LMAX Group

ANNUAL REPORT
and consolidated financial statements

2024

BUILDING THE LEADING CROSS-ASSET MARKETPLACE

LMAX Group

LMAX Exchange Group Limited ('LMAX Group' or 'the Company')
is the holding company of LMAX Exchange, LMAX Global and LMAX Digital.

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About LMAX Exchange Group Limited

Building Fairer Markets through transparent, precise and consistent execution for all participants

LMAX Exchange Group Limited is a global financial technology company and the leading independent operator of multiple institutional execution venues for FX and digital assets trading. With offices in 13 countries and a global client base, the Group builds and runs its own high performance, ultra-low latency exchange infrastructure, which includes matching engines in London, New York, Tokyo and Singapore.

LMAX Exchange Limited has a solid presence in all the major FX markets around the world, including Europe, North America and Asia-Pacific. Our rapidly expanding global institutional and professional client base is a testament to our distinctive business model that delivers efficient market structure and transparent, precise, consistent execution to all market participants.

The LMAX Exchange Limited portfolio includes LMAX Exchange Limited, LMAX Global and LMAX Digital Group Limited.

LMAX EXCHANGE

The institutional exchange for global FX

LMAX Exchange Limited operates global institutional FX exchanges, an FCA regulated MTF and MAS regulated RMO. A central limit order book ("CLOB") execution model offers streaming firm liquidity from top-tier banks and non-bank institutions, transparent price discovery, no 'last look' rejections and full control over trading strategy and costs.

LMAX GLOBAL

The regulated broker for global FX

LMAX Global is a leading regulated broker for FX, metals and commodities worldwide. Servicing retail brokers and professional traders, LMAX Global offers execution services and access to institutional firm liquidity with tight spreads from the LMAX Exchange central limit order book.

LMAX DIGITAL

The institutional spot digital assets exchange

LMAX Digital Group Limited is a leading institutional spot digital assets exchange. Based on proven, proprietary technology from LMAX Exchange Limited, LMAX Digital Group Limited allows global institutions to acquire, trade and hold digital assets such as BTC, ETH, LTC, BCH, XRP, SOL, PYTH, MATIC and LINK safely and securely. LMAX Digital Group Limited is regulated by the Gibraltar Financial Services Commission (GFSC) as a DLT (Distributed Ledger Technology) provider for execution and custody services.

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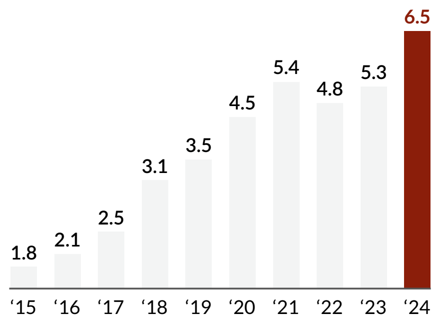
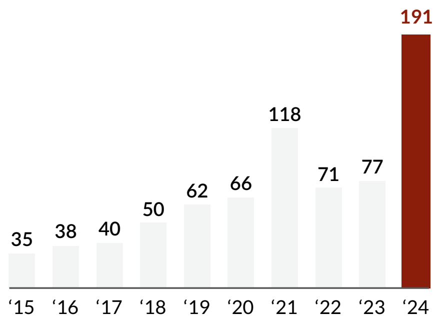
2024 FINANCIAL HIGHLIGHTS

Compound annual growth

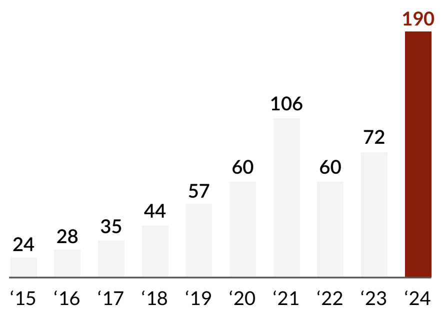
15% Volumes ($tn)



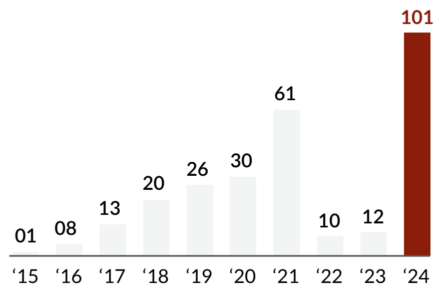
21% Revenues ($m)



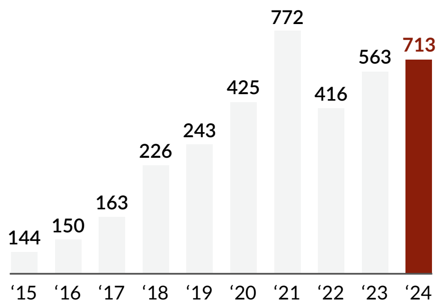
26% Gross profit ($m)



65% EBITDA ($m)



19% Client assets ($m)



Trading volumes of
US$6.5tn
23% higher than 2023

Gross revenues of
US$201m
138% increase on 2023

Gross profit of
US$190m
163% increase on 2023

Statutory EBITDA of
US$101m
638% increase on 2023

Profit for the year of
US$71m
771% increase on 2023

Client assets held of
US$713m
27% increase on 2023

Financial highlights footnotes:

1. 2024 average rate of GBP/USD 1.278 (2023: 1.244) has been used within the financial highlights and CEO Statement sections.
2. EBITDA of US$101m (£79m) is arrived at by adding back depreciation of US$7.3m (£5.7m), amortisation of US$9.4m (£7.4m), foreign exchange loss of US$2.8m (£2.2m), deal costs of US$4.1m (£3.2m) and other costs of US$0.6m (£0.5m) from operating profit of US$76.2m (£59.6m).
3. Revenue includes interest income.

CEO'S STATEMENT

Overview

LMAX Group produced a record year across all KPIs in 2024; a result of the drive to deliver sustainable growth through expansion into new products and geographies. We remain committed to a vision of building fairer, more inclusive access to capital markets, where robust institutional grade technology, market structure and governance have evolved to deliver a transparent, level playing field for all participants.

2024 Delivered:

$6.5tn Volumes	Diversified FX offering: **Buy-side access, FX Swaps, FX NDFs and Price Check**
$101m EBITDA	Investment in future proofing our digital infrastructure capabilities: **Custody and Tokenisation**
$190m Gross profit	Tech Accelerator: **Enabling a cross-asset marketplace in Traditional Finance (TradFi) and Digital Assets**

Our primary goal is to build the leading cross-asset marketplace for the future capital markets with a focus on relevance, optionality and sustainable revenue generation. We relentlessly pursue this vision through continuous dialogue with stakeholders across the FX and crypto industry, developing new solutions for institutions through innovation and investment in our people and technology. Capital markets are at a point of transformation, and we sit at the forefront of that change. In 2024 our focus shifted from strategic planning to execution of growth initiatives and continued investment to deliver on this long-term mission. Notable achieved milestones in 2024 include:

CLOB diversification:

- Buy-side client segment added via acquisition of Cürex (October 2023) and now fully integrated onto LMAX technology
- Launch of private room offering the Price Check protocol: a risk control ensuring that the trade request is within the credit, settlement and other operational limits set by liquidity providers (launched in January 2024)
- Recognised Market Operator (RMO) license from the Monetary Authority of Singapore (MAS) received enabling the Group to offer Non-Deliverable Forward (NDF) trading in Singapore and London (launched in June 2024)
- Addition of FX Swaps via acquisition of FX HedgePool Inc. ("FXHP") (acquired September 2024), a strategic investment to build on their expertise in the FX swaps and forwards market, combined with the distribution scale of LMAX Group and its established reputation in spot FX and non-FX asset classes

Market data: Newly formed team focused on commercialising our market data offering and have increased revenues to $8.6m (up 34% YoY), with an execution roadmap in place to drive future growth, including acquiring non-trading clients.

Broker expansion: Across 2024 we acquired 20.8% of the ordinary share capital of Black Bull Global Ltd ("Black Bull"), a New Zealand headquartered regulated FX broker experiencing fast growth in Asia-Pacific and LATAM.

This has helped us form a strong strategic partnership, which has enabled LMAX Global to strengthen its proposition and broaden its geographical footprint.

TradFi/blockchain proliferation: Proof of concept stage for our 24x7 tokenised asset exchange that brings together the best of distributed and centralised exchanges, eliminating credit risk and allowing for instantaneous settlement and ownership transfer.

Financial highlights

The Group delivered exceptional results in 2024, supported by execution of our strategy to expand and diversify by product, geography, and client segment, aided by a buoyant crypto market at the start and end to the year.

$190m Net revenues **up 163% YoY** from prior year, with growth achieved across all products and brands

LMAX Exchange

$17.6m, up from $9.5m in 2023, material growth in commissions, with the addition of Buy-side segment, along with improved market data income

LMAX Global

$86.4m, up from $38.7m in 2023, higher revenue generation through geographical and product expansion as well as enhanced partnerships. This helped achieve growth in client assets and trading, resulting in a large increase in revenue earned from client trading and return on assets

LMAX Digital

$20.5m, up from $11.8m in 2023, some sporadic market volatility led to increased trading activity in early 2024 on the back of the approval of spot BTC ETF's and then again in late 2024 on the US presidential election result

Other

$65.5m, up from $12.3m in 2023 due to realised gains from the sale of crypto asset inventory and a share in profits from associates

$89m Costs

up from **$58m** in 2023 largely due to higher bonuses paid on the back of a record 2024 and additional resource from acquisitions and also organically to aid the development of new products and to support new jurisdictions

$101m EBITDA

up from **$14m** in 2023. We continue to grow earnings and cash generation, which allows us to invest in the business to drive future growth and evaluate other uses of capital, including acquisitions

LMAX Exchange

All-time high annual volumes of $4.9tn in 2024, 8.9% higher YoY (2023: $4.5tn) were a result of a strong focus on expanded new product and connectivity offerings to continue to increase our overall relevance to our clients. This continues to help create a more sustainable and diversified ecosystem across clients, as well as products and protocols, to better support long-term growth. The global downward trend on CLOB volumes continues in FX, as bilateral and bespoke liquidity solution volumes continue to benefit. Understanding the needs of our clients, all key market participants, is key to both the development of our product offering and the evolution of the FX market.

The business continues to invest in product and trading functionality, along with its global sales coverage across the client spectrum. The Group's successful 2023 acquisition of the FX business of Cürex, a New York City-based institutional foreign exchange execution services and data analytics company focused on asset managers and corporates, culminated at the end of 2024 with the successful migration of all clients across to LMAX Exchange, which will be key in terms of increasing the overall product offering, such as NDFs and Swaps, to this key client segment.

Following this acquisition, along with FXHP in October 2024, augmented with the launch of organic diversification initiatives (NDFs, Price Check), LMAX Exchange is now in the process of consolidating new capabilities into a complete FX offering and developing client-focused solutions. The business will continue to diversify its institutional offering in 2025, by adding new products on the CLOB, expanding its client base and adding functionality to its exchange venues.

LMAX Exchange has achieved impressive volume and revenue growth over a number of years by staying true to its founding principles of offering client's transparent fair execution within a trusted and regulated trading environment taking place on robust, scalable ultra-low latency technology.

The business has invested heavily in product and client diversification, both organically and via strategic acquisitions and will seek to maximise cross-sell opportunities to its existing client base, as well as continuing to onboard new clients to grow volumes and revenue.

We expect success to continue in 2025 and beyond, helped by the growth strategies listed below.

- Obtain a greater share of existing bank and liquidity provider volumes through expanded product suite
- Continue to refine market data strategy and product offering to improve client experience and better monetize
- Continue to enhance the liquidity provision and participation through client diversification, and regional coverage

LMAX Global

We continue to grow our regulated institutional brokerage businesses by supporting the evolving needs of our clients. Across 2024, we held an average of $341m of trading funds for our clients, up 55% YoY, helping to generate net commission and funding revenue of $40m, 48% higher than 2023. Improved performance was due to strong client acquisition, especially in LATAM and MENA, development of key strategic partnerships, and high demand for gold and crypto derivatives.

The business is well positioned to deliver on its strategy, which will ultimately drive the expansion of the business to become one of the top institutional brokers.

Strategic goals

- Maintain a quality round-the-clock service to customers with a global client and partnership support team
- Extend our global sales presence to new and emerging markets
- Attract, develop, and retain the best people with internal and external education
- Expand the multi-asset offering by diversifying the product suite
- Deliver an unparalleled B2B liquidity service
- Client protection and transparency: Regulators safeguard clients' interests, ensure fair treatment, and protect market integrity. We value our relationship with regulators and their insights on upcoming changes

LMAX Digital

2024 marked a turning point for the digital asset industry, as crypto finance stepped firmly into the mainstream. The launch of spot Bitcoin ETF's ignited a new era of institutional participation, while key technical upgrades across major blockchains accelerated scalability and efficiency. Narratives around real-world asset (RWA) tokenization gained significant momentum, driving innovation across DeFi and beyond. Bitcoin reasserted its dominance, climbing from $42k at the start of 2024 to over $100k. Ethereum solidified its position as the backbone of DeFi and Layer 2 scaling, while Solana staged a powerful resurgence as a credible alternative Layer 1.

Since the new US administration took office in 2025, we are seeing renewed optimism for digital assets and shared belief of upcoming regulatory clarity and reforms that will drive growth in mainstream adoption and institutional participation. The US government is putting the building blocks in place for a robust US regulatory framework and some of the largest roadblocks have been removed, notably, the repeal of SAB121 and a new team at the SEC. A more proactive and collaborative position has been adopted.

LMAX Digital achieved strong volume and revenue growth in 2024, with volumes of $196bn, up $62bn (45%) YoY and net revenues of $20.5m, up $8.9m (80%) YoY, driven by the favorable market conditions.

With a focus on client protection, in addition to the DLT (Distributed Ledger Technology) license held with the Gibraltar Financial Services Commission (GFSC), LMAX Digital Group Limited is seeking increased regulation of the business and has applied for 2 additional licenses to operate in new regions:

- **Singapore:** a Digital Payment Token (DPT) license with Monetary Authority of Singapore (MAS); approval expected imminently
- **The Netherlands:** Crypto Asset Service Provider ("CASP") registration with The Dutch Authority for the Financial Markets (AFM), in preparation to operate LMAX Digital Group under MiCAR (Markets in Crypto-Assets Regulation) in the EU

The strategy for the business in 2025 and beyond is to consolidate our market positioning for institutional counterparties in the digital assets industry by:

- Building infrastructure capabilities and pursuing regulatory licenses in top tier jurisdictions
- Developing opportunities and TradFi partnerships to commercialise the Group's blockchain capabilities
- Client diversification and efforts continue to strengthen the client base with optimisation of sales coverage and client support

As the institutional narrative shifts towards 'blockchain, not crypto,' LMAX Exchange Group Limited is well positioned to commercialise our unique blend of TradFi and Blockchain capabilities and develop the premier cross-asset marketplace.

Future outlook

LMAX Exchange Group Limited will continue its history of building complementary business lines through successful optionality with strong strategic positioning to build the future cross-asset marketplace. The Group was brave to invest throughout 2022 and 2023, despite challenging conditions. 2024 reaped the benefit from those investments.

2025 will be a consolidation year for the Group, aiming to deliver a more complete, integrated offering across FX and Digital Assets to all our clients:

- Exchange: consolidation of new capabilities (Buy-side distribution, FX Swaps, NDFs and client-focused solutions)
- Global: global expansion and delivery of broker specific solutions for FX & digital assets
- Digital: future proofing our leading position in the industry by strengthening brand visibility, pursuing regulatory licenses in top tier jurisdictions and further investing in infrastructure capabilities (Custody, Perpetual Swaps and Tokenisation)

These are exciting times for LMAX Group, with an opportunity to both disrupt and scale with our unique positioning of Regulation, Technology and Distribution.

We are confident that the core business will continue to perform in the years ahead through organic growth via product and segment geographic distribution extensions, delivering tangible value for shareholders. Stakeholders are urged to focus on strategic initiatives outside of BAU which could be transformational for the Group and wider capital markets.

We expect that further extensions will be added via Swaps, ECN, deepening relationships with the buy-side segment, tokenisation and digital treasury. We will continue to reinvest reserves to grow the business and we are extremely motivated to push the boundaries and achieve greater success in the years ahead.

On behalf of the Board,

David Mercer, Director

10 July 2025
Yellow Building, 1A Nicholas Road, London, W11 4AN,
Company Registered Number: 125453

RISK MANAGEMENT

Overview

Effective risk management is central to the long-term sustainability and success of the Group and to the resilience of our operations. The Group employs a robust framework that identifies, assesses, and mitigates risks across the business units. The emphasis on risk management within the Group is to support a sustainable business model with the capacity to manage all the risks it faces, and to be able to continue to offer its services under sustained financial market volatility and stressed conditions.

The Group operates in a dynamic and highly competitive environment, navigating risks associated with markets conditions and its competitive standing. The Group's revenue in any given period is primarily influenced by commission, trading revenue, and funding income. This is driven by market volatility, with a direct trade-off between trading activity and funding income. In periods of high volatility, such as the Federal Reserve's monetary policy shift, or the 2024 US presidential election, trading volumes and commission tend to increase, with investors reducing their exposure overnight. Conversely, when volatility subsides, trading activity slows but investor exposure increases, leading to higher funding income. By maintaining a diversified revenue stream the Group reduces exposure to sudden market shifts, through disciplined oversight and continuous refinement of risk mitigation strategies, the Group strengthens its resilience and ensures financial stability in an evolving landscape.

Risk Governance

The Group maintains a robust risk governance structure to ensure resilience and financial stability. The Board of Directors oversees risk management, supported by the Risk Committee and executive leadership. They are responsible for:

- Setting risk appetite and tolerance levels.
- Monitoring emerging risks and stay informed on regulatory developments.
- Ensuring compliance with global risk management standards.

This is underpinned by a Risk Management Framework designed to systematically identify, measure, mitigate and monitor risks across all business functions, supported with integrated policies such as, Group Enterprise Risk Management Policy, Group Risk Enterprise Risk Management Framework, and Group Risk Appetite Policy. By embedding risk management into corporate strategy, the Group proactively strengthens operational resilience, and safeguards stakeholder interest against uncertainties.

Key Risks

The Group manages a range of risks that can affect profitability, liquidity, and operational integrity. These risks must be continuously assessed, mitigated, and monitored to ensure resilience across all market conditions.

Financial Risk

Financial risks directly affect revenue, profitability, and the Group's ability to meet financial obligations.

Capital and Liquidity Risk

The Group takes a proactive approach to managing capital adequacy risk across regulated entities, ensuring compliance with regulatory standards through comprehensive reporting, ongoing internal monitoring, capital forecasting and liquidity stress testing. This framework enables the Group to maintain sufficient capital reserves to meet regulatory requirements for each regulated entity and is underpinned by capital and liquidity policies. Regulatory capital resources are assessed as a measure of equity, adjusted for goodwill, intangible assets, unaudited profits and deferred tax assets, ensuring a robust financial position. Regulated entities within the Group are required to manage their liquidity and capital risk on a standalone basis and liquidity requirements must be met by the entities' own liquidity resources, excluding segregated client money. The Group also proactively manages capital and liquidity risk aggregated across all entities to ensure that it has sufficient liquidity to meet its financial liabilities under normal and stressed circumstances. Throughout the year ended 31 December 2024, all regulated entities of the Group met all regulatory capital requirements and, where needed, there were capital injections to mitigate against the risk of falling below the capital requirement.

Credit Risk

Credit risk is an inherent part of the Group's business activities, arising when counterparties fail to meet their financial obligations. The Group faces credit risk primarily through two sources: client defaults and banking counterparty defaults. Effective credit risk management is critical to balance revenue opportunities with prudential risk controls.

The Group entities offer leverage trading to their clients, either in the form of margin or credit, allowing clients to trade and hold larger exposure than their capital would otherwise permit. This exposes the Group to the risk that clients might default on their obligations due to market volatility, mismanagement and excessive leverage. Credit risk is proactively managed through automated pre-trade risk checks, including enforced margin requirements, real-time margin calculation and notifications, position limits, and automatic liquidation enforced. Where credit lines are offered, a credit assessment is performed to evaluate client trading and settlement behaviour, with client restrictions automatically enforced per settled currency.

The Group reviews and monitors banking counterparty default risk across all business units, employing rigorous counterparty risk assessments on an annual and ad-hoc basis, maintaining diversified banking relationships and daily monitoring of concentration limits across all banking counterparties.

Market Risk

Market risk refers to the potential for financial losses due to adverse movements in interest rates, foreign exchange rates, equity prices, commodity prices, and broader economic conditions.

The Group manages the market risk it faces in providing its services to clients by allowing client trades to offset one another and hedging excess when necessary. Foreign currency risk, arising from the translation and settlement of financial assets and liabilities denominated in multiple currencies, is actively monitored and managed through regular internal reviews, prudent cash management, and targeted hedging when necessary. With respect to digital assets, the Group does not take directional market risk but maintains a limited inventory of major cryptocurrencies to meet LMAX Digital's daily settlement obligations. These holdings are measured in accordance with IFRS 13 fair value principles, ensuring transparent and market-consistent valuation, with liquidity actively monitored and managed on a 24/7 basis.

Business and Strategic Risk

Legal and Regulatory

The Group operates in multiple geographic regions, each governed by distinct and evolving regulatory frameworks that shape the markets in which it operates and the services it provides to clients. The Group welcomes developments aimed at enhancing client outcomes but recognises that such regulatory changes may also introduce complexity or operational challenges for the business or its clients. As a result, the Group remains vigilant and adaptive in addressing regulatory developments and aligning with supervisory expectations.

Operating across several jurisdictions also exposes the Group to legal and compliance risks, including regulatory enforcement, client litigation, cross-border licensing issues, and evolving obligations around conduct, disclosures, data protection, and operational resilience.

The Group maintains robust internal controls to mitigate these risks, supported by governance processes that ensure continued adherence to local and international standards.

LMAX Limited and LMAX Broker Limited are authorised and regulated as Investment Firms by the Financial Conduct Authority, LMAX Broker Europe Limited is authorised and regulated by the Cyprus Securities and Exchange Commission, LMAX PTE Ltd (Singapore) and LMAX Digital Broker (Singapore) PTE.LTD are authorised and regulated by Monetary Authority of Singapore, LMAX New Zealand Limited is registered as a Financial Service Provider by the Financial Markets Authority, LMAX Broker Mauritius Limited is regulated by the Financial Services Commission and LMAX Digital Broker Limited is authorised and regulated by the Gibraltar Financial Services Commission.

Strategic Risk

The global economic climate presents a risk with heightened geopolitical instability and moderate growth and a decline in inflation across most regions, driven by tight monetary policies and easing supply chain disruptions. This backdrop presents challenges to the Group's plans for growth. The Group believes that the mature and diversified customer base combined with multiple revenue streams across all business units provides a strong position to manage and mitigate any adverse impact. The Group is also willing to take risks on new products and business lines to achieve growth targets and drive sustainable profitability over the long term.

Reputational Risk

Reputational risk arises from negative perceptions among key stakeholders, including clients, counterparties, shareholders, investors, debtholders, regulators and other relevant parties, which can adversely impact the Group's ability to maintain existing relationships, attract new business, or secure access to funding.

A deterioration in reputation can stem from operational failures, regulatory non-compliance, poor customer experiences, ethical concerns, or adverse market events, potentially leading to financial and strategic setbacks. The Group has a zero-tolerance approach to reputational risk and keeps a regular watching brief for reputational issues, additionally the Group undertakes to:

- Offer services only to appropriate clients.
- Only accept clients from jurisdictions where the Group knows it is legal to do so.

Operational Risk

Operational Risk refers to the potential for financial loss or disruption arising from inadequate or failed internal processes, human error, system failures or external events. The Group is exposed to various operational risks, including IT & cybersecurity threats, third-party dependencies, and process inefficiencies caused by human error. Additionally, external factors such as global pandemics, geopolitical instability, and armed conflicts pose challenges to operational resilience.

To mitigate these risks, the Group maintains a comprehensive operational risk framework, which includes regular assessments of core risks, emerging threats, and control mechanisms. Preventative measures, including robust cybersecurity protocols, third-party risk management, and annual business continuity planning, are integrated across all business functions. Recovery strategies are subject to regular review to ensure operational stability and minimize the impact of unforeseen disruptions, reinforcing the Groups commitment to financial and operational integrity.

Information Technology and Cybersecurity Risk

The Group operates multiple online businesses, making the integrity and operational resilience of its IT systems critical to its continued performance. Ensuring robust cybersecurity measures is essential to safeguarding the Group's systems against hackers, email-based threats, cyberattacks, and other forms of cybercrime. Any lapse in these protections could significantly impact on the Group's reputation and financial results.

To mitigate such risks, the Group conducts annual third-party security assessments across internal and external-facing systems and applications, identifying vulnerabilities and enhancing its defenses against evolving cyber threats. In recognition of its commitment to information security, the Group successfully renewed its ISO 27001:2022 certification for 2024. This certification, issued by a UKAS-accredited audit body and assessed for compliance every six months, confirms that the Group has implemented and maintains a comprehensive Management System (IMS). It demonstrates the Group's ability to systematically identify, assess, and manage information security risks, thereby ensuring the confidentiality, integrity, and availability of sensitive data in line with internationally recognised best practices.

Additionally, the internal control team continues to develop, test, and maintain key security controls, ensuring continuous monitoring and support for regulatory compliance and risk management initiatives. Through this structured approach the Group reinforces its commitment to cybersecurity resilience and operational integrity.

Vendors and Suppliers Risk

The Group relies on a network of vendors, suppliers and third-party service providers to support operational efficiency, technology infrastructure, regulatory compliance and business support. However, outsourcing functions introduces vendor and supplier risk, which can impact financial stability, business continuity, and reputational integrity.

To manage vendor risk, the Group has implemented a comprehensive risk assessment framework, including due diligence and vendor selection, contractual safeguards, cybersecurity and data protection policies and diversification and contingency planning. By integrating robust vendor risk management practices within the Group's overall risk framework, the organisation strengthens operational resilience, ensures regulatory compliance, and protects its financial integrity in a competitive market environment.

Conduct Risk

Conduct risk is the risk of potential misconduct by the company, its subsidiaries or its employees that may lead to customer detriment or that has an adverse effect on the integrity and stability of the financial markets or effective competition. The Group is committed to fostering a strong ethical culture, ensuring that all business practices align with industry regulations and uphold fair, transparent and responsible conduct.

The Group has in place conduct risk training for all employees, operates a mandatory Code of Conduct policy, complaint-handling protocols, and whistleblowing mechanisms further reinforce the commitment to ethical business conduct and regulatory compliance. By embedding conduct risk management within the operational framework, the Group strengthens trust with stakeholders, enhances regulatory confidence, and safeguards long-term financial integrity.

Environmental and Climate Risk

The Group has identified that strong Environmental, Social, and Governance (ESG) commitments are critical to advancing our business vision, strengthening the employee value proposition, and contributing to the long-term success of our brand portfolio. We proactively monitor and comply with climate regulations, reflecting our corporate culture of innovation and fairness through transparency.

As part of this commitment, the Group has maintained its ISO 14001:2015 certification, an internationally recognised standard for environmental

management systems (EMS). Achieving and upholding this standard requires a structured approach to environmental management, including strong leadership commitment, integration of environmental considerations into strategic planning, effective risk and opportunity management, operational controls to minimise environmental impact, and fostering awareness and engagement across all levels of the Group.

In recognition of the environmental and climate impact associated with cryptocurrencies, particularly their energy-intensive nature, the Group is taking proactive steps to mitigate these effects. The Group conducts annual assessments of its environmental impact across all scopes and has committed to reducing greenhouse gas emissions across both its operations and supply chain by a minimum of 5% year on year, in alignment with the Science Based Targets initiative (SBTi). As part of this commitment, we have opted to partner with data centres that operate on 100% renewable energy and have built a roadmap to assess a range of metrics associated with blockchain technologies to better understand their environmental implications. These efforts help shape and align our sustainability strategy, ensuring that digital innovation supports our broader environmental objectives. An annual Corporate Sustainability Report is published to reinforce our commitment to transparency and continuous improvement.

Physical Risks

Increased frequency and severity of extreme weather events such as floods and storms could disrupt operations, data centres, and supply chains. This can lead to service interruptions, increased operational costs, and potential loss of revenue. Gradual changes in climate patterns can impact energy consumption and costs, particularly for cooling systems in data centres which can lead to an increase in operational expense.

Transition Risks

New climate policies can lead to higher compliance costs and operational overhead, such as the proposed carbon tax policy and new mandatory reporting requirements. Shifts in market preferences towards more sustainable and climate-conscious financial products may require significant adaptation in business strategies and offerings, leading to reduced market share and less competitive positioning.

Reputational Risks

Failure to uphold sustainable practices amid rising climate awareness can negatively impact on the Group's reputation, potentially impacting stakeholder trust and market perception.

Crypto asset regulation risk overview

The evolving global regulatory landscape for crypto assets is reshaping the operational strategies of LMAX Exchange Group, particularly as we expand our institutional client offerings. With the Markets in Crypto-Assets Regulation (MiCAR) now largely applicable across the EU, LMAX Digital B.V. is applying for a CASP license, a direct response to the harmonized regulatory frameworks and passporting rights within Europe. This move ensures we can continue to serve our European institutional clients under a robust, stringent, regime that includes comprehensive requirements for custody, exchange operations and AML/CFT compliance and complements our existing Gibraltar DLT license.

Beyond Europe, the Group's expansion into Singapore to pursue a DPT license reflects a broader trend of regulatory clarity emerging in key global financial hubs. This geographical diversification is a proactive measure to mitigate jurisdictional risks and access new growth markets, acknowledging the diverse nature of crypto regulation worldwide. Navigating the specific requirements for each jurisdiction including capital adequacy, robust cybersecurity, and enhanced transaction monitoring, presents operational complexities. However, this strategic adaptation, driven by the global focus on investor protection, financial stability, and combating illicit finance, is imperative for ensuring the Group's sustained institutional adoption and maintaining its competitive edge in the rapidly maturing crypto asset environment.

DIRECTORS' REPORT

Directors

The directors who held office during the year and at the date of this report are as follows:

David Mercer (Chief Executive Officer)	**Grant Pomeroy**
Edmond Warner (Chairman of the Board)	**Peter Yordán**
Edward Wray	**Thierry Porte**

The above list of directors is correct and up to date. There were no resignations during the year.

Corporate governance

LMAX Exchange Group Limited recognises that its overall structure is subject to the direction of its shareholders, who are responsible for appointing Directors to the Board and authorising the Directors to delegate any of their powers or discretions.

The Board of Directors is responsible for agreeing to the Group's strategy and for monitoring progress with the execution of the firm's strategy against agreed targets. The Board has overall responsibility for promoting the long-term sustainable success of the Group for the benefit of its members, providing leadership and direction, including in relation to culture, ethics and values, and ensuring effective engagement with and encouraging participation from shareholders and other stakeholders. The roles of the Chairman and Chief Executive Officer are separate. The Chairman leads the Board and is responsible for its effectiveness and the Chief Executive Officer leads the day-to-day management of the Company and execution of strategy.

Certain governance responsibilities have been delegated by the Board to Committees of the Board, such as the Remuneration Committee and the Audit and Risk Committee, to ensure independent oversight over financial reporting, internal controls, risk management, remuneration. The composition of both the committees during the year and as at the date of this report is as under:

Audit and Risk Committee	Remuneration Committee
Edward Wray	Edward Wray
David Mercer	David Mercer
Edmond Warner	Edmond Warner
Peter Yordan	Thierry Porte

The Chief Executive Officer has delegated authority for:

- The development and execution of strategy
- Leadership and development of the Group and Company's executive management team
- Day-to-day decision-making relating to, and management of, the affairs of the Group and Company
- Delivering financial performance in line with the Group and Company's agreed budget
- Organisational design of the Group and Company's operations
- Client management, marketing and global sales

The CEO is supported by the senior executive management committee, comprising the Finance Director (FD), Chief Operating Officer (COO), Chief Technology Officer (CTO) and other senior executives. The senior executive management committee supports the CEO in the proper performance of his duties, including optimising the execution of the Company's strategy agreed by the Board, and provides advice and support to executive management in the day-to-day operation of the Group. The FD, in the proper performance of his duties, is supported by the Client Money and Assets Committee relating to oversight arrangements and operations in respect of the holding and safeguarding of LMAX Global client money and assets. The COO has delegated authority in respect of trading, operations and business change. The Chief Risk Officer (CRO) leads the Group Risk Management function escalating risks to the Board where appropriate and the Chief Compliance Officer (CCO) establishes an effective compliance framework to maintain ethical conduct and adherence to numerous regulatory regimes.

At LMAX, we prioritise good corporate governance, recognising its crucial role in delivering long-term value. To achieve this, our Finance Director is supported by the Group Company Secretary in driving effective and consistent corporate governance practices across the Board and throughout the Group.

The composition of our subsidiary Boards has been structured to maintain an optimal balance of skills, diversity, experience, and knowledge, considering each subsidiary's unique business and local legal and regulatory requirements.

The structuring has achieved material independence among subsidiary Boards and from the Group, empowering them to define their strategies and decision-making processes with accountability.

Furthermore, our Boards and Committees follow a predetermined annual calendar and agenda, with flexibility to address new items and convene additional meetings as needed. This framework fosters a strong risk governance culture, emphasising the measurement, evaluation, acceptance, and management of risks, including emerging ones, to ensure informed decision making and sustainable growth.

The Finance Director has delegated authority including financial management of the Group, the stewardship of the Group assets, the safeguarding of client money and assets, financial reporting, capital and liquidity risk management and investor relations. Below Board level, the Company operates several executive management committees.

Employees

The Group is committed to promoting and encouraging equal opportunities for all prospective and current employees, actively promoting good employee relations. The aim is to eliminate any conditions, procedures and individual behaviour that can lead to discrimination even where there was no intent to discriminate, with particular regard to race, gender, disability, sexuality, age, religion and belief. Management recognises that employees are key to both its present and future success, placing considerable value on the active involvement of its employees.

In order to maximise the potential of every employee, management support the fundamental belief that there must be considerable investment in training and development, a supportive and progressive working environment and employee contribution and involvement in business matters. Management continued its practice of keeping employees informed on matters affecting them and on various factors affecting the performance of the Group; this was achieved through formal and informal meetings. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

Clients

Our revolutionary, minimalist technology delivers one global marketplace for FX through exchange infrastructure in London, New York, Singapore and Tokyo; ensuring complete transparency, open access and a level playing field for all market participants. All clients of LMAX Exchange Group Limited are members of the exchange and have signed a public rulebook with all members treated equally. LMAX Exchange Group Limited clients include some of the world's largest banks, a number of whom have been members of the Exchange since 2012. We ensure that commitment to our customers is embedded in our culture and strategic initiatives and there is regular dialogue between LMAX Exchange Group Limited and all of its clients. The Group has enhanced its relationship support team across the year in London, New York and Singapore. This enables us to develop our products and services specifically to meet the needs of our global client base. Central to our commitment to our customers is the transparency and quality of our order execution. LMAX Exchange Group Limited is an advocate of no last-look trading and processes 100% of client trades automatically, never re-quoting prices.

Should a better price become available for customers during the dealing process, our innovative price-improvement technology enables customers to receive that better price during trade execution. LMAX Exchange Group services a wide spectrum of clients ranging from Institutional, to direct retail, this covers: Banks, corporates, Principal Trading Firms (PTF), asset managers, hedge funds, Straight-Through Processing (STP) brokers and broker-dealers.

Independent auditors

PricewaterhouseCoopers LLP is the external auditor to the Company and were appointed as the auditors of the Group on 14 May 2018. Pursuant to Article 113(1) of the Jersey Companies Act 1991, the auditors will be deemed to be reappointed and therefore will continue in office.

Disclosure of information to auditors

The directors holding office at the date of approval of the financial statements confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and have taken all the steps that ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Proposed dividend

There were no dividends declared and paid during the current year (2023: nil).

On behalf of the Board,

David Mercer, Director

10 July 2025
Yellow Building, 1A Nicholas Road, London, W11 4AN
Company Registered Number: 125453

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and Consolidated Financial Statements in accordance with applicable Jersey law and International Financial Reporting Standards.

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the directors are responsible for:

- selecting suitable accounting policies and then applying them consistently;
- stating whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- making judgements and accounting estimates that are reasonable and prudent; and
- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for ensuring that the financial statements comply with The Companies (Jersey) Law, 1991 safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the directors are aware, there is no relevant audit information of which the Group's and Company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Group and Company's auditors are aware of that information.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LMAX EXCHANGE GROUP LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, LMAX Exchange Group Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2024 and of the group's profit, the company's loss and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the Annual Report 2024 and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated statement of financial position and the Company statement of financial position as at 31 December 2024; the Consolidated statement of comprehensive income, the Consolidated statement of changes in equity, the Consolidated statement of cash flows, the Company statement of comprehensive income, the Company statement of changes in equity, and the Company statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could 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 responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the requirements of the Companies (Jersey) Law 1991, or corporate tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as corporate tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the incentive

for management to inflate the profitability of the company, through posting manual journal entries to manipulate financial performance or through showing management bias in judgements and assumptions. Audit procedures performed by the engagement team included:

- Performing enquiries with management and those charged with governance regarding any known or suspected instances of non-compliance with laws and regulation and fraud.
- Challenging assumptions and judgements made by management in estimates, including testing the useful economic life of intangible assets.
- Reviewing correspondence with regulatory authorities.
- Using our data analytic tool to identify manual journals with a higher inherent risk of fraud and obtaining appropriate audit evidence to support these journals.
- Incorporating unpredictability into the nature, timing and/or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies (Jersey) Law 1991 exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Mike Wallace

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors London
11 July 2025

CONSOLIDATED STATEMENTS

Consolidated statement of comprehensive income

For the year ended	Note	2024	2023
		£'000	£'000
Revenue	2.1	149,356	62,194
Interest revenue		7,966	5,597
Cost of sales	2.2	(8,627)	(9,647)
Gross profit		148,695	58,144
Administrative expenses	2.3	(89,124)	(61,681)
Reversal of impairment	5	-	12,637
Operating profit		59,571	9,100
Finance expense	2.8	(6,279)	(2,578)
Share of profit of associate	4	2,386	30
Profit before tax		55,678	6,552
Taxation	3	922	719
Profit for the year		56,600	7,271
Other comprehensive income / (expense)			
Exchange differences on translation of assets and liabilities		16	(308)
Total comprehensive income for the year		56,616	6,963
Total comprehensive income attributable to:			
Equity holders of the parent		56,616	6,963

The results shown above are derived wholly from continuing operations. The accompanying notes are an integral part of these financial statements.

Consolidated statement of financial position

For the year ended	Note	2024	2023
Non-current assets		**£'000**	**£'000**
Investment in associates	4	15,712	1,825
Intangible assets	5	35,010	31,138
Property, plant and equipment	6	13,897	15,665
Goodwill	15	30,044	12,429
Trade and other receivables	7	380	552
Deferred tax assets	3.1	2,516	757
Current assets			
Cash and cash equivalents	10	106,484	61,066
Inventories	8	364,955	183,456
Trade and other receivables	7	108,861	67,928
Investments	9	546	-
Current tax assets		4,145	4,762
Total assets		682,550	379,578

For the year ended	Note	2024	2023
Non-current liabilities		**£'000**	**£'000**
Trade and other payables	11	(20,084)	(32,068)
Deferred tax liabilities	3.1	(4,203)	(3,582)
Current liabilities			
Trade and other payables	11	(543,723)	(285,629)
Current tax liabilities		(6)	-
Total liabilities		(568,016)	(321,279)
Net assets		114,534	58,299
Equity			
Share capital	14	778	778
Preference share capital	14	333	333
Share premium		74,433	74,433
Reorganisation reserve	19	(68,615)	(68,615)
Other equity		84	24
Foreign currency translation reserve		(262)	(278)
Retained earnings		107,783	51,624
Equity attributable to equity holders of the parent		114,534	58,299
Total equity		114,534	58,299

The accompanying notes are an integral part of these financial statements. These consolidated financial statements on pages 31-71 were approved by the Board on 10 July 2025 and were signed on behalf of the Board by:

David Mercer, Director
10 July 2025, Yellow Building, 1A Nicholas Road, London, W11 4AN
Company Registered Number: 125453

Consolidated statement of changes in equity

	Share capital	Preference share capital	Share premium	Foreign currency translation reserve	Reorganisation reserve	Other equity	Retained earnings	Equity attributable to equity holder of the parent	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
For the year ended 31 December 2024									
Balance at 1 January 2024	778	333	74,433	(278)	(68,615)	24	51,624	58,299	58,299
Profit for the year	-	-	-	-	-	-	56,600	56,600	56,600
Other comprehensive income	-	-	-	16	-	-	-	16	16
Total comprehensive income	-	-	-	16	-	-	56,600	56,616	56,616
Sale/(Buy- back) for share based payments*	-	-	-	-	-	60	(441)	(381)	(381)
Balance at 31 December 2024	778	333	74,433	(262)	(68,615)	84	107,783	114,534	114,534

There were no dividends proposed or paid during the current year (2023: nil).

	Share capital	Preference share capital	Share premium	Foreign currency translation reserve	Reorganisation reserve	Other equity	Retained earnings	Equity attributable to equity holder of the parent	Total equity
For the year ended 31 December 2023									
Balance at 1 January 2023	778	333	74,433	30	(68,615)	248	44,353	51,560	51,560
Profit for the year	-	-	-	-	-	-	7,271	7,271	7,271
Other comprehensive income	-	-	-	(308)	-	-	-	(308)	(308)
Total comprehensive income	-	-	-	(308)	-	-	7,271	6,963	6,963
Bought back for share based payments*	-	-	-	-	-	(224)	-	(224)	(224)
Balance at 31 December 2023	778	333	74,433	(278)	(68,615)	24	51,624	58,299	58,299

*Sale of shares by the Employee Benefit Trust to employees. Equity buy-back are shares bought back by Employee Benefit Trust from the departing employees.

Consolidated statement of cash flows

For the year ended	Note	2024	2023
		£'000	£'000
Operating profit		59,571	9,100
Adjustments for:			
Depreciation	6	5,782	4,556
Disposal of PPE	6	21	-
Amortisation	5	7,358	5,317
Reversal of impairment	5	-	(12,637)
Unrealised gain on digital assets	2.1	(2,138)	(716)
Realised gain on disposal of digital assets	2.1	(51,157)	(8,882)
Decrease/(Increase) in trade and other receivables		(40,746)	960
Decrease/(Increase) in inventories		(181,499)	(111,054)
Increase/(Decrease) in trade and other payables		258,807	(21,576)
Tax refund/(paid)		(65)	(1,029)
Net cash to be generated from / (used in) operating activities		55,935	(137,881)
Cash flows from investing activities			
Acquisition of property, plant and equipment	6	(4,035)	(9,159)
Acquisition of intangibles and capitalised expenses	5	(18,125)	(11,747)
Acquisition of trading assets of Cürex		-	(11,778)
FX HedgePool share purchase	16	(17,352)	-
Investment in associates	4	(13,470)	-
Dividends received from associates	4	1,969	-
Investment in funds held at fair value	9	(393)	-
Proceeds from sale of digital assets		59,834	10,459
Net cash generated from / (used in) investing activities		8,428	(22,225)

Consolidated statement of cash flows cash flows (continued)

For the year ended	Note	2024	2023
		£'000	£'000
Cash flows from financing activities			
Repayment of borrowings		(11,309)	(11,557)
Principal portion of lease liability	12	(1,596)	(1,095)
Finance expense		(2,436)	(2,578)
Shares buy back		(381)	(224)
Net cash used in financing activities		(15,722)	(15,454)
Net increase in cash and cash equivalents		48,641	(175,560)
Cash and cash equivalents at beginning of year		61,066	236,934
Effect of exchange rate fluctuations on cash held		(3,222)	(308)
Cash and cash equivalents at end of year		106,484	61,066

The accompanying notes are an integral part of these financial statements.
Operating cashflow includes interest revenue received of £8.0m (2023: £5.6m).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Accounting policies

The financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and International Financial Reporting Standards Interpretations Committee (IFRS IC) in conformity with the requirements of the Companies Jersey Law (1991).

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Going concern

The Directors have considered all available information about the future events when considering the Group's going concern. The Directors have reviewed profit and cash flow forecasts for 12 months following the date of the signing of these financial statements. These forecasts consider future expected revenues, costs, liquidity, and statutory capital requirements of the subsidiaries.

Group net revenues have increased at a CAGR of 26% over the past 9 years. The strategic investments and product development that the group has made in recent years will enable that growth to continue. EBITDA margin is also forecast to increase, as the cost base of the business is largely fixed, and there is no plan or requirement to materially increase this to achieve our revenue targets.

The Directors are extremely optimistic of the Group's growth prospects and the opportunity to both disrupt and scale with our unique positioning of Regulation, Technology and Distribution.

There is a confidence that the core business will see organic growth via product and segment geographic distribution extensions, delivering tangible value for shareholders.

Stakeholders are urged to focus on strategic initiatives outside of BAU which could be transformational for the Group and wider capital markets. We expect that further extensions will be added via Swaps, ECN, deepening relationships with the buy-side segment, tokenisation and digital treasury.

LMAX Group achieved £57m profit in 2024, whilst cash and cash equivalents increased by £45m to £106m. The Directors believe the Group has sufficient financial resources to deliver on its future targets. As at the period end the Group had £28.1m (2023: £39.5m) of subordinated loan and in the event of a prolonged macroeconomic downturn, it would look to raise additional debt or equity. Furthermore, the Directors would consider the need to reduce non-essential operating costs i.e., product development, marketing spend, travel and entertainment, without jeopardizing the core activities of the Group.

In addition, the regulated entities of the Group undertake an annual Internal Capital Adequacy and Risk Assessment ("ICARA") or Financial and non-Financial Resource Assessment ("FNRA") through which they assess the capital requirements, including the application of a series of stress-testing scenarios to the entity's base financial projections. Outcomes of the ICARA and FNRA are reviewed by the respective Boards annually.

Consequently, the Directors believe that the Group is well placed to manage its business risks successfully and has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Basis of preparation

The Group financial statements have been prepared under the historical cost modified by, for example, revaluation of financial assets and financial liabilities held at fair value through profit and loss (as applicable).

Critical accounting estimates and judgements

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the application of policies, assets and liabilities, and revenues and expenses. Estimates and judgements are continually evaluated.

They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Actual results may differ from those estimates.

Any revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgement made by management in the application of the accounting standards that have the most significant effect on the financial statements and major sources of estimation uncertainty are disclosed where applicable.

The areas involving significant estimates are;

- **Impairment of goodwill**: This relates to acquisition of Cürex. The Group tests goodwill for impairment annually, or more frequently if there is an indication that it may be impaired. The recoverable amount of each group of CGUs is generally determined on the basis of value-in-use calculations, which require the use of cash flow projections based on financial budgets, looking forward up to three years.

  Management determines budgeted profit margin based on past performance and its expectations for the market's development. Cash flows are extrapolated using estimated growth rates beyond a three-year period. The discount rates used reflect the current market assessments of the time value of money and the specific risks associated with the FX exchange market.

The significant judgements include:

- **Accounting for FAR venues:** these are digital assets held in third party wallets to which LMAX Exchange Group Limited does not have direct control. They are held in a pool of digital tokens not segregated by clients. When LMAX's digital assets are transferred to these venues, the digital assets are derecognised from LMAX and a "Right-to-Receive digital assets" is recognised and measured at fair value.
- **Custodian arrangement:** this is where the third party holds the digital assets in a dedicated address on behalf of the Company, with LMAX Exchange Group Limited retaining control of these assets. These are accounted for same as digital assets held in LMAX Exchange Group Limited own digital wallet as Inventory.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2024. The accounting policies of the Company and its subsidiaries are consistent with each other. All intra-group transactions, balances, income and expenses are eliminated on consolidation. Subsidiaries with reporting currencies different to British Pound are converted using the following rates:

- Non-current assets that are monetary items are stated using the rate of exchange as at the year-end date with non-monetary items translated using the exchange rate at the time of recognition

- Current assets and all liabilities are translated using the rate of exchange as at the year-end date
- Items of income and expense are translated at transaction rate for the accounting period

Gains or losses recognised from translation are included in the Statement of Comprehensive Income or in the currency translation reserve. LMAX Exchange Group Limited's subsidiaries have exercised relief under IFRS 10 - Paragraph 4 whereby an intermediate parent need not present consolidated financial statements as the ultimate parent, LMAX Exchange Group Limited produces consolidated financial statements that are available for public use and comply with IFRS.

Intangible assets, amortisation, research and development

Intangible assets include software licenses, developed software, intellectual property rights and some digital assets. Purchased software licenses are capitalised on the basis of the costs incurred to acquire and bring them into use.

The costs are amortised over their estimated useful economic life or the life of the software license contract which is three to five years. Intellectual property acquired is amortised over the three years on a straight-line basis.

The Group undertakes continuous development of its MTF exchange, Custodian solution and mobile application software. The development activity involves planning and designing for the production of new and substantially improved features for the MTF exchange. Labour and expenses directly attributable to new and improved features are capitalised as an intangible asset, to the extent:

- it is technically and commercially feasible and there is an intention to complete and ability to use or sell the asset
- it can be reliability demonstrated that the software would generate future economic benefits
- there are adequate technical, financial and other resources to complete the development and to put it in use
- the expenditure attributable to the development of the intangible asset can be reliably measured

Other development expenditure and research activities are expensed as incurred. The capitalised cost of developed software is amortised over a three-to-five-year period.

The Group's investment in digital assets (PYTH cryptographic tokens) is recognised as intangibles (IAS 38) where such asset is separately identifiable albeit with indefinite useful life and is considered to bring probable future economic benefits to the Group.

These digital assets are not held for sale in an ordinary course of business and therefore are not considered as inventory. The intangible asset is initially recorded at cost and subsequently measured at cost less any impairment losses. In the instance that these digital assets are to be sold, they are first transferred to inventory, see policy on inventory- digital assets below.

Goodwill

Goodwill is initially measured as the excess of the consideration transferred over the fair values of identifiable net assets. Goodwill is recognised as having an indefinite useful life. If this consideration is lower than the fair values of identifiable net assets acquired, the difference is credited to the Consolidated Income Statement in the year of acquisition.

Goodwill is carried at cost less any accumulated impairment losses, with the carrying value being reviewed for impairment at least annually, and whenever events or changes in circumstances indicate that the carrying value may be impaired. Goodwill is recognised as an asset and is allocated to CGUs by management for purposes of impairment testing.

In accordance with IAS 1, the management determined that the carrying value of the CGU and the headroom between the recoverable amount and carrying value are key considerations in the impairment assessment. Management believes that the assumptions used are appropriate and that there is sufficient headroom under current conditions.

The carrying amount of goodwill allocated to a CGU is taken into account when determining the gain or loss on disposal of a business unit, or of an operation within it.

Property, plant and equipment and depreciation

Assets are stated at historical cost less accumulated depreciation. Depreciation is provided to write off the cost less the estimated residual value of assets by equal instalments over their estimated useful economic lives as follows:

- **Leasehold:** Shorter of the term of the lease or the useful economic life of the asset
- **Right to use office building:** Straight line based on term of lease
- **Computer equipment and software:** 3-5 years straight line
- **Fixtures and fittings:** 5 years straight line or the term of lease

Impairment of intangible and tangible assets including goodwill

The carrying amounts of the Group's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

If any such indication exists (or at least annually for goodwill and intangible assets with indefinite useful life), the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs.

A cash-generating unit ("CGU") is identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The recoverable amount of an asset (or CGU) is the greater of their fair value less cost of disposal and value in use.

In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment.

Investment in associate

An associate is an entity over which an investor has significant influence, i.e. being in the power to participate in the financial and operating policy decisions of the investee. A holding of 20% or more of the voting power directly or through subsidiaries indicates a significant influence. The Company holds 20% shares of the entity "T4B Holding Ltd" and in 2024 the company acquired 20.8% shareholding in Black Bull Global Limited therefore such investments are considered as investment in associate by the Group.

Investments in associate have been accounted for using equity method in accordance with IAS 28. Under the equity method of accounting, the equity investment is initially recorded at cost and adjusted thereafter for the post-acquisition change in the investor's share of net assets of the associate.

Trade and other receivables

Trade and other receivables are measured initially at fair value and subsequently carried at amortised cost using the effective interest rate method. In accordance with IFRS 9, the amortised cost is further adjusted for impairment based on calculating the expected credit losses (ECL) on trade receivables by the simplified approach as permitted under IFRS9, where a fixed provision rate applies depending on the number of days that a trade receivable is outstanding.

Trade and other payables

Trade payable represents balances with counterparties and clients where the combination of cash held on account and the valuation of their trading position results in an amount payable by the Group and such balances are recognised at fair value through the Statement of Comprehensive Income in accordance with IFRS 9.

The client liability in relation to client's digital assets on the LMAX Digital trading platform is also valued at fair value alongside the inventory and thus the gain/loss is recorded in the statement of comprehensive income as this eliminates or significantly reduces an 'accounting mismatch' that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. See inventory note below for further details regarding the Statement of Comprehensive Income presentation.

The other trade and other payables with counterparties are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method. Included within other trade and other payables are liabilities associated with leases and taxation.

Refer to leases and taxation sections for further details regarding the accounting policies.

Inventory - digital assets

Inventory represents digital assets controlled by the Group.

The Group operates a digital assets exchange which provides a trading venue to its clients. It also maintains arrangement with FAR venues, which are third party digital wallets that holds digital tokens on behalf of clients in a pool of digital tokens rather than in dedicated address traceable to the client. These are accounted for as Inventory in the financial statements.

For any digital assets that the Group handles and controls in custody on behalf of its clients, the Group has performed an analysis of the risks and rewards and concluded that these remain with the Group, and therefore the assets and the corresponding client liability are recognised on the Statement of Financial Position. For those assets held under explicit trust arrangement, the Group has performed a risk and rewards analysis and confirmed that these do not sit with the Group and therefore these assets will remain off the Statement of Financial Position.

In the absence of guidance on how digital assets should be recognised and disclosed in accordance with IFRS as issued by the IASB, the Group has recognised those digital assets used for its exchange activities as inventory. This is due to the economic nature which is deemed to be in line with certain commodities under IAS 2.3(b).

Digital assets are measured at fair value less cost to sell. Changes in fair value less cost to sell are recognised in the Statement of Comprehensive Income.

The inventories are valued based on the executed exit prices for digital assets as this is assessed by management to be materially consistent with the valuation at the principal-market for each respective digital asset. Hence, these are categorised as Level 1 according to IFRS 13 – Fair Value hierarchy, which defines Level 1 financial instruments as those with observable inputs that reflect quoted prices (unadjusted) for identical assets and liabilities in active markets. The corresponding client liability for digital assets presented under trade and other payables is also measured at fair value at fair value through the Statement of Comprehensive Income.

The fair value movement of these assets and liabilities through the Statement of Comprehensive Income is presented on a net basis as the two components are interconnected.

In addition to the fair value movement of inventory, the change in inventory holding on the Company's Statement of Financial Position due to client's trading activity, which is deposits and withdrawals of digital assets are also recorded on a net basis through the Statement Of Comprehensive Income. The presentation on a gross basis would inflate the figures and not provide a true and fair representation of the Group's revenue nor provide a meaningful disclosure for the users of the financial statements. Thus, net basis presentation is deemed to be appropriate in reflecting the true nature and substance of the transactions. Certain digital assets (PYTH tokens) are held as intangible assets at cost which is the price paid at original acquisition. See "Intangible assets, amortisation, research and development" for details

Investments: Financial assets fair value through profit and loss

The Groups subscribe to shares in a fund (the "financial assets") which holds a portfolio of publicly traded cryptocurrency tokens. The Group classifies its financial assets based on both the Group's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The financial assets are managed and performance is evaluated on a fair value basis. The Group is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Group has not taken the option to irrevocably designate the financial assets as fair value through other comprehensive income. Consequently, the shares in fund are classified at fair value through profit or loss. Subsequent to initial recognition, the financial assets at fair value through profit or loss are measured at fair value, with both gains and losses directly recognised in the P&L. The fair value is determined using observable market prices.

Cash and cash equivalents

Cash comprises cash in hand and deposits repayable on demand.The Group holds money on behalf of clients in accordance with the client money rules of the UK Financial Conduct Authority and other regulatory bodies.

Such monies are classified as either 'transfer of title funds' or 'segregated client funds' in accordance with the relevant regulatory requirements.

Segregated client funds comprise individual client funds held in segregated client money accounts which hold statutory trust status, restricting the Group's ability to control the monies. These monies are not recognised on the balance sheet. The return received on managing segregated client funds is included in Finance income.

Title transfer funds are held by the Group under a Title Transfer Collateral Arrangement, by which a client agrees that full ownership of such monies is unconditionally transferred to the Group.

Title transfer funds are included in cash and cash equivalents and Collateral receivables. The corresponding liability for title of transfer funds is included in trade and other payables.

Derivatives

The Group enters into derivative contracts for both hedging and trading purposes. The derivatives are executed over the counter and valued using a combination of external prices and internal valuation techniques. Financial assets and liabilities are recognised when the Company becomes a contractual party to these instruments. In accordance with IFRS 9 these financial assets and liabilities are measured at Fair Value though Profit and Loss (FVTPL). Any transactional cost directly attributable to the acquisition of these financial instruments are also recognised in the profit and loss statement. The valuation techniques and inputs depend on the type of derivative and the nature of the underlying instrument. The principal technique used in fair valuation of these derivatives is mark to market valuation based on the relevant closing prices derived from the LMAX trading platform.

Revenue

Revenue, except for trading revenue and interest revenue, comprises the fair value of consideration received from the provision of services in the ordinary course of the Company's activities in accordance with IFRS 15 "Revenue from Contracts with Customers". Trading Revenue and Interest Revenue are both recognised in accordance with IFRS 9.

The Company recognises revenue when the number of services can be determined and the performance obligation has been satisfied, this leads to the revenue being recognised on the Company providing the services to the client or to the Company's fellow subsidiaries. Revenue is measured as the consideration received from customers for trading commissions, funding revenue and service fee revenue. This is income received from any source other than revenue derived from taxation or by appropriation. Commissions are recognised post trade execution and billed on contractual basis, funding revenue is recognised on the close of trading day and is based on the customer's open positions and service fee revenues are recognised once due from the customers' accounts. Trading revenue comprises of income generated from market making activities settled immediately.

The revenue is recognised on the close of the trading day and represents realised as well as the unrealised profit and loss made on its exposure to price and foreign currency risk in relation to its net trading book position. The Group accepts some residual market risk to facilitate instant execution of client trades but does not take proprietary positions for the purposes of speculative gain. The Group manages the market risk it faces in providing its services to clients by internalising client flow (allowing individual client trades to offset one another) and hedging when the residual exposures reach predefined limits. Trading revenue is accounted for in accordance with IFRS9 "Financial Instruments" and IFRS13 "Fair Value Measurement".

Realised gains resulting from the proceeds from the sale of PYTH tokens held by the group are disclosed as trading revenue.

Unrealised gains or losses comprise market movements on PYTH tokens held by the group. Unrealised gains or losses arising from changes in the fair value of PYTH tokens are recognised in the period in which they arise.

Interest revenue comprises of interest charged to customers on unsettled margins and credit lines. The income is recognised as it accrues, using the effective interest method.

Cost of sales

Commission and any transaction clearing fees paid relating to the customer trades is recorded within the cost of sales. Cost relating to introducing broker fees is recorded in the same period as the underlying trading commission and funding revenue.

Employee and other short-term benefits

The Group operates a defined contribution pension plan under which the fixed contributions are paid to a third-party pension provider and there is no legal or constructive obligation to pay further amounts. Contributions are recognised as an expense in the periods during which services are rendered by employees. Short-term employee benefit obligations (i.e., leave pay) are measured on an undiscounted basis and are expensed as the related service is provided.

Foreign currencies

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in British Pounds ("GBP", "£"), which is LMAX Exchange Group Ltd.'s functional and presentation currency.

Transactions in currencies are recorded using the rate of exchange ruling at transaction date. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the date of the Consolidated Statement of Financial Position. Non-monetary assets and liabilities denominated in foreign currencies are translated using the historic rate of exchange at the date of the transaction. Currency gains and losses are reported on a net basis and are included in the Consolidated Statement of Comprehensive Income.

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. These exchange differences are recognized in Other comprehensive income and accumulated in this reserve until the disposal or partial disposal of the net investment in the foreign operation, at which time they are reclassified to profit or loss.

Leases

The Group as a lessee records its leases in accordance with IFRS16, which eliminates the classification of leases as either operating leases or finance leases and provides a single lease accounting model to recognise the Right to Use assets and lease liabilities for all applicable leases. The Group has adopted practical expedients of exempting leases with a short life (less than 12 months) or low value leases (less than US $5,000). As a result, the key leases to which the full requirement of IFRS 16 have been applied are – Lease of the Office Building, some computer equipment and furniture & fixtures. The lease liability on such leased assets is presented under Trade and Other payables as the present value of future lease payments for the full term of lease. The lease liability is initially measured as the present value of the future lease payments discounted at the rate implicit in the lease (where available) or our incremental cost of borrowing. Generally, we use our deemed incremental cost of borrowing as the discount rate. Following initial recognition, the lease liability is measured using the effective interest method. For Right to Use asset calculation, the Company has elected the transitional option to set "Right to Use asset" equal to the related lease liability.

Finance expense

Finance expense comprises interest charges from financial institutions, suppliers and finance charges on leases. Finance charges are recognised using the effective interest method. There were no borrowing costs that are directly attributable to the acquisition, construction or production of an asset. Finance expenses also include interest charges on loan commitments.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement. Current tax is the expected tax payable or receivable on the taxable profits or losses for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. The deferred tax asset arising from the initial recognition of goodwill shall be recognised as part of the accounting for a business combination to the extent that it is probable that taxable profit will be available against which the deductible temporary difference could be utilized. If the carrying amount of goodwill arising in a business combination is less than its tax base, the difference gives rise to a deferred tax asset. The deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Related party transactions

The Group has procedures to identify and monitor related party transactions. The Group has transacted with all related parties on an arm's length basis.

2. Profit before tax

2.1 Revenue

	2024	2023
	£'000	£'000
Commissions	35,909	25,087
Net Funding revenue	25,049	14,518
Trading revenue	28,382	6,905
Service revenue	6,721	5,116
Realised fair value gains	51,157	9,232
Unrealised fair value gains / (losses)	2,138	1,336
Total revenue	**149,356**	**62,194**

2.2 Cost of Sales

	2024	2023
	£'000	£'000
Clearing and trading fees	2,890	1,728
Introducing broker fees	1,073	974
Expected credit loss	231	249
Other variable costs	4,433	6,696
Total cost of sales	**8,627**	**9,647**

2.3 Administrative expenses

	Note	2024	2023
		£'000	£'000
Total salary expenses*		52,456	33,014
› of which capitalised as development software	5	(16,509)	(11,177)
Social security expenses		6,241	3,607
Other Pension costs		868	746
Depreciation of tangible assets	6	5,782	4,556
Amortisation of intangible assets	5	7,358	5,317
Office consumables and maintenance		13,096	11,924
Legal and Professional		1,680	1,390
Exchange losses		1,383	1,339
Donations	2.5	469	338
Transaction costs		3,211	410
Other costs**		13,089	10,217
Total administrative expenses		**89,124**	**61,681**

* Total salary expenses including all employee expenses e.g. wages, salaries, holiday pay, sick pay, bonus and non-monetary benefit including medical care. There is no post-employment benefit provided to all staff.

** Other costs include travelling and marketing expenditure.

2.4 The average monthly number of persons employed by the Group (including directors) analysed by category is as follows:

	2024	2023
	No.	No.
Corporate and administration	83	65
Product development	106	97
Operations	49	50
Sales and marketing	50	47
Total	**288**	**259**

2.5 Donations

Over the last year, LMAX Exchange Group Limited has continued to grow as we remained focused on our mission of building fairer markets. With that mission central to our corporate strategy, in 2023 we launched our Corporate Sustainability function and have since invested heavily in our social and environmental objectives.

As an organization, LMAX Exchange Group Limited donated £469k (2023: £338k) towards charity partnerships such as Kensington & Chelsea Foundation, The Philippines Reef and Rainforest Conservation Foundation, Tech She Can, Green the UK, Robinhood, Girl Develop IT, and other grassroots charities working to address sustainability challenges such as inequality in the workplace, inequality in access to education and employment, and climate related issues.

In addition to monetary donations the Group has also donated over 658 Hours (82 business days) in volunteering time to our partnered charities allowing us to contribute more than just financial support, such as sharing expertise and co-creating long-term impact. For more information on our environmental social governance strategy and progress please review our Corporate Sustainability Report.

2.6 Directors' emoluments

	2024	2023
	£'000	£'000
Total directors' emoluments included in salary expenses	5,816	3,200
Key management personnel compensation		
Short-term employee benefits	5,804	3,189
Post-employment benefits	12	11
Total	**5,816**	**3,200**

The highest paid director received total emoluments for the year of £4.9m (2023: £2.6m) as a director of the Group. There is no further remuneration to key management personnel to be disclosed in addition to what has currently been included as part of note 2.6.

2.7 Remuneration paid to the auditors is as follows

	2024	2023
	£'000	£'000
Fees payable to the Company's auditors:		
› the audit of the Company's annual financial statements	699	892
› of financial statements of subsidiaries' pursuant to legislation	605	959
› audit related assurance services	668	695
› non-audit related services	374	402
Total	**2,346**	**2,948**

2.8 Finance expense

	Note	2024	2023
		£'000	£'000
Bank interest payable		1	1
Right to receive premium charges		3,959	-
Interest payable on lease liabilities	12	272	234
Interest on loan		2,047	2,344
Total		**6,279**	**2,578**

3. Taxation

	Note	2024	2023
Current tax		**£'000**	**£'000**
Corporation tax charge on profits for the year		1,497	290
UK R&D tax credits		(1,074)	(1,304)
Adjustment in respect of prior periods		38	-
Foreign exchange differences		(81)	-
Total current tax		**380**	**(1.104)**
Deferred tax			
Deferred tax - origination and reversal of timing differences		487	308
Prior year adjustments		(1,857)	(13)
Effect of tax rate changes		68	-
Total deferred tax	**3.1**	**(1,302)**	**295**
Tax per income statement	**3.2**	**(922)**	**(719)**

3.1 The deferred tax charge for the year has been recognised on all timing differences between the carrying value treatment of assets and liabilities and the associated tax allowances. Deferred tax was recorded using the substantively enacted rates of 25% which came into force from 01 April 2023. The deferred tax charge has been a result of:

	2024	2023
Deferred tax liabilities	£'000	£'000
Provision at the start of the year	3,582	2,530
Charge to the profit and loss account	653	1,052
Foreign exchange differences	(32)	-
Total deferred tax liability	4,203	3,582
Deferred tax assets		
Provision at the start of the year	757	-
Reclassification from current to deferred tax	(342)	-
Prior year adjustments	1,416	-
Credit/(Charge) to the profit and loss account	537	757
Foreign exchange differences	147	-
Total deferred tax asset	2,516	757

3.2 The deferred tax assets and liabilities are based in the UK jurisdiction. The current tax charge for the year is higher (2023: lower) than the standard corporation tax in the UK of 25% (2023: 23.25%). The differences are explained below:

Factors affecting total tax charge on the current period	2024	2023
	£'000	£'000
The charge for the year can be reconciled to the profit per the income statement as follows:		
Profit/(loss) before tax	55,678	6,552
At standard rate of corporation tax in the UK of 25% (2023: 23.25%)	13,920	1,523
Effects of:		
Non-taxable income	(16,845)	(1,679)
Enhanced R&D Expenditure	(2,555)	(1,980)
R&D tax credits rate differences	1,611	1,457
Expenses not deductible for tax purposes	3,822	(22)
Prior year adjustments	(1,302)	(13)
Super deduction on fixed assets permanent differences	(4)	(5)
Rate and foreign exchange differences	300	-
Group relief surrendered (claimed)	(106)	-
Other timing and permanent differences	237	-
Tax charge for the year	(922)	(719)

4. Investments in associates

In December 2020, the company acquired 20% shareholding in T4B Holding Limited ("T4B") for €2m (£1.78m).

T4B is a business-to-business (B to B) technology provider focusing on software development for MetaTrader trading platforms. T4B Holding Limited is incorporated in Cyprus as a private limited liability company. The principal place of business is in Cyprus

On 8 August 2024, the company acquired 20% shareholding in BlackBull for £13.1m (N$27.6m). The company acquired on 22 November 2024 an additional 1% shareholding in BlackBull for £0.4m (N$0.8m).

Black Bull is a New Zealand-based company, a multi-regulated, multi-asset broker headquartered in Auckland, New Zealand. BlackBull Markets provides traders with access to over 26,000 tradable instruments, including stocks, forex, CFDs, commodities, cryptocurrencies, and metals.

	2024	2023
	£'000	£'000
Investment at cost	1,825	1,795
Share of profit of equity - accounted investees, net of tax	124	30
Dividend received	(72)	-
Investment in Associate Tools for Broker (T4B)	**1,877**	**1,825**
Investment at cost	13,470	-
Share of profit of equity - accounted investees, net of tax	2,262	-
Dividend received	(1,897)	-
Investment in Associate Martelli MCKEGG Trust account (Black Bull)	**13,835**	**-**
Total investment in associates	**15,712**	**1,825**

5. Intangible asset

	Digital assets investment	Intellectual property	Purchased software	Developed software	Total intangible assets
	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2023	12,637	360	2,062	38,440	53,499
Additions	-	-	864	11,177	12,041
Derecognition of Digital assets	(12,637)	-	-	-	(12,637)
Reversal of Impairment[1]	13,353	-	-	-	13,353
Disposal of Digital assets[2]	(1,871)	-	-	-	(1,871)
Balance at 31 December, 2023	11,482	360	2,926	49,617	64,385
Accumulated amortisation					
Balance at 1 January, 2023	(12,637)	(360)	(1,526)	(26,044)	(40,567)
Amortisation for the year	-	-	(527)	(4,790)	(5,317)
Balance at 31 December, 2023	-	(360)	(2,053)	(30,834)	(33,247)
Cost					
Balance at 1 January, 2024	11,482	360	2,926	49,617	64,385
Additions	-	9	1,607	16,509	18,125
Conversion to inventories	(6,895)	-	-	-	(6,895)
Balance at 31 December, 2024	4,587	369	4,533	66,126	75,615
Accumulated amortisation					
Balance at 1 January, 2024	-	(360)	(2,053)	(30,834)	(33,247)
Amortisation for the year	-	-	(592)	(6,766)	(7,358)
Balance at 31 December, 2024	-	(360)	(2,645)	(37,600)	(40,605)
Carrying value					
at 31 December, 2023	11,482	-	873	18,783	31,138
at 31 December, 2024	**4,587**	**9**	**1,888**	**28,526**	**35,010**

As at 31 December 2023, LMAX held 467,707,466 PYTH tokens of which 250,000,000 are restricted tokens (vested over 6 years from 31 Dec'21). In 2024, 143,733,062 tokens were sold for a total of $75.6m resulting in a realised gain of $62.5m. Additionally, in May 2024, 62,575,000 tokens were unlocked and subsequently 20,000,000 tokens were transferred from intangible assets to inventories at cost. As at 31 December 2024, LMAX held 324,406,904 tokens of which 187,725,000 are restricted tokens (which vested over 6 years from 31 December 2021). The token price at the time was $0.36, therefore no impairment was processed in 2024.

1 The crypto assets were subsequently reminted in Q4 2023, following approval from the FTX administrators. As a result, on 16th November 2023 the Group took custody of 251,170,318 unlocked reminted Pyth tokens, which included 1,170,318 tokens awarded in 2023 for participation in the Pyth Sponsorship Program (PSP). The remaining 250,225,000 restricted tokens (which vest over 6 years from 31 December 2021), which include 225,000 tokens awarded in 2023 Pyth Rewards Program (PRP) were received on 13th December 2023. Following the token launch on 20th November 2023, the PYTH token is now attainable on recognised exchanges, including LMAX Digital Broker Limited. Thus, the impairment recognised in 2022 has been reversed in 2023 as shown above with the assets derecognised at the original cost and the USD17m impairment reversed and converted to £13.4m. The gain on conversion of £0.7m has been posted to administrative expenses. **2** In 2023, post reversal of the digital assets, £1.9m of PYTH token were transferred to a third-party venue to be sold. Gain on the disposal of the digital assets has been recognised within Revenue (note 2.1).

6. Property, plant and equipment

	Right to use office building	Leasehold improvements	Computer requipment	Fixtures, furniture and fittings	Total Property, plant, and equipment
Cost	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2023	6,011	376	14,964	418	21,769
Additions	3,726	3,802	1,511	120	9,159
Disposals	-	-	-	-	-
Balance at 31 December, 2023	9,737	4,178	16,475	538	30,928
Accumulated depreciation					
Balance at 1 January, 2023	(1,992)	(120)	(8,259)	(336)	(10,707)
Depreciation for the year	(1,208)	(285)	(3,037)	(26)	(4,556)
Disposals	-	-	-	-	-
Balance at 31 December, 2023	(3,200)	(405)	(11,296)	(362)	(15,263)
Cost					
Balance at 1 January, 2024	9,737	4,178	16,475	538	30,928
Additions	278	1,017	2,612	128	4,035
Disposals	(790)	-	(243)	(148)	(1,181)
Reclassification	-	79	-	(79)	-
Balance at 31 December, 2024	9,225	5,274	18,844	439	33,782
Accumulated depreciation					
Balance at 1 January, 2024	(3,200)	(405)	(11,296)	(362)	(15,263)
Depreciation for the year	(1,584)	(1,201)	(2,925)	(72)	(5,782)
Disposals	788	-	229	143	1,160
Balance at 31 December, 2024	(3,996)	(1,606)	(13,992)	(291)	(19,885)
Carrying value					
at 31 December, 2023	6,537	3,773	5,179	176	15,665
at 31 December, 2024	5,229	3,668	4,852	148	13,897

7. Trade and other receivables

	Note	2024	2023
		£'000	£'000
Trade debtors	7.1	16,544	4,532
Other debtors	7.2	4,534	5,114
Collateral requirement for trade clearing	7.3	43,133	41,625
Right to receive digital assets	7.4	36,877	7,476
Prepayments and accrued income		8,153	9,733
Total		109,241	68,480
Classification:			
Non-current		380	552
Current		108,861	67,928
Total		109,241	68,480

7.1 The aging of trade receivables at the year-end date is as follows:

	Current	1-30 days past due	31-60 days past due	61-90 days past due	90 days past due or more	Total
31 December, 2024						
Expected loss rate	0.36%	0.40%	0.37%	1.06%	4.77%	0.56%
Gross Carrying amount						
Receivables £'000	1,340	2,444	230	(5)	(1,035)	2,974
Loss allowance	5	10	1	-	(50)	(34)
31 December, 2023						
Expected loss rate	0.17%	0.18%	0.25%	0.78%	3.52%	0.71%
Gross carrying amount						
Receivables £'000	597	1,872	841	634	588	4,532
Loss allowance	1	3	2	5	21	32

As at 31 December 2024, the loss allowance relating to trade receivables was determined as above. The loss rates applied for the year were established based on estimates of average bad debt experience, invoiced sales for the current and preceding years, and the actual write-off of bad debts. The expected credit loss rate has decreased to 0.56% (2023: 0.71%).

7.2 Other debtors have no fixed terms of repayment, are interest free and have no security provided.

7.3 Collateral requirements for trade clearing refer to the assets (cash or securities) posted to a clearing house or counterparty to mitigate the risk of default during the settlement of a trade.

7.4 Represents Right-to-Receive balances held at third party FAR venues.

8. Inventories

	2024	2023
	£'000	£'000
Fair value less cost to sell of digital assets held by the Group	364,955	183,456

The total digital assets balance held by the Group includes £226.6m (2023: £99.9m) held on behalf of clients of LMAX Digital Broker Limited. There were no digital assets held off the balance sheet.

The Group economically hedges majority of its cryptocurrency positions against digital assets CFD's.

9. Investments

	2024	2023
	£'000	£'000
Financial assets at fair value through profit and loss	546	-

On 29 August 2024, the Group subscribed to shares in a fund which holds a portfolio of publicly traded cryptocurrency tokens. The transaction price of the fund was £0.4m (US$0.5m). The shares in the fund will be classified at fair value through profit or loss, with both gains and losses directly recognised in the P&L. Because the constituent coins and tokens of the Fund are quantifiable, the fair value is determined using observable market prices, and the recognition happens based on changes in these prices over the reporting period. The value recognised in the Statement of Financial Position at year end is £0.5m (US$0.7m), with a gain on investments recognised in the Statement of Comprehensive Income of £0.1m (US$0.2m).

10. Cash and cash equivalents

	2024	2023
	£'000	£'000
Cash and cash equivalents	106,484	61,066

Cash and cash equivalents comprise of bank balances held by the Group on a short-term basis with original maturity of three months or less. The carrying amount of these assets approximates their fair value.

The Group holds client funds in segregated client trust bank accounts. The Group does not recognise these bank accounts or the related client liability on the balance sheet. At the end of the year, total funds held in these accounts was £62.9m (2023: £53.9m).

Notes to consolidated financial statements

Movements in net funds is presented below:

	Cash and cash equivalents	Collateral*	Transfer of title funds	Net funds
	£'000	£'000	£'000	£'000
Opening balance at 1 January 2024	61,066	232,557	(257,191)	36,432
Net fund movement	45,418	212,407	(243,561)	14,264
Balance at 31 December, 2024	106,484	444,964	(500,752)	50,696
Opening balance at 1 January 2023	236,934	130,705	(285,868)	81,771
Net fund movement	(175,868)	101,852	28,677	(45,339)
Balance at 31 December 2023	61,066	232,557	(257,191)	36,432

*Collateral balance includes the balances held with the prime brokers and inventories.

11. Trade and other payables

	Note	2024	2023
		£'000	£'000
Transfer of title funds	11.1	500,752	257,191
Loan	11.2	28,093	39,518
Accruals and deferred income	11.3	25,385	10,649
Lease liability	12	5,801	7,088
Trade creditors		2,401	2,055
Taxation and social security		1,375	1,196
Total		563,807	317,697
Classification:			
Non-current		20,084	32,068
Current		543,723	285,629
Total		563,807	317,697

11.1 Title transfer funds are held by the Group under a Title Transfer Collateral Arrangement, by which a client agrees that full ownership of such monies is unconditionally transferred to the Group. These funds would be immediately transferable back to the client on request. No interest is payable to the client for these funds. This balance reflects Group's payable balance to the clients, which includes cash and inventory held on account together with any unrealised gain/loss on open trades.

11.2 The Group has an interest-bearing borrowing of £28.1m (2023: £39.5m). The borrowing reflects £28.1m (2023: £37.0m) of retiree loans from retiring employees and a balance of £2.5m of term loan from an external has been repaid in 2024. (2023: £2.5m). The retiree loans are unsecured with interest charged at 0.75% above SOFR (secured overnight financing rate). The term of the loans are five years, commencing 21 January 2022. The repayments are due on each anniversary of the date of commencement.

11.3 Accruals and deferred income mainly include administrative expenses and employee bonus accruals.

12. Leases

	2024	2023
Right-to-use assets (Office Building and Leasehold improvements)	**£'000**	**£'000**
Balance at 1 January	13,915	6,387
Additions	1,295	7,528
Disposals	(790)	-
Reclassification	79	-
Balance at 31 December	**14,499**	**13,915**
Depreciation charge of right-of-use assets		
Balance at 1 January 2024	(3,605)	(2,112)
Depreciation for the year	(2,784)	(1,493)
Disposal	788	-
Balance at 31 December 2024	(5,601)	(3,605)
Carrying value	**8,898**	**10,310**
Lease liabilities		
Balance at 1 January	7,088	4,464
Additions	304	4,352
Repayments	(1,596)	(1,095)
Foreign exchange	5	-
Accrued interest charges	272	-
Interest expense included in finance expense	(272)	(633)
Balance at 31 December	**5,801**	**7,088**
Undiscounted lease liabilities maturity analysis		
Less than 6 months	779	772
6-12 months	722	849
Between 1 and 2 years	1,630	1,556
Between 2 and 5 years	2,940	4,563
Balance at 31 December	**6,071**	**7,740**

13. Related party transactions

Internal controls are in place to ensure that any related party transactions including directors, or their connected persons are carried out on an arm's length basis and are properly recorded.

Identified related parties

Identified related parties include:

- Directors of the company.
- Directors of subsidiaries. These directors received no fees from their directorships, but were paid salaries for services
- Rendered to the subsidiaries in accordance with their employment contracts (ref to note 2.6 for further details).
- Group companies including subsidiaries listed in note 4 and associates in note 3 to the Company financial statements.

There are no other Key Management Personnel identified other than the Directors. Refer to note 11 of company only accounts for further details on intercompany payables and receivables.

14. Share capital and preference shares

	2024	2023
Authorised, allotted, called up and fully paid	**£'000**	**£'000**
77,769,136 (2023: 77,769,136) Ordinary shares of £0.01 each	778	778
33,329,630 (2023: 33,329,630) Preference shares of £0.01 each	333	333
3,888,457 (2023: Nil) A Ordinary shares of £0.0001 each	-	-
3,888,457 (2023: Nil) B Ordinary shares of £0.0001 each	-	-

Special resolution:

On 02 February 2023 all the members of LMAX Exchange Group Limited (the "Company") passed a special resolution for the amendment of share capital structure to include A and B ordinary shares as stated above. The resolution agreed that the Articles of the Company be deleted in their entirety, and that the new articles of association be adopted, and that paragraph 6 of the Memorandum of Association of the Company be deleted, and the following paragraph be inserted in its place:

The share capital of the Company is £1,111,765.35 divided into:

- 77,769,136 ordinary shares with limited liability of one penny (£0.01) each.
- 33,329,630 preference shares with limited liability of one penny (£0.01) each.
- 3,888,457 A ordinary shares with limited liability of one hundredth of a penny (£0.0001) each.
- 3,888,457 B ordinary shares with limited liability of one hundredth of a penny (£0.0001) each.

15. Goodwill

	2024 £'000	2023 £'000
Acquisition of LMAX Broker Europe Limited	318	318
Acquisition of Cürex	12,137	12,111
Acquisition of FX HedgePool	17,589	-
Total goodwill	**30,044**	**12,429**

The goodwill balances of £0.3m relates to the acquisition of a regulated Cypriot entity, LMAX Broker Europe Limited (formerly known as CB Capital) in July 2019 and £12.1m relates to the acquisition of Cürex in 2023. The goodwill balance of £17.6m relates to the acquisition of FX Hedgepool.

In accordance with the provisions of IFRS 3, the Group's total goodwill balance has been assessed for impairment and there has been no impairment recognised for the year.

The capitalised Goodwill resulting from the Cürex assets acquisition have not been amortised but assessed for impairment which is considered nil for the accounting period ended 31 December 2024.

The inputs management considered in assessing the impairment included the going concern of the acquired entities, synergies of the combined business, the comparison of the carrying value of the goodwill with its recoverable amount and the net present value of future cashflows from the assets to which goodwill have been allocated.

For the purpose of annual impairment testing, goodwill is allocated to the operating segment (LMAX Exchange – NY4 buyside venue) which is expected to directly benefit from the synergies of the business combinations in which the Cürex goodwill arose and is then compared to its recoverable value:

Intangible asset (goodwill):	Carrying value (£m)	Recoverable amount (£m)
LMAX Exchange: NY4 buyside venue (former Cürex)	£12.1m	£13.4m

The recoverable amount for the LMAX Exchange – NY4 buyside venue was determined using value-in-use calculations.These calculations were derived from the broader LMAX Exchange detailed three-year financial forecasts, with a proportionate allocation of associated cash flows in the ratio of NY4 buyside client's commission to reflect contribution within the wider LMAX Exchange operations. This approach ensures that the forecasted performance of buy-side clients (formerly Cürex) is appropriately embedded within the overall LMAX Exchange outlook.

Key management assumptions underpinning the cash flow projections during the 3-year forecast period include stable profit margins (Gross profit compound annual growth rate ("CAGR") 13.52%), derived from reasonable compound annual volume growth rates (CAGR 14.6%) and sustainable pricing assumptions aligned with historical performance and the company's strategic objectives. Following the forecast period, cash flows were extrapolated over the remaining useful life using a terminal growth rate of 3%, deemed appropriate by management based on prevailing industry standards. The present value of these cash flows was calculated using a prudent discount rate of 10%—derived based on weighted average cost of capital (WACC - 6.25%) and a management buffer (3.75%) to adjust for additional risks associated with initial growth phase following the recent migration of buyside clients to the broader LMAX Exchange platform. This resulted in a headroom of £1.2m between the carrying and recoverable amounts, indicating no impairment.

After considering all key assumptions, management considers that a reasonably possible change in only the following assumptions would cause the carrying amount to be equal to the recoverable amount.

Discount rate:

If the discount rate currently used of 10% is increased by 50bps with all other inputs remaining the same, the CGU's recoverable amount would be equal to its carrying amount. If the discount rate currently used of 10% is decreased by 50 bps with all other inputs remain the same, the headroom will improve by £1.6m.

Commission revenue: compound annual growth rate (CAGR):

If the Commissions CAGR currently used of 13.52% is decreased by 70 bps with all other inputs remain the same, the CGU's recoverable amount would be equal to its carrying amount. If the Gross profit CAGR currently used of 13.52% is increased by 70bps with all other inputs remain the same, the headroom will improve by £1.3m.

The terminal growth rate of 3% reflects a mature FX business market and is consistent with industry averages. The impact of a reasonably possible change to terminal growth would not materially change the value in use of the CGU. Further details of the principles used in determining the basis of allocation by CGU and annual impairment testing are given in note 1. Goodwill recognised on business acquisition of FX HedgePool Inc in 2024 was £17.6m.

16. Business acquisitions

On 30 September 2024, LMAX Exchange Group Limited ("LEG") acquired 100% of shares in FX HedgePool Inc ("LFX"). The total consideration paid for the acquisition was £17.8m (US$23m).

£17.6m of Goodwill recognised for the FX HedgePool Inc share purchase transaction represents the future economic benefits arising from the assets acquired that are individually identified and separately recognised and calculated consideration minus the net assets acquired.

LFX contributed £0.4m of revenue and a £0.3m net loss to the consolidated profit of LMAX Group for the period from 30 September 2024 to 31 December 2024. As per the disclosure requirements set out in IFRS 3 (Business combinations), if LFX had been acquired on 1 January 2024, management estimates that for the twelve months to 31 December 2024 consolidated revenue would have been £1.15m and consolidated loss after tax £2.31m.

In determining these amounts, management has assumed that fair value adjustments that arose on acquisition would have been the same if the acquisition had occurred on 1 January 2024.

In connection with the acquisition of LFX, the purchase agreement included a contingent consideration arrangement which stipulated certain revenue targets and minimum employment retention terms. At the acquisition date, and as at the reporting date, the fair value of the contingent consideration was determined to be nil. This assessment was based on historic financial performance which include pre and post-acquisition financial data. A number of scenarios were analysed including uplift in % growth of revenue to determine whether likelihood of meeting the above conditions will be met.

	2024
Assets	**£'000**
Trade receivables	198
Pre payments	79
Other debtors	143
Total assets	**420**
Liabilities	
Trade payables	16
Other payable	195
Total liabilities	**211**
Fair value of identifiable net assets acquired (a)	209
Consideration transferred settled in cash	17,352
Other associated costs*	446
Total consideration (b)	**17,798**
Goodwill recognised on acquisition (b-a)	**17,589**

During the year, LEG incurred acquisition costs amounting to £0.4m in relation to the acquisition of FX HedgePool Inc. These costs have been recognised as an expense within administrative expenses in the Statement of Comprehensive Income for the year ended 31 Dec' 24.

17. Contingent liabilities

As of 31 December 2024, LMAX Capital Markets Ltd, based in the Cayman Islands, is a 100% subsidiary of LMAX Group and is an entity used to hold certain crypto assets of the group and is considered outside the scope of the Group's core business offering.

Management has sought independent advice on the tax treatment of this subsidiary, and consider that no provision is required under IAS 12 for any additional tax charge. However, there remains a risk of a potential tax authority challenge. LMAX Capital Markets Ltd reported net profit of £38.3m in the year (2023: £8.9m), largely generated from sales of the crypto assets.

In 2023, the directors disclosed a potential taxation charge arising from the perceived existence of an overseas permanent establishment. A reasonable estimate of the potential liability was £1.1m.

18. Financial risk management

18.1 Credit risk

As a provider of leveraged financial instruments, clients are only required to deposit sufficient margin on their accounts to enable them to trade on the platform, whilst still being fully exposed to the position in the market.

As a result, losses can exceed funds on account when there are sudden and unexpected price movements exposing the Group to the risk of potential expected credit loss where customers are unable to fund their losses. This risk is managed by setting appropriate margin levels and position limits per currency pair. Risks specifically around pegged instruments and emerging market currencies are monitored and have margin rates increased where it is deemed necessary. Clients' positions are actively monitored and are requested to adjust their positions when positions sizes expose the Group to too much risk.

Clients are encouraged to hold a diversified portfolio thereby further reducing risk. Risk management procedures & policies and technology are designed to limit financial repercussions from such events.

The Group is also exposed to credit risk for financial assets included in trade and other receivables and cash and cash equivalents. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2024	2023
	£'000	£'000
Balance as at 01 January	84	30
Provision recognised during the year	105	249
Provision released during the year	-	-
Amounts written off	(40)	(186)
Other movements*	-	(9)
Balance as on 31 December	**149**	**84**

*Other movements include exchange movement on the provision held.

Notes to consolidated financial statements

18.2 Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions and/or from other group companies to meet its liquidity requirements in the short and longer term.

	Less than 6 months	6-12 months	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Undiscounted contractual cash flows	Carrying amount liabilities
At 31 December, 2024	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Non-derivatives							
Trade payables	2,401	-	-	-	-	2,401	2,401
Taxation and social security	1,375	-	-	-	-	1,375	1,375
Transfer of title funds*	500,752	-	-	-	-	500,752	500,752
Lease liabilities	779	722	1,630	2,429	-	5,560	5,801
Loan and interest	10,422	9,773	9,320	-	-	29,515	28,093
Accruals and deferred income	25,385	-	-	-	-	25,385	25,385
Total	541,114	10,495	10,950	2,429	-	564,988	563,807
At 31 December, 2023							
Trade payables	2,055	-	-	-	-	2,055	2,055
Taxation and social security	1,196	-	-	-	-	1,196	1,196
Transfer of title funds*	257,191	-	-	-	-	257,191	257,191
Lease liabilities	772	849	1,556	4,563	-	7,740	7,088
Loan and interest	12,620	546	8,784	17,606	-	39,556	39,518
Accruals and deferred income	10,649	-	-	-	-	10,649	10,649
Total	284,483	1,395	10,340	22,169	-	318,387	317,697

* The Transfer of title funds include £226.6m (2023: £99.9m) client liability in relation to digital assets held under Inventories on the Statement of Financial Position.

18.3 Interest rate risk

The Group has an interest-bearing borrowing of £28.2m (2023: £39.5m). The borrowing reflects £28.2m (2023: £37m) of retiree loan from retiring employees and the term loan from an external bank has been repaid (2023: £2.5m). The weighted average rate of interest on the retiree loan 5.82% (2023: 6%).

Sensitivity Analysis

The Group is exposed to interest rate risk on all interest rate sensitive instruments which includes financial assets and liabilities. The interest rate risk sensitive Group's financial assets and liabilities at the end of each year were as follows:

The exposure of financial assets and liabilities as at 31st December 2024 were as follows:

	2024	2023
Financial assets	£'000	£'000
Cash and cash equivalents	106,484	61,066
Collateral requirement for trade clearing	43,133	43,656
Financial liabilities		
Borrowings	(28,093)	(39,518)
Total	121,524	65,204

Interest rate sensitivity analysis has been performed on the floating rate financial instruments by considering a 150 basis points (1.50%) (2023: 150 basis points) interest rate decrease on the financial assets and a 150 basis points increase (2023: 150 basis points) on the financial liabilities held at the year end date.

The impact expressed below has been calculated considering no change in the value of assets and liabilities over the next 12 months.

	Cash and cash equivalents	Client collateral balances	Borrowings
2024	£'000	£'000	£'000
Increase in 150bp	1,597	647	421
Decrease in 150bp	(1,597)	(647)	(421)
Impact 2023	(916)	(655)	(593)

18.4 Price risk

At the end of the reporting year one of the Group's subsidiary, LMAX Digital Broker (Singapore) PTE Limited held some open metal, indices & commodities contracts under its market making activities valued at fair value through the income statement. The Group is thus exposed to the risk that the fair value of these financial instruments will fluctuate due to the changes in market prices of the underlying instrument. The Group manages price risk by diversifying and trading in multiple contracts as well as monitoring the financial instruments to minimize losses that may arise from market price fluctuations.

The sensitivity analysis below relates to open positions on derivatives for metal, commodities and indices contracts based on a 10% increase and decrease in prices of these open contracts. The Group's price risk in currency contracts is presented in Note 18.5. The Group's risk on digital asset CFD derivatives and digital asset coins is presented in Note 18.6.

2024

Derivative Contracts	Notional value long/(short)	Estimated (loss)/gain had the prices strengthened by 10%	Estimated (loss)/gain had the prices weakened by 10%
	£'000	£'000	£'000
Gold	(69,312)	(6,931)	6,931
Brent	(30)	(3)	3
Natural Gas	52	5	(5)
Silver	(60)	(7)	7
Platinum	929	93	(93)

2023

Derivative Contracts	Notional value long/(short)	Estimated (loss)/gain had the prices strengthened by 10%	Estimated (loss)/gain had the prices weakened by 10%
	£'000	£'000	£'000
Gold	(1,006)	(100)	100
Brent	(30)	(3)	3
Natural Gas	-	-	-
Silver	(571)	(57)	57
Platinum	7	(0.7)	0.7

18.5 Foreign currency risk

The financial assets and liabilities of the Group are held predominantly in British Pounds, US Dollars, Euros, Japanese Yen, Australian Dollars, Singapore Dollars and Hong Kong Dollars. Cash and collateral balances are actively monitored and converted so as to maintain as best as possible a net neural position in all non-British Pound currencies.

The currency exposures of financial assets and liabilities (including certain non-financial asset and liability items such as cryptocurrencies, digital assets-right to received, prepayments, accruals and deferred income) at 31st December 2024 were as follow:

	Total	GBP	USD	EUR	JPY	AUD	SGD	HKD	CHF	NZD	Other
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cash and cash equivalents	106,484	34,158	37,853	8,973	20,363	(3,199)	5,834	(44)	(3,291)	3,496	2,341
Collateral requirement for trade clearing	43,133	637	10,730	38,785	(16,045)	3,628	24	29	5,266	(1,057)	1,136
Cryptocurrencies held by the Group*	364,955	-	364,955	-	-	-	-	-	-	-	-
Right to receive digital assets	36,877	-	36,845	32	-	-	-	-	-	-	-
Trade debtors	16,544	2,398	10,356	1,343	796	111	20	1,521	(1)	-	-
Other debtors	4,534	2,400	1,780	220	3	(14)	102	(1)	(4)	36	12
Prepayments and accured income	8,153	3,035	5,028	41	1	-	26	(1)	-	23	-
Lease liability	(5,801)	(3,345)	(1,850)	(69)	-	-	(485)	-	-	(52)	-
Accurals and deferred income	(25,385)	(4,317)	(20,605)	(299)	(6)	(33)	(49)	(29)	-	(45)	(2)
Loan	(28,093)	(11,392)	(16,701)	-	-	-	-	-	-	-	-
Transfer of title funds	(500,752)	(14,305)	(432,068)	(33,324)	(21,613)	196	139	(1,659)	1,265	531	86
Trade creditors	(2,401)	(1,465)	(848)	(39)	19	9	(69)	-	(1)	(4)	(3)
Net exposure	18,248	7,804	(4,525)	15,663	(16,482)	698	5,542	(184)	3,234	2,928	3,570

*Included in Cryptocurrencies held by the group is £36.9m (2023: £7.5m) which represents Right-to-Receive balances held at third party FAR venues disclosed in trade and other receivables rather than inventories.

The currency exposures of financial assets and liabilities as at 31st December 2023 were as follows:

	Total	GBP	USD	EUR	JPY	AUD	SGD	HKD	CHF	NZD	Other
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cash and cash equivalents	61,066	12,627	12,585	23,470	15,726	(2,978)	(467)	779	(4,489)	(22)	3,835
Collateral requirement for trade clearing	49,101	106	37,327	11,669	-	(1)	-	-	1	-	(1)
Cryptocurrencies held by the Group	183,456	-	183,456	-	-	-	-	-	-	-	-
Trade debtors	4,532	1,694	2,885	72	-	-	(88)	6	(16)	(16)	(5)
Other debtors	5,114	2,416	2,258	273	-	(11)	76	23	(7)	53	32
Prepayments and accured income	9,733	2,163	7,543	(52)	-	9	47	18	-	7	-
Lease liability	(7,088)	(4,059)	(2,219)	(17)	-	-	(735)	(26)	-	(46)	15
Accurals and deferred income	(10,649)	(8,534)	(1,263)	(491)	(37)	(32)	(51)	(11)	-	(112)	(119)
Loan	(39,518)	(17,639)	(21,879)	-	-	-	-	-	-	-	-
Transfer of title funds	(257,191)	(3,126)	(214,555)	(32,505)	(16,781)	3,784	352	(179)	7,829	(580)	(1,431)
Trade creditors	(2,055)	(2,030)	(29)	-	(1)	6	(8)	10	-	-	(3)
Net exposure	(3,499)	(16,382)	6,109	2,419	(1,093)	777	(874)	620	3,318	(716)	2,324
Net exposure	(3,499)	16,382	6,109	2,419	(1,093)	777	(874)	620	3,318	(716)	2,324

*Included in Cryptocurrencies held by the group is £36.9m (2023: £7.5m) which represents Right-to-Receive balances held at third party FAR venues disclosed in trade and other receivables rather than inventories.

Sensitivity analysis	Impact on post tax profit 2024	2023
	£'000	£'000
USD value appreciates 5%	(213)	291
USD value depreciates 5%	236	(322)
EUR value appreciates 5%	745	115
EUR value depreciates 5%	(825)	(127)
JPY value appreciates 5%	(785)	(52)
JPY value depreciates 5%	867	58
SGD value appreciates 5%	264	(41)
SGD value depreciates 5%	(292)	46
CHF value appreciates 5%	154	158
CHF value depreciates 5%	(170)	(259)
NZD value appreciates 5%	139	(378)
NZD value depreciates 5%	(155)	(716)
AUD value appreciates 5%	33	37
AUD value depreciates 5%	(37)	(41)
HKD value appreciates 5%	177	(591)
HKD value depreciates 5%	195	(653)

As shown in the table above, the Group is primarily exposed to changes in the above currencies against GBP. The sensitivity of profit or loss to changes in the currencies arises from the Group's net exposures of the financial position shown above.

18.6 Fair value hierarchy

IFRS 13 uses a fair value hierarchy to categorise financial instruments according to inputs that are used in valuation techniques to measure fair value. Level 1 are observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets. Level 2 are internal models using observable market and Level 3 are internal models using unobservable inputs.

At the end of the reporting year the Group is exposed to fair value risk on financial instruments and inventory. The carrying value of financial instruments carried at amortised cost are not materially different from their fair value as at 31 December 2024 and therefore the Group's fair value risk is assessed on inventory and the financial instruments held at fair value through Statement of Comprehensive Income. The Group's financial instruments held at fair value and inventory held at fair value less cost to sell are shown below and are assessed to be level 1 and level 2. The inventory cryptocurrency balances are not financial instruments but included for transparency.

	Level 1	Level 2	Level 3	Total
At 31 December, 2024	£'000	£'000	£'000	£'000
Assets				
Inventories 18.a	364,955	-	-	364,955
Investments	-	546	-	546
Liabilities				
Trade payable 18.b	(226,598)	-	-	(226,598)
Total	138,357	546	-	138,903

	Level 1	Level 2	Level 3	Total
At 31 December, 2023	£'000	£'000	£'000	£'000
Assets				
Inventories 18.a	183,456	-	-	183,456
Liabilities				
Trade payable 18.b	(99,898)	-	-	(99,898)
Total	83,558	-	-	83,558

Inventory cryptocurrency balances are not classified as financial instruments but have been included in the balances above for clarity.

18.a shows the value of digital assets held by the Group which have been fair valued through the income statement.

The Inventories as also presented in Note 8 relates to the digital assets held by the Group's subsidiary LMAX Digital Broker Limited. These digital assets include £226.6m (2023: £99.9m) held on behalf of clients and £131.4m (2023: £84m) under economically hedged positions against digital asset CFDs. The remaining balance included within inventories relates to Pyth tokens.

18.b shows the total client liabilities due to clients in relation to the digital asset inventory held by LMAX Digital Broker Limited and the net unrealized losses on the Group's open finance derivatives positions which are economically hedged against the Group's inventory.

The trade payable presented as financial liabilities held at fair value through the income statement mainly reflects the Group's payable balance with respect to clients' digital assets worth £226.6m (2023: £99.9m) which includes net unrealised profits on open financial derivatives i.e. digital asset CFD trades worth £18.6m (2023: £27m losses).

The fair value is determined based on the end of day exit prices which are derived from the end of day trades executed on the LMAX Trading platform, an active platform where transactions take place with sufficient frequency and volume. A high number of the transactions on the platform are limited orders placed by market makers, thus quoted prices reflect only executed trades and are considered to be the exit prices. The inventory cryptocurrency balances are not financial instruments but included for transparency.

According to IFRS 13, fair value measurement requires fair value to be price to sell the asset or transfer the liability that takes place in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal market is the one with the greatest volume and level of activity for the asset or liability that can be accessed by the entity.

The Group performs regular internal benchmarking to ensure their end of day exist prices are maintained under the acceptance thresholds from the principal market price, where acceptable threshold is variation of up to 1% of the assets under management ("AUM") in USD or $3m whichever is higher.

Fair value is derived based on observable market data and the balances are accordingly classified as Level 1 financial instruments under IFRS 13. The Group's exposure to the risk of fair value changes on the financial instruments held under economically hedged positions is evaluated as not material.

The Group's exposure to the risk of fair value changes on the financial instruments held from its market making trading activities is neutral.

18.7 Capital management

The Group pro-actively manages capital adequacy risk for the regulated entities of the Group through its regulatory reporting, ongoing internal monitoring, capital forecasting and stress testing. This includes holding sufficient capital to meet regulatory capital requirements for each regulated entity within the group.

The regulatory capital resources are a measure of equity, adjusted for goodwill and intangible assets and deferred tax assets. In the two UK regulated entities where minimum capital is determined in accordance with the Financial Conduct Authority through the requirements of Investment Firms Prudential Regime (IFPR), as well as an entity in Gibraltar which is regulated as a full Distributed Ledger Technology ("DLT") license holder from the GFSC to operate the digital asset exchange and the CySec regulated entity which was acquired in July 2019 (see note 12 for details).

The Group operates a monitoring framework over the capital resources and minimum capital requirements monthly for its regulated entities, calculating the market and credit risk requirements arising from exposures including internal warning indicators as part of the risk dashboards. Regulated entities of the Group met all externally imposed capital requirements throughout the year ended 31 December 2024.

The Group's objectives when managing capital are to:

- Safeguard ability of Group entities to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

Total equity held within LMAX Exchange Group Limited at the end of 2024 was £114.5m (2023: £58.5m) and the minimum capital requirements of the regulated group entities at the end of the period are as follows:

	2024	2023
	£'000	£'000
LMAX Limited	3,963	4,818
LMAX Broker Limited	12,816	22,805
LMAX Broker Europe Limited	304	280
LMAX Digital Broker Limited	2,940	2,890
LMAX Digital Broker (Singapore) PTE. LTD	2,804	-
LMAX Broker Mauritius Limited	11	16
Total	22,838	30,809

18.8 Liabilities from financing activities

	Borrowings (retiree loans)	Borrowings (external bank loans)	Leases	Sub total
	£'000	£'000	£'000	£'000
As at 1 January 2024	37,018	-	7,088	46,606
Financing cash flows repayments	(8,809)	-	-	(11,309)
Foreign exchange adjustments	312	-	5	317
New lease	-	-	304	304
Principal lease repayments	-	-	(1,596)	(1,596)
Accrued interest charges	1,161	-	272	1,433
Interest paid	(1,589)	-	(272)	(1,861)
As at 31 December 2024	28,093	-	5,801	33,894
As at 1 January 2023	46,309	5,297	4,464	56,070
Financing cash flows repayments	(8,784)	(2,500)	-	(11,284)
Foreign exchange adjustments	(1,183)	-	-	(1,183)
New lease	-	-	4,352	4,352
Principal lease repayments	-	-	(1,095)	(1,095)
Accrued interest charges	2,092	70	-	2,162
Interest paid	(1,416)	(367)	(633)	(2,416)
As at 31 December 2023	37,018	2,500	7,088	46,606

19. Reorganisation reserve

The Group's Reorganisation Reserve is formed as a result of transactions between the minority shareholders of the subsidiaries and LMAX Exchange Group Limited ("LEG"). These transactions include a share buy back by LEG, completed in July 2021, and an equity swap with shareholders of LMAX Digital Group Limited in October 2021.

As a result, the Group has recognised a reorganisation reserve within the Statement of Changes in Equity which includes any difference between the total consideration and net assets acquired.

20. Developments in reporting standards and implementations

New accounting standards not adopted by the Group

The IASB has published a number of amendments to IFRSs listed below that were effective for annual reporting periods beginning on or after 1 January 2024:

- **IFRS 17:** Insurance Contracts;
- **Disclosure of Accounting Policies:** Amendments to IAS 1 and IFRS Practice Statement 2: Making Materiality Judgments;
- **Definition of Accounting Estimates:** Amendments to IAS 8;
- **Deferred Tax related to Assets and Liabilities arising from a Single Transaction:** Amendments to IAS 12; and
- **International Tax Reform:** Pillar Two Model Rules: Amendments to IAS 12.

The group has assessed the impact of these amendments and noted that these did not have a material impact, when adopted, on the Group Financial Statements.

- The group also did not elect to adopt the following amendments early:
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 21; and
- Disclosure of Accounting Policies –Amendments to IAS 1 and IFRS Practice Statement 2.

Future new standards and interpretations

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the group.

These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods of foreseeable future transactions.

21. Post balance sheet events

LMAX Exchange Group Limited has a long-standing presence and solid track record in the vibrant Asia-Pacific region. At the end of 2024, it received an RMO License from the Monetary Authority of Singapore (MAS) enabling it to build out the exchange offering in FX NDFs.

In April 2025, LMAX Digital Broker (Singapore) Pte. Ltd agreed to transfer its capital market activities which include crypto market making and proprietary trading, to MB Market Strategies, an entity incorporated in the Cayman Islands. This business transfer is expected to occur during Q3 2025, at the fair value of assets and liabilities on that date.

22. Registered address and country of domicile

LMAX Exchange Group Limited is a private company limited by shares, incorporated and domiciled in Jersey.

Registered office: LMAX Exchange Group Limited, 50 La Colomberie, St Helier, Jersey, JE2 4QB

Principal place of business: C/o LMAX Limited, Yellow Building, 1A Nicholas Road, London, W11 4AN

Registered number: 125453

COMPANY STATEMENTS

Company statement of comprehensive income

For the year ended	2024	2023
	£'000	£'000
Revenue	30	5,002
Cost of sale	-	-
Gross profit	30	5,002
Administrative expenses	(7,396)	(1,905)
Amounts written back due from receivable	-	13,353
Operating (loss)/profit	(7,396)	16,450
Finance income/(expense)	1,615	(2,469)
Share of profit of associate	2,386	30
Loss before tax	(3,365)	14,011
Taxation	727	412
Loss for the year	(2,638)	14,423
Other comprehensive income/(expense)	-	-
Total comprehensive income/(expense) for the year	(2,638)	14,423

The results shown above are derived wholly from continuing operations. There are no write-offs/ writebacks (2023: £13.4m write back) during the year relating to receivable from LMAX Capital Markets (Cayman) Limited.

Revenue has decreased from the previous year due to no dividend income in the current year (2023: £5m). The accompanying notes are an integral part of these financial statements.

Company statement of financial position

As at 31 December, 2024	Note	2024	2023
		£'000	£'000
Non-current assets			
Investments in subsidiaries	3	185,135	155,703
Investment in associate	4	15,712	1,825
Property, plant and equipment	5	6,476	7,663
Intangibles	6	7,535	2,506
Trade and other receivables	7	264	429
Deferred tax assets		1,139	754
Current assets			
Trade and other receivables	7	68,592	70,248
Cash and cash equivalents	8	2,912	3,899
Total assets		287,765	243,027

As at 31 December, 2024	Note	2024	2023
		£'000	£'000
Non-current liabilities			
Trade and other payables	9	(20,084)	(29,762)
Current liabilities			
Trade and other payables	9	(118,134)	(61,080)
Total liabilities		(138,218)	(90,842)
Net assets		149,547	152,185
Equity			
Share capital	10	778	778
Preference shares	10	333	333
Share premium		74,433	74,433
Retained earnings		74,003	76,641
Equity attributable to equity holdersof the parent		149,547	152,185
Total equity		149,547	152,185

The accompanying notes are an integral part of financial statements. These financial statements on 73-88 were approved by the Board on 10 July 2025 and signed on behalf of the Board by:

David Mercer, Director
10 July 2025

Company statement of changes in equity

	Share capital	Preference share	Share premium	Retained earnings	Total equity
2024	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2024	778	333	74,433	76,641	152,185
Loss for the year	-	-	-	(2,638)	(2,638)
Total comprehensive expense for the year	-	-	-	(2,638)	(2,638)
Total distributions to owners	-	-	-	-	-
Balance at 31 December 2024	778	333	74,433	74,003	149,547
For the year ended 31 December 2023					
Balance at 1 January 2023	778	333	74,433	62,218	137,762
Profit for the year	-	-	-	14,423	14,423
Total comprehensive expense for the year	-	-	-	14,423	14,423
Total distributions to owners	-	-	-	-	-
Balance at 31 December 2023	778	333	74,433	76,641	152,185

Company statement of cash flows

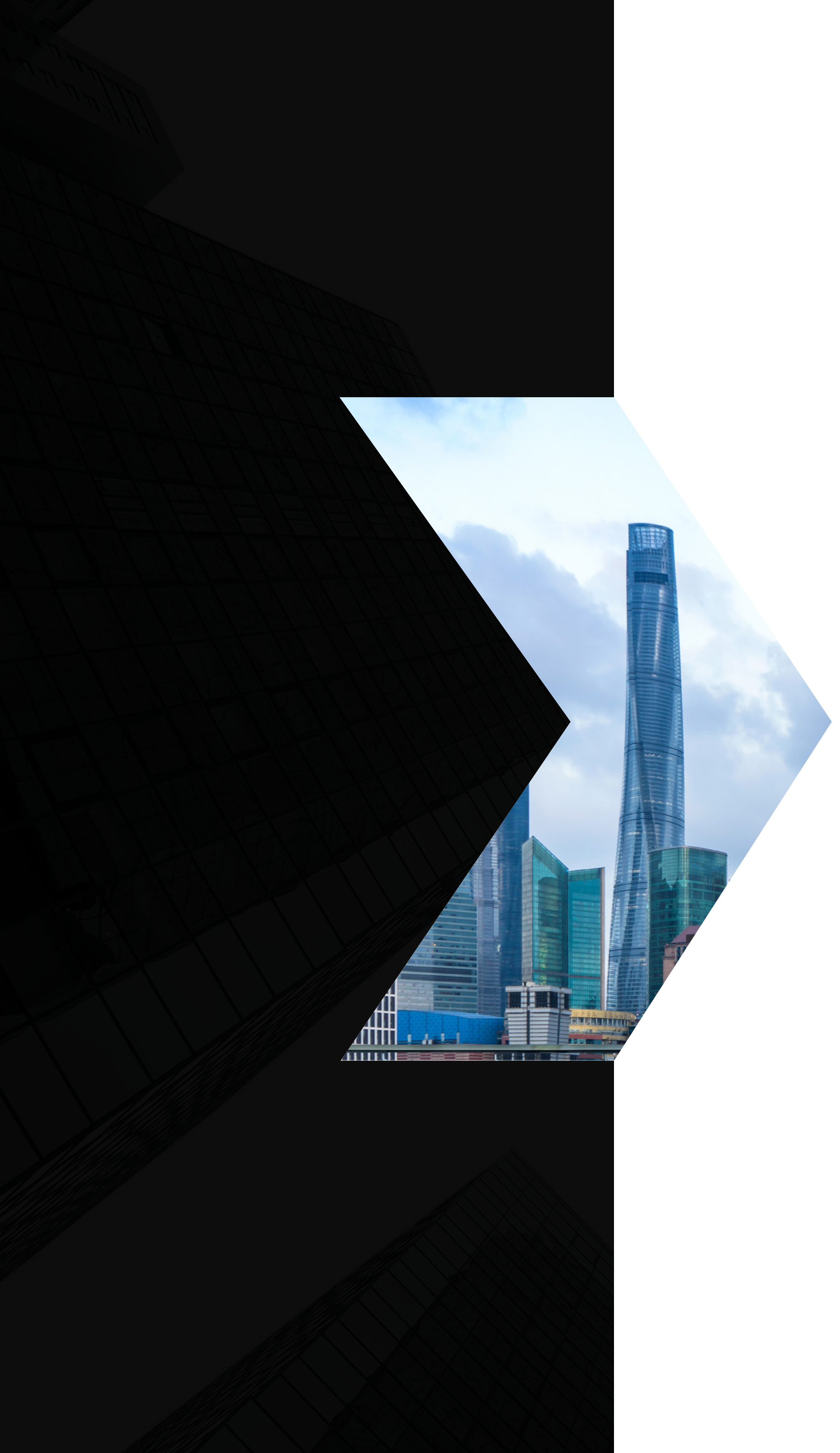
For the year ended 31 Dec'24	Note	2024	2023
		£'000	£'000
Cash flows from operating activities			
Operating (loss)/profit		(7,366)	16,450
Adjustments for:			
Depreciation	5	1,762	1,345
Amortisation	6	1,182	308
Decrease/ (Increase) in trade and other receivables		16,383	(35,277)
Increase in trade and other payables		59,419	29,455
Deferred tax charge		-	412
Disposal of property, plant and equipment	5	29	-
Tax paid		(440)	-
Net cash generated from operating activities		70,969	12,693
Cash flows from investing activities			
Acquisition of property, plant and equipment	5	(641)	(4,127)
Acquisition of Intangibles and capitalised expenses	5	(6,211)	(2,799)
Loans to subsidiaries		(33,605)	(7,500)
Repayment from subsidiaries		22,456	16,721
Dividend received		1,969	5,000
Investment in subsidiaries		(29,432)	(10,499)
Investment in associates		(13,470)	-
Net cash (used in)/generated from investing activities		(58,934)	(3,204)

Company statement of cash flows (continued)

For the year ended 31 Dec'24	Note	2024	2023
		£'000	£'000
Cash flows from financing activities			
Repayment of borrowing		(11,309)	(11,074)
Payment of principal portion of lease liabilities	12	(734)	(483)
Finance expense		(1,745)	(2,469)
Net cash used in financing activities		**(13,788)**	(14,026)
Net decrease in cash and cash equivalents		(1,313)	(4,537)
Cash and cash equivalents at beginning of year		**3,899**	8,436
Effect of exchange rate fluctuations on cash held		**766**	-
Cash and cash equivalents at end of year		**2,912**	3,899

The accompanying notes are an integral part of these financial statements.

Refer to note 18.8 of the consolidated financial statements which is relevant for all the borrowings and materially all the leases at Company level.



COMPANY NOTES
TO THE FINANCIAL STATEMENTS

1. Accounting policies

The financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and International Financial Reporting Committee (IFRIC) in conformity with the requirements of the Companies Jersey Law (1991).

The Company financial statement have been prepared under the historical cost modified by, for example, revaluation of the financial assets and financial liabilities held at fair value through profit and loss (as applicable).

The accounting policies are consistent with the Group accounting policies set out on pages 26 - 32. Accounting policies specific to the company are as follows.

Investment in subsidiaries

Investments in subsidiaries have been accounted for at cost less impairment. The Directors of the Company carry out an annual assessment to determine if any indication of impairment exists. If such indicators are identified, then the amount of impairment is ascertained by comparing the carrying amount of the investment in each subsidiary to its recoverable amount.

The recoverable amount of subsidiary calculations incorporates cash flow projections based on financial budgets approved by management.

2. Administrative expenses

	Note	2024	2023
		£'000	£'000
Total salary expenses*		30,628	19,782
› capitalised as development software	6	(5,433)	(2,766)
Social security expenses		3,814	2,378
Other Pension costs		581	511
Depreciation of tangible assets	5	1,762	1,345
Amortisation of intangible assets	6	1,182	308
Office consumables and maintenance		3,442	3,502
Legal and Professional		600	613
Exchange (gains)/losses		(625)	1,729
Donations		461	325
Transaction expenses		3,037	-
Other costs		7,496	6,318
Cost recharged to intercompany		(39,549)	(32,140)
Total administrative expenses		7,396	1,905

*Total salary expenses including all employees' wages, salaries, holiday pay, sick pay, bonus & non-monetary benefit including medical care. There is no post-employment benefit provided to all staff.

a. The average monthly number of persons employed by the Company (including directors) are:

	2024	2023
	No.	No.
Corporate and administration	47	45
Product development	80	79
Operations	7	8
Marketing	12	11
Total	146	143

3. Investments in subsidiaries

	2024	2023
	£'000	£'000
Investments	**185,135**	155,703

All the Group's subsidiaries for the year ended 31 December 2024 are shown below. The ordinary shares held % shown is the effective shareholding which the company holds in the underlying subsidiary.

Subsidiary	Country of incorporation	Principal activity	Ordinary shares held No.	Ordinary shares held %
LMAX Limited	England	Financial exchange platform	599,082	100
LMAX Broker Limited	England	FX brokerage	599,081	100
LMAX Bullion Limited	Hong Kong	Dormant	1,000	100
LMAX Japan Co. Limited	Japan	Sales presence	1	100
LMAX New Zealand Limited	New Zealand	FX brokerage	1,040	100
LMAX Pte. Limited	Singapore	Sales presence	12,250,000	100
LMAX USA Incorporated	Delaware, USA	Development of US market	1,500	100
LMAX Digital Group Limited	Jersey	Holding company	1,250,000	100
LMAX Digital Broker Limited	Gibraltar	Digital currency exchange broker	20,500,000	100
LMAX Broker Mauritius Limited	Mauritius	Sales presence	20,001	100
LMAX Broker Europe Limited	Cyprus	FX brokerage	1,244,750	100
LMAX Capital Markets Limited	Cayman Islands	Investment	50,000	100
FX HedgePool Inc	Delaware, USA	FX Swaps	11,872,486	100
LMAX Digital Exchange U.K. Limited	England	Dormant	1	100
LCM Internal Fund Limited	British Virgin Islands	Dormant	50,000	100
LMAX Digital Europe BV. (Netherlands)	Netherlands	Dormant	10	100
LMAX Labs Limited	England	Dormant	1	100
LMAX Digital Broker Singapore Pte. Limited	Singapore	FX brokerage	10,000,000	100

All the Group's subsidiaries for the year ended 31 December 2023 are shown below. The ordinary shares held % shown is the effective shareholding which the company holds in the underlying subsidiary.

Subsidiary	Country of incorporation	Principal activity	Ordinary shares held No.	Ordinary shares held %
LMAX Limited	England	Financial exchange platform	599,081	100
LMAX Broker Limited	England	FX brokerage	599,081	100
LMAX Bullion Limited	Hong Kong	Bullion broker	1,000	100
LMAX Hong Kong Limited	Hong Kong	Dormant	3,000,000	100
LMAX Japan Co. Limited	Japan	Sales presence	1	100
LMAX New Zealand Limited	New Zealand	FX brokerage	1,000	100
LMAX Pte. Limited	Singapore	Sales presence	4,250,000	100
LMAX USA Incorporated	Delaware, USA	Development of US market	1,500	100
LMAX Digital Group Limited	Jersey	Holding company	1,250,000	100
LMAX Digital Broker Limited	Gibraltar	Digital currency exchange broker	11,000,000	100
LMAX Broker Mauritius Limited	Mauritius	Sales presence	20,001	100
LMAX Broker Europe Limited	Cyprus	FX brokerage	1,244,750	100
LMAX Capital Markets Limited	Cayman Islands	Investment	50,000	100
LMAX Digital Exchange U.K. Limited	England	Dormant	1	100
LMAX Digital Broker Singapore Pte. Limited	Singapore	FX brokerage	1	100

4. Investment in associates

On 11 December 2020 the company acquired 20% shareholding in T4B Holdings Limited ("T4B") for £1.78m (€2m). T4B is a business to business (B to B) technology provider focusing on software development for Meta trader trading platforms.

On 08 August 2024, the company acquired 20% shareholding in BlackBull for £13.1m (N$27.6m). The company acquired on 22 November 2024 an additional 1% shareholding in BlackBull for £0.4m (N$0.8m).

BlackBull is a New Zealand-based company, a multi-regulated, multi-asset broker headquartered in Auckland, New Zealand. BlackBull Markets provides traders with access to over 26,000 tradable instruments, including stocks, forex, CFDs, commodities, cryptocurrencies, and metals.

Both investments are recorded as an investment in associate under equity method of accounting in accordance with IAS28. Under the equity method of accounting, the equity investment is initially recorded at cost and adjusted thereafter for the post- acquisition change in the investor's share of net assets of the associate.

	2024	2023
	£'000	£'000
Investment at cost	1,825	1,795
Share of profit of equity - accounted investees, net of tax	124	30
Dividend received	(72)	-
Investment in Associate Tools for Broker (T4B)	**1,877**	**1,825**
Investment at cost	13,470	-
Share of profit of equity - accounted investees, net of tax	2,262	-
Dividend received	(1,896)	-
Investment in Associate Martelli MCKEGG Trust account (Black Bull)	**13,835**	-
Total investment in associates	**15,712**	**1,825**

5. Property, plant and equipment

	Right to use office building	Leasehold improvements	Computer requipment	Fixtures, furniture & fittings	Total Property, plant, & equipment
Cost	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2024	5,733	3,558	1,301	293	10,885
Additions	-	210	303	128	641
Transfers	-	79	(32)	(84)	(37)
Disposals	-	-	-	(143)	(143)
Balance at 31 December, 2024	5,733	3,847	1,572	194	11,346
Accumulated depreciation					
Balance at 1 January, 2024	(2,055)	(327)	(714)	(126)	(3,223)
Depreciation for the year	(626)	(777)	(321)	(38)	(1,762)
Transfers	-	-	-	-	-
Disposals	-	-	-	114	114
Balance at 31 December, 2024	(2,681)	(1,104)	(1,035)	(49)	(4,870)
Carrying value					
at 31 December 2024	3,052	2,743	536	145	6,476
Cost					
Balance at 1 January, 2023	5,198	352	1,056	152	6,758
Additions	535	3,206	245	141	4,127
Balance at 31 December, 2023	5,733	3,558	1,301	293	10,885
Accumulated depreciation					
Balance at 1 January, 2023	(1,367)	(115)	(305)	(91)	(1,878)
Depreciation for the year	(688)	(212)	(409)	(35)	(1,345)
Balance at 31 December, 2023	(2,055)	(327)	(714)	(126)	(3,223)
Carrying value					
at 31 December, 2023	3,678	3,231	587	167	7,663

6. Intangibles

	2024	2023
Cost	**£'000**	**£'000**
Balance at 1 January	2,836	37
Additions	6,211	2,799
Balance at 31 December	9,047	2,836
Accumulated amortisation		
Balance at 1 January	(330)	(22)
Amortisation for the year	(1,182)	(308)
Balance at 31 December	(1,512)	(330)
Carrying value at 31 December	7,535	2,506

7. Trade and other receivables

	2024	2023
	£'000	£'000
Amounts due from shareholders	635	749
Other debtors	431	332
Prepayments	2,004	1,534
Deposits	264	264
Intra-group receivables	65,522	67,798
Total	68,856	70,667
Classification:		
Non-current	264	429
Current	68,592	70,248
Total	68,856	70,667

8. Cash and cash equivalents

	2024	2023
	£'000	£'000
Cash and cash equivalents	2,912	3,899

9. Trade and other payables

	Note	2024	2023
		£'000	£'000
Loan	9.1	28,092	39,506
Lease liability	9.2	3,387	4,059
Social security liability		393	776
Trade creditors		830	590
Accruals and deferred income		15,277	5,979
Intra-group payables	9.3	90,239	39,932
Total		**138,218**	90,842
Classification:			
Non-current		20,084	29,762
Current		118,134	61,080
Total		**138,218**	90,842

9.1 The Company has an interest-bearing borrowing of £28.1m (2023: £39.5m). The borrowing reflects £28.1m (2023: 37.0m) of retiree loans from retiring employees.

9.2 The lease liability represents the present value of future payments against the furniture, fixtures & fittings on lease and right-to-use office building. Refer note 5 for details on assets on lease.

9.3 The inter-group payable is due to the Group's subsidiaries and has no fixed terms of repayment, is interest free and no security has been provided.

10. Share capital

	2024	2023
Allotted, called up and fully paid	**£'000**	**£'000**
77,769,136 (2023: 77,769,136) Ordinary shares of £0.01 each	**778**	778
33,329,630 (2023: 33,329,630) Preference shares of £0.01 each	**333**	333
3,888,457 (2023: 3,888,457) A Ordinary share of £0.0001 each	-	-
3,888,457 (2023: 3,888,457) B Ordinary shares of £0.0001 each	-	-

Special resolution:

On 14 October 2024, all the members of LMAX Exchange Group Limited (the "Company") passed a special resolution for the amendment of share capital structure to increase the authorized capital of the ordinary shares of the company. The resolution agreed that paragraph 6 of the Memorandum of Association of the Company be deleted, and the following paragraph be inserted in its place:

The share capital of the Company is £1,122,125.6514 divided into:

- 78,805,166 ordinary shares with limited liability of one penny (£0.01) each.
- 33,329,630 preference shares with limited liability of one penny (£0.01) each.
- 3,888,457 A ordinary shares with limited liability of one hundredth of a penny (£0.0001) each.
- 3,888,457 B ordinary shares with limited liability of one hundredth of a penny (£0.0001) each.

11. Related parties

Related parties of the company are the same as those of the Group with LMAX Exchange Group Limited as the ultimate parent and controlling party. During the year there was a £29m investment in subsidiary (2023: £10m), refer to note 3 for further details. There were no inter-company transactions affecting profit or loss. Balances with related parties of the company are as follows:

	Note	2024	2023
		£'000	**£'000**
Amounts due from shareholders		**635**	749
Amounts due from Group companies	11.1	**65,522**	67,798
Amounts due to Affinity Trust	11.2	**(166)**	(559)
Amounts due to Group companies	11.2	**(90,073)**	(39,373)

Related party balances have no fixed terms of repayments, are interest free and have no security provided.

11.1 Amounts due from Group companies

	2024	2023
Balances	**£'000**	**£'000**
LMAX Bullion Limited	-	25,349
LMAX Digital Broker Limited	1,899	1,611
LMAX Limited	15,748	5,248
LMAX Digital Group Limited	7,612	5,987
LMAX Pte. Limited	2,327	2,131
LMAX New Zealand Limited	151	1,755
LMAX Capital Markets Limited	-	14,565
LMAX Broker Europe Limited	-	409
LMAX Broker Mauritius Limited	-	587
LMAX Japan Co. Limited	35	19
LMAX USA Incorporated	11,403	10,132
LMAX Digital Broker Singapore Pte. Ltd.	25,811	5
LMAX Digital Europe Limited	5	-
FX HedgePool Inc	531	-
Total	**65,522**	**67,798**

11.2 Amounts due to Group companies

	2024	2023
Balances	**£'000**	**£'000**
Affinity Trust	(166)	(559)
LMAX Broker Limited	(71,230)	(39,373)
LMAX Bullion Limited	(980)	-
LMAX Broker Europe Limited	(30)	-
LMAX Broker Mauritius Limited	(11,887)	-
LMAX Capital Markets Limited	(5,946)	-
Total	**(90,239)**	**(39,932)**

12. Leases

	2024	2023
Right-to-use assets (Office Building)	**£'000**	**£'000**
Balance at 1 January	5,733	5,733
Additions	-	-
Balance at 31 December	**5,733**	**5,733**
Depreciation charge of right-of-use assets		
Balance at 1 January 2024	(2,055)	(1,367)
Depreciation for the year	(626)	(688)
Balance at 31 December 2024	(2,681)	(2,055)
Carrying value	**3,052**	**3,678**
Lease liabilities		
Balance at 1 January	4,059	4,070
Additions	-	511
Repayments	(734)	(483)
Accrued interest charges	186	97
Interest expense included in finance expense	(124)	(136)
Balance at 31 December	**3,387**	**4,059**
Undiscounted lease liabilities maturity analysis		
Less than 6 months	446	288
6-12 months	339	446
Between 1 and 2 years	892	784
Between 2 and 5 years	1,942	2,833
Balance at 31 December	**3,619**	**4,351**

13. Post balance sheet event

In April 2025, LMAX Digital Broker (Singapore) Pte. Ltd agreed to transfer its capital market activities which include crypto market making and proprietary trading, to MB Market Strategies, an entity incorporated in the Cayman Islands.

This business transfer is expected to occur during Q3 2025, at the fair value of assets and liabilities on that date.

14. Registered address and country of domicile

Registered office: LMAX Exchange Group Limited 50 La Colomberie, St Helier, Jersey, JE2 4QB

Principal place of business c/o LMAX Limited, Yellow Building, 1a Nicholas Road, London, W11 4AN

Principal activity: A holding company which does not carry out any trading activity. The entity invests in underlying companies which provide exchange platforms for foreign currency and digital assets. The entity also employs staff to provide operational support and back-office services to its trading subsidiaries.

LMAX Exchange Group Limited - company registration number 125453

Annual report and consolidated financial statements - for the year ended 31 December, 2024

www.LMAX.com/2024AnnualReport

LMAX Exchange Group is the holding company of LMAX Limited, LMAX Broker Limited and LMAX Digital Broker Limited registered in Jersey (number 125453)

LMAX Exchange is a trading name of LMAX Limited, which operates a multilateral trading facility, authorised and regulated by the Financial Conduct Authority (firm reference number 509778) and is a company registered in England and Wales (number 6505809)

LMAX Global is a trading name of LMAX Broker Limited which is authorised and regulated by the Financial Conduct Authority (firm reference number 783200) and is a company registered in England and Wales (number 10819525)

LMAX Digital is a trading name of LMAX Digital Broker Limited, authorised and regulated by the Gibraltar Financial Services Commission (license number FSC1342B) and is a company registered in Gibraltar (number 117528)

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LMAX Group