

LMAX Exchange Group expands global crypto currency exchange with positive in-principle decision on Gibraltar license

London, 8 March 2019 - LMAX Digital, the institutional crypto currency exchange operated by LMAX Exchange Group, a leading independent operator of institutional exchanges for electronic FX trading and crypto currencies, today announced that it has received an in-principle decision on the firm's application for a license as a Distributed Ledger Technology (DLT) Provider from the Gibraltar Financial Services Commission (GFSC). An in-principle decision is the final stage of the license authorisation process, where LMAX Digital needs to satisfy the GFSC with respect to one or more conditions before obtaining a license.

LMAX Digital was launched in May 2018 becoming the first crypto currency exchange established by a regulated FX exchange operator and the only deliverable crypto currency exchange dedicated to institutional clients. Based on LMAX Exchange's proven, proprietary technology, LMAX Digital was built in response to overwhelming demand from existing clients who wanted a credible, efficient and trusted platform with high quality deep liquidity, on which to trade digital currencies with like-minded institutions.

LMAX Digital is governed by similar rules and principles as LMAX Exchange Group's FCA regulated entities. This ensures the exchange operates with best-of-breed security, compliance, KYC and anti-money laundering policies and procedures, and market participants are treated equally regardless of status, size or activity levels.

The in-principle decision received from the GFSC indicates that upon satisfying the stated conditions, LMAX Digital complies with the nine regulatory principles set out in Gibraltar's DLT regulations, designed to protect consumers and businesses using digital assets stored or transmitted on distributed ledgers. These regulatory principles include robust risk management processes, effective corporate governance, high standards of customer care, systems and security controls to combat financial and cybercrime, and adopting standards of honesty and integrity.

David Mercer, CEO of LMAX Exchange Group, said:

"LMAX Digital was designed to address the challenges that have hindered institutional growth in the crypto currency market, such as fragmented liquidity and a lack of regulation and institutional grade technology platforms. LMAX Digital has filled the gap in the crypto market by providing institutions with a trading platform they trust, with deep liquidity, security of funds, and high performance, proven technology.

"We believe regulatory input is essential for the growth of the crypto currency market. LMAX Exchange Group has always supported regulatory oversight and we work proactively with regulators to help foster a transparent and trusted marketplace for all market participants.

“LMAX Exchange Group operates multiple institutional FX trading venues, which combined have traded over \$12 trillion to date, and brought trust, best-in-class technology and transparency to the global FX market. We are very pleased that our efforts to create a more transparent and secure marketplace have been recognised further with this in-principle decision.”

Jenna Wright, Head of LMAX Digital, commented:

“The GFSC is leading the way in global regulation of the crypto currency market and their approach mirrors LMAX Digital’s values. The Gibraltar regulator has recognised our role in further diversifying institutional currency markets and we look forward to working alongside them and other regulators to help improve understanding of the methods of trading crypto currencies.

“LMAX Digital launched less than 12 months ago and in that short time, we have been delighted with the positive response from institutional market participants. The number of clients using LMAX Digital has quadrupled since Q2 2018 and trading volumes have grown 126%, resulting in gross revenues also increasing 131%. Having built up a strong institutional following, we are in an excellent position to capitalise on the opening up of crypto currency markets to major global financial institutions.”

– ENDS –

For further information, please contact:

LMAX Exchange:

Barbara Pozdorovkina +44 (0)20 3192 2510 press@LMAX.com

FTI Consulting LMAXExchange@fticonsulting.com

Notes to Editors

About LMAX Digital:

LMAX Digital is the institutional crypto currency exchange, run by the LMAX Exchange Group, which also operates several leading FCA regulated trading venues for FX, metals and indices. Based on proven, proprietary technology from LMAX Exchange, LMAX Digital allows global institutions to acquire, trade and hold the most liquid digital assets, Bitcoin, Ethereum, Litecoin, Bitcoin Cash and XRP, safely and securely. LMAX Digital delivers complete transparency, open access and a level playing field for all crypto currency market participants, within a secure and trusted trading environment.

Key differentiators of LMAX Digital include:

- Trusted, secure trading environment based on LMAX Exchange proven technology
- One public rulebook for all members
- Central limit order book (CLOB) with streaming, firm institutional liquidity
- Safe and secure hot/warm/cold multi-signature wallets
- Full custodian solution

Key execution facts:

- Matching latency under 180µs
- High throughput >100,000 messages/second
- Superior exchange performance: uptime 100%

- All orders time-stamped in microseconds (receipt to execution)

LMAX Digital: www.lmaxdigital.com

About the LMAX Exchange Group:

LMAX Exchange Group (LMAX Exchange) is a leading player in global capital markets that operates multiple institutional execution venues for FX and crypto currency trading.

Leading the transformation of the global FX marketplace to transparent, fair, precise and consistent execution, LMAX Exchange has been widely recognised for industry innovation and award-winning proprietary technology. The Group's portfolio includes LMAX Exchange (FCA regulated MTF), LMAX Global (FCA regulated Broker) and LMAX Digital, the institutional crypto currency exchange.

Servicing funds, banks, brokerages, asset managers and proprietary trading firms, the company offers an anonymous, regulated and rules-based trading environment with strict price and time priority order execution at ultra-low latency. Clients benefit from access to real-time streaming market and trade data, which enables the control of execution quality and total trading costs.

LMAX Exchange operates a global exchange infrastructure with matching engines in London, New York and Tokyo. The company's institutional client base spans over 100 countries.

LMAX Exchange Group www.lmax.com

LMAX Exchange Group – Awards:

Financial technology awards:

2017 Best FX Trading Venue – (ECN/MTF) – Fund Technology and WSL Awards
2016 Best Trading & Execution Technology – HFM US Technology Awards
2013 Best Overall Testing Project – The European Software Testing Awards
2011 Best Trading System – Financial Sector Technology Awards
2011 Innovative Programming Framework – Oracle Duke's Choice Awards

FX industry awards:

2017, 2016, 2015, 2014, 2013 Best FX Trading Venue – ECN/MTF – Fund Technology & WSL Awards
2016, 2015, 2014, 2013 Best Margin Sector Platform – Profit & Loss Readers' Choice Awards
2014 Best Infrastructure/Technology Initiative – WSL Institutional Trading Awards
2013 Best Execution Venue – Forex Magnates Awards

Business growth awards:

2016, 2015 Winner – Deloitte UK Technology Fast 50
2016, 2015 Winner – Deloitte EMEA 500
2015, 2014, 2013 Fastest Growing Tech Company in the UK – Sunday Times Tech Track 100
2015 Recognised as a Tech City Future Fifty company