

Appendices

Adjusted net trading revenue

£ million	FY22	FY21	Change %
Net trading revenue	972.3	837.3	16%
Hedging (gain)/loss on tastytrade acquisition	(5.8)	7.9	nm
Adjusted net trading revenue	966.5	845.2	14%
Core Markets+	828.7	825.2	–
High Potential Markets	137.8	20.0	589%

Adjusted operating costs

£ million	FY22	FY21
Operating costs	499.2	390.5
→ Net credit losses on financial assets	2.7	2.9
Adjusted operating costs inc. net credit losses	501.9	393.4
→ Operating costs relating to the tastytrade acquisition and integration	(2.0)	(19.6)
→ Amortisation on tastytrade acquisition intangibles and recurring non-cash costs	(31.7)	–
→ Operating costs relating to the Nadex sale	(3.3)	–
Adjusted operating costs	464.9	373.8

Adjusted profit before tax and earnings per share

£m (unless stated)	FY22	FY21
Earnings per share (pence)	92.9	99.8
Weighted average number of shares for the calculation of EPS (millions)	426.3	369.2
Profit after tax	396.1	368.6
Tax expense	80.9	77.4
Profit before tax	477.0	446.0
→ Hedging (gain)/loss on tastytrade acquisition	(5.8)	7.9
→ Operating income relating to Nadex sale	(1.5)	–
→ Operating costs relating to the tastytrade acquisition and integration	2.0	19.6
→ Amortisation on tastytrade acquisition intangibles and recurring non-cash costs	31.7	–
→ Operating costs relating to the Nadex sale	3.3	–
→ Financing costs relating to the debt issuance	1.0	–
→ Gains on sale of Small Exchange and disposal of Zero Hash	(4.1)	–
→ Movement in the FV of convertible debt associated with Zero Hash	(9.3)	–
Adjusted profit before tax (A)	494.3	473.6
Adjusted tax expense	(83.8)	(77.4)
Adjusted profit after tax	410.5	396.2
Adjusted earnings per share (pence)	96.3	107.3
Adjusted total revenue (B)	967.3	845.5
Adjusted profit before tax margin (A/B) %	51%	56%

High Potential Markets total revenue – pro forma

£ million	FY22	FY21	Change %
US options and futures (tastytrade) ¹	112.0	96.1	16%
US FX	16.6	11.6	43%
European ETDs	9.3	4.9	90%
US market making	1.8	3.5	(49%)
Pro forma High Potential Markets¹	139.7	116.1	20%

¹ Pro forma basis reflects revenue from tastytrade in the period post-acquisition, from 28 June 2021 to 31 May 2022, and for the equivalent prior period in FY21

Own cash

£ million	Note	31 May 2022	31 May 2021
Cash and Cash equivalents		1,246.4	655.2
Financial investments – termed cash	14	45.0	–
Less: Cash held to meet regulatory liquidity requirements		(45.5)	–
Own cash		1,245.9	655.2

Amounts due from brokers

£ million	Note	31 May 2022	31 May 2021
Financial investments – UK Government securities held at brokers	14	289.9	256.0
Trade receivables – amounts due from broker	16	381.0	424.3
Trade payables – amounts due to broker	20	(28.0)	–
Other assets	17	14.2	30.3
Amounts due from broker		657.1	710.6

Liquid assets threshold requirement

£ million	Note	31 May 2022	31 May 2021
Financial investments – regulatory liquidity requirements	14	61.2	86.1
Cash held to meet regulatory liquidity requirements		45.5	–
Liquid assets threshold requirement		106.7	86.1

Own funds in client money

£ million	Note	31 May 2022	31 May 2021
Trade receivables – own funds in client money	16	85.5	63.3
Trade payables – amounts due to clients ¹	20	(21.3)	(2.4)
Own funds in client money		64.2	60.9

1 Amounts considered part of 'own funds'.

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

£ million	FY22
Net cash flow to investment in associates	(1.9)
Net proceeds from disposal of subsidiaries	143.3
Proceeds from disposal of investments in associates, net of cash disposed	24.5
Net cash flow to acquire subsidiaries	(193.5)
Net own funds derecognised upon disposal of subsidiary	(2.7)
Net own funds recognised upon acquisition of subsidiary	15.6

Net own funds movement from acquisitions and disposals of investments in subsidiaries and associates**(14.7)****Net own funds generated from operations**

£ million	FY22	FY21
Cash generated from operations	811.4	573.5
→ decrease in other assets	(19.7)	(0.4)
→ Increase in trade payables	(209.4)	(222.2)
→ (decrease)/increase in trade receivables	(37.7)	160.7
→ Repayment of lease liabilities	(7.5)	(5.2)
→ Interest paid on lease liabilities	(0.6)	(0.6)
Own funds generated from operations (A)	536.5	505.8
Profit before taxation (B)	477.0	446.0
Conversion rate from profit to cash (A/B) %	112%	113%