Trading 212 Group Limited

Annual report and financial statements

for the year ended 31 December 2020

Registered number: 10014283

Company Information

Directors	Borislav Nedialkov Mukid Chowdhury
Registered number	10014283
Registered office	107 Cheapside London EC2V 6DN
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Contents

Directors' report
for the year ended 31 December 2020

The directors present their report together with the Group strategic report and the consolidated financial statements of Trading 212 Group Lim subsidiaries (together 'the group') for the year ended 31 December 2020.

Results and dividends

The profit for the year, before taxation, amounted to £15,159k (2019: £9,488k).

The directors recommended a dividend of £nil (2019: £3,540k).

Directors

The directors who served during the year were:

Borislav Nedialkov
Nicholas Saunders

Nicholas Saunders resigned as a director on 19 March 2021.

Mukid Chowdhury was appointed as a director on 10 February 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report, the Group strategic report and the consolidated financial statements, in accordance

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law they have elected to prepa statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Under company law the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view group and the company and of the profit or loss of the group for that period. In preparing the consolidated financial statements, the directors are req

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, subject to any material departures disclosed ar statements; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the company or to cease operations, or have r do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions a accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Co responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material m fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to p other irregularities.

Additional matters included in the Group strategic report

The company has chosen, in accordance with s.414C(11) of the Companies Act 2006, to set out in the Group strategic report information required I and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the Directors' report. It has done so i future developments, and engagement with suppliers, customers and others.

Directors' report (continued)
for the year ended 31 December 2020

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to and the group's auditor is aware of that information.

This report was approved by the board on 18 February 2022 and signed on its behalf by:

Mukid Chowdhury
Director

Group strategic report
for the year ended 31 December 2020

Introduction

Trading 212 Group Limited, incorporated in February 2016, is a financial holding company that operates through its principal subsidiaries. The holdin any commercial activities itself.

As of 31 December 2020, the company had four principal subsidiaries (together 'the group' or 'Trading 212' or 'T212'), namely:

- Trading 212 UK Limited (registered in the United Kingdom and regulated by the Financial Conduct Authority)
- Trading 212 Limited (registered in Bulgaria and regulated by the Bulgarian Financial Supervision Commission)
- Trading 212 Markets Limited (registered in Cyprus. Following approval in 2021 the entity is now regulated by the Cyprus Securities and Exchange
- Trading 212 Europe GmbH (registered in Germany and currently going through the approval process with the Federal Financial Supervisory Auth

Trading 212 Global Ltd (incorporated in the Republic of Vanuatu), an additional subsidiary entity as at 31 December 2019, was closed in Octok operational since incorporation in 2019.

Business Review

The group's activities (performed by the regulated entities) during the year consisted of:

i. The provision of an internet-based Contract for Difference ('CFD') trading service platform where two parties agree to exchange the market p security, currency or other financial asset) through a derivative contract; and
ii. The provision of an agency stockbroking platform.

Both products are operated through Trading 212's trading platform to clients globally, with the exception of the United States and prohibited jurisdict

The focus of the group continues to shift towards stockbroking, with the percentage of revenue earned from this activity growing year on year as a This shift has continued into 2021 where it benefited from the growth in client accounts opened in 2020. This growth strategy has seen the client m from £30m to £2.1bn over the year, increasing further to over £3bn in 2021.

Market volatility has been extreme at times during the year and coupled with increased numbers of clients staying at home during the COVID-19 p provided favourable trading conditions.

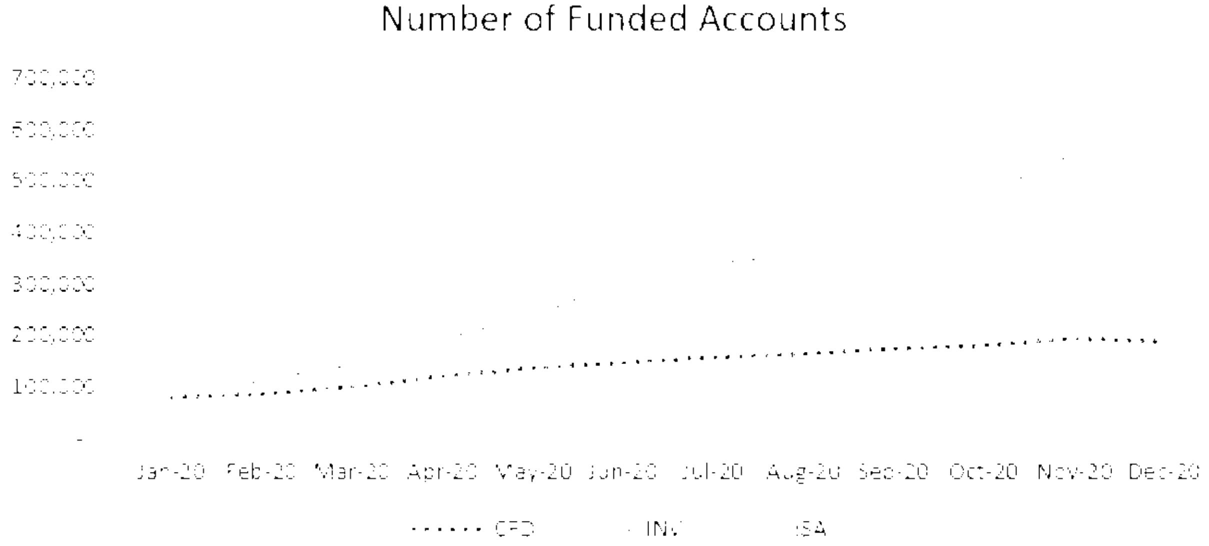
The key financial indicators during the year were as follows:

	2020	2019
	£000	£000
Net assets	44,713	33,080
Revenue	124,077	29,704
Profit before tax	10,111	7,164

Non-financial indicators

Non-financial indicators are measures of customer acquisition and customer activity. As there is no cost for a client to open an account, the numbe cash or assets is the more useful gauge of business growth and potential. Both product lines saw a rapid growth of client numbers during the year, c and promotional activity, but by significant volatility in the market. See the below graph which illustrates this by client type.

Group strategic report (continued)
for the year ended 31 December 2020



Principal risks and uncertainties

The principal risks to the group are as follows:

Technology

The regulated subsidiaries of the group use the Trading 212 trading platform, developed by Trading 212 Limited. This is a key differentiator fr competitors, the majority of which use a generic platform. The company believes that mobile trading will become the platform of choice, part demographic and has therefore chosen a mobile led platform.

Recent statistics suggest this is the correct choice, with the Trading 212 app being amongst the most downloaded financial apps.

Regulatory environment and Brexit

The end of the Brexit transition period sees the end of Trading 212 UK Limited's passporting rights. As a result, the EU based clients who Trading 212 to serve will be offered the opportunity to move to Trading 212 Markets Limited during early 2022.

Market risk

During 2020, the UK entity operated on a matched principal basis for CFDs and on an agency basis for equities. Exposure to market risk for the UK wa risk of holding client money (and own funds) in multiple currencies. In terms of client money, as part of the daily client money reconciliation the curr and the proportions held in each currency adjusted, as necessary. The UK entity does not hold sufficient own funds in currencies other than GBP to n the policy under review.

During 2020, the Bulgarian entity managed its own market making activities, meaning that it was exposed to the market risk from CFD positions, and risk, interest rate risk and certain other price risks, which result from both its operating and investing activities. The Bulgarian entity may choose to he with third-party counterparties depending on the internal risk policy.

The Bulgarian entity is also subject to the market risk of the portfolio of investments that is maintained on balance sheet for the purposes of maint equities made available for client purchases.

Group strategic report (continued)
for the year ended 31 December 2020

Principal risks and uncertainties (continued)

Liquidity risk

Liquidity risk arises if the group fails to meet its payments to brokers, clients or suppliers as they fall due. Most clients are classified as retail in therefore held in accordance with the respective regulators rules on the holding and segregation of client monies held in ring-fenced client money acc applies this protection to its small number of professional investors.

The group keeps all its resources in no-notice cash accounts and closely monitors the rate of cash absorption. Having conducted a liquidity risk analy emergency funding should it be required, the group remains confident that it is adequately funded.

Credit risk

The group has exposure to its brokers, its bank and its clients. Client default is managed by obtaining sufficient collateral from its clients to cover their trading platform automatically closes client positions at a pre-determined margin level. The group recognises there remains a residual credit ris inherent in its business model.

The group conducts thorough monitoring of each of its hedging counterparty's financial position and considers them to be sufficiently well resourced.

In respect of its banking partners, the group regularly reviews credit ratings, reputation and other indicators to ensure both its funds and tho protected.

Internal Controls

The company is conscious that, dealing with large amounts of money, it is highly exposed to loss through error or fraud. This risk is mitigated throug documented internal procedures, particularly those covering client money and payments. In the early months of 2021, the UK company appointed a "third line of defence" internal audit service.

Impact of Covid 19

Significant volatility spikes resulting from the pandemic have facilitated increased trading volumes for most financial services firms, including the Tra term the group has been a beneficiary both in revenue and client growth. In the longer term, volatility linked to the pandemic is expected to re (barring any additional macro/geo-political factors) should signal a return to more stable market conditions.

Future developments

As evidenced by the financial performance in these financial statements, Trading 212 has seen incredible levels of growth, with revenue growing from in 2020, while profit after tax has improved from £8.5m to £10.1m over the same period. Net assets also increased during this time from £33.1m to £4

This growth has been caused, partly by broader market trends and activity but also crucially by the increasing popularity of the platform and our pro for example, Trading 212's zero commission pricing structure, the ability to trade in fractional amounts of shares, and the functionality within the pl addition, the ability to trade via T212's mobile app has proved to be extremely popular with the tech savvy demographic. These features have hel much wider and diverse client base who may not historically have had access to the financial markets, or been considered as potential customers. Tra and technology has facilitated and enabled a wider audience to participate in managing their own financial affairs and investment decisions that the do.

Group strategic report (continued)
for the year ended 31 December 2020

Future developments (continued)

External factors have also contributed to the significant demand for T212's services and include both the well-publicised surge of public interest in th 2021 as well as the COVID pandemic. This demand has translated into increased account openings, transaction volumes, and significant increases ir activity.

This demand for T212's products and services continued into 2021 with revenues and profitability for the year ended 31 December 2021 having growr

With much of this exceptional growth coming in the UK trading entity, there became a need for the UK Board to, voluntarily and temporarily, pause o firm's strategy and operating model, including the current systems, capacity and controls in place, to ensure that they remain appropriate for the s business. This was also conducted with the mindset of ensuring that the firm continues to meet all of its regulatory obligations both today and i continues to grow.

As a result, T212 has invested significantly in the UK entity and its operating model, and has included:

1. Increasing the share capital of the UK business by an additional £19.8m;
2. The hiring of a new UK based senior management team with significant experience in this sector, including a new "C-Suite" of executives inclu and a CTO;
3. Appointing new directors to the Board, including 2 new independent non-executive directors, taking the total to 6 directors at the date this repo
4. Increasing headcount in the UK from 6 to around 40 at the time of approval of the financial statements, with further approved recruitment plar the end of Q2/Q3 2022; and
5. Increased oversight over outsourced functions within the wider group.

The result of this investment, which will continue into 2022, means that the business is now well positioned to provide the products, functionality a that our clients expect. The company has, since 14 February 2022, re-commenced the daily onboarding of a limited number of customers as t development of new processes and functionality, with the intention to resume full onboarding thereafter. The company therefore looks forward public in gaining access to the wider stock markets.

Outside of the UK entity specifically, and following Brexit, T212 will be looking to transfer some of its clients around the group. This will see the UK en its clients (all being EU clients) to the new Cyprus entity, while the Bulgarian entity will also be transferring its client to either the Cyprus or UK entity.

T212 UK will continue to service all UK, EEA (ex-EU), and rest of world clients, while T212 Cyprus will service all EU clients.

Section 172 statement

Section 172 of the Companies Act 2006 requires the directors of an entity to act in the way he or she considers, in good faith, would be most likely tc entity for the benefit of its members as a whole. As part of the entity's deliberations and decision-making process, the directors also take into account

i. likely consequences of any decision in the long term;
ii. the interests of the entity's employees;
iii. the need to foster the entity's business relationships with suppliers, customers and others;
iv. the impact of the entity's operations on the community and the environment;
v. the desirability of the entity maintaining a reputation for high standards of business conduct; and
vi. the need to act fairly between members of the group.

Section 172 statement (continued)

The directors consider its stakeholders to be: (a) the employees of the group; (b) our customers; (c) our investors; (d) our regulator; and (e) all those serve. During 2020, the directors gave careful consideration to the factors set out above in discharging their duties under section 172. The directors re relationships with our stakeholders will help deliver the company's and group's strategy in line with its long-term values. The directors are commit with all of its stakeholders.

Depending on the nature of the issue in question, the relevance of each stakeholder group may differ and, as such, as part of the company's an stakeholders, the directors seek to understand the relative interests and priorities of each group and to have regard to these, as appropriate, in its de acknowledge however, that not every decision it makes will necessarily result in a positive outcome for all stakeholders. The directors also challeng stakeholder interests are considered in the day to day management and operations of the company and the group.

The directors seek to understand the interests and views of the company's, and wider group's, stakeholders by engaging with them directly as ap sometimes engage directly with certain stakeholders on specific issues, but the size and distribution of our stakeholders and of the company a stakeholder engagement often takes place at an operational level. The majority of decisions made by the directors during the year are deemed to l taken on a cyclical basis. The directors are also focused on delivering both fair and right outcomes for all its stakeholders. The product proposition fc customer groups has been debated by the directors. As a result of these activities, the directors believes he has demonstrated compliance with their Companies Act 2006.

This report was approved by the board on 18 February 2022 and signed on its behalf by:

Mukid Chowdhury
Director

Buzzacott

Independent auditor's report to the members of Trading 212 Group Limited
for the year ended 31 December 2020

Opinion

We have audited the financial statements of Trading 212 Group Limited ('the parent company') and its subsidiaries ('the group') for the year ende comprise the Consolidated statement of comprehensive income, the Consolidated statement of financial position, the Company statement of financi statement of cash flows, the Consolidated statement of changes in equity, the Company statement of changes in equity and the related notes, incluc accounting policies set out on pages 23 - 30. The financial reporting framework that has been applied in the preparation of the financial state International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2020 and year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the pa with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Coun have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is s provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of appropriate. Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or coll doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial st issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report, other than the financial statements and our auditor's report responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other informati otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Buzzacott

Independent auditor's report to the members of Trading 212 Group Limited (continued)
for the year ended 31 December 2020

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or appar we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we h that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report and the Group strategic report for the financial year for which the financial statements are pre financial statements; and
- the Directors' report and the Group strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we misstatements in the Directors' report or the Group strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opini

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from bra
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a g applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Trading 212 Group Limited (continued)
for the year ended 31 December 2020

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilitie material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, includir

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud

and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify (with applicable laws and regulations, including knowledge specific to auditing investment brokerage businesses;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements through discussi management at the planning stage, and from our knowledge and experience of investment brokerage businesses;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect t with laws and regulations;
- we considered the impact of COVID-19 on the group and its internal controls;
- we interacted with component auditors throughout the audit. Interactions with component auditors included, if applicable, formal writter reviewing selected audit papers;
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial stat the group including the Companies Act 2006, The Financial Services and Markets Act 2000, The Bulgarian Financial Supervision Commission, (taxation legislation; and
- we considered the impact of Brexit on the group and the laws and regulations above.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- making enquiries of component auditors;
- inspecting legal expenditure and correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

Buzzacott

Independent auditor's report to the members of Trading 212 Group Limited (continued)
for the year ended 31 December 2020

Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the group to management override of controls by checking the implementation of controls and enquiring o financial reporting process, taking into account the impact of COVID-19 on controls during the year;
- reviewed journal entries throughout the year to identify unusual transactions, particularly in relation to expenditure;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior pe
- reviewed accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of the group's ma
- carried out substantive testing to check the occurrence and cut-off of expenditure;
- tested the completeness and existence of revenue in Trading 212 UK Limited by comparing reports generated by the trading platform to entries
- tested the completeness and existence of dividends received by the company by reviewing board meeting minutes of the subsidiaries as well as
- tested the completeness of revenue of components not audited by the group engagement team by, where applicable, ensuring component which calculates the income and agreed the system reports to the nominal ledger; and.
- reviewed the work of component auditors in the above areas, where applicable.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which

included:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, the Financial Conduct Authority, the Bulgarian Financial Supervision Commission and the group's legal ad

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to d result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify nc regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporti www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the members of Trading 212 Group Limited (continued)
for the year ended 31 December 2020

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the full we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this re have formed.

Peter Chapman (Senior statutory auditor)
for and on behalf of
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

18 February 2022

Consolidated statement of comprehensive income
for the year ended 31 December 2020

	Note	2 £
Revenue	5	**124,**
Gross profit		**124,**
Other operating income	6	[illegible]
Administrative expenses		**(108,**
Profit from operations		**15,**
Finance income		
Finance expense		**(**
Profit before tax		**15,**
Tax expense	12	**(5,**
Profit for the year		**10,**
Exchange gains/(losses) arising on translation on foreign operations		**1,**
Total comprehensive income		**11,**

All amounts relate to continuing operations.

The notes on pages 23 to 48 form part of these financial statements.

Consolidated statement of financial position
as at 31 December 2020

	Note	2 £
Assets		
Non-current assets		
Property, plant and equipment	13	**1,8**
Intangible assets	14	
Investments in associates		**2**
Trade and other receivables	17	
Deferred tax assets	12	
		2,2
Current assets		
Trade and other receivables	18	**28,9**
Cash and cash equivalents		**24,6**
Current asset investments	20	**14,0**
		67,6
Total assets		**69,9**

Consolidated statement of financial position (continued)
as at 31 December 2020

	Note	2
		£
Liabilities		
Non-current liabilities		
Loans and borrowings	22	
Current liabilities		
Trade and other payables	21	**24,5**
Loans and borrowings	22	**6**
		25,
Total liabilities		**25,**
Net assets		**44,**
Issued capital and reserves attributable to owners of the parent	25	
Share capital		**3,**
Foreign exchange reserve		**9**
Other reserves		**7**
Retained earnings		**39,8**
		44,
TOTAL EQUITY		**44,**

The financial statements were approved and authorised for issue by the board on 18 February 2022 and signed on its behalf by:

Mukid Chowdhury
Director

The notes on pages 23 to 48 form part of these financial statements.

Company statement of financial position
as at 31 December 2020

	Note	2 £
Assets		
Non-current assets		
Investments in subsidiaries		**18,**
		18,
Current assets		
Trade and other receivables	18	**2,**
Cash and cash equivalents		[illegible]
		2,
Total assets		**21,**
Liabilities		
Current liabilities		
Trade and other payables	21	**1,**
		1,
Total liabilities		**1,**
Net assets		**19,**
Issued capital and reserves attributable to owners of the parent	25	
Share capital		**3,**
Other reserves		**12,**
Retained earnings		**4,**
TOTAL EQUITY		**19,**

The company's profit for the year was £4,251k (2019: £3,450k).

The financial statements were approved and authorised for issue by the board on 18 February 2022 and signed on its behalf by:

Mukid Chowdhury
Director

The notes on pages 23 to 48 form part of these financial statements.

Consolidated statement of changes in equity
for the year ended 31 December 2020

	Share capital	Foreign exchange reserve	Other reserves	Retained earnings	Total attributabl[illegible] equity holder[illegible] par[illegible]
	£000	£000	£000	£000	£[illegible]
At 1 January 2020	3,132	(552)	720	29,780	33,[illegible]
Profit for the year	-	-	-	10,111	10,[illegible]
Other comprehensive income	-	1,522	-	-	1,[illegible]
Total comprehensive income for the year	-	1,522	-	10,111	11,[illegible]
Total contributions by and distributions to owners	-	-	-	-	
At 31 December 2020	**3,132**	**970**	**720**	**39,891**	**44,[illegible]**

	Share capital	Foreign exchange reserve	Other reserves	Retained earnings	Total attributabl[illegible] equity holder[illegible] par[illegible]
	£000	£000	£000	£000	£[illegible]
At 1 January 2019	3,132	784	720	24,820	29,[illegible]
Profit for the year	-	-	-	8,500	8,[illegible]
Other comprehensive income	-	(1,336)	-	-	(1,[illegible]
Total comprehensive income for the year	-	(1,336)	-	8,500	7,[illegible]
Dividends	-	-	-	(3,540)	(3,[illegible]
Total contributions by and distributions to owners	-	-	-	(3,540)	(3,[illegible]
At 31 December 2019	**3,132**	**(552)**	**720**	**29,780**	**33,[illegible]**

The notes on pages 23 to 48 form part of these financial statements.

Company statement of changes in equity
for the year ended 31 December 2020

	Share capital	Other reserves	Retained earni
	£000	£000	£
At 1 January 2020	3,132	12,238	
Profit for the year	-	-	4,:
Total comprehensive income for the year	-	-	4,:
Total contributions by and distributions to owners	-	-	
At 31 December 2020	**3,132**	**12,238**	**4,:**

	Share capital	Other reserves	Retained earni
	£000	£000	£
At 1 January 2019	3,132	12,238	
Profit for the year	-	-	3,'
Total comprehensive income for the year	-	-	3,'
Dividends	-	-	(3,!
Other movements	-	-	
Total contributions by and distributions to owners	-	-	(3,!
At 31 December 2019	**3,132**	**12,238**	

The notes on pages 23 to 48 form part of these financial statements.

Consolidated statement of cash flows
for the year ended 31 December 2020

	2
	£
Cash flows from operating activities	
Profit for the year	**10,**
Adjustments for	
Depreciation of property, plant and equipment	[illegible]
Amortisation of intangible fixed assets	
Interest and other finance income	
Interest and other finance expense	[illegible]
Gain on sale of property, plant and equipment	
Foreign exchange (loss)/gain of revaluation of assets	**(**
Foreign exchange gain/(loss) on consolidation	**1,**
Interest paid	**(**
Interest received	
Income tax expense	**5,**
	17,
Movements in working capital:	
Increase in trade and other receivables	**(23,**
Increase in current asset investments	**(13,**
Increase/(decrease) in trade and other payables	**13,**
Cash generated from operations	**(7,**
Income taxes paid	**(2,**
Net cash (used in)/from operating activities	**(9,**
Cash flows from investing activities	
Purchases of property, plant and equipment	**(1,**
Purchase of intangible assets	
Proceeds from disposal of property, plant and equipment	[illegible]
Net cash (used in)/from investing activities	**(1,**
Cash flows from financing activities	
Finance lease payments	**(**
Loan repayments	
Loans received	**7,**
Dividends paid to shareholders	
Net cash from/(used in) financing activities	**7,**

Consolidated statement of cash flows (continued)
for the year ended 31 December 2020

	2
	£
Net cash (decrease)/increase in cash and cash equivalents before exchange gain/(loss)	**(4,**
Cash and cash equivalents at the beginning of year	**28,**
Exchange gains/(loss) on cash and cash equivalents	
Cash and cash equivalents at the end of the year	**24,**

The notes on pages 23 to 48 form part of these financial statements.

1. General information

Trading 212 Group Limited is a private company limited by shares and was incorporated in England and Wales with registration number 100:
107 Cheapside, London, EC2V 6DN.

Its primary business activity is managing its holdings as a financial services holding group.

2. Accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by
Interpretations and the parts of the Companies Act 2006 applicable to companies reporting under IFRSs.

2.2 Basis of preparation of financial statements

The financial statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair value, an
out below have been applied. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accountir
management to exercise its judgement in the process of applying the group's accounting policies (see note 4).

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company an
achieved when the company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of t
listed above.

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control o
income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and c
from the date the company gains control until the date when the company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the group's

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the grou
consolidation.

2. Accounting policies (continued)

2.4 Common control combinations

Business combinations involving entities under common control fall outside the scope of IFRS 3. The management of Trading 212 Group Lin develop an accounting policy that provides relevant and reliable information to the users of the financial statements. Under the selected acc Group Limited, common control combinations are treated in accordance with the predecessor value method.

A predecessor value method

The method usually involves:

- accounting for the value of assets and liabilities of the acquired subsidiary using existing carrying values rather than fair values; and
- no recognition of goodwill.

While the predecessor value method was used to calculate the value of all subsidiaries, the acquisition of the shares in Trading 212 Limi amended methodology with 90% of the value based on the net asset value of that company, and the other 10% split equally between capitali future cashflows.

The group will expect to use the net asset value method for all future acquisitions albeit none are planned.

2.5 Going concern

The group manages its capital to ensure that all entities in the group remain a going concern while maximizing return to shareholders. Th period ended 31 December 2020. The directors are of the opinion that the group will remain a going concern for the foreseeable future.

In determining that the group is a going concern, the directors have considered the potential impacts of Brexit and the novel coronavirus dis including the likelihood of a continued global recession on the group. The directors believe the group will be able to manage its risks success to enhance its market position and grow the business in the long-term.

2.6 Revenue

Trading revenue represents gains and losses arising on trading activity of the subsidiaries' clients, in CFD contracts, and the transactions u associated with client trading activity. These CFDs and related hedges involve two parties agreeing to exchange the market performance of a derivative contract between those parties. This should not be confused with the group themselves holding on-balance-sheet listed investmen

Open client and hedging positions are carried at fair market value and gains and losses arising on this valuation are recognised in revenu realised on positions that have closed. The policies and methodologies associated with the determination of fair value are further discuss *Instruments*. Trading revenue also includes overnight interest on open derivative positions of clients and income generated from stock lendin

Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the group and the revenue can

2. Accounting policies (continued)

2.7 Leasing

The group considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys th underlying asset) for a period of time in exchange for consideration'.

To apply this definition the group assesses whether the contract meets certain key criteria which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract;
- implicitly specified by being identified at the time the asset is made available to the group;
- the group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use the defined scope of the contract; or
- the group has the right to direct the use of the identified asset throughout the period of use.

The group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At the lease commencement date, the group recognises a right-of-use asset and a lease liability on the Statement of financial position. The ri at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the group, an estimate of any co the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the u asset or the end of the lease term. The group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date of mandatory application of IFRS 16, the group recognised lease liabilities in relation to leases which had p 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payı lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabi

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance-fixed), variable pay rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to r modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-us zero.

The group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

2. Accounting policies (continued)

2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxabl current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated fir corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable tempora assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be av deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arise (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting prc liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer prc profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.9 Current and non-current classification

Assets and liabilities are presented in the Consolidated and Company statements of financial position based on current and non-current classi

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the entity's normal operating the purpose of trading; it is expected to be realised within 12 months after the reporting year; or the asset is cash or cash equivalent u exchanged or used to settle a liability for at least 12 months after the reporting year. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the entity's normal operating cycle; it is held primarily for the pu be settled within 12 months after the reporting year; or there is no unconditional right to defer the settlement of the liability for at least 1: year. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

2.10 Investments in subsidiaries

Investments in subsidiaries are stated at deemed cost less accumulated impairment losses.

2. Accounting policies (continued)

2.11 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (maj plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent exp it is probable that the future economic benefits associated with the expenditure will flow to the group.

Depreciation on assets under construction does not commence until construction is complete and the assets are available for use. Deprecia items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives on a straight line l following periods:

Right-of-use assets	Over the lease term
Equipment	4 years
Motor vehicles	4 years
Fixtures and fittings	7 years
Computer equipment	2 or 3 years

2.12 Intangible assets

(i) Intangible assets acquired externally

Intangible assets with finite useful lives that are acquired externally are carried at cost less accumulated amortisation and accumulated impai recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the e with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are ac at cost less accumulated impairment losses.

The estimated useful lives of the externally- acquired intangible assets range as follows:

Other	2 or 3 years

Subsequent expenditure on an intangible asset after its purchase or its completion is expensed as incurred unless it is probable that this expe to generate future economic benefits in excess of its originally assessed standard of performance and this expenditure can be measured r asset. If these two conditions are met, the subsequent expenditure is added to the carrying amount of the intangible asset.

2. Accounting policies (continued)

2.12 Intangible assets (continued)

(ii) Internally-generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, ar have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the int recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in which it is incurred.

The estimated useful lives of the internally generated intangible assets range as follows:

Software	2 or 3 years

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulate same basis as intangible assets that are acquired externally.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash at hand, deposits held on call with financial institutions, other short-term, highly liquid investment three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.14 Segregated client funds

Prior to trading CFDs, the clients of Trading 212 UK Limited and Trading 212 Limited deposit funds as margin. These balances are held as colla and are unavailable to the group except insofar as when a client realises a trading loss it is taken by the group from these balances.

Trading 212 UK Limited and Trading 212 Limited hold this money on behalf of clients in accordance with the client money rules of the UK's (FCA) and Bulgaria's Financial Supervision Commission (FSC), respectively. Such monies are classified as 'segregated client funds' in ac regulatory requirements. Segregated client funds comprise individual client funds held in segregated client money accounts. Segregated statutory trust status restricting the group's ability to control the monies and accordingly such amounts are not included in the Consolic position, except for cash that had been prudently segregated (see "Trade and other receivables" accounting policy below).

There is no interest paid on segregated client accounts.

2. Accounting policies (continued)

2.15 Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest met
impairment. Trade receivables are generally due for settlement within 30 days.

Trade receivables include cash prudently segregated in client money accounts as, in the event of an administration and assuming no
segregated, it is due to the group.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the
provision for impairment of trade receivables is made when there is objective evidence that the group will not be able to collect all amounts
terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re
delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired.

The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future c
original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

2.16 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or
financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from tl
assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets
value through profit or loss are recognised immediately in profit or loss.

Open CFD positions, and stock held on the balance sheet to facilitate brokerage services, are designated as financial instruments at fair valu
category of instrument is initially recognised at fair value on the date the derivative contract is entered into, or the date the stock is pur
re-measured at the corresponding asset's fair value. Any resulting gains or losses are recognised in net trading revenue.

Client derivative positions are settled against client cash held in segregated accounts at the end of the day and thus do not appear on the sta
of the group.

The group's financial instruments at fair value through profit or loss comprise:

a. Open financial derivative positions - These CFDs and related hedges involve two parties agreeing to exchange the market perform
through a derivative contract between those parties; and
b. Holdings in listed investments - These holdings represents the group's stock of financial investments held to facilitate client orders. The
determined by stock market movements.

2. Accounting policies (continued)

2.16 Financial instruments (continued)

Settling financial instruments

In accordance with Trading 212 UK Limited's and Trading 212 Limited's client money and custody asset obligations, daily client money a
performed. This ensures that, for CFD accounts, the balance in the segregated client money accounts is equal to the net client equity (depos
minus any daily trading result from derivative positions). Any client gains or losses are simultaneously settled against the client cash in accor
client agreement between the clients and the group. For Invest accounts, the client money reconciliations ensure that any excess cash helc
are suitably identified, segregated and protected, while the custody asset reconciliations ensure that the total balances of stocks owned by c
by client basis and that the total matches those held in custody with the third party custodian.

Apart from settlement of client trading result no other use may be made of client money. Clients may at any time request to withdraw their
used as margin.

2.17 Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is basec
received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and a
will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in th
For non-financial assets, the fair value measurement is based on its highest and best use.

Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, m
observable inputs and minimising the use of unobservable inputs. See the fair value hierarchy in note 26.1.

2.18 Trade and other payables

These amounts represent liabilities for services provided to the group prior to the end of the financial year and which are unpaid. Due to thei
measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

2.19 Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by
final dividends, this is when approved by the shareholders at the annual general meeting.

3. Functional and presentation currency

Functional and presentational currency

These consolidated financial statements are presented in pound sterling, which is the company's functional currency. All amounts have b
thousand, unless otherwise indicated.

Functional and presentation currency (continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical c exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of m denominated in foreign currencies are recognised in profit or loss.

On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactio liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the openir and the results of overseas operations at actual rate are recognised in the FX reserve.

4. Accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amou liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect o financial statements and are accounted for at fair value.

Provision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation·and judgement. The level of provision is assesse recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial positio

Treatment of client derivative positions

Client derivative positions are settled on a daily basis against client cash held in segregated accounts and thus do not appear on the Consoli position.

Predecessor value method applied to common control combinations

The Management has exercised reasonable judgement to select an appropriate accounting policy for treatment of common control co relevant and reliable information in accordance with IAS 8. Please see note 2.4 in respect of the methodologies used.

5. Revenue

The following is an analysis of the group's revenue for the year from continuing operations:

	2(
	£(
Investment brokerage services	**124,(**

6. Other operating income

	2
	£
Gain on sale of non-current assets	
Other	

7. Administrative expenses

	2
	£
Staff costs	**6,**
Representative expenses	
General expenses	
IT software and consumables	**1,**
Printing, postage and stationary	
Rent	
Telephone and internet	
Travel	
Irrecoverable VAT	**6,**
Audit and accountancy	
Advertising and marketing	**62,**
Quotes	**1,**
Client identification	
Bank fees	**24,**
Compliance and consulting	
Staff training	
Compensation expense	
Foreign currency variance	
Depreciation and amortisation	
Other	**1,**
	108,

8. Auditor's remuneration

During the year, the group obtained the following services from the group's auditor and its associates:

	2[illegible]
	£[illegible]
Fees payable to the group's auditor for the audit of the group's financial statements	
Fees payable to the group's auditor and its associates in respect of:	
Audit of the subsidiary undertakings	
Audit-related assurance services	
Taxation compliance services	
All non-audit services not included above	

Amounts in the prior year relate to the company's previous auditor.

9. Staff costs and average number of employees

Staff costs during the year, including directors' remuneration, was as follows:

	2[illegible]
	£[illegible]
Wages and salaries	**6,[illegible]**
National insurance	[illegible]
Contributions to defined contribution pension schemes	
Termination benefits	
	6,[illegible]

The monthly average number of persons, including the directorss, employed within the group during the year was as follows:

	2[illegible]
Directors	
Management	
Marketing and HR	
IT	
Compliance	
Administrative	[illegible]
	[illegible]

Notes to the consolidated financial statements
for the year ended 31 December 2020

10. Directors' remuneration

	[illegible]
	[illegible]
Directors' emoluments	[illegible]
Contributions to defined contribution pension schemes	
	[illegible]

11. Finance income and expense

Recognised in profit or loss

	[illegible]
	[illegible]
Finance income	
Bank deposits	
Deposit and withdrawal charges	
Total finance income	
Finance expense	
Interest payable	[illegible]
Total finance expense	[illegible]
Net finance (expense)/income recognised in profit or loss	[illegible]

12. Tax expense

12.1 Income tax recognised in profit or loss

	2[illegible]
	£[illegible]
Current tax	
Current tax on profits for the year	**5,[illegible]**
Total current tax	**5,[illegible]**
Deferred tax expense	
	5,[illegible]
Total tax expense	
Tax expense	**5,[illegible]**
	5,[illegible]

Taxation outside the UK is calculated at the rates prevailing in the relevant jurisdictions. Group tax is based on a blended tax rate of [illegible] December 2020 (10.5% for the year ended 31 December 2019). The tax expense in the Consolidated statement of comprehensive income fo[illegible] as set out below:

	2[illegible]
	£[illegible]
Profit for the year	**10,[illegible]**
Income tax expense	**5,[illegible]**
Profit before income taxes	**15,[illegible]**
Tax using the group's blended tax rate of 19% (2019: 10.5%)	**2,[illegible]**
Adjustments due to tax-exempt income	
Adjustments due to difference in tax rates	
Adjustments for non-deductible expenses	**[illegible]**
Exempt dividend distributions	**[illegible]**
Tax losses carried forward in subsidiaries	**1,[illegible]**
Total tax expense	**5,[illegible]**

Changes in tax rates and factors affecting the future tax charges

UK

On 10 June 2021, the Finance Bill 2021 received Royal Assent. The Bill confirms an increase in the corporation tax rate from 1 April 2023. taper from 19% from business with profits of less than £50,000 to 25% for business with profits over £250,000.

12. Tax expense (continued)

12.2 Deferred tax balances

The following is the analysis of deferred tax assets presented in the Consolidated statement of financial position:

	2
	£
Deferred tax assets	

The deferred tax asset relates to fixed asset timing differences.

13. Property, plant and equipment

Group

	Right-of-use assets	Equipment	Motor vehicles	Fixtures and fittings	Computer equipment	Ass co
	£000	£000	£000	£000	£000	
Cost or valuation						
At 1 January 2019	85	7	1,311	596	1,919	
Additions	213	-	9	2	70	
Disposals	(85)	-	(375)	(3)	-	
At 31 December 2019	213	7	945	595	1,989	
Additions	63	-	-	12	880	
Disposals	-	-	(210)	-	-	
At 31 December 2020	**276**	**7**	**735**	**607**	**2,869**	

	Right-of-use assets	Equipment	Motor vehicles	Fixtures and fittings	Computer equipment	Ass co
	£000	£000	£000	£000	£000	
Depreciation						
At 1 January 2019	-	5	459	455	1,389	
Charge for the year	91	-	192	59	365	
Disposals	(18)	-	(108)	(3)	-	
Foreign exchange movement	-	-	22	15	16	
At 31 December 2019	73	5	565	526	1,770	
Charge for the year	116	-	121	45	423	
Disposals	-	-	(129)	-	-	
Foreign exchange movement	-	-	(19)	(3)	(17)	
At 31 December 2020	**189**	**5**	**538**	**568**	**2,176**	
Net book value						
At 31 December 2019	140	2	380	69	219	
At 31 December 2020	87	2	197	39	693	

14. Intangible assets

Group

	Software	Otl
	£000	**£(**
Cost		
At 1 January 2019	410	
Foreign exchange movement	(4)	
At 31 December 2019	406	
Additions	5	
At 31 December 2020	**411**	**1**

	Software	Otl
	£000	**£(**
Amortisation		
At 1 January 2019	394	
Charge for the year	14	
Foreign exchange movement	(4)	
At 31 December 2019	404	
Charge for the year	3	
Foreign exchange movement	(1)	
At 31 December 2020	**406**	
Net book value		
At 1 January 2019	16	
At 31 December 2019	2	
At 31 December 2020	5	

15. Investments in subsidiaries

At 31 December 2020, the following were subsidiary undertakings of the company included in these financial statements:

Name	Registered office	Principal activity	Class of held
Trading 212 UK Limited	107 Cheapside, London, EC2V 6DN, United Kingdom	Investment brokerage services	Ordinary
Trading 212 Limited	Lachezar Stanchev str. 3, 1756, Sofia, Bulgaria	Investment brokerage services	Ordinary
Trading 212 Europe Limited	Ernst-Schnieder-Platz 1, 40212, Düsseldorf, Germany	Investment brokerage services	Ordinary
Trading 212 Markets Limited	Amathountos, 5, Pirilides Building, Floor 4, 3105, Limassol, Cyprus	Investment brokerage services	Ordinary
Avus Supercars GmbH	Landsberger Str. 302, 80687, München, Germany	Car rental	Ordinary

While not dormant, Trading 212 Europe Limited, Trading 212 Markets Limited, Avus Supercars GbmH and Proquant OOD were not operatio activity during the year.

Avus Supercars GmbH and Proquant OOD were indirect subsidiaries of the company, being 100% owned by Trading 212 Limited.

Proquant OOD was sold on 1 October 2020.

Company

	2
	£
Investments in subsidiary undertakings	**18,**
	18,

16. Associates

Trading 212 Limited holds a 9.68% voting and equity interest in EnduroSat AD (2019: 9.68%). The investment is accounted for at cost an December 2020 is £202,000 (2019: £202,000). The stocks are not publicly traded and thus the fair value is difficult to establish. The inves impairment; no impairment indications were found as at 31 December 2020.

17. Trade and other receivables due after 1 year

	Group	Group	Comp
	2020	2019	**20**
	£000	£000	**£0**
Other receivables	**35**	-	
	35	-	

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

18. Trade and other receivables

	Group	As restated Group	Comp
	2020	2019	**20**
	£000	£000	**£0**
Trade receivables	**5,081**	1,091	
Amounts owed by group undertakings	**-**	-	**2,2**
Other receivables	**23,103**	3,771	
Prepayments and accrued income	**305**	126	
Tax recoverable	**463**	127	
	28,952	5,115	**2,2**

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

19. Cash and cash equivalents

	Group	As restated Group	Comp
	2020	2019	**20**
	£000	£000	**£0**
Cash and cash equivalents	**24,649**	28,751	1
	24,649	28,751	1

20. Current asset investments

Group

	2
	£
Listed investments	14,
	14,

These listed investments are measured at fair value using Level 1 inputs (see note 26.1).

21. Trade and other payables

	Group	Group	Comp
	2020	2019	2
	£000	£000	£
Trade payables	6,772	665	
Amounts owed to group undertakings	-	-	1,
Amounts owed to related parties	7,255	-	
Corporation tax	4,620	94	
Other payables	916	496	
Other tax and social security	930	-	
Accruals and deferred income	4,031	-	
	20,493	1,255	1,

22. Loans and borrowings

Group

	2
	£
Non-current	
Lease liabilities (see note 23)	
Current	
Loans	
Lease liabilities (see note 23)	
Total loans and borrowings	

22. Loans and borrowings (continued)

The company had no loans and borrowings (2019: £nil).

23. Leases

Group

(i) Leases as a lessee

Lease liabilities are due as follows:

	2(
	£(
Contractual undiscounted cash flows due	
Not later than one year	
Between one year and five years	
Non-current	

24. Share capital

Authorised, issued and fully paid

	2
	£
Shares treated as equity	
3,131,500 (2019: 3,131,500) Ordinary shares of £1 each	**3,**
	3,

Capital risk management

The group's objectives when managing capital is to safeguard its ability to continue as a going concern and exceed the minimum capital requ
and the FSC. The group met these capital requirements throughout the year.

Capital is regarded as total equity, as recognised in the Consolidated and company statements of financial position.

In order to maintain or adjust the capital structure, the group may adjust the dividend payment to the shareholder, return capital to the shar
sell assets to reduce debt.

The capital risk management policy remains unchanged at the date of this report.

25. Reserves

Foreign exchange reserve

The foreign exchange reserve includes all current and prior period foreign exchange adjustments required upon consolidation.

Other reserves

Other reserves includes share premium accounted for under merger relief.

Retained earnings

Retained earnings includes all current and prior periods' retained earnings.

26. Financial instruments - fair values and risk management

26.1 Financial risk management objectives

The group is exposed, through the activities of its subsidiaries, to a variety of financial risks: market risk (including foreign currency risk, pric credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks t effects on the financial performance of the group. The group uses different methods to measure different types of risk to which it is expo sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in resp to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Boa identification and analysis of the risk exposure of the group and appropriate procedures, controls and risk limits. Finance identifies, evaluat within the group's operating units. Finance reports to the Board on a monthly basis.

The group uses the following hierarchy of valuation techniques for determining and disclosing the fair value of financial instruments which are

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all outputs which have a significant effect on the recorded fair value are observable, either directly or indi

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The only assets or liabilities that are measured at fair value through profit or loss are the current asset investments, see note 20. These are va other assets and liabilities are measured at amortised cost.

26. Financial instruments - fair values and risk management (continued)

26.1 Financial risk management objectives (continued)

At 31 December 2020, the financial instruments held by the group were:

	20
	£0
Financial assets	
Financial instruments at fair value	14,0
Trade and other receivables at amortised cost	28,2
Cash and cash equivalents	24,6
	66,9
Financial liabilities	
Trade and other payables at amortised cost	7,6
Related party payables at amortised cost	7,2
Loans and borrowings	6
	15,6

26.2 Foreign currency risk management

The group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arises.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated i company's functional currency. The risk is measured using maximum exposure limits.

The carrying amounts of the group's significant foreign currency denominated monetary assets and monetary liabilities at the end of follows:

	Liabilities		
	2020	2019	**2**
	£000	£000	**£**
US dollar	**179**	7	**37,**
Euro	**15,050**	1,213	**1,**
Bulgarian lev	**2,084**	612	**1,**
Canadian dollar	**-**	-	
Swiss franc	**-**	-	**4,**
Chinese yuan	**-**	-	**1,**
Other	**-**	-	**(1,**
	17,313	1,832	**44,**

26. Financial instruments - fair values and risk management (continued)

26.2 Foreign currency risk management (continued)

Foreign currency sensitivity analysis

At 31 December 2020 and 31 December 2019, respectively, if the GBP had strengthened or weakened by 10% against foreign currencies v constant, pre-tax profits and equity would have increased/(decreased) by:

	Sterling strengthened impact		
	2020	2019	**2(**
	£000	£000	**£(**
Profit before tax	**(2,516)**	(1,882)	**3,(**
Equity	**(2,516)**	(1,882)	**3,(**

26.3 Interest rate risk management

The group is exposed to interest rate risk because the entities in the group borrow funds at both fixed and floating interest rates. The risk maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts and forward inte activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategie

26.4 Price risk management

Price risk is market risk, arising from extreme adverse market movements in the prices of open derivative positions taken by the group's su on the balance sheet.

During 2020, Trading 212 UK Limited operated under a matched-principal CFD model and hence was not exposed to any market risk. It investments.

Trading 212 Limited was exposed to market risk during 2020 as part of its operating model. It was managed as follows:

CFD trading - Daily retail client exposure limits have been put in place and are monitored regularly throughout the day. The group monitor: classes for signs of volatility and unusual daily trading volumes using various market data sources available and can amend these limits acc follow a hedging strategy by placing hedging trades with external counterparties.

Current asset investments are monitored through the setting of daily trading limits to ensure appropriate diversification of the trading book, cap of 5% exposure of the total trading book.

26.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The grou including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees wl credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provis assets, as disclosed in the Consolidated statement of financial position and notes to the financial statements.

26. Financial instruments - fair values and risk management (continued)

26.5 Credit risk management (continued)

Financial institutions credit risk

Financial institutions credit risk is the risk of sustaining losses due to failure of a counterparty (financial institution) to meet its obligations i segregated client account assets.

The group has a strict code of credit, including obtaining agency credit information, observing credit default swaps, industry stress test result setting appropriate credit limits. An annual credit risk assessment of the group's bankers is performed and measures to diversify away finan implemented. To mitigate the risk as far as possible, the group conducts intrusive analysis of its counterparty, having access to its regulat liquidity stress test results and ICAAP document.

Client credit risk

The group operates a real-time mark-to-market trading platform with clients' profits and losses being credited/debited automatically to their trading conditions the client cannot sustain losses exceeding the funds deposited.

As the CFD products offered by the group companies are margin-traded, the group could be exposed to client credit risk in case of sudden movements. This situation arises when the client's free equity is insufficient to cover any trading losses incurred on open positions in case of However, the group's client credit risk exposure is limited by the automatic closing mechanism (margin call), imbedded in the Trading 212 pla

26.6 Liquidity risk management

Vigilant liquidity risk management requires the group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available bor pay debts as and when they become due and payable.

The group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual matching the maturity profiles of financial assets and liabilities.

The following tables detail the group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment pe drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group can be required to pay.

31 December 2020	Up to 6 months £000	6 months to 1 year £000	1 year yea £0(
Trade and other payables	24,524	-	-
Loans and borrowings	596	-	6
	25,120	-	6

The following table details the group's expected maturity for its non-derivative financial assets. The CFDs and related hedges involve two part market performance of an underlying asset through a derivative contract between those parties. This should not be confused with th on-balance-sheet listed investments. The table has been drawn up based on the undiscounted contractual maturities of the financial assets i earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the group's liqui liquidity is managed on a net asset and liability basis.

26.6 Liquidity risk management (continued)

31 December 2020	Up to 6 months £000	6 months to 1 year £000	1 year t yeaı £00
Cash and cash equivalents	24,649	-	-
Trade and othe rreceivables	28,952	-	3!
Listed investments	14,076	-	-
	67,677	-	3!

27. Related party transactions

Balances and transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated o disclosed in this note. Details of transactions between the group and other related parties are disclosed below.

On 2 December 2020, a person with joint control over the group advanced funds of €8,000k (£7,238k). This advance is to be repaid 1 year af with interest accruing at 3% per annum. No collateral was provided for this advance. During the year, interest on this loan of £17k accrued.

On 1 October 2020, Proquant OOD was sold to the joint controllers for BGN 100. At 31 December 2020, £7,255k was due to the joint controlle

During the year, the group made purchases of services from entities under common control totalling £82k (2019: £9k). At 31 December 2(entities totalled £86k (2019: £nil). This balance is included within Other payables.

Key management personnel

During the year, key management personnel received remuneration of £186k (2019: £176k) as well as pension contributions of £7k (2019: £1(

28. Segregated client funds

The group operates segregated client money bank accounts and client transaction accounts. As at 31 December 2020 the total balance of t thousand (2019: £36,087 thousand). As at 31 December 2020 the total value of clients' custody assets held was £1,727,192 thousand (2019: £

29. Controlling party

The directors do not consider there to be an ultimate controlling party.

30. Prior year restatement

A classification error was identified in the 2019 comparative numbers which required the amount of £890k, previously included as "Trade re as "Cash and cash equivalents". There was no net impact to the Consolidated statement of financial position, but due to the change i restatement to be noted in these financial statements.

Another classification error was identified in the 2019 comparative numbers which included foreign exchange variance of £686k (credit) ar listed investments of £664k (debit) within "Finance costs". These have been reclassified as "Administrative expenses". There was no net statement of comprehensive income or retained earnings.

The 2019 Consolidated statement of cash flows has been restated to include presentational adjustments.