

Results presentation

Full year ended 31 May 2024

Agenda

- 1. Early impressions**
- 2. Financial performance**
- 3. Initial priorities**

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Early impressions

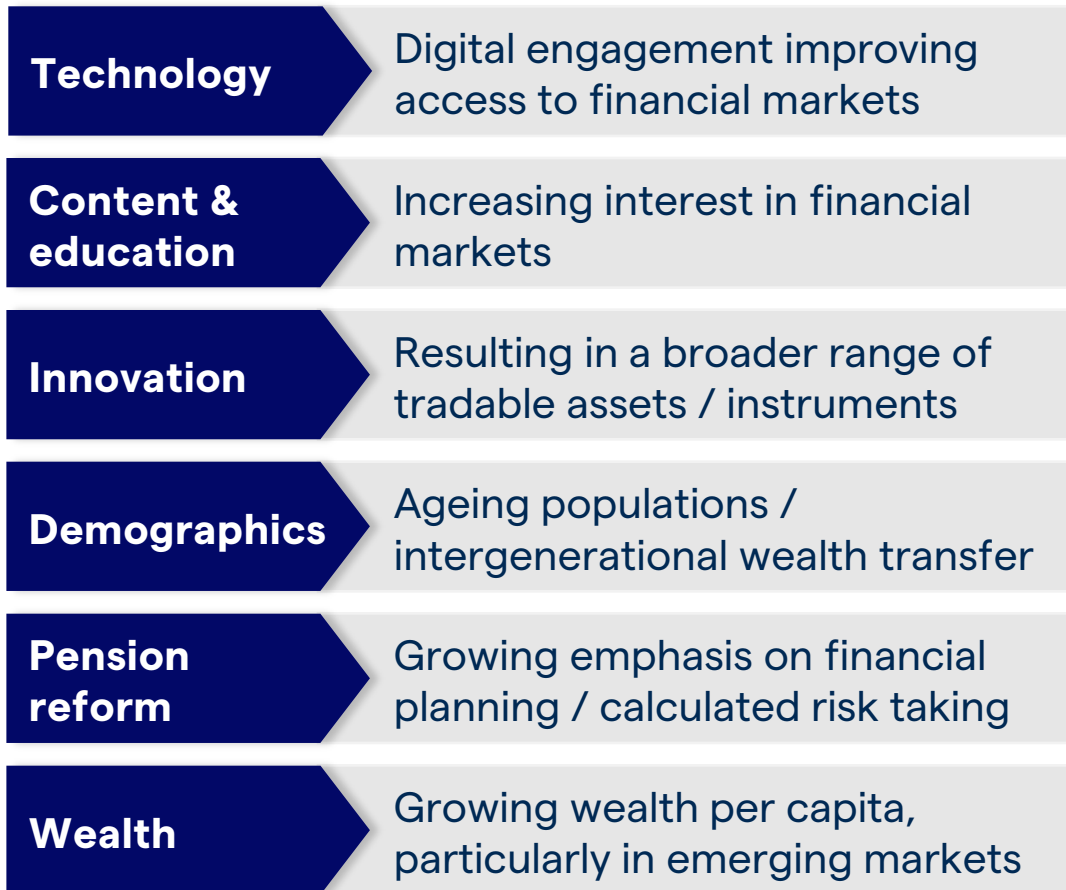
Early impressions

- Some relevant scale in OTC derivatives
- Resonance with high-value, typically older clients
- Well established brand
- Strong compliance and risk management
- Highly cash generative
- ...but considerable work to do on culture and tech stack



A solid platform for growth

Supportive industry structural growth drivers



Growth of self-directed trading and investing

5-year market CAGRs (2018-23):

Core CFD markets (active clients)¹ ↑ +4%

US options (# contracts)² ↑ +17%

US futures (# contracts)³ ↑ +7%

Cash equities (notional \$ traded)⁴ ↑ +8%

¹ Investment Trends, internal estimates based on total number of active clients in the UK, US (FX only), Australia, Germany, Spain, Singapore and France

² Options Clearing Corporation (OCC) – options contracts, average daily volume

³ CME, ICE – futures contracts, average daily volume

⁴ CBOE Exchange, Inc., average daily value traded for the US

Large target addressable markets

Product	TAM penetration	Estimated TAM	IG revenue (FY24)
CFDs / FX	9%	>£8bn ¹	£733m
Exchange traded futures & options	<3%	>£8bn ²	£201m
Turbo-like products	<1%	>£1bn ³	£14m
Share dealing & managed funds	<1%	>£30bn ⁴	£40m

¹ Internal estimate for global OTC retail opportunity in IG's current markets

² Internal estimate for the retail opportunity in the US, UK, EU, Australia and Singapore

³ Internal estimate for the retail opportunity in the EU

⁴ Internal estimate for the self-directed retail opportunity in US, UK and Australia

A fast-paced competitive landscape

OTC derivatives

- Small number of global players with relevant scale
- Some local market champions / long tail of sub-scale players
- Emerging B2B2C enablers (e.g. CMC supporting Revolut)

Exchange traded derivatives

- US market dominated by large players with broad product ranges
- Challengers need clear differentiation
- Active trader segment less well served

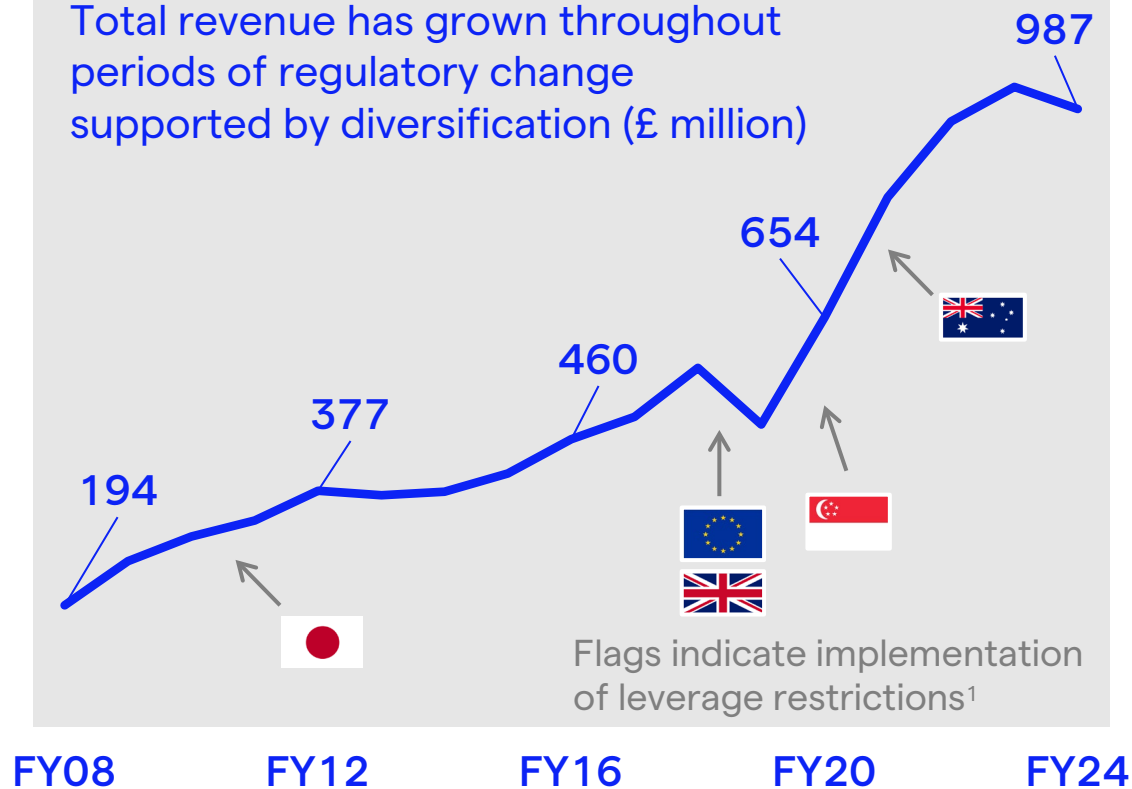
Stock trading & investments

- Crowded market where scale and brand affinity create barriers to entry
- Competition and regulation increasing pricing pressure on incumbents
- Technology and demographic changes create opportunities for new entrants

A constantly evolving regulatory landscape

Growth throughout regulatory change

Total revenue has grown throughout periods of regulatory change supported by diversification (£ million)



Regulatory outlook

- Regulation will continually evolve and impact parts of our business
- We continue to adapt and broaden our product range within regulatory frameworks

Areas of regulatory interest

- UK Consumer Duty, including 'Dear CEO Letters' focussed on interest on client money
- Ongoing focus on consumer protection²
- Evolving patchwork of global crypto regulation
- Ongoing SEC focus on payment for order flow

¹ The Japan FSA introduced restrictions on retail FX leverage in August 2010, ESMA introduced leverage restrictions across the EU in August 2018, MAS introduced retail FX leverage restrictions in Singapore in October 2019 and ASIC introduced leverage restrictions in Australia in March 2021.

² For example, the CNMV prohibited marketing of CFDs aimed at retail investors in Spain in July 2023, the FMA of New Zealand is currently consulting on potential retail CFD leverage restrictions and there has been ongoing monitoring of knockout products in Japan for several years.

Lots of work to do to grow market leadership



02

Financial performance

FY24 summary

- Increasingly diversified revenue enhancing earnings resilience through the cycle
- Costs better controlled
- Significant reduction in minimum regulatory capital requirements
- Returned £423m of capital via dividends and buybacks
- Embedding a new organisational structure

Year in review

Total revenue

£987.3m ↓ (3%)

Adjusted profit before tax

£456.3m ↓ (7%)

Adjusted basic EPS

90.3p ↓ (5%)

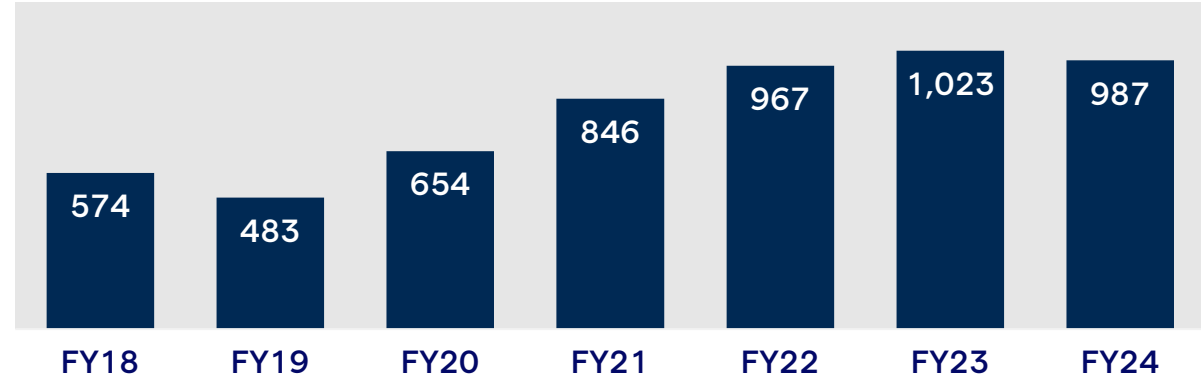
Capital returned in FY24

£423m ↑ 16%

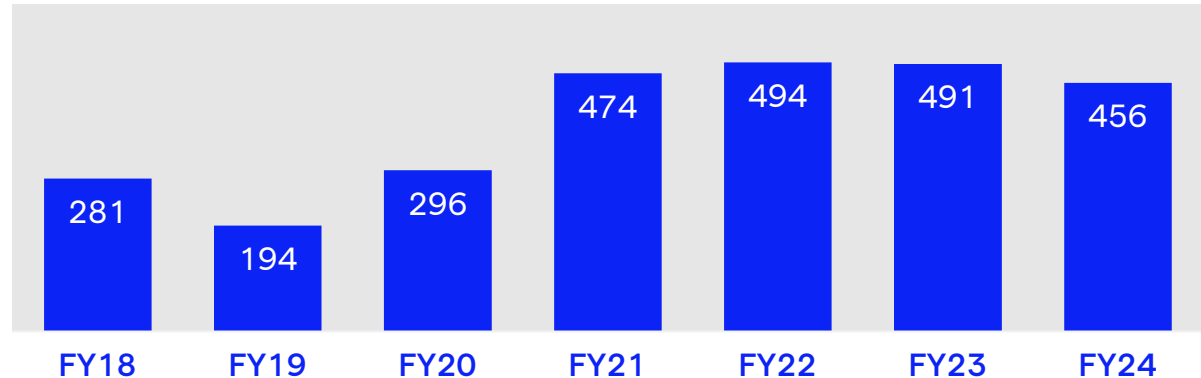
Dividend per share

46.2p ↑ 2%

Total revenue (£m)



Adjusted profit before tax (£m)



P&L

Adjusted basis (£m)	FY24	FY23	Change
Net trading revenue	844.9	941.8	(10%)
Net interest income	142.4	80.8	76%
Total revenue	987.3	1,022.6	(3%)
Betting duty and other operating income	1.5	(2.5)	
Net operating income	988.8	1,020.1	(3%)
Total operating costs	(564.1)	(541.0)	4%
Operating profit	424.7	479.1	(11%)
Other net losses	(3.5)	(2.6)	
Net finance income	35.1	14.0	
Profit before tax	456.3	490.5	(7%)
Tax expense	(106.0)	(94.0)	
Profit from continuing operations	350.3	396.5	(12%)
<i>PBT margin</i>	<i>46.2%</i>	<i>48.0%</i>	
<i>Effective tax rate</i>	<i>23.2%</i>	<i>19.2%</i>	
<i>Weighted average number of shares</i>	<i>387.8</i>	<i>418.7</i>	<i>(7%)</i>
Basic earnings per share (pence)	90.3	94.7	(5%)

- Decline in trading revenue reflecting soft market conditions versus a stronger prior year comparative
- Total revenue was resilient reflecting robust cash balances and higher interest rates
- Cost growth better controlled versus FY23, as guided
- Full year profit before tax margin in line with guidance (mid-to-high 40s)
- Tax rate lower than guided at H1
- Decline in earnings per share due to lower profit after tax, partly offset by a lower share count

All metrics are for continuing operations, on an adjusted basis. See appendix for a reconciliation of non-IFRS performance measures

Performance by product line

Net trading revenue (£m)	FY24	FY23	Change
OTC derivatives	681.0	782.0	(13%)
Exchange traded derivatives	141.1	137.1	3%
Stock trading and investments	22.8	22.7	-
Total Group	844.9	941.8	(10%)

Active clients (000)	FY24	FY23	Change
OTC derivatives	179.1	189.5	(6%)
Exchange traded derivatives	92.5	91.6	1%
Stock trading and investments	86.9	90.8	(4%)
Total Group ¹	346.2	358.3	(3%)

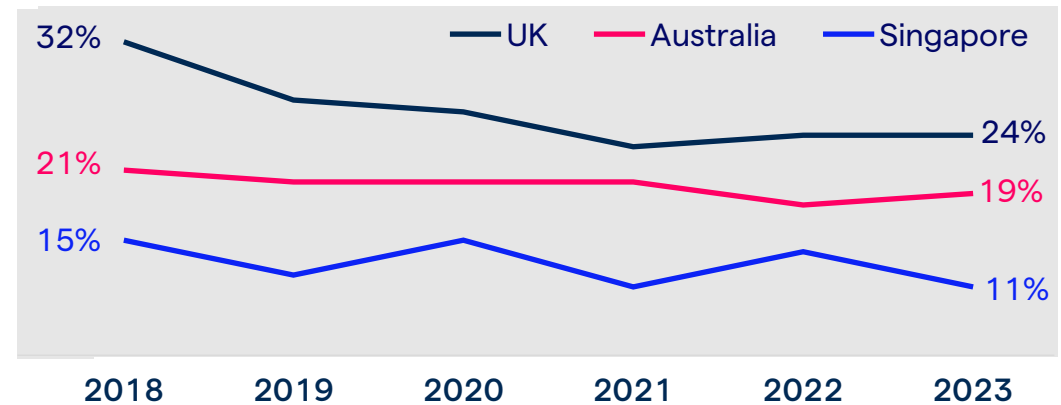
Net trading revenue per client (£)	FY24	FY23	Change
OTC derivatives	3,803	4,126	(8%)
Exchange traded derivatives ²	1,526	1,490	2%
Stock trading and investments	263	250	5%

- Total net trading revenue down 10% driven by weaker OTC derivatives performance
- Exchange traded derivatives trading revenue up 3%, driven by tastytrade (+5%)
- Active client base held up well despite materially lower volatility
- Impact of soft market conditions reduced OTC net trading revenue per client

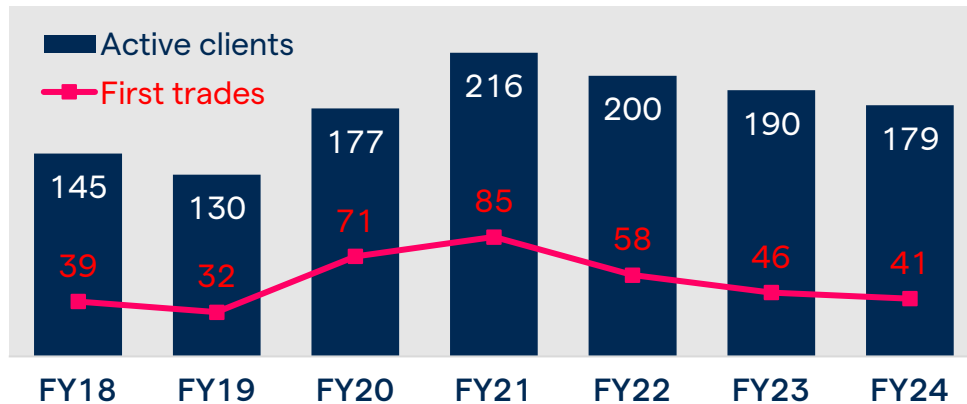
Our OTC market position has weakened

- Our global OTC market leadership position has weakened as evidenced by declining primary account share in several geographies
- Product velocity and customer experience are key to strengthening market position
- Our focus is on driving scale to deliver sustainable revenue growth

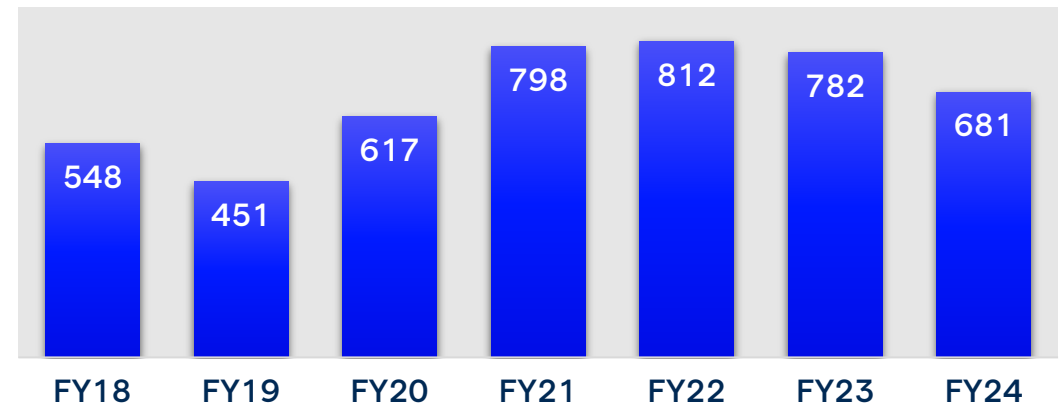
IG OTC primary account market share¹



Group OTC active clients and first trades ('000)



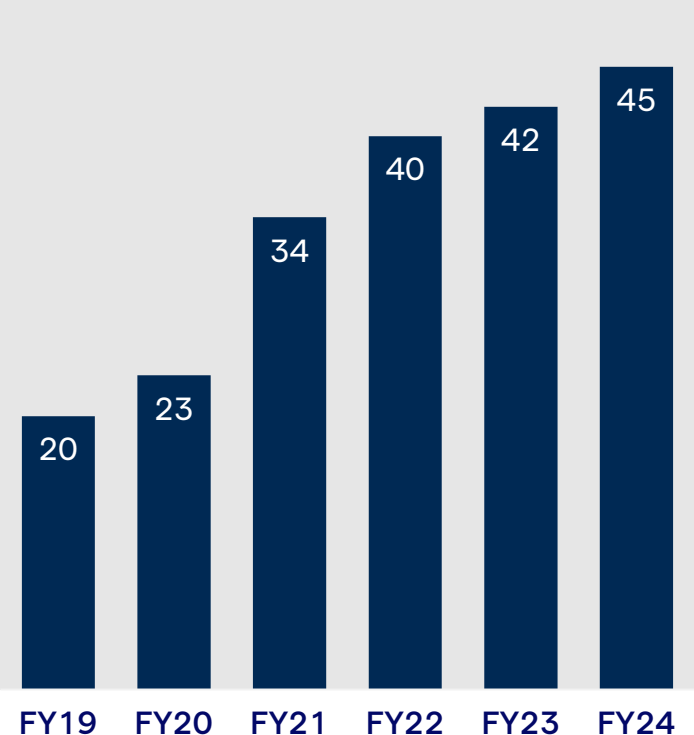
Group OTC derivatives net trading revenue (£m)



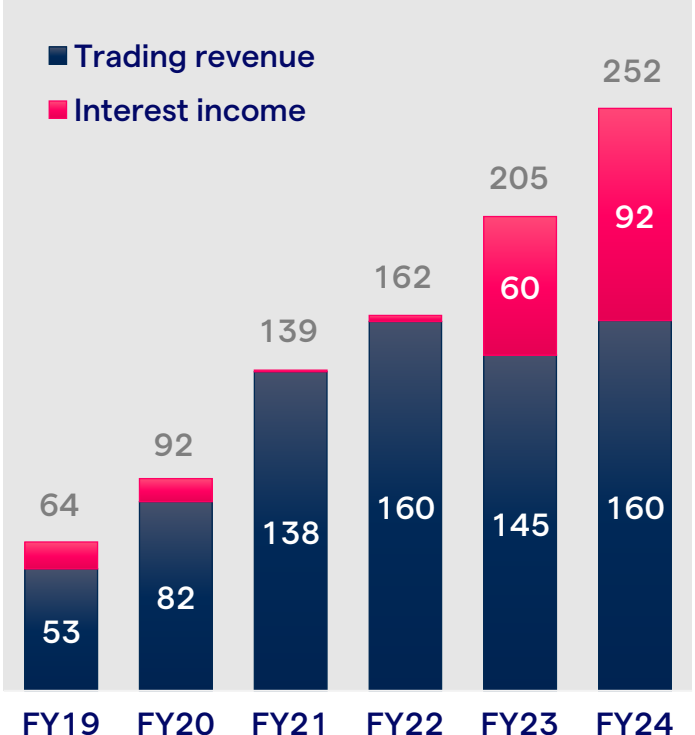
¹ Market share of primary CFD & spread betting accounts in the UK, market share of primary CFD accounts in Australia and Singapore. Source: Investment Trends Leverage Trading Reports

tastytrade well placed in a growing market

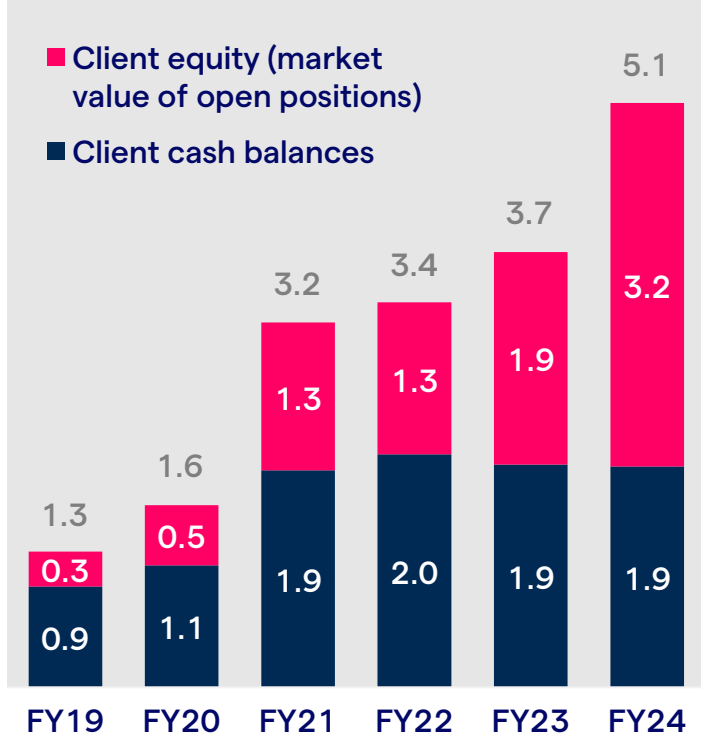
OCC options volumes (ADV - m)¹



tastytrade revenue (\$m)



tastytrade client funding (\$bn)



¹ Options Clearing Corporation (OCC), average daily volume for equity and index contracts

Operating costs better controlled

Adjusted operating costs (£m)¹	FY24	FY23	Change
Fixed remuneration	199.1	188.5	6%
Advertising and marketing	83.1	93.5	(11%)
Revenue related costs	57.5	47.9	20%
IT, structural market data and comms	51.5	42.5	21%
Depreciation and amortisation	44.5	29.6	50%
Legal and professional fees	31.9	25.9	24%
Other costs	50.4	63.1	(20%)
Variable remuneration	46.1	50.0	(8%)
Total operating costs	564.1	541.0	4%
Headcount - average	2,695	2,616	3%
Headcount - year end	2,570	2,672	(4%)

- Tapered total operating cost growth on prior year levels (FY23 +16%)
- Fixed remuneration includes £2 million severance costs related to senior leavers
- Revenue related costs includes £15 million bad debt charge, partly offset by lower volume related trading costs
- IT, structural market data and comms costs reflect continued enhancements to our technology
- Depreciation and amortisation includes amortisation of Small Exchange assets and an additional £8 million impairment of DailyFX
- Higher legal and professional fees driven by ongoing litigation and external IT services

¹ Adjusted costs exclude £35.1m amortisation on tastytrade acquisition intangibles and recurring non-cash costs (FY23: £37.0m), £19.1m costs to achieve efficiency measures announced in October 2023, £1.3m operating costs relating to the tastytrade acquisition and integration (FY23: £2.7m) and £4.2m relating to the Nadex disposal in FY23 only.

Update on litigation and risk management

Litigation

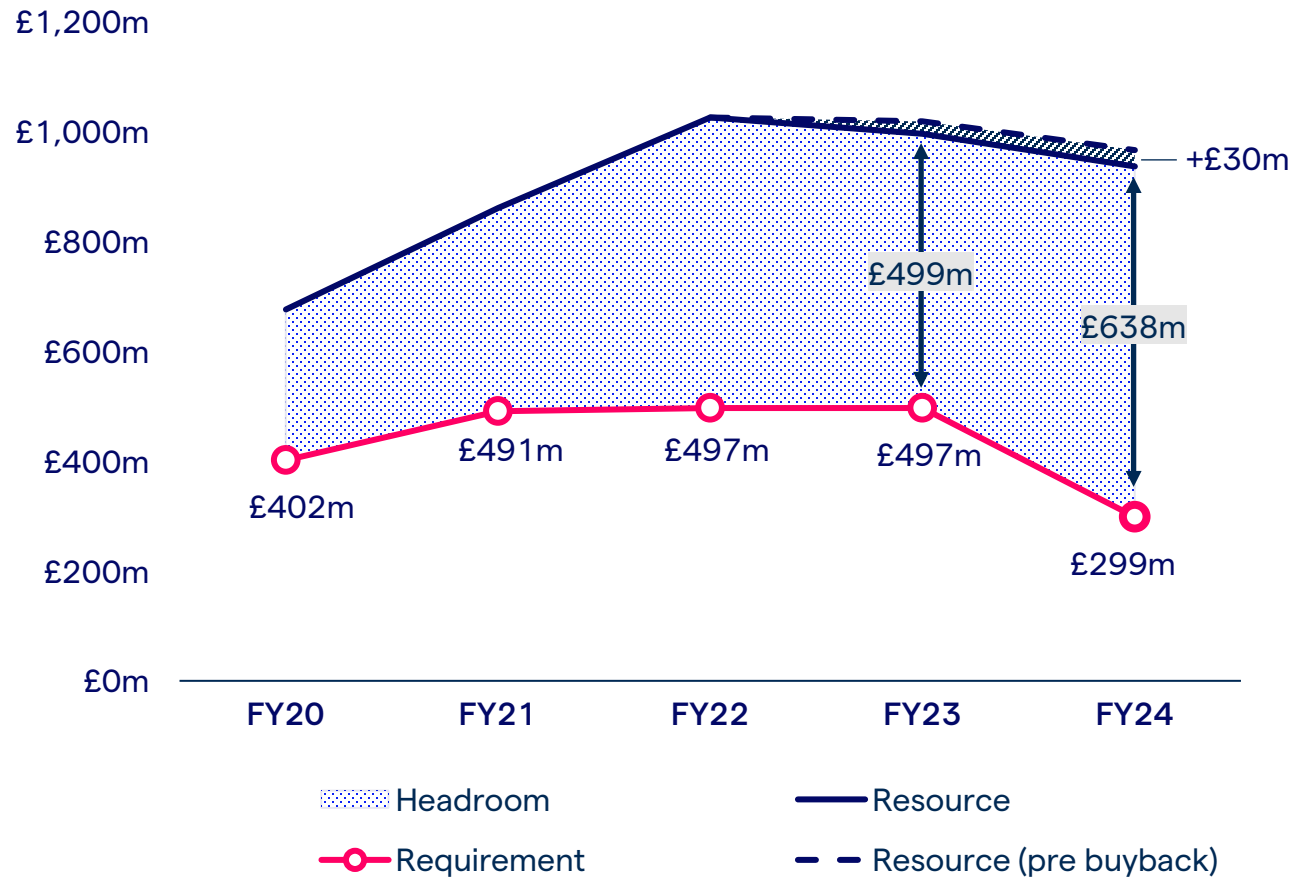
- Defending a class action matter filed in 2023 against two IG Group operating entities in Australia relating to alleged historical conduct
- Successfully defended a claim for alleged losses relating to nickel trades in 2022¹
- Taking legal action to recover debts owed to the Group, in line with standard credit loss management policies

Risk management

- Credit and market risks have been well managed within Board approved appetite, with an ongoing focus on further enhancing controls
- Ongoing focus on modernisation of technology stack

Strong risk management and control frameworks are necessary for sustainable growth

The Group capital position remains strong



- Minimum Group regulatory capital requirement reduced by 40% to £299 million at 31 May 2024, driven by our strong risk management framework
- Regulatory capital resource includes a deduction for the remainder of the current buyback tranche of £30 million which was yet to be executed at the end of FY24 (FY23: £22 million)
- Headroom over minimum Group regulatory capital requirement net of the deduction for the current buyback tranche of £638 million
- The Group also has regulated entities in overseas jurisdictions which are subject to the rules set by other regulators and may result in incremental capital requirements

Our capital allocation framework

1) Regulatory capital requirements	Hold an appropriate level of regulatory capital and liquidity. Headroom of £638 million at 31 May 2024 (31 May 2023: £499 million).
2) Organic investments	Generate operating return on existing capital and invest organically for growth.
3) Commitment to citizenship	Commitment to donate 1% of profit after tax to charitable causes until 2025. Proposed donation of £3.5 million from FY24 profit after tax.
4) Regular distributions	Regular distribution of around 50% of adjusted profit after tax, delivering modest growth in dividend per share. Proposed full year FY24 dividend of 46.2p.
5) Inorganic investment	Ongoing assessment of potential acquisitions.
6) Additional distributions	Return of surplus capital not required for other priorities. Shares repurchased in FY24 of £244 million. Announcement of new £150 million share buyback.

FY25 guidance

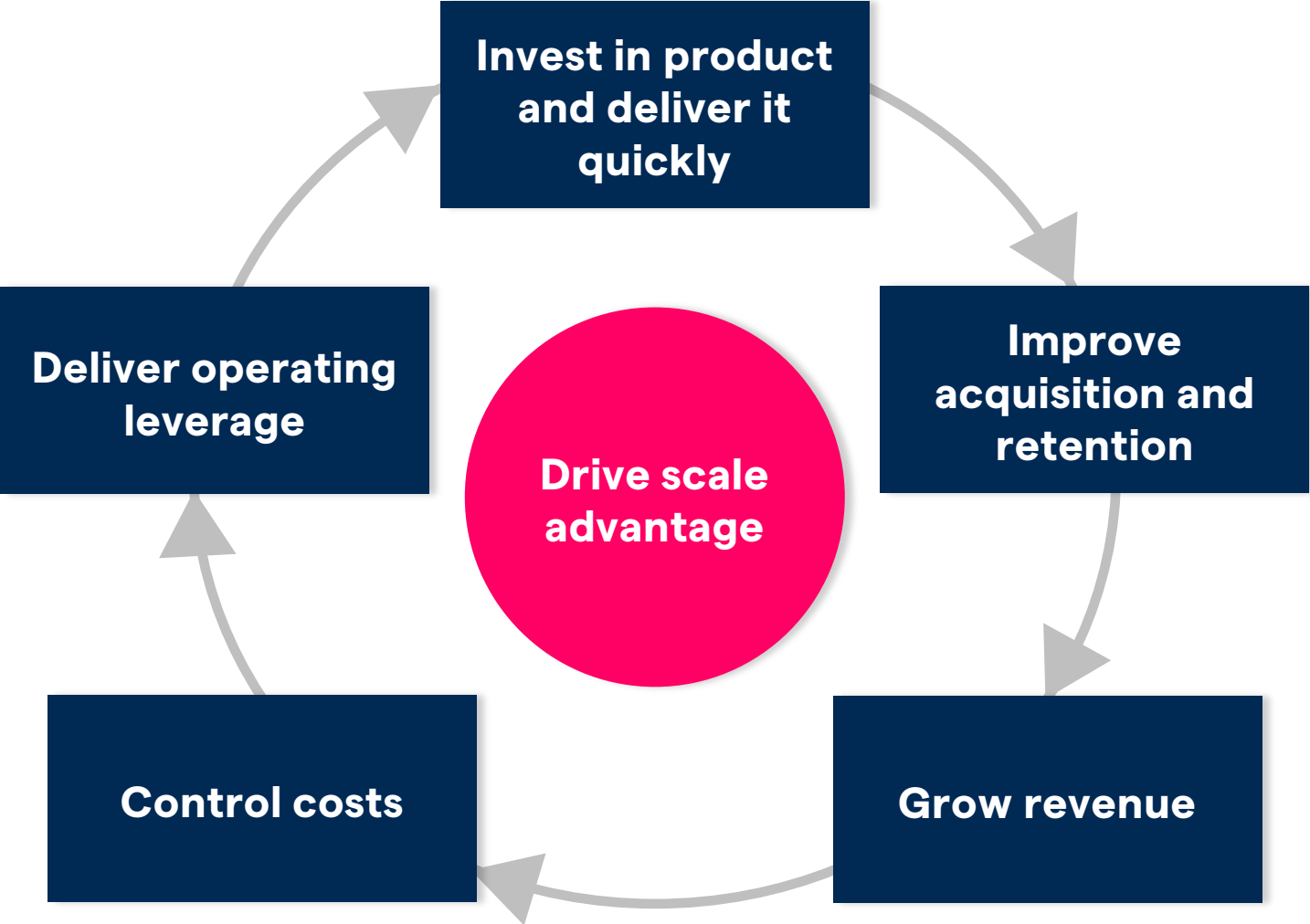
- Total revenue and adjusted PBT expected to be in line with market expectations¹
- Tax rate expected to be approximately 24%
- £150 million share buyback will commence following completion of the existing programme and is expected to complete by 31 January 2025, subject to share price performance and other demands on capital

¹ Market expectations based on analyst forecasts which can be found at <https://www.iggroup.com/investors/analyst-consensus>.

3

Initial priorities

How to win



Initial priorities

Product

- Get closer to our clients and deliver products and experiences that meet their needs
- Broaden customer appeal

Culture

- Increase ownership and accountability
- Move faster to close initiatives not delivering acceptable returns

Efficiency

- Seek opportunities to reduce cost to serve
- Drive scalability
- Optimise returns on capital allocation

Increase growth and drive scale advantage

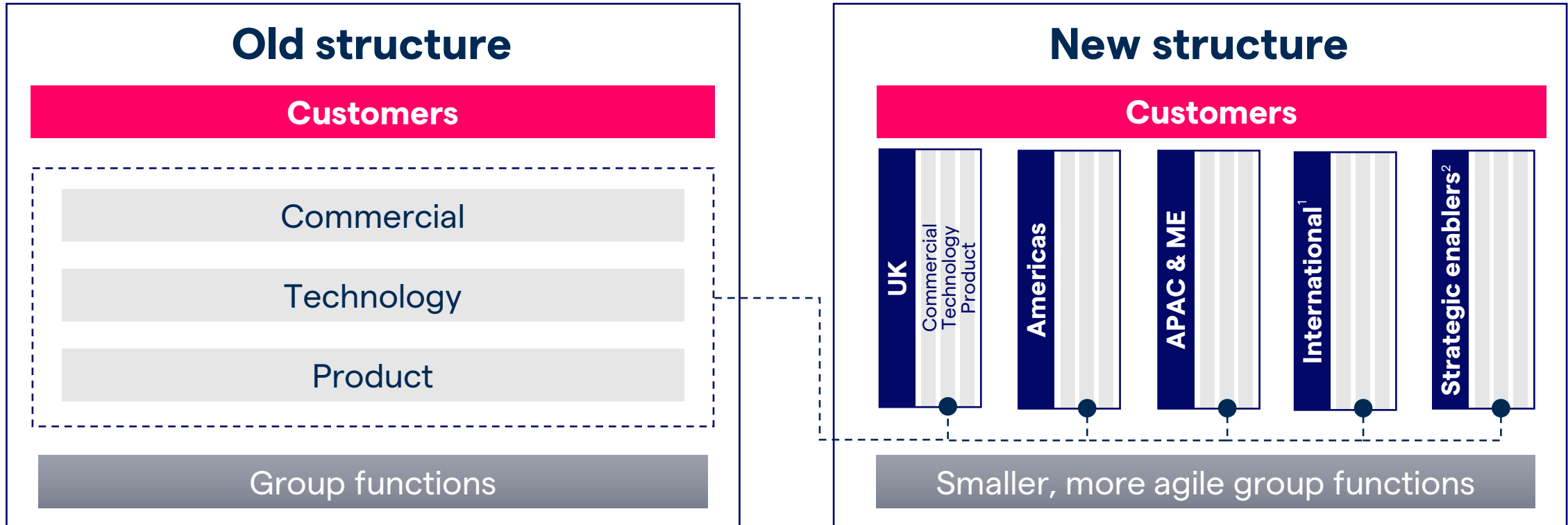
Existing product assessment

○ No current offering → ● Fully developed offering¹

	UK	EU	EMEA ex EU	Australia	Singapore	Japan	USA ²	Institutional	Overall
OTC derivatives	●	●	◐	●	●	◑	●	◑	◑
Exchange-traded derivatives	◑	◑	○	○	○	○	●	○	◑
Stock trading and investments	◑	○	◑	◑	○	○	◑	◑	◑
Crypto	◑	◑	◑	◑	◑	○	◐	◑	◑

¹ With potential to optimise existing offering within current regulatory frameworks
² USA OTC derivatives offering refers to tastyfx product range only





Getting closer to our customers








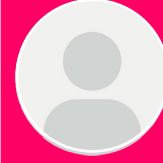
New structure enhances client centricity and increases P&L ownership and accountability

¹ Europe and emerging markets
² Includes Spectrum and institutional

Our leadership team

Functional leaders	
	<p>Adam Wheelwright Chief Technology Officer 1 year at IG, background in fintech and capital markets</p>
	<p>Jody Dunn Chief Operating Officer 21 years at IG</p>
	<p>Sarah Gore Langton Chief Risk Officer 8 years at IG</p>
	<p>Barbara Duffy Chief People Officer 2 years at IG, background in financial services</p>

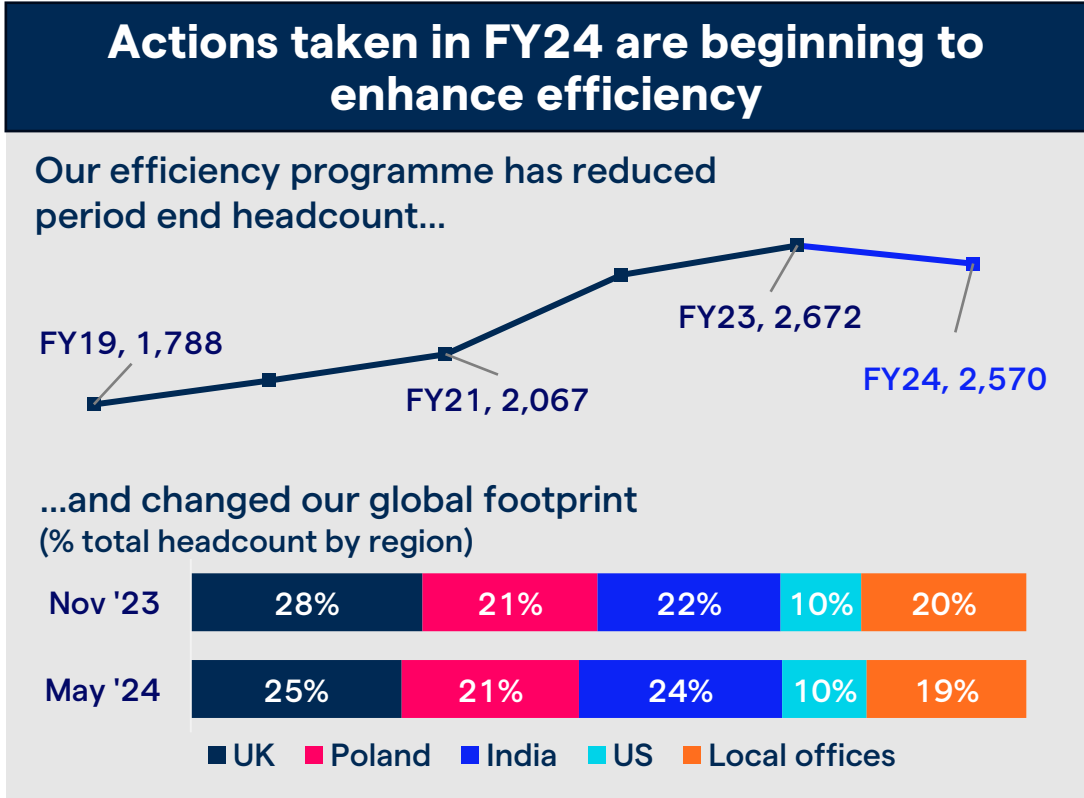
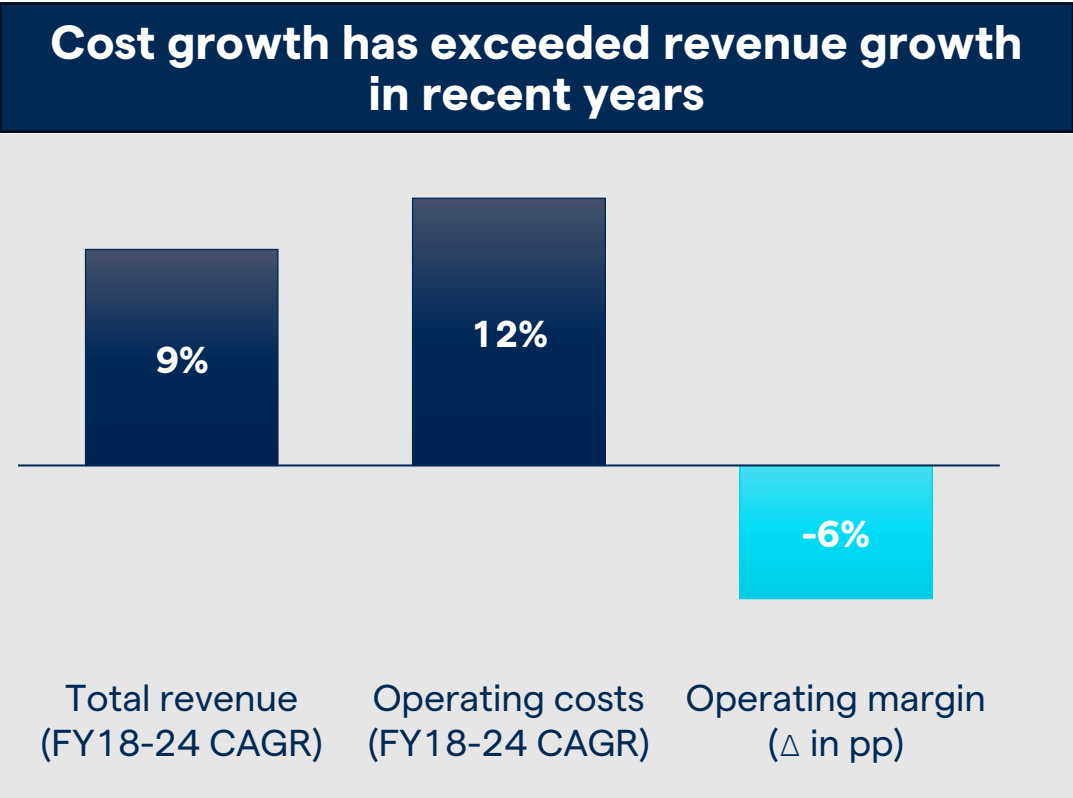
Executive Directors	
	<p>Breon Corcoran Chief Executive Officer 6 months at IG, background in consumer internet and payments</p>
	<p>Incoming Chief Financial Officer Making good progress with search process and expect to make an announcement soon</p>

Divisional leaders	
	<p>JJ Kinahan Head of Americas 2 years at IG, background in brokerage and market making</p>
	<p>Matt Macklin Head of APAC/ME 14 years at IG</p>
	<p>Matt Brief Head of UK 23 years at IG</p>
	<p>Incoming Head of Europe & International¹ Currently hiring for role</p>

A good mix of deep domain knowledge and new perspectives

¹ Includes emerging markets

Seeking greater efficiency



Ongoing focus on efficiency and scalability

Summary

- A solid platform for growth
- Strong structural growth drivers and large addressable market opportunities
- Three initial priorities - product velocity, culture and efficiency
- Lots of work to do to unlock our potential

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Q&A

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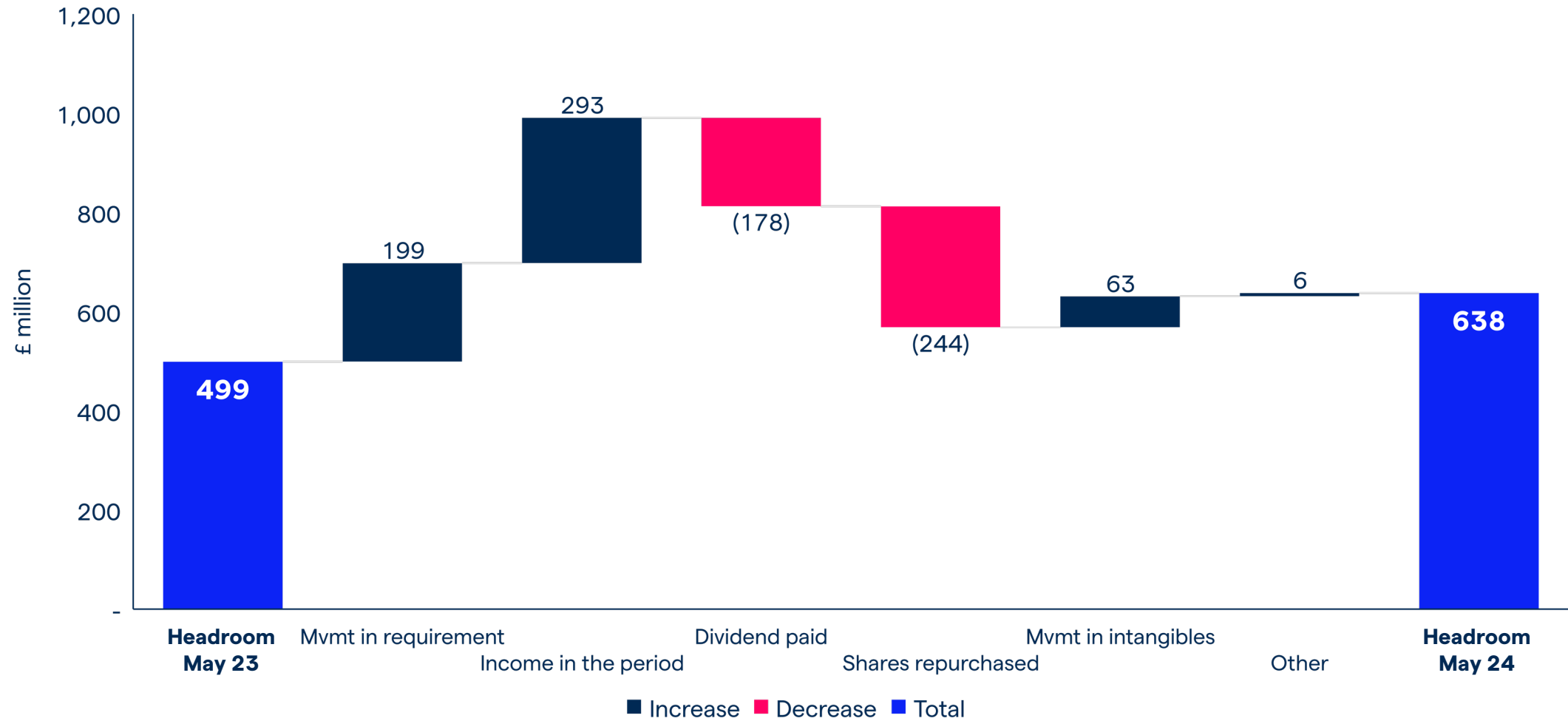
Appendices

Reconciliation of alternative performance measures

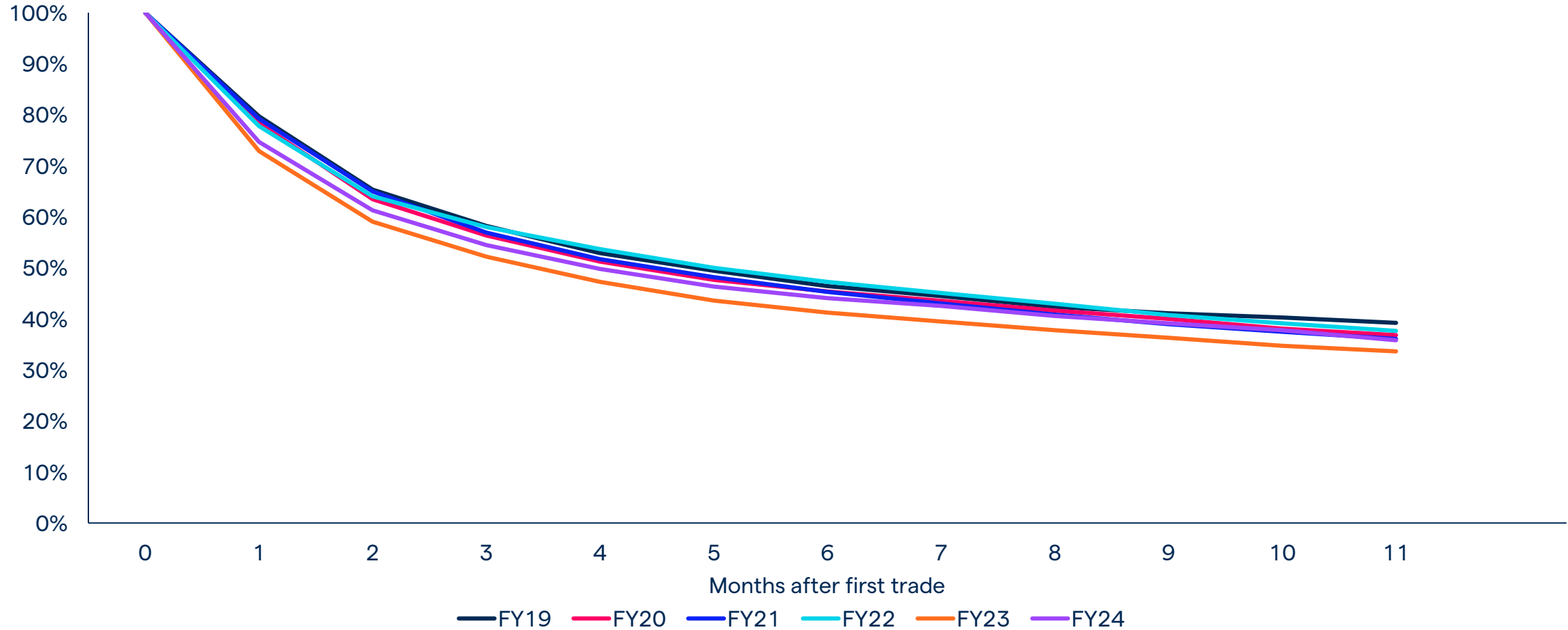
Adjusted operating costs (£m)	FY24	FY23
Operating costs	604.1	583.8
Net credit losses on financial assets	15.5	1.1
Operating costs inc. net credit losses	619.6	584.9
Operating costs relating to the operational improvement programme	(19.1)	-
Operating costs relating to tastytrade acquisition and integration	(1.3)	(2.7)
Amortisation of tastytrade acquisition intangibles and recurring non-cash costs	(35.1)	(37.0)
Operating costs related to Nadex sale	-	(4.2)
Adjusted operating costs	564.1	541.0

Adjusted profit before taxation and EPS £m (unless stated)	FY24	FY23
Earnings per share	79.4	86.9
Weighted average number of shares for the calculation of EPS (millions)	387.8	418.7
Profit after tax	307.7	363.7
Tax expense	93.1	86.2
Profit before tax	400.8	449.9
Operating costs relating to operational improvement programme	19.1	-
Operating costs relating to tastytrade acquisition and integration	1.3	2.7
Amortisation of tastytrade acquisition intangibles and recurring non-cash costs	35.1	37.0
Operating costs relating to Nadex sale	-	4.2
Operating income relating to Nadex sale	-	(3.3)
Adjusted profit before tax	456.3	490.5
Adjusted tax expense	(106.0)	(94.0)
Adjusted profit after tax	350.3	396.5
Adjusted earnings per share	90.3	94.7
Adjusted total revenue	987.3	1022.6
Adjusted PBT margin	46.2%	48.0%

Regulatory capital headroom bridge



OTC client attrition curves



Our updated Brighter Future Framework

- Framework produced in line with **UN Sustainable Development Goals**
- Focus of our Brighter Future Fund on **empowerment through education**.
- Announced an additional **£3.5 million donation** to charitable causes
- Cumulative donations over the past three years of **£11.5 million**



Net trading revenue and drivers: OTC derivatives

Revenue (£m)	FY24	FY23	FY22
UK	255.0	297.6	328.1
EU	87.5	100.3	103.4
EMEA non-EU	44.3	49.3	50.4
Australia	80.9	95.2	88.3
Singapore	72.1	68.3	73.5
Japan	78.5	99.3	98.5
Emerging Markets	36.6	39.3	42.8
Institutional	10.2	13.3	9.9
US FX	15.8	19.5	16.6
Total OTC derivatives	681.0	782.0	811.5

Clients (000)	FY24	FY23	FY22
UK	52.8	57.5	62.3
EU	35.7	37.4	38.6
EMEA non-EU	6.6	7.1	7.7
Australia	16.1	17.0	20.3
Singapore	9.1	11.3	13.1
Japan	39.6	40.3	36.8
Emerging Markets	7.9	8.1	9.0
Institutional	0.3	0.3	0.3
US FX	11.0	10.6	11.8
Total OTC derivatives	179.1	189.6	199.9

Revenue per client (£)	FY24	FY23	FY22
UK	4,830	5,179	5,268
EU	2,452	2,685	2,678
EMEA non-EU	6,680	6,961	6,565
Australia	5,022	5,596	4,351
Singapore	7,959	6,058	5,626
Japan	1,983	2,461	2,682
Emerging Markets	4,663	4,830	4,782
Institutional	33,934	43,287	32,540
US FX	1,432	1,846	1,407
Total OTC derivatives	3,803	4,126	4,063

Net trading revenue and drivers: ETDs and stock trading

Revenue (£m)	FY24	FY23	FY22
ETDs – US market maker	-	0.5	1.8
ETDs - tastytrade	127.4	120.9	110.0
ETDs - Europe	13.8	15.7	9.3
Total exchange traded derivatives	141.1	137.1	121.1

Revenue (£m)	FY24	FY23	FY22
Stock trading and investments	22.8	22.7	33.8

Clients (000)	FY24	FY23	FY22
ETDs - tastytrade	85.6	84.8	97.7
ETDs – Europe	6.9	6.9	6.8
Total exchange traded derivatives	92.5	91.6	104.5

Clients (000)	FY24	FY23	FY22
Stock trading and investments	86.9	90.8	93.2

Revenue per client (£)	FY24	FY23	FY22
ETDs – tastytrade	1,489	1,426	1,126
ETDs – Europe	1,987	2,286	1,367
Total exchange traded derivatives	1,490	1,490	1,142

Revenue per client (£)	FY24	FY23	FY22
Stock trading and investments	263	250	363

Net trading revenue and drivers: OTC derivatives

Revenue (£m)	FY24	FY24	FY23	FY23	FY22	FY22
	H2	H1	H2	H1	H2	H1
UK	134.3	120.7	140.2	157.3	170.9	157.2
EU	45.7	41.8	48.4	51.9	52.2	51.2
EMEA non-EU	24.0	20.3	23.6	25.6	24.5	25.9
Australia	39.3	41.6	46.0	49.3	43.1	45.2
Singapore	37.1	35.1	31.7	36.6	36.8	36.7
Japan	39.6	38.9	43.4	55.8	54.0	44.6
Emerging Markets	18.8	17.8	17.5	21.7	22.6	20.2
Institutional	6.2	4.0	6.1	7.3	5.7	4.2
US FX	8.3	7.5	8.6	11.0	9.1	7.5
Total OTC leveraged	353.3	327.7	365.5	416.5	418.9	392.7

Clients (000)	FY24	FY24	FY23	FY23	FY22	FY22
	H2	H1	H2	H1	H2	H1
UK	44.0	44.8	46.8	49.6	52.1	51.8
EU	29.8	30.2	30.7	31.3	32.7	31.3
EMEA non-EU	5.4	5.5	5.7	6.0	6.3	6.4
Australia	13.4	13.5	13.7	14.6	16.0	16.6
Singapore	7.5	7.9	8.5	9.6	10.8	10.0
Japan	31.9	31.3	30.0	33.6	31.3	26.3
Emerging Markets	6.3	6.2	6.2	6.5	6.7	6.8
Institutional	0.3	0.3	0.3	0.3	0.3	0.3
US FX	8.5	7.7	7.8	7.6	7.8	9.3
Total OTC leveraged	147.0	147.3	149.7	159.1	164.0	158.8

Revenue per client (£)	FY24	FY24	FY23	FY23	FY22	FY22
	H2	H1	H2	H1	H2	H1
UK	3,054	2,695	2,995	3,170	3,278	3,031
EU	1,534	1,384	1,578	1,659	1,598	1,634
EMEA non-EU	4,463	3,705	4,127	4,287	3,881	4,060
Australia	2,933	3,075	3,358	3,368	2,698	2,713
Singapore	4,914	4,429	3,724	3,824	3,393	3,687
Japan	1,244	1,242	1,449	1,662	1,726	1,695
Emerging Markets	2,977	2,895	2,840	3,337	3,364	2,961
Institutional	23,989	15,395	23,403	27,752	22,279	16,362
US FX	972	980	1,103	1,437	1,168	808
Total OTC leveraged	2,403	2,225	2,443	2,678	2,624	2,575

Net trading revenue and drivers: ETDs and stock trading

Revenue (£m)	FY24	FY24	FY23	FY23	FY22	FY22
	H2	H1	H2	H1	H2	H1
ETDs – US market maker	-	-	0.1	0.5	0.8	1.0
ETDs – tastytrade	69.2	58.2	59.7	61.2	57.3	52.8
ETDs – Europe	8.4	5.4	10.2	5.4	5.5	3.8
Total exchange traded derivatives	77.5	63.6	70.0	67.1	63.6	57.6

Revenue (£m)	FY24	FY24	FY23	FY23	FY22	FY22
	H2	H1	H2	H1	H2	H1
Stock trading and investments	11.7	11.1	11.5	11.3	17.8	15.9

Clients (000)	FY24	FY24	FY23	FY23	FY22	FY22
	H2	H1	H2	H1	H2	H1
ETDs – tastytrade	69.9	65.6	66.9	67.4	79.2	78.1
ETDs – Europe	5.2	4.5	4.9	4.9	5.1	4.5
Total exchange traded derivatives	75.0	70.1	71.8	72.2	84.3	82.6

Clients (000)	FY24	FY24	FY23	FY23	FY22	FY22
	H2	H1	H2	H1	H2	H1
Stock trading and investments	86.9	89.1	90.8	92.2	93.2	92.5

Revenue per client (£)	FY24	FY24	FY23	FY23	FY22	FY22
	H2	H1	H2	H1	H2	H1
ETDs – tastytrade	990	888	892	908	723	676
ETDs – Europe	1,619	1,183	2,086	1,117	1,082	845
Total exchange traded derivatives	1,033	907	973	922	745	685

Revenue per client (£)	FY24	FY24	FY23	FY23	FY22	FY22
	H2	H1	H2	H1	H2	H1
Stock trading and investments	135	125	126	122	191	172

Disclaimer

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

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which are beyond the Company's control and are based on the Company's beliefs and expectations about future events as of the date of this presentation, including the results of operations, financial condition, liquidity, prospects, growth and strategies facing the Group and the industries in which it operates and the dividend policy of the Company. If the assumptions on which the Company bases its forward-looking statements change, actual results may differ from those expressed in such statements. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including those set out under "Principal Risks" in the Company's annual report for the financial year ended 31 May 2023. The annual report can be found on the Company's website (www.iggroup.com).

Forward-looking statements speak only as of the date of this presentation. Except as required by applicable law and regulation, the Company undertakes no obligation to update these forward-looking statements. Nothing in this presentation should be construed as a profit forecast.

Some numbers and period on period percentages in this presentation have been rounded or adjusted to ensure consistency with the financial statements. This may lead to differences between subtotals and the sum of individual numbers as presented.

FY24 relates to the financial year ending 31 May 2024, FY24 H1 relates to the half year ending 30 November 2023, FY23 relates to the financial year ending 31 May 2023, FY23 H1 relates to the half year ending 30 November 2022, FY22 refers to the financial year ending 31 May 2022.

Numbers presented on an 'adjusted' basis are excluding the non-recurring and non-cash costs in relation to one-off events.