

The logo for TISE (The International Stock Exchange) features the letters 'TISE' in a bold, sans-serif font. The 'TI' is in a dark blue color, while the 'SE' is in white.

**The International  
Stock Exchange**

# **Unaudited Interim Financial Report**

For the six month period ended 30 June 2021

The bottom half of the page features a decorative abstract pattern composed of overlapping, semi-transparent triangles in various shades of blue, ranging from light to dark.

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# TISE in H1 2021

We have built on the progress achieved during 2020 and delivered a strong performance for the first half of the financial year. We remain focused on diversifying our proposition and have made significant headway in executing our strategy to sustain future growth.

Turnover <b>£4.7 million</b> ↑16.3%†	Official List <b>3,431 securities</b>
Profit After Tax <b>£2.4 million</b> ↑45.4%†	Total Market Value* <b>More than £450 billion</b>
Net Profit Margin** <b>50.3%</b> ↑24.9%†	New Listings <b>507 securities</b>
Basic EPS <b>84.8 pence</b> ↑45.4%†	Issuers <b>1,942</b>

\* The total value of all securities admitted to the Official List.

\*\* Profit for the period / Turnover x 100

† H1 2020 comparison

# Business Overview

Built on a culture of responsiveness and innovation, TISE is a regulated market specialising in listing bond issuances aimed at professional investors.

Headquartered in Guernsey and with staff operating across Dublin, Guernsey, the Isle of Man, Jersey and London, TISE's regulated market is uniquely positioned within the European time zone but outside both the UK and the EU.

As well as further demonstrating continued growth during the first six months of the year, we have progressed our plans to become a leading European professional bond market with the introduction of our Qualified Investor Bond Market (QIBM), which is a dedicated market for listing bonds offered solely to qualified investors.

## Our products

We have issuers from across the world and a variety of industries who list a range of securities on TISE.

- **Bond Market:** TISE has long specialised in listing debt which finances private equity-backed transactions and we are one of the leading markets for listing high yield bonds. The introduction of the QIBM is aimed at providing a compelling proposition to maintain our position in these core product areas, as well as attracting a broader and deeper universe of bonds such as other corporate bonds and securitisations.
- **Equity Market:** TISE has a small pool of 'domestic' equities, as well as a larger group of investment vehicles, including open and closed ended funds and UK Real Estate Investment Trusts (REITs). We are the second largest market for listing UK REITs and now more than 40% of all listed UK REITs are admitted to our Official List.
- **Sustainable:** TISE has introduced a comprehensive sustainable finance market segment to facilitate the flow of sustainable capital into environmental, social and sustainable activities.

## Our strengths

Issuers come to our market because the products are provided in the right environment.

### Responsive approach

We are nimble and agile

### Competitive pricing

We offer great value

### Global standards

We provide proportionate regulation adhering to international standards

### International recognitions

Our endorsements demonstrate credibility

### Premier locations

Our staff operate across five international finance centres

## Our service

# 3+1

The TISE Guarantee provides certainty to clients through our commitment to conduct a review of listing applications within 3 business days of initial submission and within 1 business day of subsequent submissions. This industry competitive standard builds on our previous '3+2' commitment and ensures clients have confidence in our service provision.

# Corporate Information

## Corporate Information

### Directors:

C S H Geffen [Chair] [appointed 1 January 2021]  
G E S Coltman [appointed 1 January 2021]  
G Y Morris [appointed 1 January 2021]  
S R Turner [appointed 1 January 2021]  
C Vermaas [Chief Executive Officer]  
A A Whamond

### Secretary:

E A C Humphry

### Registered Office:

Helvetia Court  
Block B, Third Floor  
Les Echelons  
St Peter Port  
Guernsey  
GY1 1AR

### Registered Number:

57524

### Listing Sponsor:

Bedell Channel Islands Ltd  
26 New Street  
St Helier  
Jersey  
JE2 3RA

### Registrar:

JTC Registrars Ltd  
Ground Floor  
Dorey Court  
St Peter Port  
Guernsey  
GY1 2HT

### Financial Adviser:

Investec Bank plc  
30 Gresham Street  
London  
EC2V 7QP

# Chair's Statement

## Chair's Statement

During the first six months of 2021 we have built on our strong performance in 2020 by delivering record listing volumes whilst making good progress in executing our strategy to diversify the business to sustain future growth. I am pleased therefore to report record turnover, profit and earnings per share for the first half of the year as well as the necessary investment in our strategy.

### Listings and profits

Despite the ongoing global uncertainties of COVID-19 and transition into a post-Brexit environment, the high volume of M&A activity this year has helped accelerate new listings during the first half of 2021 details of which are set out in our CEO's Statement.

The initial fees from these new listings together with annual fees from across the market, contributed to an increase in turnover of 16.3% year on year to a record £4.75 million at 30 June 2021 [30 June 2020: £4.08 million]. With an improved net profit margin of 50.3%, profit after taxation increased 45.4% year on year to a record £2.39 million at 30 June 2021 [30 June 2020: £1.64 million]. This translates into basic earnings per share of 84.8p at 30 June 2021 [30 June 2020: 58.3p].

*"I am pleased to report record turnover, profit and earnings per share for the first half of the year."*

### Financial position

The Group has enjoyed strong growth and excellent financial performance in recent years and in March the Board announced a dividend of 35p per share which was paid on 26 April 2021. The dividend was in line with the Group's stated Dividend Policy implemented in September 2020, which is to pay total annual dividends in the order of 50 per cent of the Group's profit after tax in respect of the relevant financial year. This annual dividend is expected to continue to be paid in two instalments in April and October.

The Group's net assets increased 15.8% in the first six months of the year to reach £10.30 million at 30 June 2021 [31 December 2020: £8.9 million]. The balance sheet is strong and highly liquid, and the Board remains confident that our strategy will deliver a stronger and more resilient business.

The Board continues to focus on improving the liquidity of the Company's shares. As well as reviewing our Investor Relations strategy, we will be intensifying our marketing and communication activity with the aim of increasing the Group's visibility among both business introducers and prospective investors. Earlier this year, we appointed Investec Bank plc as Financial Adviser to assist us on this.



## Chair's Statement continued

### Strategy

We continue to operate in an environment where COVID-19 and Brexit have created uncertainties over the medium term. Sitting outside of both the EU and the UK provides TISE with opportunities and threats from regulatory change. An example of this, which we highlighted in our recent market update, is the draft legislation relating to Asset Holding Companies the impact of which remains unclear. There will likely be other regulatory changes, some of which may benefit the Exchange. And while the transactional market has been strong as we emerge from the pandemic there can be no certainty that will continue.

It is for these reasons that last year we adopted the strategy set out on page 15 to diversify the business. The management team led by CEO Cees Vermaas has made good progress on delivering this while at the same time maintaining profitability.

New initiatives have included the introduction of the dedicated Qualified Investor Bond Market (QIBM) and admittance of new international Members. We have also launched a comprehensive sustainable finance segment, TISE Sustainable and expanded our recognitions and memberships.

The announcement that we have reached agreement with Avenir Technology to supply a price discovery and trading platform will see the strengthening of our secondary markets proposition during the second half of the year. At the same time, we continue to explore opportunities for the Group within the private markets, and I look forward to providing further updates on this initiative. Together, these enhancements will strengthen our competitive position and opportunities for growth for all stakeholders, including our shareholders.

*“The management team, led by CEO Cees Vermaas, has made good progress during the first half year on delivering the Group’s strategy.”*

I would like to thank Cees and my other fellow Board members for their support and contribution to the progress we have made to date. I would also like to thank management and staff for their efforts in ensuring a seamless transition to working from home during the various 'lockdowns' and ensuring that TISE continued to deliver its market leading services. We are also grateful to our shareholders and wider stakeholders for their ongoing loyalty and I look forward to updating you with further developments.



**Charlie Geffen**  
6 September 2021

# CEO's Statement

## CEO's Statement

We are delighted that in the six months to the end of June 2021 we set new records for both listing volumes and financial performance. Alongside servicing our core business streams, we continue to develop our proposition as a major European professional bond market by diversifying our products and markets and scaling up our operations and distribution.

### Business update – Listings

There were 507 securities listed on TISE between the start of January and the end of June 2021, which represented a 30% increase on the previous record set in 2020 for the number of new listings on the Exchange during the opening six months of a year [2020: 390]. This contributed to an 8.5% increase in the total number of listed securities on TISE's Official List, which reached 3,431 at 30 June 2021 [31 December 2020: 3,162].

*“We have now laid the base for a more diversified and scalable business model.”*

During the first half of 2021, we continued to see strong listing volumes of debt securities which finance private equity-backed transactions. We also retained our position as one of the leading European venues for listing high yield bonds, with 59 securities listed in the first half of the year, including issuances from pan-European telecommunications firm Altice, cruise company Carnival, beauty business Coty, hire car firm Hertz and supermarket chain Iceland. We have also seen strong growth in securitisation business, with 45 securities listed on the market in the first six months of the year, which is more than in the entirety of 2020 and included transactions involving leading financial services firms Barclays, CVC and Morgan Stanley.

In the first six months of 2021, TISE has also continued to see further growth in listings of UK Real Estate Investment Trusts (REITs). There were 10 new UK REITs listed between the start of January and the end of June 2021, which is more than in all of 2020 and included REITs backed by Man Group and Starwood Capital Group. There were 38 UK REITs listed on TISE at the end of June 2021, which represented more than 40% of the total listed UK REIT market.

### Business update - Membership

These listing trends have been complemented by growth in the number of Members who facilitate business on the Exchange. One new Listing Member from each of Guernsey, the Isle of Man, Jersey and Ireland joined TISE during the first six months of 2021 and as such, the Membership has grown by four to 38 Members in total at the end of June 2021. Irish business law firm Mason Hayes & Curran became the first Dublin-headquartered Member of TISE and it has been joined by Arthur Cox and Matheson as other new Members from Ireland. We are seeking to attract further international Members as we aim to broaden our geographical reach and diversify the products and markets which we are servicing.



## CEO's Statement continued

### Operations & client service

In the first half of 2021 we made several operational refinements to help us continue to provide the very highest standards of service to clients within a newly expanded suite of products and markets.

This included the creation of a new Markets and Products Department headed up by our COO, Robbie Andrade. The Department includes Kay McCarthy, Head of the Jersey Office, who has a focus on Member relationship management, Isle of Man-based Carolyn Gelling, who became Head of Equity Markets, and Anthony Byrne, who joined us in February as Head of Bond Markets based in Dublin.

These changes have enabled us to enhance our proposition across the bond and equity markets, including the introduction across both markets of the TISE Guarantee. The '3+1' guaranteed review timeline provides certainty to clients through a commitment to conduct a review of listing applications within three business days of initial submission and within one business day of subsequent submissions. This is an industry competitive standard which we have been working towards adopting together with the introduction of new Listing Rules and Fees from 2 August 2021 to support the launch of the Qualified Investor Bond Market (QIBM).

We continue to invest in technology to provide us with an operating platform to which we can add significant scale in our core markets and service a diversified range of products.

*“We are delighted that in the six months to the end of June 2021 we set new records for both listing volumes and financial performance.”*

### Markets and Products

While TISE is already a major professional bond listing venue and we experienced a record breaking first six months of the year, we want to increase wider market interest through our international bond listing offering the QIBM. This represents a dedicated proposition for the listing of bonds marketed to 'qualified investors' such as institutional, professional and other investors experienced and knowledgeable in investing in bonds.

Whilst helping to maintain our strong position in our core markets such as private equity-backed transactions and high yield bonds, the QIBM should help us attract securitisations including collateralised loan obligations, derivative bonds, sovereign and public bonds. This is a key part of our diversification strategy and I am optimistic about taking this compelling proposition to market.

In parallel to the launch of the QIBM we have also updated the Listing Rules for the Equity Market. These updates ensure that we are aligned with developing market trends in the US and the UK in relation to the listing of Special Purpose Acquisition Companies (SPACs). This complements our regime for REITs which has proved particularly attractive for those held by institutional investors and where today we are the second largest market for listed UK REITs.

A key part of our strategy for the development of TISE's secondary markets and future growth is the implementation of a new price discovery and trading platform supplied by Avenir Technology. The platform is designed to operate on an auction basis, but with the ability to scale up and accommodate continuous trading if desired. With the selection of an efficient provider and utilisation of new technology, we have established a robust, low maintenance trading system for our market. The system meets all functional requirements to deliver even greater value to our current equity issuers, as well as offering new products and services to a whole new range of potential clients. For example, our strong position in the UK listed REIT market combined with the new trading platform provides us with an excellent opportunity to diversify our REIT offering in the near term towards more actively traded REITs.

## CEO's Statement continued

### Recognitions and memberships

The key features of the QIBM and the Equity Market are supported by a growing range of international recognitions and memberships for TISE. TISE is a 'recognised stock exchange' for the purposes of the Quoted Eurobond Exemption as applicable in both the UK and Ireland, and we are also recognised by the US Securities and Exchange Commission (US SEC), the Australian Securities Exchange (ASX) and German regulator BaFin.

We are also increasingly an actively engaged participant of the international securities industry. TISE is already an Associate Member of the International Organisation of Securities Commissions (IOSCO) and the World Federation of Exchanges (WFE). Other official memberships, such as the Quoted Companies Alliance (QCA), have been extended through us joining the Association for Financial Markets in Europe (AFME), the International Capital Markets Association (ICMA), and the UN Sustainable Stock Exchanges Initiative (UN SSE).

### TISE Sustainable

Our membership of the UN SSE puts us at the heart of global efforts to encourage sustainable investment and provides additional credibility to the launch in July of our comprehensive sustainable market segment, TISE Sustainable.

TISE Sustainable provides sustainable issuers and sustainable securities with enhanced visibility among investors and as such, is an enabler for the flow of capital into investments that promote environmental, social and sustainable activities.

The launch of TISE Sustainable and our membership of the UN SSE reflect our commitment to being part of the sustainable capital markets ecosystem, both in terms of how we manage our business and through our role as a facilitator of global capital flows.

I am pleased with the progress we have made in executing the strategy in the first half of 2021. As I outlined at the AGM on 8 July 2021, we have now laid the base for a more diversified and scalable business model which puts us in an excellent position to make the most of the opportunities which emerge in the coming years.

Many thanks to our Chair, Charlie Geffen, and my other fellow Board members for their support during this period. I would also like to thank our executive teams for their contribution to delivering the current impressive results while also showing immense commitment to adopting changes which put us in such a strong position for the future.

I look forward to working with all our current stakeholders as we seek to execute our strategy to sustain future growth.



**Cees Vermaas**  
6 September 2021

## Strategy 2021 – 2023: Strong Foundations Laid



### Enhance operational model

- Single operating model
- Shared services
- New client-focused Markets & Products division
- Dedicated Business Development focus



### Diversify business & revenue streams

- Qualified Investor Bond Market (QIBM) launched
- New international Listing Members
- Focused sales and relationship management
- Private market opportunities explored



### Improve IT environment

- Review of IT architecture
- New disaster recovery and cyber security arrangements
- Upgraded hardware and software
- Trading [auction] system acquired



### Increase visibility & recognitions

- New recognitions and industry memberships
- Refreshed Investor Relations strategy
- Financial Adviser engaged (Investec)
- Intensified marketing and communications



# Condensed Consolidated Financial Statements

## Condensed Consolidated Statement of Comprehensive Income

	Notes	Unaudited Six month period ended 30 June 2021 £	Unaudited Six month period ended 30 June 2020 £
Turnover	5	4,750,771	4,084,805
Administrative expenses		[2,267,742]	[2,383,939]
<b>Operating profit</b>		<b>2,483,029</b>	<b>1,700,866</b>
Interest receivable and similar income			
Interest income from financial assets measured at amortised cost	6	5,808	16,613
Income and net gains/(losses) from financial assets measured at fair value through profit or loss	6	55	7,095
<b>Profit on ordinary activities before taxation</b>		<b>2,488,892</b>	<b>1,724,574</b>
Taxation	7	[97,268]	[79,999]
<b>Profit for the financial period</b>		<b>2,391,624</b>	<b>1,644,575</b>
Other comprehensive income			
<b>Total comprehensive income for the financial year</b>		<b>2,391,624</b>	<b>1,644,575</b>
Earnings per share:			
Basic	8	84.8p	58.3p
Diluted	8	84.7p	58.3p

*Profit for the financial period is wholly attributable to the owners of the Company, there being no non-controlling interests.*

*Profit for the financial period is wholly attributable to continuing operations.*

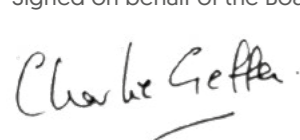
*The notes on pages 21 to 33 form an integral part of these Condensed Consolidated Financial Statements.*

## Condensed Consolidated Statement of Financial Position

	Notes	Unaudited 30 June 2021 £	Audited 31 December 2020 £
<b>Fixed assets</b>			
Intangible assets	10	80,000	-
Tangible fixed assets		71,947	67,324
		<b>151,947</b>	<b>67,324</b>
<b>Current assets</b>			
Debtors	11	771,867	973,780
Investments	12	8,547,623	7,039,173
Cash and cash equivalents	16	4,084,018	3,709,081
		<b>13,403,508</b>	<b>11,722,034</b>
<b>Current liabilities</b>			
Creditors: Amounts falling due within one year	13	(3,240,962)	(2,880,285)
<b>Net current assets</b>		<b>10,162,546</b>	<b>8,841,749</b>
<b>Total assets less current liabilities</b>		<b>10,314,493</b>	<b>8,909,073</b>
<b>Non-current liabilities</b>			
Provisions for other liabilities	14	(12,936)	(11,844)
<b>Net assets</b>		<b>10,301,557</b>	<b>8,897,229</b>
<b>Capital and reserves</b>			
Share capital		1,331,581	1,331,581
Share-based payments reserve		139,607	139,553
Retained earnings		8,830,369	7,426,095
<b>Shareholders' equity</b>		<b>10,301,557</b>	<b>8,897,229</b>

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 6 September 2021.

Signed on behalf of the Board of Directors:



**C S H Geffen**  
Director



**C Vermaas**  
Director

The notes on pages 21 to 33 form an integral part of these consolidated financial statements.

## Condensed Consolidated Statement of Changes in Equity

	Notes	Share capital £	Share-based payments reserve £	Retained earnings £	Shareholders' equity £
<b>At 31 December 2019 (Audited)</b>		<b>1,331,581</b>	<b>139,546</b>	<b>5,214,578</b>	<b>6,685,705</b>
Total comprehensive income for the period 1 January 2020 to 30 June 2020		-	-	1,644,575	1,644,575
Dividends declared and paid	9	-	-	(564,200)	(564,200)
<b>At 30 June 2020 (Unaudited)</b>		<b>1,331,581</b>	<b>139,546</b>	<b>6,294,953</b>	<b>7,766,080</b>
<b>At 31 December 2020 (Audited)</b>		<b>1,331,581</b>	<b>139,553</b>	<b>7,426,095</b>	<b>8,897,229</b>
Total comprehensive income for the period 1 Jan 2021 to 30 June 2021		-	-	2,391,624	2,391,624
Equity-settled share based payments		-	54	-	54
Dividends declared and paid	9	-	-	(987,350)	(987,350)
<b>At 30 June 2021 (unaudited)</b>		<b>1,331,581</b>	<b>139,607</b>	<b>8,830,369</b>	<b>10,301,557</b>

The notes on pages 21 to 33 form an integral part of these consolidated financial statements.

## Condensed Consolidated Statement of Cash Flows

	Notes	Unaudited Six month period ended 30 June 2021 £	Unaudited Six month period ended 30 June 2020 £
<b>Operating activities</b>			
Operating profit		2,483,029	1,700,866
Adjustments for:			
Equity settled share based payments		54	-
Depreciation of tangible assets		26,738	16,790
Decrease in debtors		201,912	277,879
Increase/(decrease) in creditors		345,331	(222,585)
Provision for other liabilities		1,092	1,098
<b>Cash generated</b>		<b>3,058,156</b>	<b>1,774,048</b>
Income taxes paid	7	(81,920)	-
<b>Net cash inflow from operating activities</b>		<b>2,976,236</b>	<b>1,774,048</b>
<b>Investing activities</b>			
Payments to purchase intangible fixed assets		(80,000)	(5,661)
Payments to purchase tangible fixed assets		(31,363)	(13,564)
Purchases of liquidity funds		(1,000,000)	(1,758,392)
Proceeds from disposal of liquidity funds		500,000	1,030,329
Placements of fixed term deposits/notice accounts		(1,008,449)	(1,012,792)
Maturities of fixed term deposits/notice accounts		-	726,886
Interest received		5,863	22,731
<b>Net cash outflow from investing activities</b>		<b>(1,613,949)</b>	<b>(1,010,463)</b>
<b>Financing activities</b>			
Dividends paid	9	(987,350)	(564,200)
<b>Net cash outflow from financing activities</b>		<b>(987,350)</b>	<b>(564,200)</b>
<b>Increase in cash and cash equivalents</b>		<b>374,937</b>	<b>199,385</b>
Cash and cash equivalents at start of the financial period		3,709,081	3,101,520
<b>Cash and cash equivalents at end of the financial period</b>	<b>16</b>	<b>4,084,018</b>	<b>3,300,905</b>

Cash and cash equivalents together with investments (note 12) totalled £12,631,641 as at 30 June 2021 (£9,589,254 as at 30 June 2020).

The notes on pages 21 to 33 form an integral part of these consolidated financial statements.

## Notes to the Condensed Consolidated Financial Statements

### 1. General information

The International Stock Exchange Group Limited (the Company) is a company with limited liability incorporated in Guernsey.

The Ordinary shares of the Company are listed on The International Stock Exchange (the Exchange), which is operated by the Company's wholly owned subsidiary, The International Stock Exchange Authority Limited (the Subsidiary).

### 2. Statement of compliance

These condensed consolidated financial statements have been prepared in accordance with Financial Reporting Standard 104 "Interim Financial Reporting" (FRS 104) and with the Listing Rules of the Exchange.

### 3. Basis of Preparation and Significant Accounting Policies

These condensed consolidated financial statements for the six month period ended 30 June 2021 should be read in conjunction with the annual report and consolidated financial statements for the year ended 31 December 2020, which were prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

The condensed consolidated financial statements for the six month period ended 30 June 2021 are unaudited and incorporate unaudited comparative figures for the six month period ended 30 June 2020 and the audited comparative figures as at 31 December 2020.

The condensed consolidated financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets measured at fair value.

Based on current trading and the present financial resources of the Group, the Directors believe the Group has the ability to continue as a going concern and have therefore prepared the consolidated financial statements on this basis.

The accounting policies, presentation and methods of computation used in the condensed consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended 31 December 2020.

During the period to 30 June 2021, the Company entered into a contract to develop a trading system for commercial use by the Group. The Company has recognised the associated costs of developing the trading system as an intangible asset in the reporting period upon review of the recognition criteria set out in FRS102. Note 10 provides additional disclosure.

The preparation of the condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts for assets and liabilities, income and expense. However, the nature of estimation means that actual outcomes could differ from those estimates.

### 4. Seasonality

The impact of seasonality or cyclicity on operations is not regarded as significant to the condensed consolidated financial statements.

## Notes to the Consolidated Financial Statements continued

### 5. Operating segment information

The business of the Group continues to consist of a single reportable operating segment. The sole business of the Group is the operation of an investment exchange.

	Six month period ended 30 June 2021		Six month period ended 30 June 2020	
	£	£	£	£
<b>Revenue from external customers</b>				
<b>Membership fees</b>				
Initial fees	-	-	-	-
Annual fees	110,892		121,944	
		<b>110,892</b>		<b>121,944</b>
<b>Listing fees</b>				
Initial fees	1,828,050		1,370,425	
Annual fees	2,247,170		2,162,262	
		<b>4,075,220</b>		<b>3,532,687</b>
Other Listing related fees		543,193		397,216
Other income		21,466		32,958
		<b>4,750,771</b>		<b>4,084,805</b>

## Notes to the Consolidated Financial Statements continued

### 5. Operating segment information (continued)

	Six month period ended 30 June 2021	Six month period ended 30 June 2020
	£	£
<b>Membership Fees - Initial and Annual Geographical analysis Revenue from Members by domicile</b>		
Guernsey	56,077	75,134
Jersey	45,469	43,738
Isle of Man	9,346	3,072
	<b>110,892</b>	<b>121,944</b>
<b>Listing Fees - Initial and Annual Geographical analysis Revenue from Issuers by domicile</b>		
Guernsey	180,275	203,233
Jersey	369,850	289,508
UK	2,473,507	1,953,434
Isle of Man	54,700	13,895
Ireland	323,300	201,586
Other	673,588	871,031
	<b>4,075,220</b>	<b>3,532,687</b>

## Notes to the Consolidated Financial Statements continued

### 5. Operating segment information (continued)

	Six month period ended 30 June 2021 £	Six month period ended 30 June 2020 £
<b>Total Turnover – Geographical analysis</b>		
Guernsey	259,877	306,593
Jersey	456,569	356,796
UK	2,777,182	2,185,909
Isle of Man	72,196	17,267
Ireland	345,850	230,586
Other	839,097	987,654
	<b>4,750,771</b>	<b>4,084,805</b>
	30 June 2021 £	31 December 2020 £
<b>Non-Current Assets</b>		
<b>Geographical analysis</b>		
<b>Tangible Assets by location</b>		
Guernsey	71,093	66,179
Jersey	534	711
Isle of Man	320	434
	<b>71,947</b>	<b>67,324</b>

## Notes to the Consolidated Financial Statements continued

### 6. Interest receivable and similar income

	Six month period ended 30 June 2021 £	Six month period ended 30 June 2020 £
<b>Interest from financial assets measured at amortised cost:</b>		
Cash and cash equivalents	16	371
Term deposits and notice accounts with term or notice of more than three months	5,792	16,242
<b>Total interest from financial assets measured at amortised cost</b>	<b>5,808</b>	<b>16,613</b>
<b>Income and net gains/(losses) from financial assets measured at fair value through profit or loss:</b>		
Dividends from liquidity funds	55	6,118
Realised loss on liquidity funds	-	(2,671)
Movement in unrealised gain/(loss) on liquidity funds	-	3,648
<b>Total income and net gains/(losses) from financial assets measured at fair value through profit or loss</b>	<b>55</b>	<b>7,095</b>
<b>Total interest receivable and similar income</b>	<b>5,863</b>	<b>23,708</b>

## Notes to the Consolidated Financial Statements *continued*

### 7. Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The Company and the Subsidiary are tax resident in Guernsey.

The Company is subject to taxation in Guernsey at the company standard rate of 0%.

With effect from 1 January 2019, profits of the Subsidiary in respect of income from the regulated activity of operating an investment exchange under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 are taxable at the company intermediate rate of 10%. Other income is subject to taxation in Guernsey at the company standard rate of 0%.

The Jersey branch of the Company is subject to taxation in Jersey at the standard corporate rate of 0% and the Isle of Man branch of the Company is subject to the Manx standard rate of 0%.

The difference between the total tax charge for the period and the amount calculated by applying the standard rate to the profit before tax is as follows:

	Six month period ended 30 June 2021 £	Six month period ended 30 June 2020 £
Profit on ordinary activities before taxation	2,488,892	1,724,574
Profit taxable at the standard rate of income tax of 0%	1,516,212	924,589
Profit taxable at the company intermediate rate of 10%	972,680	799,985
Profit on ordinary activities multiplied by the company standard rate of income tax in Guernsey of 0% (2020: 0%)	-	-
Effects of: Profits taxable at 10% in Guernsey	97,268	79,999
<b>Total tax charge for the year</b>	<b>97,268</b>	<b>79,999</b>

## Notes to the Consolidated Financial Statements *continued*

### 8. Earnings per share

Basic earnings per share is calculated by dividing profit for the financial period by the weighted average number of the Company's ordinary shares outstanding during the period.

Diluted earnings per share makes allowance for dilutive share options in issue during part or for all of the period. In calculating diluted earnings per share, the exercise of dilutive options is assumed to take place at the beginning of the period, or later date of issue, and the assumed proceeds from exercise are regarded as used to repurchase shares at the average market price during the period.

Where the exercise price is less than the average market price during the period, the difference between the number of shares assumed issued and the number of shares assumed repurchased are treated as in issue for no consideration.

Such shares deemed in issue for no consideration are weighted for the period they are outstanding. These weighted shares are then added to the weighted average number of shares arrived at for the basic earnings per share calculation. Details of the earnings per share calculations are as follows:

	Six month period ended 30 June 2021	Six month period ended 30 June 2020
<b>Basic</b>		
Basic weighted average of shares outstanding	2,821,000	2,821,000
Net profit attributable to Ordinary shareholders	2,391,624	£1,644,575
<b>Basic earnings per share</b>	<b>84.8p</b>	<b>58.3p</b>
<b>Diluted</b>		
Potential Ordinary shares outstanding during the year:		
Dilutive share options in issue at the start of the period	-	-
Non-dilutive share options in issue at the start of the period	200,000	50,000
Dilutive share options in issue at the end of the period	100,000	-
Non-dilutive share options in issue at the end of the period	150,000	50,000
Potential proceeds from dilutive share options	906,250	-
Average market share price for the period	934p	700p
Shares deemed repurchased	97,073	-
Shares deemed issued for no consideration	2,927	-
Weighted number of shares deemed issued for no consideration	1,973	-
Diluted weighted average shares outstanding	2,822,973	2,821,000
Net profit attributable to Ordinary shareholders	2,391,624	£1,644,575
<b>Diluted earnings per share</b>	<b>84.7p</b>	<b>58.3p</b>

The non-dilutive share options in issue have an exercise price range of £10 - £14 per share.

## Notes to the Consolidated Financial Statements continued

### 9. Dividends

	Six month period ended 30 June 2021 £	Six month period ended 30 June 2020 £
Dividend paid	987,350	564,200

Dividends declared by the Board are recognised upon payment.

On 30 April 2020 the Board declared a dividend of 20.0p per £1 ordinary share (£564,200) paid on 1 June 2020.

On 16 September 2020 the Board declared a dividend of 30.0p per £1 ordinary share (£846,300) paid on 19 October 2020.

On 24 March 2021 the Board declared a dividend of 35.0p per £1 ordinary share (£987,350) paid on 26 April 2021.

### 10. Intangible assets

On 13 May 2021, the Company entered into an agreement with Avenir Technology Limited to supply a trading system for commercial use by the Group.

Upon reviewing the recognition criteria set out in FRS102, the Directors of the Company are satisfied that the Company can recognise the external development and implementation costs, required to bring the trading system to market, as an intangible asset.

Costs to date associated with the development and implementation of the system are £80,000, with further costs anticipated to complete the implementation and bring the asset into commercial use.

Once in use, it is the intention to amortise the cost of the asset over 7 years.

### 11. Debtors

	30 June 2021 £	31 December 2020 £
Trade debtors	547,556	722,448
Other debtors	12,784	13,525
Prepayments	199,154	225,587
Accrued income	12,373	12,220
	<b>771,867</b>	<b>973,780</b>

Trade debtors include no amounts that fall due after more than one year.

## Notes to the Consolidated Financial Statements continued

### 12. Investments

	30 June 2021 £	31 December 2020 £
<b>Investments at fair value through profit or loss:</b>		
Liquidity funds	4,574,392	4,074,392
<b>Investments at amortised cost:</b>		
Short-term deposits/notice accounts with maturity at date of acquisition of over 90 days and no more than 365 days	3,973,231	2,964,781
	<b>8,547,623</b>	<b>7,039,173</b>

### 13. Creditors: Amounts falling due within one year

	30 June 2021 £	31 December 2020 £
Deferred income	2,824,043	2,477,537
Payments on account from issuers	73,638	70,382
Trade creditors and accruals	219,433	246,638
Corporate taxation	40,427	25,079
Other creditors	83,421	60,649
	<b>3,240,962</b>	<b>2,880,285</b>

## Notes to the Consolidated Financial Statements continued

### 14. Provisions for other liabilities

Dilapidations provision	£
<b>At 31 December 2019</b>	<b>9,636</b>
Addition to provision	1,098
<b>At 30 June 2020</b>	<b>10,734</b>
<b>At 31 December 2020</b>	<b>11,844</b>
Addition to provision	1,092
<b>At 30 June 2021</b>	<b>12,936</b>

The dilapidations provision relates to the obligation to make good at the end of the lease the fitting out (undertaken in 2015) of the leased offices at Helvetia Court, South Esplanade, St. Peter Port, Guernsey.

## Notes to the Consolidated Financial Statements continued

### 15. Financial instruments

	30 June 2021 £	31 December 2020 £
<b>Financial assets at fair value through profit or loss:</b>		
Liquidity funds*	<b>4,574,392</b>	<b>4,074,392</b>
<b>Financial assets measured at amortised cost:</b>		
Trade debtors	547,556	722,448
Other debtors	12,784	13,525
Term deposits and notice accounts with term or notice of more than three months	3,973,231	2,964,781
Term deposits and notice accounts with term or notice of three months or less	2,227,769	2,227,231
	<b>6,761,340</b>	<b>5,927,985</b>
<b>Financial liabilities measured at amortised cost:</b>		
Deferred income	2,824,043	2,477,537
Payments on account from issuers	73,638	70,382
Trade creditors and accruals	219,433	246,638
Corporate taxation	40,427	25,079
Other creditors	83,421	60,649
Provisions for other liabilities	12,936	11,844
	<b>3,253,898</b>	<b>2,892,129</b>

\*Financial assets held at fair value through profit or loss are valued based on quoted market prices in an active market.

Investments in liquidity funds carried at fair value involve credit risk, liquidity risk and market risk. Credit risk is limited with exposure spread across a number of funds. A Group approved list of counterparties is maintained and individual counterparty limits set by the Board. The credit rating of each fund is investment grade and the portfolio is subject to oversight by the appointed investment manager. Liquidity risk exposure is in terms of the ability to realise the investments in a timely fashion. There is an active market in the approved funds as well as in the underlying investments of the funds which are of short term duration. Market risk exposure is in terms of price volatility of the liquidity funds themselves and of the underlying short duration financial instrument held by such funds.

The liquidity funds and underlying short duration financial instruments represent an asset class that does not ordinarily experience extreme price variation.



## Notes to the Consolidated Financial Statements *continued*

### 16. Notes to the Statement of Cash Flows

	30 June 2021	30 June 2020
	£	£
Cash and cash equivalents comprise the following:		
Cash at bank and in hand	1,856,249	1,824,332
Cash equivalents	2,227,769	1,476,573
	<b>4,084,018</b>	<b>3,300,905</b>

In addition the Group held liquidity funds and Short-term deposits/notice accounts classified as investments of £8,547,623 at 30 June 2021 [see note 12].

### 17. Significant Related Party Transactions

#### Key management personnel

All Directors of the Company, as well as all the Directors of the Subsidiary, are considered to be key management personnel during their term of appointment.

Charlie Geffen was appointed as Chair and Non-Executive Director of the Company with effect from 1 January 2021, replacing Jon Moulton who stepped down after seven years in the role.

Gill Morris was also appointed as a Non-Executive Director of the Company with effect from 1 January 2021.

Rob Trefny was appointed as Chair and Non-Executive Director of the Subsidiary with effect from 1 January 2021, replacing Charlie Geffen in this role.

On 26 March 2021, a further 50,000 share options were granted to a Director of the Subsidiary, taking the total number of share options held by Directors of the Subsidiary to 100,000 at 30 June 2021.

There were no other changes to the Directors' interests in the share capital of the Company during the reporting period.

On 13 May 2021, the Company entered into an agreement with Avenir Technology Limited to supply a trading system for commercial use by the Group. Stuart Turner, a Director of the Company, is also a Director of Avenir Technology Limited and holds a non-controlling interest in that company.

On 31 May 2021, Robbie Andrade resigned as a Director of the Subsidiary, following his appointment as Group Chief Operating Officer.

The compensation recognised for the six month period ended 30 June 2021 in respect of all key management personnel during their term of appointment totalled £451,579 [six month period ended 30 June 2020: £470,373].

## Notes to the Consolidated Financial Statements *continued*

### 18. Events After the Interim Reporting Period

There have been no events after the reporting period that require adjustment in the financial statements.

As referenced in the recent market update, on 20 July 2021, the UK Government released draft legislation in respect of the Qualified Asset Holding Company regime. The Group is keeping developments under review to determine what impact, if any, this legislation will have on the Group's existing and future business as a result of any proposed changes to the legislation.

### 19. Approval of Condensed Consolidated Financial Statements

The condensed consolidated financial statements were approved by the Board on 6 September 2021 and authorised to be published on 6 September 2021.

# TISE

## The International Stock Exchange

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