

**admirals**

**2024**

# Unaudited Consolidated Interim Report

**Admirals Group AS**



# Admirals Group AS

## Unaudited Consolidated Interim Report 2024

|  |                             |
|--|-----------------------------|
| Commercial Registry no.                  | 11838516                    |
| Address                                  | Maakri 19/1, Tallinn, 10145 |
| Telephone                                | +372 6 309 300              |
| E-mail                                   | info@admiralmarkets.com     |
| Main area of activity                    | Holding company             |
| Beginning and end date of financial year | 01. January - 31. December  |
| Chairman of the Management Board         | Alexander Tsikhilov         |
| Members of the Management Board          | Andrey Koks                 |
|  | Anton Tikhomirov            |
|  | Eduard Kelvet               |
|  | Lauri Reinberg              |
| Chairman of the Supervisory Board        | Anatolie Mihalcenco         |
| Members of the Supervisory Board         | Dmitri Lauš                 |
|  | Priit Rohumaa               |
|  | Juri Kartakov               |
|  | Olga Senjuškina             |

# Table of Contents

|   |           |
|---|-----------|
| <b>Highlights</b>   | <b>4</b>  |
| <b>Management Report</b>  | <b>5</b>  |
| Our Company   | 6         |
| Financial Review  | 10        |
| <b>Interim Financial Statements</b>   | <b>15</b> |
| Statement of Financial Position   | 16        |
| Statement of Comprehensive Income   | 17        |
| Statement of Cash Flows   | 18        |
| Statement of Changes in Equity  | 20        |
| <b>Notes to the Interim Financial Statements</b>                              | <b>21</b> |
| Note 1. General Information   | 22        |
| Note 2. Risk Management   | 22        |
| Note 3. Due from Credit Institutions and Investment Companies                 | 23        |
| Note 4. Financial Assets and Liabilities at Fair Value Through Profit or Loss | 23        |
| Note 5. Loans and Receivables   | 24        |
| Note 6. Liabilities and Prepayments   | 24        |
| Note 7. Leases  | 25        |
| Note 8. Subordinated Debt Securities  | 26        |
| Note 9. Off-Balance Sheet Assets  | 28        |
| Note 10. Share Capital  | 28        |
| Note 11. Segment Reporting  | 29        |
| Note 12. Net Income from Trading  | 29        |
| Note 13. Operating Expenses   | 30        |
| Note 14. Transactions with Related Parties                                    | 31        |

# Highlights 2024

- The group net trading income was EUR 38.4 million (2023: EUR 40.9 million, 2022: EUR 69.0 million and 2021: EUR 35.7 million)
- EBITDA\* was EUR 0.9 million (2023: EUR -6.5 million, 2022: EUR 27.4 million and 2021: EUR 2.6 million).
- EBITDA margin was 2% (2023: EUR -16%, 2022: 40% and 2021: 7%).
- Net profit (loss) was EUR -1.6 million (2023: EUR -9.7 million, 2022: EUR 24.3 million and 2021: EUR 0.1 million).
- Net profit margin was -4% (2023: -24%, 2022: 35% and 2021: 0.4%).
- Cost to income ratio was 110% (2023: 123%, 2022: 65% and 2021: 106%).
- Number of active clients\*\* in the Group went down by 52% to 43,332 clients compared to 2023 and is down by 22% compared to 2022 (2023: 89,764, 2022: 55,242 and 2021: 49,080).
- Number of active accounts\*\*\* in the Group went down by 43% to 63,249 clients compared to 2023 and is down by 10% compared to 2022 (2023: 110,471, 2022: 70,346 and 2021: 63,231).
- Number of new applications in the Group went down by 64% to 95,782 applications compared to 2023 and is down by 37% compared to 2022 (2023: 266,779, 2022: 151,116 and 2021: 123,714 new applications).
- In 2024 Admirals Group AS has entered into an agreement to sell its wholly owned subsidiary, Admirals AU PTY Ltd (Australia), a licensed investment company, to a non-related party, as part of the Admirals group's ongoing optimization of its geographic focus.
- Admirals Group AS has sold its 62% shareholding in AMTS Solutions OÜ.

\* Earnings before interest, taxes, depreciation and amortization.

\*\*Active clients represent clients who traded at least once in the respective of year.

\*\*\*Active accounts represent accounts via which at least one trade has been concluded in the respective of year.

# Management Report

The following chapter outlines the founding and licensing history and growth of Admirals Group AS and all of its constituent companies.



# Group Overview

ADMIRALS GROUP AS was founded in 2009 to incorporate financial companies from different countries to form a multinational group of companies operating under a joint trademark – Admirals (hereinafter referred to as “Admirals,” or “the Group”).

As a pioneer in financial markets since 2009, Admirals is a market leader in quality with a global digital presence. We create in-house software solutions for trading and investing, both B2C and B2B, making the financial markets accessible across the globe.

The main focus of the Group is the development of trading and investment services (mainly leveraged and derivative products) for retail, professional, and institutional clients. Customers are offered leveraged Contracts for Difference (CFD) products in the over-the-counter market, including Forex, indices, commodities, digital currencies, stocks, and ETFs, as well as listed instruments.

Admirals is aiming to provide financial freedom to 10 million people by 2030. This means that the Group is also developing the required approach to target beginner-level and experienced clients in equal measure to make the overall goal attainable.

In addition to this, the Group focuses on educating experienced traders and training new enthusiasts as well. Targeting new segments of clients, as a significant strategic approach, allows for further expansion of the business.

From 2025, the licensed investment companies constituting the consolidation group include Admiral Markets AS, Admiral Markets UK Ltd, Admirals Europe Ltd, Admiral Markets AS/ Jordan LLC, Admirals SA (PTY) LTD, Admiral Markets Canada Ltd, Admirals KE Limited, Admirals SC Ltd, and Admirals MENA Ltd.

In 2024 the Company sold Admirals AU Pty Ltd, a licensed investment company, to a non-related party, as part of the Admirals group’s ongoing optimization of its geographic focus.

The companies belonging to the Group have nine licenses: from the Estonian Financial Supervisory Authority (EFSA) for Estonia, the Financial Conduct Authority (FCA) for the UK, the Cyprus Securities and Exchange Commission (CySEC) for Cyprus, Jordan Securities Commission (JSC) for Jordan, Financial Sector Conduct Authority (FSCA) for South Africa, Investment Industry Regulatory Organization of Canada (IIROC), Capital Markets Authority for Kenya, the Financial Services Authority (FSA) for Seychelles, and Securities and Financial Services Regulatory Authority (FSRA) for Abu Dhabi (United Arab Emirates, UAE). No business activities have been conducted yet in UAE.

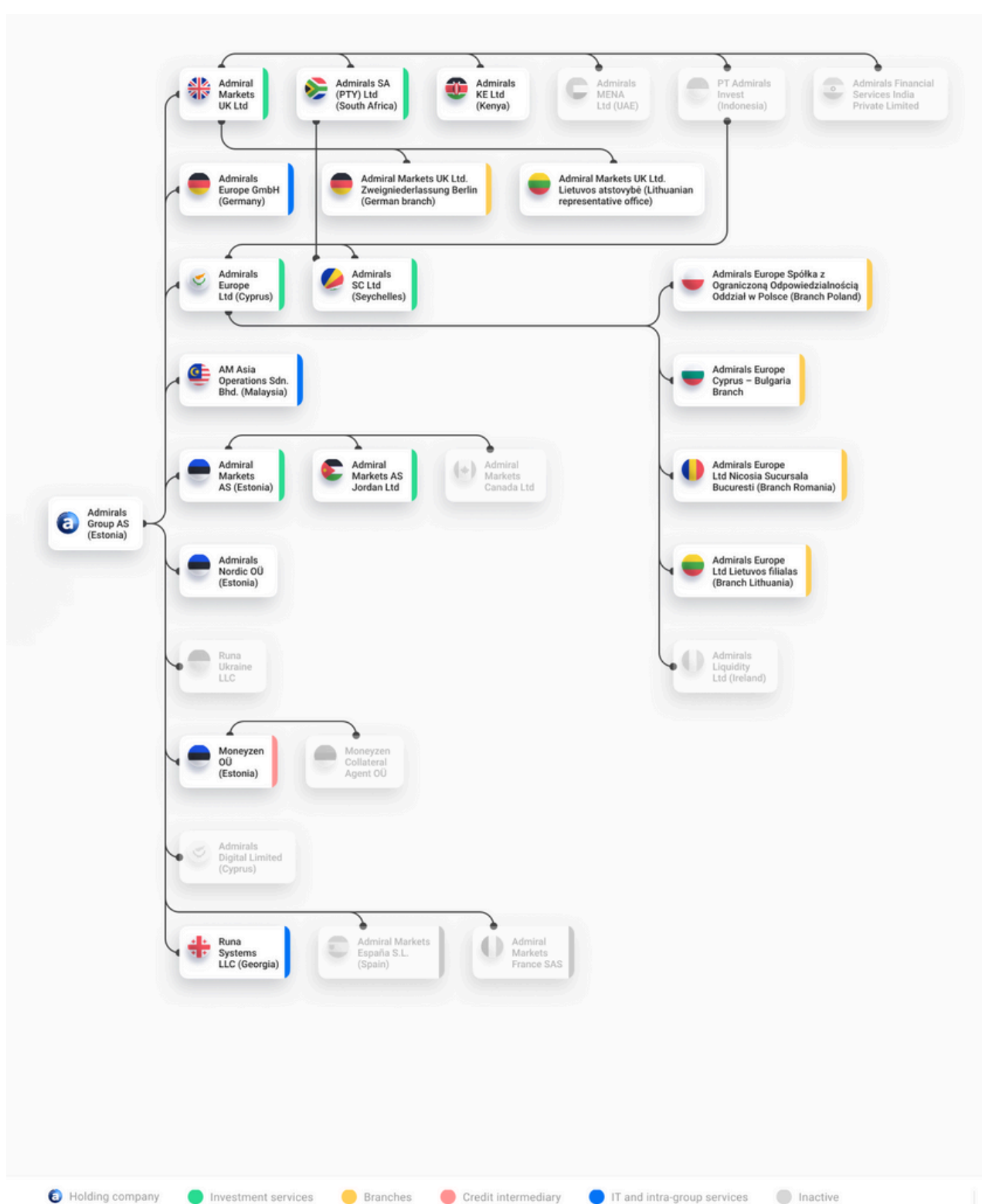
Admiral Markets AS role is that of a significant intra-group service provider. In line with the Group’s strategy, subsidiaries of Admirals Group AS hedge the risks arising from their clients’ transactions in their sister company – Admiral Markets AS, which is also their overall liquidity provider.

Other companies within the consolidation group at the time of publishing include Runa Systems LLC, AM Asia Operations Sdn. Bhd, PT Admirals Invest Indonesia LLC, Admirals Nordic OÜ, Admiral Markets Europe GmbH (Germany), Admiral Markets France (Société par actions simplifiée), Admiral Markets Espana SL (Spain), Admirals Digital Limited, Admirals Liquidity Limited (Ireland), Admirals Financial Services India Private Limited, Moneyzen OÜ and its subsidiary Moneyzen Collateral Agent OÜ.

Runa Systems LLC, AM Asia Operations Sdn. Bhd and Admiral Markets Europe GmbH offer IT and other intra-group services. Admirals Nordic OÜ, PT Admirals Invest Indonesia LLC, Admiral Markets France SAS, Admiral Markets Espana SL, Admirals Digital Limited, Admirals Liquidity Limited, Admirals Financial Services India Private Limited and Admirals MENA Ltd. are inactive at the moment.

# Admirals Group AS Structure

The structure of Admirals Group AS, is valid as of the date of this report's disclosure:



# Management of Admirals

At the time of the preparation of this report, the main shareholders of Admirals Group AS (holding over 10% of the voting rights represented by their shares) are:

- DVF Group OÜ (1,225,000 shares, representing 49.0% of the total number of shares), the sole shareholder of which is Alexander Tsikhilov;
- Alexander Tsikhilov (684,375 shares, representing 27.375% of the total number of shares);
- Laush OÜ (440,000 shares, representing 17.6% of the total number of shares), the sole shareholder of which is Dmitri Lauš.

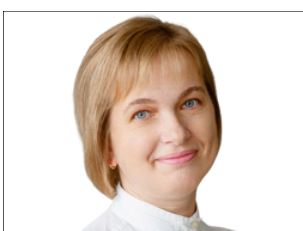
## Supervisory Board of Admirals Group AS

At the time of publication of the annual report, Admirals Group AS' Supervisory Board is composed of five members:

### Supervisory Board of Admirals Group AS



**Anatolie Mihalcenco**  
Chairman of the Supervisory Board



**Olga Senjuškina**  
Member of the Supervisory Board



**Priit Rohumaa**  
Member of the Supervisory Board



**Dmitri Lauš**  
Member of the Supervisory Board



**Juri Kartakov**  
Member of the Supervisory Board



## Management Board of Admirals Group AS



**Alexander Tsikhilov**  
Chairman of the Management Board



**Anton Tikhomirov**  
Member of the Management Board



**Andrey Koks**  
Member of the Management Board



**Lauri Reinberg**  
Member of the Management Board



**Eduard Kelvet**  
Member of the Management Board

## Management Board declaration

The unaudited interim report of Admirals Group AS consists of the management report and financial statements.

The data and the additional information provided by Admirals Group AS in the 2024 interim report are true and complete.

The accounting policies adopted in the preparation of the financial statements are in accordance with the International

Financial Reporting Standards as adopted by the European Union and give a true and fair view of the financial position, financial performance, and cash flow of the entity. The financial statements of the interim report of 2024 are unaudited.

# Financial review

## Main consolidated financial indicators of Admirals Group AS

| Income statement<br>(in millions of euros) | 2024 | 2023 | Change 2024 vs 2023 | 2022 | 2021 | 2020 |
|--|------|------|---------------------|------|------|------|
| Net trading income                         | 38.4 | 40.9 | -6%                 | 69.0 | 35.7 | 62.2 |
| Total operating expenses                   | 42.4 | 50.3 | -16%                | 44.7 | 37.8 | 40.6 |
| EBITDA                                     | 0.9  | -6.5 | 114%                | 27.4 | 2.6  | 23.4 |
| Net profit (-loss)                         | -1.6 | -9.7 | 84%                 | 24.3 | 0.1  | 20.7 |
| EBITDA margin, %                           | 2%   | -16% | 18                  | 40%  | 7%   | 38%  |
| Net profit (-loss) margin, %               | -4%  | -24% | 20                  | 35%  | 0.4% | 33%  |
| Cost to income ratio, %                    | 110% | 123% | -13                 | 65%  | 106% | 65%  |

| Business volumes<br>(in millions of euros)            | 2024   | 2023    | Change 2024 vs 2023 | 2022   | 2021   | 2020   |
|---|--------|---------|---------------------|--------|--------|--------|
| Due from credit institutions and investment companies | 60.3   | 60.0    | 0.5%                | 72.0   | 45.7   | 53.2   |
| Debt securities                                       | 0      | 3.4     | -100%               | 5.5    | 7.6    | 8.7    |
| Shareholders' equity                                  | 69.3   | 70.4    | -1.6%               | 82.9   | 59.3   | 61.1   |
| Total assets  | 79.8   | 82.0    | -2.7%               | 98.2   | 71.9   | 75.2   |
| Off-balance sheet assets (client assets)              | 91.3   | 99.0    | -8%                 | 86.0   | 99.2   | 82.2   |
| Number of active clients                              | 43,332 | 89,764  | -52%                | 55,242 | 49,080 | 48,341 |
| Number of active accounts                             | 63,249 | 110,471 | -43%                | 70,346 | 63,231 | 62,854 |
| Number of employees                                   | 234    | 290     | -19%                | 294    | 300    | 340    |

### Equations used for the calculation of ratios:

EBITDA margin, % = EBITDA / Net trading income

EBIT margin, % = EBIT / Net trading income

Net profit margin, % = Net profit / Net trading income

Cost to income ratio, % = Operating expenses / Net trading income

## Net Trading Income

In 2024, the Group's net trading income was EUR 38.4 million, this is a 6% decrease from EUR 40.9 million the previous year. The number of active yearly clients decreased by 52%. The value of trades went down 42% year-on-year in 2024, reaching EUR 510 billion. The number of trades decreased by 37.5% to 35 million compared to 2023.

In 2024 Commodity CFDs products accounted for 29% of total gross trading income, an increase of 4% year-on-year. Indices CFDs accounted for 45% of total gross trading income, an increase of 4% year-on-year. Forex accounted for 25% of total gross trading income, a decrease of 8% year-on-year. Forex decreased mainly due to an increase in commodities and Indices CFDs. The share of other products, such as stocks, ETFs, etc. made 1% of total gross income in 2024.

## Expenses

Operating expenses decreased by 16%, which was mainly due to the decrease in personnel, marketing, and outsourced services costs.

The largest share of total operating expenses for the Group comes from personnel expenses. Personnel expenses decreased by 12% to EUR 13.4 million in 2024, which accounts for 32% of total operating expenses. There was a decrease in personnel expenses mostly due to the result of strategic initiatives designed to enhance organizational structure. During 2024 Group employed 19% less employees, with a total of 234 employees by the end of 2024.

In 2024, marketing expenses were EUR 8.7 million which is a 34% decrease year-on-year and account for 21% of total operating expenses.

IT costs have increased by 6% which reflects the enhancement of our technological capabilities in 2024.

## Net Profit (Loss)

The Group's net loss was EUR 1.6 million in 2024, compared to a net loss of EUR 9.7 million a year earlier. The Group's net profit (-loss) margin, however, increased and was -4% compared to -24% the previous year.

The net profit (loss) per share of the Group was -0.6 at the end of 2024 (2023: -3.9).

## Statement of Financial Position

The Group has a strong balance sheet, with EUR 69.3 million of shareholders' equity. The Group's balance sheet is liquid as 74% of its total assets consists of liquid assets.

As of 31 December 2024, the assets of the Group totaled EUR 79.8 million. Ca 76% of assets are balances due from credit institutions and investment companies. Balances due from credit institutions and investment companies have increased by 0.5% in 2024. The debt securities portfolio for 2024 has been reduced to 0 and therefore accounts for 0% of total assets.

The Group's non-current assets decreased in 2024 to EUR 9.1 million because there were no significant investments in intangible assets. Non-current assets decreased mainly due to depreciation of tangible and intangible assets and right-of-use assets. Intangible assets consist mainly of the development costs of Mobile Apps, Native Trading, and other licenses. The tangible assets decreased by 26% to EUR 1.4 million in 2024 (2023: EUR 1.9 million), whereas intangible assets remained almost the same as the previous year's level.

Group's long-term debt consists of subordinated debt securities and finance lease EUR 6.1 million and makes up 8% of the balance sheet total. All other liabilities are short-term and are mainly liabilities to trade creditors and related parties, taxes payable, and payables to employees.

The off-balance sheet assets (client assets) of the Group decreased by 8% to EUR 91.3 million in 2024 (2023: EUR 99.0 million).

## Key Financial Ratios

|                                      | 2024  | 2023   | Change<br>2024 vs 2023 | 2022  |
|--------------------------------------|-------|--------|------------------------|-------|
| Net profit per share, EUR            | -0.6  | -3.9   | 3.3                    | 9.9   |
| Return on equity, %                  | -2.3% | -12.7% | 10.44                  | 33.1% |
| Equity ratio                         | 1.2   | 1.2    | 0                      | 1.2   |
| Return on assets, %                  | -2%   | -10.8% | 8.8                    | 27.6% |
| Short-term liabilities current ratio | 15.8  | 13.3   | 2.5                    | 10.6  |

### Equations used for the calculation of ratios:

Net profit per share, in EUR = net profit / average number of shares

Return on equity (ROE), % = net profit / average equity \* 100

Equity ratio = average assets / average equity

Return on assets (ROA), % = net profit / average assets \* 100

Short-term liabilities current ratio = current assets / current liabilities

The ratios are calculated as an arithmetic average of closing balance sheet figures from the previous and current reporting period, and the indicators of the income statement are shown as at the end of the reporting period.

## Client Trends

The number of active clients in the Group went down by 52% to 43,332 clients compared to period 2023 and down by 22% compared to same period in 2022. The number of new applications in the Group went down by 64% to 95,782 applications compared to the same period of 2023. The Group's client assets decreased by 8% year-on-year to 91.3 million EUR in 2023.

|                  | 2024   | 2023    | Change<br>2024 vs 2023 | 2022    |
|------------------|--------|---------|------------------------|---------|
| Active clients   | 43,332 | 89,764  | -52%                   | 55,242  |
| Active accounts  | 63,249 | 110,471 | -43%                   | 70,346  |
| New applications | 95,782 | 266,779 | -64%                   | 151,116 |

## Capitalisation

Risk management is part of the Group's internal control system, and its objective is to identify, assess, and monitor all the risks associated with Admirals to ensure the credibility, stability, and profitability of the company.

As of 31.12.2024, the own funds of Admirals amounted to 73,1 million EUR (31.12.2023: 71,3 million EUR). At the end of the reporting period, Admirals was well-capitalised, with a capital adequacy level of 259% (31.12.2023: 337%) and met all regulatory capital requirements in both 2024 and 2023.

## Own Funds

| (in thousands of euros)                   | 31.12.2024    | 31.12.2023    |
|---|---------------|---------------|
| Paid-in share capital                     | 250           | 250           |
| Own shares                                | -456          | -315          |
| Other reserves                            | 465           | -329          |
| Retained earnings of previous periods     | 72,604        | 81,461        |
| Intangible assets                         | -3,255        | -4,889        |
| Losses for the current financial year     | -63           | -8,624        |
| <b>Total Tier 1 capital</b>               | <b>69,545</b> | <b>67,554</b> |
| Subordinated debt securities              | 3,511         | 3,782         |
| Own instruments                           | -4            | -5            |
| <b>Total Tier 2 capital</b>               | <b>3,507</b>  | <b>3,777</b>  |
| <b>Net own funds for capital adequacy</b> | <b>73,052</b> | <b>71,331</b> |

## Capital Requirements

| (in thousands of euros)            | 31.12.2024    | 31.12.2023    |
|------------------------------------|---------------|---------------|
| <b>Fixed overheads requirement</b> | <b>11,832</b> | <b>10,359</b> |
| Risk to client                     | 598           | 967           |
| Risk to market                     | 12,188        | 12,224        |
| Risk to firm                       | 5,555         | 7,958         |
| <b>Total K-Factor requirement</b>  | <b>18,341</b> | <b>21,149</b> |

## Capital Adequacy

|                      | 31.12.2024 | 31.12.2023 |
|----------------------|------------|------------|
| Capital adequacy     | 398%       | 337%       |
| Tier 1 capital ratio | 379%       | 319%       |

# Consolidated Interim Financial Statements

This chapter outlines the assets, liabilities, equity, income and cash flow of the Group.



# Consolidated Statement of Financial Position

| (in thousands of euros)                                    | Note | 31.12.2024    | 31.12.2023    |
|--|------|---------------|---------------|
| <b>Assets</b>  |      |               |               |
| Cash and cash equivalents                                  | 3    | 41,607        | 41,025        |
| Due from investment companies                              | 3    | 18,736        | 18,961        |
| Financial assets at fair value through profit or loss      | 4    | 1,228         | 5,062         |
| Loans and receivables                                      | 5    | 8,315         | 4,772         |
| Inventories  |      | 665           | 311           |
| Other assets   |      | 2,092         | 2,137         |
| Tangible fixed assets                                      |      | 1,359         | 1,950         |
| Right-of-use assets  |      | 2,541         | 2,603         |
| Intangible assets  |      | 3,304         | 5,147         |
| <b>Total assets</b>  |      | <b>79,847</b> | <b>81,968</b> |
| <b>Liabilities</b>   |      |               |               |
| Financial liabilities at fair value through profit or loss | 4    | 334           | 224           |
| Liabilities and accruals                                   | 6    | 3,326         | 4,318         |
| Deferred tax liability                                     |      | 0             | 1             |
| Subordinated debt securities                               | 8    | 4,103         | 4,102         |
| Lease liabilities  | 7    | 2,818         | 2,894         |
| <b>Total liabilities</b>                                   |      | <b>10,581</b> | <b>11,539</b> |
| <b>Equity</b>  |      |               |               |
| Share capital  | 10   | 250           | 250           |
| Own shares   |      | -456          | -315          |
| Statutory reserve capital                                  |      | 25            | 25            |
| Currency translation reserve                               |      | 30            | -834          |
| Retained earnings  |      | 69,417        | 71,276        |
| <b>Total equity attributable to owners of the parent</b>   |      | <b>69,266</b> | <b>70,402</b> |
| Non-controlling interest                                   |      | 0             | 27            |
| <b>Total equity</b>  |      | <b>69,266</b> | <b>70,429</b> |
| <b>Total liabilities and equity</b>                        |      | <b>79,847</b> | <b>81,968</b> |



# Consolidated Statement of Comprehensive Income

| (in thousands of euros)  | Note      | 2024          | 2023          |
|--|-----------|---------------|---------------|
| Net gains from trading of financial assets at fair value through profit or loss with clients and liquidity providers |           | 40,653        | 46,276        |
| Brokerage and commission fee revenue   |           | 1,408         | 2,134         |
| Brokerage and commission fee expense   |           | -3,558        | -5,118        |
| Other trading activity related income  |           | 489           | 412           |
| Other trading activity related expense   |           | -583          | -2,768        |
| <b>Net income from trading</b>   | <b>12</b> | <b>38,409</b> | <b>40,936</b> |
| Other income similar to interest   |           | 947           | 171           |
| Interest income calculated using the effective interest method   |           | 424           | 900           |
| Interest expense   |           | -472          | -496          |
| Other income   |           | 3,004         | 741           |
| Other expenses   |           | -233          | -185          |
| Net losses on exchange rate changes  |           | -1,016        | -984          |
| Profit / (loss) from financial assets at fair value through profit or loss   |           | -444          | 61            |
| Personnel expenses   |           | -13,394       | -15,231       |
| Operating expenses   | 13        | -25,412       | -31,875       |
| Depreciation of tangible and intangible assets   |           | -2,594        | -2,310        |
| Depreciation of right-of-use assets  |           | -787          | -837          |
| <b>(Loss) before income tax</b>  |           | <b>-1,568</b> | <b>-9,109</b> |
| Income tax   |           | -24           | -616          |
| <b>(Loss) for the reporting period</b>   |           | <b>-1,592</b> | <b>-9,725</b> |
| Other comprehensive income / (loss):   |           |               |               |
| Items that subsequently may be reclassified to profit or loss:   |           |               |               |
| Currency translation adjustment  |           | 864           | -165          |
| <b>Total other comprehensive income / (loss) for the reporting period</b>  |           | <b>864</b>    | <b>-165</b>   |
| <b>Total comprehensive (loss) / income for the reporting period</b>  |           | <b>-728</b>   | <b>-9,890</b> |
| Net (loss) attributable to the owners of the parent  |           | -1,592        | -9,746        |
| Net profit attributable to non-controlling interest  |           | 0             | 21            |
| <b>(Loss) for the reporting period</b>   |           | <b>-1,592</b> | <b>-9,725</b> |
| Total comprehensive (loss) attributable to the owners of the parent  |           | -728          | -9,911        |
| Total comprehensive income attributable non-controlling interest   |           | 0             | 21            |
| <b>Total comprehensive (loss) for the reporting period</b>   |           | <b>-728</b>   | <b>-9,890</b> |
| Basic and diluted earnings per share   | 10        | -0.65         | -3.95         |

# Consolidated Statement of Cash Flows

| (in thousands of euros)  | 2024          | 2023           |
|--|---------------|----------------|
| <b>Cash flow from operating activities</b>                                     |               |                |
| Net loss for the reporting period  | -1,592        | -9,725         |
| <b>Adjustments for non-cash income or expenses:</b>                            |               |                |
| Depreciation of tangible, intangible and right of use assets                   | 3,381         | 3,147          |
| Interest and similar income  | -1,371        | -1,071         |
| Interest expense   | 472           | 496            |
| Corporate income tax expenses  | 24            | 616            |
| Other financial income and expenses  | -1,932        | -165           |
| Net profit from foreign exchange rate changes                                  | 1,016         | 984            |
| Other adjustments  | 6             | 5              |
| <b>Operating cash flows before changes in operating assets and liabilities</b> | <b>4</b>      | <b>-5,713</b>  |
| <b>Changes in operating assets and liabilities:</b>                            |               |                |
| Change in receivables and prepayments relating to operating activities         | -1,979        | -152           |
| Change in payables and prepayments relating to operating activities            | -1,711        | -2,664         |
| Change in derivative assets  | 11            | -64            |
| Change in the derivative liabilities   | 110           | -70            |
| Change in amounts due from investment companies                                | 225           | -2,433         |
| Changes in inventories   | -354          | -263           |
| Change in other assets   | 45            | 1 025          |
| <b>Operating cash flows before interest and tax</b>                            | <b>-3,649</b> | <b>-10,334</b> |
| Interest received  | 1,367         | 1 079          |
| Interest paid  | -400          | -425           |
| Corporate income tax paid  | -24           | -616           |
| <b>Net cash from/used in operating activities</b>                              | <b>-2,706</b> | <b>-10,296</b> |

continued on next page →

| <b>(in thousands of euros)</b>   | <b>2024</b>   | <b>2023</b>    |
|--|---------------|----------------|
| <b>Cash flow from investing activities</b>   |               |                |
| Disposal of tangible and intangible assets   | 1             | 25             |
| Purchase of tangible and intangible assets   | -100          | -1,333         |
| Loans granted  | -473          | -226           |
| Repayments of loans granted  | 274           | 251            |
| Acquisition of financial assets at fair value through profit or loss (investment portfolio)            | -10           | -6,938         |
| Proceeds from disposal of financial assets at fair value through profit or loss (investment portfolio) | 3,380         | 8,966          |
| Disposal of subsidiary, net of cash received   | 355           |                |
| <b>Net cash used in investing activities</b>   | <b>3,427</b>  | <b>745</b>     |
| <b>Cash flow from financing activities</b>   |               |                |
| Dividends paid   | 0             | -2,578         |
| Payments from subordinated debt securities issued  | 0             | -473           |
| Payments for repurchase of own shares  | -141          | 0              |
| Repayment of principal element of lease liabilities  | -862          | -892           |
| <b>Net cash used in financing activities</b>   | <b>-1,003</b> | <b>-3,943</b>  |
| <b>TOTAL CASH FLOWS</b>  | <b>-282</b>   | <b>-13,494</b> |
| <b>Cash and cash equivalents at the beginning of the period</b>  | <b>41,025</b> | <b>55,489</b>  |
| <b>Change in cash and equivalents</b>  | <b>-282</b>   | <b>-13,494</b> |
| Effect of exchange rate changes on cash and cash equivalents   | 864           | -970           |
| <b>Cash and cash equivalents at the end of the period</b>  | <b>41,607</b> | <b>41,025</b>  |

# Consolidated Statement of Changes in Equity

| (in thousands of euros)                                  | Share capital | Own shares (-) | Statutory reserve capital | Retained earnings | Currency translation reserve | Total equity attributable to owners of the parent | Non-controlling interest | Total equity  |
|--|---------------|----------------|---------------------------|-------------------|------------------------------|---|--------------------------|---------------|
| <b>Balance as at 31.12.2022</b>                          | <b>250</b>    | <b>-315</b>    | <b>25</b>                 | <b>83,600</b>     | <b>-669</b>                  | <b>82,891</b>                                     | <b>6</b>                 | <b>82,897</b> |
| Dividends paid   | 0             | 0              | 0                         | -2,578            | 0                            | -2,578  | 0                        | -2,578        |
| Net loss for the reporting period                        | 0             | 0              | 0                         | -9,746            | 0                            | -9,746  | 21                       | -9,725        |
| Other comprehensive loss for the reporting period        | 0             | 0              | 0                         | 0                 | -165                         | -165  | 0                        | -165          |
| <b>Total comprehensive loss for the reporting period</b> | <b>0</b>      | <b>0</b>       | <b>0</b>                  | <b>-9,746</b>     | <b>-165</b>                  | <b>-9,911</b>                                     | <b>21</b>                | <b>-9,890</b> |
| <b>Balance as at 31.12.2023</b>                          | <b>250</b>    | <b>-315</b>    | <b>25</b>                 | <b>71,276</b>     | <b>-834</b>                  | <b>70,402</b>                                     | <b>27</b>                | <b>70,429</b> |
| Repurchase of own shares                                 | 0             | -141           | 0                         | 160               | 0                            | 19  | 0                        | 19            |
| Sale of own shares                                       | 0             | 0              | 0                         | -427              | 0                            | -427  | -27                      | -454          |
| Net loss for the reporting period                        | 0             | 0              | 0                         | -1,592            | 0                            | -1 592  | 0                        | -1,592        |
| <b>Other comprehensive loss for the reporting period</b> | <b>0</b>      | <b>0</b>       | <b>0</b>                  | <b>0</b>          | <b>864</b>                   | <b>864</b>  | <b>0</b>                 | <b>864</b>    |
| <b>Total comprehensive loss for the reporting period</b> | <b>0</b>      | <b>0</b>       | <b>0</b>                  | <b>-1,592</b>     | <b>864</b>                   | <b>-728</b>                                       | <b>0</b>                 | <b>-728</b>   |
| <b>Balance as at 31.12.2024</b>                          | <b>250</b>    | <b>-456</b>    | <b>25</b>                 | <b>69,417</b>     | <b>30</b>                    | <b>69,266</b>                                     | <b>0</b>                 | <b>69,266</b> |

# Notes to the Consolidated Interim Financial Statements

This chapter presents more detailed information of the Consolidated Financial Statements.



## Note 1.

# General Information

ADMIRALS GROUP AS (previous business name Admiral Markets Group AS) has been an active holding company since 30.12.2009. ADMIRALS GROUP AS was established in 2009 with the aim of incorporating financial companies from different countries to form a multinational group of companies operating under a joint trademark - Admirals (hereinafter collectively referred to as "Admirals" or "the Group").

Admirals Group AS is a limited liability company incorporated in and domiciled in Estonia. The address of its registered office is Maakri 19/1, Tallinn, Estonia. The condensed consolidated interim financial statements of Admirals Group AS have been prepared in accordance with the international financial reporting standard IAS 34 "Interim Financial Reporting", as adopted by the European Union.

The condensed consolidated interim financial statements should be read in conjunction with the Group's consolidated annual report as of 31 December 2023. The accounting policies used in the preparation of the condensed consolidated interim financial report are the same as the accounting policies used in the annual report for the year ended 31 December 2023.

The condensed consolidated interim financial statements are unaudited and do not contain all the information required for the preparation of consolidated annual financial statements. The condensed consolidated interim financial statements are presented in thousands of euros unless otherwise stated.

## Note 2.

# Risk Management

Admirals offers provision of trading and investment services to retail, professional and institutional clients. According to the risk management policies of Admirals, risks arising from derivatives are partly economically hedged through counterparties (liquidity providers).

Risk is defined as a potential negative deviation from the expected financial result. The objective of the risk management of Admirals is to identify, accurately measure and manage risks. Risks are measured according to their nature as follows: qualitatively (scale of impact and the probability of occurrence) or quantitatively (monetary or percentage impact). Ultimately, the objective of risk management is to increase the income of Admiral Markets through minimizing damages and reducing the volatility of results.

Risk management is part of the internal control system of Admirals. Risk management procedures and basis of assessment are set out in the Group's internal rules and internal risk management policy. In accordance with the established principles Admiral Markets must have enough capital to cover risks.

Specifically, risk management is built on the principle of the three lines of defence. The first line of defence, i.e. business units is responsible for risk taking and risk management. The second line of defence, i.e. risk management, performed by the Risk Management Unit, is responsible for the development of risk methodologies and risk reporting. The third line of defence, i.e. internal audit, carries out independent supervision of Admiral Markets.

As we are exposed to credit and market risk in connection with our retail trading activities, developing and maintaining robust risk management capabilities is a high priority. In addition, we actively monitor and assess various market factors, including volatility and liquidity, and take steps to address identified risks, such as proactively adjusting the required customer margin.

There have been no changes in the risk management policies since the year-end.

## Note 3.

### Due From Credit Institutions and Investment Companies

| (in thousands of euros)                                    | 31.12.2024    | 31.12.2023    |
|--|---------------|---------------|
| Cash*  | 6             | 7             |
| Demand and term deposits with maturity less than 3 months* | 41,351        | 40,338        |
| Demand deposits on trading accounts                        | 18,736        | 18,961        |
| Cash in transit*   | 250           | 680           |
| <b>Total</b>   | <b>60,343</b> | <b>59,986</b> |

\* Cash and cash equivalents in the statement of cash flows

## Note 4.

### Financial Assets and Liabilities at Fair Value Through Profit or Loss

| Instrument<br>(in thousands of euros)                   | 31.12.2024   |            | 31.12.2023   |            |
|---|--------------|------------|--------------|------------|
|   | Asset        | Liability  | Asset        | Liability  |
| Bonds   | 0            | 0          | 3,362        | 0          |
| Company own bonds                                       | 0            | 0          | 6            | 0          |
| Equity investments at fair value through profit or loss | 878          | 0          | 1,035        | 0          |
| Convertible loans                                       | 0            | 0          | 298          | 0          |
| Derivatives   | 350          | 334        | 361          | 224        |
| <b>Total</b>  | <b>1,228</b> | <b>334</b> | <b>5,062</b> | <b>224</b> |

All derivative instruments are carried as assets when fair value is positive and as liabilities when fair value is negative. The Group has only short-term derivatives.

## Note 5.

# Loans and Receivables

| (in thousands of euros)      | 31.12.2024   | 31.12.2023   |
|------------------------------|--------------|--------------|
| <b>Financial assets</b>      |              |              |
| Trade receivables            | 369          | 1,272        |
| Rent deposits                | 122          | 169          |
| Loans granted                | 359          | 161          |
| Interest claims from loans   | 9            | 6            |
| Other short-term receivables | 5,769        | 1,488        |
| Other long-term receivables  | 1,687        | 1,676        |
| <b>Total</b>                 | <b>8,315</b> | <b>4,772</b> |

## Note 6.

# Liabilities and Accruals

| (in thousands of euros)          | 31.12.2024   | 31.12.2023   |
|----------------------------------|--------------|--------------|
| <b>Financial liabilities</b>     |              |              |
| Liabilities to trade creditors   | 1,031        | 1,468        |
| Other accrued expenses           | 442          | 628          |
| <b>Subtotal</b>                  | <b>1,473</b> | <b>2,096</b> |
| <b>Non-financial liabilities</b> |              |              |
| Share base payment liabilities   | 848          | 879          |
| Payables to employees            | 407          | 415          |
| Taxes payable                    | 598          | 928          |
| <b>Subtotal</b>                  | <b>1,853</b> | <b>2,222</b> |
| <b>Total</b>                     | <b>3,326</b> | <b>4,318</b> |



## Note 7.

# Leases

The Group leases equity and office premises. From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability from the date when the leased asset becomes available for use by the Group.

When applying IFRS 16, the Group uses a uniform discount rate for all leases with similar characteristics in accordance with the standard, set at 5% in 2024, which is close to the market rate.

The right-of-use asset and lease liability are recorded on separate lines in the statement of financial position.

Changes in lease liabilities are presented below:

| (in thousands of euros)             | Office lease liabilities | Equipment lease liabilities |
|-------------------------------------|--------------------------|-----------------------------|
| <b>Balance at 31.12.2022</b>        | <b>3,435</b>             | <b>0</b>                    |
| Additions*                          | 283                      | 0                           |
| Adjustments (incl. terminations)    | -2                       | 0                           |
| Lease payments made during the year | -892                     | 0                           |
| Interest expense                    | 70                       | 0                           |
| <b>Balance at 31.12.2023</b>        | <b>2,894</b>             | <b>0</b>                    |
| Additions*                          | 732                      | 140                         |
| Adjustments (incl. terminations)    | -157                     | 0                           |
| Lease payments made during the year | -830                     | -32                         |
| Interest expense                    | 64                       | 7                           |
| <b>Balance at 31.12.2024</b>        | <b>2,703</b>             | <b>115</b>                  |

\* New lease contracts and extension of the lease period for existing contracts.

Breakdown of lease liabilities to current and non-current in subsequent are set below:

| (in thousands of euros)     | 31.12.2024           |                     | 31.12.2023           |                     |
|-----------------------------|----------------------|---------------------|----------------------|---------------------|
|                             | Short-term liability | Long-term liability | Short-term liability | Long-term liability |
| Office lease liabilities    | 746                  | 1,957               | 0                    | 0                   |
| Equipment lease liabilities | 27                   | 88                  | 696                  | 2,198               |
| <b>Total</b>                | <b>773</b>           | <b>2,045</b>        | <b>696</b>           | <b>2,198</b>        |

## Note 8.

# Subordinated Debt Securities

| Bond Key Terms             | Admiral Markets                       | Admirals Group                          |
|----------------------------|---------------------------------------|---|
| Listed on Nasdaq Tallinn   | 11 January 2018                       | 21 December 2021                        |
| Redemption Date            | 28 December 2027                      | 05 February 2031                        |
| Nominal Value              | EUR 100                               | EUR 100                                 |
| Initial Issuance Volume    | EUR 1,826,800                         | EUR 2,701,600                           |
| Repurchased Bonds (2023)   | EUR 473,300                           | EUR 0                                   |
| Remaining Bonds            | EUR 1,353,500                         | EUR 2,701,600                           |
| Interest Rate              | 8% per annum                          | 8% per annum                            |
| Interest Payment Frequency | Semi-annual (28 June and 28 December) | Semi-annual (05 February and 05 August) |
| ISIN                       | EE3300111251                          | EE3300001999                            |

| Bonds                                 | 2024         | 2023         |
|---------------------------------------|--------------|--------------|
| Issued Bonds                          | 4,056        | 4,529        |
| Repurchased Bonds                     | 0            | -473         |
| Nasdaq Tallinn Listed Balance         | 4,056        | 4,056        |
| Deletion of Repurchased Bonds (2023)  | -6           | 0            |
| Subordinated Bonds Interest Liability | 88           | 88           |
| Adjusted Bond Cost                    | -35          | -42          |
| <b>Bond Carrying Amount</b>           | <b>4,103</b> | <b>4,102</b> |

| Bond Interest                             | 2024      | 2023      |
|---|-----------|-----------|
| <b>Interest liability at period start</b> | <b>88</b> | <b>88</b> |
| Interest accrued during the period        | 325       | 346       |
| Interest paid during the period           | -325      | -346      |
| <b>Interest liability at period end</b>   | <b>88</b> | <b>88</b> |

| <b>Transactions and Turnover</b> | <b>Admiral Markets</b> | <b>Admirals Group</b> |
|----------------------------------|------------------------|-----------------------|
| Number of Transactions (units)   | 82                     | 136                   |
| Turnover (thousands of EUR)      | 61                     | 206                   |

| <b>Investor Composition</b> | <b>Admiral Markets</b> | <b>Admirals Group</b> |
|-----------------------------|------------------------|-----------------------|
| Individuals                 | 58%                    | 34%                   |
| Legal Entities              | 42%                    | 66%                   |

### **Relevant Covenants and Terms**

Each bond has a nominal value of EUR 100 and an interest rate of 8% per annum, calculated on a 30/360 basis. In the event of delayed interest payments, a penalty interest of 0.05% per day is applied.

Bonds may be redeemed early only if the conditions specified in Article 78(4) of the EU Capital Requirements Regulation (EU) No. 575/2013 are met and the EFSA has approved early redemption.

The bonds are subordinated to all unsecured claims. In the event of liquidation or bankruptcy, repayment occurs only after the claims of senior creditors have been fully satisfied, thereby exposing investors to a higher risk position.

The funds raised will be used to strengthen Tier 2 regulatory capital, supporting growing operations and ensuring compliance with regulatory requirements.

The bonds are registered with the ECSD and have been assigned an ISIN code.

## Note 9.

### Off-Balance Sheet Assets

Off-balance sheet assets are funds of these clients who use the trading systems mediated by Admirals. Because of the specific feature of the system, the Group deposits these funds in personalised accounts in banks and in other investment companies. The Group is not allowed to use client funds in its business operations, they can be utilised only if specific circumstances prescribed by the contracts are met, and as stated in the terms and conditions of the contracts with the clients these assets are not part of Admirals's own assets. Furthermore, although these accounts are opened under Admirals Group name, the deposits and assets of the client would be regarded as not being the assets of Admirals Group in case of an event of bankruptcy, they would be legally isolated. Although the Group bears credit risk related to these assets, it assesses this risk as marginal as Admirals uses strong counterparties for maintenance of these funds. Taking all these arguments into account the Group assessed that these assets do not meet the criteria for asset recognition from Conceptual Framework, and accounts for them off-balance sheet.

| Off-balance sheet assets<br>(in thousands of euros) | 31.12.2024    | 31.12.2023    |
|---|---------------|---------------|
| Bank accounts                                       | 52,840        | 65,640        |
| Stock/shares  | 38,013        | 29,402        |
| Crypto currencies                                   | 439           | 217           |
| Cash in transit                                     | 0             | 3,750         |
| <b>Total</b>  | <b>91,292</b> | <b>99,009</b> |

## Note 10.

### Share Capital

| (in thousands of euros)  | 31.12.2024 | 31.12.2023 |
|--------------------------|------------|------------|
| Share capital            | 250        | 250        |
| Number of shares (pc)    | 2,500,000  | 2,500,000  |
| Nominal value of shares  | 0.1        | 0.1        |
| Basic earnings per share | -0.65      | -3.95      |

The share capital of the Group's parent company consists of 2,500,000 ordinary shares with a nominal value of EUR 0.1 which have been fully paid for. The shares give the right to receive dividends on the basis of relevant decision as adopted by the shareholders.

To calculate basic earnings per share, net profit attributable to owners of the parent has been divided by the weighted average number of shares issued.

There are no diluting instruments and thus diluted earnings per share is the same as basic earnings per share.

Basic earnings per share are calculated as follows:

| (in thousands of euros)   | 31.12.2024 | 31.12.2023 |
|---|------------|------------|
| Profit attributable to the equity holders of the Company                            | -1,592     | -9,725     |
| Weighted average number of ordinary shares (pc)                                     | 2,500,000  | 2,500,000  |
| Own shares (pc)   | 38,750     | 38,750     |
| Weighted average number of shares used for calculating the earnings per shares (pc) | 2,461,250  | 2,461,250  |
| Basic earnings per share  | -0.65      | -3.95      |

## Note 11. Segment Reporting

The Management Board members are the Group's chief operating decision-makers (CODM). Management has determined the operating segments based on the information reviewed by the Management Board members for the purposes of allocating resources and assessing performance. The group's main business is the provision of investment services. The Group has defined operating segments based on the reports used regularly by the Management Board to make strategic decisions. The geographical segments are grouped according to the location of Admirals offices and the data for each significant legal entity are disclosed separately in annual report.

## Note 12. Net Income from Trading

| (in thousands of euros)   | 2024          | 2023          |
|---|---------------|---------------|
| Indices CFD's   | 18,464        | 18,973        |
| Currency CFD  | 9,991         | 15,271        |
| Commodities CFD's   | 11,902        | 11,569        |
| Other (crypto, bonds, ETF, shares, others)  | 283           | 463           |
| <b>Net gain from trading of financial assets at fair value through profit or loss with clients including hedging with liquidity providers</b> | <b>40,653</b> | <b>46,276</b> |
| Commission fee revenue from clients   | 1,408         | 2,134         |
| Brokerage and commission fee expense  | -3,558        | -5,118        |
| Other trading activity related income   | 489           | 412           |
| Other trading activity related expenses   | -583          | -2,768        |
| <b>Net income from trading</b>  | <b>38,409</b> | <b>40,936</b> |

## Note 13.

# Operating Expenses

| Type of expense<br>(in thousands of euros)    | 2024           | 2023           |
|---|----------------|----------------|
| Marketing expenses                            | -8,707         | -13,133        |
| IT expenses                                   | -6,661         | -6,288         |
| Other outsourced services                     | -1,496         | -3,524         |
| VAT expenses                                  | -482           | -481           |
| Rent of low-value leases and utility expenses | -617           | -655           |
| Legal and audit services                      | -3,472         | -3,432         |
| Regulative reporting services                 | -815           | -714           |
| Transport and communication costs             | -337           | -416           |
| Travelling expenses                           | -73            | -365           |
| Other operating expenses                      | -1,935         | -1,929         |
| Small tools                                   | -193           | -236           |
| Bank charges                                  | -415           | -425           |
| Benefits for employees                        | -209           | -277           |
| <b>Total operating expenses</b>               | <b>-25,412</b> | <b>-31,875</b> |

## Note 14.

# Transactions with Related Parties

The following entities have been considered as related parties at the moment of preparing the financial statements of the Group:

- owners that have significant impact on the Group and the companies related to them;
- executive and senior management (members of the Management and Supervisory Board of companies belonging to the Group);
- close relatives of the persons mentioned above and the companies related to them;
- companies over which the persons listed in first point above have a significant influence.

Mr. Alexander Tsikhilov has ultimate control over the Group.

### Revenue

| (in thousands of euros)                        |  | 2024      | 2023       |
|--|--|-----------|------------|
| Services                                       | Key management and companies related to them | 46        | 111        |
| Interest income                                | Key management and companies related to them | 1         | 3          |
| <b>Total transactions with related parties</b> |  | <b>47</b> | <b>114</b> |

### Expenses

| (in thousands of euros)                        |  | 2024       | 2023       |
|--|--|------------|------------|
| Services                                       | Key management and companies related to them | 643        | 809        |
| <b>Total transactions with related parties</b> |  | <b>643</b> | <b>809</b> |

### Loans and receivables

| (in thousands of euros)                                       |  | 31.12.2024 | 31.12.2023 |
|---|--|------------|------------|
| Loans to key management and companies related to them         |  | 0          | 31         |
| Receivables from key management and companies related to them |  | 53         | 9          |
| <b>Total receivables from related parties</b>                 |  | <b>53</b>  | <b>40</b>  |

### Payables

| (in thousands of euros)                                  |  | 31.12.2024 | 31.12.2023 |
|--|--|------------|------------|
| Payables to key management and companies related to them |  | 18         | 12         |
| <b>Total receivables from related parties</b>            |  | <b>18</b>  | <b>12</b>  |

### Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured.



**Markets go  
up and down.  
We are going  
forward.**