

TISE 25

Celebrating our 25th anniversary year

UNAUDITED INTERIM FINANCIAL REPORT

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2023

Dublin. Guernsey. Isle of Man. Jersey. London.

tisegroup.com

Our H1 2023

We delivered record turnover and increased profit after tax to match the previous best H1, despite the continued macro-economic headwinds.

The launch of our new private markets service represents a significant landmark in the execution of the strategy to diversify our business and revenues.

Our financial performance

↑7.0%
£5.2 million
Turnover

↑15.8%
£2.4 million
Profit after tax

↑8.2%
45.5%
Net profit margin

↑14.9%
83.3 pence
Basic EPS

Our Exchange

Built on a culture of responsiveness and innovation during the last 25 years, we provide financial markets and securities services to public and private companies.

Best known as one of Europe's major professional bond markets, in 2023 we launched a unique offering for the private markets.

Our credentials

↑8.5%
4,140 securities
Official List

↑5.6%
£658 billion
Total market value

↓23.0%
375 securities
New listings

↑7.1%
2,354
Issuers

Responsive. Innovative.

Providing financial markets and securities services to public and private companies, we offer a range of products with exceptional service levels to a global client base.

Bonds



One of Europe's leading stock exchanges for international bond listings via our uniquely positioned Qualified Investor Bond Market (QIBM)

Equities



A regulated stock exchange home to a range of innovative equity listings across trading companies and investment vehicles, including UK REITs

Sustainable



Europe's most comprehensive sustainable market segment, enabling the flow of capital into environmental, social or sustainable activities

Trading



Our bespoke auction-based trading system, NOVA, combines choice and transparency to facilitate concentrated liquidity events

Private Markets



An innovative, integrated service providing unlisted companies with tailored electronic trading, settlement and registry solutions

Contents

7. Chair's Statement

10. CEO's Statement

15. Financial Statements

- 15. Condensed Consolidated Statement of Comprehensive Income
- 16. Condensed Consolidated Statement of Financial Position
- 17. Condensed Consolidated Statement of Changes in Equity
- 18. Condensed Consolidated Statement of Cash Flows
- 19. Notes to the Condensed Consolidated Financial Statements

33. Supplementary Information

- 33. Corporate Information

Chair's Statement

Chair's Statement

I am extremely pleased to report record turnover for the first half of 2023, despite the unsettled macro-economic conditions. Whilst this difficult climate has impaired trading, nevertheless we have continued to grow the size and value of the market, which reflects the strength of our offering. Delivering market-leading service levels within a competitive fee environment, we have further enhanced our attractive proposition during what is the Exchange's 25th anniversary year.

We have also increased profit after tax and basic earnings per share compared to a year previously and matched the record set over the same period in 2021. We have continued with the planned investment to support the execution of our strategy to sustain future growth, which has included the launch of our new private markets offering, TISE Private Markets, and the onboarding of our first client company, Blue Diamond Limited. We expect this unique service to be highly attractive to many more unlisted companies and it represents a significant landmark in the execution of our strategy to diversify the Group's business and revenues.

The Group remains highly cash generative and during the first half of 2023 we paid an ordinary dividend of 43p per share. This follows the distribution of £8.0 million in dividends during 2022 and takes the total cash returned to shareholders through dividends during the past six years to over £7.00 per share. During the same period, the traded price of the Company's shares has risen from around £7.00 per share in January 2018 to a high of £15.50 per share in August 2023.

Listings and profits

The difficult macro-economic conditions continued to subdue listing volumes during the first six months of the year, but performance remained robust, with a healthy pipeline of new listings. The total number of listings on the Official List increased again, extending the record high since the Exchange's market first opened in October 1998.

Fees generated from the new listings, together with annual fees from across the market, contributed to record turnover of £5.2 million at 30 June 2023 [30 June 2022: £4.9 million]. Revenue increases were predominantly driven by the targeted uplift to our bond and equity listing fees effective from October 2022.

Profit after taxation increased to £2.4 million at 30 June 2023 [30 June 2022: £2.0 million] and basic earnings per share increased to 83.3p [30 June 2022: 72.5p]. These were in line with our expectations, reflecting the effect of the subdued macro-economic climate on listing volumes, the revenue-generating impact of our fee increases and our controlled acceleration of investment in support of our strategy to diversify and scale-up the business.

Expenditure increased to £3.0 million during the first half of the year [30 June 2022: £2.8 million] and included the initial investment towards a new IT platform which will streamline operational processes, strengthen risk management practices and contribute towards improved operating margins. Project costs relating to the development of TISE Private Markets comprised £320,000 during the first half of the 2023 [30 June 2022: £63,000].

Financial position

The Group has enjoyed significant growth and, despite the adverse macro-economic backdrop, remains highly cash generative. During the first half of the year, the Board declared an ordinary dividend of 43p per share [paid April 2023], which represented a return to shareholders of more than £1.2 million in the period and is in addition to the £8.0 million returned to shareholders during 2022.

The Group had net assets of £8.9 million at 30 June 2023 [30 June 2022: £6.6 million] with capital retained to support the Group's regulatory and general working capital requirements, as well as the execution of our strategy to deliver greater diversification and scale.

Trading in the Company's shares was more active than previously, with the share price reaching a high of £15.25 during the first half of the year. The Board continues to be advised by Investec Bank plc as Financial Adviser as we remain focused on our Investor Relations activities with the aim of increasing the Group's visibility and improving the liquidity of the Company's shares.

Chair's Statement

We have continued to engage independent research consultants Hardman & Co. to undertake and distribute sponsored research reports on the Group to their network of individuals, institutions, IFAs and media outlets, including Bloomberg, Thomson Reuters and LexisNexis [latest report May 2023].

Strategy

The Group's strong performance over recent years has been underpinned by the strategy implemented in 2021. Central to this strategy is the scaling up and diversification of our core bond market proposition and the introduction of new and innovative products and services. The Group has made significant progress to date, including the launch of our unique private markets offering, TISE Private Markets. I would like to thank Cees, the senior leadership team and all our staff, as well as my fellow Board members, for their contribution to the progress we have made to date in delivering this strategy.

In March we were delighted to welcome Julia Chapman to the Board as a Non-Executive. Based in Jersey, Julia's expertise within the corporate services sector and significant experience as a non-executive director further enhances the skills and experience of the Board as we develop and broaden the Group's services over the coming years. At the close of the Annual General Meeting in August, Stuart Turner stepped down from the Board having served as a Non-Executive Director for the past nine years. Together with my fellow Board members, I would like to place on record my thanks to Stuart for his support and guidance.

During the last 25 years, TISE has established itself as an experienced operator of public markets and transformed from a local stock and bond market into a leading European stock exchange for international bond listings. With the launch of TISE Private Markets and an enlarged portfolio of products and services, the Group is well positioned for long-term growth. I would like to thank our shareholders for their support during my first year as Chair, and of course, remain available to any shareholders wishing to discuss matters further.



A handwritten signature in black ink, appearing to read 'Anderson Whamond'.

Anderson Whamond
Chair

4 September 2023

CEO's Statement

CEO's Statement

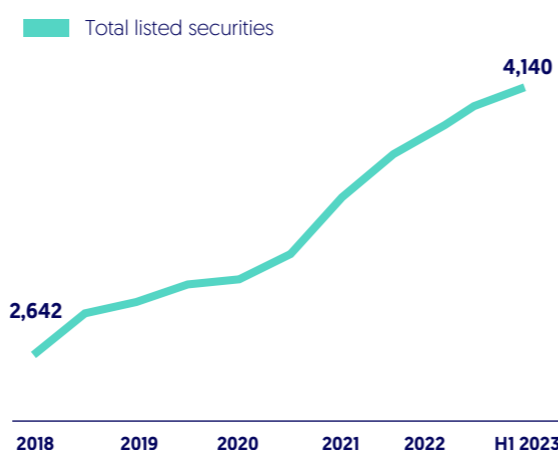
It says a lot about the strength of our business that midway through our 25th anniversary year, whilst continuing to face a very challenging macro-economic environment, we delivered record turnover and increased profit after tax to match our previous best first half year in 2021.

Geopolitical instability, persistent inflation and rising interest rates which provided unfavourable macro-economic conditions during the second half of last year, continued to depress the debt capital markets during the first six months of 2023. This subdued new listings but, by remaining focused on the efficient and secure listing of bonds offered to institutional and professional investors, we maintained our market leader position in specific segments, diversified our product base and expanded our geographical reach.

We continued to invest in the business to support the scaling up and diversification of our core bond market proposition and the introduction of new and innovative products and services. I am delighted that we have now launched our new private markets offering, TISE Private Markets, and onboarded our first client company, Blue Diamond Limited. This is an exciting development which will not only diversify our business and revenue base but lay the foundations for a further expansion of the services which we offer in the future.

Markets and products

With 375 newly listed securities on TISE [H1 2022: 487], the continuing unfavourable macro-economic conditions further subdued listing volumes during the first half of 2023. Despite this, there was an 8.5% increase year on year in the total number of securities admitted to our Official List, which reached 4,140 at the end of June 2023 [30 June 2022: 3,815], extending the record total since the Exchange first opened for business in October 1998. At 30 June 2023, the combined market value stood at £658 billion [30 June 2022: £623 billion].



Bonds

TISE's core offering is our Qualified Investor Bond Market (QIBM). It is pleasing that during the first six months of 2023 there was a 15.7% increase year on year in the total number of new issuances listed across QIBM. There was a total of 1,277 new issuances listed [H1 2022: 1,104], comprising 369 entirely new security classes, as well as an additional 908 further issues to existing listings. In terms of the product mix, there was further diversification with new listings including private equity debt securities, convertibles, bond programmes, high yield bonds, securitisations and, for the first time in several years, a pipeline of CLOs.

CEO's Statement

Listing volumes have been the most depressed in products, such as high yield and securitisations, with the greatest exposure to the broader debt capital markets and where wider activity has slowed considerably in the last year. New listings of both of these product types decreased year on year but remained robust given the macro-economic conditions. With approximately 400 high yield bonds on our market in total, we have retained our position as the number one exchange in Europe for listing high yield bonds and our growing status as a listing venue for securitisations was reflected in a 28.8% increase year on year in the total number of securitisations listed with us, which reached nearly 500 at the end of June.

This trend has been built upon with our expansion into the CLO market. With seven new CLO listings in the first half of this year, we are delighted to have won market share in this product line, reflecting international regulatory changes as well as underscoring the competitiveness of our offering. Our bespoke CLO proposition has been tailored to the needs of market participants listing warehousing financings, CLO transactions and refinancings, and includes an all-inclusive CLO Lifecycle Fee which is unique to our Exchange.

At the same time, we have continued to show robust performance in the number of bond programmes with securities listed on TISE. With a 9.0% increase year on year in the total number of bond programmes with securities listed on TISE, we finished the period with a total of 83 bond programmes listing 314 securities.

There were 198 private equity debt securities newly listed on TISE during H1 2023, which was a decrease year on year [H1 2022: 268] but helped grow the total number of private equity debt securities on the market by 7.7% to 1,854 at the end of June [30 June 2022: 1,721]. The private equity sector remains relatively strong with a significant amount of capital to be deployed and TISE remains the leading venue for the listing of securities related to this transactional activity.

The relative resilience of M&A activity and the value to our clients of a well-trodden path to listing helped maintain robust listing volumes on TISE. The Qualifying Asset Holding Companies (QAHC) regime, which was introduced in April 2022, has had limited impact to date on Quoted Eurobond Exemption (QEE) related listings but we are continuing to actively monitor market trends. The QEE route, combined with a listing on TISE, continues to provide issuers and their advisers with a cost-efficient and expeditious solution.

Equities

With six newly listed securities admitted to our equity market in the first half of the year, there was a further reduction in volumes compared to a year previously [H1 2022: 20]. The new listings comprised two open-ended investment companies and four closed-ended investment companies, of which two were REITs.

The two new REIT listings mirrored the activity in the first half of last year [H1 2022: 2] but at 40 in total, there was a small decline in the total number of REITs listed on TISE [30 June 2022: 41]. Looking forward, we expect reduced demand arising from specific UK legislative changes introduced in April 2022 which removed the listing requirement for UK REITs owned by institutional investors and since then, there have been amendments to further define this qualification criteria. Our experience, coupled with market feedback, had indicated that the certainty of an efficient and cost-effective listing would continue to prove attractive for some entities wishing to secure entry to the UK REIT regime and we believe that this will continue to remain the case, albeit with a smaller pool of potential real estate investment vehicles.

Sustainable finance

Since launching our sustainable finance segment in 2021, sustainable issuers, green bonds, sustainable bonds, sustainability-linked bonds and humanitarian catastrophe bonds have been admitted to TISE Sustainable. More recently, responding to market demand, we launched a new transition offering within TISE Sustainable so that we can cater for transition bonds and transition issuers, further supporting initiatives which lead to a lower carbon economy and society as part of the hugely important efforts to secure a just transition to net-zero.

CEO's Statement

Admissions to the segment reflected the wider market trends of traditionally strong volumes of green bond issuances being complemented by increased numbers of sustainability-linked bonds. Activity across the market decreased markedly in the last year which mirrors the challenging conditions in the debt capital markets more broadly. For example, the only admission to TISE Sustainable in the first half of this year was a sustainability-linked bond from telecommunications brand, Liberty Costa Rica [H1 2022: 2].

At 30 June 2023, the total value of listings on TISE supporting environmental, social and sustainable initiatives reached £14 billion, which demonstrates the positive role we play as a facilitator of sustainable capital flows globally.

Membership

During the last two and a half years there has been growth and internationalisation of Member firms who facilitate business on TISE. Our international Membership base grew again in H1 2023, with our first new Member from Bermuda and one from Jersey, taking the total number of Listing and Trading Members to 45 at 30 June 2023 [30 June 2022: 42].

It is particularly pleasing to extend our international memberships to Bermuda, which comes in addition to those firms from Ireland who have joined as Members of TISE in the last two and a half years. These firms, which are the leading listing agents for Euronext Dublin's GEM market, are now positioned to directly facilitate listings on our market. This demonstrates the strong appetite internationally for listing bonds on TISE.

The geographic expansion in the Membership underpins the delivery of our strategy to diversify and scale up our bond listings in the UK, Europe and internationally. Building on the increasing geographical diversification of the last two years, in H1 2023, the UK remained the largest single source of new business, and nearly 25% of all securities listed on QIBM originated from the EU, including issuers from Austria, France, Germany, Ireland, Luxembourg and The Netherlands.

TISE Private Markets

After several years' research and development, we were delighted to launch our new, innovative private markets offering, TISE Private Markets, and it was extremely rewarding to also onboard our first client, Blue Diamond Limited. The company is a well-known Channel Islands success story that has the right profile to join a public market so we are proud that instead they choose to support us in the development of this service and become the first company to join TISE Private Markets.

TISE Private Markets provides unlisted companies with a dedicated marketplace through which they can access an integrated set of tailored electronic solutions, including trading, settlement and registry management. We expect that this service will be highly attractive to other companies which are in a similar position to Blue Diamond Limited of being privately owned or currently quoted on public markets but seeking to return to a private ownership model. In the coming months we will be stepping up our business development and sales activity, which will be led by London-based Alex Taylor, who joined us in July 2023 following several commercial leadership roles, including most latterly at an investment bank in the City.

This unique solution for privately owned structures represents a significant landmark in the Exchange's 25-year history and in the execution of our strategy to diversify our business. Over the coming years, we will be exploring opportunities to develop additional services which are adjacent to the TISE Private Markets proposition.

Operations and client service

TISE Private Markets was launched with its own distinctive brand to reflect that this technology-led service sits within the TISE portfolio but represents a new, alternative venture. This proposition joins our expanded suite of products and services which are the foundation of our marketing and business development activity. The team remains extremely active in connecting with key intermediaries and clients, especially in London, but also increasingly in Europe. We are also set to expand our programme of activity to capitalise on the current trend for CLO listings on our market through attendance at the key European event specific to CLOs which is to be held in London in October.

CEO's Statement

Our success in this product line reflects international regulatory changes and the competitiveness of our offering, which includes client service standards such as our introduction last year of a market leading "2+" review timeframe for CLOs, which can be more time sensitive transactions. This built on our existing TISE Guarantee of a "3+1" review timeline for listing all other bonds and equities and is an industry competitive standard that provides much sought after certainty to our clients.

To support delivery of further growth in our core bond market, we have embarked on a re-platforming programme which involves a major overhaul of our core technology stack. As well as strengthening market analysis capability and risk management practices, the re-platforming will provide a modern, efficient and simplified service. This is an essential initiative for TISE and our Members.

The controlled acceleration of investment into our strategy meant that in the first half of the year we increased our net profit margin year on year to 45.5% [30 June 2022: 42.0%]. We continue to invest in the delivery of our strategy, with a specific focus on modernising our technology platform and building out our TISE Private Markets offering.

As part of our commitment to deliver a business model which is sustainable over the longer term, we enrolled on ESI Monitor's FutureTracker service at the beginning of 2023. It is a recognised platform, providing a framework for us to measure, manage, minimise and benchmark the impact of our business operations on the environment. We are at the start of this process, having recently completed our first emissions benchmark for TISE, and will provide regular progress updates on our journey towards a more sustainable future.

We have made very good progress in executing our strategy despite the continued challenging macro-economic environment. Those difficult market conditions are still inhibiting new listings activity and, whilst the latest inflation figures may raise the prospect of an improved economic outlook, market activity is unlikely to improve significantly throughout 2023.

With our second quarter outperforming the first quarter, we are continuing to closely monitor our pipeline of new listings. We believe that a more stable external environment will precipitate growth in listing volumes albeit that may now not be until 2024. With an increasingly scalable and diversified business model, we are in an excellent position to make the most of the opportunities which emerge, especially with the return of improved market conditions.

Many thanks to our Chair, Anderson Whamond, and my fellow Board members for their support. I would also like to thank the senior leadership team and all our staff for their contribution to our success while also showing both continued commitment and flexibility in adopting changes which put us in a much stronger position for the future.

I look forward to continuing to work with all of our stakeholders during the remainder of 2023, which, as our 25th anniversary year, represents a significant landmark both in the history and future of TISE. As always, I welcome the chance to discuss our progress in executing this strategy to deliver a business model for sustaining future growth and encourage shareholders to get in touch.



Cees Vermaas
CEO

4 September 2023



Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Comprehensive Income

	Notes	Unaudited six month period ended 30 June 2023 £	Unaudited six month period ended 30 June 2022 £
Turnover	5	5,206,809	4,867,584
Administrative expenses		(2,958,301)	(2,781,086)
Operating profit		2,248,508	2,086,498
Interest receivable and similar income			
Interest income from financial assets measured at amortised cost	6	105,692	15,341
Income and net gains/(losses) from financial assets measured at fair value through profit or loss	6	63,348	10,084
Profit on ordinary activities before taxation		2,417,548	2,111,923
Taxation	7	(50,281)	(67,236)
Profit for the financial period		2,367,267	2,044,687
Other comprehensive income		-	-
Total comprehensive income for the financial period		2,367,267	2,044,687
Earnings per share:			
Basic	8	83.3p	72.5p
Diluted	8	82.8p	71.0p

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 19 to 31 form an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Financial Position

	Notes	Unaudited 30 June 2023 £	Audited 31 December 2022 £
Fixed assets			
Intangible assets	9	102,219	111,429
Tangible fixed assets	10	129,007	134,916
		231,226	246,345
Current assets			
Debtors	11	1,301,440	1,484,288
Investments	12	7,066,630	6,405,864
Cash and cash equivalents	13	4,587,594	3,853,364
		12,955,664	11,743,516
Current liabilities			
Creditors: Amounts falling due within one year	14	[4,292,198]	[4,247,162]
Net current assets		8,663,466	7,496,354
Total assets less current liabilities		8,894,692	7,742,699
Non-current liabilities			
Provisions for other liabilities	15	[20,051]	[13,695]
Net assets		8,874,641	7,729,004
Capital and reserves			
Share capital	16	1,511,581	1,511,581
Share-based payments reserve		139,607	139,607
Retained earnings		7,223,453	6,077,816
Shareholders' equity		8,874,641	7,729,004

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 4 September 2023.

Signed on behalf of the Board of Directors:



A Whamond
Director



C Vermaas
Director

The notes on pages 19 to 31 form an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Equity

	Notes	Share capital £	Share-based payments reserve £	Retained earnings £	Shareholders' equity £
At 31 December 2021 (Audited)		1,331,581	139,607	9,919,481	11,309,669
Total comprehensive income for the period 1 Jan 2022 to 30 June 2022		-	-	2,044,687	2,044,687
Exercise of options	16	90,000	-	-	90,000
Dividends declared and paid	17	-	-	[6,911,450]	[6,911,450]
At 30 June 2022 (Unaudited)		1,421,581	139,607	5,052,718	6,613,906
At 31 December 2022 (Audited)		1,511,581	139,607	6,077,816	7,729,004
Total comprehensive income for the period 1 Jan 2023 to 30 June 2023		-	-	2,367,267	2,367,267
Dividends declared and paid	17	-	-	[1,221,630]	[1,221,630]
At 30 June 2023 (Unaudited)		1,511,581	139,607	7,223,453	8,874,641

The notes on pages 19 to 31 form an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Cash Flows

Notes	Unaudited Six month period ended 30 June 2023 £	Unaudited Six month period ended 30 June 2022 £
Operating activities		
Operating profit	2,248,508	2,086,498
Adjustments for:		
Amortisation of intangible assets	9,210	9,209
Depreciation of tangible assets	39,326	35,383
Decrease in debtors	177,702	352,793
Increase in creditors	45,047	39,992
Provision for other liabilities	6,356	6,561
Cash generated	2,526,149	2,530,436
Income taxes paid	(62,500)	(122,976)
Net cash from operating activities	2,463,649	2,407,460
Investing activities		
Payments to purchase tangible fixed assets	[34,036]	[38,338]
Placements of fixed term deposits/notice accounts	[3,984,522]	[9,392]
Proceeds from disposal of short term deposits/notice accounts	5,450,451	1,008,434
Purchases of liquidity funds	[2,124,847]	-
Proceeds from disposals of liquidity funds	-	4,122,100
Interest received	185,165	26,909
Net cash (outflow) /inflow from investing activities	[507,789]	5,109,713
Financing activities		
Issue of Ordinary shares	16	-
Dividends paid	17	[6,911,450]
Net cash outflow from financing activities	[1,221,630]	[6,821,450]
Increase in cash and cash equivalents	734,230	695,723
Cash and cash equivalents at start of the financial period	3,853,364	3,881,143
Cash and cash equivalents at end of the financial period	13	4,576,866

Cash and cash equivalents together with investments (note 12) totalled £11,654,224 as at 30 June 2023 (£9,005,337 as at 30 June 2022).

The notes on pages 19 to 31 form an integral part of these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

1. General information

The International Stock Exchange Group Limited (the Company or TISEG) is a company with limited liability incorporated in Guernsey. The registered address of the Company is Helvetia Court, Block B, 3rd Floor, Les Echelons, St Peter Port, Guernsey, GY1 IAR.

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 or Authority).

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 2023 should be read in conjunction with the annual report and consolidated financial statements for the year ended 31 December 2022, 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 2023 are unaudited and incorporate unaudited comparative figures for the six month period ended 30 June 2022 and the audited comparative figures as at 31 December 2022.

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 2022.

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 Condensed Consolidated Financial Statements

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 on an investment exchange.

Entity wide disclosure	Six month period ended 30 June 2023		Six month period ended 30 June 2022	
	£	£	£	£
Revenue from external customers				
Membership fees				
Annual fees	43,477		71,654	
		43,477		71,654
Listing fees				
Initial fees	1,251,093		1,423,936	
Annual fees	3,176,174		2,765,982	
		4,427,267		4,189,918
Other Listing related fees		723,825		590,247
Other income		12,240		15,765
		5,206,809		4,867,584
Geographical analysis				
		Six month period ended 30 June 2023		Six month period ended 30 June 2022
		£		£
Membership Fees - Initial and Annual Revenue from Members by domicile				
Guernsey		18,554		40,500
Isle of Man		6,231		6,231
Jersey		18,692		24,923
		43,477		71,654

Notes to the Condensed Consolidated Financial Statements

5. Operating segment information (continued)

Geographical analysis	Six month period ended 30 June 2023		Six month period ended 30 June 2022	
	£	£	£	£
Listing Fees - Initial and Annual Revenue from Issuers by domicile				
EU (ex Ireland)		711,478		699,714
Guernsey		209,229		145,700
Ireland		297,912		374,198
Isle of Man		51,372		69,720
Jersey		344,283		387,148
UK		2,682,644		2,436,526
Other		130,349		76,912
		4,427,267		4,189,918
Geographical analysis				
		Six month period ended 30 June 2023		Six month period ended 30 June 2022
		£		£
Total Turnover				
EU (ex Ireland)		882,128		804,764
Guernsey		252,733		205,200
Ireland		332,362		402,148
Isle of Man		91,903		100,952
Jersey		403,225		481,671
UK		3,085,159		2,752,326
Other		159,299		120,523
		5,206,809		4,867,584
Geographical analysis				
		30 June 2023		31 December 2022
		£		£
Non-Current Assets - Tangible Assets by location				
Guernsey		129,007		134,916
		129,007		134,916

Notes to the Condensed Consolidated Financial Statements

6. Interest receivable and similar income

	Six month period ended 30 June 2023 £	Six month period ended 30 June 2022 £
Interest from financial assets measured at amortised cost:		
Cash and cash equivalents	-	25
Term deposits and notice accounts with term or notice of more than three months'	105,692	15,316
Total interest from financial assets measured at amortised cost	105,692	15,341
Income and net gains/(losses) from financial assets measured at fair value through profit or loss:		
Dividends from liquidity funds	61,498	10,084
Movement in unrealised gain/(loss) on liquidity funds	1,850	-
Total income and net gains/(losses) from financial assets measured at fair value through profit or loss	63,348	10,084
Total interest receivable and similar income	169,040	25,425

Notes to the Condensed Consolidated Financial Statements

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. 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, 2020 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%. On 21 April 2022, the Company surrendered its registration in the Isle of Man under the Foreign Companies Act 2014. The Isle of Man branch of the Company was previously 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 2023 £	Six month period ended 30 June 2022 £
Profit on ordinary activities before taxation	2,417,548	2,111,923
Profit taxable at the standard rate of income tax of 0%	1,914,736	1,439,567
Profit taxable at the company intermediate rate of 10%	502,812	672,356
Profit on ordinary activities multiplied by the company standard rate of income tax in Guernsey of 0% (2022: 0%)	-	-
Effects of: Profits taxable at 10% in Guernsey	50,281	67,236
Total tax charge for the period	50,281	67,236

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 the 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, 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.

Notes to the Condensed Consolidated Financial Statements

8. Earnings per share (continued)

Details of the earnings per share calculations are as follows:

	Six month period ended 30 June 2023 £	Six month period ended 30 June 2022 £
Basic		
Basic weighted average of shares outstanding	2,841,000	2,821,166
Net profit attributable to Ordinary shareholders	2,367,269	2,044,687
Basic earnings per share	83.3p	72.5p
Diluted		
Potential Ordinary shares outstanding during the period:		
Dilutive share options in issue at the start of the period	205,000	125,000
Non-dilutive share options in issue at the start of the period	25,000	125,000
Dilutive share options lapsed during the period	(80,000)	-
Dilutive share options in issue at the end of the period	125,000	240,000
Non-dilutive share options in issue at the end of the period	25,000	-
Potential proceeds from dilutive share options	1,450,000	2,616,250
Average market share price for the period	1355p	1429p
Shares deemed repurchased	107,033	183,061
Shares deemed issued for no consideration	17,967	56,939
Weighted number of shares deemed issued for no consideration	17,967	56,939
Diluted weighted average shares outstanding	2,858,967	2,878,105
Net profit attributable to Ordinary shareholders	2,367,269	2,044,687
Diluted earnings per share	82.8p	71p

Notes to the Condensed Consolidated Financial Statements

9. Intangible assets

Intangible Assets

	£
Cost:	
At 1 January 2022	130,000
Additions	-
At 31 December 2022	130,000
Additions	-
At 30 June 2023	130,000
Amortisation:	
At 1 January 2022	-
Charge for the year ended 31 December 2022	18,571
At 31 December 2022	18,571
Charge for the period ended 30 June 2023	9,210
At 30 June 2023	27,781
Carrying amount:	
At 31 December 2022	111,429
At 30 June 2023	102,219

On 13th May 2021 the Company entered into an agreement with Avenir Technology Limited to supply a trading system for commercial use by the Group. The NOVA trading system went live in February 2022 and the cost is being amortised for 7 years from the date in use.

Notes to the Condensed Consolidated Financial Statements

10. Tangible fixed assets

	Office premises improvements	Furniture, fixtures and fittings	Computer equipment and software	Total
	£	£	£	£
Cost:				
At 1 January 2022	49,265	78,232	120,280	247,777
Additions	13,432	2,065	69,257	84,754
Written down	-	(1,650)	(37,027)	(38,677)
At 31 December 2022	62,697	78,647	152,510	293,854
Additions	-	-	34,036	34,036
Written down	-	(18,589)	(37,919)	(56,508)
At 30 June 2022	62,697	60,058	148,627	271,382
Depreciation:				
At 1 January 2022	396	33,393	76,968	110,757
Charge for the year ended 31 December 2022	9,636	26,215	51,007	86,858
Written down	-	(1,650)	(37,027)	(38,677)
At 31 December 2022	10,032	57,958	90,948	158,938
Charge for the period ended 30 June 2023	4,778	9,927	24,621	39,326
Written down	-	(18,589)	(37,300)	(55,889)
At 30 June 2023	14,810	49,296	78,269	142,375
Carrying amount:				
At 31 December 2022	52,665	20,689	61,562	134,916
At 30 June 2023	47,887	10,762	70,358	129,007

Notes to the Condensed Consolidated Financial Statements

11. Debtors

	30 June 2023 £	31 December 2022 £
Trade debtors	926,063	1,176,746
Corporate taxation	51,038	38,820
Other debtors	20,612	3,633
Prepayments	255,188	232,055
Accrued income	48,539	33,034
	1,301,440	1,484,288

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

12. Investments

	30 June 2023 £	31 December 2022 £
Investments at fair value through profit or loss:		
Liquidity funds	4,578,988	2,452,292
Investments at amortised cost:		
Short-term deposits/notice accounts with maturity at date of acquisition of over 90 days and no more than 365 days	2,487,642	3,953,572
	7,066,630	6,405,864

Notes to the Condensed Consolidated Financial Statements

13. Cash and cash equivalents

	30 June 2023 £	31 December 2022 £	30 June 2022 £
Cash and cash equivalents comprise the following:			
Cash at bank and in hand	2,030,321	1,339,214	3,097,048
Cash equivalents	2,557,273	2,514,150	1,479,818
	4,587,594	3,853,364	4,576,866

14. Creditors: Amounts falling due within one year

	30 June 2023 £	31 December 2022 £
Deferred income	3,951,605	3,793,643
Payments on account from issuers	155,891	112,513
Trade creditors and accruals	153,760	284,882
Other creditors	30,942	56,124
	4,292,198	4,247,162

15. Provisions for other liabilities

	£
Dilapidations provision	
At 31 December 2021	672
Addition to provision	6,561
At 30 June 2022	7,233
At 31 December 2022	13,695
Addition to provision	6,356
At 30 June 2023	20,051

On 8 June 2015, the Company entered into a 15 year lease in respect of office premises at Helvetia Court, South Esplanade, St. Peter Port, Guernsey. The lease allows for early termination after 13 years.

The dilapidations provision relates to the obligation to make good at the end of the lease the fitting out (last undertaken in 2021) of the leased offices at Helvetia Court, South Esplanade, St Peter Port, Guernsey.

Notes to the Condensed Consolidated Financial Statements

16. Share capital

	Non-Participating Share		Ordinary Shares	
	£	Number	£	Number
Authorised				
As at 1 January 2022	1	1	5,000,000	5,000,000
As at 31 December 2022	1	1	5,000,000	5,000,000
As at 30 June 2023	1	1	5,000,000	5,000,000
Allotted, called up and fully paid				
As at 1 January 2022	1	1	1,331,580	2,821,000
Exercise of options	-	-	90,000	10,000
As at 30 June 2022	1	1	1,421,580	2,831,000
Exercise of options	-	-	90,000	10,000
As at 31 December 2022	1	1	1,511,580	2,841,000
As at 30 June 2023	1	1	1,511,580	2,841,000

During the period ended 30 June 2022, options over 10,000 Ordinary shares were exercised for a consideration of £90,000.

During the period ended 30 June 2023, options over 30,000 Ordinary shares (with an exercise price of £9.00 per share) and options over 50,000 Ordinary shares (with an exercise price of £9.125), which were awarded to a former Director of the Subsidiary, lapsed in accordance with the rules of the ESOS and ceased to be capable of exercise.

The total number of Ordinary shares in issue at 30 June 2023 is 2,841,000. (30 June 2022: 2,831,000)

17. Dividends paid

	Six month period ended 30 June 2023 £	Six month period ended 30 June 2022 £
Dividends paid	1,221,630	6,911,450

Dividends declared by the Board are recognised upon payment.

On 24 March 2022 the Board declared a dividend of 45.0p per £1 Ordinary share (£1,269,450) paid on 25 April 2022.

On 24 March 2022 the Board declared a dividend of 200.0p per £1 Ordinary share (£5,642,000) paid on 27 June 2022.

On 5 September 2022 the Board declared a dividend of 37.0p per £1 Ordinary share (£1,051,170) paid on 10 October 2022.

On 29 March 2023 the Board declared a dividend of 43.0p per £1 Ordinary share (£1,221,630) paid on 24 April 2023.

Notes to the Condensed Consolidated Financial Statements

18. Financial instruments

	30 June 2023 £	31 December 2022 £
Financial assets at fair value through profit or loss:		
Liquidity funds	4,578,988	2,452,292
Financial assets that are debt instruments measured at amortised cost:		
Trade debtors	926,063	1,176,746
Other debtors	20,612	3,633
Term deposits and notice accounts with term or notice of more than three months	2,487,642	3,953,572
Term deposits and notice accounts with term or notice of three months or less	2,557,273	2,514,150
	5,991,590	7,648,101
Financial liabilities measured at amortised cost:		
Deferred income	3,951,605	3,793,643
Payments on account from issuers	155,891	112,513
Trade creditors and accruals	153,760	284,882
Other creditors	30,942	56,124
Provisions for other liabilities	20,051	13,695
	4,312,249	4,260,857

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 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 Condensed Consolidated Financial Statements

19. Significant related parties 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.

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

The compensation recognised for the six month period ended 30 June 2023 in respect of all key management personnel during their term of appointment totalled £408,050 (six month period ended 30 June 2022: £397,875)

20. Events After the Interim Reporting Period

On 8 August 2023, the shareholders of the Company approved a resolution to adopt the Employee Share Option Scheme 2023 (2023 ESOS) as set out in the rules of the 2023 ESOS (2023 Rules). No options have been granted under the 2023 ESOS.

On 8 August 2023, Stuart Turner resigned as a Non-Executive Director of the Company.

On 12 August 2023, the Company entered into an agreement with Avenir Technology Limited to supply technology to the Group to service its new TISE Private Markets offering.

There were no other events after the reporting date that require adjustment or disclosure in the condensed consolidated financial statements.

21. Approval of Condensed Consolidated Financial Statements

The condensed consolidated financial statements were approved by the Board of Directors on 4 September 2023 and authorised to be published on 4 September 2023.

Supplementary Information

Corporate Information

Directors:

A A Whamond	[Chair]
J Chapman	[appointed 31 March 2023]
G E S Coltman	
G Y Morris	
S R Turner	[resigned 8 August 2023]
C Vermaas	[Chief Executive Officer]
A Watchman	[Chief Financial Officer] [appointed 1 January 2023]

Secretary:

E A C Humphry

Registered office:

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Les Echelons
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Guernsey
GY1 1AR

Registered number:

57524

Independent auditor:

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Royal Bank Place
1 Glatigny Esplanade
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Guernsey
GY1 4ND

Financial adviser:

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30 Gresham Street
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Listing sponsor:

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26 New Street
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Registrar:

JTC Registrars Ltd
Ground Floor
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UNAUDITED INTERIM FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023



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