RNS Number : 5951E
Argentex Group PLC
18 September 2024

COMPANY REGISTRATION NUMBER 11965856

18 September 2024

Argentex Group PLC

("Argentex" or the "Group")

First half results for the six months to 30 June 2024

Significant progress against strategic objectives
Trading in line with expectations, full year guidance re-iterated

Jim Ormonde, Chief Executive Officer said: *"Our focus during the first half has centred on resetting the company's strategic agenda and, in particular, accelerating our move into alternative banking and overseas expansion. We have added significant leadership expertise across the business including permanent appointments to our executive team and new experienced leadership within banking, operations and technology. Internationally, our Dubai and Australia operations are expected to begin trading ahead of schedule. We have also implemented rigorous cost controls across the business and have not increased overall headcount since the end of last year despite our investment in new growth areas. Trading remains in line with expectations, and we have continued to see improved trading momentum throughout the second quarter. With a strong team now in place to drive our growth agenda, I am excited about the opportunities ahead for the business and remain confident in the trading outlook for the full year and beyond."*

Strategic progress

- Experienced permanent executive team now in place to deliver growth plans
- Key hires within alternative banking division to develop a digital product suite. Technology team now fully integrated with a clear roadmap for the new Argentex Global Platform and the build is underway
- Rigorous cost control and accounting systems implemented across the Group
- Strong momentum overseas with the grant of an Australian Financial Services Licence (AFSL) and the approval progress for the grant of a Dubai regulatory licence progressing ahead of schedule

Financial summary

- Revenue of £23.9m (H1 2023: £25.0m) with 19% growth in the number of clients trading offset by 20% reduction in average spend due to lower FX volatility
- Trading has improved through the period to 30 June, and into Q3 with revenues to end August broadly in line with prior year
- Gross margins[1] stable at 72%
- Underlying EBITDA[2] of £2.1m (H1 2023: £6.2m) impacted by lower revenue, higher headcount year on year (YoY) and ongoing investment in growth
- Reported EBITDA of £0.7m (H1 2023: £7.2m) impacted by significant one-off items[2] in both periods
- Debt free and cash generative with net cash increasing by £5.2m in H1 2024 to £23.5m (including the £3m raised in May to fund our acceleration in alternative banking
- Capex significantly reduced to £0.5m (H1 2023: £3.6m)

Key headlines

£m	**H1 2024**	**H1 2023**	**Change YoY**
Revenues	23.9	25.0	(4%)
Gross profit[1]	17.2	18.0	(4%)
Gross margin[1]	72%	72%	

Underlying EBITDA[2]	2.1	6.2	
Reported EBITDA	0.7	7.2	
Reported EBITDA margin	3%	29%	
Profit before tax	(1.7)	4.8	
Basic EPS (p)	(1.6)	2.8	
Dividend per share (p)	nil	0.75	
Total clients traded	1,771	1,493	19%
Newly traded clients	327	305	7%
Net cash (£m)	23.5	19.2	
Average headcount	196	153	28%

[1] *Gross profit/margin also includes the costs of commissions to provide a more transparent measure. These costs are excluded from statutory gross margin per the income statement*

[2] *Underlying EBITDA represents reported EBITDA adjusted for one off items. Reported EBITDA in H1 2024 was impacted by £1.4m one off charges for strategic review, legal fees and senior management team restructuring. Reported EBITDA in H1 2023 benefitted from £1.0m one off credits and provision releases.*

Trading update and outlook

The Group continues to trade in line with market expectations and the Board remains confident in the outlook for the full year.

The improvement in trading which we saw during Q2 has continued and revenues for the eight months to 31 August were broadly flat year on year, compared to the 4% decline experienced in the first half.

We continue to expect FY24 revenues to be in the mid £40 millions, with an EBITDA margin in the low single digits as we invest in growth and the repositioning of the business, and we remain confident in our long-term prospects.

Retail investor presentation

Management will host a presentation for investors via the Investor Meet Company platform at 11.00am on Thursday 19 September 2024. The presentation will be open to all existing and potential shareholders. Questions can be submitted pre-event via the Investor Meet Company dashboard up until 8.00am on the day before the meeting or at any time during the live presentation.

Investors who already follow Argentex Group PLC on the Investor Meet Company platform will automatically be invited. Those wishing to sign up for free, and meet Argentex Group PLC, can do so via https://www.investormeetcompany.com/argentex-group-plc/register-investor

For further information, please contact:

Argentex Group PLC

Jim Ormonde - Chief Executive Officer

Guy Rudolph - Chief Financial Officer

investorrelations@argentex.com

Teneo (Financial PR)

James Macey-White / Victoria Boxall / Rashida Salemahomed

argentex@teneo.com, 020 7260 2700

Singer Capital Markets (Nominated Adviser and Broker)

Tom Salvesen / James Maxwell / James Todd

020 7496 3000

This announcement contains inside information for the purposes of the UK version of the Market Abuse Regulation ("MAR") which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018; as amended. Upon publication of this announcement, the inside information is now considered to be in the public domain for the purposes of MAR.

About Argentex

Argentex (AIM: AGFX) is a global expert in currency risk management and alternative banking. Established in 2012

Argentex (AIM: AGFX) is a global expert in currency risk management and alternative banking. Established in 2012 and headquartered in London, Argentex listed on London's AIM market in mid-2019 and has since added operations in Amsterdam, Dubai and Australia.

Business review

Strong progress on implementing our strategic plan

Our strategic plan, as outlined in May, is focused on driving profitable growth by increasing scale within Argentex's existing FX market whilst expanding into adjacent complementary markets, both domestically and internationally.

After a thorough review of our systems and processes, we are migrating the business to one technology platform: the Argentex Global Platform ("AGP"), utilising the existing technology teams supplemented by a number of new hires.

This move will drive efficiencies on a global scale by building a platform on which multiple new products and services can be run, and addresses all three of our core strategic pillars, namely:

- Product diversification to enhance and complement the Group's existing offer, specifically through accelerating the Company's move into alternative banking
- Focused geographical expansion, leveraging existing markets and licences with targeted expansion into complementary markets
- Ensuring operational excellence by driving operational and financial efficiencies whilst delivering a best-in-class customer experience

Progress in all three areas has been strong in the period:

1) Product diversification

   - Whilst we have a successful history in providing large corporates and institutions with high quality FX services and a strong brand and reputation, the product suite is quite narrow. Diversification into the broader payments and alternative banking markets should enable us to meet high value clients' needs for a full-service platform, increasing the overall addressable market and wallet share and improving customer retention. We believe revenue visibility will improve as reliance on the volatile FX market is reduced.
   - Several additional key hires were made during the period, including the appointment of Tim Rudman as Chief Operating Officer who will oversee the technology transformation. His team have developed a detailed product and technology roadmap with a key focus on automation, efficiency, and improving the customer experience via a self-serve model.

2) Geographic expansion

   - The Board is delighted to have been granted an Australian Financial Services Licence (AFSL), a pivotal step in the business' strategic plan. The licence, granted by the Australian Securities and Investments Commission (ASIC), allows Argentex's Australian entity (Argentex Pty Ltd) to offer bespoke risk management solutions and global accounts to wholesale clients across Australia.
   - In addition, the approval process for the grant of a Dubai regulatory licence is progressing ahead of our schedule. Our offices are now operational and connected and we are making strong progress in meeting all of the preconditions required by the regulator.

3) Operational and financial efficiencies including enhanced client retention

   - Flat headcount despite investing in growth. Headcount grew over 40% to 196 in FY23 with a significant number of hires in H2 2023 impacting H1 2024 results. Since then, however, we have focussed on essential recruitment only, investing in the growth areas of alternative banking and overseas expansion, whilst maintaining a flat headcount overall (headcount was 195 at end of June 2024).
   - Pursuing licensing efficiencies. Currently all of our transactions are assessed under our MiFID II (Markets in Financial Instruments Directive II) licence despite some transactions only requiring an EMI (Electronic Money Institution) licence. There are some potential liquidity benefits from altering our licence arrangements, and we have engaged advisors to support us in reviewing our overall licensing structure.
   - Getting the best from our suppliers. We are running a formal RFP with our liquidity providers to ensure we receive market leading service levels and pricing.
   - Pursing liquidity efficiencies. During the period we negotiated a lower amount of collateral with one of our key banking partners which released £750k of cash with a roadmap to additional liquidity in the future.
   - Implementing customer segmentation. We accelerated the adoption of Salesforce in the UK and the Netherlands in the period and introduced KPI dashboards to support our sales pipeline management.

These growth initiatives will accelerate our return to profitability as we focus on new products and new branches to drive more reliable revenues.

Financial review

PROFIT AND LOSS

£m	H1 2024	H1 2023	Change YoY
Revenues	23.9	25.0	(4%)
Gross profit[1]	17.2	18.0	(4%)
Gross margin[1]	72%	72%	
Underlying EBITDA[2]	2.1	6.2	
Reported EBITDA	0.7	7.2	
Reported EBITDA margin	3%	29%	
Profit before tax	(1.7)	4.8	
Basic EPS (p)	(1.6)	2.8	
Dividend per share (p)	nil	0.75	
Total clients traded	1,771	1,493	19%
Newly traded clients	327	305	7%
Net cash (£m)	23.5	19.2	
Average headcount	196	153	28%

[1] *Gross profit/margin also includes the costs of commissions to provide a more transparent measure. These costs are excluded from statutory gross margin per the income statement.*

[2] *Underlying EBITDA represents reported EBITDA adjusted for one off items. Reported EBITDA in H1 2024 was impacted by £1.4m one off charges for strategic review, legal fees and senior management team restructuring. Reported EBITDA in H1 2023 benefitted from £1.0m one off credits and provision releases.*

Revenues

Revenues declined 4% to £23.9m (H1 2023: £25.0m) which reflected the previously reported shift from forward to spot trades due to lower overall volatility in the markets. As a result, whilst active clients trading grew 19% to 1,771, this was offset by a 20% YoY reduction in average client spend. Forward contracts are typically executed at higher margins, so this mix effect tends to reduce average client spend.

	H1 2024	H1 2023	Change YoY
Revenues (£m)	23.9	25.0	(4%)
Clients traded	1,771	1,493	19%
Volumes traded (£bn)	5.0	4.7	6%
% Spot	60%	52%	+8 ppt
% Forward	34%	42%	(8 ppt)
% Option	6%	6%	flat

Gross profit[1] declined to £17.2m in H1 2024 (£18.0m H1 2023) primarily due to lower revenues. Gross margin[1] remained stable at 72%.

EBITDA

Underlying EBITDA (prior to one-off items) declined to £2.1m (H1 2023: £6.2m) primarily due to lower revenues and higher in year staff costs. Average headcount was 196 in H1 2024: flat since 1 January 2024 but significantly ahead of H1 2023 (153) due to the investments in staff made during 2023. We expect headcount to increase in H2 2024 as we invest in alternative banking and AGP.

We also invested in our overseas subsidiaries in the period, following the recent grant of a licence to operate in Australia. Investment in overseas territories accelerated from £0.4m in H1 2023 to £1.3m in H1 2024, as part of our growth strategy.

Reconciliation of underlying EBITDA to reported EBITDA

£m	H1 2024	H1 2023
Underlying EBITDA	2.1	6.2
One-offs	(1.4)	1.0
Reported EBITDA	0.7	7.2

H1 2024 reported EBITDA was impacted by one off charges of £1.4m (strategy review, legal fees and senior management team restructuring) which we do not expect to reoccur. In contrast, H1 2023 benefitted from £1.0m of provision releases, a net negative one-off impact year on year of £2.4m.

EPS

Basic and diluted EPS declined to a loss per share of 1.6p in H1 2024 (H1 2023: 2.8p profit per share) due primarily to lower EBITDA in the period, with the loss per share partially offset by an increased number of shares in issue in the period following the May 2024 capital raise. The calculation of basic and diluted earnings per share is detailed in note 4 in the financial statements and is based on 115.2m basic weighted average shares in H1 2024 (H1 2023: 113.2m).

Dividends

During the year ended 31 December 2023, the Board declared an interim dividend of 0.75p per share. In light of the Company's financial performance and trading conditions during the second half of the year, the Board declared no further dividends for FY23.

As we focus on transforming the business and investing for growth, the Board has decided not to declare an interim dividend in FY24. Whilst the Board remains committed to returning excess cash to shareholders and will continue to regularly review the dividend policy, as we continue to deliver our growth agenda it is unlikely that any dividends will be declared in FY24.

CASH FLOW

£m	**H1 2024**	**H1 2023**
EBITDA	0.7	7.2
Lease payments	(0.7)	(1.0)
Capex	(0.5)	(3.6)
Working capital	3.7	1.5
Operating cash flow	**3.2**	**4.1**
Tax paid	(1.0)	(1.1)
FCF	**2.2**	**3.0**
Net proceeds from equity raise	3.0	-
Net cash flow	**5.2**	**3.0**
Net cash at beginning of period	18.3	16.2
Net cash at end of period	23.5	19.2

The Group continues to be cash generative despite investing significantly for the future. Operating cash flow in H1 2024 was £3.2m (H1 2023 £4.1m). Capex was significantly lower at £0.5m (H1 2023 £3.6m) as the prior year was impacted by significant investment in new offices - in particular the lease and fit out of a second floor in our London headquarters.

Free cash flow in the period was £2.2m (H1 2023 £3.0m) with the benefit of lower capex and better working capital utilisation partially offsetting lower EBITDA. Tax paid was broadly flat at £1.0m.

NET CASH & LIQUIDITY

£m	**30-Jun-24**	**31-Dec-23**
Cash and cash equivalents	48.2	33.0
Less: segregated client funds	(24.7)	(14.7)
Net cash	23.5	18.3
Collateral held at Institutional counterparties	2.6	5.7

Net cash improved by £5.2m in the period to £23.5m at 30 June 2024 (£18.3m at 31 December 2023) due to free cash flow of £2.2m and the £3.0m net proceeds from the capital raised in May 2024 to fund our acceleration in alternative banking. Both gross cash and segregated funds grew by substantially more, due to the timing of trade settlements.

Litigation update

On 14 March 2024, the Company received an Employment Tribunal claim from a former director. The Company is contesting this claim and continues to defend its position. We have accrued for anticipated legal fees in the period.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE (LOSS)/INCOME

for the six months ended 30 June 2024

	6 months to 30 June 2024	6 months to 30 June 2023
	£m	£m
Revenue	**23.9**	25.0
Cost of sales	**(0.6)**	(0.9)
Gross profit	**23.3**	24.1
Other operating income	**0.7**	0.6
Administrative expenditure	**(25.2)**	(19.3)
Share-based payments charge	**(0.1)**	(0.2)
Operating (loss)/profit	**(1.3)**	5.2
Finance costs	**(0.4)**	(0.4)
(Loss)/profit before taxation	**(1.7)**	4.8
Taxation	**-**	(1.6)
(Loss)/profit for the period and total comprehensive (loss)/income	**(1.7)**	3.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 30 June 2024

	Notes	30 June 2024	31 December 2023
		£m	£m
Non-current assets			
Intangible assets	6	2.2	2.7
Property, plant and equipment	7	14.1	15.1
Derivative financial assets	11	7.1	9.8
Deferred tax asset		0.1	0.2
Total non-current assets		**23.5**	**27.8**
Current assets			
Trade and other receivables	8	2.4	1.3
Cash and cash equivalents	9	48.2	33.0
Other assets	10	7.9	10.5
Derivative financial assets	11	32.2	38.9
Total current assets		**90.7**	**83.7**
Current liabilities			
Trade and other payables	12	(37.0)	(29.3)
Lease liabilities		(1.2)	(0.9)
Derivative financial liabilities	13	(19.8)	(23.6)
Total current liabilities		**(58.0)**	**(53.8)**
Non-current liabilities			
Trade and other payables	12	(0.3)	(0.3)
Lease liabilities		(10.0)	(10.6)
Derivative financial liabilities	13	(3.5)	(5.8)
Total non-current liabilities		**(13.8)**	**(16.7)**
Net assets		**42.4**	**41.0**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 30 June 2024

		30 June 2024	31 December 2023
		£m	£m
Equity			
Share capital	14	0.1	0.1
Share premium		15.7	12.7
Share option reserve		1.1	1.0
Merger reserve		4.5	4.5
Retained earnings		21.0	22.7
Total equity		**42.4**	**41.0**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended 30 June 2024

	Share capital	Share premium	Share option reserve	Merger reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m
Balance at 1 January 2023 (audited)	**0.1**	**12.7**	**0.5**	**4.5**	**21.0**	**38.8**
Comprehensive income for the period	-	-	-	-	3.2	3.2
Share-based payments charge	-	-	0.2	-	-	0.2
Balance at 30 June 2023 (unaudited)	**0.1**	**12.7**	**0.7**	**4.5**	**24.2**	**42.2**
Balance at 1 January 2024 (audited)	**0.1**	**12.7**	**1.0**	**4.5**	**22.7**	**41.0**
Comprehensive (loss) for the period	-	-	-	-	(1.7)	(1.7)
Share-based payments charge	-	-	0.1	-	-	0.1
Issue of shares	-	3.0	-	-	-	3.0
Balance at 30 June 2024 (unaudited)	**0.1**	**15.7**	**1.1**	**4.5**	**21.0**	**42.4**

CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months to 30 June 2024	6 months to 30 June 2023
	£m	£m
(Loss)/profit before taxation	**(1.7)**	**4.8**
Taxation paid	(1.0)	(1.1)
Net finance expense	0.4	0.4
Depreciation of property, plant and equipment	0.5	0.6
Depreciation of right of use assets	0.6	0.6
Amortisation of intangible assets	0.9	0.8
Share-based payments charge	0.1	0.2
(Increase) in receivables	(0.6)	(0.6)
Increase/(decrease) in payables	8.3	(3.0)
Decrease in derivative financial assets	9.4	8.5
(Decrease) in derivative financial liabilities	(6.1)	(8.5)
Decrease in other assets	2.6	5.5
Net cash generated from operating activities	**13.4**	**8.2**
Investing activities		
Purchase of intangible assets	(0.4)	(0.8)
Purchase of plant and equipment	(0.1)	(2.8)

Net cash used in investing activities	**(0.5)**	**(3.6)**
Financing activities		
Payments made in relation to lease liabilities	(0.7)	(1.0)
Proceeds from equity raise	3.0	-
Net cash generated from/ (used in) financing activities	**2.3**	**(1.0)**
Net increase in cash and cash equivalents	**15.2**	**3.6**
Cash and cash equivalents at the beginning of the period	33.0	29.0
Cash and cash equivalents at end of the period	**48.2**	**32.6**

1 General information

Argentex Group PLC ("the Company") is a public limited company, limited by shares, incorporated and domiciled in England and Wales. The address of the registered office of the Company is 25 Argyll Street, London, W1F 7TU. The Company's shares are listed on AIM, the London Stock Exchange's market for small and medium size growth companies. The Company is the ultimate parent company of the Group into which the results of its subsidiaries are consolidated.

2 Basis of preparation

The consolidated financial information contained within this interim report is unaudited and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006.

While the financial figures included in this interim report have been prepared in accordance with IFRS applicable to interim periods, this interim report does not contain sufficient information to constitute an interim financial report as defined in IAS 34. Financial information for the year ended 31 December 2023 has been extracted from the audited financial statements for that year.

The financial information has been prepared using the measurement bases specified by IFRS for each type of asset, liability or expense. The accounting policies applied in preparation of this interim report are consistent with the basis that was adopted for the preparation of the audited accounts for the year ended 31 December 2023 and will be adopted for the Group's next audited accounts for the year ended 31 December 2024.

Statutory accounts for the year ended 31 December 2023 have been reported on by the Company's Independent Auditor and have been delivered to the Registrar of Companies. The Independent Auditor's Report on the Annual Report and Financial Statements for December 2023 was unqualified and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The interim report is prepared on a going concern basis as the directors have satisfied themselves that, at the time of approving the interim report, the Group has adequate resources to continue in operational existence for at least the next twelve months from the date of this report.

3 Accounting policies

The accounting policies adopted in this interim report are identical to the those adopted in the Group's most recent annual financial statements for the year ended 31 December 2023, which are available from the Registrar of Companies and www.argentex.com/investor-relations.

4 Earnings per share

The Group calculates basic earnings to be net profit attributable to equity shareholders for the period. The calculation of diluted earnings per share assumes conversion of all potentially dilutive ordinary shares, all of which arise from share options.

	Six months ended	**Six months ended**
	30 June 2024	**30 June 2023**
Basic earnings per share	**(1.6)p**	2.8p
Diluted earnings per share	**(1.6)p**	2.8p

The Group has potentially dilutive ordinary shares being share options granted to employees of the Group. As the Group has incurred a loss in the period, the diluted loss per share is the same as the basic earnings per share as the loss has an anti-dilutive effect (an increased number of shares gives rise to a reduced loss per share).

The calculation of basic and diluted earnings per share is based on the following number of shares:

	Six months	**Six months**

	Six months ended 30 June 2024	Six months ended 30 June 2023
	m	m
Basic weighted average shares	115.2	113.2
Contingently issuable shares	0.1	0.1
Diluted weighted average shares	**115.3**	113.3

5 Dividends

	6 months ended 30 June 2024	6 months ended 30 June 2023	6 months ended 30 June 2024	6 months ended 30 June 2023
	Pence per share	Pence per share	£m	£m
Dividends declared in the period				
Final dividend recommended by Directors at previous period end	-	2.25	-	**2.5**
	-	**2.25**	-	**2.5**
Dividends proposed in the period				
Interim dividend for year ended 31 December 2024 of nil per share (June 2023: 0.75p per share)	-	**0.75**	-	**0.9**
	-	**0.75**	-	**0.9**

6 Intangible assets

	Software Development Costs
Cost	**£m**
At 1 January 2024	10.6
Additions	0.4
Disposals	-
At 30 June 2024	11.0
Depreciation	
At 1 January 2024	7.9
Charge for the period	0.9
Disposals	-
At 30 June 2024	8.8
Net book value	
At 31 December 2023	2.7
At 30 June 2024	**2.2**

7 Property, plant and equipment

Cost	Leasehold improvements £m	Right of use asset £m	Office equipment £m	Computer equipment £m	Total £m
At 1 January 2024	3.8	13.9	1.8	1.1	20.6
Additions	-	0.1	-	-	0.1
Disposals	-	-	-	-	-

At 30 June 2024	3.8	14.0	1.8	1.1	20.7
Depreciation					
At 1 January 2024	0.8	3.3	0.6	0.8	5.5
Charge for the period	0.2	0.6	0.2	0.1	1.1
Disposals	-	-	-	-	-
At 30 June 2024	1.0	3.9	0.8	0.9	6.6
Net book value					
At 31 December 2023	3.0	10.6	1.2	0.3	15.1
At 30 June 2024	**2.8**	**10.1**	**1.0**	**0.2**	**14.1**

8 Trade and other receivables

	30 June 2024 £m	**31 December 2023 £m**
Current		
Other receivables	1.3	0.6
Accrued income	0.1	-
Prepayments	1.0	0.7
Trade and other receivables	**2.4**	1.3

9 Cash and cash equivalents

	30 June 2024 £m	**31 December 2023 £m**
Cash and cash equivalents		
Cash and cash equivalents	48.2	33.0
Cash and cash equivalents	**48.2**	33.0

Included within cash and cash equivalents are client held funds relating to margins received and client balances payable. These amounts are disclosed as amounts payable to clients of £24.7m (December 2023: £14.7m) in note 12 and are not available for the Group's own use. Client balances held as electronic money in accordance with the Electronic Money Regulations 2011 are held in accounts segregated from the firm's own bank balance.

Client balances that fall under the scope of the FCA's Client Assets Sourcebook ("CASS") are held in segregated client bank accounts which are off-balance sheet and excluded from the cash and cash equivalents figure.

The Directors consider that the carrying amount of these assets is a reasonable approximation of their fair value. Cash is held at authorised credit institutions and non-bank financial institutions with robust credit ratings (where published) and sound regulatory capital resources.

10 Other assets

	30 June 2024 £m	**31 December 2023 £m**
Collateral with banking counterparties	2.6	5.7
Balances segregated for CASS Mark to market (MTM)	5.3	4.8
Other assets	**7.9**	10.5

Other assets are made up of collateral with banking counterparties and balances segregated to provide for out of the money (OTM) positions with CASS Clients. Client margins received and disclosed within client balances payable are used to service margin calls with counterparties.

11 Derivative financial assets

	30 June 2024 £m	31 December 2023 £m
Non-current		
Derivative financial assets at fair value	**7.1**	9.8
Current		
Derivative financial assets at fair value	**32.2**	38.9
Total derivative financial assets	**39.3**	48.7

12 Trade and other payables

	30 June 2024 £m	31 December 2023 £m
Non-current		
Provisions	0.3	0.3
Trade and other payables	**0.3**	**0.3**
Current		
Amounts payable to clients	24.7	14.7
Corporation tax	-	0.6
Amounts due to members and former members of Argentex LLP	-	0.4
Trade payables	5.0	6.9
Accruals	6.6	5.6
Other taxation and social security	0.7	1.1
Trade and other payables	**37.0**	29.3

13 Derivative financial liabilities

	30 June 2024 £m	31 December 2023 £m
Non-current		
Derivative financial liabilities at fair value	**3.5**	5.8
Current		
Derivative financial liabilities at fair value	**19.8**	23.6
Total derivative financial liabilities	**23.3**	29.4

14 Share capital

Allotted and paid up	Ordinary shares No. (m)	Management shares No. (m)	Nominal value £

Allotted and paid up	No. (m)	No. (m)	£
Ordinary shares of £0.0001 each	113.2	-	11,321
Management shares issued of £0.0025 each	-	23.6	58,974
At 31 December 2023	113.2	23.6	70,295

Allotted and paid up	Ordinary shares No. (m)	Management shares No. (m)	Nominal value £
Ordinary shares of £0.0001 each	120.4	-	12,043
Management shares issued of £0.0025 each	-	23.6	58,974
At 30 June 2024	**120.4**	**23.6**	**71,017**

On 13 May 2024, 7,221,508 Ordinary shares of £0.0001 each were issued for trading on AIM at a price of 45p per share generating £3,249,679 before issuance costs.

END

IR GPUBCBUPCGBM