

Public offering and listing of up to 50,000 unsecured
subordinated bonds of



ADMIRAL MARKETS AS

First supplement to
the prospectus

This document (the “**Supplement**”) is a supplement to the prospectus (the “**Prospectus**”), dated 4 December 2017, prepared by Admiral Markets AS (the “**Issuer**”), an Estonian company with registration number 10932555, in respect of a public offering (the “**Offering**”), listing and admission to trading of 50,000 unsecured subordinated debt securities with ISIN EE3300111251 (the “**Bonds**”). This Supplement is to be read together with the Prospectus.

This Supplement has been registered with the Estonian Financial Supervision Authority (the “**EFSA**”), the national competent authority in Estonia, on 18 December 2017 under the number 4.3-4.2/5674. By registering the Supplement, the EFSA does not guarantee the accuracy or completeness of the information provided in this Supplement. This Supplement has been passported to Latvia and Lithuania.

The Bonds are to be offered in the Republic of Estonia, Republic of Latvia and the Republic of Lithuania. Simultaneously with the offering of the Bonds, the Issuer will apply for admission to trading and listing of the Bonds in the Baltic Bonds List of Nasdaq Tallinn Stock Exchange.

The Bonds issued under this prospectus are

subordinated to all unsubordinated claims against the Issuer. Upon liquidation or bankruptcy proceedings of the Issuer, the Bonds are ranked below all other claims any creditor of the Issuer has against the Issuer (excluding additional bonds issued by the Issuer, which are to have a ranking of the same or lower level compared to the Bonds). Hence, in case of liquidation or bankruptcy of the Issuer, all the claims arising from the Bonds are satisfied only after the full satisfaction of all unsubordinated recognised claims against the Issuer. The Bonds may only be redeemed prior to the Maturity Date, if requirements deriving from Article 78 (4) of Capital Requirements Regulation (EU) No. 575/2013 are fulfilled and only if the EFSA has authorised such early redemption.

Nothing in this document constitutes an offer of the Bonds to be sold in the United States or any other jurisdiction where it is unlawful to do so. The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 (as amended from time to time), or the securities laws of any state of the U.S. and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons.

The date of this Supplement is 18 December 2017.

1. Persons responsible and limitations of liability

The person responsible for the information provided in this Supplement is the Issuer, i.e. Admiral Markets AS, a company established pursuant to Estonian laws, which is registered with the Estonian commercial register with registration number 10932555 and with the registered address at Ahtri 6a, 10151, Tallinn, Estonia.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is in accordance with the facts and contains no omission likely to affect its import.

Tallinn, 18 December 2017

Management Board of Admiral Markets AS



Sergei Bogatenkov

Dmitri Lauš

Dmitry Kuravkin

Without prejudice to the other sections of the Prospectus or this Supplement, no responsibility is accepted by the person responsible for the information given in the Prospectus or this Supplement solely based on the summary of the Prospectus, unless such summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus and this Supplement or it does not provide, when read together with the other parts of the Prospectus and this Supplement, key information.

Any persons in possession of this Supplement should not assume that the information in this Supplement is accurate as of any other date than the date of this Supplement. The delivery of this Supplement at any time after its date will not, under any circumstances, create any implication that there has been no change in the Issuer's affairs since the date hereof or that the information set forth in this Supplement is correct as of any time since its date.

2. Supplements to the prospectus

2.1 The EFSA has suggested the Issuer to issue a supplement to the Prospectus with updated financial statements, adding the balance sheet and the profit and loss statements the Issuer has presented to the EFSA for the first nine months of 2017. This affects section 7 of the Prospectus as well as the summary of the Prospectus.

The request by the EFSA was submitted as the Issuer's financial information for the first nine months of 2017 contains substantial new information which may be important in the view of the investors. This information is regarded

insider information and therefore has to be disclosed to the public. The financial statements for the first nine months of 2017 and comparative information from the same period in 2016 have been added to the financial information which has already been presented in the Prospectus. As stated in the Prospectus, the interim financial information for the first six months of 2016 and 2017 is unaudited and the financial information for the financial years of 2014, 2015 and 2016 is audited. The financial information added for the first nine months of 2016 and 2017 is unaudited.

7.1 Key financial data

	9 months 2017	9 months 2016	H1-17	H1-16	2016	2015	2014
Net profit from trading of financial assets at fair value through profit or loss with clients and liquidity providers	20,850,082	16,078,461	13,322,483	11,772,200	24,852,520	20,571,885	15,485,545
Net income from trading	15,152,970	11,416,760	9,003,034	8,948,601	17,952,840	16,485,220	13,196,643
Profit (loss) before income tax	5,601,024	2,259,412	2,517,217	2,623,908	6,018,149	-2,500,004	2,231,871
Profit (loss) for the accounting period	5,269,749	2,140,968	2,185,967	2,580,464	5,887,801	-2,516,772	2,218,908
Cash and equivalents	19,739,502	14,848,348	19,080,477	15,323,175	18,018,135	15,585,116	17,798,370
Financial assets at fair value through profit and loss	3,468,605	1,873,820	939,408	1,848,085	2,421,927	97,516	236,165
Short term loans, receivables and prepayments	3,650,900	3,254,711	4,186,551	3,642,877	2,822,597	3,650,936	2,521,775

	9 months 2017	9 months 2016	H1-17	H1-16	2016	2015	2014
Inventories*	272,089	0	0	0	0	0	0
Total current assets	27,131,096	19,976,878	24,206,436	20,814,137	23,262,659	19,333,568	20,556,310
Total non-current assets	805,052	971,664	839,071	996,521	860,166	1,080,803	1,333,068
TOTAL ASSETS	27,936,148	20,948,542	25,045,507	21,810,658	24,122,825	20,414,371	21,889,378
Total liabilities	1,239,668	1,943,664	1,432,809	2,066,264	1,371,094	3,090,441	2,048,676
Total owners' equity	26,696,480	19,004,898	23,612,698	19,744,394	22,751,731	17,323,930	19,840,702
TOTAL LIABILITIES AND OWNERS' EQUITY	27,936,148	20,948,542	25,045,507	21,810,658	24,122,825	20,414,371	21,889,378
Total Tier 1 own funds	21,294,355	16,683,610	21,287,596	19,474,756	15,410,392	16,023,034	19,694,334
Total own funds	21,294,355	16,683,610	21,287,596	19,474,756	15,410,392	16,023,034	19,694,334
Capital adequacy	21,9%	17,7%	22,9%	29,7%	19,0%	21,1%	21,6%

*The inventory row shows the amount of cryptocurrencies purchased for sale, which is equal to 272,089 EUR.

The details are: Ripple - 96 259, Litecoin - 30 879, Ether - 84 023, Bitcoin - 29 901, Bitcoin Cash - 31 026

7.2 Balance sheet

EUR	30.09.2017	30.09.2016	30.06.2017	30.06.2016	31.12.2016	31.12.2015	31.12.2014
Cash and equivalents	19,739,502	14,848,348	19,080,477	15,323,175	18,018,135	15,585,116	17,798,370
Financial assets at fair value through profit or loss	3,468,605	1,873,820	939,408	1,848,085	2,421,927	97,516	236,165
Short term loans, receivables and prepayments	3,650,900	3,254,711	4,186,551	3,642,877	2,822,597	3,650,936	2,521,775
Inventories*	272,089	0	0	0	0	0	0
Total current assets	27,131,096	19,976,878	24,206,436	20,814,137	23,262,659	19,333,568	20,556,310
Non-current assets							
Long-term loans	481,675	491,134	486,678	484,919	492,560	485,638	723,562
Tangible assets	191,001	300,210	213,258	322,428	239,069	378,678	463,138
Intangible assets	132,376	180,320	139,135	189,174	128,537	216,487	146,368
Total non-current assets	805,052	971,664	839,071	996,521	860,166	1,080,803	1,333,068
TOTAL ASSETS	27,936,148	20,948,542	25,045,507	21,810,658	24,122,825	20,414,371	21,889,378
Liabilities							
Current liabilities							
Financial liabilities at fair value through profit or loss	208,945	93,194	141,754	118,780	51,782	122,186	247,587
Payables and prepayments	1,030,723	1,345,204	1,047,055	1,184,613	1,075,312	2,741,315	1,345,096
Provisions	0	505,245	244,000	762,871	244,000	226,940	455,993
Total current liabilities	1,239,668	1,943,644	1,432,809	2,066,264	1,371,094	3,090,441	2,048,676
Total liabilities	1,239,668	1,943,644	1,432,809	2,066,264	1,371,094	3,090,441	2,048,676
Share capital	2,585,600	2,585,600	2,585,600	2,585,600	2,585,600	2,585,600	2,585,600
Statutory reserve capital	258,550	258,550	258,550	258,550	258,550	258,550	258,550
Retained earnings	23,852,330	16,160,748	20,768,548	16,900,244	19,907,581	14,479,780	16,996,552
Total owners' equity	26,696,480	19,004,898	23,612,698	19,744,394	22,751,731	17,323,930	19,840,702
TOTAL LIABILITIES AND OWNERS' EQUITY	27,936,148	20,948,542	25,045,507	21,810,658	24,122,825	20,414,371	21,889,378

*The inventory row shows the amount of cryptocurrencies purchased for sale, which is equal to 272,089 EUR.

The details are: Ripple - 96 259, Litecoin - 30 879, Ether - 84 023, Bitcoin - 29 901, Bitcoin Cash - 31 026

7.3. The profit and loss statements

EUR	9 months 2017	9 months 2016	H1-2017	H1-2016	2016	2015	2014
Net profit from trading of financial assets at fair value through profit or loss with clients and liquidity providers	20,850,082	16,078,461	13,322,483	11,772,200	24,852,520	20,571,885	15,485,545
Commission fee income	59,985	512,152	42,244	226,692	653,267	473,931	23,558
Commissions and brokerage fee expense	-5,755,343	-5,035,305	-4,333,766	-2,917,351	-7,325,048	-3,775,773	-1,618,913
Other trading activity related expenses	-1,754	-138,548	-27,927	-132,940	-227,899	-784,823	-693,547
Net income from trading	15,152,970	11,416,760	9,003,034	8,948,601	17,952,840	16,485,220	13,196,643
Other income	233,987	51,266	196,532	54,917	163,433	247,067	159,758
Interest income (loss)	76,678	11,876	19,744	-8,942	70,567	37,820	36,913
Gains (losses) from foreign exchange rate changes	-684,515	-208,532	-483,849	-179,266	391,350	333,540	176,988
Other financial income and expenses	0	-16,675	0	0	-16,675	-206,243	0
Personnel expenses	-3,804,731	-3,453,358	-2,589,141	-2,332,956	-4,483,878	-2,985,866	-2,880,766
Operating expenses	-5,221,923	-5,306,727	-3,522,263	-3,703,742	-7,751,332	-16,131,025	-8,195,031
Depreciation of fixed assets	-151,442	-235,198	-106,840	-154,704	-308,156	-280,517	-262,634
Profit (loss) before income tax	5,601,024	2,259,412	2,517,217	2,623,908	6,018,149	-2,500,004	2,231,871
Income tax	-331,275	-118,444	-331,250	-43,444	-130,348	-16,768	-12,963
Profit (loss) for the accounting period	5,269,749	2,140,968	2,185,967	2,580,464	5,887,801	-2,516,772	2,218,908

2.2 The Issuer has identified a mistake in the Russian translation of the summary of the Prospectus. It should be noted that the Maturity Date of the Bonds is 28.12.2027, not 28.12.2017

as brought out in the summary (Section C.9 of the Russian translation of the summary). The respective correction has been implemented to the respective document.

3. Terms and conditions of the offering

All the terms and conditions of the Offering shall remain the same.

4. Rights of the investors

Investors who have submitted a Purchase Offer subscribe for the securities before the publication of this supplement to the Prospectus, will have the right to withdraw such acceptance. This right is exercisable within two working days after the publication of the supplement (i.e. the latest on 20 December 2017 at 23:59 (EET)). Investors who

have not withdrawn their acceptance within the given period are deemed to have accepted all information set forth in this supplement.

To cancel or amend a Purchase Offer, the Investor must follow the procedure set forth in section 5.1 of the Prospectus.