

LMAX Group accelerates growth momentum with record results in 2019

EBITDA increases by 30% as the Group continues to invest

LMAX Digital becomes the market leading institutional spot crypto currency exchange

London, 6 February 2020 – LMAX Group (“The Group” or “the Company”), the leading independent operator of institutional execution venues for FX and crypto currency trading, reports record profitability and financial performance for the year ended 31 December 2019.

2019 EBITDA grew by 30% to \$26.2m, making LMAX Group the fastest growing venue in the global spot FX market. This growth underlines the success of its distinctive business model of offering market and technology access to all FX client segments. With an EBITDA margin of 47%, LMAX Group is one of the most profitable operators of global venues for electronic FX trading.

2019 financial highlights:

- Gross Revenues of US\$61.7m, up 23% from 2018
- Gross Profit of US\$56.7m, up 28% from 2018
- Statutory EBITDA of US\$26.2m, up 30% from 2018
- Operating Profit of US\$19.6m, up 54% from 2018
- EBITDA margin of 47%
- Total FX trading volume across exchanges of US\$3.5 trillion, up 15% from 2018
- Total spot crypto currency volume of \$53 billion, up 14x from 2018

Three-year compound annual growth rates delivered:

- 26% growth in Gross Profit
- 47% growth in Statutory EBITDA
- 87% growth in Operating Profit

Growth in the institutional client base and its further diversification drove significant increase in revenues and volumes:

- Institutional segment: revenues up 86% and volumes up 20%
- Investment manager segment (trading via bank algos): revenues and volumes have doubled
- Funds segment: revenues up 100%, volumes up 30%
- Retail broker segment: revenues up 23%

Commenting on 2019 performance, David Mercer, CEO of LMAX Group, said:

“During a period of consistent low level of volatility in 2019, where volumes at most major venues have declined and margins have contracted for monoline institutional transactional businesses, we have delivered strong growth in both volumes and revenues while continuing to invest in our global distribution, market leading technology and best-in-class service for our clients.

We view this as a vote of confidence in our award-winning, robust proprietary technology and our ability to consistently deliver efficient market structure and transparent, precise, consistent execution – which has set us apart from the competition over a number of years.

2019 was the year that LMAX Group demonstrated the value and resilience of our distinctive ‘all market access’ business model. Access to 100% of the FX market doesn’t just differentiate our business proposition, it’s a source of diversified and consistent revenue streams. A diversified revenue mix ensures the resilience of our financial performance in all market cycles.”

2019 key business developments:

- **Invested in overseas expansion:** The Group has strengthened distribution capabilities in the EMEA region with the acquisition of a CySec regulated broker in Cyprus. The Group's global presence now includes 11 offices worldwide, servicing clients in over 100 countries.
- **Achieved market leadership in spot crypto currency trading:** LMAX Digital, our sixth exchange, has captured over 20% of the global market and delivered 81% quarter-on-quarter revenue growth since launch.
- **Continued investment in technology and people:** Ongoing technology investment has focused on ensuring resilience, security and increased capacity of our exchanges. New strategic senior appointments have strengthened the institutional sales coverage in Asia Pacific and facilitated rapid expansion of LMAX Digital.

Commenting on the Group's future plans, David Mercer continued:

"We are extremely excited for the year ahead and expect our core FX business to continue its growth trajectory, reflecting the increasing demand from all client segments for firm limit-order liquidity and transparent, precise, consistent execution. We are entirely focused on our mission to build the leading global electronic FX and crypto trading businesses.

We see further opportunities to continue leveraging our technology to launch new exchanges, whether it's setting up more FX matching engines globally or building exchange infrastructure for trading other asset classes, just like we did with LMAX Digital.

Another strategic growth area for us is to capitalise on the potential of our market data offering. Our ability to gather firm liquidity market data from all client segments, often not accessible through primary venues, puts us in a differentiated and advantageous position compared to other players. This will be a key growth story for us in the next decade."

– ENDS –

For further information, please contact:

LMAX Group press office: +44 (0)20 3192 2510 or press@LMAX.com

FTI Consulting: LMAXExchange@fticonsulting.com

Notes to Editors

About LMAX Group:

The LMAX Group is a global financial technology company and the leading independent operator of multiple institutional execution venues for FX and crypto currency trading.

The Group's portfolio includes LMAX Exchange (institutional FX exchanges and FCA regulated MTF), LMAX Global (FCA and CySec regulated brokers) and LMAX Digital (GFSC regulated institutional spot crypto currency exchange).

LMAX Group is unique in offering market access to all FX customer segments, transforming the world's largest asset class to an open, transparent marketplace with fair, precise & consistent execution. LMAX Group services funds, banks, asset managers and retail brokerages in over 100 countries.

The Group builds and runs its own high performance, ultra-low latency global exchange infrastructure, which includes matching engines in London, New York and Tokyo.

LMAX Group www.lmax.com