial markets worldwide.

Chief Executive Officer's statement

Financial performance in the first half of FY25 reflected more supportive market conditions which resulted in higher revenue against an undemanding prior year comparator. Lower costs contributed to higher margins and share buybacks underpinned further growth in earnings per share.

I laid out my priorities in July 2024 which are to improve our product, embed a high-performance culture across the business and enhance efficiency. We have made progress and have much more to do to realise our potential.

I am delighted to welcome Clifford Abrahams as our new Chief Financial Officer. Clifford joined us after the end of the first half on 16 December and is already making a significant impact. His extensive experience of leading high-performing teams makes him a valuable addition to the leadership team. Clifford's leadership and expertise will be instrumental in delivering our next phase of growth.

Improving our product

The focus we have had on improving our product has some early momentum with the launch of content and features which customers have asked us for and which close gaps to competitors. Examples include IG TopTrader which provides our customers with real-time information on how our most successful traders are positioning, deeper integration with TipRanks, a popular trading and investments research platform, and integration of our OTC and exchange-traded derivatives businesses with TradingView, a leading charting platform and social network.

Towards the end of the first half, we rolled out measures which we expect to enhance revenue retention in our OTC business by capturing more spread income and lowering hedging costs, without taking more market risk, whilst enhancing client experience.

On 16 January, we announced the acquisition of Freetrade, the fast-growing, self-directed investment platform. The transaction will strengthen our UK direct-to-customer proposition and provide access to new customer segments and capabilities in a high-growth market. I'm delighted to welcome Viktor Nebehaj, CEO and co-founder of Freetrade, and his team to IG as they continue to scale the business. The acquisition is subject to regulatory approval and expected to close in mid-2025.

The product enhancements we have made, and the acquisition of Freetrade, are important first steps in improving our proposition, and we have more work to do to close product and capability gaps and simplify our offering. Our focus is on increasing organic growth, but we continue to seek M&A opportunities that can accelerate delivery of our strategy and create long-term shareholder value.

Embedding a high-performance culture

We have successfully implemented a decentralised organisational model to enhance client centricity and increase ownership and accountability across the business. We now have five geographically aligned divisions which have dedicated product, technology and marketing resources to deliver more relevant products, more quickly. We have also made changes to colleague performance assessment and reward to foster a high-performance culture, and we are bringing high-performing talent to IG to drive growth.

In the first half, we welcomed three new Executive Committee members, including Clifford, as Group CFO, and Managing Directors for our UK and Ireland and Institutional and Emerging Markets divisions. We have also added senior product, marketing and digital servicing specialists who will bring valuable, fresh perspectives to the business which are needed to drive growth. We continue to assess colleagues to understand and close skills gaps.

I am encouraged by the positive impact these initiatives are having on organisational effectiveness.

Taking initial steps to enhance efficiency

We have kicked-off workstreams to enhance efficiency and scalability in our operations function, with an initial focus on client onboarding and servicing. I am confident that these initiatives will lower our cost-to-serve, although the benefits will take time to evidence.

Over the past 12-months, we have taken decisive action to exit initiatives not delivering acceptable returns, including DailyFX, Spectrum and a legacy, multi-year stock trading and investments project. Spectrum was established in 2019 to diversify our product offering in Europe and the Group has invested significant resources and capital over the past five years attempting to scale the business. It became clear to me that the momentum which had been hoped for has not materialised quickly enough and performance has not been satisfactory. We announced plans to close Spectrum in November and are making its products available more cost efficiently over-the-counter. In H1 FY25 Spectrum generated approximately £8 million revenue and had similar operating costs.

Outlook

We operate in large and growing addressable markets and macro-economic uncertainty and volatility will continue to present our customers with trading opportunities. The business has demonstrated an ability to capture cyclical upside, we are making progress against our initial priorities and have lots more work to do to drive sustainably stronger structural growth.

Current trading is satisfactory, and we remain confident of meeting FY25 consensus total revenue and adjusted profit before tax expectations.

Chief Financial Officer's statement

In my first report as Chief Financial Officer, I am pleased that the Group has delivered a better performance relative to the prior year, albeit reflecting more supportive market conditions. It is clear to me that IG has many strengths, including solid positions in large and growing addressable markets, geographically well diversified revenue, high margins and strong capital generation. However, we are competing against many new and highly capable players and there are many things we must improve to take market share.

We detailed our initial priorities in July 2024, and we are moving at pace to deliver on these. As we do this, I am confident that we will compete more effectively, increase active customers and build scale. That commercial growth will translate into growth in earnings and ongoing capital returns.

Top line growth delivered in better cyclical market conditions

Total revenue exceeded the peaks of the pandemic at £522.5 million, as volatility normalised to long-term averages from unusually low levels in the prior year. OTC client income conversion for the half year was in line with typical levels in a mid-70% range, but at the top end in Q1 and towards the lower end in Q2.

Interest income was broadly flat as growth in customer cash balances offset lower interest rates.

Performance in the period was a good demonstration of IG's ability to capture cyclical upside, but our focus is on delivering sustainably stronger growth from more diverse revenue streams.

Net trading revenue increased across all products, driven by higher revenue per client, but active clients and new client acquisition, or first trades, were flat. I am confident that the investments we are making in product and marketing will result in stronger growth, but this will take time to evidence.

Costs well controlled

Operating costs declined 1% on prior year levels, driven by normalisation of bad debt to £0.6 million from unusually elevated levels (H1 FY24: £10.5 million) and lower fixed remuneration due to efficiency measures initiated in October 2023 which reduced average headcount by 10%. These savings enabled us to offset investment in technology, including digitalisation of business processes and relocation of our data centres.

We expect costs to be modestly higher in the second half reflecting the timing of the provision we take for the UK Financial Services Compensation Scheme (FSCS) levy, higher marketing costs, further investment in digitalisation to enhance scalability and expenses associated with the acquisition of Freetrade.

Deploying our strong cash generation for shareholder returns and to accelerate growth

In the first half of the year, we returned £281 million of capital to shareholders via ordinary dividends and share buybacks, supported by strong cash conversion and a robust balance sheet. Since the end of FY22, we have returned over £1 billion to shareholders via ordinary dividends and share buybacks and reduced our share count by 18%.

At the end of November 2024, we had £658 million of headroom over the Group minimum regulatory capital requirement of £286 million, including a deduction for the interim dividend declared today.

Following the acquisition of Freetrade, which we expect to close in mid-2025, and the execution of the £50 million extension to our share buyback programme, the Group capital position remains strong with indicative pro forma headroom of £424 million. This is stated prior to capital generation from the end of November 2024 and reflects a deduction from regulatory capital resources of approximately £174 million associated with the transaction. This deduction comprises of the £160 million enterprise value, in addition to acquired cash, net debt items and other liquidity requirements, totalling approximately £14 million. Indicative pro forma headroom includes modestly higher estimated Group regulatory capital requirements resulting from the acquisition of approximately £10 million.

Initial focus is on optimising capital allocation and growth

It is pleasing to see the strong first half performance, but I recognise this was underpinned by supportive market conditions. Our focus is on accelerating profitable growth by increasing active users and revenue to leverage our platform. To do this, we must invest in our existing products and brands, close product gaps and diversify revenue.

I am supportive of our existing capital allocation framework and intend to review to see if it can be refined.

Today we announced that we are extending our share buyback programme by £50 million to £200 million. It is pleasing to show how we can both invest in accretive growth and return capital at attractive equivalent rates of return on our buyback, all whilst safeguarding our robust balance sheet.

Business Performance Review

The following analysis on the income statement is presented on an adjusted basis, which excludes certain one-off items and recurring non-cash items. Further detail on these adjustments and a reconciliation of alternative performance measures used in this report is contained in the appendix.

Summary Group Income Statement

£m	H1 FY25 adjusted	H1 FY25	H1 FY24 adjusted	H1 FY24	Change adjusted %	Change %
Net trading revenue	451.7	451.7	402.4	402.4	12%	12%
Net interest income	70.8	70.8	70.2	70.2	1%	1%
Total revenue	**522.5**	**522.5**	**472.6**	**472.6**	**11%**	**11%**
Betting duty and other operating income[1]	2.1	2.1	0.3	0.3		
Net operating income	**524.6**	**524.6**	**472.9**	**472.9**	**11%**	**11%**
Total operating costs[1]	(277.4)	(294.9)	(281.1)	(310.4)	(1%)	(5%)
Operating profit	**247.2**	**229.7**	**191.8**	**162.5**	**29%**	**41%**
Other net losses	(0.2)	(0.2)	(1.5)	(1.5)		
Net finance income	19.8	19.8	15.4	15.4		
Profit before tax	**266.8**	**249.3**	**205.7**	**176.4**	**30%**	**41%**
Tax expense	(65.6)	(61.3)	(50.9)	(43.7)	29%	40%
Profit after tax	**201.2**	**188.0**	**154.8**	**132.7**	**30%**	**42%**
Weighted average number of shares for the calculation of EPS (millions)	363.9	363.9	397.6	397.6	(8%)	(8%)
Basic earnings per share (pence)	**55.3**	**51.7**	**38.9**	**33.4**	**42%**	**55%**

[1] H1 FY25 adjusted operating costs exclude £17.5 million of recurring non-cash items relating to the tastytrade acquisition. H1 FY24 adjusted operating costs exclude £18.9 million of recurring non-cash items and £0.5 million of one-off costs relating to the tastytrade acquisition, and £9.9 million of one-off non-recurring costs related to the operational improvement programme.

Total revenue

Total revenue consists of net trading revenue and net interest income. Total revenue was £522.5 million in H1 FY25, increasing 11% on H1 FY24, reflecting trading revenue up 12% and interest income up 1%.

Net trading revenue

Net trading revenue for the Group was £451.7 million, increasing 12% on H1 FY24. Volatility across a range of asset classes normalised to long-term averages. This resulted in increased trading volumes and a higher average revenue per client across all products and divisions.

Net trading revenue by product

	Trading revenue (£m)			Active clients (000)[1]		
	H1 FY25	**H1 FY24**	**Change %**	**H1 FY25**	**H1 FY24**	**Change %**
OTC derivatives	360.4	327.7	10%	142.8	147.3	(3%)
Exchange-traded derivatives	78.0	63.6	23%	77.2	70.1	10%
Stock trading and investments	13.3	11.1	20%	85.1	89.1	(4%)
Total	**451.7**	**402.4**	**12%**	**295.3**	**296.3**	**-**

[1] Total Group active clients have been adjusted to remove the clients who are active in more than one product category (multi-product clients) to give a unique client count..

	Revenue per client (£)			First trades (000)[2]		
	H1 FY25	H1 FY24	Change %	H1 FY25	H1 FY24	Change %
OTC derivatives	2,523	2,225	13%	17.5	20.7	(15%)
Exchange-traded derivatives	1,011	907	11%	15.0	10.7	40%
Stock trading and investments	157	125	25%	3.6	4.2	(14%)
Total	**Nm**	**Nm**	**Nm**	**33.9**	**33.8**	**-**

[2] Total Group first trades have been adjusted to remove the clients who traded in more than one product category to give a unique first trade count.

OTC derivatives trading revenue was £360.4 million, increasing 10% on H1 FY24 reflecting more supportive market conditions, particularly in Q1, resulting in higher revenue per client. Revenue per client increased 13% offsetting a 3% reduction in active clients.

Exchange-traded derivatives trading revenue was £78.0 million, up 23% on H1 FY24, with active clients increasing 10% and revenue per client increasing 11%.

Stock trading and investments trading revenue was £13.3 million, up 20% on H1 FY24, with active clients down 4%, offset by a 25% increase in average revenue per client.

Net trading revenue by division

During the period the Group implemented a new decentralised operating model with five geographically aligned divisions; UK and Ireland, APAC and Middle East, United States, Europe and Institutional and Emerging Markets.

UK and Ireland

	Trading revenue (£m)			Active clients (000)[1]		
	H1 FY25	H1 FY24	Change %	H1 FY25	H1 FY24	Change %
OTC derivatives	127.4	115.7	10%	41.7	43.8	(5%)
Exchange-traded derivatives	0.2	-	Nm	0.9	-	Nm
Stock trading and investments	10.7	9.3	15%	56.0	60.2	(7%)
Total	**138.3**	**125.0**	**11%**	**92.5**	**97.7**	**(5%)**

[1] Total UK and Ireland active clients have been adjusted to remove the clients who are active in more than one product category (multi-product clients) to give a unique client count.

	Revenue per client (£)			First trades (000)[2]		
	H1 FY25	H1 FY24	Change %	H1 FY25	H1 FY24	Change %
OTC derivatives	3,056	2,640	16%	3.9	4.0	(3%)
Exchange-traded derivatives	269	-	Nm	0.9	0.0	Nm
Stock trading and investments	190	154	24%	2.2	2.6	(15%)
Total	**Nm**	**Nm**	**Nm**	**5.7**	**5.8**	**(2%)**

[2] Total Group first trades have been adjusted to remove the clients who traded in more than one product category to give a unique first trade count.

In the UK and Ireland division, trading revenue increased 11% on H1 FY24 to £138.3 million with OTC derivatives revenue increasing 10% and stock trading and investments revenue increasing 15%.

In the period, the division launched futures and options trading, reported within exchange-traded derivatives revenue, and this contributed £0.2m, with 900 new active clients onboarded in the period. Divisional revenue growth reflected higher revenue per client, driven by more supportive market conditions. Active clients for the division were down 5% overall, with first trades down 2% on the prior period.

APAC and Middle East

	Trading revenue (£m)			Active clients (000)[1]		
	H1 FY25	**H1 FY24**	**Change %**	**H1 FY25**	**H1 FY24**	**Change %**
OTC derivatives	129.2	122.2	6%	52.1	53.8	(3%)
Stock trading and investments	2.2	1.6	38%	28.2	28.0	1%
Total	**131.4**	**123.8**	**6%**	**78.1**	**79.6**	**(2%)**

[1] Total APAC and Middle East active clients have been adjusted to remove the clients who are active in more than one product category (multi-product clients) to give a unique client count.

	Revenue per client (£)			First trades (000)[2]		
	H1 FY25	**H1 FY24**	**Change %**	**H1 FY25**	**H1 FY24**	**Change %**
OTC derivatives	2,479	2,270	9%	6.6	9.4	(29%)
Stock trading and investments	79	58	37%	1.4	1.5	(12%)
Total	**Nm**	**Nm**	**Nm**	**7.6**	**10.5**	**(28%)**

[2] Total Group first trades have been adjusted to remove the clients who traded in more than one product category to give a unique first trade count.

In the APAC and Middle East division, trading revenue increased 6% to £131.4 million, with OTC derivatives revenue up 6% and stock trading and investments increasing 38%. OTC derivatives active clients decreased 3%, although this was more than offset by 9% growth in revenue per client. Stock trading and investments active clients were up slightly, with 37% growth in revenue per client driving the overall increase in trading revenue. First trades in the period were down 28% on H1 FY24.

United States (US)

	Trading revenue (£m)			Active clients (000)[1]		
	H1 FY25	**H1 FY24**	**Change %**	**H1 FY25**	**H1 FY24**	**Change %**
OTC derivatives	7.3	7.3	0%	8.1	7.5	8%
Exchange-traded derivatives	70.0	58.2	20%	71.5	65.6	9%
Total	**77.3**	**65.5**	**18%**	**79.5**	**73.1**	**9%**

[1] Total US active clients have been adjusted to remove the clients who are active in more than one product category (multi-product clients) to give a unique client count.

	Revenue per client (£)			First trades (000)[2]		
	H1 FY25	**H1 FY24**	**Change %**	**H1 FY25**	**H1 FY24**	**Change %**
OTC derivatives	912	981	(7%)	2.0	2.0	2%
Exchange-traded derivatives	979	888	10%	12.5	9.5	32%
Total	**Nm**	**Nm**	**Nm**	**14.5**	**11.5**	**27%**

[2] Total Group first trades have been adjusted to remove the clients who traded in more than one product category to give a unique first trade count.

In the US division, trading revenue of £77.3 million increased 18%, driven by growth in exchange-traded derivatives revenue from tastytrade, which increased 20% on H1 FY24. In US Dollars, trading revenue increased 24%, reflecting 9% growth in active clients and 10% growth in revenue per client. OTC derivatives trading revenue was in line with H1 FY24 with active clients increasing 8%, and revenue per client down 7%. First trades in the division increased 27% on H1 FY24.

Europe

	Trading revenue (£m)			Active clients (000)[1]		
	H1 FY25	H1 FY24	Change %	H1 FY25	H1 FY24	Change %
OTC derivatives	55.4	48.1	15%	28.2	29.1	(3%)
Exchange-traded derivatives	7.7	5.4	45%	4.8	4.5	5%
Total	**63.1**	**53.5**	**18%**	**31.8**	**32.2**	**(1%)**

[1] Total Europe active clients have been adjusted to remove the clients who are active in more than one product category (multi-product clients) to give a unique client count.

	Revenue per client (£)			First trades (000)[2]		
	H1 FY25	H1 FY24	Change %	H1 FY25	H1 FY24	Change %
OTC derivatives	1,961	1,656	18%	3.3	3.5	(7%)
Exchange-traded derivatives	1,628	1,180	38%	1.6	1.2	28%
Total	**Nm**	**Nm**	**Nm**	**4.4**	**4.2**	**6%**

[2] Total Group first trades have been adjusted to remove the clients who traded in more than one product category to give a unique first trade count.

In the Europe division, trading revenue increased 18% to £63.1 million, reflecting 15% growth in OTC derivatives revenue and 45% growth in exchange-traded derivatives revenue from turbo products, which will be transitioned to an OTC offering in the second half of the financial year. OTC derivatives active clients declined 3% but revenue per client increased 18% reflecting more supportive market conditions. Exchange-traded derivatives active clients increased 5% and revenue per client increased by 38%. First trades for the division increased by 6% on H1 FY24.

Institutional and Emerging Markets

	Trading revenue (£m)			Active clients (000)[1]		
	H1 FY25	H1 FY24	Change %	H1 FY25	H1 FY24	Change %
OTC derivatives	41.1	34.4	20%	12.8	13.1	(3%)
Exchange-traded derivatives	0.1	0.0	Nm	0.0	0.0	Nm
Stock trading and investments	0.4	0.2	89%	0.9	0.8	4%
Total	**41.6**	**34.6**	**20%**	**13.5**	**13.8**	**(2%)**

[1] Total Institutional and Emerging Markets active clients have been adjusted to remove the clients who are active in more than one product category (multi-product clients) to give a unique client count.

	Revenue per client (£)			First trades (000)[2]		
	H1 FY25	H1 FY24	Change %	H1 FY25	H1 FY24	Change %
OTC derivatives	3,222	2,618	23%	1.7	1.9	(8%)
Exchange-traded derivatives	2,000	1,296	54%	0.0	0.0	Nm
Stock trading and investments	498	273	82%	0.1	0.0	23%
Total	**Nm**	**Nm**	**Nm**	**1.8**	**1.9**	**(8%)**

[2] Total Group first trades have been adjusted to remove the clients who traded in more than one product category to give a unique first trade count.

In the Institutional and Emerging Markets division, trading revenue increased by 20%, with almost all of the revenue coming from OTC derivatives. Active clients reduced by 3%, offset by a 23% increase in revenue per client. First trades in the period reduced 8% on H1 FY24.

Net interest income

Net interest income is driven by client balances that are held off the Group balance sheet. Net interest income on client balances in H1 FY25 was £70.8 million, up 1% on the H1 FY24 total of £70.2 million.

Interest income represented 14% of total revenue, down from 15% in H1 FY24, reflecting higher net trading revenue.

In the US division, client cash balances held off balance sheet at the end of the period were $2.1 billion (H1 FY24: $1.9 billion). This contributed £36.0 million of interest income (H1 FY24: £37.3 million).

Outside the US, client cash balances held off balance sheet at the end of the period were £2.2 billion (H1 FY24: £2.1 billion). This contributed £34.8 million of interest income (H1 FY24: £32.9 million).

Adjusted operating costs

Adjusted operating costs for H1 FY25 were £277.4 million, 1% lower than H1 FY24.

In H1 FY24 adjusted operating costs excluded £29.3 million, which reflected amortisation of intangibles of £16.2 million relating to the tastytrade acquisition, £2.7 million in retention awards associated with the transaction, £0.5 million of non-recurring tastytrade integration costs, and £9.9 million of one-off costs relating to the operational improvement programme announced in October 2023.

In H1 FY25 our approach to cost adjustments was reviewed, and as a result we have not made any adjustments in the period for one-off restructuring costs. Costs incurred in the period, including the costs of the Spectrum closure, have been included as BAU costs. H1 FY25 adjustments to operating costs only included ongoing non-cash costs in relation to the tastytrade acquisition, which totalled £17.5 million and included £15.2m of amortisation of the tastytrade intangible, and £2.2m related to retention awards.

Adjusted operating costs

£m	H1 FY25	H1 FY24	Change %
Fixed remuneration	95.4	100.2	(5%)
Advertising and marketing	42.2	43.8	(4%)
Revenue related costs	23.0	30.6	(25%)
IT, structural market data and communications	28.6	23.8	20%
Depreciation and amortisation	16.1	17.7	(9%)
Legal and professional	16.5	14.2	16%
Other costs	23.0	25.7	(11%)
Variable remuneration	32.6	25.1	30%
Total adjusted operating costs[1]	**277.4**	**281.1**	**(1%)**
Headcount – average	2,489	2,754	(10%)
Headcount – year end	2,440	2,747	(11%)

[1]H1 FY25 adjusted operating costs exclude £17.5 million of recurring non-cash items relating to the tastytrade acquisition. H1 FY24 adjusted operating costs exclude £18.9 million of recurring non-cash items and £0.5 million of one off costs relating to the tastytrade acquisition, and £9.9 million of one off non-recurring costs related to the operational improvement programme.

Fixed remuneration was £95.4 million, down 5% on H1 FY24. This reflects the reduction in headcount across the period, reflecting the operational improvement programme announced in October 2023, offset with some one-off restructuring costs, and a reduction in the capitalisation of salary costs.

Advertising and marketing spend in the year was £42.2 million, reducing 4% on H1 FY24 as savings were realised by more targeted resource allocation enhancing marketing return on investment.

Revenue related costs include market data charges, client payment charges, provisions for client and counterparty credit losses and brokerage trading fees. Revenue related costs in total decreased by 25% to £23.0 million (H1 FY24: £30.6 million), reflecting normalisation in client and counterparty credit losses, following a significant charge in H1 FY24 (H1 FY25: £0.6 million, H1 FY24: £10.5 million). Credit card and brokerage trading costs increased year-on-year, reflecting higher levels of client activity.

IT maintenance, structural market data charges, and communications costs were £28.6 million, increasing 20% on H1 FY24, reflecting investment in digitalisation of business processes and relocation of our data centres. Market data costs increased driven by higher usage and inflationary pressures.

Depreciation and amortisation was £16.1m, reducing by 9%, reflecting the reduction in the amortisation run rate as the remaining value of the DailyFX domain name was impaired at FY24 year end. This figure also includes a £3.2m impairment of intangible assets related to the exit from Spectrum.

Legal and professional fees were £16.5 million, an increase of 16%, reflecting higher costs in relation to strategic and operational projects including £1.8m in relating to the acquisition of Freetrade.

Other costs, which include travel and entertainment, regulatory fees and irrecoverable VAT, dropped 11% to £23.0 million, reflecting a reduction in irrecoverable VAT, premises costs, and lower staff-related costs.

Variable remuneration of £32.6 million includes the general bonus accrual, share schemes and sales bonuses. The charge for the general bonus pool was £18.6 million, up 67% reflecting the Group's performance against internal targets relative to the comparative period. Share scheme costs, which relate to long-term incentive plans for senior management, increased by 5% to £11.4 million (H1 FY24: £10.9 million) including one-off acceleration of charges for outgoing executives' share awards.

Net finance income

Net finance income in the period was £19.8 million, up 28% on H1 FY24. Within this, finance income was £33.6 million (H1 FY24: £26.1 million), partly offset by finance costs of £13.8 million (H1 FY24: £10.7 million).

Finance costs are largely fixed, but include interest paid on client cash deposits held on balance sheet which increased by £3.0 million. Finance income reflects the interest earned on corporate cash balances and client funds that are held on balance sheet. Client funds held on balance sheet increased 20% to £490.1 million (H1 FY24: £410.2 million).

Taxation

The effective tax rate (ETR) applied to the Group's H1 FY25 profit is 24.6% (FY24: 23.2%). The increase in the H1 FY25 ETR is mainly due to the tax implications of the Spectrum closure and the UK banking surcharge of 3% on IG Markets taxable profit exceeding £100m. The ETR is dependent on a mix of factors including taxable profit by geography, the availability and use of tax incentives and tax losses.

The OECD Pillar 2 global minimum tax rules came into force for the Group from 1 June 2024. The tax footprint of the Group is such that the Pillar 2 rules are not expected to have a material impact on the Group's tax charge as there is currently insignificant activity in low tax jurisdictions.

Earnings per share

£m (unless stated)	H1 FY25 adjusted	H1 FY25	H1 FY24 adjusted	H1 FY24	Adjusted change %	Change %
Profit before tax	266.8	249.3	205.7	176.4	30%	41%
Tax expense	(65.6)	(61.3)	(50.9)	(43.7)	29%	40%
Profit after tax for the period	201.2	188.0	154.8	132.7	30%	42%
Weighted average number of shares for the calculation of EPS (millions)	363.9	363.9	397.6	397.6	(8%)	(8%)
Basic earnings per share (pence)	**55.3**	**51.7**	**38.9**	**33.4**	**42%**	**55%**

Basic earnings per share increased to 55.3 pence (H1 FY24: 38.9 pence) on an adjusted basis. This was due to an increase in adjusted profit after tax of 30% and lower weighted average number of shares, reducing from 397.6 million shares in H1 FY24 to 363.9 million shares in H1 FY25, as a result of share buybacks.

Return of shareholder funds

The proposed interim dividend of 13.86 pence per share was approved by the Board on 22 January 2025 and has not been included as a liability as at 30 November 2024. This dividend, totalling approximately £49.1 million, will be paid on 3 March 2025 to those members on the register at the close of business on 31 January 2025.

During H1 FY25, the Group has repurchased 17,667,560 shares, for total consideration of £167.2 million (including related costs of £4.1 million). On 22 January 2025, the Board approved the extension of share buyback programme by a further £50 million to a total of £200 million which is expected to be completed in H2 FY25.

Summary Group balance sheet

The Group continues to operate with a strong and liquid balance sheet, with net assets as at 30 November 2024 of £1,795.2 million (31 May 2024: £1,889.5 million). The balance sheet is presented on a management basis which reflects the Group's use of alternative performance measures to monitor its financial position. A reconciliation of these alternative performance measures to the corresponding UK-adopted International Accounting Standards balances is presented in the appendix.

£m	30 Nov 2024	31 May 2024	Change %
Goodwill	599.1	599.0	-
Intangible assets	195.5	216.6	(10%)
Property, plant and equipment[1]	16.5	20.3	(19%)
Operating lease net liabilities	(1.7)	(2.3)	(26%)
Other investments	0.6	1.8	(67%)
Investments in associates	9.7	9.9	(2%)
Fixed assets	**819.7**	**845.3**	**(3%)**
Cash[2]	882.5	912.3	(3%)
Net amounts due from brokers	863.7	783.1	10%
Own funds in client money	20.6	47.3	(56%)
Financial investments	75.4	115.7	(35%)
Liquid assets	**1,842.2**	**1,858.4**	**(1%)**
Issued debt	(299.5)	(299.5)	-
Client funds held on balance sheet	(490.1)	(430.5)	14%
Turbo warrants	(4.5)	(4.5)	-
Own funds	**1,048.1**	**1,123.9**	**(7%)**
Working capital	(44.4)	(55.2)	(20%)
Net tax (payable)/receivable	(1.7)	2.2	(177%)
Net deferred income tax liability	(26.5)	(26.7)	(1%)
Net assets	**1,795.2**	**1,889.5**	**(5%)**

[1] Excludes right-of-use assets
[2] As per the Consolidated Statement of Cash Flow

The majority of the Group's Fixed assets are held in US Dollars, including goodwill of £497.2 million attributed to the tastytrade business. Fixed assets carrying value reduced by £25.6 million in the period mainly due to the amortisation of intangibles recognised from the tastytrade acquisition.

The Group measures the strength of its liquidity using an own funds measure rather than cash. Own funds is a combination of assets held by the Group which can be (or already are) deployed to meet its liquidity requirements, less restricted cash or amounts payable to clients. The liquidity requirements include broker margin, regulatory liquidity and working capital needs of its subsidiaries, and the funding of adequate buffers in segregated client money accounts. This broader measure is a more stable metric to assess the Group's liquidity position in meeting its day-to-day liquidity requirements, and a measure of liquidity net of client funds on balance sheet, which are repayable on demand, and issued debt.

The Group continues to be highly cash generative, with £240.6 million (H1 FY24: £70.9 million) generated from operations. Own funds decreased by £75.8 million during H1 FY25 due to a £16.2 million decrease in liquid assets and a £59.6 million increase in client funds. The ongoing share buyback continues to be a key driver in the reduction of the own funds balance, including a payment of £167.0 million (H1 FY24: £149.7 million) to acquire shares in the period.

£m	H1 FY25	H1 FY24
Own funds generated from operations	**262.5**	**183.8**
As a percentage of operating profit	114%	113%
Income taxes paid	(59.4)	(66.4)
Net own funds generated from operations	**203.1**	**117.4**
Net own funds generated from investing activities	**13.5**	**2.3**
Purchase of own shares held in Employee Benefit Trust	(9.5)	(13.3)
Payments made for share buyback	(167.0)	(149.7)
Equity dividends paid to owners of the parent	(117.9)	(126.7)
Net own funds used in financing activities	**(294.4)**	**(289.7)**
Decrease in own funds	**(77.8)**	**(170.0)**
Own funds at the start of the period	**1,123.9**	**1,207.3**
Decrease in own funds	(77.8)	(170.0)
Impact of movement in foreign exchange rates	2.0	(1.1)
Own funds at the end of the period	**1,048.1**	**1,036.2**

Liquidity

The Group maintains a strong liquidity position, ensuring sufficient liquidity under both normal circumstances and stressed conditions to meet its liquidity requirements.

£m	30 Nov 2024	31 May 2024	Change %
Liquid assets	**1,842.2**	**1,858.4**	**(1%)**
Broker margin requirement	(763.7)	(677.7)	13%
Cash balances in non-UK subsidiaries	(372.4)	(381.1)	(2%)
Own funds in client money	(20.6)	(47.3)	(56%)
Available liquidity	**685.5**	**752.3**	**(9%)**

Available liquidity is a measure of liquid assets that are not yet deployed to meet liquidity requirements and that are available at short notice. This available liquidity is typically used to meet broker margin increases and to repay client funds on balance sheet, which are repayable on demand.

The Group optimises its liquidity position by centralising funds within the UK, where the majority of market risk resides. This ensures sufficient liquidity to be deployed appropriately as required. The Group continually reviews and optimises the return on deploying this liquidity, through fixed income instruments, money market funds and bank deposits. Significant time has been invested into developing strong banking relationships to ensure competitive interest on bank deposits.

The Group's available liquidity is supported by its strong and diverse funding profile. Title transfer arrangements provide £384.3 million (31 May 2024: £328.7 million) of liquidity which the Group partially uses to meet its broker margin requirements. The Group has a £400.0 million revolving credit facility, which was undrawn as of 30 November 2024 and a £250.0 million committed repo facility providing the ability to quickly and efficiently convert financial investments into cash.

The Group's funding profile is further supported by its £1.0 billion EMTN programme, from which it has £300.0 million notes in issue, maturing November 2028. The Group maintains an active dialogue with a variety of debt stakeholders, leading to its long-term credit rating from Fitch being upgraded to BBB in August 2024.

In addition to the cash recognised on the balance sheet, as at 30 November 2024, the Group held £2,213.8 million (31 May 2024: £2,282.6 million) of client money in segregated bank accounts which are held separately from the Group's own cash balances. Segregated client money is excluded from both the Group's balance sheet and liquid assets as the Group does not have control over these balances. For client money balances in the US, £1,623.5 million (31 May 2024 : £1,511.6 million) is held by clearing brokers. The Group is also exposed to the risk associated with customers failing to discharge their contractual obligations with the clearing brokers.

Regulatory capital

The Group is supervised on a consolidated basis by the UK's Financial Conduct Authority (FCA), which requires it to hold sufficient regulatory capital at both Group and in its UK regulated entities to cover risk exposures. The main factors which drive the Group's regulatory capital requirements are market, credit and operational risks. Credit risks include potential client debts in the event of a sudden market move as well as exposure to hedging counterparties and banking counterparties (for firm and client money) should one or more of them default. Operational risk covers a wide range of potential severe events, from a ransomware attack to a manual error when entering a trade on the dealing system. Market risk is volatile in nature since the Group is hedging high volumes of trades from clients around the world and positions are changing minute by minute.

The Group is required to notify the FCA if it is operating within close range of its regulatory capital thresholds, and it may choose to take actions to restore capital levels or to reduce capital requirements if it is close to these thresholds. The Group also has regulated entities in overseas jurisdictions which are subject to the rules set by other regulators. These regulations are calculated on a different basis to the FCA regulations and may result in incremental capital requirements or the holding of additional buffers.

The Group's regulatory capital resources, which totalled £944.4 million at 30 November 2024 (31 May 2024: £936.9 million) are an adjusted measure of shareholders' funds. Shareholders' funds comprise share capital, share premium, retained earnings, translation reserve, merger reserve and other reserves.

The Group's regulatory capital requirement as at 30 November 2024 was £286.0 million (31 May 2024: £298.6 million). The Group's capital headroom, once interim profits have been approved for use by the FCA, will be £658.4 million (31 May 2024: £638.3 million), demonstrating the Group's solid capital base.

£m	30 Nov 2024	31 May 2024
Shareholders' funds	**1,795.2**	**1,889.5**
Less foreseeable / declared dividends	(49.1)	(118.0)
Less remaining share buyback	(18.0)	(29.7)
Less goodwill and intangible assets	(749.3)	(767.3)
Less deferred tax assets	(22.7)	(24.6)
Less significant investments in financial sector entities	(10.3)	(11.7)
Less value adjustment for prudent valuation	(1.4)	(1.3)
Regulatory capital resources	**944.4**	**936.9**
Total requirement	**286.0**	**298.6**
Headroom above minimum capital requirement	**658.4**	**638.3**

Having assessed regulatory capital headroom and alternative uses of capital, on 22 January 2025, the Board approved an extension of £50.0 million to the existing share buyback programme which will be completed in H2 FY25.

Consolidated Interim Income Statement
for the six months ended 30 November 2024 (unaudited)

	Note	Unaudited six months ended 30 November 2024 £m	Unaudited six months ended 30 November 2023 £m
Trading revenue		455.1	406.4
Introducing partner commissions		(3.4)	(4.0)
Net trading revenue	3	**451.7**	**402.4**
Betting duty and financial transaction taxes		(1.5)	(3.2)
Interest income on client funds		73.8	71.2
Interest expense on client funds		(3.0)	(1.0)
Other operating income		3.6	3.5
Net operating income		**524.6**	**472.9**
Operating costs	4	(294.2)	(299.9)
Net credit losses on financial assets	20	(0.7)	(10.5)
Operating profit		**229.7**	**162.5**
Finance income		33.6	26.1
Finance costs		(13.8)	(10.7)
Share of loss after tax from associates		(0.2)	(1.5)
Profit before tax		**249.3**	**176.4**
Tax expense	5	(61.3)	(43.7)
Profit for the period attributable to owners of the parent		**188.0**	**132.7**
Earnings per ordinary share			
Basic	6	51.7p	33.4p
Diluted	6	51.1p	33.1p

Consolidated Interim Statement of Comprehensive Income

for the six months ended 30 November 2024 (unaudited)

	Unaudited six months ended 30 November 2024		Unaudited six months ended 30 November 2023	
	£m	£m	£m	£m
Profit for the period		188.0		132.7
Other comprehensive income:				
Items that may be subsequently reclassified to the Consolidated Income Statement:				
Debt instruments at fair value through other comprehensive income: - fair value gain, net of tax	4.0		5.3	
Foreign currency translation gain/(loss)	0.2		(10.9)	
Other comprehensive income/(loss) for the period, net of tax		4.2		(5.6)
Total comprehensive income for the period		**192.2**		**127.1**

Consolidated Interim Statement of Financial Position

at 30 November 2024 (unaudited)

	Note	Unaudited 30 November 2024 £m	31 May 2024 £m	Unaudited 30 November 2023 £m
Assets				
Non-current assets				
Goodwill	8	599.1	599.0	603.7
Intangible assets	9	195.5	216.6	252.2
Property, plant and equipment		37.4	41.8	38.9
Financial investments	10	304.7	351.4	477.1
Investment in associates		9.7	9.9	10.9
Other investments		0.6	1.8	1.2
Prepayments		5.5	5.4	-
Deferred tax assets		22.7	24.6	22.4
		1,175.2	**1,250.5**	**1,406.4**
Current assets				
Cash and cash equivalents	11	886.9	983.2	586.7
Trade receivables	12	444.8	508.3	556.6
Financial investments	10	164.5	109.3	138.4
Other assets	13	65.5	36.6	24.9
Prepayments		21.8	27.4	24.8
Other receivables		13.4	15.3	11.6
Income tax receivable		0.7	10.3	27.6
		1,597.6	**1,690.4**	**1,370.6**
TOTAL ASSETS		**2,772.8**	**2,940.9**	**2,777.0**
Liabilities				
Non-current liabilities				
Debt securities in issue	14	298.3	298.1	297.9
Other payables		-	1.3	1.2
Lease liabilities		15.5	15.1	13.9
Deferred tax liabilities		49.2	51.3	53.9
		363.0	**365.8**	**366.9**
Current liabilities				
Trade payables	15	511.9	493.3	431.2
Other payables		93.2	175.5	100.0
Lease liabilities		7.1	8.7	8.0
Income tax payable		2.4	8.1	9.4
		614.6	**685.6**	**548.6**
TOTAL LIABILITIES		**977.6**	**1,051.4**	**915.5**
Equity				
Share capital and share premium	16	125.8	125.8	125.8
Translation reserve		98.4	98.2	109.9
Merger reserve		590.0	590.0	590.0
Other reserves		(27.3)	(22.9)	(26.6)
Retained earnings		1,008.3	1,098.4	1,062.4
TOTAL EQUITY		**1,795.2**	**1,889.5**	**1,861.5**
TOTAL EQUITY AND LIABILITIES		**2,772.8**	**2,940.9**	**2,777.0**

The Consolidated Interim Condensed Financial Statements were approved by the Board of Directors on 22 January 2025 and signed on its behalf by:

Clifford Abrahams
Chief Financial Officer

Registered Company number: 04677092

Consolidated Interim Statement of Changes in Equity

for the six months ended 30 November 2024 (unaudited)

	Share capital	Share premium	Translation reserve	Merger reserve	Other reserves	Retained earnings	Total
	£m	£m	£m	£m	£m	£m	£m
At 1 June 2023	-	125.8	120.8	590.0	(16.9)	1,194.9	2,014.6
Profit for the period and attributable to owners of the parent	-	-	-	-	-	132.7	132.7
Other comprehensive income/(loss) for the period	-	-	(10.9)	-	5.3	-	(5.6)
Total comprehensive income for the period	-	-	(10.9)	-	5.3	132.7	127.1
Equity dividends paid	-	-	-	-	-	(126.7)	(126.7)
Movement due to share buyback	-	-	-	-	(1.0)	(149.9)	(150.9)
Employee Benefit Trust purchase of own shares	-	-	-	-	(13.3)	-	(13.3)
Transfer of vested awards from the share-based payment reserve	-	-	-	-	(11.4)	11.4	-
Equity-settled employee share-based payments	-	-	-	-	10.7	-	10.7
At 30 November 2023 (unaudited)	**-**	**125.8**	**109.9**	**590.0**	**(26.6)**	**1,062.4**	**1,861.5**
At 1 June 2024	-	125.8	98.2	590.0	(22.9)	1,098.4	1,889.5
Profit for the period and attributable to owners of the parent	-	-	-	-	-	188.0	188.0
Other comprehensive income for the period	-	-	0.2	-	4.0	-	4.2
Total comprehensive income for the period	-	-	0.2	-	4.0	188.0	192.2
Tax recognised directly in equity on share-based payments	-	-	-	-	-	(1.1)	(1.1)
Equity dividends paid	-	-	-	-	-	(117.9)	(117.9)
Movement due to share buyback	-	-	-	-	1.3	(167.2)	(165.9)
Employee Benefit Trust purchase of own shares	-	-	-	-	(9.5)	-	(9.5)
Transfer of vested awards from the share-based payment reserve	-	-	-	-	(8.1)	8.1	-
Equity-settled employee share-based payments	-	-	-	-	7.9	-	7.9
At 30 November 2024 (unaudited)	-	125.8	98.4	590.0	(27.3)	1,008.3	1,795.2

Consolidated Interim Statement of Cash Flows

for the six months ended 30 November 2024 (unaudited)

	Note	Unaudited six months ended 30 November 2024 £m	Unaudited six months ended 30 November 2023 Restated[1] £m
Operating activities			
Operating profit		229.7	162.5
Depreciation and amortisation		28.2	32.9
Impairment, write off and loss on disposal of assets		3.2	1.0
Interest received on client funds		(73.8)	(71.2)
Interest expense on client funds		3.0	1.0
Equity settled share-based payments charge		7.9	10.7
Decrease in trade receivables, other receivables and other assets		40.0	5.1
Increase/(decrease) in trade and other payables		2.4	(71.1)
Cash generated from operations		**240.6**	**70.9**
Interest received on client funds		74.3	69.2
Interest paid on client funds		(3.1)	(0.8)
Income taxes paid		(59.4)	(66.4)
Net cash flows generated from operating activities		**252.4**	**72.9**
Investing activities			
Interest received		29.7	23.0
Purchase of property, plant and equipment		(3.2)	(7.4)
Payments to acquire and develop intangible assets		(0.3)	(3.4)
Proceeds from sale of financial investments		-	90.8
Payments to purchase financial investments		-	(89.8)
Proceeds from sale of property, plant and equipment		0.1	-
Net cash flows generated from investing activities		**26.3**	**13.2**
Financing activities			
Interest paid		(11.4)	(8.0)
Financing fees paid		(1.4)	(1.9)
Interest paid on lease liabilities		(0.6)	(0.4)
Repayment of principal element of lease liabilities		(3.5)	(3.3)
Payments made for share buyback		(167.0)	(149.7)
Equity dividends paid to owners of the parent	7	(117.9)	(126.7)
Employee Benefit Trust purchase of own shares		(9.5)	(13.3)
Net cash flows used in financing activities		**(311.3)**	**(303.3)**
Net decrease in cash and cash equivalents		(32.6)	(217.2)
Cash and cash equivalents at the beginning of the period	11	912.3	795.2
Impact of movement in foreign exchange rates		2.8	(0.9)
Cash and cash equivalents at the end of the period	11	**882.5**	**577.1**

[1] Refer note 1(e) for further information.

Notes to the Consolidated Interim Condensed Financial Statements

for the six months ended 30 November 2024 (unaudited)

1. General Information and basis of preparation

General Information

The Consolidated Interim Condensed Financial Statements of IG Group Holdings plc and its subsidiaries (together 'the Group') for the six months ended 30 November 2024 were authorised for issue by the Board on 22 January 2025. IG Group Holdings plc is a public company limited by shares, which is listed on the London Stock Exchange and incorporated and domiciled in England and Wales. The address of the registered office is Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2YA.

The interim financial information for the six months ended 30 November 2024, together with the comparative information contained in this report, does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The interim financial information is unaudited but has been reviewed by the Group's auditors, PricewaterhouseCoopers LLP, and their report is included at the end of these Consolidated Interim Condensed Financial Statements. The Financial Statements for the year ended 31 May 2024 (FY24 Financial Statements) have been audited and reported on by the Group's auditors and delivered to the Registrar of Companies. The auditors report on the FY24 Financial Statements was unqualified, did not include a reference to any matters to which they drew attention by way of emphasis without qualifying its report and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

Basis of preparation

(a) Compliance with UK-adopted International accounting standards

The Consolidated Interim Condensed Financial Statements for the six months ended 30 November 2024 have been prepared in accordance with the Disclosure Guidance and Transparency Rules (DTR) sourcebook of the United Kingdom's Financial Conduct Authority and in accordance with UK-adopted International Accounting Standard 34 - Interim Financial Reporting. The Consolidated Interim Condensed Financial Statements are presented in Sterling.

The Consolidated Interim Condensed Financial Statements do not include all the information and disclosures required in the FY24 Financial Statements and should be read in conjunction with the Group's Annual Report for the year ended 31 May 2024 (FY24 Annual Report) which has been prepared in accordance with the UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

Throughout this report, H1 FY25 refers to the six months ended 30 November 2024 FY24 refers to the financial years ended 31 May 2024 and H1 FY24 refers to the six months ended 30 November 2023.

(b) New accounting standards and interpretations

The IASB has published a number of amendments to accounting standards that are effective for annual reporting periods beginning on or after 1 January 2024. These include amendments published to IFRS 7 – Financial Instruments: Disclosures, IFRS 16 – Leases, IAS 1 – Presentation of Financial Statements, IAS 7 – Statement of Cash Flows, IAS12 – Income Taxes and IAS 21 – The Effects of Changes in Foreign Exchange Rates. The Group has assessed the impact of these amendments and has determined there to be insignificant impact on the Consolidated Interim Condensed Financial Statements.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(c) Critical accounting estimates and judgements

The preparation of interim financial statements required management to make judgements, estimates and assumptions that affect the application of accounting policies and the amounts reported for assets and liabilities as at the reporting date, and the amounts reported for revenue and expenses during the period. The nature of judgements and estimates means that actual outcomes could differ from those estimates.

In the Directors' opinion, there are no accounting estimates or judgments that have a material impact on the presentation or measurement of items recorded in the Consolidated Interim Condensed Financial Statements, except for the judgement below:

Assessment of impairment indicators of the US Cash Generating Unit (CGU) – A review has been performed to consider whether indicators of impairment are present as at 30 November 2024 for the US CGU, taking into account both internal and external factors which are outlined in note 8. The judgement that there were no impairment indicators present means that no formal impairment test has been performed. The Group disclosed a critical accounting estimate relating to the recoverable amount of the US CGU in the FY24 Financial Statements and concluded that the recoverable amount was not sensitive to reasonably possible change to assumptions.

(d) Going concern basis of accounting

The Directors have prepared the Consolidated Interim Condensed Financial Statements on a going concern basis which requires the Directors to have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the Consolidated Interim Condensed Financial Statements.

The Group meets its day-to-day working capital requirements through its available liquid assets and debt facilities. The Group's liquid assets exclude all monies held in segregated client money accounts. In assessing whether it is appropriate to adopt the going concern basis in preparing the Consolidated Interim Condensed Financial Statements, the Directors have considered the resilience of the Group, taking account of its liquidity position and cash generation, the adequacy of capital resources, the availability of external credit facilities and the associated financial covenants, and stress-testing of liquidity and capital adequacy that considers the principal risks faced by the business. The principal risks and uncertainties which may affect the Group in the second half of the financial year remain consistent with those disclosed in the FY24 Annual Report.

The Directors' assessment has considered future performance, solvency and liquidity over a period of at least 12 months from the date of approval of the Consolidated Interim Condensed Financial Statements. The Board, following the review by the Audit Committee, has a reasonable expectation that the Group has adequate resources for that period, and confirms that they consider it appropriate to adopt the going concern basis in preparing the Consolidated Interim Condensed Financial Statements.

Notes to the Consolidated Interim Condensed Financial Statements

for the six months ended 30 November 2024 (unaudited)

1. **General Information and basis of preparation (continued)**

(e) Reclassification of comparatives

In the prior period, proceeds from sales and payments for purchases of financial investments were shown on a net basis. In the current period, these are presented as separate line items in the Consolidated Statement of Cash Flows to comply with IAS 7. There were no transactions in the current period, comparative figures have been adjusted for consistency, showing proceeds of £90.8 million and purchases of £89.8 million for the period ended 30 November 2023.

(f) Seasonality of operations

The Directors consider that there is no predictable seasonality to the Group's operations.

2. Material accounting policies

The accounting policies adopted in the preparation of the Consolidated Interim Condensed Financial Statements are consistent with those followed in the preparation of the FY24 Financial Statements.

3. Segmental analysis

The Group's reportable segments are based the information reviewed regularly by the Group's Chief Operating Decision Maker (CODM), identified as Executive Directors, for resource allocation and performance assessment.

The Group manages market risk and a number of other activities on a Group-wide portfolio basis and accordingly a large proportion of costs are incurred centrally. These costs are not allocated to individual segments for decision-making purposes for the CODM, and, accordingly, these costs have not been allocated to segments. Additionally, the Group's assets and liabilities are not allocated to individual segments and are not reported as such for decision making purposes. Therefore, the segmental analysis does not include a measure of profitability, nor a complete segmented balance sheet, as this does not reflect information received by the CODM on a regular basis. The Group continues to evaluate and consider the most appropriate metrics to measure performance of divisions in future reviews to provide a more comprehensive performance assessment.

In prior years, the Group reported an alternative performance measure of total revenue, comprising trading revenue and interest income, split by product. In July 2024, the Group restructured to create separate decentralised divisions, enhancing agility and responsiveness of the business to respond to local client needs. Consequently, the information presented to the CODM during H1 FY25 was revised to better assess the performance of the Group by division, increasing ownership and accountability. The CODM continues to be presented with, on a regular basis total revenue split by product, with an additional split by division. The divisions comprise UK and Ireland, US, APAC & ME, Europe (including Switzerland) and Institutional & Emerging Markets (EM).

Operating Segments

	UK & Ireland	**US**	**APAC & ME**	**Europe**	**Institutional & EM**	**Total**
30 November 2024 (unaudited)	£m	£m	£m	£m	£m	£m
OTC derivatives	127.4	7.3	129.2	55.4	41.1	360.4
Exchange-traded derivatives	0.2	70.0	-	7.7	0.1	78.0
Stock trading and investments	10.7	-	2.2	-	0.4	13.3
Segmental net trading revenue	138.3	77.3	131.4	63.1	41.6	451.7
Net interest on client money	21.9	36.0	6.9	3.0	3.0	70.8
Segmental total revenue	160.2	113.3	138.3	66.1	44.6	522.5

	UK & Ireland	**US**	**APAC & ME**	**Europe**	**Institutional & EM**	**Total**
30 November 2023 (unaudited)	£m	£m	£m	£m	£m	£m
OTC derivatives	115.7	7.3	122.2	48.1	34.4	327.7
Exchange-traded derivatives	-	58.2	-	5.4	-	63.6
Stock trading and investments	9.3	-	1.6	-	0.2	11.1
Segmental net trading revenue	125.0	65.5	123.8	53.5	34.6	402.4
Net interest on client money	23.8	37.3	6.9	0.8	1.4	70.2
Segmental total revenue	148.8	102.8	130.7	54.3	36.0	472.6

3. Segmental analysis (continued)

The geographical split reflects the location of the office that manages the underlying client relationships. Institutional clients have been allocated to the appropriate geographies in the following presentation.

	Unaudited six months ended 30 November 2024	Unaudited six months ended 30 November 2023 Restated
	£m	£m
Net trading revenue by geography:		
Australia	40.1	43.6
Japan	43.8	38.9
Singapore	38.1	35.1
Dubai	12.8	8.4
APAC & ME	**134.8**	**126.0**
Emerging Markets	25.1	20.8
UK & Ireland	146.8	132.7
US	77.4	65.7
Europe	67.6	57.2
Net trading revenue	**451.7**	**402.4**
Net interest on client funds – US	36.0	37.3
Net interest on client funds – Other	34.8	32.9
Total revenue	**522.5**	**472.6**

The Group does not derive more than 10% of revenue from any one single client.

The Group has reclassified the geographical classification to align with the new divisional structure. EMEA Non-EU is no longer used with the following resulting changes; Switzerland is now included in Europe, £10.7 million (30 November 2023: £10.0 million), Dubai is now included in APAC & ME, £12.8 million (30 November 2023: £8.4 million) and South Africa is now included in Emerging Markets, £4.4 million (30 November 2023: £2.9 million). Accordingly, the prior period comparative balance for 30 November 2023 has been restated to reflect this classification.

The segmental breakdown of non-current assets excluding financial investments, other investments as collateral and deferred income tax assets, based on geography is as follows:

	Unaudited six months ended 30 November 2024	31 May 2024 Restated	Unaudited six months ended 30 November 2023 Restated
	£m	£m	£m
US	699.5	716.5	740.6
UK & Ireland	126.2	133.3	147.7
Europe	10.4	12.0	7.4
APAC & ME	8.7	8.5	7.6
Emerging Markets	2.4	2.4	2.4
Total non-current assets	**847.2**	**872.7**	**905.7**

The Group has reclassified the geographical classification to align with the new divisional structure. EMEA Non-EU is no longer used with the following resulting changes; Switzerland is now included in Europe, £3.9 million (31 May 2024: £4.0 million, 30 November 2023: £0.6 million), India and Dubai is now included in APAC & ME, £3.7 million (31 May 2024: £2.7 million, 30 November 2023: £2.6 million) and South Africa is now included in Emerging Markets, £2.4 million (31 May 2024; £2.4 million, 30 November 2023: £2.4 million). Accordingly, the prior period comparative balances for 31 May 2024 and 30 November 2023 have been restated to reflect this classification.

4. Operating costs

	Unaudited six months ended 30 November 2024	Unaudited six months ended 30 November 2023
	£m	£m
Fixed remuneration	95.2	109.1
Variable remuneration	35.0	27.7
Employee related expenses	**130.2**	**136.8**
Advertising and marketing	42.2	43.8
Depreciation, amortisation and impairment	31.4	32.9
IT, market data and communications	32.0	27.2
Trading related costs	19.3	17.0
Legal and professional costs	16.1	15.4
Premises-related costs	4.1	6.0
Regulatory fees	1.1	(0.7)
Other costs	17.8	21.5
Total operating costs	**294.2**	**299.9**

5. Tax expense
The tax expense of £61.3 million (H1 FY24: £43.7 million) is recognised based on management's estimate of the effective tax rate for the full year of 24.6% (H1 FY24: 24.8%), applied to profits generated from operations. The actual effective tax rate for FY24 was 23.2%. The factors affecting the tax charge in future periods are detailed in Note 9 of the FY24 Annual Report.

The OECD Pillar 2 global minimum tax rules come into force for the Group from FY25. The tax footprint of the Group is such that the Pillar 2 rules are not expected to have a material impact on the Group's tax charge as there is currently insignificant activity in low tax jurisdictions. The Group has applied the exception under IAS 12 – Income Taxes to recognising and disclosing information about deferred taxes related to Pillar 2 and therefore, there was no impact on the recognition and measurement of deferred tax balances as a result of the legislation being substantively enacted.

6. Earnings per ordinary share
Basic earnings per ordinary share is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period, excluding shares held in treasury and shares held in the Group's Employee Benefit Trusts. Diluted earnings per ordinary share is calculated using the same profit figure as that used in basic earnings per ordinary share and by adjusting the weighted average number of ordinary shares assuming the vesting of all outstanding share scheme awards.

Weighted average number of ordinary shares	Unaudited 30 November 2024	Unaudited 30 November 2023
Basic	363,896,654	397,611,659
Dilutive effect of share-based payments	4,071,377	3,740,573
Diluted	367,968,031	401,352,232

	Unaudited six months ended 30 November 2024	Unaudited six months ended 30 November 2023
Basic earnings per ordinary share	51.7p	33.4p
Diluted earnings per ordinary share	51.1p	33.1p

7. Dividends paid and proposed

	Unaudited six months ended 30 November 2024	Unaudited six months ended 30 November 2023
	£m	£m
Final dividend for FY24 of 32.64 pence per share (FY23: 31.94 pence per share)	117.9	126.7

The proposed interim dividend for FY25 of 13.86 pence per share, totalling approximately £49.1 million, was approved by the Board on 22 January 2025 and has not been included as a liability as at 30 November 2024. This dividend will be paid on 3 March 2025 to those members on the register at the close of business on 31 January 2025.

8. Goodwill

Goodwill has been allocated to CGUs as follows:

	Unaudited 30 November 2024	31 May 2024	Unaudited 30 November 2023
	£m	£m	£m
US	497.2	497.2	501.9
UK	100.9	100.9	100.9
South Africa	0.9	0.8	0.8
Australia	0.1	0.1	0.1
	599.1	599.0	603.7

The movement in the goodwill balance is attributable to foreign exchange movements. For the allocated goodwill above, there are no accumulated impairment losses recognised as at 30 November 2024.

Goodwill arose as follows:

- US – from the acquisition of tastytrade on 28 June 2021.
- UK – from the reorganisation of the UK business on 5 September 2003.
- South Africa – from the acquisition of Ideal CFDs on 1 September 2010.
- Australia – from the acquisition of the non-controlling interest in IG Australia Pty Limited in the year ended 31 May 2006.

The Group performs a full goodwill impairment assessment for its annual financial statements and when circumstances indicate that the carrying values may be impaired. The Group's full impairment assessment carried out for the FY24 Financial Statements was based on value-in-use calculations. The key assumptions used to determine the value-in-use for the different cash generating units are disclosed in the FY24 Financial Statements.

An assessment of both qualitative and quantitative factors has been performed to identify whether any indicators of impairment are present as at 30 November 2024. Having performed this assessment, management concluded that there was no indication that goodwill may be impaired, for any of the Group's CGUs, as the factors considered do not currently indicate a long-term deterioration of the businesses and profitability. Management will continue to perform an annual impairment test, incorporating cash flow projections based on the annual budgets approved by the Board, for the FY25 Financial Statements.

US CGU:

The Group's largest goodwill balance is associated with the US CGU. Given the judgement involved (refer to Note 2) in determining whether there are any indicators of impairment, further details on the assessment of qualitative and quantitative factors are provided below.

Performance of the US CGU:

During the period, the CGU demonstrated continued growth with H1 FY25 performance in relation to new client acquisition, net trading revenue and client interest income being higher than H1 FY24. Management have not identified an indicator of impairment when reviewing the CGU performance to date.

Interest rate movement:

Interest rate movements impact both the discount rate and future cash flows. The discount rate used to calculate the recoverable amount of the US CGU in FY24 is a post-tax weighted average cost of capital (WACC) which is specific to the US geographical region. The discount rate depends on the current market assessment of the time value of money, determined by external market information such as interest rates. Future cashflows include interest from client funds, which can increase as a result of higher interest rates. Having considered the impact of the decline in interest rates on both the future cash flows and the discount rate, management have determined that the decline in interest rate as at 30 November 2024 does not represent an indicator of impairment.

Other factors:

Management have considered other factors including changes to the regulatory environment and observable decline in assets such as technology as part of the assessment. No indicator of impairment has been identified.

9. Intangible assets

	Customer relationships	Trade names	Non-compete arrangements	Internally developed software	Domain names	Software and licences	Total
	£m	£m	£m	£m	£m	£m	£m
Net book values							
30 November 2023 - (unaudited)	135.8	52.3	16.3	31.1	9.4	7.3	252.2
31 May 2024	125.7	49.7	13.0	23.1	-	5.1	216.6
30 November 2024 - (unaudited)	116.8	47.7	9.9	17.3	-	3.8	195.5

The Group has performed a review of intangible assets as at 30 November 2024 and concluded that there are no indicators of impairment for customer relationships, trade names, non-compete arrangements and software and licences. The movements in carrying value of these intangible assets in the current period are attributable to accumulated amortisation and foreign exchange movements. The movements in carrying value of internal development in the current period are attributable to additions, disposals, accumulated amortisation, impairment losses and foreign exchange movements.

10. Financial investments

	Unaudited 30 November 2024	31 May 2024	Unaudited 30 November 2023
	£m	£m	£m
UK Government securities	469.2	460.7	615.5
Split as:			
Non-current portion	304.7	351.4	477.1
Current portion	164.5	109.3	138.4

The Group held £393.8 million UK Government securities as at 30 November 2024 (31 May 2024: £345.0 million and 30 November 2023: £392.3 million) to satisfy margin requirements.

The Group also held £135.6 million (31 May 2024: £139.2 million and 30 November 2023: £36.3 million) of financial assets as collateral from certain brokers, which are not recognised on balance sheet.

11. Cash and cash equivalents

	Unaudited 30 November 2024	31 May 2024	Unaudited 30 November 2023
	£m	£m	£m
Cash at bank	508.7	622.6	472.0
Money market funds	378.2	360.6	114.7
	886.9	983.2	586.7

Segregated client funds are held in segregated client money accounts which restrict the Group's ability to control the monies and are therefore held off-balance sheet. The amount of segregated client funds held at 30 November 2024 was £2,213.8 million (31 May 2024: £2,282.6 million; 30 November 2023: £2,131.9 million). The return received on managing segregated client funds is included within net operating income.

The above balances reconcile to the amount of cash shown in the Consolidated Statement of Cash Flows as at the end of the period as follows:

	Unaudited 30 November 2024 £m	31 May 2024 £m	Unaudited 30 November 2023 £m
Cash as per Consolidated Statement of Financial Position	886.9	983.2	586.7
Amounts due to pooling arrangement	(4.4)	(70.9)	(9.6)
Balances as per Consolidated Statement of Cash Flows	882.5	912.3	577.1

12. Trade receivables

	Unaudited 30 November 2024	31 May 2024	Unaudited 30 November 2023
	£m	£m	£m
Amounts due from brokers	408.6	456.0	500.1
Own funds in client money	32.8	49.4	48.1
Amounts due from clients	3.4	2.9	8.4
	444.8	508.3	556.6

Amounts due from brokers represent balances with brokers and execution partners where the combination of cash held on account and the valuation of financial derivative open positions, or unsettled trade receivables, results in an amount due to the Group.

Own funds in client money represent the Group's own cash held in segregated client funds, in accordance with the UK's Financial Conduct Authority (FCA) CASS rules and similar rules of other regulators in whose jurisdiction the Group operates and includes £3.4 million (31 May 2024: £16.0 million and 30 November 2023: £11.3 million) to be transferred to the Group on the following business day.

Amounts due from clients arise when clients' total funds held with the Group are insufficient to cover any trading losses incurred by clients, when clients utilise trading credit limits or when clients are due to pay the Group fees in relation to the services received. Amounts due from clients are presented net of an allowance for impairment.

Allowances for expected credit losses on trade receivable balances are disclosed in note 20.

13. Other assets

Other assets are cryptocurrency assets and rights to cryptocurrency assets, which are owned and controlled by the Group for the purpose of hedging the Group's exposure to clients' cryptocurrency trading positions. The Group holds rights to cryptocurrency assets on exchange and in vaults as follows:

	Unaudited 30 November 2024	31 May 2024	Unaudited 30 November 2023
	£m	£m	£m
Exchange	1.4	0.8	1.2
Vaults	64.1	35.8	23.7
	65.5	36.6	24.9

Other assets are measured at fair value less costs to sell. Other assets are level 2 assets in accordance with the fair value hierarchy set out in note 29 of the FY24 Annual report.

14. Debt securities in issue

The Group has issued £300.0 million 3.125% senior unsecured bonds due in 2028. The issued debt has been recognised at fair value less transaction fees. As at 30 November 2024, £1.2 million unamortised arrangement fees are recognised on the balance sheet (31 May 2024: £1.4 million and 30 November 2023: £1.5 million).

The Group also has access to a £400.0 million revolving credit facility. The revolving credit facility will mature in October 2026.

Under the terms of the revolving credit facility agreement, the Group is required to comply with financial covenants covering maximum levels of leverage and debt to equity. The Group has complied with all covenants throughout the reporting period.

15. Trade payables

	Unaudited 30 November 2024	31 May 2024 Restated	Unaudited 30 November 2023 Restated
	£m	£m	£m
Client funds			
UK	342.3	280.3	262.1
US	33.6	47.8	44.9
APAC	5.6	7.4	10.5
Europe	108.6	95.0	92.7
Total client funds	**490.1**	**430.5**	**410.2**
Issued turbo warrants	4.5	4.5	4.3
Amounts due to brokers	4.2	54.5	13.4
Amounts due to clients	13.1	3.8	3.3
	511.9	**493.3**	**431.2**

Client funds reflects the Group's liability for client monies which are recognised on balance sheet in cash and cash equivalents. The geographical presentation of client funds has been presented to align with operating segment (note 3). Prior period comparatives have been restated accordingly.

Amounts due to brokers represents balances where the value of unsettled positions, or the value of open derivatives positions held in accounts which are not covered by an enforceable netting agreement, results in an amount payable by the Group.

Amounts due to clients represent balances that will be transferred from cash and cash equivalents into segregated client funds on the following business day in accordance with the UK's Financial Conduct Authority CASS rules and similar rules of other regulators in whose jurisdiction the Group operates.

16. Share capital and share premium

	Number of shares	Share capital	Share premium account
		£m	£m
Allotted and fully paid:			
Ordinary shares (0.005p)			
At 31 May 2023	408,947,842	-	125.8
Shares bought back and immediately cancelled	(22,547,134)	-	-
At 30 November 2023 (unaudited)	386,400,708	-	125.8
At 31 May 2024	373,093,741	-	125.8
Shares bought back and immediately cancelled	(11,535,873)	-	-
At 30 November 2024 (unaudited)	361,557,868	-	125.8

On 19 July 2023, the Board approved a £250.0 million buyback programme. The second £150.0 million tranche began on 7 November 2023 was finalised on 31 July 2024. This resulted in a further purchase and cancellation of 3,686,746 shares in H1 FY25.

On 24 July 2024, the Board approved a £150.0 million buyback programme comprising two tranches of £75.0 million each. The first of these tranches commenced on 12 August 2024 and was completed on 9 September 2024. This resulted in the purchase and cancellation of 7,782,442 shares. The second £75.0 million tranche began on 25 September 2024. As at 30 November 2024, 6,198,372 shares had been bought back under this tranche for a total consideration of £57.2 million. The Group has decided to hold these shares in treasury and not cancel, unlike the previous tranches.

As at 30 November 2024, for the period of H1 FY25, the Group has repurchased 17,667,560 shares, with an aggregate nominal value of £883, for total consideration of £167.2 million (including related costs of £4.1 million).

During the period, the Group has purchased 1,104,112 shares and utilised 1,368,728 shares held in the Employee Benefit Trust to satisfy the exercise of the employee share-based payment awards. The cost of the purchase is part of other reserves and these shares are held in Employee Benefit Trust.

No shares were issued to satisfy the exercise of share awards in H1 FY25.

During H1 FY25, there have been no changes to the Group's deferred redeemable shares (H1 FY24: none).

17. Related party transactions

The basis of remuneration of key management personnel remains consistent with that disclosed in the FY24 Annual Report. During the period there has been a change in the composition of key management personnel. As a result, the group has incurred one-off costs amounting to £1.2 million in the period which are recognised as part of operating costs in note 4.

The Group has a 9.3% shareholding and 33% voting rights in Zero Hash Holdings Limited which is accounted for as investment in associate on the Group's balance sheet. Zero Hash facilitates cryptocurrency trading for clients of tastytrade, Inc. (tastytrade). tastytrade recognised £0.1 million revenue from Zero Hash during the period (H1 FY24: £0.1 million). In addition to this, the Group has subleased part of its US office to Zero Hash. The rental income generated in H1 FY25 from this sublease is £0.1 million (H1 FY24: £0.1 million).

There were no other related party transactions which had a material impact on the Consolidated Interim Condensed Financial Statements.

18. Contingent liabilities and provisions

The Group is subject to legal and regulatory risks in a number of jurisdictions which may result in legal claims or regulatory action against the Group. Through the Group's ordinary course of business there are ongoing legal proceedings and engagements with regulatory authorities. Where possible, an estimate of the potential financial impact of these legal proceedings is made using management's best estimate, but where the most likely outcome cannot be determined no provision is recognised.

The Group has ongoing litigation in respect of a class action lawsuit served against two of its operating entities in 2023. The class action covers the period from May 2017 to August 2023 and relates to the sale of OTC derivative products to retail clients in Australia. The action is at an early procedural stage and it is not possible to determine the potential outcome or to reliably estimate any potential liability, so no provision has been recognised.

The Group is also subject to a group of claims that could have a financial impact of approximately £19.7 million as at 30 November 2024 (31 May 2024: £19.4 million and 30 November 2023: £19.9 million). The claims are for damages arising from the alleged wrongful reversal of client nickel trades on 8 March 2022. On 11 July 2024 the Group obtained a favourable ruling from the High Court of the Republic of Singapore in relation to one of the claims against the Group, totalling £13.3 million, against which an appeal has been filed by the claimants. In October 2024, an additional claim relating to the nickel trade reversals were filed in the Japanese Tokyo District Court in Japan. The claim is for approximately £6.4 million. As both sets of claims are at an early procedural stages, and it is not possible to determine the potential outcome or to reliably estimate any potential liability, no provision has been recognised.

18. Contingent liabilities and provisions (continued)
Under the terms of the agreement with the Group's clearing broker for its operations in the US, Apex Clearing Corporation, the Group guarantees the performance of its customers in meeting contracted obligations. In conjunction with the clearing broker, the Group seeks to control the risks associated with its customer activities by requiring customers to maintain collateral in compliance with various regulatory and internal guidelines. Compliance with the various guidelines is monitored daily and, pursuant to such guidelines, the customers may be required to deposit additional collateral or reduce positions where necessary.

Other than the matters outlined above, the Group does not expect there to be other contingent liabilities that would have material adverse impact on the Group Consolidated Interim Condensed Financial Statements. The Group had no material provisions as at 30 November 2024 (31 May 2024: £nil and 30 November 2023: £nil).

19. Financial risk management
Financial risks arising from financial instruments are analysed into market, credit and liquidity risks. Details of how these risks are managed are in note 30 of the FY24 Annual Report. There has been no material change in the Group's financial risk management policies during the period.

20. Net credit losses on financial assets
The Group recognised net credit losses of £0.7 million during the period (30 November 2023: £10.5 million). The principal sources of credit risk to the Group's business are from financial institutions and individual clients.

Amounts due from financial institutions, which are stated net of an expected credit loss of £4.8 million (31 May 2024: £1.2 million and 30 November 2023: £1.2 million), are all less than 30 days due. Amounts due from clients, which are stated net of an expected credit loss of £24.7 million (31 May 2024: £29.4 million and 30 November 2023: £26.3 million), include both amounts less than and greater than 30 days past due.

Below is the reconciliation of the Group's loss allowance:

	Unaudited 30 November 2024	31 May 2024	Unaudited 30 November 2023
	£m	£m	£m
At the beginning of the period	30.6	18.1	18.1
Loss allowance for the period:			
– gross charge for the period	5.9	18.2	12.7
– recoveries	(5.2)	(2.7)	(2.2)
– debts written off	(1.9)	(2.9)	(1.1)
Foreign exchange	0.1	(0.1)	-
At the end of the period	29.5	30.6	27.5

21. Financial instruments
Fair value hierarchy
The financial instruments valuation hierarchy and the definitions, details of the inputs and the valuation techniques used in determining the fair values of the Group's financial instruments are shown in note 29 of the FY24 Annual Report.
There have been no changes to the valuation techniques for any of the Group's financial instruments held at fair value as at 30 Nov 2024 (31 May 2024: none). However, for the period ended 30 November 2023, the Group reclassified £9.3 million trade receivables – due from brokers balances from level 2 to level 1, £13.6 million trade payables – due to brokers balances from level 2 to level 1, £63.0 million trade payables – client funds balances from level 2 to level 1 and £4.3 million trade payables – issued turbo warrants balances from level 2 to level 3.

The hierarchy of the Group's financial instruments carried at fair value is as follows:

	Level 1	Level 2	Level 3	Total fair value
At 30 November 2024 (unaudited)	£m	£m	£m	£m
Financial assets:				
Cash and cash equivalents	378.2	-	-	378.2
Trade receivables – amounts due from brokers	(10.4)	10.0	-	(0.4)
Financial investments	469.2	-	-	469.2
Other investments	-	-	0.6	0.6
Financial liabilities:				
Trade payables – amounts due to brokers	(3.9)	(1.4)	-	(5.3)
Trade payables – client funds	56.3	9.0	0.2	65.5
Trade payables – issued turbo warrants	-	-	(4.5)	(4.5)

21. Financial instruments (continued)

At 31 May 2024	Level 1 £m	Level 2 £m	Level 3 £m	Total fair value £m
Financial assets:				
Cash and cash equivalents	360.6	-	-	360.6
Trade receivables – amounts due from brokers	(33.6)	2.8	-	(30.8)
Financial investments	460.7	-	-	460.7
Other investments	-	-	1.8	1.8
Financial liabilities:				
Trade payables – amounts due to brokers	(8.6)	(1.8)	-	(10.4)
Trade payables – client funds	40.0	12.6	0.4	53.0
Trade payables – issued turbo warrants	-	-	(4.5)	(4.5)

At 30 November 2023 (unaudited)	Level 1 £m	Level 2 £m	Level 3 £m	Total fair value £m
Financial assets:				
Cash and cash equivalents	114.7	-	-	114.7
Trade receivables – amounts due from brokers	(32.8)	7.4	-	(25.4)
Financial investments	615.5	-	-	615.5
Other investments	-	-	1.2	1.2
Financial liabilities:				
Trade payables – amounts due to brokers	(13.6)	(4.3)	-	(17.9)
Trade payables – client funds	80.4	16.6	-	97.0
Trade payables – issued turbo warrants	-	-	(4.3)	(4.3)

Fair value of financial assets and liabilities measured at amortised cost
The fair value of the Group's financial assets and liabilities measured at amortised cost approximates their carrying amount, with the exception of debt securities in issue.

The carrying value of the Group's debt securities in issue as at 30 November 2024 was £298.3 million (31 May 2024: £298.1 million, 30 November 2023: £297.9 million) and the fair value of the debt securities was £267.8 million (31 May 2024: £259.7 million, 30 November 2023: £250.2 million).

22. Subsequent events
During the period from 1 December 2024 to 20 January 2025, the Group repurchased 1,091,411 Ordinary Shares with a nominal value of 0.005p for an aggregate purchase amount of £10.8 million (including related costs of £0.1 million).

On 22 January 2025, the Board approved the extension of share buyback programme of £150.0 million announced on 24 July 2024, by a further £50.0 million. This is expected to complete in H2 FY25.

On 16 January 2025, the Group announced the acquisition of Freetrade Limited, a UK-based commission-free, self-directed investment platform for an enterprise value of £160.0 million. The acquisition will be funded in cash from existing capital resources. The acquisition is subject to a number of conditions including regulatory approvals and expected to complete in mid-2025. The enterprise value of £160.0 million excludes up to approximately £14 million of acquired cash, net debt items and other liquidity requirements resulting from the transaction.

There have been no other subsequent events that have a material impact on the Consolidated Interim Condensed Financial Statements.

Statement of Directors' Responsibilities

The Directors confirm to the best of their knowledge that these Consolidated Interim Condensed Financial Statements have been prepared in accordance with UK-adopted International Accounting Standard IAS 34 - Interim Financial Reporting, and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by Disclosure and Transparency Rules 4.2.7 and 4.2.8, namely:

- an indication of important events that have occurred during the six months ended 30 November 2024 and their impact on the Condensed Consolidated Interim Financial Statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- related-party transactions that have taken place during the six months ended 30 November 2024 that have had a material effect on financial position/performance; and changes in the related-party transactions described in the last annual report that could have a material effect on the financial position/performance in the six months ended 30 November 2024.

A list of current Directors is maintained on the IG Group Holdings plc website: www.iggroup.com

On behalf of the Board

Clifford Abrahams
Chief Financial Officer

Independent review report to IG Group Holdings plc
Report on the Consolidated Interim Condensed Financial Statements

Our conclusion

We have reviewed IG Group Holdings plc's condensed consolidated interim financial statements (the "interim financial statements") in the interim results of IG Group Holdings plc for the 6 month period ended 30 November 2024 (the "period").

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

The interim financial statements comprise:

- the Consolidated Interim Statement of Financial Position as at 30 November 2024;
- the Consolidated Interim Income Statement and Consolidated Interim Statement of Comprehensive Income for the period then ended;
- the Consolidated Interim Statement of Cash Flows for the period then ended;
- the Consolidated Interim Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the interim results of IG Group Holdings plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

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

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

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

Conclusions relating to going concern

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

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The interim results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim results in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the interim results, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

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

PricewaterhouseCoopers LLP
Chartered Accountants
London
22 January 2025

Appendix

Property, plant and equipment excluding right-of-use asset

£m	30 Nov 2024	31 May 2024
Property, plant and equipment	37.4	41.8
Right-of-use assets	(20.9)	(21.5)
Property, plant and equipment[1]	**16.5**	**20.3**

[1] Excludes right-of-use assets.

Operating lease net liabilities

£m	30 Nov 2024	31 May 2024
Right-of-use assets[1]	20.9	21.5
Lease liabilities (current)	(7.1)	(8.7)
Lease liabilities (non-current)	(15.5)	(15.1)
Operating lease net liabilities	**(1.7)**	**(2.3)**

[1] Amounts identified as right-of-use assets from property, plant and equipment.

Own cash

£m	30 Nov 2024	31 May 2024
Cash and cash equivalents	886.9	983.2
Less: Amounts due to pooling arrangement (note 11)	(4.4)	(70.9)
Own cash	**882.5**	**912.3**

Issued debt

£m	30 Nov 2024	31 May 2024
Debt securities in issue	(298.3)	(298.1)
Unamortised fees capitalised (note 14)	(1.2)	(1.4)
Issued debt	**(299.5)**	**(299.5)**

Net amounts due from brokers

£m	30 Nov 2024	31 May 2024
Financial investments – UK Government securities held at brokers (note 10)	393.8	345.0
Trade receivables - amounts due from brokers (note 12)	408.6	456.0
Trade payables - amounts due to brokers (note 15)	(4.2)	(54.5)
Other assets (note 13)	65.5	36.6
Net amounts due from brokers	**863.7**	**783.1**

Financial investments

£m	30 Nov 2024	31 May 2024
Financial investments (note 10)	469.2	460.7
Less: Financial investments – UK Government securities held at brokers (note 10)	(393.8)	(345.0)
Financial investments	**75.4**	**115.7**

Net deferred tax liability

£m	30 Nov 2024	31 May 2024
Deferred tax assets	22.7	24.6
Deferred tax liabilities	(49.2)	(51.3)
Net deferred tax liability	**(26.5)**	**(26.7)**

Net tax (payable)/receivable

£m	30 Nov 2024	31 May 2024
Income tax receivable	0.7	10.3
Income tax payable	(2.4)	(8.1)
Net tax (payable)/receivable	**(1.7)**	**2.2**

Own funds in client money

£m	30 Nov 2024	31 May 2024
Trade receivables – own funds in client money (note 12)	32.8	49.4
Less: Trade payables - amounts due to clients[1]	(12.2)	(2.1)
Own funds in client money	**20.6**	**47.3**

[1]Amounts considered as part of own funds.

Working capital

£m	30 Nov 2024	31 May 2024
Prepayments (non-current)	5.5	5.4
Prepayments (current)	21.8	27.4
Amounts due from clients (note 12)	3.4	2.9
Unamortised fees capitalised (note 14)	1.2	1.4
Other receivables	13.4	15.3
Other payables (non-current)	-	(1.3)
Other payables – accruals	(85.7)	(98.6)
Other payables – payroll taxes, social security and other taxes	(3.1)	(6.0)
Trade payables – amounts due to clients[1]	(0.9)	(1.7)
Working capital	**(44.4)**	**(55.2)**

[1]Amounts considered part of working capital.

Net own funds generated from operations

£m	H1 FY25	H1 FY24
Cash generated from operations	240.6	70.9
Interest received on client funds	74.3	69.2
Interest paid on client funds	(3.1)	(0.8)
Cash generated from operations net of client interest	311.8	139.3
- (Increase) in other assets	(28.9)	(9.9)
- (Decrease)/increase in trade payables	(16.3)	45.9
- (Increase)/decrease in trade receivables	(5.5)	5.2
- Repayment of principal element of lease liabilities	(3.5)	(3.3)
- Interest paid on lease liabilities	(0.6)	(0.4)
- Fair value movement in financial investments	5.5	7.0
Own funds generated from operations (A)	**262.5**	**183.8**
Profit before tax (B)	**249.3**	**176.4**
Conversion rate from profit to cash (A/B) %	**105%**	**104%**

Adjusted operating costs

£m	H1 FY25	H1 FY24
Operating costs (note 4)	294.2	299.9
- Net credit losses on financial assets	0.7	10.5
Operating costs inc. net credit losses	**294.9**	**310.4**
- Operating costs relating to the operational improvement programme	-	(10.0)
- Amortisation on tastytrade acquisition intangibles and recurring non-cash costs	(17.5)	(18.8)
- Operating costs relating to the tastytrade acquisition and integration	-	(0.5)
Adjusted operating costs	**277.4**	**281.1**

Adjusted profit before tax and earnings per share

£m (unless stated)	H1 FY25	H1 FY24
Earnings per share (p) (Consolidated Interim Income Statement)	51.7	33.4
Weighted average number of shares for the calculation of EPS (millions) (note 6)	363.9	397.6
Profit after tax (Consolidated Interim Income Statement)	188.0	132.7
Tax expense (Consolidated Interim Income Statement)	61.3	43.7
Profit before tax (Consolidated Interim Income Statement)	**249.3**	**176.4**
- Operating costs relating to the operational improvement programme	-	10.0
- Operating costs relating to the tastytrade acquisition and integration	-	0.5
- Amortisation on tastytrade acquisition intangibles and recurring non-cash costs	17.5	18.8
Adjusted profit before tax (A)	**266.8**	**205.7**
Adjusted tax expense	(65.6)	(50.9)
Adjusted profit after tax	**201.2**	**154.8**
Adjusted earnings per share (pence)	**55.3**	**38.9**
Total revenue (B)	**522.5**	**472.6**
Adjusted PBT margin (A/B) %	**51.1%**	**43.5%**