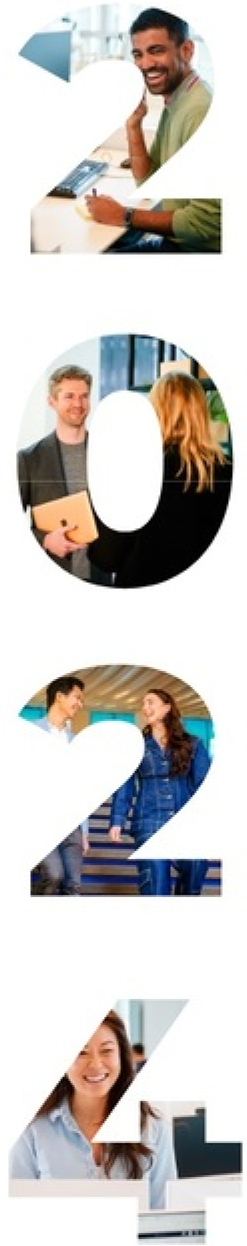
Annual Report



FLOW TRADERS

Table of contents

Note: Flow Traders' Board report, as referred to in section 2:391 of the Dutch Civil Code can be found in the chapters on: 2024 Financial overview, Financial performance, Leadership statement, Risk management, Corporate governance and Board report.

At a glance

Flow Traders is a leading trading firm operating in the global financial ecosystem. Our mission is to challenge the status quo and drive efficiency, transparency and innovation across global financial markets. We do this by focusing on fostering innovation through investing, developing leading infrastructure and enabling trading diversification. Founded in 2004, Flow Traders is a specialist in Exchange Traded Products (ETPs) and we have leveraged our expertise to expand into digital assets, fixed income, FX and commodities. Flow Traders' role in financial markets is to maintain the availability of liquidity and enable investors to buy and sell financial instruments under all market circumstances, thereby ensuring financial markets remain resilient and continue to function in an orderly manner. With over two decades of experience, we have built a team of over 600 talented professionals, located in ten locations across the globe, who contribute to our entrepreneurial culture and are committed to delivering our Company mission.

2024

Financials

Global ETP value traded

€47,933 billion

2023: €43,081 billion

Flow Traders total value traded

€6,248 billion

2023: €5,648 billion

Flow Traders ETP value traded

€1,545 billion

2023: €1,464 billion

Total income

€479.3 million

2023: €303.9 million

EBITDA

€217.1 million

2023: €69.8 million

Net profit

€159.5 million

2023: €36.2 million

Celebrating 20 years

Mike Kuehnel
CEO

“In 2024, we proudly celebrated Flow Traders' 20th anniversary, this was an incredible milestone for our firm, our people, and our trusted partners. This year has been groundbreaking, showcasing the strength of our business model, the resilience of our team, and our commitment to innovation in global financial markets.

I am immensely proud of what we achieved in 2024. We delivered a strong financial performance, seizing emerging market opportunities and capitalizing on volatility. Beyond the financials, this year marked significant strides in advancing our strategic and commercial agenda, including the introduction of our Trading Capital Expansion Plan, which is a pivotal step in ensuring Flow Traders' long-term growth.

More broadly, we strongly believe we stand at a transformative moment in financial markets, operating at the intersection of traditional finance (TradFi) and digital asset markets. The shift towards a 24/7 trading environment is shaping the global financial landscape, and Flow Traders is uniquely positioned to lead this evolution. Our leading role in ETP trading, robust distribution network, strong pricing capabilities, and position as a first mover in digital assets equip us to drive growth.

Our mission remains clear: to contribute to making global financial markets more transparent and efficient, ultimately reducing transaction costs, and increasing accessibility for all market participants. As digital assets continue to disrupt financial markets, we see immense potential for traditional and digital asset ecosystems to co-exist, complementing each other to create a more inclusive financial ecosystem.

To our partners and counterparties, thank you for your unwavering support and collaboration. Together, we are paving the way for a more innovative and inclusive financial system.”

Leadership statement 2024

Marking 20 years of driving transparency in financial markets

In 2024, Flow Traders proudly celebrated 20 years of providing liquidity and contributing to innovation in global financial markets. Throughout our 20 years, we have consistently demonstrated the ability to adapt and thrive in the evolving financial landscape, capturing opportunities in emerging asset classes and championing the growth and accessibility of ETPs. Our efforts have also played a pivotal role in fostering greater transparency and efficiency across global financial markets.

This milestone would not have been possible without our incredibly talented team, whose passion, entrepreneurial spirit, and unwavering commitment have been the foundation of our success. Together with our trusted ecosystem of partners we have cultivated a culture of innovation that continues to shape the future of the industry.

Building upon our strong foundation

We further focused on delivering into our strategy pillar *leverage and build-out proprietary infrastructure* by developing our China proposition along with improving our collaboration with partners in order to fully leverage our capabilities.

Throughout the year, as a leadership team, we prioritized reinforcing the core of our business by further strengthening our risk management and compliance framework. One overarching priority was to further foster responsible behaviors and our risk culture across the firm.

We believe our culture is a key ingredient to our success and it is something we are proud to continue to develop, whether through our L&D offering, charitable endeavors (Flow Traders Foundation) to creating moments to connect, we continually focus on team spirit.

2024 trading environment

Favorable market dynamics allowed us to effectively execute our trading strategies and capitalize on market volatility driven by macroeconomic shifts, geopolitical instability, and sector-specific developments.

As a result, Flow Traders delivered its second-best financial performance in Company's history, achieving a net trading income of €467.8 million and a net profit of €159.5 million. Beyond our strong financial results, we successfully met our operational and commercial objectives, further solidifying our position as a global leader in liquidity provision. We also maintained a disciplined approach to managing our cost base while enhancing our focus on operational efficiencies, ensuring sustainable growth.

Our strategic pillar to *optimize core and grow trading capital* was realized when we announced the introduction of our Trading Capital Expansion Plan in 2Q, which included the suspension of our dividend. Given the success of the Trading Capital Expansion Plan thus far, the firm will continue to pursue the most strategic debt financing options to further support the firm's growth.

Following this announcement, we focused on fostering investor trust and proactively engaging with stakeholders to ensure alignment with our growth and diversification strategy. Our expanded capital position strengthened our ability to deploy trading capital effectively across regions and asset classes, enabling us to seize trading opportunities throughout the year.

Leadership and expertise expansion

As part of our commitment and strategic pillar *technology and innovation*, we have been advancing our technological capabilities, especially in light of the artificial intelligence (AI), big data, and machine learning. We took a significant step by appointing Owain Lloyd as Chief Technology Officer, he brings extensive expertise in emerging technologies, which will be instrumental as we navigate the rapidly evolving landscape in 2025 and beyond.

As a leadership team and throughout the firm, we are deeply committed to nurturing our teams' growth and enabling them to achieve exceptional results. We actively collaborate with organizations such as Women in ETFs, have established our own mentoring program, created a dedicated crypto talent pool (W3BWAVE), and pursued strategic partnerships to develop current and future talent.

2024 dynamics and our role

The financial markets are undergoing significant transformation, driven by trends that enhance infrastructure, improve trading systems, and create greater transparency and efficiency.

In 2024, digital assets experienced accelerated growth and widespread adoption, with institutional interest surging significantly, particularly following the early-year launch of spot Bitcoin ETFs. This pivotal milestone served as a catalyst, firmly establishing digital assets as a viable and rapidly expanding asset class. As a firm, we strengthened our presence in the ecosystem by partnering with organizations such as Wormhole and Pyth, while also expanding our investments through Flow Traders Strategic Capital. In 2025, we are also set to launch AllUnity's EUR-denominated regulated stablecoin with DWS and Galaxy, which we believe is set to further drive adoption, especially across institutions. These proof points all support our strategic pillar to *diversify business model and revenue streams.*

ETFs also continued their upward trajectory, becoming one of the most influential forces in today's financial markets. With assets under management (AuM) surpassing record highs, the rise of thematic ETFs, as well as those focused on ESG and emerging sectors like digital assets, has broadened access to niche investment opportunities. As a trading firm with a strong presence in ETFs, we are well-positioned to facilitate this growth by providing liquidity and enhancing price discovery across markets.

Regulation continues to play a key role in shaping financial markets. As a participant across multiple markets and asset classes, we strongly advocate for robust and consistent regulatory frameworks. We believe such clarity enhances transparency and ultimately benefits end investors. In particular, the introduction of MiCAR in Europe and the implementation of T+1 settlement cycles highlight the importance of proactive collaboration between market participants and regulators, a responsibility we fully embrace.

The rapid advancements in big data, AI, machine learning, and other emerging technologies are set to redefine global financial markets. When effectively embraced, these innovations have the potential to create a more efficient and inclusive investment ecosystem for all participants. Recognizing this, we are intensifying our efforts to deploy cutting-edge technology and quantitative trading insights, ensuring we continue to deliver seamless execution and value for our stakeholders.

Looking ahead

We see tremendous opportunities for our Company and our people as we operate at the exciting intersection of TradFi and digital asset markets. We firmly believe that greater interaction between these ecosystems will make global financial markets more inclusive and accessible, benefiting all investors.

As a trading firm active in the digital asset space since 2017, we have leveraged our first-mover advantage to build a robust and trusted network of partners and a global trading infrastructure. This strong foundation, combined with our market leadership in ETFs, positions us to capitalize on emerging opportunities. Moreover, our strong capital position and ambitious growth plans motivate us to drive innovation and expansion. By fostering collaboration across the industry and prioritizing transparency, we aim to shape a financial ecosystem. that promotes trust, efficiency, and long-term value creation for all stakeholders.

Mike Kuehnel (CEO), Hermien Smeets-Flier (CFO) & Owain Lloyd (CTO)

Financial performance overview 2024 (in thousands of euro)

Financial overview	2024	2023
	For the year ended 31 December	
Net trading income	**467,794**	**300,311**
Other income or expense	11,525	3,565
Total income	**479,319**	**303,876**
Fixed employee expenses	81,651	80,028
Technology expenses	66,636	64,416
Other expenses	28,665	35,671
Adjusted operating expenses*	**176,952**	**180,115**
Variable employee expenses	85,267	53,922
Depreciation of property and equipment	16,559	17,688
Amortization of intangible assets	728	606
Write off of (in) tangible assets	148	76
Operating result	**199,665**	**51,469**
add back: Depreciation of property and equipment	16,559	17,688
add back: Amortization and write off of intangible assets	876	682
EBITDA*	**217,100**	**69,839**
EBITDA margin*	**45.3 %**	**23.0 %**

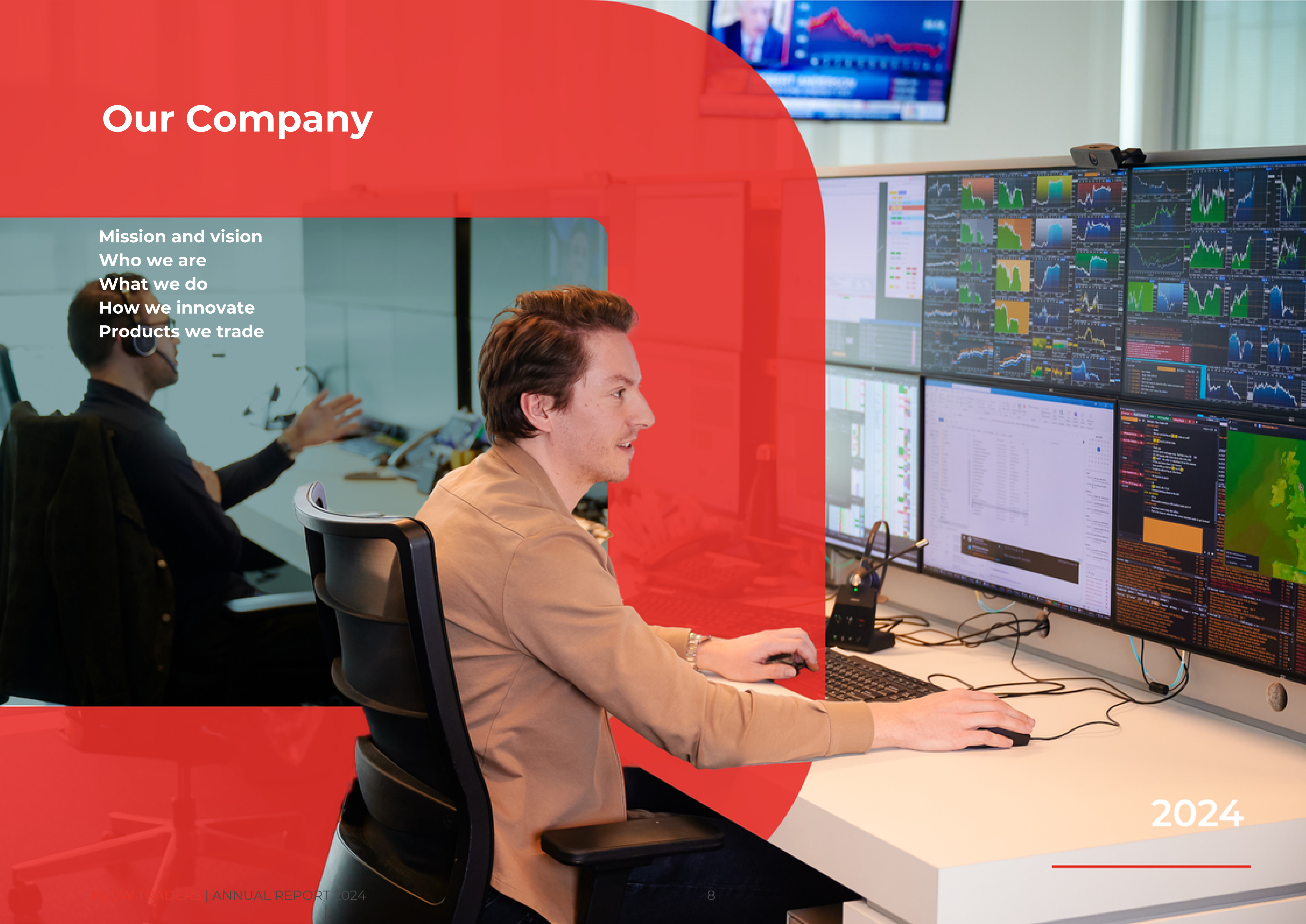
	2024	2023
	For the year ended 31 December	
Profit before tax	**194,364**	**44,654**
Tax expense	34,827	8,503
Profit for the year attributable to the owners of the Company	**159,537**	**36,151**

*Please see page 19 for additional information about the use of non-IFRS performance measures.

For the year ended 31 December 2024				
Reconciliation to revenue by region	**Europe**	**Americas**	**Asia**	**Total**
Net trading income	312,954	73,357	81,483	467,794
Inter-segment revenue related to trading activities	–	20,278	30,060	50,338
Inter-segment expense related to trading activities	(50,338)	–	–	(50,338)
Other income or expense	11,525	–	–	11,525
Revenue by region	**274,141**	**93,635**	**111,543**	**479,319**

For the year ended 31 December 2023				
Reconciliation to revenue by region	**Europe**	**Americas**	**Asia**	**Total**
Net trading income	196,709	66,779	36,823	300,311
Inter-segment revenue related to trading activities	–	15,377	17,077	32,454
Inter-segment expense related to trading activities	(32,454)	–	–	(32,454)
Other income or expense	3,574	(9)	–	3,565
Revenue by region	**167,829**	**82,147**	**53,900**	**303,876**

Our Company



2024

Our Company

Mission and vision

Our mission is to challenge the status quo and drive efficiency, transparency and innovation across global financial markets. At the core of our mission, is our strong conviction that the global financial ecosystem should become increasingly more accessible and democratized.

Subsequently, our vision, as a global multi-asset liquidity provider and market maker, is to enable seamless trading anytime and anywhere. To pursue this long-term vision, we are committed to consistently providing liquidity, investing in improving the accessibility of the financial ecosystem, developing cutting-edge technologies, and fostering both our team and strategic partnerships.

Our business strategy is built on four key pillars designed to accelerate Flow Traders' growth:

Optimize core and grow trading capital

Building an increasingly resilient and efficient business model through dedicated optimization of the firm's trading core. While simultaneously growing the firm's capital base to accelerate the monetization of all existing and new trading strategies across asset classes and regions.

Leverage and build-out proprietary infrastructure

Leverage proprietary infrastructure, capabilities and expertise to expand into adjacent products and enhance incumbent trading strategies.

Technology and innovation

Further adopt emerging technologies and increase the utilization of data insights within trading to improve our own pricing competency as well as internal hedge and execution efficiencies.

Diversify business model and revenue streams

Invest in adjacent business propositions around connectivity, platforms, data and tokens via dedicated partnerships to accelerate innovation across financial markets and to diversify existing revenue streams.

Who we are

We are proud to promote an entrepreneurial and collaborative spirit. By embracing this, Flow Traders has grown and so has our team. Since inception 20-years ago, we continuously foster our Company culture and the values that have contributed to our success.

- Flow Traders' Leadership; embody our values and demonstrate the behaviors we pride ourselves on; transparency, integrity and accountability. They design and implement our engagement efforts, which are developed following our annual survey.
- Business department heads and team members; are supported with tailored trainings or learning sessions to actively stimulate our people in their personal and career development through our dedicated Flow Academy.
- Colleagues; reinforce our culture, they organize their own events, competitions, and charitable endeavors.

Our culture is what makes Flow Traders unique, it brings together a team of creative doers, thinkers, and challengers who have shaped our Company. Our culture is further underpinned by a set of values that thrive across our Company:

We are **one team**

We are **entrepreneurial**

We are **driven**

We are **responsible**

What we do

As a global liquidity provider and market maker, we provide continuous liquidity as well as actively invest and support our partners with our leading distribution network and execution capabilities.

We build and deploy proprietary trading models and strategies, enabling us to provide liquidity in a broad set of asset classes, regardless of the market circumstances. To enable this we continue to develop our technology-stack to provide competitive pricing and seamless execution.

Furthermore, we actively invest and foster the development of market infrastructure to contribute to improving transparency and efficiency across global financial markets. This is in the form of strategic partnerships with both the TradFi as well as digital asset partners.

These activities are executed by our highly skilled and talented team who focus on operational excellence and create value for our broad set of stakeholders.

Create long-term sustainable value for society

Our ESG priorities comprises of three material themes: Environmental footprint, Sustainable employment and Good governance.

Environment

As we continue to expand our trading footprint to ensure that sustainable investment products can be traded efficiently, with minimal energy use and emissions. We will focus on energy efficiency and climate action to reduce our environmental footprint from our operations.

Social

We prioritize sustainable employment, by creating an attractive workplace for all, leveraging an experienced talent pool that forms a diverse, and entrepreneurial team.

Governance

We must ensure that we always operate with high ethical standards in compliance with laws and regulations. We will continue to act on our responsibilities and fully anchor them in the way we do business through our focus on integrated governance and accountability, engaging stakeholders and transparent reporting.

How we innovate

Technology is at the core of our business and operations, over 40% of our workforce is dedicated to this function. Our Technology strategy, focuses on prioritizing automation, developing our data-driven strategies and enhancing our proprietary technology-stack to further improve our execution capabilities as well as contribute to the Company's mission.

"The importance of data and algorithms is vital to the next wave of global financial market evolution and we are actively developing new strategies to fully extract the value across our Company."

Owain Lloyd
CTO

Product Development

Our talented Software Engineers leverage the latest technologies to maintain and improve our trading engines. With a strong focus on code quality and maintainability, our Software Developers and Data Engineers design and build our propriety code that enables us to trade.

Quantitative Research

Our Quantitative Researchers generate and test new trading concepts. As the concept of Quantitative Research is becoming increasingly important to our business and the industry as a whole, we will focus on projects that leverage machine learning and AI to further improve our trading strategies over the coming years.

IT

Systems, Network, Security and Trading Support are only a few of the focus areas of our IT function. Our IT teams deploy and maintain the software and hardware infrastructure that supports our day-to-day trading activities, which is crucial in enabling us to operate effectively.

Trading

We focus on technology and niche competencies in markets where every second counts, this is especially critical with the market shifting further to algorithm-based trading. This requires access to comprehensive data and the ability to convert this data into instant and value add actions. To achieve this, our Software Developers collaborate with experienced Traders to identify and execute opportunities.

Around 30% of our employee base are part of our Trading team, and they drive the development of new trading strategies for our on-exchange trading activities. Our Trading team are also supported by Analysts, who monitor news, prepare for major market events, and keep Traders informed on macro, micro, and fundamental factors.

Our Institutional Traders support our institutional counterparty network by offering prices off-exchange for institutional counterparties, providing competitive quotes-upon-request across RFQ platforms.

Products we trade

As we are classified as an investment firm under regulatory standards, we operate solely at our own risk and on our own account. In transactions with counterparties, we act exclusively as a principal, without offering any agency, investment, or ancillary services.

Through our ETP trading activities, we provide market participants with cost-effective access to diverse asset classes. Our liquidity provisioning includes equities, fixed income, commodities, FX and in 2017, we expanded into digital assets. We trade across 180+ exchanges and trading venues; more details on our offering can be found on our website.

We also trade with over 2,000 institutional counterparties off-exchange, more information on our proposition can be found on our website.

By operating within both primary and secondary markets, we aim to provide tight spreads and continuous liquidity, ensuring efficient and transparent trading by always providing buy and sell quotes across diverse product categories.

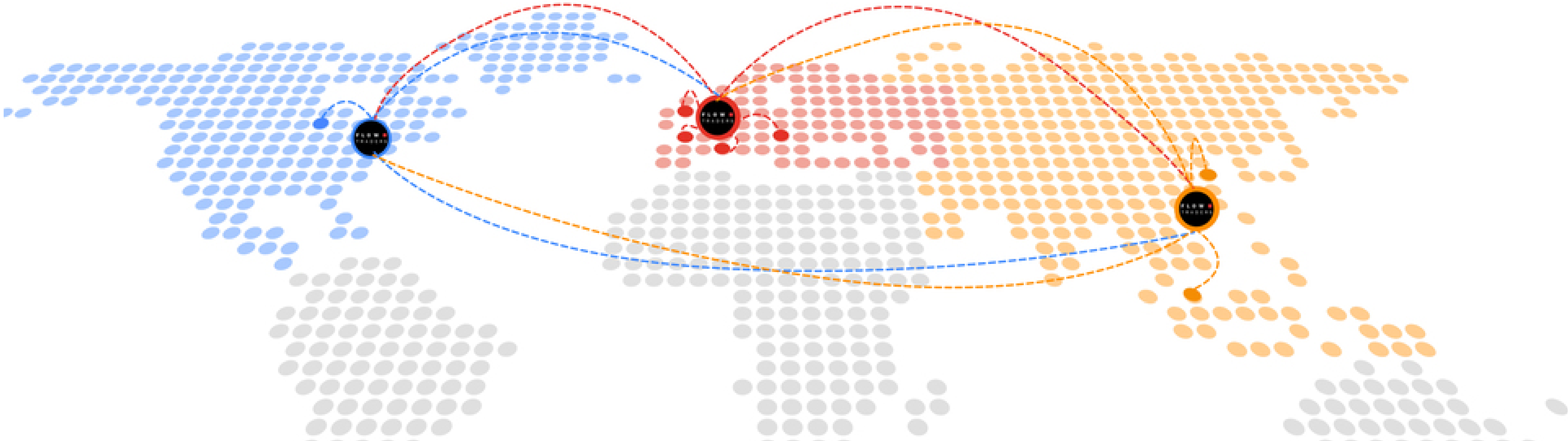
Our operations

Our role in the ETP ecosystem
Markets and trends
Asset class development
Growth catalyst

2024

Our operations

Our headquarter in Amsterdam, the Netherlands, is home to our technology, corporate functions and our Board. Flow Traders provides liquidity on-exchange as a registered market maker and off-exchange in bilateral trades with institutional counterparties. Operating from Amsterdam, Hong Kong, Singapore, New York, and several branch offices we ensure global coverage. By continuously quoting bid-ask prices we support investors to buy and sell assets at prices reflecting current market values.



AMERICAS

- **Flow Traders ETP value traded: €776bn**
  (vs. €754bn in 2023)
- **FTE: 98**
  (vs. 102 in 2023)

EMEA

- **Flow Traders ETP value traded: €655bn**
  (vs. €619bn in 2023)
- **FTE: 431**
  (vs. 428 in 2023)

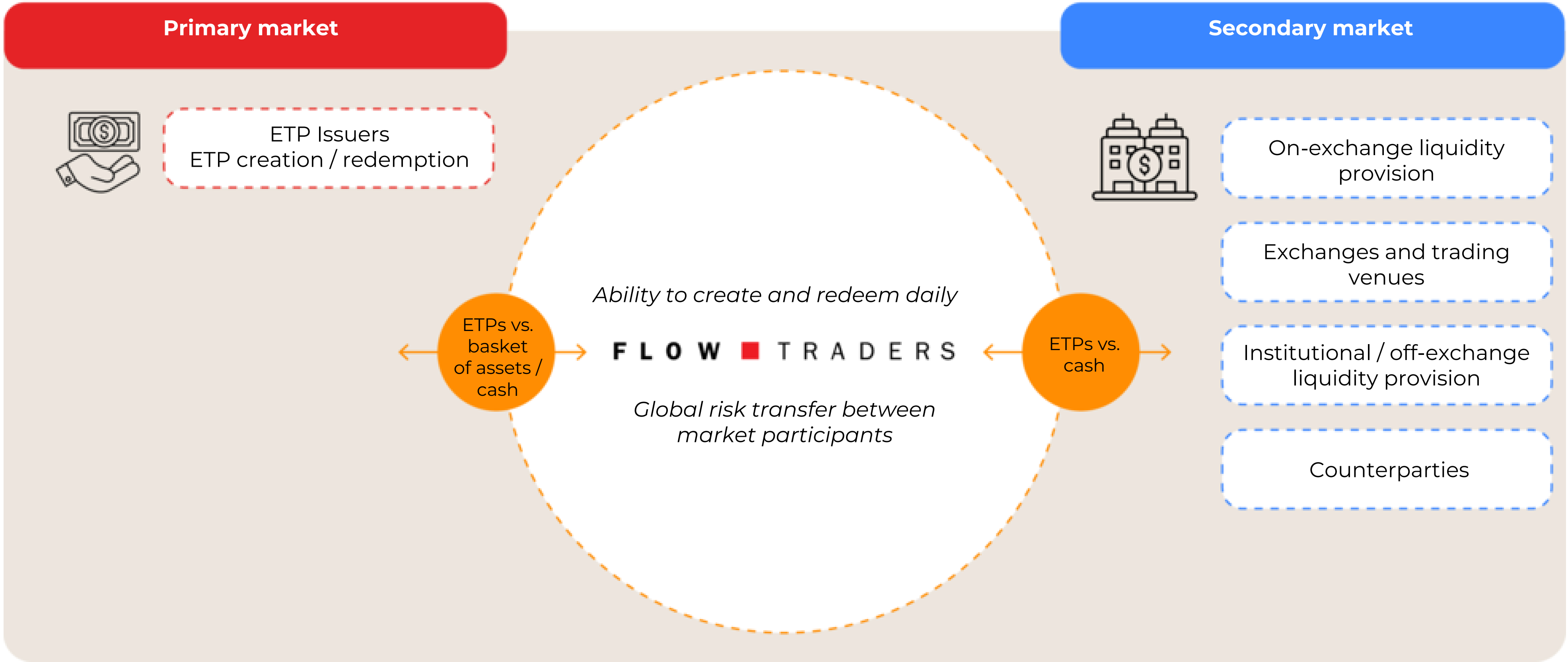
APAC

- **Flow Traders ETP value traded: €114bn**
  (vs. €93bn in 2023)
- **FTE: 80**
  (vs. 83 in 2023)

Our role in the ETP ecosystem

As a global liquidity provider we operate between both the primary and secondary markets. By providing continuous liquidity, we play a crucial role in ensuring that ETPs and other financial instruments can be traded efficiently. This reduces trading costs and improves overall market accessibility for market participants.

The securities market is accessible to registered participants, including broker-dealers and market makers. Investors place orders with broker-dealers, who route them to exchanges or market makers for execution. As a market maker, we provide liquidity by quoting bid and ask prices, facilitating trades with counterparties. Once a trade is confirmed, clearing houses handle the settlement, ensuring secure transfer of assets and payments. Acting as a liquidity provider, we maintain a market-neutral position, with performance unaffected by market price direction.



Markets and trends

ETP investing

In recent years, the ETP ecosystem has continued to mature and experienced significant growth in both AuM and number of products. According to ETFGI, global ETP AuM increased from $11,634 billion at the end of 2023 to $14,846 billion at the end of 2024. This is a reflection of the underlying market performance during 2024 coupled with record inflows into ETPs. The market expectation is that AuM will continue to grow going forward and we believe there are several reasons for this. One is that investors are attracted to the transparent nature of ETPs, which enables them to clearly follow how the underlying securities are performing. Another reason is that ETPs are liquid, available at lower costs and can be bought and sold easily during market hours. A third reason is that ETPs can be composed of financial instruments from almost any asset class, sector or location, providing investors with access to markets that would normally be difficult to reach.

Global ETP markets grew by 28% in 2024, as measured by AuM, driven predominantly by the out performance of the underlying markets. Annual global inflows of ETP AuM were $1.88 trillion in 2024 (2023: $985 billion – source ETFGI). Overall trading activity in 2024 increased compared to the prior year given surprising monetary policy changes by central banks around the world, political elections in major economies that were expected to have significant impact on macroeconomic policies, and the resurgence of cryptocurrencies as an asset class.

Global coverage

In 2024, Flow Traders' ETP value traded once again was in excess of the €1 trillion mark. The European ETP market recorded total ETP value traded of €2,518 billion in 2024, compared to €2,039 billion in 2023. Flow Traders' total ETP value traded in Europe was €655 billion in 2024, compared to €619 billion in 2023. We remained a leading liquidity provider in ETPs and managed to grow our on- and off-exchange trading capabilities further.

The largest ETP market globally remains in the Americas, where total ETP value traded (on- and off-exchange) was €38,545 billion in 2024, compared to €35,874 billion in 2023. Flow Traders' ETP value traded in the Americas was €776 billion in 2024, compared to €754 billion in 2023. Institutional trading continued to expand as well and Flow Traders Americas continued to grow and deepen its overall presence in this important market. We also expanded our lead market maker activities during 2024 and supported numerous ETF listings in the U.S. for a variety of leading issuers, including the spot Bitcoin ETF launches in the U.S.

In APAC, the ETP market remained fragmented, with large differences in trading volumes, trading costs, regulation and maturity across the financial markets. The Asian ETP market recorded total ETP value traded of €6,871 billion in 2024, including China, compared to €5,168 billion in 2023. Flow Traders' total ETP value traded in Asia was €114 billion in 2024, compared to €93 billion in 2023. Flow Traders had its most successful year ever in Asia in 2024, a clear validation of our strategy to invest in the region.

Our business - operations

We operate three main trading hubs in Amsterdam, Hong Kong, and New York. In addition, we operate branch offices in Chicago, Cluj, London, Milan, Paris, Shanghai, and Singapore.

In 2024 we had access to +180 exchanges and trading venues, globally. We provided liquidity in over 6,500 unique ETP ISINs on- and off-exchange, which is more than 40% of all ETPs globally. Off-exchange, we provided liquidity in ETPs on a RFQ basis to more than 2,000 institutional counterparties across the globe, including banks, asset managers, pension funds, insurance companies, family offices, hedge funds, and others, and this number is increasing on an almost daily basis. In addition to ETPs we provide liquidity in similar instruments whose value is correspondingly affected by a change in the value of underlying or related assets, such as futures or bonds. During 2024, we continued to implement our diversification, strategy and related initiatives across other asset classes and provided liquidity as a market maker in FX, fixed income, commodities and digital assets.

Irrespective of what we trade, as a liquidity provider we generally do not have a directional opinion on the market. In other words, our results do not depend on the direction of market prices. Our net trading income is derived from the small price differences that are realized between buying and selling related or correlated assets. Whether that is between the ETPs we buy or sell, the prices we pay or receive for the underlying related financial instruments to mitigate our risk, or trading FX pairs.

We are not a bank, broker or investment manager and do not have client AuM as we trade from our own capital. We also do not develop or make products, do not provide any services and do not have (consumer) clients. Our value chain comprises, among others, of our institutional counterparties, prime brokers and regulators.

Asset class developments

Equity

We still see significant opportunities for growth in the equity ETP market. Global equity ETP value traded increased to €23,928 billion in 2024, compared to €22,718 billion in 2023, and further market growth is expected from the increasing investor demand and awareness for ETPs.

Flow Traders' equity value traded (ETPs, futures and cash) amounted to €3,217 billion in 2024, compared to €3,009 billion in 2023. Our strengths and future focus relating to equity includes:

- Strong performance globally in international ETPs and index futures
- Leveraging our global pricing capabilities in APAC as we penetrate and unlock new growth markets

Fixed income

Electronic trading in fixed income has increased dramatically over the last few years. For example, 50% of Euro-denominated investment-grade (IG) credit is now executed electronically, reaching 75% on a ticket-count basis. This increase has contributed to the approaching inflection point in the electronification of credit markets. This is similar to what we have witnessed in other asset classes, such as FX, U.S. equity options and Exchange Traded Funds (ETFs). This transition is being driven by better pre- and post-trade information, the rise of algorithmic trading and new trading protocols being embraced by the buy- and sell-side. Initially driven by regulation such as MiFID II, it is likely that the regulatory landscape will continue to accelerate this electronification trend.

Responding to these market dynamics, Flow Traders has built a strong fixed income liquidity provision capability set spanning ETPs, corporate credit (investment-grade and high yield bonds) and emerging market sovereigns.

There has been a consistent increase in fixed income ETP value traded in recent years as well as AuM. The global fixed income ETP value traded increased to €2,901 trillion in 2024, compared to €2,836 trillion in 2023. Flow Traders fixed income value traded (ETPs, Futures and Cash) amounted to €943 billion in 2024, compared to €1,154 billion in 2023, as we shifted more of our limited trading capital base to other asset classes which saw greater dislocations over the year. Nevertheless, we continue to deepen and broaden our market coverage and relationships with our buy-side counterparties. From a strategic standpoint, our focus areas include:

- ETP ecosystem: Partner with issuers to develop innovative fixed income products. We are also seeking creation-redemption synergies with corporate bond market making
- Credit trading: We will increase quote sizes to undertake larger block transactions with counterparties as well as distributing pre-trade portfolio trading levels to expedite portfolio construction
- Model pricing: Expand model trading capabilities to new fixed income subsets and improve pricing and coverage of investment-grade bonds

Currency, cryptocurrency and commodity

In recent years, cryptocurrencies have emerged as an important asset class with increased institutional acceptance. Cryptocurrencies saw a resurgence in 2024 after the last crypto winter in 2022-23, with the approval of spot Bitcoin ETFs in the U.S. in January 2024 paving the way for increased institutional adoption. Trading volumes in cryptocurrencies more than doubled in 2024 compared to 2023, while global crypto ETP value traded increased more than ten-fold on the back of the spot Bitcoin ETF approvals and launches in the U.S. as the development of institutional grade and regulated digital asset market infrastructure continued to progress. This comes on top of continued advancement in custody solutions, prime brokerage, data and analytics, AML-KYC and other risk solutions, digital property rights, digital identity solutions as well as decentralized finance ecosystems.

Flow Traders’ crypto liquidity provision commenced more than eight years ago and spans OTC spot as well as ETPs. We are connected to over 20 trading venues globally and provide liquidity to over 200 cryptocurrencies. From an ETP perspective, Flow Traders is the number one liquidity provider in crypto ETPs in Europe and a leader globally on-exchange. The digital assets space is well-suited to Flow Traders’ technology-enabled capabilities. The future focus and opportunities for the digital asset space includes:

- ETPs: Maintain our leading position in crypto ETP market making with the prospect of further regional expansion while at the same time working to increase efficiency of access across the ecosystem
- Spot and derivatives: Continue to grow our market making activities across these products by expanding our platform and token coverage
- Strategic partnerships: Leverage new and existing partnerships to further build out the trading infrastructure around digital assets
- Utilize Flow Traders Strategic Capital: To further integrate Flow Traders into the growing ecosystem

Growth catalysts

Transformative megatrends are actively reshaping the financial ecosystem in which we operate, presenting our Company with new opportunities for diversified growth.

The most prominent trends relevant to our business are the global growth of ETPs, electronification, digital assets, 24/7 trading and evolving regulation. These trends not only shape our market environment but also reinforce and amplify each other, creating powerful synergies that strengthen our strategies.

ETP growth

2.5X

Growth in AuM by 2030

AuM reached $14 trillion end of 2024 and is predicted to rise to $25 trillion by 2030, a significant acceleration that aligns with our core business growth. In 2024, spot Bitcoin ETFs and other cryptocurrency ETFs listed, this demonstrates the further growth potential and adoption of this financial instrument.

Electronification

> 50%

Executed volumes in Euro credit

As electronic trading advances, it aligns well with our technology expertise. Credit algorithms now drive around 50% of Euro credit volumes, especially for trades under €1 million. Fixed income ETF assets are also set to triple, from $2 trillion in 2023 to $6 trillion by 2030.

Digitization

> $3.4tr

Total crypto market cap Dec 2024

Long-term opportunities in digital assets align with our expertise across both TradFi and digital asset markets. Increased institutional and retail adoption, along with the launch of spot Bitcoin ETFs in the U.S., have driven a 826% growth in ETF AuM 2023 vs. 2024. Additionally, accelerated growth in stablecoins reflects the sector's increasing strength. The stablecoin market cap is estimated at $189 billion end of 2024, up 53% year-on-year.

Regulation

Enhanced global regulations

In the EU, the final MiCAR implementation phase is ongoing with early signs of market adoption. In U.S., Asia and U.K. regulatory discussions are accelerating. Various significant changes to the bond transparency and reporting regimes will take effect in 2025/26 and will impact the market. The upcoming global transition into T+1 settlement already impacts ongoing regulatory proposals in the EU.

Our financial performance

Our financial performance

Flow Traders delivered a strong financial and trading performance in 2024, driven by the introduction of our Trading Capital Expansion Plan. We recorded a net trading income (NTI) of €467.8 million in 2024 (2023: €300.3 million). Our cost base and capital position remained solid as we continued to execute our growth and diversification strategy.

"By increasing our capital base in 2024, we leveraged favorable market dynamics, delivering a strong financial performance. Our expanded capital base was deployed effectively, resulting in a strong return on trading capital and enhancing our ability to capitalize on strategic opportunities."

Hermien Smeets-Flier
CFO

Financial overview

Flow Traders recorded an NTI of €467.8 million in 2024 (vs. €300.3 million in 2023) reflecting the overall market and trading environment. Other income of €11.5 million was derived from the strategic investments portfolio (vs. €3.6 million in 2023).

Europe, our home market, contributed the most to our NTI which reflects the region's high level of flow visibility, counterparty and product coverage as well as the fact that the growth business activities are typically located at our headquarter in Amsterdam. There were also significant contributions from APAC. The disciplined execution of our strategic growth agenda meant that investments we have made are yielding meaningful returns.

On the cost side, fixed operating expenses decreased to €177.0 million for the year (€180.1 million in 2023). The decrease was due to one-off strategic advisory costs incurred in 2023, which was partially offset by an increase in technology costs and fixed employee expenses in support of our trading activities and further due to general price inflation. FTEs were slightly lower this year 609 (2023: 613). Variable employee expenses increased to €85.3 million (€53.9 million in 2023) which is in line with the improved financial performance of the business during the period.

Given these income and cost dynamics, Flow Traders continued to demonstrate solid operational leverage with an EBITDA margin of 45.3% in 2024 (2023: 23.0%) with EBITDA of €217.1 million (2023: €69.8 million), due to the improved performance of the business.

Profit for the year was €159.5 million (2023: €36.2 million), with basic EPS of €3.69 (2023: €0.84).

Non-IFRS performance

Non-IFRS financial measures are disclosed in addition to the statement of comprehensive income, in order to provide relevant information to better understand the underlying business performance of our Company.

In 2024, we decided to simplify our use of non-IFRS measures and discontinued the use of normalized alternative performance measures to reduce complexity in financial reporting and to adhere to accounting best practices.

Flow Traders has the following non-IFRS financial measures:

- **Fixed operating expenses:** Calculated as fixed employee expenses, technology expenses and other expenses. The measure provides a focused metric of the core operating expenses of the Company while removing the variable employee expenses which are dependent on current-year results

- **EBITDA:** Calculated as the operating result, before depreciation, amortization, and write-offs on intangible assets. EBITDA is used as it focuses on core trading and operational activities

- **EBITDA margin:** EBITDA as a percentage of the total income. The margin is used as a measure profitability

- **Revenue by region:** Consists of net trading income, other income or expense, inter-segment revenue related to trading activities less inter-segment expense related to trading activities

Dividend Policy

Flow Traders may or may not distribute out of the Company's net profits realized during the financial year to shareholders. The Company's Board may decide, in accordance with the Company's Bye-Laws and Board Rules, that the profits realized during a financial year will fully or partially be appropriated to increase and/or form reserves. A distribution of dividends is subject to applicable rules and regulations, the Company's Bye-Laws and the Board Rules.

If applicable, dividends will be declared and paid following the publication of our results. There can be no assurance that in any given year a dividend will be proposed or declared.

The payment of dividends, if any, and the amounts and timing thereof, will depend on a number of factors, including future profits, financial conditions, general economic and business conditions, and future prospects and other factors the Board may deem relevant, as well as other legal and regulatory requirements. Our intentions in relation to dividends are subject to numerous assumptions, risks and uncertainties, many of which may be beyond our control.

Reserves for 2024

In July 2024 the Board announced its Trading Capital Expansion Plan and the related revision of its Dividend Policy. To expand the trading capital base, the Board has suspended regular dividend payments until further notice and did not pay an interim cash dividend for the financial year 2024.

Capital requirements

Our prime brokers require the Company to maintain certain minimum capital levels. They leverage various internal systems to calculate required capital amounts (e.g., the 'internal haircut model' and the 'margin based approach model', both intending to ensure sufficient levels of risk allowances) and have different limits structure, pre-funding possibilities.

Margin requirements of prime brokers are conservatively determined by the sophistication of their models and the regulatory requirements, which might not necessarily be efficient in respect of our business model and trading portfolios.

The following table sets out the capital required to be posted with our prime brokers and capital available (net liquidation value).

Prime broker capital requirements

For the year ended 31 December

	2024	2023
Net liquidity at clearing/ prime brokers	766.5	577.9
Cash at bank	8.4	5.7
Net trading capital	**774.9**	**583.6**

Outlook

Looking ahead to 2025, fixed operating expenses for FY 2025 are expected to be in the range of €190-210 million given additional technology investments and targeted additions to FTEs in growth areas, offset somewhat by expected operational efficiency gains.

Our risk management

2024

Risk management

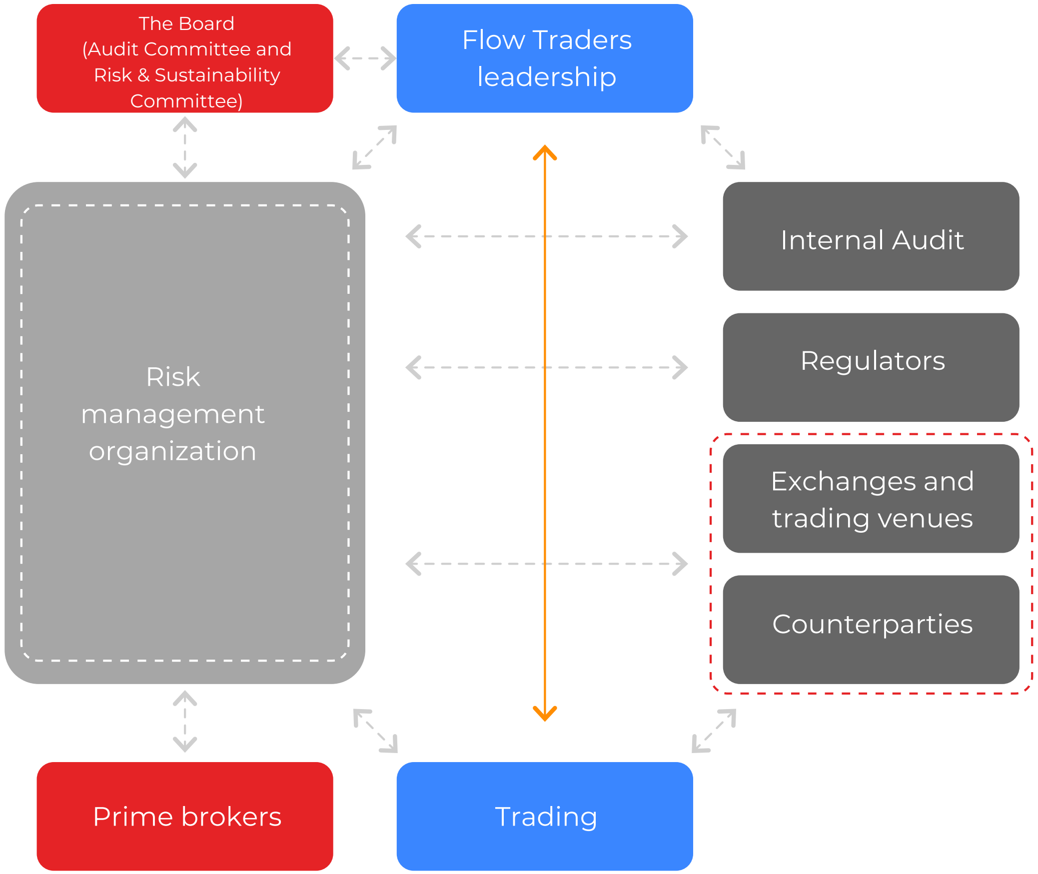
Flow Traders' Enterprise Risk Management Framework (ERMF) forms the foundation of our approach to managing risks. The ERMF is documented in Flow Traders' Enterprise Risk Management Policy and is reviewed on an annual basis.

"Our focus is on developing a reliable and robust risk management framework to effectively manage our risks continuously. Additionally, fostering a strong risk culture is equally important for our Company and requires ongoing attention."

Tamara Maris-Mravunac
Global Head of Risk and Compliance

Where possible, we identify, assess, monitor, quantify and document potential risks which are inherent to trading in an automated market-making firm. In the fast and dynamic environment of automated trading, we designed our ERMF in such a way that it is robust, efficient and transparent. In the figure below, we present the stakeholders that have an interest and place value in how our framework operates.

Our ERMF helps us to ensure that we have adequate systems and controls including the management of our liquidity and capital. This is delivered through a consistent, continuous and careful method for addressing, managing and prioritizing our key risks in the context of our strategic goals.



Enterprise risk management (ERM)

We aim for a good balance between our business activities, return on capital and related risks taken. Flow Traders' ERM approach ensures that our risk appetite and profile are integrated into our day-to-day operations and strategic decision-making. Annually, the Board determines the strategic goals and subsequent business targets. Based on these targets, the Company formulates its risk appetite. These targets and risk appetite parameters provide direction to our various departments and are used to determine our strategic risks.

Policies and control standards are maintained, developed and updated within the ERMF. The policies are based on our risk taxonomy and aligned with our control setting. To ensure that our daily activities remain in line with our risk appetite and residual risk we perform yearly Risk Control Self-Assessments (RCSA) to evaluate current risks and identify new risks. We also conduct an annual Risk Management Control Cycle to define and test our key controls that mitigate our critical, high and medium inherent risks in all of our business processes to accepted residual risk levels.

Risk categories

Our risk taxonomy is split into five broad risk categories - Financial, Business and strategic, Compliance and ethical, Operational, and Technology - each with their own specific sub-risks:

Risk taxonomy domain	Level 1 risk category	Description of the risk
Financial risk	Capital risk	Capital risk (cost of doing business) refers to the situation where potential loss of investment value happens due to factors such as market volatility, regulatory and prime broker requirements, economic downturns, or poor financial performance of a company. It is the risk of failing to meet compulsory capital requirements invested in an asset or investment which are needed to maintain a firm's trading licenses and normal business activities and relationships with prime brokers.
	Liquidity risk	Liquidity risk refers to the inability to replenish capital to the required level. This can happen when: 1) not being able to obtain additional funding in a timely manner at a reasonable cost and 2) an inefficient internal management on liquidity. This is the risk of not being able to quickly convert an investment into cash without experiencing a significant loss in value, due to a lack of buyers or sellers in the market, restrictions on trading, or the illiquid nature of the asset itself that leads to an inability to easily buy or sell an asset without incurring significant costs. It can also happen because of a lack of access to alternative sources of funding such as short-term loans, trading credit from certain platforms, etc. in a timely manner. This is the risk of internal management deficiency which can lead to liquidity constraints.
	Market risk	Market risk is the risk to an institution resulting from movements in market prices; in particular, changes in interest rates, foreign exchange rates, and equity, cryptocurrency and commodity prices.
	Credit risk	Credit risk is the risk of a counterparty and/or issuing institution involved in trading in or issuing a financial instrument defaulting on an obligation.

Risk taxonomy domain	Level 1 risk category	Description of the risk
Business and strategic risk	Strategy risk	Risk that may arise from the pursuit of a company's business plan, from strategic changes in the business environment, and/or from adverse strategic business decisions. Market activity risk is part of this risk as trading income and profitability are primarily a function of the level of trading activity, or trading volumes, in the financial instruments traded.
	Concentration risk	Probability of loss arising from heavily lopsided exposure to a particular group of counterparties or products. Concentration risk also includes supplier dependency risks.
	Project delivery & management risk	The risk of inaccurate project management leading to inadequate realization of strategic project objectives.
	Sustainability & environment risk	The risk that an environment, social or governance (related) issue or event will impact the entity financially, non-financially and/or in the realization of strategic objectives of the entity.
Compliance and ethical risk	Fraud risk	Acts intended to defraud, misappropriate assets, deceive or circumvent regulations or the law, attempted or perpetrated against the entity.
	Reputation risk	The reputation risk is the risk of loss resulting from negative exposure to stakeholders.
	Financial crime risk	The risk of money laundering, sanctions violations, bribery and corruption, and Know Your Customer (KYC) failure.
	Regulatory compliance risk	Failure to comply with any legal or regulatory obligations that are not captured through other risks.
	Conduct risk	Failure to act in accordance with internal and external stakeholders and society's best interests, fair market practices, and codes of conduct.
Operational risk	Business continuity risk	The risk of failure to provide and maintain appropriate Business Continuity Management (BCM), including inadequate business continuity plans.
	Trading execution risk	The risk of losses due to errors in the execution.
	Legal risk	Legal risk refers to the potential exposure and negative consequences that an individual or organization may face as a result of non-compliance with applicable laws, regulations, and legal obligations.
	People risk	The risk that the entity is not able to develop, retain and attract the necessary skills and diverse capabilities in its workforce to realize strategic objectives.
	Model risk	Model risk for a trading firm refers to the potential for adverse consequences resulting from errors or limitations in the financial models and algorithms used for trading and risk management. This risk arises from the reliance on mathematical models and computer algorithms to make trading decisions, value financial instruments, and manage risk. Model risk can stem from inaccuracies in the models, inappropriate assumptions, data errors, or the failure to account for all relevant market factors.
	Reporting risk	The risk of not being able to report adequately to stakeholders (e.g., regulatory reporting).
	Taxation risk	The risk of unexpected tax charges, including interest and penalties including tax related events resulting in for example a damaged reputation with the tax authorities, investors, employees and the public at large.

Risk taxonomy domain	Level 1 risk category	Description of the risk
Operational risk	Third-party risk	The risk of failing to manage third-party relationships and related risks appropriately.
	Trade settlement risk	The risk of ineffective trading leading to financial performance variability and non-compliance with internal and external regulation.
	Physical security risk	The risk of damage to the organization's physical assets or harming of employees at the workplace.
	Financial reporting risk	The risk of incorrectly reporting financial information (balance sheet, income statement, cash flow statement, statement of changes in equity, Annual Report) to various stakeholders, such as shareholders, investors, creditors, and government regulatory bodies.
Technology risk	Technology systems risk	Risks in technology surrounding malfunctions, algorithmic risk, natural disasters, software bugs, and hardware failures resulting in service interruptions, lack of available data, financial losses and reputational damage.
	Cyber security risk	The risk of not protecting computer systems, networks, data from digital attacks, unauthorized access and therefore posing damage or disruption to the firm.
	Data management risk	The risk of failing to appropriately manage and maintain data, including all types of data, for example, counterparty data, employee data, and the organization’s proprietary data.
	Technology strategy risk	The risk that the IT strategy is not described, unclear or incomplete and thereby not sufficient to contribute to IT and business objectives. This includes the risk of the strategy not being properly executed.

Risk management governance

The effectiveness of risk management is linked to commitment and integrity. It is crucial that the Board, the global and local department heads, as well as all employees are aware of the risks that our Company faces and their responsibilities in managing these effectively.

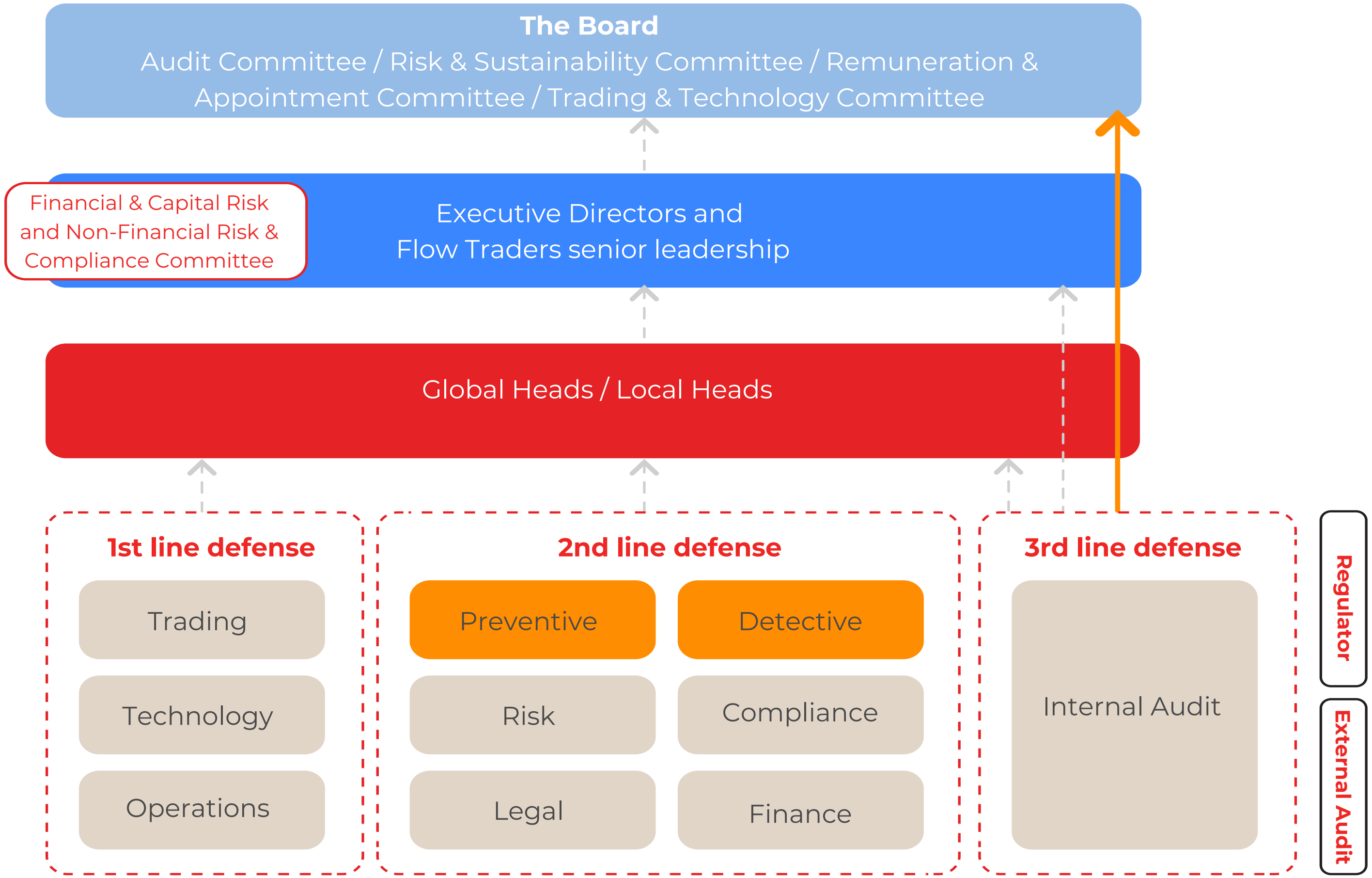
Our risk management is organized along three lines of defense. The first line of defense is comprised of Trading, Technology and Operations. These departments are critical for managing the core processes within Flow Traders and they are responsible for incorporating preventive and detective controls into the day-to-day trading and IT processes as well as for the continuous monitoring of our systems and trading controls.

The second line of defense is responsible for oversight and monitoring of risks, rules and requirements. Risk, Compliance, Legal and Finance manage risks through a combination of preventive and detective controls. Together they are responsible for the continuous risk management of the Company.

On the second line we have the Financial & Capital Risk Committee and the Non-Financial Risk & Compliance Committee. The Financial & Capital Risk Committee includes oversight reporting and planning in relation to market, credit and treasury risk within the Company. Whereas the Non-Financial Risk & Compliance Committee reviews a wide range of risks that are not directly related to financial matters, such as business and strategic risk, compliance and ethical risk, operational risk, operational risk and technology risk.

The third line of defense is formed by Flow Traders' Internal Audit function (IA). They provide independent and objective assurance and advice on the adequacy and effectiveness of governance, risk management and control systems. This helps to achieve the competent application of systematic and disciplined processes, expertise, and insight. They report their findings to management and the governing body to promote and facilitate continuous improvement. The IA carries out its audit work in accordance with the approved and implemented Group Internal Audit Charter.

Enterprise risk management roles and responsibilities



The annual Risk Management Cycle follows the ERMF

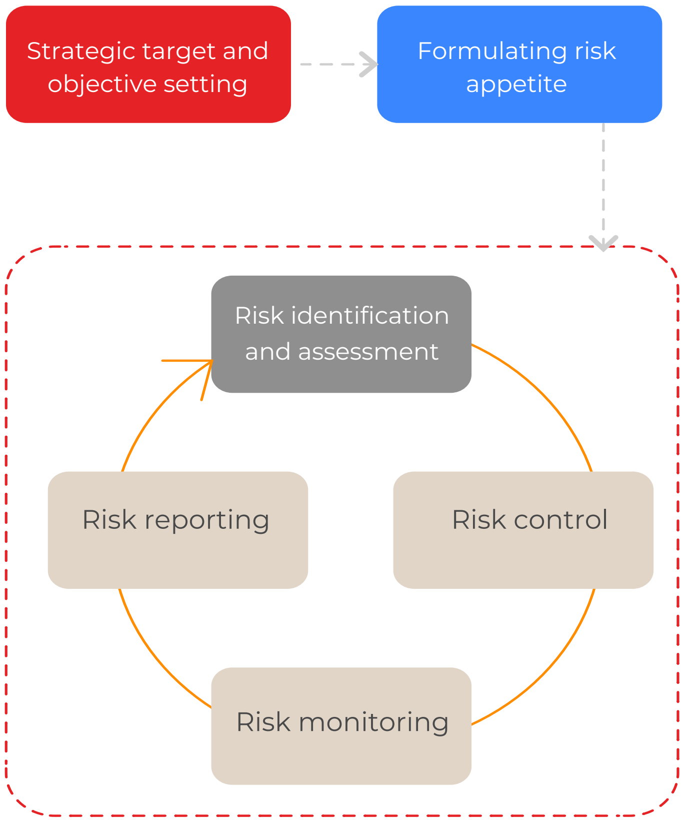
Every year the Executive Directors and senior leadership establish strategic goals, generally in November/December, subsequently the business targets are set. Then, the Board approves both the strategic goals and business targets.

Additionally, the Board is involved in the strategy setting exercise. Based on these long-term goals, short-term targets are determined. These targets are then translated into annual Company-wide, departmental and individual goals and discussed in an annual meeting with senior leadership.

Based on the targets and objectives, the Executive Directors and senior leadership formulates the risk appetite of the Company. The targets, objectives and risk appetite give direction to the various departments within Flow Traders and are used to derive the Company's strategic risks.

Flow Traders' Risk Management Cycle is used to identify, manage and mitigate our financial, non-financial and compliance risks. The Risk Management Cycle consists of four recurring activities: risk identification & assessment, risk control, risk monitoring and risk reporting. The cycle is designed and implemented to determine and assess our risk, take mitigating actions to control our risk, monitor the effectiveness and developments of the taken measures and report findings and effectiveness of all measurements and actions taken. The Risk Management Cycle ensures that our residual risk profile remains in line with our annual set risk appetite and that emerging risks, changed risk levels or non-effective controls are identified, assessed and analyzed in a timely manner.

Risk Management Cycle



Risk reporting

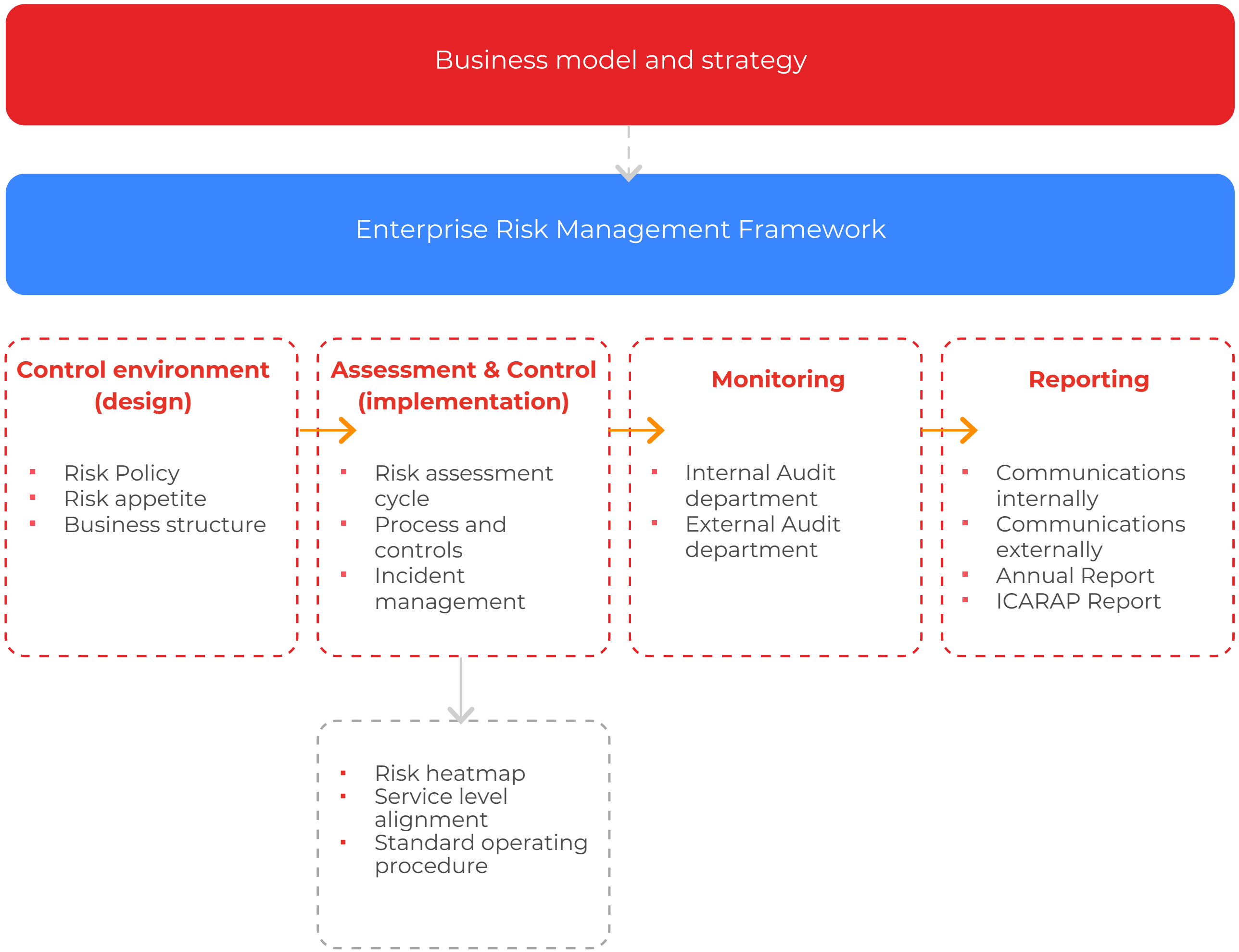
Flow Traders has a Financial & Capital Risk Committee and a Non-Financial Risk & Compliance Committee that continuously assess the risks we face in our business, and are comprised of our Global Head of Risk and Compliance, the Executive Directors and certain members of our senior leadership.

Aside from regular communication, there are quarterly Financial & Capital Risk and Non-Financial Risk & Compliance Committee meetings. During these meetings we discuss all risk assessments and risk proposals related to position limits, strategies, procedures, liquidity and capital requirements, regulatory compliance, AML, incidents and market developments. Any material change to our risk profile, systems, strategies and limits must subsequently be approved by the Financial & Capital Risk and Non-Financial Risk & Compliance Committees.

In addition to these standing Committees, we have a Risk & Sustainability Committee, all members of the Board are members. The Global Head of Risk and Compliance informs the Risk & Sustainability Committee about the effectiveness of the internal risk management and control systems. This includes the reasonable assurance that the aforementioned systems do not contain any material inaccuracies.

The tasks of the Risk & Sustainability Committee include supervision and monitoring, and advising the Executive Directors, and Global Heads of Trading on the operation of the Company's internal risk management and control systems. As well as providing advice on the Company's development, performance, sustainability of its trading strategies and reviewing the risk of the Company.

The annual Risk Management Cycle follows the below ERMF



Key risks detailed

Key financial risk

Liquidity risk

Liquidity risk management is vital to maintain a robust financial institution. Liquidity risk is defined as the risk that Flow Traders Ltd. cannot meet its financial liabilities when they become due, at a reasonable cost and in a timely manner. We have a robust framework in place to manage liquidity risks, as insufficient liquidity can pose an immediate threat to the continuity of trading activities.

The liquidity risk framework includes, among others, requirements and processes related to the maintenance of the liquidity buffer, both in a 'business-as-usual' and under potential stress situations. Furthermore, the framework contains procedures to actively manage liquidity risk across asset classes, countries, legal entities and in multiple currencies. This includes taking into account regulatory- and operational requirements for the maintenance of adequate liquidity.

Furthermore, we define liquidity as the sum of excess liquidity over the requirement (haircut) at our prime brokers, as that is the basis for being able to facilitate all funding and liquidity needs. Given our business model as a market maker where we generally hedge any position taken instantly, our key liquidity risk is not so much in risking a significant loss, but rather in not being able to cover the requirements our prime brokers charge us. Therefore, our key liquidity risks are those that affect either the total pool of liquid assets we hold at our prime brokers and crypto exchanges or the total requirement that our prime brokers necessitate us to hold with them (haircut).

Market risk

Flow Traders is exposed to market risk arising from trading positions in instruments that are price-sensitive to various factors such as company valuations, interest rates, FX rates, commodities and digital asset prices. As a liquidity provider we continuously provide bid and offer prices in multiple product groups across multiple financial markets. The bid and offer prices are calibrated such that the expected value of the trades and the hedges are positive while the resulting market risk is immaterial.

We have a multitude of trading desks which are providing liquidity in various products and various markets. The core business being equity and fixed income products and the Company also trades FX, commodities and digital assets. Each individual desk trades (close to) delta neutral hereby ensuring total market risk is therefore close to delta neutral.

Credit risk

Credit risk is the risk of a counterparty and/or issuing institution involved in trading in or issuing a financial instrument defaulting on its obligation. As part of our credit risk framework, Flow Traders monitors platform credit risk on a real-time basis against an established credit risk limit. In addition, Flow Traders has real-time monitoring on platform assets in- and out-flows to be able to anticipate on a platform insolvency event. Furthermore, funding is spread across multiple platforms and counterparties ensuring a diversified allocation that greatly limits the impact of a possible credit risk or liquidation event. The Company manages credit risk through its Risk and Mid-Office department that provide specific guidelines, rules and procedures for identifying, measuring and reporting credit risk. Policies include amongst others:

- limits for individual product types;
- limits per counterparty;
- limits on the duration of the exposure;
- limits for settlement types;
- strict monitoring procedures for late settlements.

Throughout 2024, improvements were made within the digital asset space noting enhancements of the credit risk framework including the establishment of a centralized view of all credit limits and automation of limit breaches and alerts.

Business and strategic risk

Concentration risk (Market business risk)

Our NTI and profitability are primarily a function of the level of trading activity, or trading volumes, in the financial instruments in which we trade, and the bid-ask spreads (which largely determine the profit on the trade, or margins, we capture).

Trading volumes in securities, derivatives, currencies, commodities, cryptocurrencies and other financial instruments on exchange and on other trading venues are directly affected by factors beyond our control, including economic and political conditions, broad trends in business and finance, regulatory requirements, actions by central banks, and changes in the markets in which such transactions occur.

To cope with periods of low market activity, we have diversified our trading into different products and markets. This is to safeguard that we are not overly dependent on market activity in one particular asset class or product type.

Compliance and ethical risk

Flow Traders continues to be a strong driver of effective, efficient and equal regulation and we contribute to the regulatory dialogue in our key jurisdictions to campaign for markets to be fair, transparent and functioning in an orderly manner.

Financial crime risk

We are committed to complying with all relevant laws and regulations that apply to us, wherever we operate. Especially important are the rules around anti-corruption, anti-bribery and anti-money laundering.

We also have anti-bribery, anti-corruption and anti-money laundering policies in place that apply to all our employees. We expect our counterparties, business partners, intermediaries, contractors and subcontractors to adhere to the same standards. We believe that the risk of bribery or corruption is very limited as we do not hold or manage client money or assets. We trade financial instruments for our own account and own risk only. We do not maintain production facilities or source raw materials.

Nevertheless, our employees receive regular training in anti-bribery, anti-corruption and anti-money laundering practices, as the Board would like to reinforce the importance of these policies.

As part of our compliance framework, we also follow stringent KYC process as part of our onboarding of new counterparties and projects.

Regulatory compliance risk

We trade with institutional counterparties and do not provide investment services or ancillary services to third parties; our markets and nearly all aspects of our business are highly regulated. Where applicable, entities forming part of our Company have obtained the regulatory licenses and approvals needed to operate their regulated businesses.

Flow Traders' trading operations are established in three international jurisdictions, Amsterdam, New York and Hong Kong/Singapore with branch offices established in London, Milan, Paris, Chicago and Shanghai. As a Company, we currently trade on 180+ exchanges and trading venues worldwide as well as operating on numerous other venues through our brokers. Our regulatory landscape is broad as we have to comply not only with our local regulations, but also the trading rules of all venues on which we trade.

Legislators and regulators globally continue to closely supervise the financial markets in which we operate. This places significant demand on Flow Traders to maintain a professional, well-structured and compliant organization.

The Compliance, Risk and Operations departments have implemented controls, internal rules and processes that have been systematically developed following applicable regulatory requirements, guidelines from market authorities, and industry best practices.

Actual or alleged non-compliance with applicable laws or regulatory requirements could adversely affect our reputation and in turn our long-term profitability and future business prospects. This may also be the case to a lesser degree for differences in interpretation or lack of timely or complete implementation of regulatory requirements.

Sanctions could include fines, penalties, disgorgement and censures, suspension or expulsion from trading venues or the revocation or limitation of licenses.

We aim to minimize such risks by focusing considerable management attention to choose the most appropriate strategic approach. We employ highly-qualified compliance and risk professionals to allow the deployment of staff training; to efficiently update of our monitoring and reporting systems; and to be able to continuously evaluate the impact of current and upcoming regulations on our operations to find the optimal path to evolve our processes.

Notwithstanding such efforts and given the highly regulated nature of our business, we remain subject to routine (and more targeted) inquiries and audits from our global regulators and our trading venues.

In the course of 2023, Flow Traders B.V. received an information request by the Authority Financial Markets (AFM) to investigate compliance with the Dutch Financial Supervision Act (Wft). Flow Traders duly provided all required documentation and complied in full with the request. In early 2024, the AFM notified Flow Traders that no formal proceedings would take place pursuant to this request. In parallel, the AFM and the Dutch Central (DNB) requested further information in order to investigate compliance with the Dutch Money Laundering and Terrorist Financing (Prevention) Act (WwFT). This information was delivered in full in the first half year of 2024.

As of 31 December 2024, the investigation made significant progress, with the DNB issuing their final findings, which were deemed sufficient with comments. In early 2025, the AFM detailed their findings from the investigation under the WwFT. Currently, the AFM is not proceeding with imposing any formal measures against Flow Traders BV. We remain committed to implementing measures to address and resolve any identified shortcomings and findings and further strengthening our controls.

Conduct risk
Given the highly interconnected nature of the financial markets ecosystem we are a part of, we recognize that should any of the risks referenced within this section materialize, there could be a negative impact on various external third parties.

Specifically, market and operational risk events could negatively impact key parties within our value chain, namely our counterparties and our prime brokers. This could limit our counterparties' ability to trade with us or to do settlement trades effectively on a timely basis. Moreover, the various prime brokers we work closely with could also be exposed to similar risks.

We believe that each employee has an individual and collective responsibility for ensuring an honest and ethical business conduct within our Company. Therefore, our Code of Conduct, forms part of our employment documentation.

Ensuring adherence with our Code of Conduct is the responsibility of the Executive Directors and the senior leadership. Any reported potential breaches are investigated fully by members of our senior leadership team in accordance with existing clearly laid out procedures and policies. Our Code of Conduct can be found on our website.

In addition to our culture of openness, transparency and participation, we also have detailed Whistleblower Policy in place for all employees and relevant contractors, approved by our Executive Directors.

The Whistleblower Policy also provides any whistleblower with anonymity, confidentiality, and the Company will not impose sanctions on disclosure (or affect an employee's legal position) when the employee reports a suspected misconduct in good faith, unless the employee is involved in the issue that is being reported. We respect a non-retaliation approach when a suspected misconduct is reported. Our Whistleblower Policy can be found on our website.

Operational risk

Business continuity risk
Operational risk is defined as the risk of loss arising from inadequate or failed internal processes, people, systems or external events. Operational risk management is an integral part of our risk and control systems. Our operational risk is dominated by technology-related events at our exchanges and clearing members. Therefore, the level of our investment in technology is important to mitigate those associated risks as well as having resilient and robust internal systems and controls.

We operate an integrated, in-house developed, high-performance and customized technology platform with frequent and controlled deployments of new hardware and software.

Our infrastructure has a modular design which allows us to rapidly test and implement improvements in both hardware and software on an ongoing basis. Controlled releases of hardware and software enhancements provide for minimal disruption to our business.

The environment in which our trading software (or updates of our trading software) is being developed is strictly separated from the environment in which such trading software operates in production. Access to the source code is strictly controlled and limited.

Prior to any releases relating to our trading software, or an update into our production environment, any element of our trading software is subjected to a review of its code, testing in a development environment that is separate from our production environment. Furthermore, validation occurs on limited production (processing a strictly limited number of trades) and on one trading desk in respect of trading a single financial instrument, followed by more extensive testing across multiple desks and/or trading multiple financial instruments. Each step must be completed before the next and also appropriately documented.

We have a monitoring system in place to control undisrupted trading activities in real time. Multi-layer monitoring is employed to avoid errors. When an error does occur, the relevant teams are immediately notified via multiple different channels. We rely on multiple third-party service providers for business and market data, which is a key part of what is monitored.

Our risk management system is fully integrated with our proprietary technology platform, analyzing real-time pricing data, and is designed to ensure that our order activity is conducted within strict predetermined trading and position limits. For example, our pre-trade [risk] controls are designed to prevent the trading engines from sending quotes that deviate from our predefined risk parameters. These include price and volume limits, which are independently set and monitored by our Risk function. This keeps our ordering, trading and positions well within our preset tolerance levels. Our post-trade monitoring tools include trade-level reconciliation of prices and positions against those of our exchanges and prime brokers.

Our IT systems are regularly subjected to penetration tests by external experts. We have a comprehensive IT security system that is designed to protect us from attacks both from internally and externally.

Where we have a technical interface with institutions such as our prime brokers and exchanges, the integrity of the connection between the systems and the data that is being exchanged is subject to prior conformance testing and continuous monitoring.

Unexpected deviations are flagged and investigated. We also have a disaster recovery plan in place which, we continuously review to ensure it adequately captures relevant scenarios.

We use risk-based onboarding procedures before we start trading on any new platforms, including platforms designated for trading digital assets. While many of these platforms remain unregulated, many have strongly improved their own onboarding procedures and counterparty identification procedures. While we believe our own procedures are strong, the unregulated status of these platforms and their location in emerging economies makes them inherently less institutionalized and supervised than regulated platforms in developed economies. We therefore subject these platforms to increased monitoring and due diligence.

Technology risk

While the firm's foundation is technology-driven, these risks and impacts are reflected and linked with the above categories. Specifically, under technology risks, we have carved out cyber risks to highlight a key component that the firm considers high priority.

Cyber security risk

Cyber security is the risk of not protecting computer systems, networks and data from digital attacks, unauthorized access and therefore posing damage or disruption to the firm.

Cyber security risk management is the process of identifying, analyzing, evaluating, and addressing an organization's cyber security threats. The goal is to protect the organization's information systems from cyber attacks and data breaches while minimizing potential damage. The cyber security risk category was established together with the formalization of the risk appetite in 2024 to ensure a more focused approach to mitigating related cyber and information security risks.

Over 2024, the firm has put in extensive efforts throughout multiple departments to ensure compliance with the Digital Operational Resilience Act (DORA) in force from January 2025. Whilst not all secondary legislative acts and regulatory guidelines are complete and implemented, the firm at this moment believes to be compliant with the DORA regulation.

Internal Audit (IA)

The IA function seeks to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. An effective IA contributes to strong internal controls and to a robust governance structure, which can address key structural risks.

The scope of IA's work includes the examination and evaluation of the adequacy and effectiveness of our risk management, control and governance processes. It also includes quality assurance work reviewing our performance in carrying out assigned responsibilities to achieve our stated goals and objectives.

Our Group IA Charter defines the IA's purpose, authority, responsibility and position within the organization. This charter is aligned with the Corporate Governance Code and with guidance provided by the Institute of Internal Auditors (IIA).

The IA function is an integral part of our reporting cycle. The IA function reports to the Audit Committee and to the CEO. It aligns its efforts with our external auditor and reports its audit results to the Board, the Audit Committee and informs the external auditor.

The Board assesses the way in which the IA function fulfills its responsibility annually and takes the opinion of the Audit Committee into account.

Flow Traders IA function conforms to the International Professional Practice Framework (IPPF) of the IIA.

Sustainability information

Double materiality assessment
Environmental footprint
EU Taxonomy
Sustainable employment
Good governance

2024

Sustainability information

General basis of preparation for the sustainability information

The sustainability information in this Annual Report covers the material topics identified following our 2024 Double Materiality Assessment (DMA).
It provides an overview of Flow Traders' metrics from 1 January 2024 to 31 December 2024. This report complies with the Non-Financial Reporting Directive (NFRD) and the EU Taxonomy Regulation.

Flow Traders has volunteered to not report under Corporate Sustainability Reporting Directive (CSRD) as it is not transposed in Dutch law. We continue to monitor developments in relation to the adoption of the CSRD within Dutch legislation and the implications of the European Commissions' Omnibus Announcement in February 2025.

Governance of sustainability matters

We have established a governance structure that oversees the rollout of our ESG priorities, along with their associated impacts, risks, and opportunities (IROs).

We manage sustainability through this structure that spans multiple organizational levels, ensuring accountability and execution. This includes the Board, the Risk & Sustainability Committee, the ESG team, theme owners, KPI action owners, and other topical experts.

Sustainability expertise

Collectively the Board has a sufficient level of knowledge of sustainability to oversee its governance. Please see the skills and expertise matrix in the Board composition section of the Board report.

Risk management of sustainability matters

Sustainability and environmental risk are defined in our internal policies as the risk that ESG (related) issues or events will impact the entity financially, non-financially and/or in the realization of strategic objectives of the entity. Our leadership is charged with monitoring the sustainability and environmental risks via the Enterprise Risk Management Framework. Environmental and sustainability risks are monitored by our second line of defense.

Double Materiality Assessment (DMA)

The DMA serves as the foundation for prioritizing the sustainability matters most relevant to us and our stakeholders.

Our stakeholders include individuals and groups affected by our activities, those with a (in)direct interest in our operations and value chain, comprising of our end-to-end operational partners such as exchanges, counterparties, prime brokers etc, and those who influence our long and short term success.

How we identify our material topics

Our materiality framework consists of five steps to assess the effect of our business on the environment and society, as well as the reverse. The DMA concludes the following: (1) Flow Traders' most material impacts are related to our people and environment, and (2) the key sustainability-related risks and opportunities stem from our own operations and stakeholders within our value chain.

Stakeholder engagement

We are committed to ongoing stakeholder engagements which includes ESG strategic theme owners, business experts, and the ESG team. Our Stakeholder Engagement Policy outlines our key principles for engagement.

Our engagement efforts span dialogues with investors, financial market associations, and partners across our value chain, as well as ESG-related questionnaires received from these stakeholders.

These engagements have provided insights into the evolving classification and standardization of data for sustainable investment products, including the Sustainable Finance Disclosures Regulation (SFDR) and EU Taxonomy legislation. Additionally, they have highlighted the growing financial impact of cyber security risks, particularly in the context of compliance with the Digital Operational Resilience Act (DORA) and the rising frequency of external cyber threats.

Materiality framework five step approach

Understanding the context

Define the value chain, identify the affected stakeholders and other relevant parties to determine the audience of the sustainability information.

Identifying IROs

Leveraging business knowledge, internal expertise, stakeholder insights, and other sources to identify positive and/or negative IROs.

Assessing and determining the materiality of IROs

Each sustainability and business specific topics are assessed and scored based on their impact and financial materiality. These scores are used to set the materiality threshold.

Stakeholder validation

Every three years, we conduct a survey to validate our material topics by our stakeholders, such as employees, leadership, shareholders, counterparties and suppliers on key ESG matters.

Strategy development

The results of the DMA serve as input for the sustainability priorities. Material issues are grouped into themes and connected to value drivers to keep focus on significant impacts.

Preparation of the 2024 sustainability information

Our materiality framework is designed to reflect the requirements from, among others, the European Sustainability Reporting Standards (ESRS), DMA guidance and industry best practices. We conduct a comprehensive DMA every three years, supplemented by annual reviews our material topics in light of new insights, evolving stakeholder expectations, shifts in the regulatory landscape, and the progress we have achieved.

In late 2023, we completed a comprehensive materiality assessment based on double materiality principles.

The assessment leveraged ESRS, entity-specific considerations and industry-leading practices. The DMA includes the impact and financial materiality to address societal, business conduct and environmental impacts as well as the financial implications of sustainability-related risks and opportunities.

Flow Traders material topics

Topical standards		Material topics
Environment		**Theme 1: Environmental footprint**
ESRS E1 Climate change		Impact materiality
	1	Renewable energy
	2	Scope 2 GHG emissions
	3	Scope 3 GHG emissions
Social		**Theme 2: Sustainable employment**
ESRS S1 Own workforce		Impact materiality
	4	Diversity
	5	Employment and inclusion of persons with disabilities
	6	Training and skills development
	7	Employee support programs
		Impact & financial materiality
	8	Privacy
Entity specific (S1)		Impact & financial materiality
	9	Employee engagement survey
Governance		**Theme 3: Good governance**
ESRS G1 Business conduct		Impact materiality
	10	Anti-bribery and corruption
	11	Anti-trust (Competition law)
	12	Due diligence
	13	Corporate culture
		Impact & financial materiality
	14	Political influence and lobbying
Entity specific (G1)		Impact & financial materiality
	15	Cyber security
	16	Taxation

Metrics and objectives

Our Company strategy aligns capital resources with our business activities and maps them to our financial priorities and the ESG priorities identified in our DMA. For each, we have developed performance indicators to track progress toward our long-terms goals. We aim to deploy our capital effectively, maximizing potential value and minimizing negative impacts whenever possible. Our ongoing commitment is to continuously enhance value for our stakeholders and contribute to the United Nations' Sustainable Development Goals (SDGs).

Theme	No.	Ambitions	Metrics and objectives	SDGs
Environmental footprint	i	Renewable energy consumption at offices in Amsterdam, Hong Kong and New York	Full renewable energy consumption for Amsterdam and New York offices by 2030. Full renewable energy consumption for Hong Kong office by 2035	
	ii	Reduction of scope 1 and 2 emissions	42% reduction from 2023 emissions	
	iii	Reduction of scope 3 emissions at data centers by 2030	50% reduction from 2023 emissions	
Sustainable employment	i	Employee engagement score	Par with true benchmark (annually)	
	ii	Diversity, equity and inclusion threshold levels		
	iii	▪ Strive to have more than 20% of world's nationalities working at Flow Traders ▪ Strive to have at least 1/3 female and 1/3 male Non-Executive Directors ▪ Strive to have at least one female and one male Executive Director ▪ Flow Traders senior management team reflects the total workforce gender distribution	Annually, achieve threshold target levels from DE&I Policy	
Good governance	i	Compliance awareness score	Annually achieving 100%	

Environmental footprint

We believe that everyone should contribute to reducing their Greenhouse gases (GHG) footprint and that all efforts, no matter how small, brings us closer to a sustainable and thriving planet. Establishing environmental footprint priorities with clear and achievable objectives is a critical step towards a sustainable future.

Our environmental priorities

We are committed to supporting the global transition toward a sustainable, climate-neutral economy by minimizing our environmental impact. To this end, we are committed to reducing the environmental footprint of our business operations.

Our business activities do not involve manufacturing, so our GHG footprint is relatively low. Most of our electricity consumption is tied to office operations, including lighting, temperature control, and electronic devices. In terms of carbon footprint, we identify three impact areas:

- The indirect scope 2 GHG emissions from the electricity consumption in our offices
- The indirect scope 3 GHG emissions from business travel (cat. 6) and employee commute (cat. 7)
- The indirect scope 3 GHG emissions from our data center services suppliers (cat. 1)

Our direct scope 1 GHG emissions from fossil fuels are minimal. Our office buildings use electricity for heating. Our focus begins with what we can directly control: decarbonizing our own operations. Looking ahead, climate action will be essential for partnering with high-value, reputable chains, making a well-defined strategy with realistic objectives crucial to our ambition.

Challenges we face

Our operations span ten locations across three continents, EMEA, APAC, and the Americas, with key hubs in Amsterdam, Hong Kong, and New York. Additionally, we operate branch offices in London, Cluj, Milan, Paris, Shanghai, Singapore, and Chicago. When it comes to the environmental GHG footprint of our operations, the majority of our impact comes from our three largest offices (Amsterdam, Hong Kong and New York), which house approximately 90% of our workforce. In developing our environment priorities, we encountered two key challenges:

- Regional discrepancies in environmental reporting: In Europe, environmental reporting has been a focus for many years, gaining even more attention with the CSRD legislation. However, in other regions, we encounter varying levels of maturity in CO_2 measurement and reporting
- Access to renewable energy: The availability of renewable energy differs greatly across our regions

These challenges highlight the complexity of reporting and the reduction of our emissions due to our reliance on third-parties, yet they drive us to find innovative solutions as we work towards a more sustainable future.

Climate change transition plan

We conducted a resilience analysis in 2024. We are committed to supporting the transition to a low-carbon economy by reducing our environmental footprint and enhancing climate resilience. Key elements of our transition plan includes:

- Renewable energy adoption: We are working with landlords to transition to 100% renewable electricity, reducing the carbon footprint in our offices in Amsterdam, New York and Hong Kong
- GHG emissions reduction: We aim to reduce scope 1 and 2 emissions by 42% by 2030, primarily through phasing out fossil fuel company car and enhancing energy efficiency in our office operations
- GHG emission reduction: Our objectives for our data centers are to increase our share of renewable energy at each location
- Climate risk assessment: Through climate scenario analysis, we evaluate physical and transition risks to our operations
- Stakeholder engagement: We collaborate with key stakeholders to drive sustainability initiatives, integrating climate considerations into decision-making

Policies related to environmental footprint

While we have not yet formalized a dedicated environmental policy, we are actively implementing climate-related actions to reduce our environmental footprint.

Environment metrics

Breakdown of scope 1, 2 and 3 emissions

(Unit: t CO2e)	2023	2024
Scope 1 GHG emissions		
Gross scope 1	233 tCO2e	10 tCO2e
Scope 2 GHG emissions		
Gross location-based scope 2	—	2,010 tCO2e
Gross market-based scope 2*	966 tCO2e	692 tCO2e
Significant scope 3 GHG emissions		
Cat. 1 – Purchased services and goods (including data centers server space)	1,138 tCO2e	1,227 tCO2e
Cat. 5 – Operational waste (Amsterdam only)	0 tCO2e	192 tCO2e
Cat. 6 – Business travel	1,293 tCO2e	1,332 CO2e
Cat. 7 – Employee travel (Amsterdam only)	527 tCO2e	98 tCO2e
Total scope 1 & 2 GHG emissions		
Total location-based emissions	0 tCO2e	2,020 tCO2e
Total market-based emissions*	1,199 tCO2e	702 tCO2e
GHG emissions intensity - location based (per net revenue)**		4 CO2e
GHG emissions intensity - market based (per net revenue)**		2 CO2e

Breakdown of scope 1 and 2 emissions by amount of energy consumption and mix

Energy consumption and mix (Unit: in MWh)	2023	2024
(1) Fuel consumption from coal and coal products		0 MWh
(2) Fuel consumption from crude oil and petroleum products		7 MWh
(3) Fuel consumption from natural gas		41 MWh
(4) Fuel consumption from other non-renewable sources		0 MWh
(5) Consumption from nuclear products		0 MWh
(6) Consumption of purchased or acquired electricity, heat, steam, and cooling from non renewable sources		1,512 MWh
(7) Total non-renewable energy consumption		**1,560 MWh**
Share of non-renewable sources in total energy consumption (%)		27 %
(8) Fuel consumption from renewable sources (including biomass, biogas, non-fossil fuel waste, renewable hydrogen, etc.)		0 MWh
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources		4,284 MWh
(10) Consumption of self-generated non-fuel renewable energy		0 MWh
(11) Total renewable energy consumption		**4,284 MWh**
Share of renewable sources in total energy consumption (%)		73 %
Total energy consumption		**5,844 MWh**

The Company relies on estimates and assumption in the consolidated reported numbers above. They are derived from various sources, and the methods for processing data vary across our operating subsidiaries and departments. This creates a degree of uncertainty due to limitations in measuring and estimating data. We are continuously working to improve our sustainability data control environment and collection processes. See chapter About Sustainability information.

* The emissions for Scope 2 reported for 2023, amounted 966 tCO2e, were originally reported under the location-based method. This figure has now been corrected to market-based emissions. The total Scope 1 reported for 2023 remains unchanged, amounted to 233 tCO2e. The total market-based emissions equals 1,200tCO2e.
**Net revenue equals the net trading Income (NTI in euros) in the Consolidated Financial Statements of Profit and Loss, and also see in note 11 NTI.

EU Taxonomy

The EU Taxonomy is a centerpiece of the EU actions to support the transition to a sustainable economy, in which the financial sector plays a vital role. It aims to provide a basis for harmonized and comparable disclosures related to economic activities that qualifies as environmentally sustainable.

To provide investors meaningful information about the ESG performance of an investment or fund, we believe that an international applied Taxonomy framework, unified definitions and an open-access data source are key for the practical implementation of the EU Taxonomy.

Environmental objectives

The EU Taxonomy is a classification system used to determine, and report on, which activities are sustainable. For corporate activities to be considered sustainable under the Taxonomy, they must:

- Substantially contribute to at least one of the six environmental objectives per the Technical Screening Criteria (TSC) defined in the Regulation;
- Do no significant harm to any of the remaining five environmental objectives
- Comply with the minimum social safeguards

Applicable reporting requirements

Reporting requirements for Flow Traders: In compliance with section 2.4. of Annex VII Disclosures Delegated Act (DDA), investment firms should compute the GAR for their services and activities dealing on own account by relying on the turnover KPI and CapEx KPI of investee undertakings for each environmental objective.

The calculations for the turnover-based and CapEx-based KPIs of investee companies are specified per type of investee company in Annex VII DDA, section 2.4., third paragraph, points (a) to (e). The KPIs for investment firms' activities other than dealing on own accounts should be calculated mutatis mutandis using turnover-based and CapEx-based KPIs of counterparties of their clients (Annex VII DDA, section 3.3.).

Data availability

We conducted a data assessment to gain an overview of the required data points needed for Flow Traders' EU Taxonomy GAR disclosure. Our assessment consists of five steps, each with detailed procedures to evaluate the feasibility of such reporting:

- Step 1: Understanding the GAR calculation
- Step 2: Understanding the data points and other data requirements
- Step 3: Assessing the feasibility of obtaining the required the data points
- Step 4: Testing the Flow Traders' EU Taxonomy – KPI GAR reporting
- Step 5: The use of data sets from external data providers

Based on this comprehensive assessment, we conclude the following: Flow Traders is entirely dependent on external (market) data providers to compile the GAR reporting. We have reached out to our market data provider for EMEA ETPs and ETFs, however our assessment into the available market data shows that the portion of relevant data for GAR and EU Taxonomy-aligned activities is very limited. Only a fraction of the 'assets held for trading' are covered by available data. Given the novelty and evolving nature of sustainability-related disclosures – where the EU, US, and Asia are progressing at different paces – we believe that the EU Taxonomy KPI, despite its limitations, should be accompanied by contextual information to facilitate the appropriate interpretation of disclosures made by market makers.

In light of this, we strongly advocate that the European Commission revisit the scope and KPIs of financial undertakings, distinguishing between investment firms dealing on their own account that a) have a direct influence on investment strategies and b) those that do not take such positions.

Our 2024 EU Taxonomy reporting

As a result, Flow Traders is unable to meet the EU Taxonomy reporting requirements. For the 2024 Annual Report EU Taxonomy disclosure, Flow Traders will report a 'zero value' for Green Asset Ratio (GAR) and EU Taxonomy-aligned activities.

This conclusion is based on the EU Commission Notice dated 21 December 2023, which provides guidance on handling data constraints in FAQ point 5: 'What should financial undertakings report if counterparty entities' KPIs are not publicly available or are inaccurate?'

In compliance with Article 8(4) of the Disclosures Delegated Act, financial undertakings must use the most recently available information and KPIs of their counterparties for their Taxonomy-alignment reporting. However, when such KPIs are not publicly or readily available, financial undertakings are encouraged to contact those counterparties. If, despite efforts, relevant KPIs cannot be obtained or remain unfit, or if KPIs from previous years are also unavailable, the exposure should be considered non-eligible or not aligned. In such cases, financial undertakings are to enter a 'zero value.'

Table: 0. Summary of KPIs to be disclosed by investment firms under Article 8 Taxonomy Regulation

0. Summary of KPIs to be disclosed by investment firms under Article 8 Taxonomy Regulation		Total environmentally sustainable assets	KPI (turnover KPI of the counterparty)	KPI (CapEx KPI of the counterparty)	% Coverage (over total assets)
Unit		in EUR	in EUR	in EUR	%
Main KPI (for dealing on own account)	Green asset ratio 0%	0	0	0	0

Table: 1. KPI IF – Dealing on own account services

			Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
			Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)				Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)				Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)				Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)			
				Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)				Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)				Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)				Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)		
	Total (Thousands EUR)	Of which covered by the KPI (Thousands EUR)			Of which transitional (%)	Of which enabling (%)			Of which transitional (%)	Of which enabling (%)			Of which transitional (%)	Of which enabling (%)			Of which transitional (%)	Of which enabling (%)
Total assets invested under investment firms' activities dealing on own account (as per Section A of Annex I to Directive 2014/65/EU)	12,901,266	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Of which: on own behalf	6,118,987	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Of which: on behalf of clients	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

	Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM+CCA+WTR+CE+PPC+BIO)			
	Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)				Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)				Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible)			
		Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)				Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)				Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)		
			Of which transitional (%)	Of which enabling (%)			Of which transitional (%)	Of which enabling (%)			Of which transitional (%)	Of which enabling (%)
Total assets invested under investment firms' activities dealing on own account (as per Section A of Annex I to Directive 2014/65/EU)	0	0	0	0	0	0	0	0	0	0	0	0
Of which: on own behalf	0	0	0	0	0	0	0	0	0	0	0	0
Of which: on behalf of clients	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Sustainable employment

As society evolves, so does our Company. Over the past two decades we have grown into a global trading firm with an entrepreneurial spirit. We strive to continuously understand and address the needs of our team, always focusing on enhancing our culture and making Flow Traders the best place to work.

We are committed to fostering an international, diverse, and empowering environment centered on teamwork, collaboration, and talent development. To sustain our business success, it is essential that our employees take pride in being part of our Company and feel connected to our goals. Every individual plays a vital role, and our leadership is dedicated to providing clear direction and recognizing top talent.

How we can contribute - our people strategy

The competition for talent in the labor market is intense, especially for the individuals we want to attract and retain. Therefore, keeping our best talent on board is critical. The need to foster engagement across our employee base and ensure a diverse and inclusive work environment has become more important. We prioritize retention while at the same time focus on attracting new talent. This is how we deliver on our 'People' mission; 'Empower the best to become even better'.

Our vision for sustainable employment reflects our long-term commitment to our people. We want our workforce to deliver added value to our Company, while also experiencing personal growth and fulfillment.

Our approach to realizing this long-term ambition is captured in our people strategy. Our Human Resources and Recruitment (HRR) team focus on three pillars:

- Attraction of new talent
- Retention of the best talent
- Culture that unifies our ambitions

We want to offer our workforce the best possible employee experience, and empower them to thrive and feel truly valued. Employee experience is rarely a straight line, as individuals are at different stages in their journeys and have varying needs. We offer multiple career paths and provide a range of tools to support our employees in navigating their careers.

Recruitment

In the demanding and regulated financial market, where technology is key, our selection process is rigorous. Our recruitment approach, particularly for trading roles, is focused on graduates, as we believe in cultivating talent from the ground up. We view recruitment as a dynamic, ongoing process that we continuously refine, enabling us to quickly adapt to evolving business demands and the needs of our people. We actively participate in:

- Campus visits
- University career fairs and workshops
- In-House Business Courses for students to experience trading
- Partner with student associations

Employee experience journey

Recruitment

Attracting the best talent and hire the best fit.

Onboarding

Make our workforce feel welcome and connected.

Learning

Develop the skills and knowledge required for their job.

Growing

Development pathways for advancement and opportunities.

Leading

Become part of the leadership and inspire others.

Evaluate employee feedback and performance review

Onboarding
A positive onboarding experience is essential for building a sense of connection, ensuring a smooth transition, and enhancing retention. Our onboarding program is a two-week introduction designed to welcome new colleagues, immerse them in our purpose and values, and provide insight into how different parts of the business operate. It is also an opportunity for new hires to connect with others who are starting their journey with us. For those relocating to our offices from abroad, we provide comprehensive support to help them feel at home quickly.

Learning
To cultivate a culture that inspires innovation and risk awareness, we must ensure that our people have access to the right knowledge at the right time. That is why we established the Flow Academy, our in-house learning and development center, designed to provide tailored training for our Technology, Trading, and Business Support teams.

For new graduates, we offer the Digital Assets Talent Program and an extensive Graduate Trading Program, both of which accelerate their learning curve and enhance their experience. These programs include continuous support from dedicated mentors, focus on technical expertise but also on personal development.

Given the collaborative and innovative nature of our business, most of our training occurs on the job. We champion the 70-20-10 approach to learning, where 70% is gained through on-the-job experiences, 20% through coaching, and 10% through structured training courses. This approach ensures that our people are constantly learning, developing, and ready to drive our success forward.

Growing
We empower our people to take charge of their personal development, pursue their career ambitions, and thrive by actively listening to their needs and offering personalized growth opportunities. Our success as an organization is intrinsically linked to the well-being and fulfillment of every individual on our team.

We also encourage our employees to explore rotational opportunities across different offices, allowing them to expand their horizons, collaborate with diverse teams, and enhance their capabilities. To foster continuous development, we offer a wide array of company-wide and tailored training opportunities.

Leading
We operate in a world defined by volatility and complexity. To navigate these challenges, we need leaders who possess strong business acumen and excel in people leadership, embodying our Company values with authenticity. True leadership is about providing our people with a clear vision of where we are headed, inspiring them to contribute to our success and make a meaningful impact.

As we continue to evolve the need for clarity in roles and expectations becomes even more critical. Our leaders play a vital role in defining these expectations for their teams while also being transparent about their own responsibilities. We invest in our future leaders through targeted leadership programs and fast-tracking the careers of our most promising managers. These programs equip our managers with the skills and competencies needed to excel in their roles and lead with confidence.

Succession planning is a key part of our strategy, identifying top talent who have the potential to step into critical leadership roles in the future. This ensures we are always prepared for the next section of our growth, with a pipeline of leaders ready to guide us forward.

Challenges we face

Across our business, we have implemented targeted programs that empower our people to take charge of their development and career aspirations while enabling leaders to guide our growth. We have succeeded in creating a positive work environment where employees feel valued, and strong cross-team collaboration is the norm. However, despite these achievements, we still can make improvements in several key areas.

We see enhancing the employee experience as a continuous journey, evolving along the changing needs of our people and society. Each year, we carefully review the results of our employee engagement survey to identify key areas for further improvement, ensuring we remain committed to fostering a workplace where every employee feels supported and motivated to thrive.

Our workforce is vibrant and youthful, with many joining us early in their careers and experiencing rapid growth. This steep learning curve is both an opportunity and a challenge, as a portion of our leaders in management positions are young and still gaining experience.

Secondly, retaining the dynamic group of young professionals is crucial, as we have observed higher attrition rates among our newest hires.

Thirdly, while we successfully recruit and hire the talent we need, the labor market for science, technology, engineering and math (STEM) professionals remains highly competitive, particularly when it comes to attracting female talent in our core departments of Trading and Technology.

As with many tech-driven industries, achieving greater gender diversity continues to be a challenge, requiring targeted efforts to attract, retain, and advance females in these fields. Therefore we deploy initiatives to promote trading and technology among females.

Policies related to employment

Diversity, Equity & Inclusion (DE&I) Policy

Our DE&I Policy defines our commitment to fostering an inclusive workplace where all employees are valued and respected. We recognize DE&I as a business imperative and have established clear KPIs to promote diversity, enhance leadership representation, and drive continuous improvement. We create a workplace where everyone is welcome regardless of e.g., race, ethnicity, nationalities, age, gender, religion, sexual orientation, gender identity, gender expression, disability, economic status and other diverse backgrounds.

Human Rights Policy

We are committed to upholding internationally recognized human rights standards across our operations, supply chains, and the communities in which we operate. We are dedicated to protecting the human rights of our workforce and other stakeholders. We oppose forced labor, child labor, and human trafficking across our workforce. Our Human Rights Policy, established by Flow Traders Ltd., applies to all employees, contingent workers, subsidiaries, and business partners. We align with the UN Guiding Principles on Business and Human Rights and have been a proud signatory of the United Nations Global Compact since 2022. This policy extends to protected groups and affected communities, reinforcing our responsibility to ethical and sustainable business practices.

Local labor practices

Flow Traders is committed to full compliance with local labor laws and regulations in all jurisdictions where we operate. We uphold fair employment practices, ensure safe working conditions, and protect employee rights in compliance with applicable labor standards. We embrace a balanced approach with a 40-hour workweek, empowering our people to excel while maintaining harmony between their professional and personal life. Our internal Staff Manual provides more detailed information on labor practices for our employees.

Whistleblowing Policy

Our Whistleblowing Policy provides a secure and confidential channel for employees, business partners, and other stakeholders to report suspected misconduct, unethical behavior, or violations of laws and company policies without fear of retaliation. Key principles of our policy include confidentiality and protection, secure reporting channels, thorough investigation, effective resolution, and compliance with legal and regulatory requirements.

Staff Manual

Our Staff Manual forms an integral part of the agreement between the employer and employees. The Staff Manual serves to clarify the rights and obligations of the employer and its employees with respect to personal records, working condition, business travel, performance management and more. Flow Traders does not have a formalized accident prevention policy, however accidents and incidents can be raised through the departmental incident reporting mechanisms.

Learning and development (L&D)

We offer a diverse range of L&D opportunities tailored to every business department to enhance and elevate professional skills, which is available to our employees in the Staff Manual. Beyond role-specific training, we provide non-functional courses aimed at guiding employees on their career navigation journey. We encourage internal mobility across departments and our global offices, fostering a culture of continuous learning and self-discovery.

Our metrics in 2024

Metric and objectives	2023	2024
Employee engagement score	7.0	7.2*
Metric and objectives	2023	2024
Maintaining diversity, equity and inclusion threshold levels		
▪ Percentage of total 195 world's nationalities working at Flow Traders	28%	29%
▪ Gender ratio of female to male Non-Executive Directors (NEDs)	2 females and 4 males	2 females and 4 males
▪ Gender ratio of female to male Executive Directors (EDs)	1 female and 1 males	1 female and 2 males
▪ Gender distribution senior management team compared to total workforce	28% against 18% overall	31% against 20% overall

Please refer to the diversity table in the social metrics for gender distribution disclosures. *True benchmark is 7.7 for 2024. The true benchmark is the aggregated data on key facts about the company and its employees, like demographics and locations from comparable companies and adjusts the industry benchmark to a fairer comparison figure.

Social metrics

The data indicators presented in this section highlight our performance in the sustainability theme of Sustainable employment.

Workforce characteristics by gender (headcount & FTE)

Total employee base by gender	2024				
	Male	Female	Other	Not disclosed	Total
Headcount	500	128	0	0	**628**
Full-time equivalent (FTE)	486	123	0	0	**609**

One FTE represents 40-hours workweek. Flow Traders is reporting 609 FTEs for year end 2024 (2023: 646), being the total of the permanent, temporary and non guaranteed hours staff noted above.

Management diversity

Gender distribution	2024				
(Unit: # fte)	Male	Female	Other	Not disclosed	Total
Top Management	5	3	0	0	8
Senior Management	11	5	0	0	16
Middle Management	28	8	0	0	36
Junior Management	50	13	0	0	63
Non-Management	393	93	0	0	486
Total top management	**5**	**3**	**0**	**0**	**8**
Total non-top management	**89**	**26**	**0**	**0**	**115**
Non-management	**393**	**93**	**0**	**0**	**486**

The above table is reported at year end 2024. Top management refers to the c-suite, non-executive directors, and the managing director of the regional offices. Senior management refers largely to the global heads of our respective departments.

Management age distribution

Age distribution	2024				
(Unit: # fte)	< 30 years	30 – 50 years	> 50 years	Not disclosed	Total
Top Management	0	6	2	0	8
Senior Management	0	15	1	0	16
Middle Management	0	34	2	0	36
Junior Management	2	57	4	0	63
Non-Management	215	254	17	0	486
Total top management	**0**	**6**	**2**	**0**	**8**
Total non-top management	**2**	**106**	**7**	**0**	**115**
Non-management	**215**	**254**	**17**	**0**	**486**

The above table is reported at year end 2024. Top management refers to the c-suite, non-executive directors, and the managing director of the regional offices. Senior management refers largely to the global heads of our respective departments.

Good governance

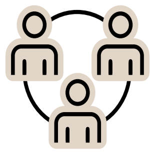
Establishing a risk aware culture is crucial for building the right structures and preventing misconduct. This culture is driven by leadership tone, accountability, and open communication. Leadership must set the right example through role modelling our core values, shaping the ethical foundation our Company.

How we can contribute

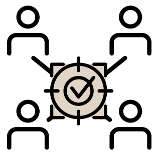
Our commitment to ethical behavior is laid down in our Code of Conduct, which is based on our values and how we define our corporate culture. We expect every employee to uphold to the Code of Conduct, ensuring a safe working environment and a respect for human rights. We embed our core values into business conduct, providing guidance through shared beliefs, a clear purpose, mission, norms, and transparent ways of working. A strong ethical foundation mitigates risks of, such as misconduct, non-compliance, business disruption, legal challenges and reputational damage.

Flow Traders has in place processes for identifying, reporting and addressing incidents of non-compliance with with its Code of Conduct. Within every department in Flow Traders there is an incident reporting policy that drives this process so that any behavior that contradicts our Code of Conduct is identified and investigated.

Our five cultural pillars define our identity

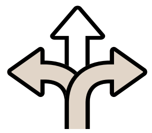


Building deep connections

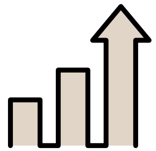


A shared purpose

All employees feel valued



Enable flexibility



Pursue personal growth

Wherever we operate, we believe that honesty and the highest standards of integrity are fundamental to creating value for our stakeholders and ensuring our long-term success. Our corporate policies and procedures, which detail our principles and compliance standards, serve as a compass for making the right decisions and staying true to our values. Please refer to the corporate documents section on our website.

Challenges we face

With the rapid expansion of ESG requirements, alongside financial regulations, and cybersecurity requirements, we navigate an increasingly complex compliance landscape and obligations. Challenge lies in the various compliance and incident reporting, with multiple processes of which some using their own systems. To enhance transparency, efficiency, and regulatory alignment, centralizing incident reporting is a priority for us.

Measuring our impact

Our compliance program is designed to identify, assess, and manage the impacts and risks associated with actual and potential incidents. We promote and uphold ethical behavior, fostering a corporate culture where speaking up is encouraged and appreciated.

Our metric compliance awareness score reflects our commitment to compliance reporting and risk management. All employees are responsible for reporting incidents whenever they encounter a suspect of (potential) breach of our Code of Conduct or compliance manual. An incident is defined as any event involving a (potential) breach of our compliance policies that necessitates further action. The departmental incident reporting policies drive the compliance score.

Objective	Description	2023	2024
Compliance awareness score	The Compliance awareness score ensures that the incidents raised as part of the Financial & Capital Risk and Non-Financial Risk & Compliance Committees are reported on a timely basis to the Board.	100%	100%

Business conduct and corporate culture

Business conduct and our culture is at the core of everything we do. We operate within a highly regulated market. Upholding the highest ethical standards and adhering to our own policies and procedures is central to our business conduct and corporate culture. We enforce a zero-tolerance policy for any form of undesirable behavior and have reporting procedures in place to address and resolve issues, ensuring accountability to all stakeholders. These reporting procedures are set out in the policies below.

Policies related to governance

Whistleblowing Policy

We promote a culture of openness and transparency, encouraging both our employees and external partners to speak up when they encounter any concerns or suspect potential abuse or violations of our Code of Conduct, Company Policies, values, or the law. Our Global Whistleblowing Policy ensures a safe and secure reporting and investigation process, with zero tolerance for retaliation or any adverse consequences against those who raise concerns in good faith or participate in investigations. If a report is later found to be unfounded, we are committed to protecting and supporting those who stand up for integrity. Our Global Whistleblower Policy is available on our website.

Anti-Bribery and Anti-Corruption Policy

Our Anti-Bribery and Anti-Corruption (ABC) Policy sets our commitment to and the standards for preventing bribery and corruption, while ensuring that any concerns about unlawful behavior are identified, reported, and investigated. This policy is aligned with the UN Convention against corruption. Every employee is responsible for upholding honesty and ethical conduct in all aspects of their work, as outlined in our ABC Policy. It is both a right and a duty to report any suspected abuse to the Compliance department or anonymously to the Trusted Person, without fear of retaliation.

Please see our Anti-bribery and Anti-corruption Policy on our website. Read more in section: Risk management - Compliance and ethical risk.

Public Affairs Policy

As part of our broad public affairs strategy, we connect with stakeholders and peers to foster dialogue and align perspectives on emerging regulatory developments and societal trends shaping our industry. We engage in policy influencing to support our business objectives, collaborating with trade associations and a diverse range of stakeholders.

A cornerstone of this strategy is establishing open, constructive dialogues with our stakeholders, ensuring we respond to their views and concerns while balancing competing expectations. By addressing pressing issues and demonstrating our positive societal impact, we aim to continuously enhance our business.

Overall, 2024 was an progressive year in terms of political developments. Our main points of interests over 2024 were the discussion on the (global) regulatory framework for digital assets, the shortening of settlement cycles in the U.S., UK and Europe, and driving transparency in the markets, in particular in the bond market by the introduction of the consolidated tape in the EU and UK.

Our contributions to industry bodies reflect our commitment to shaping the future of our market. Examples include:

- Serving on the Board of the Dutch Association of Proprietary Traders (APT)
- Holding the vice-chair position of the Executive Committee of the European Proprietary Traders Association (FIA-EPTA)
- Membership in Holland Fintech
- Participating in the EC Consolidated Tape Expert Stakeholder Group and consultative work streams of FIA-Asia, as well as various advisory committees for exchanges, trading platforms, consolidated tape providers, data vendors and national expert groups

We do not make any financial or in-kind political contributions. Our public affairs expenditures are focused on membership contributions, monitoring and advisory fees, and (internal) operational costs and expenses.

We foster transparency and our contributions to the regulatory and legislative dialogue are typically made public and we are always willing to discuss our position and the interests we take into account. Our Public Affairs Policy is available on our website.

Flow Traders B.V., a subsidiary within the Flow Traders group is registered in the EU Transparency Register under the identification number. 045230091761-04

Cyber security

We have developed a robust and advanced proprietary trading technology platform that underpins our operational excellence and company performance. Our commitment to maintaining high standards of reliability ensures seamless support for our trading activities. We prioritize IT security to nurture the trust of our stakeholders, focusing on safeguarding our technology, securing data exchanges with issuers and counterparties, and defending against cyber threats.

Recognizing the intricate nature of our IT landscape, we have devised strategies to mitigate risks effectively. Our security function is equipped with top-tier competencies, governance, and capabilities that span our entire IT infrastructure and the business at large. We ensure constant access to networks, systems, and data by managing risks from technical failures, human errors, potential cyber threats, and natural disasters proactively.

While the total elimination of cyber risk is elusive, our dedication to managing and minimizing system disruptions is steadfast. We have robust contingency plans in place to ensure business continuity under various scenarios. In response to the evolving threat landscape, we have implemented clear policies and procedures to guide our employees, conducted thorough training programs, and fostered a culture of security vigilance. These measures ensure our team is well-prepared to uphold the highest standards of information security.

Taxation

We are committed to being good corporate citizens, bringing positive value to the communities we operate in. A key part of this commitment involves paying taxes where they are due and subscribing to fair taxation.

We believe it is vital to operate a fair, transparent and straightforward Tax Policy, which is required when running a sustainable business and delivering long-term value to all our stakeholders. This is also reflected in the tax principles included in our Principles of Responsible Tax Behavior, as published on our website. The Flow Traders Tax Function will therefore provide applicable input as part of the approval process for business proposals to ensure a clear understanding of the tax consequences.

Flow Traders also established a Tax Control Framework, members include the Board, Audit Committee, Finance department and Tax department. They are responsible for assessing and weighing the risks associated with the tax decision process for our business and stakeholders. Under this Tax Control Framework, significant tax positions, including the tax strategy, are shared with and subject to the approval of the Board.

Flow Traders is prudent and transparent in respect of its financial reporting and its relations with tax authorities globally. Regarding financial reporting, conservative accounting principles are being applied and one-offs must occur infrequently and be clearly documented.

We support transparency initiatives, such as Pillar II legislation and country-by-country reporting, and frequently assess the impact of such initiatives. We also closely monitor impact for Flow Traders, to ensure that we comply with local and international legislation and meet our reporting obligations.

Where necessary or relevant, we take the appropriate actions to adopt these initiatives in our Tax Control Framework. We have good standing relationships with the tax authorities in each region in which we operate. We proactively manage our relationship with the tax authorities with the aim of minimizing the risk of challenge, dispute or damage that could have an impact on our credibility.

Flow Traders pays taxes where profits are earned in accordance with local and international tax legislation. We do not use tax haven jurisdictions for tax avoidance purposes and carry out our business through entities resident in jurisdictions where we factually operate our business. With this simple tax philosophy in place, the Company can operate its business in line with its belief that it is part of the corporate social responsibility duty to pay taxes where it operates. In addition to corporate income taxes, Flow Traders pays many other taxes, including but not limited to, payroll taxes and social security contributions on the wages of its employees, value added taxes and property taxes. All these taxes are a significant basis of funding governmental public services. It is our social responsibility to contribute through taxes in the regions we operate in.

Our tax principles | How we applied them

1. Business rationale

Report and pay taxes in the jurisdiction where value is created.

2. No use of tax havens

Refrain from using tax haven structures for tax avoidance.

3. Transfer pricing

Follow the arm's length principle in our transfer pricing decisions.

4. Transparency

Maintain an open and constructive dialogue with tax authorities in the jurisdictions where we operate.

5. Compliance

Follow tax laws and regulations where we operate, respecting both the letter and the spirit of the law.

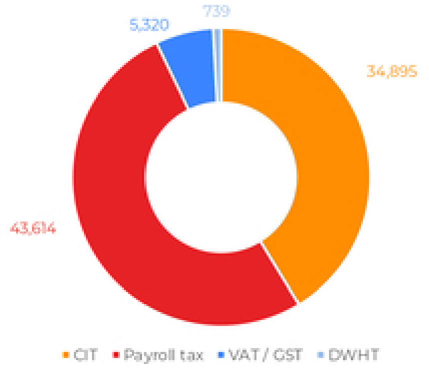
6. Accountability and governance

Our tax department oversees daily tax management, under supervision of the Board.

Taxes per country charged and contributed

	2024 *(in thousands of euro)*
Netherlands	78,258
Singapore	352
Hong Kong	1,567
United States of America	3,187
Other	1,204
Total	84,568

Taxes per type charged and contributed



Note:
Flow Traders pays and collects a broad range of taxes, including direct taxes, indirect taxes and payroll taxes.
Amounts shown on this page include:
(i) CIT: direct tax imposed on Flow Traders' 2024 profit
(ii) VAT/GST: non-recoverable indirect tax due on the purchase of goods and services
(iii) Payroll taxes: employer taxes paid as well as income taxes collected on employees' salaries paid directly to governments
(iv) DWHT: tax withheld on dividend distributions to Flow Traders' shareholders

Corporate governance

2024

Corporate governance

Our corporate governance is reflected in our internal rules and regulations, including our Bye-Laws, Board Rules and Committee Charters. These, together with our policies, can be found on our website.

Functioning of the Board

The Board is responsible for the continuity of the Company and is guided by the interests of the Company and its associated business. The Board takes into consideration the Company's sustainable long-term value creation and the interests of the Company's stakeholders, including our employees and our shareholders. The Executive Directors are primarily charged with the Company's day-to-day operations, subject to the limitations set out in the Companies Act and our Bye-Laws. The Non-Executive Directors are primarily charged with the supervision of the performance of the duties of the Executive Directors and assist by providing advice and direction. For a more detailed description of the governance concerning the Board, and the specific duties of the Executive Directors and the Non-Executive Directors, please refer to the Company's Bye-Laws and Board Rules on our website.

Board Committees

The Board may from time to time establish permanent or ad-hoc committees. As at the date of this Annual Report, the Board has established four committees: the Audit Committee, the Remuneration & Appointment Committee, the Risk & Sustainability Committee and the Trading & Technology Committee. The composition of each committee is reflected in the table following this paragraph. The composition did not change throughout 2024. Each committee has a preparatory and/or advisory role to the Board. The Committee Charters provide for the possibility of the Board to delegate decision-making in writing to the Committees on matters that fall within their respective tasks and responsibilities. For a more detailed description of the governance concerning the committees, please refer to the respective Committee Charters on our website.

	Rudolf Ferscha	Jan van Kuijk	Linda Hovius	Delfin Rueda	Paul Hilgers	Karen Frank
Audit Committee	X	X	n/a	C	n/a	X
Remuneration & Appointment Committee	X	X	C	X	n/a	n/a
Risk & Sustainability Committee	X	X	X	X	C	X
Trading & Technology Committee	X	C	X	X	X	X

("C" = chair, "X" = member)

Chairman & Vice-Chairman

The Board appointed Rudolf Ferscha as Chairman and Jan van Kuijk as Vice-Chairman. The Chairman acts as the main contact for the Directors regarding the functioning of the Board. The Chairman is primarily responsible for the functioning of the Board and its committees and is responsible for ensuring the proper conduct of business at meetings of the Board in order to promote a meaningful discussion at meetings. As a general rule, the Chairman presides over the General Meeting. The Vice-Chairman deputizes for the Chairman and is the main contact on behalf of the Board regarding the Chairman's performance.

Conflicts of interest

In case of a conflict of interest, the Board will determine, on a simple majority vote, if a Director's interest indeed conflicts with the interests of the Company or its business in such a way as described in section 24.6 of the Bye-Laws. In 2024, there have been no cases of conflicts of interest or transactions between the Company and members of the Board. There has been one transaction with a shareholder holding at least 10% of the shares of the Company. For more information, refer to note 34 related parties in the consolidated financial statements.

Independence of Non-Executive Directors

Best practice in terms of corporate governance prescribes that at most one of the Non-Executive Directors on the Board qualifies as non-independent and that the total number of non-independent Non-Executive Directors should account for less than half of the total number of Non-Executive Directors. Jan van Kuijk, as a co-founder of the Company, was attracted to his role as Non-Executive Director because of his specific business-related expertise. He did not qualify as independent under the provisions of the Dutch Corporate Governance Code as he is a former member of the Management Board of the Company, and because he represents a shareholder of the Company owning an interest of over 10%. As such, the number of non-independent Non-Executive Directors on the Board amounts to one.

Despite the fact that Jan van Kuijk did not qualify as an independent Non-Executive Director as set out above, more than half of all Non-Executive Directors are independent.

Executive Directors

Mike Kuehnel

Chief Executive Officer (CEO)
Gender: male
Year of birth: 1977
Nationality: German
First term (2021 - 2025)

Mike was appointed CEO in February 2023, he serves as Executive Director on the Flow Traders Ltd. Board. As CEO he is responsible for driving the Company's strategic and growth agenda. He joined the Company in August 2021 and was appointed as member of the Management Board and CFO in September 2021.

Mike has 20+ years of investment banking and strategy consulting experience in the global financial market infrastructure space. Prior to joining Flow Traders, he served as a partner at Bain & Company leading the Investment Banking and Financial Markets Infrastructure practice for EMEA. Before that, he worked at Goldman Sachs, where he was responsible for advising on large-scale equity and M&A transactions in the European banking, insurance, asset management, private wealth and exchanges sectors. Mike holds an MBA in Accounting and Finance from the University of Chicago. Prior to that, he obtained his Bachelor in Business Administration (BBA), majoring in Banking & Finance, from the Frankfurt School of Finance & Management.

Mike does not hold any of the following positions outside Flow Traders as defined in section 12 of the Company's Board Rules: (i) any directorship or similar position, (ii) any remunerated employment position, including in an advisory or supervisory capacity or (iii) any non-remunerated employment position.

Hermien Smeets-Flier

Chief Financial Officer (CFO)
Gender: female
Year of birth: 1971
Nationality: Dutch
First term (2023 - 2027)

Hermien was elected as CFO and Executive Director of the Flow Traders Ltd. Board in September 2023. As CFO, she is responsible for the Company's finance and control functions, focusing on supporting the execution of Flow Traders' strategic growth agenda. Hermien joined Flow Traders in July 2023 as Global Finance Director.

Hermien has 20+ years of experience leading and scaling Finance, Risk, Control and Operational functions across insurance and asset management firms. Prior to joining Flow Traders, Hermien served as Chief Financial and Risk Officer and member of the Management Board at Achmea Investment Management. Before that, she served as Chief Financial Officer and Board member at AEGIS London. Prior to joining AEGIS London, Hermien served as Chief Financial Officer and Board member at Amlin Underwriting Ltd. She started her career at KPMG, where she provided audit, financial, and M&A advisory services to listed companies. Hermien is a chartered accountant registered in the Netherlands.

Hermien does not hold any of the following positions outside Flow Traders as defined in section 12 of the Company's Board Rules: (i) any directorship or similar position, (ii) any remunerated employment position, including in an advisory or supervisory capacity or (iii) any non-remunerated employment position.

Owain Lloyd

Chief Technology Officer (CTO)
Gender: male
Year of birth: 1980
Nationality: British
First term (2024 - 2028)

Owain was elected as CTO and Executive Director of the Flow Traders Ltd. Board in June 2024. As CTO, he is responsible for the Company's Technology function. Owain joined Flow Traders in May 2024 as Director of Technology.

Owain has worked in various leading financial firms, bringing 20+ years of experience in developing global technology functions. Prior to joining Flow Traders, he served as CTO and Partner at Numeus Research and was a Founding Partner at Mercury Trading from 2019 until 2022. Owain has also held prominent roles at J.P. Morgan as Chief Business Technologist, Global Head of Electronic Market Making from 2016 to 2019, and at Morgan Stanley as Executive Director and Global Head of Automated Market Making Technology from 2010 to 2016. Additionally, Owain worked at Citadel Investment Group in Options Market Making Technology from 2004 to 2010, and at Credit Suisse First Boston in Fixed Income Research from 2002 to 2004. Owain holds a Computer Science degree from the University of Cambridge.

Owain does not hold any of the following positions outside Flow Traders as defined in section 12 of the Company's Board Rules: (i) any directorship or similar position, (ii) any remunerated employment position, including in an advisory or supervisory capacity or (iii) any non-remunerated employment position.

Non-Executive Directors

Rudolf Ferscha

Chairman
Gender: male
Year of Birth: 1961
Nationality: Austrian
Fourth term (2023 - 2027)

Rudolf serves as an Independent Non-Executive Director and Chairman of the Flow Traders Ltd. Board. He is a member of the Remuneration & Appointment Committee, the Trading & Technology Committee, the Audit Committee and the Risk & Sustainability Committee. Rudolf was first appointed as a member of the Supervisory Board of Flow Traders in July 2015, re-appointed for a second term in 2018 and a third term in 2021. Rudolf was appointed Chairman of the Supervisory Board in March 2021 and in 2023 he was re-elected for a fourth term to the Board as Chairman.

Originally a corporate finance and capital markets lawyer, he has over 25 years' board-level experience at international financial institutions, including executive roles on the Management Boards of Goldman Sachs Bank in Frankfurt and of Deutsche Börse AG. For more than a decade, he held direct oversight responsibility for FSA and BaFin regulated derivatives and securities trading businesses. Between 2000 and 2005, Rudolf served as CEO of Eurex and from 2003 to 2005 Rudolf was Chairman of the Management Board of the Frankfurt Stock Exchange.

Rudolf is currently a partner at Gledhow Capital Partners and Chairman of the Advisory Board at Mainberg Asset Management GmbH.

Jan van Kuijk

Vice-Chairman
Gender: male
Year of Birth: 1966
Nationality: Dutch
Fourth term (2024 - 2028)

Jan serves as Non-Executive Director on the Flow Traders Ltd. Board and is Chair of the Trading & Technology Committee. He is also member of the Audit Committee, the Risk & Sustainability Committee, and the Remuneration & Appointment Committee. Jan is one of the co-founders of Flow Traders and served as its co-CEO from its inception in 2004 until 2014. He was appointed Vice-Chairman of the Supervisory Board of Flow Traders in July 2015.

Until 1996, Jan served as a partner at Optiver and was involved in setting up their first electronic trading activities at Deutsche Börse in 1993. He co-founded Newtrade Financial Group in 1997, which was an options market-making firm before being discontinued, after he co-founded Flow Traders.

Linda Hovius

Gender: female
Year of Birth: 1961
Nationality: Dutch
First term (2021 - 2025)

Linda serves as an Independent Non-Executive Director on the Flow Traders Ltd. Board and is Chairwoman of the Remuneration & Appointment Committee. She is also member of the Risk & Sustainability Committee and the Trading & Technology Committee. Linda was appointed member of the Supervisory Board of Flow Traders in April 2021.

Linda has more than 30 years of experience in managing professional organizations, setting strategic direction and implementing change. In 2012, Linda founded Aberkyn – Change Leadership Partners, to serve top teams of multinationals in the transformation of their leadership and organizations.

Linda is currently a Supervisory Board member of Royal Flora Holland and of KPMG Netherlands. She is also Chair of the Board of the Koninklijke Hollandsche Maatschappij der Wetenschappen (Royal Dutch Society for the Sciences and Humanities). Linda is currently the owner of Hovius Consultancy, specializing in boardroom consultancy.

Non-Executive Directors (continued)

Delfin Rueda

Gender: male
Year of Birth: 1964
Nationality: Spanish
First term (2023 - 2026)

Delfin serves as Independent Non-Executive Director on the Flow Traders Ltd. Board and Chair of the Audit Committee. He is also a member of the Remuneration & Appointment Committee, the Risk & Sustainability Committee and the Trading & Technology Committee. Delfin was elected as Non-Executive Director in April 2023.

Delfin brings a wealth of experience in finance, strategy and financial markets. He previously served as the CFO, CRO and member of the Management Board at Atradius and held leadership positions at J.P. Morgan, UBS and Andersen Consulting. Delfin was also the CFO and Vice-Chair of the Executive Board and Management Board at NN Group as well as Chairman of the European Insurance CFO Forum.

Currently, Delfin is a member of the Supervisory Board of Adyen and Chair of its Audit & Risk Committee, as well as Independent Non-Executive Director of Allfunds. He is also a Venture Partner at Mundi Ventures.

Paul Hilgers

Gender: male
Year of Birth: 1968
Nationality: German
First term (2023 - 2026)

Paul serves as Independent Non-Executive Director on the Flow Traders Ltd. Board and Chair of the Risk & Sustainability Committee. He is also a member of the Trading & Technology Committee. Paul was elected as Non-Executive Director in April 2023.

Paul has an extensive and proven track record within global financial markets, particularly within trading, clearing and market infrastructure. Paul previously served as CEO APAC and as Director Market Structure for Optiver and then became global CEO of Optiver from 2014 until 2017. Paul was a member of the Supervisory Board at EuroCCP, and Managing Director at Hilgers Consulting. Most recently Paul worked at Deutsche Börse AG as Managing Director, heading the firm's cash market business.

Karen Frank

Gender: female
Year of Birth: 1968
Nationality: American
First term (2023 - 2027)

Karen serves as Independent Non-Executive Director on the Flow Traders Ltd. Board. She is also a member of the Audit Committee, the Risk & Sustainability Committee and the Trading & Technology Committee. Karen was elected as Non-Executive Director in April 2023.

Karen is an experienced investor, and executive and business leader in the financial services industry. Most recently, Karen was the Executive Managing Director and Global Head of Equities at Ontario Teachers Pension Plan where she Chaired the Investment Committee. She previously held leadership positions at Barclays plc, where Karen was CEO of Barclays Global Private Bank and member of the International Executive Committee.

Earlier in her career, Karen worked in the Private Equity industry, including for Goldman Sachs in their Merchant Bank and Financial Sponsors businesses. Karen is the Chair of the British Heart Foundation, and Chair of the Dean's Council for Harvard Kennedy School of Government.

General meeting, shares and shareholders

It is of great importance to the Company and the Board that our shareholders voice their views and actively participate in decision-making during the Annual General Meeting of Shareholders (AGM). We pride ourselves on encouraging an open dialogue and ensuring that the General Meeting is adequately provided with information required to actively participate.

In accordance with our Bye-laws and subject to the provisions of the Companies Act, the Company's Board shall convene, and the Company shall hold General Meetings as AGMs no later than six months after the end of the financial year. The Board may, whenever it deems necessary, and shall, when requisitioned by shareholders pursuant to the provisions of the Companies Act, convene General Meetings other than AGMs which shall be called Special General Meetings, at such time and place as the Board may appoint.

Subject to the Companies Act, a resolution may only be moved and put to a vote at a General Meeting if (i) it is proposed by or at the direction of the Board, (ii) it is proposed at the direction of a competent court, (iii) it is proposed on the requisition in writing by eligible shareholders, and (iv) the Chairman of the meeting in their absolute discretion decides that the resolution may properly be regarded as within scope of the meeting.

Save as otherwise provided in our Bye-Laws, at least two shareholders present in person or by proxy and entitled to vote on the matter representing the holders of at least 20%, or the highest amount required from time-to-time by any stock-exchange on which any of the shares are listed, of the issued share entitled to vote on the matter at such meeting shall be a quorum. Increased quorum requirements apply for the passing of certain resolutions requisitioned by shareholders or the resolution to elect, suspend or remove a Director.

Each shareholder present in person at a General Meeting shall be entitled to vote on any question to be decided on a show of hands or by a count of votes received in the form of electronic record (including by proxy), and each shareholder present in person or by proxy shall be entitled on a poll to vote for each share held by them. Each share carries one vote at a General Meeting. The AGM is the ideal opportunity for shareholders and the Board to interact. At an AGM, shareholders can ask questions directly.

The 2024 AGM was held on 13 June 2024. During this AGM, all proposals on the agenda were adopted. The proposals adopted by the General Meeting related to the declaration of the final dividend, the Remuneration report, the re-election of Jan van Kuijk, the election of Owain Lloyd, the authority to issue shares, the authority to exclude or limit preemptive rights, the authority to purchase own shares and the re-appointment of the external auditor.

The Company's next AGM is scheduled to be held on 13 June 2025. More information will become available on our website in due course.

Alteration of the Bye-Laws

The Bye-Laws may be revoked or amended only by the Board, which may from time-to-time revoke or amend them in any way by a resolution of the Board passed by a majority of the Directors then in office and eligible to vote on that resolution, but no such revocation or amendment shall be operative unless and until it is approved at a subsequent general meeting of the Company by the Shareholders by Resolution passed by a majority of votes cast.

Issue of shares

Subject to the provisions of the Bye-Laws, the Company may only allot or issue shares, or grant rights to subscribe for shares (other than treasury shares) as authorized by a shareholders' resolution and within the limits of such authorization, which authorization cannot be withdrawn, unless determined otherwise at the time of the adoption of the resolution.

During the 2024 AGM, our shareholders renewed the authority of the Board to issue common shares or to grant rights to subscribe for common shares up to and including 13 December 2025 for up to 10% of the total number of shares issued at the time of the General Meeting for any purposes. Any issuance exceeding this limit needs separate approval by the General Meeting.

In addition, the General Meeting renewed the authority of the Board to exclude or limit applicable preemptive rights when issuing common shares or granting rights to subscribe for common shares up to and including 13 December 2025.

At our 2025 AGM, the Board intends to request that the General Meeting renews its authorization to issue common shares or to grant rights to subscribe for common shares for up to 10% of the total number of shares issued at the time of the 2025 AGM for any purposes.

Purchase and cancellation of shares

The Board may, after prior authorization by shareholders' resolution and within the limits of such authorization, authorize the purchase by the Company of its own shares upon such terms as the Board may in its discretion determine, provided always that such purchase is effected in accordance with the provisions of the Companies Act. Subject to the provisions of the Bye-Laws, any shares of the Company held by the Company as treasury shares shall be at the disposal of the Board, which may hold all or any of the shares, dispose of or transfer all or any of the shares for cash or other consideration, or cancel all or any of the shares.

During the 2024 AGM, our shareholders renewed the authority of the Board to purchase shares in the capital of the Company, either through purchase on a stock exchange or otherwise, up to and including 13 December 2025, under the following conditions: (i) the repurchase may constitute up to 10% of the total number of shares issued at the time of the General Meeting, (ii) provided that the Company will not hold more shares in treasury than 10% of the issued share capital and (iii) at a price (excluding expenses) not less than the nominal value of the shares and not higher than the opening price on Euronext Amsterdam on the day of repurchase plus 10%.

On 22 July 2022, Flow Traders announced a €25 million share repurchase plan, which was subsequently increased with €15 million as announced on 27 October 2022, thereby resulting in an aggregate €40 million share repurchase plan. On 28 July 2023 it was further announced that the period of execution for the €15 million share repurchase increase would be extended by 12 months to 26 October 2024. Share repurchases for a total consideration of €11.8 million were made during the year ended 31 December 2024 and thus completing our share repurchase plan.

At the 2025 AGM, the Board intends to propose to the General Meeting to renew its authorization to repurchase shares in the Company.

Major shareholders

The following shareholders filed their interests in the capital of the Company exceeding 3% to be included in the AFM's register of substantial holdings and gross short positions as published on the website www.afm.nl (data as published on 31 December 2024). A shareholder must file or update its holdings if its interest exceeds, or drops below, 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%.

Based on the publications in the AFM's public register on substantial holdings and gross short positions, the following table shows such information as per 31 December 2024. For more recent details on individual shareholdings please refer to the AFM's registers. For Javak Investments B.V. and Avalon Holding B.V., the information as included in the following table is based on historic filings in the AFM's register on notifications by directors and members of the Supervisory Board of Flow Traders N.V. In their capacity as directors of Flow Traders Ltd., members of the Board (including Jan van Kuijk) do not notify changes in share ownership to the AFM to be registered in the register on notifications by directors and members of the Supervisory Board, as is the case for directors or members of the Supervisory Board of a public limited Company incorporated under Dutch law and whose (depository receipts for) shares are admitted to trading on a regulated market in the Netherlands or in another EU Member State.

Information which is relevant to our shareholders, and which is required to be published or submitted pursuant to the provisions of company law and securities law, is posted in a separate section of our website. Our Stakeholder Engagement Policy can also be found on our website.

Shareholdings as per filing dates

		Filing/notification dates
J.T.A.G. van Kuijk (Javak Investments B.V.)	12.22%	2/5/2018
R. Hodenius (Avalon Holding B.V.)	10.07%	7/12/2018
Flow Traders Ltd. (treasury shares)	5.70%	8/8/2024

Jan van Kuijk's (Javak Investments B.V.) shareholding is considered a long-term investment within the meaning of section 3.3.3 of the Dutch Corporate Governance Code.

Relationship agreement

Avalon Holding B.V. and Javak Investments B.V. entered into a relationship agreement with the Company.

The relationship agreement currently grants each of Avalon Holding B.V. and Javak Investments B.V. amongst others, a specific right to nominate one Non-Executive Director for election (and replacement). This right expires, in respect of each relevant party, if such party ceases to, directly or indirectly, hold more than 5% of the shares in the Company provided that and for as long as, in aggregate, Avalon Holding B.V. and Javak Investments B.V. together continue to, directly or indirectly, hold more than 5% of the Company's shares, Avalon Holding B.V. and Javak Investments B.V. shall be entitled to jointly nominate one Non-Executive Director for election.

The relationship agreement also stipulates that the Board shall procure that for as long as Avalon Holding B.V. and Javak Investments B.V. (independently or together) have the right to nominate a Non-Executive Director, each of the Remuneration & Appointment Committee as well as the Audit Committee, will include at least the Non-Executive Director nominated by Avalon Holding B.V. and/or Javak Investments B.V. (as the case may be).

The relationship agreement shall cease to bind Avalon Holding B.V. or Javak Investments B.V. if and when Avalon Holding B.V. or Javak Investments B.V., respectively, no longer has the right to nominate (or co-nominate) a Non-Executive Director. The relationship agreement shall furthermore terminate on the first day any of the following conditions shall be met: (i) the Company having become subject to insolvency proceedings, (ii) a resolution of the shareholders of the Company to liquidate the Company having become unconditional (iii) the Company having ceased to exist as a legal entity as a result of a legal merger or spin-off where the Company is the disappearing entity; or (iv) a termination of the listing of the Company's shares on Euronext Amsterdam takes effect, provided that the shares are not listed on any other stock exchange.

No dedicated take-over protection structures

Flow Traders does not employ any of the following dedicated take-over protection structures: preference shares, depository receipts or call options issued to vehicles conducive to protecting the Company’s interest or independence.

Compliance with the Dutch Corporate Governance Code

The Board values and considers the interests of the various stakeholders involved. Good corporate governance results in effective decision-making in a manner which enhances shareholder value and enables a company to maintain a culture of integrity, transparency, and trust. Flow Traders has a long- standing focus on a sustainable long-term value creation strategy, culture and risk. As a Company governed by Bermudan laws, the Dutch Corporate Governance Code is not directly applicable to Flow Traders Ltd., however, the Dutch Corporate Governance Code continues to be one of the guiding resources for Flow Traders Ltd.'s corporate governance related practices. As the Dutch Corporate Governance Code is not directly applicable to Flow Traders Ltd., it is not intended that Flow Traders Ltd. will report on any possible deviations from the Dutch Corporate Governance Code.

Corporate governance statements

Dutch decree on the content of the Board report *(besluit inhoud bestuursverslag)*

The information required by section 2a of the Decree is included in the chapters Governance and the Board report;

- The main features of our internal risk management and control systems relating to the financial reporting process can be found in the chapter Risk management;
- The functioning of our General Meeting and the authority and rights of our shareholders can be found in the chapter Corporate governance;
- The functioning of our Board and its Committees can be found in the chapters Corporate governance and in the Board report;
- The Diversity, Equity & Inclusion (DE&I) Policy regarding the composition of the Board including its aims, how it is being effected and the results can be found in the chapter Board report (section 3a sub d of the Decree); and
- The disclosure of the information required by the Decree on Section 10 EU Takeover Directive can be found in the chapter Corporate governance (section 3b of the Decree).

Board in control statement

The Executive Directors are responsible for the design, implementation and functioning of Flow Traders' internal risk management and control systems. Flow Traders' internal risk management and control is a process, effectuated by the Executive Directors, senior management and other personnel. It is designed to mitigate risks and provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of financial and non-financial information;
- Compliance with laws, regulations and internal policies;
- Safeguarding of assets, identification and management of liabilities; and
- Strategic goals of the Flow Traders Group.

The chapter Risk management elaborates on Flow Traders' identified financial and non-financial risks and how these risks are managed. This chapter provides insight into the impact of these risks on our results. The design and functioning of the internal risk management and control systems is based on the ERMF. The framework explained in detail in the chapter Risk management, combines various financial and non-financial risk disciplines into a single converged approach and provides the business with an overview on their risks and how these are managed. The Risk department assessed the controls in this process and the findings have been presented to the Executive Directors and Non-Executive Directors. This allows the Executive Directors and leadership to form a view on the internal risk management and control systems regarding the risks they face while pursuing Company's strategy.

On the basis of the above and with due observance of the limitations stated below, we confirm that to the best of our knowledge:

- The Annual Report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems (see e.g. chapter Risk management);
- The aforementioned systems provide reasonable assurance that the financial and tax reporting does not contain any material inaccuracies;
- Based on the current state of affairs and initial prognoses, it is justified that the financial reporting is prepared on a going concern basis (see e.g. chapters Financial statements and Other information); and
- The report states material risks (if any) and uncertainties that are relevant to the expectation of the Company's continuity for the period of twelve months after the preparation of the report (see e.g. chapters Our strategy and Our risk management).

The above does not imply that these systems and procedures provide absolute assurance to Flow Traders as to the realization of financial and strategic business objectives, or that internal risk management and control systems can prevent or detect all misstatements, inaccuracies, errors, fraud and noncompliance with legislation, rules and regulations.

Amsterdam, 13 March 2025

The Executive Directors

- Mike Kuehnel (Chief Executive Officer)
- Hermien Smeets-Flier (Chief Financial Officer)
- Owain Lloyd (Chief Technology Officer)

Conformity statement

The Executive Directors of Flow Traders are required to prepare the Annual Accounts and the Annual Report of the Company in accordance with Title 9 of Book 2 of the Dutch Civil Code (due to its status as a *formeel buitenlandse vennootschap*) and those International Financial Reporting Standards (IFRS) accounting standards that were endorsed by the European Union.

Conformity statement pursuant to section 5:25c paragraph 2(c) of the Dutch Financial Supervision Act (Wet op het financieel toezicht).

The Executive Directors of Flow Traders are responsible for maintaining proper accounting records, for safeguarding assets and for taking reasonable steps to prevent and detect fraud and other irregularities. They are responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgments and estimates that are prudent and reasonable. They are also responsible for establishing and maintaining internal procedures which ensure that all major financial information is known to the Board, so that the timeliness, completeness and correctness of the external financial reporting are assured.

As required by section 5:25c paragraph 2(c) of the Dutch Financial Supervision Act, each of the signatories hereby confirms that to the best of his knowledge:

- The Flow Traders 2024 Annual Accounts give a true and fair view of the assets, liabilities, financial position and profit or loss of Flow Traders Ltd. and the enterprises included in the consolidation taken as a whole; and
- The Flow Traders 2024 Annual Report gives a true and fair view of the position at the balance sheet date, the development and performance of the business during the financial year 2024 of Flow Traders Ltd. and the enterprises included in the consolidation taken as a whole, together with a description of the principal risks Flow Traders is being confronted with.

Amsterdam, 13 March 2025

The Executive Directors

- Mike Kuehnel (Chief Executive Officer)
- Hermien Smeets-Flier (Chief Financial Officer)
- Owain Lloyd (Chief Technology Officer)

Board report

2024

Message from the Chairman

Dear Stakeholders,

I would like to begin by expressing my sincere gratitude to our shareholders for their ongoing support and openness to engage in meaningful dialogue with our Board. This year, we had the privilege of discussing several key topics central to Flow Traders' growth and diversification strategies. These engagements are vital in fostering constructive conversations that help shape our shared vision for the Company's future.

In 2024, the Board remained focused on its commitment to supporting our leadership team as they worked to deliver tangible proof points of our strategy. In our advisory and consultative capacity, we provided guidance on several pivotal initiatives that accelerated Flow Traders' growth over the past year. These included the introduction of the Trading Capital Expansion Plan and the associated suspension of dividends, fostering a culture of risk awareness and collaboration, and strengthening our leadership team with the appointment of Owain Lloyd as CTO.

Marking 20 years

Most importantly, 2024 marked Flow Traders' 20th anniversary as a trading firm, a remarkable milestone in our journey. From our beginnings as an ETP trading house, we have evolved into a global leader in liquidity provision, driving innovation and transparency across financial markets worldwide. This achievement is a testament to the exceptional talent within our team and the invaluable partnerships we have cultivated over the years.

As we reflect on the past and look ahead, we remain dedicated to advancing our mission to make financial markets more transparent, efficient, and accessible. On behalf of the Board, I extend my heartfelt thanks to all who have contributed to Flow Traders' success so far. Together, we will continue to shape the future of financial markets.

Engagement with Flow Traders' team

As a Board, we had the privilege of visiting our team in New York, an experience that was particularly impactful for each of us. This visit provided a fantastic opportunity to gain a deeper understanding of the business, connect with the team, and acquire valuable insights into our Americas operations.

These learnings, combined with our regular engagements during Board meetings, where we interact with leaders across Trading, Technology, and Business Support, enhance our ability to serve the organization effectively as Non-Executive Board members.

Strong business performance

Flow Traders recorded a record fourth quarter in 2024 and second-best year in terms of financial performance in our 20-year history. As a result of the overall increase in market activity over the year, we recorded net trading income of €467.8 million and net profit of €159.5 million for the financial year 2024, which was well above our financial performance in the prior year.

Strategic priorities and initiatives

During our 2024 AGM, we shared the core four pillars of the Flow Traders' strategy, and outlined actions to deliver into these pillars.

Capital is the lifeblood of trading and in 2Q, we announced our Trading Capital Expansion Plan. This strategic move was aimed at strengthening our capital base in order to leverage opportunities in the market. The team has demonstrated the success of this initiative by delivering a strong financial performance and immediately extracting value from the expanded capital base.

We continued to demonstrate our ability to leverage and expand proprietary infrastructure, with a strategic focus on China and the broader APAC region. These efforts have strengthened our operations and network, positioning us for sustained growth in the future.

Our commitment to technology and innovation was further bolstered by the election of Owain Lloyd as CTO. With his expertise and leadership, we are confident in our ability to advance our technology stack and enhance our capabilities, driving continued progress and innovation across the global financial landscape.

Throughout 2024, Flow Traders Strategic Capital continued to build strong relationships, with a particular highlight being AllUnity, our partnership with DWS and Galaxy Digital.

The journey ahead

2025 is poised to deliver a wealth of opportunities, and Flow Traders is well-positioned to capitalize on them. With a strengthened capital base, a clear growth and diversification strategy, and a talented team ready to execute, we are prepared to play a pivotal role in shaping the future of global financial markets.

The continued rise of digital assets, the expansion of ETPs, and the advancement of transparent regulation all align with our Company's strengths, setting the stage for an exciting year ahead.

On behalf of the Board, I would like to express my heartfelt gratitude to all our employees for their significant contributions and unwavering dedication throughout the year. As a Board, we are confident that together, we will make 2025 another successful and memorable year for our business.

Rudolf Ferscha
Chairman of the Board

Flow Traders Ltd. Board

The Board's focus in 2024

During 2024, the Board held ten formal Board meetings and met several times without holding a formal meeting. Examples of meetings without holding a formal meeting include a preparation session for the AGM, education and strategy days and the self-assessment day. During these meetings a variety of topics were discussed, including but not limited to the following:

Strategy

The Board remained focused on sustainable long-term value creation, taking into account the strategy's implementation and feasibility, the business model applied by the Company and the market in which the business operates, opportunities and risks for the Company and the Company's operational and financial goals. They also consider the future impact of the Company's position in relevant markets, stakeholder interests, and any other aspects relevant to the Company and its business, such as the environment, social and employee-related matters, the value chain within which the business operates and fighting corruption and bribery.

Strategy-associated risks

Reviewing the Company's risk assessment processes and the monitoring of the Company's internal risk management and control systems continued to be a priority and joint responsibility of the Board and all committees throughout the year 2024. The review entailed an overview of all relevant risks the Company is exposed to, the internal controls in place to address these risks, and the Board's view on such risks.

Financial results

The Board was updated on the Company's financial, legal and compliance risks through the Audit Committee and the Risk & Sustainability Committee. Other topics discussed were the annual, half-yearly and quarterly results.

Off-site

The Board met for a three-day off-site meeting in the Flow Traders New York office. During this off-site, the Board concentrated on gaining insights into and interacting with the U.S. operations, which involved engaging with local leadership and essential ecosystem partners. The sessions held provided the Board with an opportunity to learn more about business development in the region, trading, and Flow Traders' value proposition in the U.S.

Remuneration and variable compensation of Executive Directors and employees

The Remuneration & Appointment Committee updated the Board on remuneration and variable compensation plans for both employees and the Executive Directors. The Executive Directors did not participate in the deliberations and decision-making concerning their own remuneration.

Sustainability

Through the Risk & Sustainability Committee, we intensified our focus on sustainability, we continue to monitor developments in relation to the adoption of the Corporate Sustainability Reporting Directive (CSRD) within Dutch legislation and the implications of the European Commissions' Omnibus Announcement in February 2025.

As part of our ESG efforts, we conducted a detailed DMA to assess both the financial impacts of sustainability risks and the environmental and social impacts of our operations. The findings were integrated into the deliberations of the Risk & Sustainability Committee.

The Internal Audit function (IA)

The recommendations of the IA function, the functioning of the IA function and the progress of the 2024 Internal Audit Plan have been discussed and followed up during 2024.

Board evaluation

In November 2024, the Non-Executive Directors self-evaluated their functioning and performance as a group as well as for the Board's committees and for the individual Non-Executive Directors. In preparation, input was collected by way of an extensive questionnaire from the individual Non-Executive Directors, from the Executive Directors and from key employees with regular access to the Board and/or its committees. The Non-Executive Directors discussed this input and reflected on the insights provided.

Based on the input and their own assessment of the skills matrix, the Non-Executive Directors concluded that they bring sufficient diversity in experience and competencies to collectively be able to ensure a proper and effective governance for the Company. Also the composition and effectiveness of the Board committees was positively assessed.

The Non-Executive Directors identified the following key themes requiring continued attention in order to further strengthen the effectiveness of the Non-Executive Directors and of the Board as such going forward:

- Global visibility and exposure of the Board vis-a-vis employees
- Structural learning and development of Board members, particularly regarding fast-evolving asset classes like digital assets
- Clear delineation of roles and responsibilities between Executive Directors and Non-Executive Directors
- Board and committee meeting hygiene factors

The 2024 Non-Executive Director self-assessment also included an independence-assessment which was led by Rudolf Ferscha as Chairman of the Board and Linda Hovius as Chairwoman of the Remuneration & Appointment Committee. As a result of this independence-assessment, the Non-Executive Directors reconfirmed the independence of Rudolf Ferscha, Linda Hovius, Delfin Rueda, Paul Hilgers and Karen Frank. Jan van Kuijk was considered a Non-Independent Director.

The Executive Directors also evaluated their own functioning and performance as a group and individually. In the 2024 Executive Director self-assessment, the focus was on the dynamics between and the functioning of the CEO, CFO and CTO, and further strengthening the joint strategic vision of the Executive Directors as a leadership team. It was further concluded that the capabilities and competencies of the Executive Directors are highly complementary to each other, especially with Owain Lloyd being elected as CTO as per the 2024 AGM and being in charge of driving the Company's strategic direction with respect to all technology related matters.

The performance of the Executive Directors was discussed among the Non-Executive Directors, and with each Executive Director individually, on at least two separate occasions throughout the year. For a detailed overview of the performance reviews and the means by which these were conducted, reference is made to the Remuneration report as included in this Annual Report.

Committees

During the financial year 2024, the Board operated four committees: the Audit Committee, the Remuneration & Appointment Committee, the Trading & Technology Committee, and the Risk & Sustainability Committee. For more information on the functioning and on the responsibilities of the committees, please refer to the chapter Corporate governance.

The committees reported to the Board by sharing their advice and recommendations during Board meetings and by providing an update of the deliberations.

Audit Committee

The Audit Committee met nine times in 2024. Other attendees besides the committee members included the CEO, CFO, CTO, the Global Head of Finance, the Head of Investor Relations, the Global Head of Internal Audit, the Global Head of Tax, the Global Head of Risk and Compliance and the external auditor.

During these meetings, the Audit Committee discussed the annual results, the half-yearly results and the quarterly results. Other topics discussed include e.g. significant new and proposed legislative initiatives related to accounting, auditing and financial reporting, tax planning, tax strategy and monitoring, assessing whether there were significant deficiencies and material weaknesses in internal control over financial reporting, the Company's financing strategy and Capital Management Policy (including dividend proposals), assessing the Company's compliance with rules and regulations, the Company's Code of Conduct and the methods used to assess the effectiveness of the internal and external audit processes. Topics discussed with the external auditor included the financial statements over the financial year 2023, recommendations on the basis of the Annual Report, their audit plan for the financial year 2024 and their interim review report. The Audit Committee reviewed the management letter and recommendations included in the auditor's report, as issued by the external auditor and discussed the actions taken by leadership to address any recommendations and observations. The Audit Committee evaluated the performance of the external auditor and discussed this with the Board and subsequently with the external auditor. In light of this, the Audit Committee advised the Board about the reappointment of the external auditor for the reporting years 2024 and 2025, before the Board determined EY's nomination for the appointment of the external auditor to the General Meeting. Given the nature of our business, the application of information and communication technology by the Company, including risks relating to cyber security, are discussed in detail in the Trading & Technology Committee. Subsequently, key items in respect of these items are also discussed in the Audit Committee.

External auditor

The Audit Committee and the Executive Directors reported to the full Board on EY's functioning as the external auditor, the Company's relationship with the external auditor, on its fees, as well as on other audit and non-audit services it provided to the Company. EY performed a review of the Company's interim financial statements and issued an unqualified review report. The Audit Committee evaluated the qualifications, performance and independence of EY, taking into account the opinions of the Executive Directors. The Audit Committee also obtained a report from the external auditor regarding, among other topics, its internal quality control procedures. EY confirmed its independence from Flow Traders in accordance with the professional standards applicable to it. Based on the information provided by the Audit Committee, the Board nominated EY as external auditor for the reporting years 2024 and 2025 at the Company's General Meeting in 2024. Subsequently, EY was reappointed by the General Meeting as external auditor for the reporting years 2024 and 2025.

The Internal Audit (IA) function

The IA function carried out all audits that were due per the 2024 Internal Audit plan, as approved by the Board in October 2023. Focus areas in the 2024 Internal Audit plan included amongst others trading, risk management, IT systems and adherence to regulatory requirements. The Audit Committee and the Global Head of Internal Audit discussed the internal audit results from 2024 (findings, observations, recommendations, management feedback and follow-up). In October 2024, the Board approved an updated version of the Internal Audit Charter and approved the risk-based multi-year Internal Audit Plan for the years 2025-2027. The Chairman of the Audit Committee maintains regular dialogue with the Global Head of Internal Audit, particularly in relation to ongoing audits and outstanding audit items. More information can be found in the chapter Corporate governance.

Risk & Sustainability Committee

The Risk & Sustainability Committee met five times in 2024. Invitees to the meeting were the Executive Directors, the Global Head of Risk and Compliance and the Global Head of Tax. The main focus in these meetings were (i) the Executive Directors' risk assessment, (ii) the firm's execution of its compliance and regulatory frameworks (iii) and the firm's initial ESG efforts. The attendees discussed in detail the relevant risks the Company is exposed to, the internal controls in place to address these risks, the Executive Directors' views on such risks, as well as the effectiveness of the design and operation of the internal risk management and control system. More information can be found in the chapter Corporate governance.

Remuneration & Appointment Committee

The Remuneration & Appointment Committee met seven times in 2024. Other attendees besides the Committee members included the CEO, the CFO and the Global Head of HR and Recruitment. During these meetings the Remuneration & Appointment Committee regularly discussed the Company culture in general including but not limited to the results of the annual employee engagement survey and any follow-up actions resulting out of such survey. The Remuneration & Appointment Committee further discussed the Employee Remuneration Policy, made proposals to the Board with respect to the the remuneration of the individual Executive Directors. The size, composition, functioning and succession planning of the Board was reviewed including any findings and conclusions. Other duties included the monitoring of developments in rules and regulations in relation to remuneration policies and the preparation of the Remuneration report. Before determining the remuneration of the individual Executive Directors, the Remuneration & Appointment Committee took note of the individual Executive Director's views with regard to the amount and structure of their own remuneration.

Trading & Technology Committee

The Trading & Technology Committee met six times in 2024. As the core business of the Company is discussed in this committee, all of the Non-Executive Directors formed part of the Trading & Technology Committee. Invitees to the meeting were the Executive Directors, Global co-Heads of Trading and the Global co-Heads of Technology. The committee addressed trading topics including but not limited to, trading performance across all specific asset classes and regions including KPI tracking, trading strategies, market conditions and capital management. The Trading & Technology Committee also addressed technology topics, including but not limited to technology strategies, information security, and developments with respect to rules and regulations concerning the Company's technology operations, e.g. DORA.

Non-Executive Directors

During the year 2024, two meetings were held among the Non-Executive Directors, without the Executive Directors being present. Both meetings were related to the profit share allocation to the Executive Directors, which, in accordance with the Board Rules and the Company's Remuneration Policy, is a matter reserved for the Non-Executive Directors. In January 2024, the Non-Executive Directors discussed and approved the final 2023 profit share allocation to the Executive Directors, and in December 2024, the Non-Executive Directors discussed the preliminary 2024 profit share allocation to the Executive Directors.

Financial statements

The 2024 financial statements were prepared by the Board. They were discussed with the Audit Committee, in attendance of EY. The financial statements were audited by EY, who issued an unqualified auditor's report. Reference is made to the auditor's report of the financial statements. The Board approved the financial statements as audited by EY. We invite the General Meeting to adopt the financial statements for 2024.

Information on the remuneration of the Executive Directors can be found in the Remuneration report.

Board composition

Changes throughout 2024

The sole change to the composition of the Board during the financial year 2024 was the election of Owain Lloyd as CTO and Executive Director per 13 June 2024.

Rotation Schedule

Any changes in the composition of the Board require careful consideration from a succession planning perspective. In making nominations to the General Meeting of Shareholders for the election of directors to the Board, the Board tries to mitigate the potential future risk of directors simultaneously retiring. The Board rotation schedule, which gives a clear insight into each director's term(s) is available our website.

Gender diversity within the Board

We aim to incorporate diversity aspects such as nationality, age, gender, educational background or professional background into decision making concerning the composition of our workforce. Regardless of rules and regulations, we see diversity as a means to guarantee a safe and inclusive environment for our employees and to optimize balanced decision making. To the extent possible, these aims also apply to the composition of our Board. The current composition of the Board is diverse in terms of gender, nationality and expertise, and has a suitable level of experience in the financial, economic, trading, technology, social and legal aspects of a Company like ours. Specifically with respect to gender diversity within the Board, we have set the following goals: (i) to have at least 1/3 female and 1/3 male Non-Executive Directors and (ii) at least one female and at least one male Executive Director. During the year 2024 we were able to continue meeting our gender diversity goals, as is reflected in the following table.

Unit	Female	Male	Female/Male ratio
(headcount)			
Executive Directors	1 (2023: 1)	2 (2023:1)	33% (2023: 50%)
Non-Executive Directors	2 (2023: 2)	4 (2023: 4)	33% (2023: 33%)
Board	3 (2023: 3)	6 (2023: 5)	33% (2023: 38%)

Board skills and expertise matrix

	General skills						Flow Traders			
Non-Executive Board members	Finance	Governance	Risk & Compliance	Organization, Culture & HR	ESG	Former / Current board experience*	Trading & Technology	Strategy	Controls	Capital Markets**
Rudolf Ferscha	●	●	●			●		●	●	●
Jan van Kuijk	●	●	●	●		●	●	●	●	●
Linda Hovius		●		●	●	●		●		●
Delfin Rueda	●	●	●		●	●		●	●	●
Paul Hilgers	●	●	●			●	●	●	●	●
Karen Frank	●	●	●		●	●		●		●
Mike Kuehnel	●	●	●	●			●	●		●
Hermien Smeets - Flier	●	●	●	●	●	●		●	●	●
Owain Lloyd		●	●	●			●	●	●	●

*Was a former executive board member of (listed) international company.
**Capital markets can be defined as any experience working within the broader capital markets ecosystem.

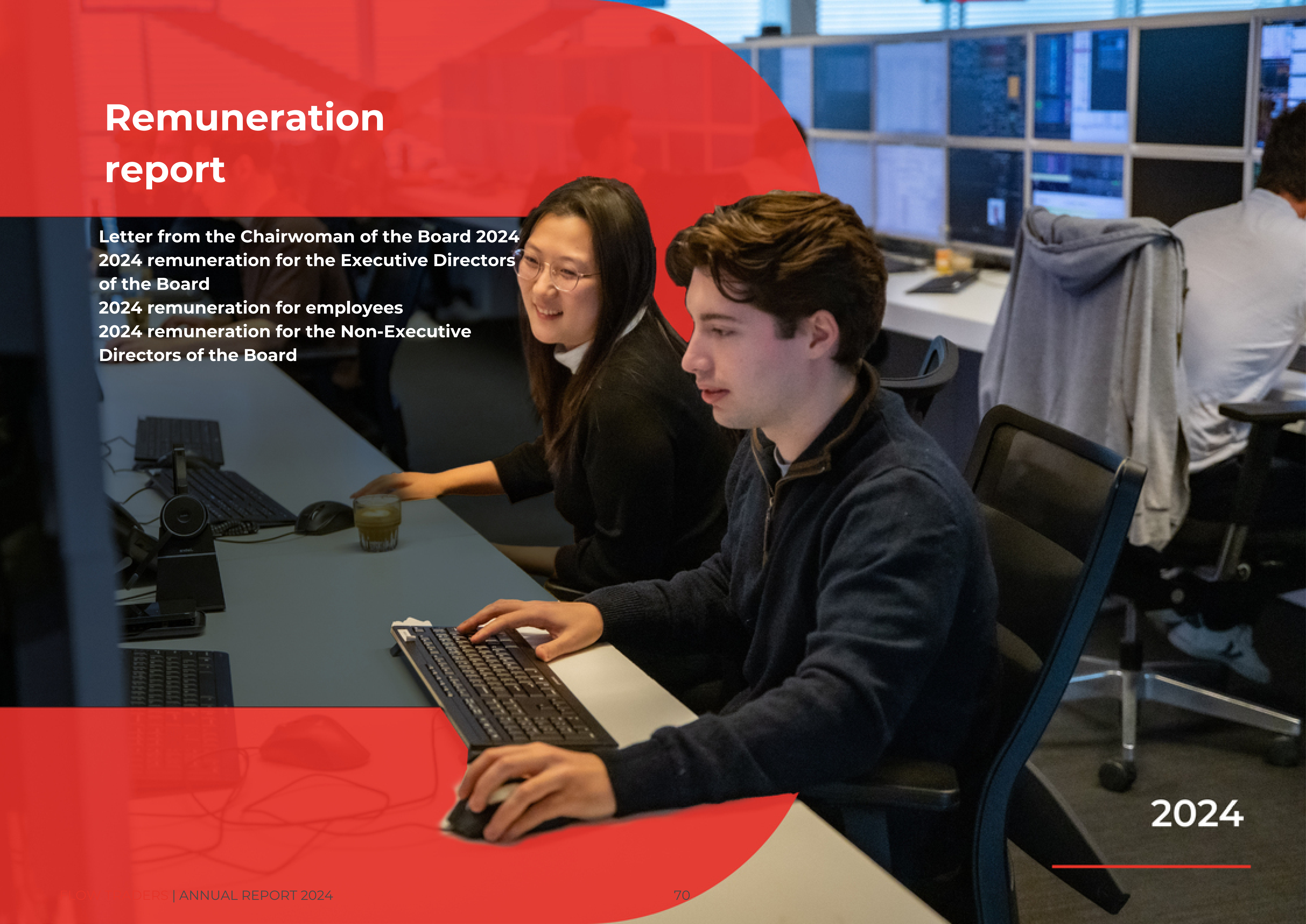
Meetings and attendance

The table below shows statistics concerning attendance at Board and committee meetings, reflected as number of meetings attended out of the total number of meetings held during the calendar year 2024. The attendance rate of Non-Executive Directors during the year was 93.33% for Board meetings and 95.54% including committee meetings and Non-Executive Director meetings. The Executive Directors attended each meeting in full or in part, except for the Non-executive Director meetings and the Remuneration & Appointment Committee meetings concerning the profit share of the Executive Directors.

	Board meetings	Audit Committee	Remuneration & Appointment Committee	Risk & Sustainability Committee	Trading & Technology Committee	Non-Executive Directors
Rudolf Ferscha	10/10	9/9	7/7	5/5	6/6	2/2
Jan van Kuijk	10/10	9/9	6/7	5/5	6/6	2/2
Linda Hovius	7/10	2/9*	7/7	5/5	5/6	2/2
Karen Frank	10/10	9/9	2/7*	5/5	6/6	2/2
Paul Hilgers	9/10	4/9*	2/7*	5/5	6/6	2/2
Delfin Rueda	10/10	9/9	6/7	5/5	6/6	2/2
Mike Kuehnel	10/10	9/9	6/7	5/5	6/6	0/2*
Hermien Smeets-Flier	10/10	9/9	6/7	5/5	6/6	0/2*
Owain Lloyd**	7/10	3/9*	1/7*	2/5	2/6	0/2*

*Indicates that the person is not a member or standing invitee of the committee in question.
**Owain Lloyd's term of office started as per his election on 13 June 2024.

Remuneration report



2024

Letter from the Chairwoman 2024

Dear Stakeholders,

On behalf of the Remuneration & Appointment Committee, I am pleased to present our 2024 Remuneration report. This report includes a summary of our Remuneration Policy currently in place and the remuneration paid out in 2024 in accordance with this policy. In relation to the allocated remuneration for 2024, this was aligned to Flow Traders' strong financial performance, including a record fourth quarter in 2024 and second-best year in terms of financial performance in the firm's 20-year history. To provide context, as a result of the overall increase in market activity over the year, we recorded net trading income of €467.8 million and net profit of €159.5 million for the financial year 2024, which was well above our financial performance in the prior year. These results are aligned with the KPI scorecard and formed the basis for the remuneration distributed for the financial year 2024. The Non-Executive Directors, in close consultation with, and supported by, the Executive Directors have decided that the 2024 firm-wide variable remuneration pool is €87 million (2023: €34.7 million), corresponding to 32.5% of operating result in 2024.

Competition for talent

Talented professionals, especially those with expertise relevant to Flow Traders, are in short supply. To stay ahead of the competition, we prioritize attracting, retaining, and developing top talent. That is why we have strengthened our talent pipeline and enhanced our remuneration frameworks to align with our ambitious talent goals. In 2024, we developed and implemented revised salary frameworks and increased transparency in the distribution of our profit-sharing scheme in an effort to further improve our position as an employer of choice.

A stronger technology team

A key element in building strong, engaged teams is appointing the right leaders. In 2024, we were thrilled to welcome Owain Lloyd as our CTO. With his extensive expertise and proven track record in critical areas such as quantitative systems, automation, and scaling technology infrastructure, Owain brings the leadership and vision needed to drive our technology function forward.

His appointment marks an exciting step in our continued growth. Since joining the firm, Owain has already made a significant positive impact by strengthening the core Technology leadership team as well as improving cross-functional collaboration. We look forward to the continued impact he will make as we advance our mission and strengthen our capabilities.

Fostering culture

The Flow Traders Board members, and specifically the Remuneration & Appointment Committee, remain committed throughout the year in supporting initiatives that foster engagement and strengthen the firm's entrepreneurial culture.

In 2024, the Executive Directors, supported by the broader leadership team, developed and executed regional engagement plans aimed at enhancing key focus areas such as team collaboration, communication, and strategic transparency. Additionally, members of the Remuneration & Appointment Committee engaged directly with employees to build connections and gain valuable insights. These interactions enable us, as Non-Executive Board members, to provide informed guidance and support to the organization, ensuring we continue to drive growth and innovation.

Linda Hovius
Chairwoman of the Remuneration & Appointment Committee

2024 remuneration for the Executive Directors of the Board

The remuneration (and other arrangements) for the Executive Directors is determined by the Non-Executive Directors of the Board (following proposals from the Remuneration & Appointment Committee). The Non-Executive Directors have assessed the remuneration of the Executive Directors based on their performance - both individual and as a team- and in accordance with Company performance in 2024. A detailed explanation of the assessment is included in the Performance assessment section of this Annual Report.

Total remuneration

The table below shows the total remuneration awarded to individual Executive Directors in 2024. Flow Traders recorded a record fourth quarter in 2024 and second-best year in terms of financial performance in our 20-year history. The firm-wide variable remuneration pool in 2024 represents 32.5% of the operating result, in line with the existing Remuneration Policy. In line with the proposed cap on total remuneration in the 2024 Remuneration Policy, the hard cap on total remuneration for each Executive Director in 2024 is €4.8 million. The cap is based on average employee total pay of €239.8k, calculated according to the recommendation of the Dutch Monitoring Commission.

Total remuneration of Executive Directors of the Board (in thousands of euro)

	Fixed remuneration		Variable remuneration						Extraordinary items		Pension scheme		Total remuneration		Proportional split (%) of remuneration in fixed/variable	
Name	Base salary		Cash				Company shares'								Variable	
	2024	2023	2024		2023		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
			Upfront	Deferred	Upfront	Deferred										
Mike Kuehnel, CEO (2023 -)[1]	300	156	400	400	125	125	800	250	—	—	—	—	1,900	656	16%/84%	24%/76%
Hermien Smeets-Flier, CFO (2023 -)	300	134	416 [2]	381	100	100	763	200	—	—	—	—	1,860	534	16%/84%	25%/75%
Owain Lloyd, CTO (2024-)[3]	201	—	219	219	—	—	437	—	—	—	—	—	1076 [4]	—	19%/81%	—

[1] Mike Kuehnel's current term is 2021-2025, he assumed the role of CEO as of 2023.

[2] Includes final payment of 35k of guaranteed profit share contractually agreed in 2023.

[3] Owain Lloyd was elected as Chief Technology Officer in June 2024, employed as of May 2024.

[4] Total remuneration includes full contractually agreed guaranteed profit share in 2024.

Base salary

In 2024, Owain Lloyd joined the firm as CTO and member of the Flow Traders Board. Alongside Mike Kuehnel (CEO) and Hermien Smeets-Flier (CFO), our Executive Directors receive an annual base salary of €300,000. This modest base salary is in line with our remuneration philosophy, which heavily relies on variable remuneration based on positive Company performance.

Variable remuneration

The design of our variable remuneration reflects our remuneration principles. We operate a single incentive plan that drives and rewards both annual and long-term performance with a significant focus on the long-term through the multi-year pay-out mechanism and half of the award being paid in Flow Traders equity. The value of the equity is directly linked to performance of the Flow Traders' share price from the date of grant to vesting. Further, any outstanding variable remuneration (deferred or unvested) remains at risk in full for future years. In line with our guiding principles, the Executive Directors share in the same firm-wide variable remuneration pool as all other employees. This pool of variable remuneration is primarily a function of operating results. While this structure is uncommon among listed companies, it is in line with the practice in our industry among both listed and non-listed peer companies, and necessary to be able to attract, retain and motivate individuals of the highest caliber.

Executive Directors performance assessment

To determine the Executive Directors' variable remuneration awards, the Non-Executive Directors conduct a holistic assessment of the performance of each Executive Director and the Executive Directors as a whole in accordance with a defined scorecard. In this holistic performance assessment, the Non-Executive Directors consider performance against Company targets, which have a weight of 70% of their variable compensation and include both financial and sustainability KPIs. To ensure a balanced assessment, our KPIs do not have pre-determined weightings, allowing the Remuneration & Appointment Committee to determine the overall outcome and ensure appropriateness in wider circumstances. Objectives for the KPIs included in the scorecard are set prior to the beginning of the year and where appropriate quantitative targets are predefined to ensure the assessment is robust. Individual performance is assessed alongside Company performance with a 30% weighting to determine the final variable compensation outcomes. Below we present the Company KPIs and the explanation on the performance assessment as conducted for 2024. Total remuneration amounts are formally capped for any individual Executive Director of the Board at 20 times the average FTE total remuneration.

Performance assessment

The Company performance scorecard is focused on six specific performance criteria. The criteria were chosen to align with our business, our strategy and include a range of financial and sustainability metrics. During 2024 similar Company performance criteria were applied as in 2023 (with a change in the Normalized EBITDA margin to EBITDA margin), with a weighting of 70%. The remaining 30% is based on individual performance metrics.

The criteria were set ahead of the performance period, ensuring that the achievement of targets is challenging, and were as follows:

1. Median daily net trading income (NTI) normalized for volatility:
We believe that the median daily NTI normalized by volatility provides a statistically clean picture of overall business growth. The distribution of daily NTI is not normally distributed but more shaped like a Poisson or Gamma distribution with a few negatives days and more higher profitability days. Due to the fact that the higher profitability days are independent, a simple average of daily NTI is statistically less relevant than the median of the daily NTI. It is Flow Traders' ambition to increase this median NTI for equal volatility scenarios. Therefore, it is necessary to normalize the observed daily NTI by the volatility. Since volatility does not have a linear effect, but a moderately exponential impact, it has been determined that the most appropriate calculation option is to divide the daily median NTI by the square root of the volatility. This exercise has been performed on our historical results and the average VIX value has been used to normalize the NTI. It is important to note that for a business with a global footprint which is exposed to multiple different asset classes, VIX is a simplified proxy for overall volatility (VIX is the implied volatility of the S&P500). However, it does provide a measure of general market sentiment.

The target value set by the Company is to have this metric increase by 10 points every year which equals an increase of approximately €50,000 per trading day. The target for this metric was set at 247 for 2024 and Flow Traders achieved an actual result of 350.

2. EBITDA margin
EBITDA margin is a profitability ratio that measures how much in earnings a company is generating before interest, taxes, depreciation, and amortization, as a percentage of the total income.

The target for this metric was set at 34.3% for 2024, this is reflective of prior annual outcomes and is at a level which ensures a sustainable and growing business for all internal and external stakeholders. Flow Traders achieved an actual result of 45%.

The criteria of this metric was changed from Normalized EBITDA margin to EBITDA margin during the 2024 performance year.

3. Return on average shareholders' equity
The return on average shareholders' equity shows how much money is returned to our shareholders as a percentage of the money that has been invested or retained in Flow Traders. It is calculated by dividing Flow Traders net profit for the year by the average total shareholders' equity for the year (i.e., the average of the opening and closing shareholders' equity balances, expressed as a percentage).

The target for this metric was set at 20% for 2024, which is an approximation of Flow Traders' cost of equity and steers towards delivering a return on shareholders' equity that is greater than the Company's cost of equity. Flow Traders achieved an actual result of 24%.

4. Business development
It is an ongoing goal of the Company to further grow and diversify our trading activities each year, particularly in the context of the broader market volumes. We revised the business development KPI in the previous year to more closely align with the Company's stated growth and diversification agenda, with four components contributing to this KPI. An important component of our trading is off-exchange with institutional counterparties and the value traded per active counterparty helps to measure the development in this area. As we diversify our trading into different asset classes, the net trading income we derive from fixed income, commodities, FX and digital assets as a portion of total net trading income measures the growing diversification of the business. In a similar vein, the net trading income we derive from the Americas and APAC as a portion of total net trading income measures the growth of the business outside of our European market. And lastly, our own ETP value traded compared to the market ETP value traded measures our share of the overall market.

This business development score provides a relative score based on an algorithm comprised of several input levers including the number of active counterparties, off-exchange value traded, our net trading income by asset class and by region, our own ETP value traded and total market ETP value traded. At the end of 2024, Flow Traders had over 2,000 counterparties and off-exchange value traded amounted to €518 billion for the year. Fixed income, commodities, FX and digital assets accounted for 51% of total NTI and the Americas and APAC accounted for 44% of total NTI. Flow Traders ETP value traded amounted to €1,545 billion and market ETP value traded amounted to €47,933 billion.

The target for this metric was set at 1.8 for 2024, given these inputs and developments, Flow Traders achieved a actual score of 1.72.

5. Compliance awareness score
The compliance awareness score ensures that the incidents raised as part of the Financial & Capital Risk and Non-Financial Risk & Compliance Committees are reported on a timely basis to the Board. Only known incidents are raised to the Board at the time of reporting.

Incident management was successful overall; issues were identified and escalated through transparent channels. Opportunities remain for improvement with respect to implementing cross-departmental enhancements and structural solutions rather than ad hoc improvements.

Flow Traders achieved a 100% outcome with respect to its compliance awareness score which is in line with the 2024 target set for the executives. All incidents were reported on a timely basis and Flow Traders relies on the procedures and training of the Compliance and Business teams to ensure any breach of obligations are sufficiently escalated and acted upon.

6. Engagement score
This is the average score given by our employees in response to the main engagement question in our annual global employee engagement survey. Engagement is a measure of how committed and enthusiastic employees are about their work and the organization. When people are engaged, they feel more comfortable being themselves at work. Different factors contribute to employee engagement, including organizational culture, work environment, work relationships, and development opportunities.

On the engagement score a 7.2 (2023: 7.0) was scored, this is 6% below the global target of 7.7 for 2024. However, the regional scores (EMEA: 7.1, Americas: 7.4, APAC: 7.0) were all in line with the regional benchmarks.

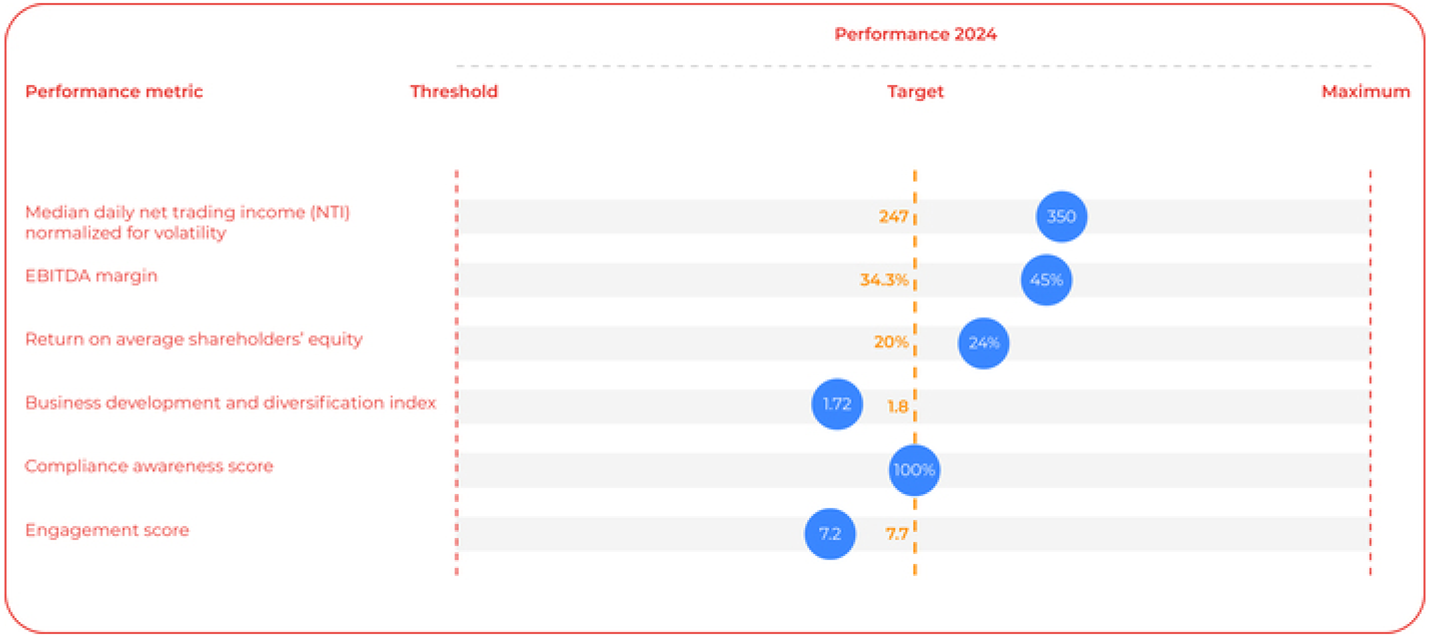
2024 performance summary
The performance on the Company scorecard in combination with the Executive Directors' individual performance have determined the individual variable compensation outcome. As mentioned, our KPIs do not have further pre-determined weightings, allowing the Remuneration & Appointment Committee to determine the overall outcome and ensure appropriateness in overall circumstances.

While the results of the engagement score and business development measures came in below target, performance on these metrics was still viewed as acceptable, given the market circumstances. The rationale for not reaching the targets has been understood. In addition to the Company performance metrics, the individual performance of the Executive Directors was also considered in setting the variable remuneration levels.

2025 scorecard

The Non-Executive Directors of the Board have determined that the six KPIs used to assess Executive Director performance in 2024 will be retained for the 2025 performance year. The specific targets relating to each of these KPIs are commercially sensitive and accordingly the target ranges and actual performance outcomes achieved will be disclosed retrospectively together with appropriate commentary in the next Annual Report. The weighting of the Company versus individual targets will remain at 70% versus 30%.

Performance scorecard



Deferral and vesting of variable pay

We believe in creating a culture of ownership, risk awareness and entrepreneurial spirit and we embrace an approach which truly connects our people to the business in sharing profit and risk. To ensure that the variable remuneration award of the Executive Directors is aligned with our beliefs and contributes to long-term value creation and shareholder experience, 50% of the 2024 award to the Executive Directors is paid out in equity deferred over multiple years. This approach allows us to take a longer-term outlook on remuneration and the table below illustrates the vesting schedule for outstanding awards. All equity-based awards are subject to a holding period of one-year post-vesting. The main terms and conditions of the awarded shares to Executive Directors are provided in the table ‘Executive Directors share-based compensation’. The remaining 50% is settled in cash, paid in equal installments in 2025 and 2026.

The above approach accords with our culture and remuneration philosophy of encouraging management and employee share ownership, creating alignment with the our long-term success.

Years of vesting for cash-settled instruments (before 2023) and awarded shares (2023 onwards) (in thousands of euro)

Executive Directors of the Board	2024	2025	2026	2027	2028
Mike Kuehnel, CEO					
2021	125	125	125	—	—
2022	213	213	213	213	—
2023	63	63	63	63	—
2024	—	200	200	200	200
Hermien Smeets-Flier, CFO					
2023	50	50	50	50	—
2024	—	191	191	191	191
Owain Lloyd, CTO					
2024	—	109	109	109	109
Dennis Dijkstra					
2020	963	963	—	—	—
2021	181	181	181		
2022	213	213	213	213	—
Folkert Joling					
2020	963	963	—	—	—
2021	181	181	181	—	—
2022	213	213	213	213	—
Thomas Wolff					
2020	481	481	—	—	—
2021	100	100	100	—	—

Executive Directors share-based compensation (shares)

Share plan	Tranche	Grant date	Vesting date	End of retention period	Outstanding at the beginning of 2024	Granted	Dividend reinvestment	Vested	Forfeited	Outstanding at the end of 2024	Fair value per share at the grant date
Mike Kuehnel											
2023	Tranche 1	12-Jan-24	7-Mar-24	7-Mar-25	—	3,774	—	3,774	—	—	16.56
	Tranche 2	12-Jan-24	2-Jan-25	2-Jan-26	—	3,774	28	—	—	3,802	16.56
	Tranche 3	12-Jan-24	2-Jan-26	2-Jan-27	—	3,774	28	—	—	3,802	16.56
	Tranche 4	12-Jan-24	2-Jan-27	2-Jan-28	—	3,774	28	—	—	3,802	16.56
2024 [1]	Tranche 1	17-Jan-25	12-Mar-25	12-Mar-26	—	—	—	—	—	—	—
	Tranche 2	17-Jan-25	2-Jan-26	2-Jan-27	—	—	—	—	—	—	—
	Tranche 3	17-Jan-25	2-Jan-27	2-Jan-28	—	—	—	—	—	—	—
	Tranche 4	17-Jan-25	2-Jan-28	2-Jan-29	—	—	—	—	—	—	—
Hermien Smeets-Flier											
2023	Tranche 1	12-Jan-24	7-Mar-24	7-Mar-25	—	3,019	—	3,019	—	—	16.56
	Tranche 2	12-Jan-24	2-Jan-25	2-Jan-26	—	3,019	23	—	—	3,019	16.56
	Tranche 3	12-Jan-24	2-Jan-26	2-Jan-27	—	3,019	23	—	—	3,019	16.56
	Tranche 4	12-Jan-24	2-Jan-26	2-Jan-28	—	3,019	23	—	—	3,019	16.56
2024 [1]	Tranche 1	17-Jan-25	12-Mar-25	12-Mar-26	—	—	—	—	—	—	—
	Tranche 2	17-Jan-25	2-Jan-26	2-Jan-27	—	—	—	—	—	—	—
	Tranche 3	17-Jan-25	2-Jan-26	2-Jan-28	—	—	—	—	—	—	—
	Tranche 4	17-Jan-25	2-Jan-27	2-Jan-29	—	—	—	—	—	—	—
Owain Lloyd											
2024 [1]	Tranche 1	17-Jan-25	12-Mar-25	12-Mar-26	—	—	—	—	—	—	—
	Tranche 2	17-Jan-25	2-Jan-26	2-Jan-27	—	—	—	—	—	—	—
	Tranche 3	17-Jan-25	2-Jan-26	2-Jan-28	—	—	—	—	—	—	—
	Tranche 4	17-Jan-25	2-Jan-27	2-Jan-29	—	—	—	—	—	—	—
Total Executive Directors						**27,172**	**153**	**6,793**	**—**	**20,463**	

General: Shares are granted at the gross amounts and will vest at the net amount (gross amount less tax)

1 The 2024 share scheme will only be known at the closure of the first open period (11 March 2025), where the average VWAP for the open period will be known as well as the exact number of shares granted to each Executive Director.

Comparative overview of Company performance and remuneration

The long-standing foundation of our Remuneration Policy reflects a relatively modest base salary and variable remuneration that is aligned with Company performance – which varies each year depending on successful or less successful (financial) years. This is clearly illustrated in the table below which shows the development of the Company performance and the awarded (full-time) remuneration of executives and average employee remuneration over the last five years.

Internal pay ratios

The 2024 pay ratio (CEO total pay vs. average total employee pay) is 7.92 compared to 4.33 in 2023. This is well below the cap of 20 times average total employee pay.

Scenario analyses

The Board carries out yearly scenario analyses when determining the structure and level of Executive Director remuneration outcomes, in accordance with the Dutch Corporate Governance Code.

This includes the calculation of remuneration under different scenarios, whereby different performance assumptions are considered. By considering different performance assumptions, the possible outcomes of variable components and the resulting impact on the total remuneration of the Executive Directors is understood and examined. The Board believes the current remuneration structure and outcomes are appropriate and aligned with shareholder experiences. The Board will continue to assess the adequacy of the remuneration structure, including performance measures used for variable remuneration components.

Comparative remuneration table on remuneration and Company performance over the last five years

(in thousands of euro)	2020	2021	2022	2023	2024
The Board: Total remuneration awarded (actual)					
Mike Kuehnel, CEO (2023 -)[1]	—	1,040	1,795	656	1,900
Hermien Smeets-Flier, CFO (2023 -)	—	—	—	534	1,860
Owain Lloyd, CTO (2024-)	—	—	—	—	1,076
Dennis Dijkstra, CEO (2014 - 2022)	7,795	1,545	1,795	41	—
Folkert Joling, CTrO (2018 - 2023)	7,803	1,553	1,803	475	—
Comparative company performance (comparative)	**2019:2020**	**2020:2021**	**2021:2022**	**2022:2023**	**2023:2024**
Net trading income (NTI)	331%	(59%)	20%	(35%)	56%
Normalized EBITDA	251%	(52%)	(67%)	(55%)	223%
Basic EPS	(67%)	129%	1%	11%	335%
FTE total remuneration	**2019:2020**	**2020:2021**	**2021:2022**	**2022:2023**	**2023:2024**
Average FTE total remuneration	306%	(59%)	4%	(36%)	58%

[1]Mike Kuehnel's current term is 2021-2025, he assumed the role of CEO as of 2023.

No pensions, loans and other benefits

In 2024, no personal loans, guarantees or related benefits were granted by the Company to the members of the Board as part of their compensation package. No loans, guarantees or similar instruments to the members of the Board were outstanding on 31 December 2024.

We have not reserved nor accrued any amounts to cover pension claims or retirement claims. We do not provide any other ancillary benefits for any member of the Board.

Clawback variable remuneration

Malus and clawback provisions are in place that are comprehensive, irreversible and substantially exceed regulatory requirements. No variable remuneration has been clawed back during 2024.

Temporary deviations from the Remuneration Policy

No temporary deviations took place from the respective policy in 2024.

Shares held by employees and Executive Board members

We have a long-standing philosophy of encouraging management and employee share ownership, creating alignment between the Company's long-term success and individual personal financial circumstances. Since IPO, we have utilized a number of share schemes. In connection with the IPO a significant number of current and former employees invested in Flow Traders. Subsequently, the Flow Traders Cash Incentive Plan (FCIP) and Flow Traders Loyalty Incentive Plan (FLIP) were introduced. The FCIP was replaced in 2020 by a new share plan which provides for the award up to 50% of variable remuneration in shares (or share-like instruments).

31 December 2024 shares held by Executive Directors	Number of shares	% of outstanding total shares
Mike Kuehnel (CEO)	27,464	0.1%
Hermien Smeets-Fleer (CFO)	1,524	—%
Total	**28,988**	**0.1%**

2024 remuneration for employees

Variable remuneration

We apply an annual performance cycle. At the beginning of each calendar year, clear objectives are set, which are in line with our Company objectives. Performance is reviewed twice during an annual cycle. Individual variable remuneration payable from the collective variable compensation pool is dependent on Company and business unit performance, individual performance and the individual's contribution to the long-term success of the Company as a whole, discouraging a culture of 'star' behavior and fostering collaboration and teamwork. Flow Traders does not base variable remuneration directly on financial results achieved individually. The Executive Directors approve the awarding of variable remuneration. If awarded, variable remuneration is paid in cash, Company shares and Company share like instruments in one to multiple annual installments, depending on the amount of variable remuneration awarded. The deferred variable component acts as a first loss tranche to compensate for any operating loss in the subsequent year, acting as a buffer before such loss would impact shareholder equity. This serves as an important incentive for risk-aware behavior, focusing on the long-term objectives of the Company and alignment with our risk appetite. We deem the deferral period sufficient given the Company's risk profile and horizon.

- Variable remuneration components may become subject to reduction or clawback if it is determined that the relevant employee did not meet adequate norms of competence and appropriate behavior or was responsible for behavior that led to a substantial deterioration of the Company's position, in accordance with applicable law
- We do not award guaranteed variable remuneration to employees unless the guaranteed variable component is awarded in relation to hiring new staff, limited to the first year of employment, and only if we have a sound and strong capital base
- We do not award severance payments if there is a serious imputable act or negligence by the employee in the fulfillment of his or her function or where an employee resigns voluntarily (unless this is the consequence of a serious imputable act or negligence (ernstig verwijtbaar handelen of nalaten) by the Company)
- The Company does not grant its employees any personal loans, guarantees or equivalent benefit as part of their compensation package. We do not provide any other ancillary benefits for any employee. We have not reserved or accrued any amounts to cover pension claims or retirement claims

Emphasizing share ownership

We value ownership, both in terms of mindset, behavior as well as a share in the ownership of the Company. We believe that being a shareholder aligns the interests of the Company with those of our employees. Ever since the Company went public and before, we have a history of offering our employees the opportunity to become shareholders. From performance year 2020 onwards, we have begun rewarding employees directly in Company shares. The higher the variable remuneration an individual receives, the higher the proportion of variable compensation paid out in shares.

We are also maintaining our FLIP (Flow Loyalty Incentive Plan) program, whereby we award Company shares to employees marking their two-year anniversary with the Company. Shares awarded under the FLIP are subject to a lock-up period. All shares awarded to employees are fully paid out from the variable compensation pool. The terms and conditions of the employee share plans are subject to review by the Executive Directors annually. As a part of these plans, shares have been and will be bought in the market.

Pension

We encourage our employees to save for retirement. At our headquarter in Amsterdam, we partner with a pension provider, giving employees the freedom of choice to select the option that best suits their individual needs while incentivizing participation in the Company-sponsored program. In our other offices we offer schemes that are driven by country specific practices and regulations.

Variable compensation granted

In 2024, the total amount of variable remuneration awarded to all employees including the Executive Directors was €87 million (2023: €34.7 million).

In 2024, Company-wide average compensation (includes salary, social security costs and variable remuneration) paid per average FTE was €239.8K (2023: €151.7K), while variable remuneration per average FTE amounted to 56.8% (2023: 33.8%) of total compensation in 2024. This excludes any Executive Director remuneration.

2024 remuneration for the Non-Executive Directors of the Board

The table below shows the total fixed compensation awarded to the individual Non-Executive Directors.

Remuneration of the Non-Executive Directors			Committee fees, annualized (€)					
	Chair	Board fee (€)	Audit Committee	Remuneration & Appointment Committee	Risk & Sustainability Committee	Trading & Technology Committee	Total annualized fees (€)	Actual fees paid, 2024 (€)
Rudolf Ferscha	Board	100,000	7,500	7,500	7,500	7,500	**130,000**	**130,000**
Jan van Kuijk	Trading & Technology	70,000	7,500	7,500	7,500	10,000	**102,500**	**102,500**
Linda Hovius	Remuneration & Appointment	70,000		15,000	7,500	7,500	**100,000**	**100,000**
Paul Hilgers	Risk & Sustainability	70,000			10,000	7,500	**87,500**	**87,500**
Delfin Rueda	Audit Committee	70,000	15,000	7,500	7,500	7,500	**107,500**	**107,500**
Karen Frank		70,000	7,500		7,500	7,500	**92,500**	**92,500**
Total 2024		**450,000**	**37,500**	**37,500**	**47,500**	**47,500**	**620,000**	**620,000**

2023 remuneration for the Non-Executive Directors of the Board

The table below shows the total fixed compensation awarded to the individual Non-Executive Directors.

Remuneration of the Non-Executive Directors			Committee fees, annualized (€)					
	Chair	Board fee (€)	Audit Committee	Remuneration & Appointment Committee	Risk & Sustainability Committee	Trading & Technology Committee	Total annualized fees (€)	Actual fees paid, 2023 (€)
Rudolf Ferscha	Board	100,000	7,500	7,500	7,500	7,500	**130,000**	**130,000**
Jan van Kuijk	Trading & Technology	70,000	7,500	7,500	7,500	10,000	**102,500**	**102,500**
Linda Hovius	Remuneration & Appointment	70,000		15,000	7,500	7,500	**100,000**	**100,000**
Paul Hilgers	Risk & Sustainability	70,000			10,000	7,500	**87,500**	**74,058**
Delfin Rueda	Audit	70,000	15,000	7,500	7,500	7,500	**107,500**	**82,118**
Karen Frank		70,000	7,500		7,500	7,500	**92,500**	**70,660**
Oliver Bisserier	Audit Committee and Risk Committee	70,000	15,000		10,000	7,500	**102,500**	**34,167**
Rodger Hodenius		70,000		7,500	7,500	7,500	**92,500**	**30,833**
Ilonka Jankovich		70,000	7,500		7,500	7,500	**92,500**	**0**
Total 2023		**660,000**	**60,000**	**45,000**	**72,500**	**70,000**	**907,500**	**624,336**

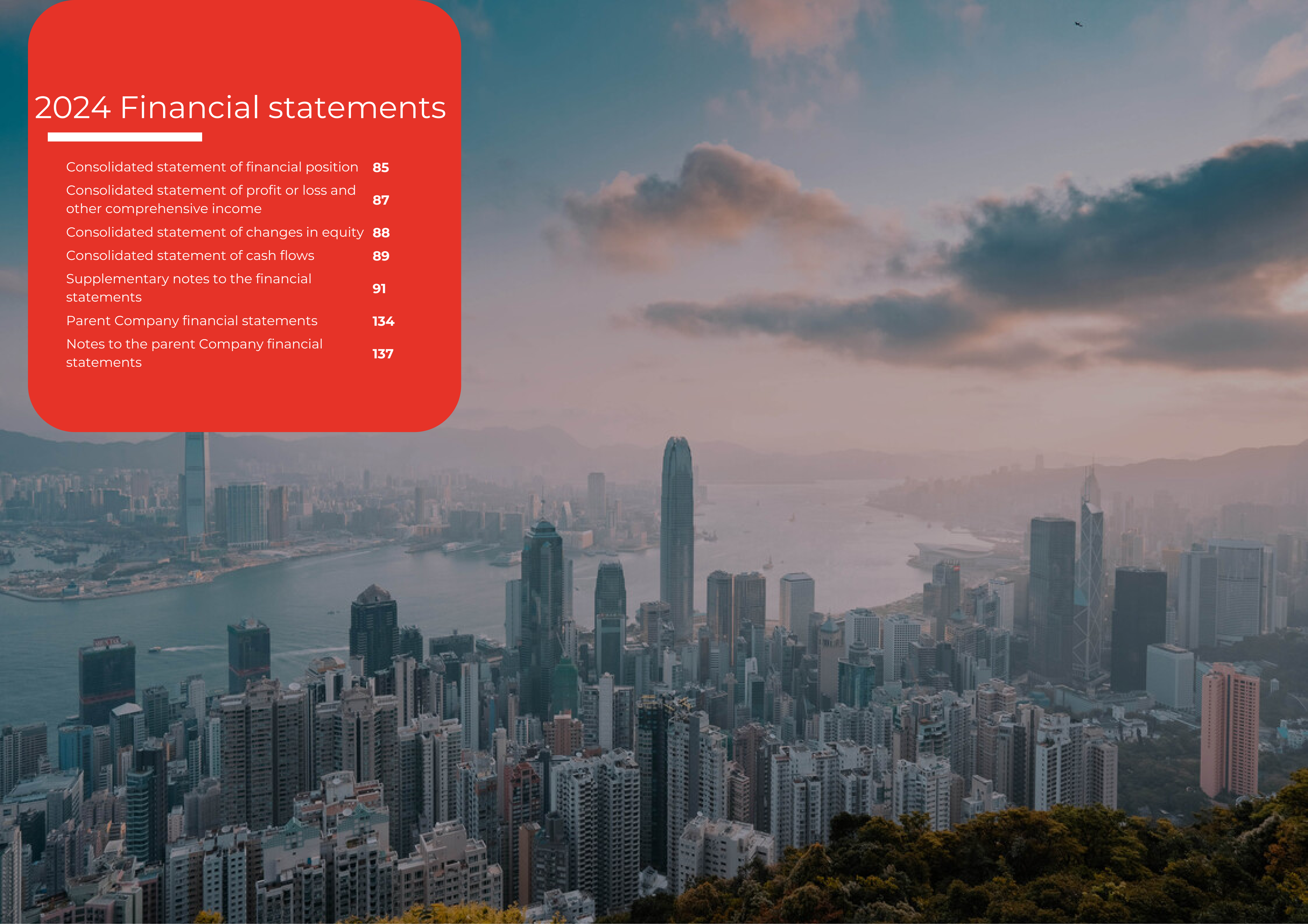
1. Paul Hilgers, Delfin Rueda and Karen Frank were elected as Non-Executive Directors at the 2023 AGM, held on 26 April 2023. Olivier Bisserier's and Roger Hodenius' term of office ended at the 2023 AGM and they decided not to go up for re-election.

2. Ilonka Jankovich stepped down as a member of the (former) Supervisory Board as per 13 January 2023

No variable remuneration shares, pensions, loans and other benefits

The Non-Executive Directors did not receive variable remuneration for their work as Board members or any share-based remuneration, and no personal loans, guarantees or equivalent benefits were granted by the Company to the Non-Executive Directors as part of their compensation package. We have not reserved nor accrued any amounts to cover pension claims or retirement claims. We do not provide any other ancillary benefits for any Non-Executive Director.

2024 Financial statements



Consolidated statement of financial position (in thousands of euro)

	Note	As at 31 December 2024	2023 (restated)
Assets			
Cash and cash equivalents	16	8,389	5,708
Financial assets held for trading	17	6,118,987	5,568,326
Trading receivables	18	5,960,221	5,647,163
Other assets held for trading	19	625,085	213,965
Other receivables	20	35,464	20,675
Investments measured at fair value through OCI	21	33,094	20,083
Investments measured at fair value through PL	22	24,697	6,485
Equity-accounted investments	23	11,497	4,807
Property and equipment	24	68,905	72,434
Intangible assets	25	2,002	2,678
Current tax assets	15	4,866	6,073
Deferred tax assets	15	8,059	9,945
Total assets		**12,901,266**	**11,578,343**
Liabilities			
Financial liabilities held for trading	26	4,274,703	3,150,587
Trading payables	27	7,150,564	7,457,041
Other liabilities held for trading	28	512,492	243,880
Other liabilities	29	97,017	77,719
Loans and borrowings	30	24,957	—
Lease liabilities	31	52,178	53,042
Provisions	33	—	4,111
Current tax liabilities	15	22,640	3,616
Deferred tax liabilities	15	107	2,509
Total liabilities		**12,134,658**	**10,992,505**

Equity			
Share capital	32	159,851	162,871
Share premium	32	556	556
Treasury shares	32	(57,857)	(88,008)
Share based payment reserve	32	35,307	40,740
Retained earnings	32	584,267	449,336
Currency translation reserve	32	35,400	18,072
Fair value reserve	32	9,084	2,271
Total equity		**766,608**	**585,838**
Total equity and liabilities		**12,901,266**	**11,578,343**

The supplementary notes on pages 91 to 133 are an integral part of these consolidated financial statements. Refer to Note 4 for additional information regarding restated balances as of 31 December 2023.

Consolidated statement of profit or loss and other comprehensive income (in thousands of euro)

	Note	For the year ended 31 December 2024	2023
Gross trading income		800,775	577,097
Fees related to the trading activities		129,758	98,591
Net financial expenses related to the trading activities		203,223	178,195
Net trading income	**11**	**467,794**	**300,311**
Other income	12	11,525	3,565
Total income		**479,319**	**303,876**
Employee expenses	13	166,918	133,950
Depreciation of property and equipment	24	16,559	17,688
Amortization of intangible assets	25	728	606
Write off of (in)tangible assets	25	148	76
Other expenses	14	95,301	100,087
Operating expenses		**279,654**	**252,407**
Operating result		**199,665**	**51,469**
Finance cost	30, 31	(3,288)	(2,296)
Impairment of equity-accounted investments	23	(766)	(4,445)
Share of profit/(loss) of equity-accounted investments, net of tax	23	(1,247)	(74)
Profit before tax		**194,364**	**44,654**
Tax expense	15	34,827	8,503
Profit for the year attributable to the owners of the Company		**159,537**	**36,151**
Other comprehensive income (loss)			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences - foreign operations	32	17,328	(6,827)
Items that will not be reclassified subsequently to profit or loss			
Changes in investments at fair value through other comprehensive income	32	6,813	231
Other comprehensive income for the year, net of tax		**24,141**	**(6,596)**
Net other comprehensive income for the year attributable to the owners of the Company		**183,678**	**29,555**
Earnings per share			
Basic earnings per share	10	3.69	0.84
Diluted earnings per share	10	3.56	0.81

The supplementary notes on pages 91 to 133 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity *(in thousands of euro)* 2024

	Note	Share capital	Share premium	Treasury shares	Share based payment reserve	Currency translation reserve	Fair value reserve	Retained earnings	Total
Balance at 1 January 2024		**162,871**	**556**	**(88,008)**	**40,740**	**18,072**	**2,271**	**449,336**	**585,838**
Profit		—	—	—	—	—	—	159,537	159,537
Total other comprehensive income		—	—	—	—	17,328	6,813	—	24,141
Total comprehensive income for the period		**—**	**—**	**—**	**—**	**17,328**	**6,813**	**159,537**	**183,678**
Transactions with owners of the Company									
Dividends	32	—	—	—	—	—	—	(6,480)	(6,480)
Cancellation of shares	32	(3,020)	—	20,001	—	—	—	(16,981)	—
Repurchase of shares	32	—	—	(11,804)	—	—	—	—	(11,804)
Share based payments	13, 32	—	—	21,954	(5,433)	—	—	(1,145)	15,376
Total transactions with owners of the Company		**(3,020)**	**—**	**30,151**	**(5,433)**	**—**	**—**	**(24,606)**	**(2,908)**
Balance at 31 December 2024		**159,851**	**556**	**(57,857)**	**35,307**	**35,400**	**9,084**	**584,267**	**766,608**

Consolidated statement of changes in equity *(in thousands of euro)* 2023

	Note	Share capital	Share premium	Treasury shares	Share based payment reserve	Currency translation reserve	Fair value reserve	Retained earnings	Total
Balance at 1 January 2023		**162,871**	**2,372**	**(103,536)**	**56,865**	**24,899**	**2,040**	**460,804**	**606,315**
Profit		—	—	—	—	—	—	36,151	36,151
Total other comprehensive income		—	—	—	—	(6,827)	231	—	(6,596)
Total comprehensive income for the period		**—**	**—**	**—**	**—**	**(6,827)**	**231**	**36,151**	**29,555**
Transactions with owners of the Company									
Dividends	32	—	—	—	—	—	—	(47,619)	(47,619)
Repurchase of shares	32	—	—	(8,761)	—	—	—	—	(8,761)
Share based payments	13	—	(1,816)	24,289	(16,125)	—	—	—	6,348
Total transactions with owners of the Company		**—**	**(1,816)**	**15,528**	**(16,125)**	**—**	**—**	**(47,619)**	**(50,032)**
Balance at 31 December 2023		**162,871**	**556**	**(88,008)**	**40,740**	**18,072**	**2,271**	**449,336**	**585,838**

The supplementary notes on pages 91 to 133 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows (in thousands of euro)

	Note	For the year ended 31 December 2024	2023 (restated)
Cash flows from operating activities			
Profit for the year		159,537	36,151
Adjusted for:			
Depreciation of property and equipment	24	16,559	17,688
Amortization of intangible assets	25	728	606
Write off of (in) tangible assets	25	148	76
Impairment of equity-accounted investees (net of tax)	23	766	4,445
Share of profit/ (loss) of equity-accounted investees (net of tax)	23	1,247	74
Share-based payment transactions	13	17,381	16,930
Tax expense	15	34,827	8,503
Net (gains) / losses on Investments at FVPL		(11,525)	(3,493)
Interest expense on loans and borrowings	30	1,100	—
Interest expense on leases	31	2,189	2,296
Changes in working capital			
▪ (increase)/decrease financial assets held for trading	17	(550,661)	(582,189)
▪ (increase)/decrease trading receivables	18	(313,058)	(381,919)
▪ (increase)/decrease other assets held for trading	19	(411,120)	(133,047)
▪ (increase)/decrease other receivables	20	(14,789)	4,032
▪ increase/(decrease) financial liabilities held for trading	26	1,124,116	108,272
▪ increase/(decrease) trading payables	27	(306,477)	841,624
▪ increase/(decrease) other liabilities held for trading	28	268,612	211,680
▪ increase/(decrease) other liabilities	29	31,702	(52,645)
▪ Corporate income tax paid	15	(15,110)	(23,711)
▪ Change in provisions	33	(4,111)	4,111
Cash flows from operating activities		**32,061**	**79,484**
Cash flows from investing activities			
Investments and acquisitions of financial assets held at FVOCI	21	(4,686)	(478)
Investments and acquisitions of financial assets held at FVPL	22	(10,175)	(1,063)
Investments and acquisitions of equity-accounted investees	23	(8,703)	(4,224)

Disposals or sales of financial assets held at FVOCI	21	—	275
Disposals or sales of financial assets held at FVPL	22	4,293	—
Disposals or sales of equity-accounted investees	23	—	78
Acquisition of property and equipment	24	(6,579)	(11,951)
Acquisition of intangible assets	25	—	(107)
Cash flows from investing activities		**(25,850)**	**(17,470)**
Cash flows from financing activities			
Dividend paid	32	(6,480)	(47,619)
Payment of lease liabilities	31	(9,354)	(8,310)
Proceeds from loans and borrowings	30	25,000	—
Interest paid on and loans and borrowings	30	(893)	—
Transaction costs related to loans and borrowings	30	(250)	—
Repurchases of shares	32	(11,804)	(8,761)
Cash flows from financing activities		**(3,781)**	**(64,690)**
Effect of movements in exchange rates on cash and cash equivalents		251	(228)
Change in cash and cash equivalents		**2,681**	**(2,904)**
Change in cash and cash equivalents			
Cash and cash equivalents at opening	16	5,708	8,612
Cash and cash equivalents at close	16	8,389	5,708
Change in cash and cash equivalents		**2,681**	**(2,904)**

For the period ended 31 December 2024 the interest paid amounted to €281.0 million (2023: €256.4 million), which includes €269.9 million (2023: €256.1 million) related to trading income and €0.5 million (2023: €0.3 million) to Other income or expense. The interest received for the period 31 December 2024 is €65.7 million (2023: €77.9 million). This interest is all trading related. Within the payment of lease liabilities there is interest paid of €2.2 million (2023: €2.3 million).

The 2023 amount in the line Net (gains) / losses on Investments at FVPL was restated from nil to €3.5 million due to the fact that this line was not take into account in that year. This also resulted in a restatement of the line increase/(decrease) other liabilities.

The supplementary notes on pages 91 to 133 are an integral part of these consolidated financial statements. Refer to Note 4 for additional information regarding restated balances as at 31 December 2023.

Notes to the Consolidated financial statements

All amounts in thousands of euro, unless stated otherwise.

1. *Reporting entity*

The financial statements for the year ended 31 December 2024 are presented in euros, which is also the Company's functional currency and rounded to the nearest thousand. Consequently, the rounded amounts may not add up to the rounded total in all cases. Flow Traders Ltd. (referred to as the "Company") is an exempted company limited by shares registered under the Companies Act 1981 of Bermuda, as amended (the "Companies Act"). Flow Traders Ltd. was incorporated on 13 January 2023 with its registered office at Canon's Court, 22 Victoria Street, PO Box HM 179, Hamilton HM 12 Bermuda. The Company's principal place of business is located at Jacob Bontiusplaats 9, 1018 LL Amsterdam, the Netherlands. Flow Traders Ltd. is registered with the Dutch Trade Register of the Chamber of Commerce under number 88926257 as a company formally registered abroad (*"formeel buitenlandse kapitaalvennootschap"*). This term is referred to in the Dutch Companies Formally Registered Abroad Act (*"Wet op de formeel buitenlandse vennootschappen"*), which means the Company is deemed a Dutch resident company for corporate reporting purposes in accordance with applicable Dutch laws.

These Consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group'). The Company is the ultimate parent of the Group.

The Group is a leading technology-enabled global multi-asset class liquidity provider with its core business in Exchange Traded Products (ETP) actively expanding in fixed income, FX, commodities and digital assets, while systemically increasing its presence in the global ecosystem through strategic partnerships and investments.

The Consolidated financial statements of the Group for the year ended 31 December 2024 incorporate financial information of Flow Traders Ltd. and its subsidiaries. The annual financial statements were authorized for issue by the Company's Board on 13 March 2025 subject to adoption by the general meeting of shareholders.

2. *Predecessor and continuation accounting*

a) Changes to corporate structure

On 13 January 2023, the Group completed the update to its corporate holding structure. This followed receipt of shareholder approval at an Extraordinary General Meeting held on 2 December 2022 and fulfillment of all regulatory and other customary closing conditions. As a result of the update, the Group's top holding company is now Flow Traders Ltd. The updated of the corporate holding structure enables Flow Traders to become more competitive as a global liquidity provider, particularly in relation to regulatory capital management.

As part of the change of its corporate holding structure Flow Traders N.V. entered into a cross-border legal merger in which (i) all Flow Traders N.V.'s assets, liabilities, rights, obligations and other legal relationships were acquired by Flow Traders S.A. incorporated under the laws of Luxembourg, (ii) Flow Traders N.V. ceased to exist and (iii) each Shareholder received one Flow Traders S.A. share for each Flow Traders N.V. share. Following this merger Flow Traders S.A. converted into a Bermuda limited company and changed its registered address to Bermuda.

The change in the Group's corporate holding structure had no impact on the profit and loss or equity of the Company. A predecessor value method is used to determine the carrying value of all assets and liabilities that transfer as part of the merger. As at 13 January 2023 the assets and liabilities of Flow Traders N.V. are consolidated in the financial statements of Flow Traders S.A. at their carrying amount on this date, in accordance with the predecessor value method.

3. *Basis of preparation*

a) Statement of compliance

The Group applies IFRS accounting standards as adopted by the European Union ('IFRS Accounting Standards') and title 9 book 2 of Dutch Civil Code. IFRS Accounting Standards provide several options in accounting principles. The Group's accounting principles and its decisions regarding the options available are set out in the section 'material accounting policies' below.

b) Going concern basis of accounting

These Consolidated financial statements have been prepared on the basis of the going concern assumption.

c) **Functional and presentation currency**

These Consolidated financial statements are presented in euros, which is also the functional currency of the parent company, Flow Traders Ltd. All financial information presented in euros has been rounded to the nearest thousand, except when otherwise indicated.

d) **Use of estimates and judgments**

The preparation of these Consolidated financial statements requires management to form opinions and make estimates and assumptions that influence the reported value of assets and liabilities and of income and expenditure. The actual results may differ from these estimates.

Information about estimates and judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the Consolidated financial statements is included in the following notes:

- Note 8: Fair value measurement
- Note 13: Share based payments
- Note 33: Provisions and contingencies

During the current year, the Group further refined their application of estimates to the fair value measurement of investments held at fair value through profit or loss and through other comprehensive income. These estimates exclusively relate to strategic investments in the digital asset sector. This sector continues to evolve with increases in market participant sophistication, available investment products and historical results. As a result of this evolution, the Group's methodology to form estimates of significant unobservable inputs (see note 8) has evolved and changed. The Group has concluded that the effect of this change should be accounted for as a change in estimate. Please see note 8h for the impact in the current year. The Group has not calculated the effect on future periods as estimating the effect on fair value would be impracticable given the interdependencies on assumptions, which include active market prices.

e) **Principles for the preparation of the Consolidated statement of cash flows**

Cash flows from operating activities are presented in the Consolidated statement of cash flows using the indirect method. Cash flows from investing activities and financing activities are presented in the Consolidated statement of cash flows using the direct method.

The cash flows are split into cash flows from operations, investment activities and financing activities. Receivables from and payables to clearing organizations are included in the cash flow from operating activities. The Group has elected to classify interest received and interest paid as cash flows from operating activities when generated from principal revenue-producing activities. The Group has elected to classify interest paid or received on all other activities as financing activities.

Investment activities are comprised of acquisitions, sales and redemptions in respect of financial investments other than in the course of operations, as well as acquisitions and sales of subsidiaries and associates, property and equipment. Financing activities include the payment of dividends to shareholders, the (re)-purchase of shares, the issuance and repayment of financial debt, including financial lease liabilities, and capital contributions.

4. Restatement of prior period errors

Restatement 1

The Consolidated statement of financial position as at 31 December 2023 has been restated for the effect of incorrect recognition of certain derivative contracts. For these contracts only an asset or liability should had been recognized depending on the contract's gain or loss position. However, notional amounts have been incorrectly recognized as both assets and liabilities, despite not meeting the recognition criteria in IFRS 9. Additionally, these derivative contracts were previously presented within trading receivables and trading payables and should have been presented as financial assets or liabilities held for trading. There was nil impact on the statement of profit or loss and nil impact on retained earnings.

Restatement 2

The Consolidated statement of financial position as at 31 December 2023 has been restated for the effect of incorrect presentation for stablecoins (digital assets) as trading receivables and trading payables. Digital assets are presented as other assets and liabilities held for trading and accounted for as inventory under IAS 2. Trading receivables and trading payables are financial assets and liabilities accounted for under IFRS 9. There was nil impact on the statement of profit or loss and nil impact on retained earnings.

Please see the table below for impact on the Consolidated statement of financial position and Consolidated statement of cash flows.

Consolidated statement of financial position

	As at 31 December 2023			
	Previously presented	Restatement 1	Restatement 2	Restated
Financial assets held for trading	5,496,795	71,531	—	5,568,326
Trading receivable	8,101,646	(2,410,338)	(44,144)	5,647,163
Other assets held for trading	169,821	—	44,144	213,965
Total assets impacted	**13,768,262**	**(2,338,807)**	**—**	**11,429,454**
Financial liabilities held for trading	3,067,053	83,534	—	3,150,587
Trading payables	9,879,497	(2,422,341)	(115)	7,457,041
Other liabilities held for trading	243,765	—	115	243,880
Total liabilities impacted	**13,190,315**	**(2,338,807)**	**—**	**10,851,508**

Consolidated statement of cash flows

	For the year ended 2023			
	Previously presented	Restatement 1	Restatement 2	Restated
Financial assets held for trading	(620,205)	38,016	—	(582,189)
Trading receivable	(2,079,291)	1,675,829	21,543	(381,919)
Other assets held for trading	(111,474)	—	(21,573)	(133,047)
Financial liabilities held for trading	110,413	(2,141)	—	108,272
Trading payables	2,553,328	(1,711,704)	—	841,624
Other liabilities held for trading	211,650	—	30	211,680
Cash flow impact	**64,421**	**—**	**—**	**64,421**

5. *Material accounting policies*

The Group has consistently applied the accounting policies as set out below to all periods presented in these consolidated financial statements.

General

a) Basis of consolidation

The Group accounting policies have been applied consistently by all group entities. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity-accounted investments are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Subsidiaries

Subsidiaries are investees controlled by the Group. The Group controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through power over the investee. The financial statements of subsidiaries are included in the Consolidated financial statements from the date on which control commences until the date when control ceases.

When the Group loses control over a subsidiary it derecognizes the assets and liabilities of the subsidiary, any related non-controlled interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Equity-accounted investments

Associates are those entities in which the Group has significant influence, but not control or joint control, over its financial and operating activities. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method and are recognized initially at cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investments, until the date on which significant influence or joint control ceases.

Business combinations

Business combinations are accounted for using the acquisition method as at the date control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if they are related to the issue of debt or equity securities. Contingent consideration is measured at fair value at the acquisition date. Any gain or loss resulting from the fair value remeasurement of contingent consideration is recognized in profit or loss.

b) **Foreign currency**

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currencies of the respective entities of the Group at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date, with the foreign currency difference being recognized in profit or loss. Differences arising on the translation of investments measured at fair value through other comprehensive income are recognized in other comprehensive income unless the instrument is impaired.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euros at exchange rates at the reporting date. The income and expenses of foreign operations are translated to euros at exchange rates at the dates of the transactions.

Foreign currency differences are recognized in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) of equity. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

c) **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

d) **Financial assets and liabilities**

Recognition

The Group initially recognizes loans and advances on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Classification

The Group classifies its financial assets into the following categories:

- trading receivables, measured at amortized cost;
- investments measured at fair value through other comprehensive income;
- investments measured at fair value through profit or loss;
- financial assets held for trading at fair value through profit or loss; and
- other financial assets at amortized costs (Other receivables on the Consolidated statement of financial position).

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, into the following categories:

- trading payables, measured at amortized cost;
- financial liabilities held for trading at fair value through profit or loss; and

- other financial liabilities measured at amortized costs (Other liabilities and loans and borrowings on the Consolidated statement of financial position).

Financial assets and liabilities held for trading

Financial assets and liabilities held for trading are those assets and liabilities that the Group acquires or incurs principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short-term profit.

Financial assets and liabilities held for trading are initially recognized and subsequently measured at fair value in the Consolidated statement of financial position, with transaction costs recognized in profit or loss. All changes in fair value, along with any interest and dividend income or expense, are recognized as part of net trading income in profit or loss. Financial assets and liabilities held for trading are not reclassified subsequent to their initial recognition.

Trading receivables and payables

Such assets and liabilities are recognized initially at fair value minus/plus any directly attributable transaction costs. Subsequently, these assets and liabilities are measured at amortized cost.

Investments measured at fair value through other comprehensive income (FVOCI)

Investments measured at fair value through other comprehensive income are non-derivative debt and equity investments that the Group considers long-term strategic investments. Investments measured at fair value through other comprehensive income are recognized initially at fair value. Transaction costs are recognized in other comprehensive income as part of the change in fair value at the next remeasurement. They are never reclassified into profit or loss.

Subsequent to initial recognition, they are measured at fair value and changes therein are recognized in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognized, the gain or loss accumulated in equity is not reclassified to profit or loss.

Investments measured at fair value through profit or loss (FVPL)

Investments measured at fair value through profit or loss includes both derivative and non-derivative debt and equity investments that the Group holds for long term trading purposes. Investments measured at fair value through profit or loss are recognized initially at fair value. Transaction costs are recognized in the profit or loss as part of the change in fair value, any re-measurement of the investments is classified to other income in the statement of profit or loss .

Subsequent to initial recognition, they are measured at fair value and changes therein, are recognized in profit or loss. When an investment is derecognized, the gain or loss is classified to other income in the statement profit or loss.

Other financial assets and liabilities

Non-derivative financial assets and liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method (EIR). The Group derecognizes a financial asset when the rights to receive cash flows from the financial asset have expired. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Hedge of a net investment in foreign operations

The Group applies hedge accounting to hedge the exposure to foreign exchange risk associated with its capital contributions to the United States and Singapore subsidiaries. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as OCI while any gains or losses relating to the ineffective portion are recognized in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the statement of profit or loss.

Offsetting

Financial assets and liabilities are presented on a net basis when a legal right of offset is agreed between the parties and the Group intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards, for gains and losses arising from a group of similar transactions such as in the Group’s trading activities.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

The Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The Group prices its daily trading positions based on estimated prices whereby the price differences are recorded through the profit or loss account. Those estimated prices can differ from quoted market prices. The Group's risk and mid-office department monitors whether all differences can be substantiated.

Portfolios of financial assets and financial liabilities that are managed by the Group on the basis of the net exposure to either their market or credit risk are measured on the basis of a price that would be received to sell a net long position or paid to transfer a net short position for a particular risk exposure.

Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk exposure of each of the individual instruments in the portfolio.

The Group recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

e) **Other assets held for trading**

Other assets held for trading comprise the amount of digital assets that the Group holds as a broker-trader. The Group applies IAS 2 for its digital assets and these are measured at fair value less cost to sell with changes in value recognized in profit or loss.

For the determination of the fair value, the Group collects reference price points on an on-going basis from multiple crypto exchanges and other active markets. If assets are not actively traded the valuation is based upon quoted prices or observable inputs from similar assets.

f) **Property and equipment**

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in Other income or expense in profit or loss.

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance costs are expensed once incurred.

Items of property and equipment are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component.

The estimated useful lives for the current and comparative years of significant items of property and equipment are as follows:

- hardware: 5 years;
- office fixtures: 5 years;
- other: 5 years.

The depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized less any lease incentives received. The recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment. Right-of-use assets are recorded in property and equipment and intangible assets on the Consolidated statement of financial position.

g) **Intangible assets**

Recognition and measurement

Intangible assets are amortized on a straight-line basis in profit or loss over the estimated useful lives of each component. The estimated useful life of significant intangible assets is 5 years.

h) **Impairment**

Non-derivative financial assets

The allowance for expected credit losses ("ECL allowance") for all loans and other debt financial assets not held at fair value through profit or loss is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

For other receivables, the Group applies a simplified approach in calculating ECLs as these receivables relate to operating activities of the Group. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However in certain cases, the Group may reconsider a financial asset to be in default when internal or external information indicated that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and indefinite-lived intangible assets are tested annually for impairment. An impairment loss is recognized if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

An impairment loss in respect of an equity-accounted investment is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognized in profit or loss, and is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

i) Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash variable compensation or (profit-sharing) structures if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the obligation can be estimated reliably. If the Group incurs a loss in a certain reporting period, there will be no obligation to pay the cash variable compensation.

j) Share based payments

When employees render services as consideration for equity instruments, the expense is recognized in employee expenses, together with a corresponding increase in equity, both calculated based on the fair value of the instruments granted and over the period in which the service conditions are fulfilled (the vesting period). The fair value of equity-settled transactions granted to employees is determined by the fair value of the shares at the date when the grant is made. The awards vest in tranches on various dates over a total period of up to five years. Vesting is conditional upon the employee being actively employed by the Group on the vesting date. If the employment is terminated or if the employee resigns, any unvested tranches of the award will be forfeited. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The fair value of share appreciation rights (SARs) granted to employees, which are cash-settled, is recognized in employee expenses, together with a corresponding increase in other liabilities, over the period during which the service conditions are fulfilled (the vesting period). The liability is remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognized in profit or loss. Estimates used are reassessed at the end of each reporting period. These estimates are based on the fair value of the parent entity share price (which does not materially differ from the option price model) and consider the extent to which the employees have rendered services as at the reporting date as well as the likelihood that the employees will be employed by the Group at the vesting date.

k) Other liabilities held for trading

As part of its trading activities, the Group enters into digital asset payables. The borrowed digital assets payables are measured at fair value through profit or loss.

Additionally, the Group may borrow digital assets as part of market making arrangements. The Group measures these liabilities at fair value. Certain arrangements contain options to settle the borrowed digital assets. The Group has concluded that the market making arrangements and the options cannot be separated and are initially valued at fair value, net of transaction costs incurred and subsequently measured at fair value. The options are valued using an option pricing model to which there is a material source of estimation uncertainty from estimates of volatility levels (see note 8(a)).

At initial recognition, any difference between the fair value and the transaction price is not recognized in profit or loss immediately but is deferred over the life of the arrangement, unless the fair value on initial recognition is evidenced by a quoted price in an active market or based on valuation techniques to which unobservable inputs are judged to be insignificant. The difference between transaction price and initial fair value which is not yet recognized in profit or loss is recognized in other liabilities held for trading on the Consolidated statement of financial position. The amount of the deferred profit or loss which has been recognized in the current period's profit or loss is included in the gross trading income line on the Consolidated statement of profit and loss and other comprehensive income.

Please see note 8(f) for additional information.

l) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Provisions made in the current year are recognized in the Provisions line item of the Consolidated statement of financial position and within Other expenses in the Statement of profit or loss.

m) **Lease liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities on the Consolidated statement of financial position measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term or in case of other reassessments or modifications

n) **Loans and borrowings**

On initial recognition, loans and borrowings are measured at fair value plus or minus directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective-interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance expense in the statement of profit or loss.

Please refer to Note 30 for additional information on loans and borrowings.

o) **Income recognition**

Net trading income comprises gross trading income less fees and net financial expenses related to the trading activities.

The fees and net financial expenses are directly linked to the trading activity and are therefore directly recognized in the profit and loss account under trading income.

p) **Tax**

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years. Current tax payable also includes any withholding tax liability arising from the declaration of dividends.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will be revised in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and management judgment. This assessment relies on estimates and assumptions and may involve judgment about future events. New information may become available that would cause the Group to change its judgment regarding the adequacy of existing tax liabilities or the collectability of tax assets. Such changes will impact tax expense in the period that such a change in estimate is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity which intend to settle current tax liabilities and assets on a net basis or the tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date.

q) **Treasury shares**

The Group's own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in equity.

6. ***New standards and interpretations***

The Group has assessed all new standards, amendments and interpretations that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024. These amendments do not have a material impact on the Group's consolidated financial statements.

Additionally, the new IFRS issued but not yet effective for the 31 December 2024 include:

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18, which replaces IAS 1 Presentation of Financial Statements, introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, the Group is required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Consolidated statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

As of 31 December 2024, EFRAG has not endorsed IFRS 18. IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group is currently working on identifying all impacts the amendments will have on the primary financial statements and notes to the financial statements. The Group will apply IFRS 18 at the effective date, early adoption is not expected.

Amendments to IAS 21 – Lack of exchangeability

The amendments are not expected to have a material impact on the Group's consolidated financial statements. EFRAG endorsed the amendment on 12 November 2024 and the amendments are effective for periods beginning on or after 1 January 2025.

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

The amendments are not expected to have a material impact on the Group's consolidated financial statements. EFRAG endorsed the amendment on 15 May 2024 and the amendments are effective for periods beginning on or after 1 January 2026.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19. As of 31 December 2024, EFRAG had not endorsed the standard. The effective date of IFRS 19 is for periods beginning on or after 1 January 2027.

IFRS Annual Improvements Volume 11

All amendments from the IFRS Annual Improvements Volume 11 are not expected to have a material impact on the Group. As of 31 December 2024, EFRAG had not endorsed the amendments. The amendments are effective for annual periods beginning on or after 1 January 2026.

7. ***Operating segments***

The chief operating decision makers of the Group examine performance from a regional perspective and have identified three reportable segments of its global trading business: Europe, the Americas and Asia.

Europe consists of activities in the Netherlands with institutional trading activities in France, UK, Italy, trading activities in Jersey and internal IT activities in Romania. Americas consists of the subsidiaries in the USA. Asia contains our subsidiaries in Hong Kong and Singapore and a Chinese representative office in Shanghai. The executive directors of the Board consider this segmentation to be relevant to understand the Group financial performance because it allows investors to understand the primary method used by management to evaluate the operating performance and decision making about allocation of resources and trading capital.

The Group measures results on an IFRS basis and reconciles the total segment results on net trading income, profit before tax and net profit. Significant transactions and balances between geographic regions occur primarily as result of Group operating companies incurring the operating expenses such as employee compensation, communication, software development and data processing and overhead costs for the purpose of providing services to affiliated operating companies (line items intercompany recharge income and expenses).

a) Restatement of prior period operating segments disclosure

On review of intercompany recharges, it was concluded that certain arrangements were accounted for incorrectly in 2023. As a result, the Group evaluated the presentation of its inter-company recharge arrangements in the Segment Report tables and have restated the disclosure as of 31 December 2023 to enhance the understanding of the users of the financial statements of reported segmental results. The resulting differences between the restated presentation and the previously disclosed presentation are disclosed below.

The aforementioned changes had no impact on the overall financial position or net earnings of the Group.

Additionally, total assets and total liabilities as of 31 December 2023 have been restated in-line with the prior period error disclosed in Note 4. The impact to total assets and total liabilities was a reduction of €2.3 billion.

Segment reporting — For the year ended 31 December 2024

	Europe	Americas	Asia	Total
Gross trading income	**527,592**	**162,520**	**110,663**	**800,775**
Fees related to the trading activities	81,624	36,558	11,576	129,758
Net financial expenses related to the trading activities	133,014	52,605	17,604	203,223
Net trading income	**312,954**	**73,357**	**81,483**	**467,794**
Other income or expenses	11,525	—	—	11,525
Total Income	**324,479**	**73,357**	**81,483**	**479,319**
Inter-segment revenue related to trading services	—	20,278	30,060	50,338
Inter-segment revenue related to other intercompany transactions	58,666	—	—	58,666
Total revenues	**383,145**	**93,635**	**111,543**	**588,323**
Employee expenses	109,929	33,409	23,580	166,918
Inter-segment expense related to trading services	50,338	—	—	50,338
Inter-segment expense related to other intercompany transactions	—	15,269	43,397	58,666
Other expenses	51,129	19,277	24,895	95,301
Total operating expenses	**211,396**	**67,955**	**91,872**	**371,223**
Depreciation of property and equipment	7,685	5,034	3,840	16,559
Amortization of intangible assets	708	20	—	728
Write off of (in) tangible assets	144	4	—	148
Interest on loans and borrowings	1,099	—	—	1,099
Interest on lease liabilities	632	1,322	235	2,189
Operating result	**161,481**	**19,300**	**15,596**	**196,377**
Result/(impairment) of equity-accounted investments	(1,093)	(920)	—	(2,013)

Profit before tax	**160,388**	**18,380**	**15,596**	**194,364**
Tax expense	30,533	2,661	1,632	34,827
Profit for the year	**129,855**	**15,719**	**13,964**	**159,537**
Assets	**6,523,738**	**5,550,557**	**826,971**	**12,901,266**
Liabilities	**6,083,405**	**5,342,621**	**708,632**	**12,134,658**
Capital expenditure	**6,262**	**5,858**	**1,428**	**13,548**
FTE	**431**	**98**	**80**	**609**

Segment reporting

For the year ended 31 December 2023 (restated)

	Europe	Americas	Asia	Total
Gross trading income (a)	358,243	158,966	59,888	577,097
Fees related to the trading activities	59,270	31,168	8,153	98,591
Net financial expenses related to the trading activities	102,264	61,019	14,912	178,195
Net trading income	**196,709**	**66,779**	**36,823**	**300,311**
Other income or expenses	**3,574**	**(9)**	**—**	**3,565**
Total Income	**200,283**	**66,770**	**36,823**	**303,876**
Inter-segment revenue related to trading services (b)	—	15,377	17,077	32,454
Inter-segment revenue related to other intercompany transactions (c)	22,344	—	—	22,344
Total revenues	**222,627**	**82,147**	**53,900**	**358,674**
Personnel expenses	83,376	32,112	18,462	133,950
Inter-segment expense related to trading services (b)	32,454	—	—	32,454
Inter-segment expense related to other intercompany transaction (c)	—	10,736	11,608	22,344
Other expenses	74,388	19,751	5,948	100,087
Total operating expenses	**190,218**	**62,599**	**36,018**	**288,835**
Depreciation of property and equipment	9,289	4,786	3,613	17,688
Amortization of intangible assets	565	39	2	606
Write off of (in) tangible assets	33	43	—	76
Operating result	**22,130**	**13,153**	**13,890**	**49,173**
Result/(impairment) of equity-accounted investments	(470)	(4,049)	—	(4,519)
Profit before tax	**21,660**	**9,104**	**13,890**	**44,654**
Tax expense	7,835	832	-164	8,503

Profit for the year	**13,825**	**8,272**	**14,054**	**36,151**
Assets (d)	**4,742,041**	**6,290,727**	**545,574**	**11,578,342**
Liabilities (d)	**4,445,499**	**6,072,814**	**474,192**	**10,992,505**
Capital expenditure	**1,982**	**520**	**1,154**	**3,657**
FTE	**428**	**102**	**83**	**613**

(a) Gross trading income for each region was restated to reflect the results achieved by regions trading as principal.

(b) The inter-segment revenue and expenses related to trading services, represents inter-segmental transactions from trading income earned by regions trading in agency capacity from other regions, with a corresponding inter-segmental expense. Intra-region revenue and expenses are presented on a net basis. EMEA's 2023 intra-region revenue related to trading activities has been restated as it was previously presented gross. These lines have previously been disclosed in NTI.

(c) The inter-segment revenue and expenses related to other intercompany transactions, represents an accumulation of all intercompany transactions not already covered under note (a), resulting in inter-segmental revenues and corresponding expenses. Intra-region revenue and expenses are presented on a net basis. This line was previously entitled 'Intercompany recharge'.

(d) Assets for each region have been previously presented net of financial liabilities held for trading, Trading payables and Other liabilities held for trading. Liabilities for each region have previously not included Financial liabilities held for trading, Trading payables and Other liabilities held for trading. Besides this, the balance has been restated for the incorrect presentation of FX forwards, please refer to note 4, for the this restatement.

8. *Fair value measurement*

Valuation models

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between independent market participants at the measurement date.

The Group measures fair values using the following fair value hierarchy, depending on the inputs used for making the measurements.

- Level 1: fair value of financial instruments based upon inputs that are quoted, unadjusted, market prices in active markets for identical instruments;
- Level 2: inputs other than quoted prices included within Level 1, that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are not considered active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data;
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes unobservable inputs that have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments, for example unlisted equity securities.

The fair values of financial assets and financial liabilities that are traded in active markets are based on prices obtained directly from an exchange on which the instruments are traded or obtained from a broker that provides an unadjusted quoted price from an active market for identical instruments. For all other financial instruments, the Group determines fair values using other valuation techniques.

When the Group measures portfolios of financial assets and financial liabilities on the basis of net exposures to market risks, it applies judgment in determining appropriate portfolio-level adjustments such as bid-ask spreads. Such adjustments are derived from observable bid-ask spreads for similar instruments and adjusted for factors specific to the portfolio.

Similarly, when the Group measures portfolios of financial assets and financial liabilities on the basis of net exposure to the credit risk of a particular counterparty, it takes into account any existing arrangements that mitigate the credit risk exposure (e.g. master netting agreements with the counterparty).

a. Sensitivity analysis table

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable input and fair value measurement
Investments measured at Fair value through Profit or Loss	Market approach	Discount for lack of marketability (DLOM) (65%-75%)	The estimated fair value would increase/ (decrease) if: Management concluded the DLOM were lower/ (higher)
Investments measured at Fair value through Other Comprehensive Income	Market approach	Discount for lack of marketability (DLOM) (65%-80%)	The estimated fair value would increase/ (decrease) if: Management concluded the DLOM were lower/ (higher)
Other liabilities held for trading	Market approach	Implied Volatility (80%-140%)	If implied volatility were to increase, the fair value would increase

The discount for lack of marketability is driven by factors which include the contractual terms of each investment as well as time elapsed. Due to this, the range of DLOMs used as of the reporting date will change year over year to reflect the portfolio as of the reporting date.

A reasonably possible alternative assumption to the illiquidity discount is an increase or decrease of the percentage by 5% percent (2023: 5%). For investments measured at FVPL, this would increase/decrease the total fair value by €1.6 million (2023: €837k) and for investments measured at FVOCI, this would increase/decrease the total fair value by a €621k (2023: €125k).

A reasonably possible alternative assumption for applying the range of implied volatility would be to apply a 120 percent implied volatility for all other liabilities held for trading measured using a significant unobservable input of implied volatility. This would result in an increase in the total fair value of other liabilities held for trading by €172k (2023: €190k). If those instruments were to all have an 80 percent implied volatility, the impact would be a decrease in the total fair value of other liabilities held for trading of €2.5 million (2023: €1.1 million).

Assuming an increase in fair value of a liability is making it less negative, and a decrease in fair value of a liability making it more negative.

b. Financial assets and liabilities held for trading

The valuation of trading positions, both long and short positions, is determined by reference to last traded prices from identical instruments from the exchanges at the reporting date. Such financial assets and liabilities are classified as Level 1.

A substantial part of the financial assets and liabilities held for trading which are carried at fair value are based on theoretical prices which can differ from quoted market prices. The theoretical prices reflect price adjustments primarily caused by the fact that the Group continuously prices its financial assets and liabilities based on all available information. This includes prices for identical and near-identical positions, as well as the prices for securities underlying the Group's positions, on other exchanges that are open after the exchange on which the financial asset or liability is primarily traded closes. Consequently, such financial assets and liabilities are classified as Level 2.

For offsetting (delta neutral) positions, the Group uses mid-market prices to determine fair value.

c. Investments measured at fair value through other comprehensive income (FVOCI)

The fair value of investments measured at fair value through other comprehensive income is determined by reference to their quoted closing bid price at the reporting date, or if unquoted, determined using a valuation technique and are classified as Level 2 or Level 3, conditional upon the regular availability of quoted closing bid prices.

d. Investments measured at fair value through profit or loss (FVPL)

The fair value of investments measured at fair value through profit or loss is determined by reference to their quoted closing bid price at the reporting date, or if unquoted, determined using a valuation technique and are classified as Level 2 or Level 3, conditional upon the regular availability of quoted closing bid prices.

e. Other assets held for trading

Other assets held for trading comprises the amount of digital assets that the Group holds as a broker-dealer. The Group applies IAS 2 for its digital assets and these are measured at fair value through profit or loss. The Group uses its own fair value models based on quoted prices or observable inputs for the valuation of the digital assets, these assets are classified as Level 2.

f. Other liabilities held for trading

The Group borrows digital assets as part of its trading strategy. The borrowed digital assets are measured at fair value less cost to sell. As the Group uses its own fair value models based on quoted prices, observable inputs or unobservable inputs for the valuation of the borrowed digital assets, these liabilities are classified as Level 2 and Level 3. When the borrowed digital assets have an embedded derivative (see note 5(k)), the Group values the derivative using an option pricing model. See note 8(a) for additional information about the significant Level 3 inputs used.

g. Fair value hierarchy

The following table shows the carrying amounts and fair values of financial assets and liabilities according to their fair value hierarchy.

Fair value hierarchy	As at 31 December 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Long positions in equity securities - trading	100,039	5,395,223		5,495,262
Long positions in debt securities - trading	—	309,140		309,140
Mark to market derivative assets	—	314,585	—	314,585
Financial assets held for trading	**100,039**	**6,018,948**	**—**	**6,118,987**
Other assets held for trading	—	625,085	—	625,085
Investments measured at fair value through PL	—	—	24,697	24,697
Investments measured at fair value through OCI	—	1,817	31,277	33,094
Total long positions	**100,039**	**6,645,850**	**55,974**	**6,801,863**
Short positions in equity securities-trading	325,011	3,317,072		3,642,083
Short positions in debt securities-trading	—	396,549		396,549
Mark to market derivative liabilities	—	236,071	—	236,071
Financial liabilities held for trading	**325,011**	**3,949,692**	**—**	**4,274,703**
Other liabilities held for trading	—	382,195	130,297	512,492
Total short positions	**325,011**	**4,331,887**	**130,297**	**4,787,195**

Fair value hierarchy	As at 31 December 2023 (restated)			
	Level 1	Level 2	Level 3	Total
Long positions in equity securities - trading	28,166	5,189,576	—	5,217,742
Long positions in debt securities - trading	—	277,814	—	277,814
Mark to market derivative assets	—	72,770	—	72,770
Financial assets held for trading	**28,166**	**5,540,160**	**—**	**5,568,326**
Other assets held for trading	—	213,965	—	213,965
Investments measured at Fair value through PL	—	—	6,485	6,485
Investments measured at Fair value through OCI	—	1,196	18,887	20,083
Total long positions	**28,166**	**5,755,321**	**25,372**	**5,808,859**
Short positions in equity securities-trading	44,850	2,598,156	—	2,643,006
Short positions in debt securities-trading	—	423,394	—	423,394
Mark to market derivative liabilities	4,918	79,269	—	84,187
Financial liabilities held for trading	**49,768**	**3,100,819**	**—**	**3,150,587**
Other liabilities held for trading	6,876	167,532	69,472	243,880
Total short positions	**56,644**	**3,268,351**	**69,472**	**3,394,467**

Please see note 4 for information about the prior period error.

The following table shows the movement in Level 3 assets. Please also refer to note 21, 22. The following investments consist of non-derivative equity investments.

h. Level 3 Fair value measurements

Investments	As at 31 December 2024		
	FVPL	FVOCI	Total
Balance at 1 January	6,485	18,887	25,372
Additions	10,175	4,687	14,862
Disposals	(4,293)	—	(4,293)
Redemptions	—	—	—
Total gain/(loss)	11,525	6,278	17,803
Effect of movement in foreign exchange differences	805	1,425	2,230
Balance at 31 December	**24,697**	**31,277**	**55,974**

The unrealized gain of €8.3 million (2023: €3.5 million) on Investments held at FVPL is included in 'Other income' in the Consolidated statement of profit or loss and other comprehensive income. Included in the amount of FVPL additions noted above, the 2 most material additions combined were €6.5 million, these additions were equity instruments.

The unrealized gain of €6.3 million (2023: €1 million) on Investments held at FVOCI is included in 'Changes in fair value through other comprehensive income' in the Consolidated statement of profit or loss and other comprehensive income. Included in the amount of FVOCI additions noted above, the most material addition was for €3.8 million, this addition is an equity instrument.

The effect of the change in estimate (see note 3) on investments measured using Level 3 inputs was a decrease of €0.8 million for the current period.

Investments			As at 31 December 2023
	FVPL	FVOCI	Total
Balance at 1 January	1,928	18,458	20,386
Additions	1,063	478	1,541
Disposals	—	(275)	(275)
Redemptions	—	—	—
Total gain/(loss)	3,525	1,048	4,573
Effect of movement in foreign exchange differences	(31)	(822)	(853)
Balance at 31 December	**6,485**	**18,887**	**25,372**

Other liabilities held for trading		As at 31 December
	2024	2023
Balance at 1 January	69,472	12,226
Additions	114,707	51,374
Disposals	(47,146)	(3,259)
Transfer to Level 2	(4,138)	—
Total (gain)/ loss	(2,598)	9,131
Balance at 31 December	**130,297**	**69,472**

The unrealized gain of €2.6 million (2023: loss of €9.1 million) on other liabilities held for trading is included in 'Gross trading income' in the Consolidated statement of profit or loss and other comprehensive income.

9. *Hedge of net investments in foreign operations*

Included in Financial liabilities held for trading at 31 December 2024 is a short position of USD 8.7 million (2023: USD 19.3 million) which has been designated as a hedge of the net investment in the United States and Singapore subsidiaries, which have their functional currency in USD. This position is being used to hedge the Group's exposure to the USD foreign exchange risk on this investment. Gains or losses on the retranslation of this translation are transferred to other comprehensive income to offset any gains or losses on translation of the net investments in the subsidiaries.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the USD short position. The Group has established a hedge ratio of 1:1 as the underlying risk of the hedging instrument is identical to the hedged risk component. The hedge ineffectiveness will arise when the amount of the investment in the foreign subsidiary becomes lower than the amount of the short position. The hedging gain recognized in other comprehensive income before tax is equal to the change in fair value used for measuring effectiveness. There is no ineffectiveness recognized in profit or loss.

The impact of the hedging instrument recorded in financial liabilities held for trading on the Consolidated statement of financial position is as follows:

Foreign currency denominated borrowings

		For the year ended 31 December 2024
Notional amount (US$000)	Carrying amount (€000)	Change in fair value used for measuring ineffectiveness for the period(€000)
8,700	**8,402**	**(70)**

Foreign currency denominated borrowings

		For the year ended 31 December 2023
Notional amount (US$000)	Carrying amount (€000)	Change in fair value used for measuring ineffectiveness for the period(€000)
19,300	**17,472**	**695**

Net investment in foreign subsidiaries

	For the year ended 31 December 2024	
	Change in fair value used for measuring ineffectiveness (€000)	Foreign currency translation reserve (€000)
Investment in foreign subsidiaries	**354**	**354**

Net investment in foreign subsidiaries

	For the year ended 31 December 2023	
	Change in fair value used for measuring ineffectiveness (€000)	Foreign currency translation reserve (€000)
Investment in foreign subsidiaries	**(695)**	**(695)**

Impact to currency translation reserve

	For the year ended 31 December 2024		
	Change in fair value used for measuring ineffectiveness	Continuing hedges	Discontinued hedges
Investment in SG subsidiaries	**354**	**(70)**	**(284)**
Investment in US subsidiary	—	—	—
Total	**354**	**(70)**	**(284)**

Impact to currency translation reserve

	For the year ended 31 December 2023		
	Change in fair value used for measuring ineffectiveness	Continuing hedges	Discontinued hedges
Investment in SG subsidiaries	**981**	**477**	—
Investment in US subsidiary	**(288)**	—	**(2,178)**
Total	**695**	**477**	**(2,178)**

10. *Earnings per share*

The Group presents basic and diluted EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit for the year attributable to ordinary shareholders with the number of ordinary shares outstanding.

The weighted average number of shares takes into account the weighted average effect of changes in treasury shares (repurchased and re-issued by the Group) during the year.

Diluted earnings per share is determined by adjusting the basic earnings per share for the effects of all dilutive share-based payments to employees.

Earnings per share

	For the year ended	
	2024	**2023**
Profit for the year	159,537	36,151
Profit attributable to ordinary shareholders	**159,537**	**36,151**
Weighted average number of ordinary shares	43,236,079	43,223,129
Dilutive effect of share-based payments	1,570,990	1,358,066
Weighted average number of ordinary shares for diluted net profit	**44,807,069**	**44,581,195**
Basic earnings per share	**3.69**	**0.84**
Diluted earnings per share	**3.56**	**0.81**

11. *Net trading income*

Gross trading income comprises of the realized and unrealized income on financial instruments, digital assets and certain fees which the Group receives as a liquidity provider from exchanges and issuers of products.

Fees related to the trading activities consist of expenses such as exchange fees, clearing fees and other trading related fees. Net financial expenses related to the trading activities primarily include interest expense on the credit facilities with the prime brokers calculated on the drawn amount during the period.

12. *Other income*

Other income or losses includes gains and losses from investments measured at fair value through profit or loss. For further details please refer to note 22.

13. *Employee expenses*

	For the year ended	
	2024	**2023 (restated)**
Wages and salaries	64,624	63,493
Social security charges	7,100	6,800
Recruitment and other employment costs	9,927	9,735
Fixed employee expenses	**81,651**	**80,028**
Variable compensation paid in cash	61,512	36,992
Variable compensation paid in shares	23,755	16,930
Variable employee expenses	**85,267**	**53,922**
Employee expenses	**166,918**	**133,950**

FTE decreased from 613 as per 31 December 2023 to 609 as per 31 December 2024.

The Group has restated the 2023 figures for Wages and salaries, Social security charges and Variable compensation paid in cash due to a presentation error where the fixed costs were presented as variable costs. As such, Wages and salaries has increased by €3.7 million, Social security charges have increased by €0.3m and Variable compensation paid in cash as decreased by €4.0 million.

The amount of variable compensation payable is based on the operational profit of the Company. Variable compensation costs are based on existing variable compensation obligations as well as expected variable compensation for the period.

Share-based payments

The Group awards its employees with shares as part of their variable compensation and is responsible for withholding wage taxes upon vesting in the

Netherlands and in most other countries of operations. The Group expects to pay €10.6 million to settle the tax obligations on behalf of the employees in 2025 (2024: €10.3 million).

The table below includes the share-based payments (SBP) expenses per plan for the period.

Share-based payment expense per plan

	For the year ended	
	2024	2023
Variable remuneration share plans	22,977	15,975
Company loyalty and sign-on package share plans	778	954
Total expenses arising from equity settled share-based payments	**23,755**	**16,930**
Expenses arising from cash settled share-based payments	2,006	1,744
Total expenses arising from share-based payments	**25,761**	**18,673**

The table below provides an overview of the total outstanding share awards per plan.

Total share awards outstanding per plan (number of shares)

	As at 31 December	
	2024	2023
Company loyalty and sign-on package share plans	75,541	111,590
Variable remuneration share plans	2,006,706	1,902,516
Total number of shares outstanding	**2,082,247**	**2,014,106**

a) Variable remuneration share plans - equity settled

Under the variable remuneration share plans, shares are granted to employees as part of their variable compensation. The shares vest in four equal installments during the first quarter of the subsequent year over a period of three or four years subject to the condition that the employee remains employed on the vesting date.

Employees are granted shares based on a fixed monetary value. As part of the 2024 variable remuneration plan the Company awarded shares to employees based on a fixed monetary value of €29.3 million. The number of shares granted is estimated based on the monetary value divided by the fair value of the share price at grant date. The final number of shares granted are determined based on the volume weighted average price (VWAP) of the first open period of the following year, resulting in an updated calculation of the shares awarded, as is shown in the tables below. These awards have a nil exercise price.

Prior year variable remuneration plans have been adjusted as follows:

Variable remuneration share plan year	2023	2022	2021
Fixed monetary value in €	3,241	27,432	20,943
Fair value share price at grant date	€17.42	€23.26	€33.10
VWAP share price of first open period	€16.56	€26.64	€28.91

The following table illustrates the number of shares and movements in share awards during the year. The expense recognized during the year was €23 million (2023: €16.0 million).

Number of shares

	For the year ended	
	2024	2023
Outstanding at 1 January	**1,902,516**	**2,935,616**
Granted during the year	1,239,551	184,693
Changes due to dividend reinvestment	7,460	91,405
Vested during the year	(1,059,344)	(1,054,589)
Forfeited during the year	(110,063)	(261,567)
Changes in shares recalculated based on final VWAP	26,586	6,958
Outstanding at 31 December	**2,006,706**	**1,902,516**

b) Company loyalty and sign-on package share plans - equity settled

Under the Company loyalty and sign-on package share plans, shares are granted as a part of variable compensation to certain employees. The shares vest over a period of one to five years, depending on the share plan and agreement with the employee, subject to the condition that the employee remains employed on the vesting date.

The fair value of the share options is estimated at the grant date. The fair value of shares granted to employees during 2024 is estimated at grant date at €0.2 million (2023: €1.1 million), reflecting a weighted average fair value of shares granted of €18.50 (2023: €22.9). The exercise price of the share option is equal to the market price of the underlying shares on the date of grant. The expense recognized during the year was €0.8 million (2023: €1.0 million).

Number of shares

	For the year ended	
	2024	**2023**
Outstanding at 1 January	**111,590**	**163,418**
Granted during the year	19,241	60,064
Changes due to dividend reinvestment	389	2,695
Vested during the year	(48,535)	(90,252)
Forfeited during the year	(7,144)	(24,335)
Outstanding at 31 December	**75,541**	**111,590**

c) Share appreciation rights - cash settled

Certain employees are awarded share appreciation rights (SARs) as part of their variable remuneration, settled in cash. The SARs vest in equal installments over a period of four to five years subject to the condition that the employee remains employed on the vesting date. The liability for the SARs is measured, initially and at the end of each reporting period until settled, at the fair value of the SARs. The carrying amount of the liability relating to the SARs at 31 December 2024 was €7.2 million (2023: €8.6 million). The expense recognized during the year was €2 million (2023: €1.7 million). At year end there are no vested SARs that are unpaid.

14. *Other expenses*

	For the year ended	
	2024	**2023 (restated)**
Technology	66,636	64,416
Housing	5,192	5,499
Advisors and assurance	6,542	5,002
Strategic advisory costs	—	4,304
Regulatory costs	2,677	2,716
Fixed exchange costs	6,822	7,178
Travel expenses	2,544	2,679
Various expenses	4,888	8,293
Other expenses	**95,301**	**100,087**

The total of our operating expenses comprises of technology, housing, fixed exchange and other expenses. The total for 2024 was €83.5 million (2023: €87,7 million). The 2023 figures for Various expenses have been restated by a decrease of €2.3 million due to an incorrect presentation of interest expense from lease liabilities as other expenses instead of Finance costs. Finance costs, which was previously not presented, has been increased by €2.3 million.

15. *Taxation*

	For the year ended	
	2024	**2023**
Current Tax expense		
Current year tax expense	34,895	14,033
Adjustment for prior years	279	(954)
Deferred Tax expense		
Movement deferred tax	(347)	(4,576)
Income tax expense reported in the statement of profit or loss	**34,827**	**8,503**

Reconciliation of the weighted average statutory income rate to the Group's effective income tax rate is as follows:

Reconciliation of effective tax rate

	For the year ended			
	2024 (€)	2024	2023 (€)	2023
Dutch standard tax rate	50,146	25.8%	11,521	25.8%
Different weighted average statutory rate of group	(6,390)	(3.3%)	(2,410)	(5.4%)
Income (partly) exempted	(12,559)	(6.5%)	(2,654)	(5.9%)
Other non deductible costs	3,630	1.9%	2,045	4.6%
Subtotal	**(15,319)**	**(7.9%)**	**(3,018)**	**(6.8%)**
Effective tax rate	**34,827**	**17.9%**	**8,503**	**19.0%**

The effective tax rate differs from the (nominal) statutory tax rate. This difference is mainly caused by applying the participation exemption and Dutch innovation box regime. In addition the effective tax rate is impacted by non-deductible share plan costs that occur in each region.

Effective tax rate per region

An overview of the effective tax rate per region is presented in the table below.

	For the year ended 31 December 2024	
	Statutory tax rate	Effective tax rate
Europe	25.8%	20.1%
Americas	21.9%	19.9%
Asia	16.5%	5.6%
Group		17.9 %

	For the year ended 31 December 2023	
	Statutory tax rate	Effective tax rate
Europe	25.8%	25.0%
Americas	21.0%	19.2%
Asia	16.5%	(0.1%)
Group		19.0 %

Current tax assets and liabilities per region

	As at 31 December	
	2024	2023
Assets		
Europe	2,239	4,744
Americas	2,325	706
Asia	302	623
Total current tax assets	**4,866**	**6,073**
Liabilities		
Europe	20,938	1,725
Americas	514	1,322
Asia	1,188	569
Total current tax liabilities	**22,640**	**3,616**

Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	As at 31 December	
	2024	2023
Revaluation of investments to fair value	(1,715)	(1,449)
Deferred bonus	699	304
Leased assets	1,844	1,073
Accelerated depreciation for tax purposes	(649)	(360)
Share based payments	1,455	3,344
Capitalized R&D for tax purposes	4,153	4,319
Carry forward losses	2,108	213
Other	57	(8)
Net asset/(liability)	**7,952**	**7,436**
Deferred tax assets	8,059	9,945
Deferred tax liabilities	(107)	(2,509)
Deferred tax assets, net	**7,952**	**7,436**

In addition to the movement of deferred tax included in the income tax expense in the statement of profit or loss, an amount of €1.3 million is reported through other comprehensive income relating to investments at fair value through other comprehensive income.

During 2024 we have moved an amount of € 1.1 million between Current tax and Deferred tax, partially due to realized gains on investments. The remaining movement is explained by exchange rate differences.

In 2024, it was identified that the offsetting criteria had been met within certain tax jurisdictions in both 2024 and 2023. As such, a deferred tax liability of €2.6 million was offset against deferred tax assets in 2024. The 2023 eligible deferred tax liability has not been restated as the Group concluded it was immaterial.

16. *Cash and cash equivalents*

	As at 31 December	
	2024	2023
Europe	3,890	1,946
Americas	745	309
Asia	3,754	3,453
Total cash and cash equivalents	**8,389**	**5,708**

Cash and cash equivalents are available on demand.

17. *Financial assets held for trading*

	As at 31 December	
	2024	2023 (restated)
Long positions in equity securities-trading	5,495,262	5,217,742
Long positions in debt securities-trading	309,140	277,814
Mark to market derivative assets	314,585	72,770
Total financial assets held for trading	**6,118,987**	**5,568,326**

See note 4 for information about restatement of prior period error.

Financial assets held for trading relate to settled positions and are closely related to financial liabilities held for trading, trading receivables, trading payables, other assets held for trading and other liabilities held for trading. The sum of these positions is our net trading capital position at our prime brokers and together with cash used in the management report as trading capital.

The table above shows the fair values of derivative financial instruments recorded as assets.

The Group enters into derivative contracts such as futures, forwards, swaps and options for trading and economic hedge purposes. Futures contracts are transacted at standardized amounts on regulated exchanges and are subject to cash margin requirements. Forwards are customised contracts transacted in the over–the–counter market. Swaps are contractual agreements between two parties to exchange streams of payments over time based on specified notional amounts, in relation to movements in a specified underlying index. The Group's derivative assets and financial liabilities are generally not offset in the Consolidated statement of financial position unless the IFRS netting criteria are met. The Group's trading capital exposures, including derivative contracts, are monitored on a daily basis as part of its overall risk management framework.

Please also refer to note 18, 26 and 27.

18. *Trading receivables*

	As at 31 December	
	2024	**2023 (restated)**
Receivables for securities sold	5,049,192	5,399,086
Due from brokers and exchanges	911,029	248,077
Total trading receivables	**5,960,221**	**5,647,163**

See note 4 for information about restatement of prior period error.

In accordance with the Group's policy of trade date accounting for regular way sale and purchase transactions, receivables for securities sold represent amounts of receivables for securities that are sold, but not yet settled as at the reporting date and amounts due from brokers and exchanges. Trading receivables are measured at amortized cost. Given the short-term nature of these assets, their carrying amount is a reasonable approximation of fair value. Additionally, the expected credit loss is immaterial.

Please also refer to note 17, 26 and 27.

19. *Other assets held for trading*

	As at 31 December	
	2024	**2023 (restated)**
Other assets held for trading	625,085	213,965
Total other assets held for trading	**625,085**	**213,965**

See note 4 for information about restatement of prior period error.

The carrying amount of other assets held for trading at year end was €625 million (restated 2023: €213.9 million). This amount includes digital assets traded on centralized and decentralized exchanges.

20. *Other receivables*

	As at 31 December	
	2024	**2023**
Prepayments	21,929	7,361
Dividend withholding tax	1,639	1,688
Security deposits	3,166	3,146
Receivable from employees	7	256
Other receivables	8,723	8,224
Total other receivables	**35,464**	**20,675**

21. *Investments measured at fair value through other comprehensive income*

	As at 31 December	
	2024	**2023**
Investments measured at fair value through OCI	33,094	20,083
Total Investments measured at fair value through OCI	**33,094**	**20,083**

22. *Investments measured at fair value through profit or loss*

	As at 31 December	
	2024	**2023**
Investments measured at fair value through PL	24,697	6,485
Total Investments measured at fair value through PL	**24,697**	**6,485**

As of 31 December 2024, within total investments measured at fair value through PL there was €13.1 million in debt instruments and €11.6 million in equity instruments (2023: €6.5 million and nil, respectively).

23. Equity-accounted investments

a) Individually immaterial equity accounted investments

	As at 31 December	
	2024	**2023**
Carrying amount as at 1 January	614	4,958
Investments	471	—
Cash distribution	(66)	(78)
Impairment	(766)	(4,445)
Result from equity-accounted investments	(181)	(43)
Effect of movement in foreign exchange differences	(3)	222
Carrying amount investments individually immaterial equity-accounted investments	**68**	**614**

All individually immaterial equity-accounted investments are classified as investments in associates.

During the period ended 31 December 2024, the Group exited an individually immaterial equity accounted investment. The Group received nil proceeds, and an impairment of €0.8 million is presented on the Consolidated statement of profit or loss within Impairment of equity-accounted investments. The prior year impairment relates mainly to the €4.3 million impairment of LedgerEdge Inc., as investment in an associate.

b) Joint Venture

The Group has invested in a joint venture in which the Group has joint control and 35.52% of ownership through voting preferred shares. The Group, along with the other investors identified in the Shareholder Agreement as Major Investors, must each approve (unanimous consent) regarding the matters relevant to the activities of the joint venture. This results in collective control of the arrangement.

The Group does not consider the assessment of control a significant judgment under IAS 1 given the nature of those contractual terms and the activities which require agreement from each major investor. As per the shareholders' agreement, the Group is considered a Major Investor.

The investee is developing a trading technology platform in the Asia-Pacific region. In accordance with acquisition agreement, the Group may make an additional investment dependent on future events.

The following table summarizes the joint venture's financial statements for the period ending 30 November 2024. The Group uses the 30 November 2024 financial statements due to operational constraints of the investee.

	As at 31 December	
	2024	**2023**
Percentage ownership Interest	**35.52%**	**21.60%**
Non-current assets	7,135	2,690
Current assets	4,847	5,760
Current financial liabilities	(1,124)	(28)
Non-current financial liabilities	—	—
Net assets	**10,858**	**8,423**
Gain /(loss) on foreign exchange translation	—	—
Group's share of net assets (ownership %)	**2,934**	**1,819**
Goodwill	**4,971**	**2,373**
Carrying amount of interest in joint venture	**7,905**	**4,193**
Profit/ (loss) from continuing operations	**(1,670)**	**(145)**
Other comprehensive income	**(121)**	**—**
Total comprehensive Income (ownership %)	**(414)**	**(31)**

c) Joint Venture - Global Tokenization Holdings Limited

The Group has an equity investment of 33.3% in an Irish domiciled holdings company called Global Tokenization Holdings Limited (GTH). The Group has classified the investment as a joint venture as decisions regarding relevant activities require the unanimous consent of the parties sharing control of the arrangement.

GTH has a 100% holding in an operating company which plans to to issue an EUR-denominated stable coin once it is regulated as an electronic money institution under the German payment services supervision act, operating from Germany as of 31 December 2024.

The following table summarizes the joint venture's financial statements for the period ending 31 December 2024.

Global Tokenization Holdings Limited	As at 31 December
	2024
Percentage ownership Interest	**33.33%**
Non-current assets	3,932
Current Assets	7,748
Current financial liabilities	(1,110)
Non-current financial liabilities	—
Net assets	**10,570**
Gain /(loss) on foreign exchange translation	—
Group's share of net assets (ownership %)	**3,524**
Goodwill	—
Carrying amount of interest in joint venture	**3,524**
Profit from continuing operations	**(1,955)**
Other comprehensive income	—
Total comprehensive Income (ownership %)	**(652)**

24. *Property and equipment*

	Hardware	Office fixtures	Office space right-of-use assets	Hardware right-of-use assets	Total
Cost					
Balance at 1 January 2023	34,734	10,073	64,838	12,588	122,233
Additions	4,802	7,149	1,070	2,191	15,212
Disposals	(7,838)	(4,127)	(661)	(2,533)	(15,159)
Effect of movements in exchange rates	(410)	(176)	(1,687)	(76)	(2,349)
Balance at 31 December 2023	**31,288**	**12,919**	**63,560**	**12,170**	**119,937**
Balance at 1 January 2024	31,288	12,919	63,560	12,170	119,937
Additions	4,897	2,124	1,693	1,505	10,219
Disposals	(1,608)	(436)	—	(2,792)	(4,836)
Effect of movements in exchange rates	955	451	3,515	95	5,016
Balance at 31 December 2024	**35,532**	**15,058**	**68,768**	**10,978**	**130,336**
Depreciation and impairment losses					
Balance at 1 January 2023	15,575	4,992	17,691	6,894	45,152
Depreciation for the year	6,339	1,509	7,405	2,511	17,764
Disposals	(7,394)	(3,874)	(746)	(2,533)	(14,547)
Exchange rate differences	(238)	(71)	(514)	(43)	(866)
Balance at 31 December 2023	**14,282**	**2,556**	**23,836**	**6,829**	**47,503**
Balance at 1 January 2024	14,282	2,556	23,836	6,829	47,503
Depreciation for the year	5,279	2,060	6,436	2,784	16,559
Disposals	(1,608)	(436)	—	(2,792)	(4,836)
Exchange rate differences	798	(172)	1,432	147	2,205
Balance at 31 December 2024	**18,751**	**4,008**	**31,704**	**6,968**	**61,431**
Carrying amounts					
At 1 January 2023	19,159	5,081	47,147	5,694	77,081
As at 31 December 2023	18,802	10,363	39,724	3,545	72,434
As at 31 December 2024	16,781	11,050	37,064	4,010	68,905

Right-of-use assets are disclosed in more detail in note 31 and must be considered along with software right-of-use assets in note 25. Assets that have been fully depreciated and are considered obsolete are disposed of, the Group does not generate sale proceeds from disposed assets. The depreciation for the year includes €0.1 million in written off tangible assets for the year ended 31 December 2024 (2023: €0.07 million).

25. Intangible assets

	Software	Software right-of-use assets	Goodwill	Total
Cost				
Balance at 1 January 2023	2,212	470	502	3,184
Additions	107	1,228	—	1,335
Disposals	(258)	—	—	(258)
Exchange rate differences	(6)	—	—	(6)
Balance at 31 December 2023	**2,055**	**1,698**	**502**	**4,255**
Balance at 1 January 2024	2,055	1,698	502	4,255
Additions	—	—	—	—
Disposals	(529)	(246)	—	(775)
Exchange rate differences	99	82	—	181
Balance at 31 December 2024	**1,625**	**1,534**	**502**	**3,661**
Depreciation and impairment losses				
Balance at 1 January 2023	981	236	—	1,217
Depreciation for the year	425	181	—	606
Disposals	(209)	—	—	(209)
Exchange rate differences	(37)	—	—	(37)
Balance at 31 December 2023	**1,160**	**417**	**—**	**1,577**
Balance at 1 January 2024	1,160	417	—	1,577
Depreciation for the year	379	349	—	728
Disposals	(533)	(246)	—	(779)
Exchange rate differences	84	49	—	133
Balance at 31 December 2024	**1,090**	**569**	**—**	**1,659**
Carrying amounts				
At 1 January 2023	1,231	234	502	1,967
As at 31 December 2023	895	1,281	502	2,678
As at 31 December 2024	535	965	502	2,002

Right-of-use assets are disclosed in more detail in note 31 and must be considered along with office space and hardware right-of-use assets in note 24. Assets that have been fully depreciated and are considered obsolete are disposed of, the Group does not generate sale proceeds from disposed assets.

Goodwill

In December 2010 the Group obtained control of TradeSense Solutions B.V. and its subsidiary Flow Traders Technologies SRL (formerly TradeSense Solutions SRL), a software development company with special focus on trading in electronic markets. The goodwill amounted to €0.5 million.

There were no additions or impairments to the goodwill in 2024 and 2023.

26. Financial liabilities held for trading

	As at 31 December	
	2024	**2023 (restated)**
Short positions in equity securities-trading	3,642,083	2,643,006
Short positions in debt securities-trading	396,549	423,394
Mark to market derivatives liabilities	236,071	84,187
Total financial liabilities held for trading	**4,274,703**	**3,150,587**

See note 4 for information about restatement of prior period error.

Please also refer to note 17, 18 and 27.

27. Trading payables

	As at 31 December	
	2024	**2023 (restated)**
Payables for cash market products	5,265,981	5,486,908
Credit facilities	1,884,583	1,970,133
Total trading payables	**7,150,564**	**7,457,041**

See note 4 for information about restatement of prior period error.

Due to the short-term nature of these liabilities, their carrying amount is a reasonable approximation of fair value. Please also refer to note 17, 18 and 26.

Payables for securities bought

In accordance with the Group's policy of trade date accounting for regular sale and purchase transactions, payables for securities bought represent amounts payables for securities that were purchased, but not yet settled as at the reporting date. The amount payable is based on the net unsettled amount per clearing institution.

Credit Facilities

The Group maintains portfolio financing facilities with its prime brokers to facilitate the trading activities (i.e. to finance the purchase and settlement of financial instruments). The drawn amounts on these facilities continuously fluctuate based on our trading positions at any given moment.

The Group has interest-bearing credit facilities with its prime brokers and clearing institutions for a total facilities amount of €5,041 million as at 31 December 2024. The variable interest rate charged on these facilities is based on the overnight interest rates per respective currency plus 50 bps. These facilities can be modified or terminated at any time and do not have an expiration date and is yearly automatically renewed. The facilities are exclusively for the financing of positions of the financial instruments traded in the ordinary course of the trading activities using the various prime brokers.

Our prime brokers require the Group to post cash to cover the haircut or margin requirements (representing a minor portion of our portfolio's size, which is variable and calculated on a daily basis depending on portfolio size and composition) in cash or securities as security for our positions held with the relevant prime broker. The positions are subject to pledge and collateral arrangements. As of 31 December 2024, the amount of financial assets pledged as collateral for liabilities was €678 million (2023: €600 million).

Covenants

Pursuant to the main covenants included in our facilities, the Group is required to comply with a net liquidation (or trading capital) balance that exceeds the haircut calculated by the prime broker. Both the net liquidation balance and haircut are variable and calculated on a daily basis, depending on portfolio size and composition. The main covenants prescribe certain maximum portfolio-to loan size (variable and calculated on a daily basis, depending on portfolio composition). In addition, for certain operating subsidiaries of the Group, they require us to maintain a solvency ratio of at least 4%, calculated by shareholders' equity divided by credit limit for the respective subsidiaries.

The main covenants also require the Group to supply our prime brokers with financial statements and other information, including information on our trading activities and trading counterparties. Furthermore, they require us to maintain all relevant authorizations and memberships required in order to conduct our business, and comply with all applicable laws, rules and regulations and place restrictions on mergers and disposition of our assets outside the ordinary course of our business.

Other covenants related to credit facilities provided by prime brokers and clearing institutions mainly include ratios in respect of shareholders' equity for the Group and Flow Traders B.V., as well as a minimum regulatory capital ratio for Flow Traders B.V.

The Group has not had any defaults and did not breach any covenants with respect to any of its liabilities during 2024 and 2023.

28. Other liabilities held for trading

	As at 31 December	
	2024	**2023 (restated)**
Other liabilities held for trading	512,492	243,880
Total other liabilities held for trading	**512,492**	**243,880**

Per year end the Group had other liabilities held for trading with a total value of €512.5 million (2023: €243.9 million) comprising of loans denominated in digital currencies or held with digital asset brokers.

29. *Other liabilities*

	As at 31 December	
	2024	**2023**
Long-term variable compensation payable	25,743	13,328
Subtotal non-current liabilities	**25,743**	**13,328**
Wages and variable compensation payable	45,472	46,267
Wage tax payable	1,756	969
Creditors and accruals	24,046	17,155
Subtotal current liabilities	**71,274**	**64,391**
Total other liabilities	**97,017**	**77,719**

The long-term and current variable compensation payable include amounts payable to employees related to the cash portion of variable remuneration and share appreciation rights ('SARs'). Refer to note 13 and note 32.

As set out in the Remuneration report, the cash portion of the variable remuneration and the SARs programs are deferred and paid in multiple installments. If the Group faces operational losses these variable compensation installments may be reduced or forfeited entirely to cover for such losses.

30. *Loans and borrowings*

The Group entered into a EUR denominated interest-bearing 12 month term loan with Barclays Bank PLC for an amount of €25 million. The amount of the loan has been fully drawn as of 31 December 2024. The corresponding nominal interest rate is 3.2% plus 6 months EURIBOR.

31. *Leases*

The Group has lease contracts for office space, software and hardware with lease terms between one and ten years.

Set out below are the carrying amounts of the Group's right-of-use assets (included under property and equipment and intangible assets) and lease liabilities and the movements during the period:

	As at 31 December 2024	
	Right-of-use assets	**Lease liabilities**
Balance at 1 January 2024	**46,346**	**53,042**
Additions	3,198	3,640
Depreciation expense	(9,569)	—
Disposals	—	—
Interest expense	—	2,189
Payments	—	(9,354)
Exchange rate differences	2,064	2,661
Balance at 31 December 2024	**42,039**	**52,178**

	As at 31 December 2023	
	Right-of-use assets	**Lease liabilities**
Balance at 1 January 2023	**53,075**	**54,100**
Additions	4,489	6,431
Depreciation expense	(10,097)	—
Disposals	—	—
Interest expense	—	2,296
Payments	—	(8,309)
Exchange rate differences	(1,121)	(1,476)
Balance at 31 December 2023	**46,346**	**53,042**

In relation to the lease liabilities for an amount of €5.0 million (2023: €6.6 million) there are liens on the property and equipment, mainly related to hardware assets. For more information, please refer to notes 24 and 25 for further details of the right-of-use assets.

32. *Equity*

Share capital and share premium

All ordinary shares rank equally with regard to the Company's residual assets. There are no preferred shareholders.

The table below provides an overview of the shares in issue.

	As at 31 December	
	2024	**2023**
In issue 1 January	45,671,645	46,534,500
Treasury shares	(2,602,889)	(3,422,732)
Total	**43,068,756**	**43,111,768**

The shares in issue are fully paid and have a nominal value of €3.50 per share.

In the first half of 2024, the issued capital was reduced by the cancellation of 862,855 shares at an average value of €23.18 per share.

Ordinary shares

Holders of the Company's ordinary shares are entitled to dividends if and when declared by the Company and are entitled to one vote per share at general meetings of the Company.

Treasury shares

As at 31 December 2024 Flow Traders Ltd. and its subsidiaries held 2,602,889 (2023: 3,422,732) of ordinary shares (treasury shares). No gain or loss is recognized in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any differences between the carrying amount and the consideration, if reissued, is recognized in equity.

Share-based payment reserve

The share-based payment reserve includes the straight-line accrual over the vesting period of the grant date fair value of shares granted to employees including the value of reinvested dividends on unvested shares. At the moment of settlement, the net amount between the grant date fair value of the shares and the fair value of treasury shares used to satisfy the share-based payment plan is recognized in the Retained earnings reserve. Reference is made to note 13 - Employee Expenses.

Currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations. This also includes the hedging results.

Fair value reserve

The fair value reserve comprises the fair value movements on all Investments measured at fair value through other comprehensive income of the Group.

General distributions

Pursuant to Article 24.1 of the Company's Articles of Association, the Board, with the approval of the Non-Executive Directors, has decided that the profit for 2024 (totaling €159.5 million) will be added to the reserves..

Dividends

In June 2024 the Group paid €0.15 per share final cash dividend for the financial year 2023.

In July 2024 the Group announced its Trading Capital Expansion Plan and the related revision of its dividend policy. To expand its trading capital base, the Group has suspended regular dividend payments until further notice and did not pay an interim cash dividend for the financial year 2024.

33. Provisions and contingencies

The Group operates in various legal, administrative, tax and regulatory jurisdictions. From time to time, the Group is involved in proceedings concerning matters arising within the normal course of business. The outcomes of these proceedings are difficult to assess and may involve significant judgment and estimation uncertainty.

Provisions

There have been no additional provisions made during the year ending 2024. In 2023 the Group received communications from a trading regulatory body regarding violations of trading regulations. In 2024, the trading regulatory body imposed a fine for violations of trading regulations of €2.2 million and €2.3 million for the confiscation of assets. The total amount of 4.5 million was settled in full during June 2024.

	Legal	Total
As at 1 January 2024	**4,111**	**4,111**
Provisions made during the year	402	402
Provisions used during the year	4,513	4,513
Provisions reversed during the year	—	—
Unwind of discount	—	—
As at 31 December 2024	**—**	**—**

	Legal	Total
As at 1 January 2023	**—**	**—**
Provisions made during the year	4,111	4,111
Provisions used during the year	—	—
Provisions reversed during the year	—	—
Unwind of discount	—	—
As at 31 December 2023	**4,111**	**4,111**

Cash incentive provided to employees

As from 2020 certain employees receive part of their variable compensation in share appreciation rights (SARs). The SARs vest in equal installments over a period of three to five years subject to the condition that the employee remains employed on the vesting date. The SAR are expenses and recognized in the financial statements in line with the IFRS 2 Share based payment - cash settled accounting rules (refer also to note 13 - Employee Expenses).

The contingent liability from these plans are as follows:

	2025	2026	2027	2028	Total
SARs 2021	22	—	—	—	22
SARs 2022	215	91	—	—	306
SARs 2023	375	—	—	—	375
SARs 2024	132	79	—	—	211
Total	**744**	**170**	**—**	**—**	**914**

Guarantees

Flow Traders B.V., Flow Traders US Holding LLC, Flow Traders US LLC and Flow Traders US Institutional Trading LLC (collectively “Guarantors”) have provided several guarantees for the obligations of Flow Traders US Institutional Trading LLC, Flow Traders Hong Kong Ltd and Flow Traders US LLC (collectively “Beneficiaries”) to external counterparties in relation to trading relationships.

Obligations under the guarantees require Guarantors to fulfil claims of the Beneficiaries once it has not fulfilled one of its obligations directly related to the trading relationships. These guarantees are in effect for periods ranging from 1 year to an indefinite term as of the signing date of the agreement, which can be withdrawn with 1 week notice.

Flow Traders Holding LLC has provided a parental guarantee for the obligations of Flow Traders B.V. related to the credit facility provided to Flow Traders B.V. by one of its prime brokers. If and as long as the solvency ratio of Flow Traders B.V. falls below 4% of the maximum credit limit agreed with this prime broker, Flow Traders Holding LLC has committed to provide such additional security for Flow Traders B.V. in the form of this parental guarantee. The maximum obligation under this guarantee for Flow Traders Holding LLC will be 4% of the maximum credit limit for Flow Traders B.V. as agreed with the prime broker. The parental guarantee shall be in full force and effect until terminated. Flow Traders Holding LLC may terminate this guarantee at any time upon 15 days’ prior written notice to the prime broker, or at any time upon the written consent of the prime broker.

Flow Traders Holding LLC has provided a guarantee for the obligations of Flow Traders B.V. in connection to the EUR 25 million term loan from Barclays Bank PLC, which was entered into during the second quarter of 2024. This guarantee has the same duration as the loan facility, which is a period of twelve months.

On 30 September 2024, Flow Traders Holdings LLC entered into a deed of guarantee and indemnity for the liabilities and obligations of its subsidiary Flow Traders Asia Pte. Ltd., in favour of Barclays Bank PLC up to a maximum cumulative amount of USD 50 million. This guarantee and indemnity will be in effect until the termination of all agreements between Barclays Bank PLC and Flow Traders Asia Pte.

Contingent Liabilities

The Group’s calculation of tax liabilities involves dealing with uncertainties in the application of complex tax laws in a multitude of jurisdictions across EMEA, Asia and the Americas. In this context, it is possible that tax exposures which have not yet materialized may result in different interpretation of local rules. As of 31 December 2024, management concluded that it is probable that the tax authority in the Netherlands will accept our treatment of earnings stripping rules. It is possible that different interpretation of local rules may result in tax effects from timing differences.

Contingent Assets

Flow Traders Investment Limited (FTIL) held both digital assets and fiat currency on FTX Trading Ltd.'s (FTX) digital asset exchange prior to FTX filing bankruptcy in November 2022. As a result of that bankruptcy, FTIL derecognised their balances held on FTX's platform during the year ended 31 December 2022. FTIL subsequently filed a customer claim with the bankruptcy estate in September 2023. As a result of the filing, FTIL is an FTX Debtor under the bankruptcy proceedings.

During the year ending 31 December 2023, FTX announced a proposed settlement plan which included a Preference Settlement Amount. The Preference Settlement Amount allowed FTX Debtors the opportunity to resolve any liabilities and claims with FTX on a net basis. As of 31 December 2023, the Group has concluded that an inflow of economic benefit from the Preference Settlement Amount was probable, but not virtually certain (hence, no asset had been recognized as of 31 December 2023). On 25 March 2024, the Group sold its claim.

34. Related parties

General

The executive and non-executive directors of the Board are considered the persons responsible for managing, controlling and supervising the Group. During the year, the Group engaged with Roger Hodenius, a former non-executive director of the Board (cessation of appointment in April 2023), as an advisor by contracting with Mr. Hodenius's firm, Avalon Holding B.V. The Group incurred costs for an amount of €60,000 for these services.

Board and non-executive directors compensation

The Board and non-executive director compensation for 2024 and 2023 comprises of base salaries and variable compensation paid in cash is short-term in nature.

Remuneration of the Executive and Non-Executive Directors — 2024

	Base salary	Cash from profit-share	Share-based payments	Extra-ordinary	Total
Executives	801	2,035	2,000	0	**4,836**
Non-Executives	620	—	—	—	**620**

Remuneration of the Executive and Non-Executive Directors — 2023

	Base salary	Cash from profit-share	Share-based payments	Extra-ordinary	Total
Executives	399	733	333	8	**1,472**
Non-Executives	901	—	—	—	**901**

Flow Traders Foundation

As one of Flow Traders' Non-Executive Board members sits on the Board of the Flow Traders Foundation ("Foundation"), the Foundation is considered a related party.

In 2020 Flow Traders established the Flow Traders Foundation, a Charity or Foundation ("Stichting") to better structure its historic engagement in giving to others in society who need (financial) help. During 2020 Flow Traders established the funding to make sure that a significant financial basis has been laid, so that the Foundation has the financial means to make not only an annual but also a structural impact and meets its purpose.

In 2024 Flow Traders contributed a total value of €0.6 million (2023: €0.5 million) related to support of organizations such as SINA and Project Backboard. The Group also reserved an amount from the 2024 variable remuneration pool for employees for donation to the Foundation of €0.45 million in 2024 (2023: €0.2 million).

In addition, as part of donation agreements between certain Non-Executive Directors to the Board and the Foundation, the Foundation is obligated to invest the donations received from this member into shares of the Company. In 2024 the Foundation received a donation of €0.5 million from current and former Non-Executive Board members, which it used to purchase 30,232 shares in Flow Traders Ltd. against a share price of €16.56.

35. Group companies

Subsidiaries	Country of incorporation	Ownership interest	
		2024	**2023**
Flow Traders B.V.	Netherlands	100%	100%
Flow Traders Technologies B.V.	Netherlands	100%	100%
INIT Capital B.V.	Netherlands	100%	100%
Flow Traders Investments B.V.	Netherlands	100%	100%
Flow Traders Holding LLC	USA	100%	100%
Flow Traders U.S. Holding LLC	USA	100%	100%
Flow Traders U.S. LLC	USA	100%	100%
Flow Traders U.S. Institutional Trading LLC	USA	100%	100%
FTTNY LLC	USA	100%	100%
Flow Traders Asia Pte. Ltd.	Singapore	100%	100%
Flow Traders Hong Kong Ltd	Hong Kong	100%	100%
Flow Traders Hong Kong Services Ltd	Hong Kong	100%	100%
Flow Traders UK Services Ltd	United Kingdom	100%	100%
Flow Traders London Ltd	United Kingdom	100%	100%
Flow Traders Technologies SRL	Romania	100%	100%
Flow Traders Investments Limited	Jersey	100%	100%

Other branches

The Group has the following branches:

Branch	Trading Name	Country
Paris	Flow Traders B.V. (Paris Branch)	France
Milan	Flow Traders B.V. (Milan Branch)	Italy
Shanghai	Flow Traders Hong Kong Ltd. (Shanghai Branch)	China
Hong Kong	INIT Capital B.V. (Hong Kong Branch)	China
Korea	Flow Traders Asia Pte. Ltd. (Korea Branch)	Korea

Significant restrictions

The Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from the supervisory frameworks, within which its subsidiaries operate. Please refer to the Capital Management section of this report for more information.

36. Financial risk management

Overview

The Group is exposed to the following risks arising from financial instruments:

- Operational risk;
- Credit risk;
- Market risk;
- Foreign exchange risk;
- Interest Rate risk;
- Liquidity risk;
- Concentration risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of our liquidity and capital.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Our Group Operational Risk framework contributes to raise awareness of these risks to all our employees and promotes a risk mitigation culture in all our processes. This includes documenting of procedures and periodically updating of this documentation.

The risk governance and independence of the Risk team ensures that our risk appetite is appropriately implemented, monitored and reported to management on a regular basis. We maintain an internal operational risk event database that captures any incident that may have occurred (irrespective if it led to a financial loss/profit or not). We routinely perform an in-depth analysis of these incidents in order to avoid a reoccurrence.

Every year, we conduct Risk Control Self Assessments (RCSA) across the organization to update what our main inherent risks are and which could be the most impactful in order to manage them to be within our risk appetite.

Any breach of risk appetite is escalated to management. A decision is then made as to whether we should mitigate, defer or accept the breach. If mitigation is considered to be the appropriate action, a taskforce is put in place to bring back the residual risk scoring within our risk appetite. This ongoing vigilance ensures, that we dedicate the appropriate amount of time and resources to improve our control environment in a consistent and risk-based manner.

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations, and can also arise from the settlement of off-exchange transactions.

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Consolidated statement of financial position. These amounts significantly exceed expected loss in the event of counterparty default, as expected loss takes into account the likelihood of such an event and collateral or security. The likelihood of counterparty default is deemed to be remote due to the creditworthiness of the counterparties and the central counterparties. The maximum exposure to credit risk at the reporting date was as follows:

Carrying amount		As at 31 December
	2024	**2023 (restated)**
Cash and cash equivalents	8,389	5,708
Trading receivables	5,960,221	5,647,163
Other receivables	35,464	20,675

Credit risk related to transactions on exchanges is limited since these are guaranteed by the central counterparty or clearing house related to that exchange. Members of these clearing houses are required to deposit substantial amounts of cash, bonds or equities as collateral for any failure to settlement of trading. There is an inherent risk related to transactions on digital asset exchanges and protocols, both centralized and decentralized. Additionally, this risk is mitigated by strict onboarding procedures and limiting the assets held for trading on each exchange to limit the maximum risk per exchange.

The Group manages credit risk through its Risk department that provide specific guidelines, rules and procedures for identifying, measuring and reporting credit risk.

Policies include amongst others:
- limits for individual product types;
- limits per counterparty;
- limits on the duration of the exposure;
- limits for settlement types;
- strict monitoring procedures for late settlements;
- limits to exchanges.

Creditworthiness of counterparties is continuously assessed and counterparty exposures are monitored on an intraday basis.

Offsetting financial assets and financial liabilities

The disclosures set out in this paragraph include financial assets and financial liabilities that:
- are offset in the Group's Consolidated statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the Consolidated statement of financial position.

The similar agreements include derivative clearing agreements, global master repurchase agreements, and global master securities lending agreements. Similar financial instruments include derivatives, sales and repurchase agreements, reverse sale and repurchase agreements, securities borrowing and securities lending agreements. Financial instruments, such as loans and deposits, are not disclosed in this paragraph unless they are offset in the Consolidated statement of financial position.

The ISDA and similar master netting arrangements do not meet the criteria for offsetting in the Consolidated statement of financial position. This is because they create a right to offset recognized amounts for the parties to the agreement that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties or following other predetermined events.

In addition, the Group and its counterparties do not intend to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

The Group has outsourced collateral management to its prime brokers. It can receive and grant collateral in the form of cash and marketable securities in respect of the following transactions:

- derivatives;
- sale and repurchase, and reverse sale and repurchase agreements; and
- securities lending and borrowing.

The Group receives and grants collateral in the form of cash and marketable securities as set out in notes 18 and 27 in respect of derivatives (including swaps). Such collateral is subject to standard industry terms including, where appropriate, an ISDA Credit Support Annex. This means that securities received/granted as collateral can be pledged or sold during the term of the transaction, but have to be returned on maturity of the transaction. The terms also give each party the right to terminate the related transactions on the counterparty's failure to post collateral.

Offsetting

The Group has various netting agreements in place with counterparties to manage the associated credit risks. Such arrangements primarily include: securities borrowing and lending arrangements, and over-the-counter and exchange traded derivatives. These netting agreements and similar arrangements generally enable the counterparties to offset liabilities against available assets received in the ordinary course of business and/or in the event of the counterparty's default. The offsetting right is a legal right to settle, or otherwise eliminate, all or a portion of an amount due by applying an amount receivable from the same counterparty against it, thus, reducing credit exposure. However, the offsetting criteria in IAS 32 are not met in all cases.

Offsetting As at 31 December 2024

	Offsetting recognized on the Statement of financial position			Netting potential not recognized on the Statement of financial position		Assets not subject to netting arrangements		Maximum exposure to risk
	Gross assets/ liabilities before offset	offsetting with gross liabilities (IAS 32)	Net positions recognized on the Statement of financial position	Netting Potential	Positions after consideration of netting potential	Positions not subject to netting arrangements	Positions recognized in the Statement of financial position	After consideration of netting potential
Financial assets								
Long positions, cash market products and amounts receivable from clearing agent	12,808,470	(729,262)	12,079,208	(11,425,267)	653,941	—	12,079,208	653,941
Other assets held for trading	—	—	—	—	—	625,085	625,085	625,085
Total financial assets	**12,808,470**	**(729,262)**	**12,079,208**	**(11,425,267)**	**653,941**	**625,085**	**12,704,293**	**1,279,026**
Financial liabilities								
Short positions, cash market products amounts payable to clearing agents, and borrowings	12,154,529	(729,262)	11,425,267	(11,425,267)	—	—	11,425,267	—
Other liabilities held for trading	—	—	—	—	—	512,492	512,492	512,492
Total financial liabilities	**12,154,529**	**(729,262)**	**11,425,267**	**(11,425,267)**	**—**	**512,492**	**11,937,759**	**512,492**

Offsetting

As at 31 December 2023

	Offsetting recognized on the Statement of financial position			Netting potential not recognized on the Statement of financial position		Assets not subject to netting arrangements		Maximum exposure to risk
	Gross assets/ liabilities before offset	offsetting with gross liabilities (IAS 32)	Net positions recognized on the Statement of financial position	Netting Potential	Positions after consideratio n of netting potential	Positions not subject to netting arrangements	Positions recognized in the Statement of financial position	After consideration of netting potential
Financial assets								
Long positions, cash market products and amounts receivable from clearing agent	12,320,934	(1,105,444)	11,215,489	(10,607,629)	607,861	—	11,215,489	607,861
Other assets held for trading	—	—	—	—	—	213,965	213,965	213,965
Total financial assets	**12,320,934**	**(1,105,444)**	**11,215,489**	**(10,607,629)**	**607,861**	**213,965**	**11,429,454**	**821,826**
Financial liabilities								
Short positions, cash market products amounts payable to clearing agents, and borrowings	11,713,073	(1,105,444)	10,607,628	(10,607,629)	—	—	10,607,628	—
Other liabilities held for trading	—	—	—	—	—	243,880	243,880	243,880
Total financial liabilities	**11,713,073**	**(1,105,444)**	**10,607,628**	**(10,607,629)**	**—**	**243,880**	**10,851,508**	**243,880**

Market risk

The market risk for the Group relates to the risk of the value of a financial instrument fluctuating because of changes in factors including, but not limited to, interest rates, volatilities, currency exchange rates, future dividend expectations and equity prices. The Risk department monitors market risk exposure on a continuous intraday basis. Based on the limits set per product or the aggregated risk for the Group, limit breaches will trigger action from the Risk department in order to reduce the risk back to within our preset limits.

In addition to the Group's Risk department, the trading positions are also monitored daily by Operations. The applicable haircut and margins are computed by the Group's prime brokers. The Risk department computes the haircut using internal models enabling intraday monitoring. Limits are set on both capital and credit usage. Long and short trading positions include securities and derivatives such as: shares, American Depository Receipts (ADR's), options, warrants, futures, forward rate agreements (FRA's), exchange-traded products (ETP) and digital assets. All traded financial instruments are liquid instruments. Therefore, our portfolio can always be liquidated within a short time frame and with a limited cost impact.

The Group seeks to hedge its trading positions to minimize its risk for adverse price movements and does not engage in long or short only positions. The direction of market movements, i.e. what the Group considers directional market risk taking, is not relevant for the Group because of our market-making trading strategy. Due to the manner in which the Group hedges foreign currency, interest rate risk and other price risk, the directional market risk is close to zero. Therefore, no sensitivity analysis has been disclosed.

The overall market risk (including interest rate risk, credit risk, foreign currency risk and settlement risk) of the financial assets and liabilities held for trading are captured in the risk and margin requirements which the Group is required to post at its prime brokers and clearing firms. Although the positions are fully hedged, a minimum risk close to zero remains as a result of inefficiencies in the models of the prime brokers.

Market risk factors relating to digital assets and liabilities

In a similar matter to traditional assets, the price of a digital asset or liability fluctuates according to its supply and demand. We manage this risk by holding digital assets in the same proportion as liabilities (long/short delta neutral book).

Foreign currency risk

The Group is exposed to currency risk arising from trading positions denominated in a currency other than the respective functional currencies of the Group entities, primarily the Euro, as well as United States dollars and Singapore dollars.

Foreign currency risk also arises on net investments in foreign operations, as well as net results of these foreign operations during the year. The Group manages foreign currency risk through daily monitoring of the positions by currency. Generally, the Group seeks to hedge foreign currency exposures in currencies other than the functional currency. The Group does use financial instruments to hedge the translation risk related to net investments in foreign operations or net results of foreign operations. Due to the manner in which the Group hedges foreign currency risk, the directional foreign currency risk is close to zero. Therefore, no sensitivity analysis has been disclosed.

Interest rate risk

Interest rates will affect future profitability of the fair value of financial instruments. The Group is exposed to interest rate risk as a result of mismatches of arranged interest rates of assets and liabilities. The Group has limits in place on interest rate gaps for stipulated periods. These limits ensure that interest rate risks are hedged. Positions are monitored on a daily basis and hedging strategies are used to ensure positions are maintained within established limits. All financial instruments are held for trading purposes and are accounted for at fair value on the Consolidated statement of financial position. Positions carried on the Consolidated statement of financial position are short term and listed on exchanges and therefore liquid and tradable.

As mentioned in the paragraph trading payables, the Group has a credit facility available to facilitate the trading positions accounted for on the Consolidated statement of financial position. In order to match the liquidity and short holding period of these trading positions, the facility has an interest rate payable, which is floating. The Group runs a limited risk on the floating interest due to the fact that the interest is also embedded in the funding and financing of the long/short positions and in the ETP of the future. Due to the manner in which the Group hedges interest rate risk, the directional interest rate risk is close to zero. Therefore, no sensitivity analysis has been disclosed.

Other price risk

Equity price risk and commodity price risk arises from trading positions as well as the Group's investments in investments measured at fair value through other comprehensive income or through profit or loss. In addition, for its option positions, the implied volatility of the underlying contract is an additional risk factor. Other factors to consider are time and dividend expectations.

The Group manages other price risks by defined limits in terms of individual positions per product and aggregate position per trading desk relating to the size of the exposure, concentrations, pricing and valuation parameters and natural hedging between these long and short positions. As the Group is active in liquidity provision and does not speculate on directional moves in underlying values, the net delta positions of the portfolios should be close to zero.

In addition to daily internal monitoring measures, applicable haircut and margins are computed by the Group's prime brokers. The haircut analysis measures all positions, individual and correlated, and reflects the different risk components. The third-party haircut calculation confirms the internal assessment that completes the Group's overview of the risks that it is exposed to on a daily and overnight basis. An overview of the overall market risk is presented under the earlier "Market risk" section.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's cash position, as well as the other available credit lines with prime brokers, is monitored on a daily basis.

Maturity based on contractual undiscounted cash flows is as follows:

	As at 31 December 2024		
	Carrying amount	Contractual cash flow	3 months or less
Payable for securities bought	5,265,981	5,265,981	5,265,981
Credit facilities	1,884,583	1,884,583	1,884,583
Total trading payables	**7,150,564**	**7,150,564**	**7,150,564**

	As at 31 December 2023 (restated)		
	Carrying amount	Contractual cash flow	3 months or less
Payable for securities bought	5,486,908	5,486,908	5,486,908
Credit facilities	1,970,133	1,970,133	1,970,133
Total trading payables	**7,457,041**	**7,457,041**	**7,457,041**

See note 4 for information about restatement of prior period error.

Concentration risk

Concentration risk arises when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location. The Group's policies and procedures and the broad geographic and industry spread of its activities limit its exposure to any concentration risk. Additionally management has established credit limits for geographic and counterparty exposures, which are monitored on a daily basis. We monitor the distribution of assets and off-balance sheet items by geographic region and industry sector on an ongoing basis.

Maturity analysis of financial assets and liabilities

The following table shows an analysis of the assets and liabilities according to when they are expected to be recovered or settled.

Maturity Analysis					As at 31 December 2024
	Total	Receivable/payable on demand	Within 3 months	3 months to 1 year	>1 year
Assets					
Cash and cash equivalents	8,389	8,389	—	—	—
Financial assets held for trading	6,118,987	6,118,987	—	—	—
Trading receivables	5,960,221	5,960,221	—	`	—
Other assets held for trading	625,085	625,085	—	—	—
Other receivables	35,464	—	29,152	1,639	4,673
Investments fair value through OCI	33,094	—	—	—	33,094
Investments fair value through PL	24,697	—	—	—	24,697
	12,805,937	**12,712,682**	**29,152**	**1,639**	**62,464**
Liabilities					
Financial liabilities held for trading	4,274,703	4,274,703	—	—	—
Trading payables	7,150,564	7,150,564	—	—	—
Other liabilities held for trading	512,492	428,051	36,149	43,531	4,761
Lease liabilities	52,178	—	3,126	6,344	42,707
Other liabilities	97,017	—	43,874	27,400	25,743
Loans and borrowings	24,957	—	—	24,957	—
	12,111,911	**11,853,318**	**83,149**	**102,233**	**73,211**

Maturity Analysis					As at 31 December 2023 (restated)
	Total	Receivable/ payable on demand	Within 3 months	3 months to 1 year	>1 year
Assets					
Cash and cash equivalents	5,708	5,708	—	—	—
Financial assets held for trading	5,568,326	5,568,326	—	—	—
Trading receivables	5,647,163	5,647,163	—	—	—
Other assets held for trading	213,965	213,965	—	—	—
Other receivables	20,675	—	15,479	1,688	3,508
Investments measured at fair value through OCI	20,083	—	—	—	20,083
Investments measured at fair value through PL	6,485	—	—	—	6,485
	11,482,405	**11,435,162**	**15,479**	**1,688**	**30,076**
Liabilities					
Financial liabilities held for trading	3,150,587	3,150,587	—	—	—
Trading payables	7,457,041	7,457,041	—	—	—
Other liabilities held for trading	243,880	164,177	6,811	65,263	7,629
Lease liabilities	53,041		1,684	4,486	46,871
Other payables	81,830		42,277	26,225	13,328
	10,986,379	**10,771,805**	**50,772**	**95,974**	**67,828**

See note 4 for information about restatement of prior period error.

Liquidity and capital resources

Besides equity, the principal source of funds has been liquidity provided by the prime brokers through uncommitted credit lines and margin financing, as well as cash generated from our operating activities. As of 31 December 2024, the Group held €8.4 million in cash and cash equivalents compared to €5.7 million as of 31 December 2023. These balances are maintained primarily to support operating activities, including ensuring that the Group has sufficient short-term access to liquidity, and capital expenditures.

The Group maintains a highly liquid Consolidated statement of financial position, with a large portion of its total assets consisting of cash, highly liquid marketable securities and short-term trading receivables (arising from securities transactions).

The Group actively manages its liquidity on an intraday basis and maintains significant portfolio financing facilities with the prime brokers in order to facilitate trading. These facilities are secured by cash and cash equivalents, as well as all financial assets in accounts held at the respective prime brokers.

Capital management

Regulatory capital requirements

As a result of the corporate restructuring per 13 January 2023 the Group is not subject to consolidated capital requirements under the EU Directive Investment Firm Regulation (IFR) and Investment Firm Directive (IFD). Regulated Flow Traders subsidiaries do comply with the local capital requirement regulations as monitored by their respective National Competency Authority (NCA).

The Board monitors the return on capital as well as the level of dividends to shareholders while complying with prime broker and regulatory capital requirements. The available capital in the trading companies is monitored on a daily basis to ensure that requirements are met at all times and sufficient capital is available to support the Group's strategy. Trading capital as at 31 December 2024 was €774.9 million (31 December 2023 €583.6 million).

37. Non-Financial Risks

The disclosure of non-financial risks, including information requests by the AFM and DNB to investigate compliance with Dutch Money Laundering and Terrorist Financing (Prevention) Act ("Wwft"), has been including on page 30.

38. Subsequent events

No material subsequent events have occurred since 31 December 2024 that require recognition or disclosure in this year's financial statements.

39. Authorization of consolidated financial statements

Amsterdam, 13 March 2025

Executive Directors

- Mike Kuehnel (Chief Executive Officer)
- Hermien Smeets-Flier (Chief Financial Officer)
- Owain Lloyd (Chief Technology Officer)

Non-Executive Directors

- Rudolf Ferscha (Chairman)
- Jan van Kuijk (Vice-Chairman)
- Linda Hovius
- Delfin Rueda
- Paul Hilgers
- Karen Frank

Flow Traders Ltd.

Parent Company balance sheet (Before result appropriation in thousands of euro)

	Note	2024	2023 (restated)
			As at 31 December
Assets			
Equity-accounted investments	1	756,071	562,534
Total non-current assets		**756,071**	**562,534**
Cash and cash equivalents		56	23
Receivables from related parties	2	33,017	38,567
Other receivables		77	267
Current tax assets		149	236
Deferred tax assets	11	886	—
Total current assets		**34,185**	**39,093**
Total assets		**790,256**	**601,627**
Liabilities			
Liabilities to related parties	3	14,924	5,380
Other liabilities	6	3,204	3,393
Current tax liabilities	4	—	1,182
Total current liabilities		**18,128**	**9,955**
Other non-current liabilities		5,520	5,835
Total non-current liabilities	5	**5,520**	**5,835**
Total liabilities		**23,648**	**15,790**
Equity			
Share capital	7	159,851	162,871
Share premium	7	556	556
Fair value reserve	7	19,042	5,010
Currency translation reserve	7	35,400	18,072
Retained earnings	7	181,038	294,932
Other legal reserves	7	233,733	128,501
Treasury shares	7	(57,857)	(88,008)
Share based payment reserve	7	35,307	40,740
Result for the year	7	159,537	23,163
Total Equity before result appropriation		**766,608**	**585,837**
Total equity and liabilities		**790,256**	**601,627**

Parent Company income statement (in thousands of euro)

	Note	2024	2023
		For the year ended 31 December	
Intercompany revenue	8	5,681	4,778
Intercompany expenses		605	380
Personnel expenses	9	5,607	3,726
Other expenses	10	2,408	3,005
Operating expenses		**8,015**	**6,731**
Operating result		**(2,939)**	**(2,333)**
Profit / (Loss) before tax		**(2,939)**	**(2,333)**
Tax (expense)/ income	11	743	901
Share in result from participating interests, after taxation	1	161,733	37,583
Profit for the year		**159,537**	**36,151**

Notes to the parent Company financial statements

All amounts in thousands of euro, unless stated otherwise.

Principles for the measurement of assets and liabilities and the determination of the result

In setting the principles for the recognition and measurement of assets and liabilities and determination of the result for its parent Company financial statements, the Group applies the option provided in section 2:362 (8) of the Netherlands Civil Code. The principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the parent Company financial statements are the same as those applied for the consolidated IFRS Accounting Standards financial statements. Participating interests over which the Company has significant influence, are measured at equity value. Please see Notes to the consolidated financials statements for a description of the Group's IFRS Accounting Standards principles.

The profit from participating interests consists of the Company's share in the results of these participating interests. Results on transactions, comparing the transfer of assets and liabilities between (i) the Group and its participating interests on (ii) between participating interests themselves, are not recognized.

1. *Equity accounted investments*

	As at 31 December	
	2024	**2023**
Equity - accounted investments	756,071	562,534
Total investments in group companies	**756,071**	**562,534**

The movements of the investments in Group companies is as follows:

	As at 31 December	
	2024	**2023**
Balance at 1 January	**562,534**	**574,564**
Changes:		
▪ exchange rate differences	17,328	(6,844)
▪ revaluation reserve	6,813	231
▪ share in result of investments	161,733	37,583
▪ dividend declared	—	(43,000)
▪ addition	7,663	—
Balance at 31 December	**756,071**	**562,534**

2. *Receivables from related parties*

	As at 31 December	
	2024	**2023**
Share based payment receivable subsidiaries	33,017	38,406
Current accounts	—	32
Receivables from employees	—	129
Balance at 31 December	**33,017**	**38,567**

Per 31 December 2024, the parent Company had mainly share based payment receivables towards Flow Traders B.V. for €20.2 million (2023: € 23.6 million), Flow Traders US LLC €5.8 million (2023: € 8.5 million) and Flow Traders Hong Kong Services Ltd for €5.0 million (2023: € 4.4 million).

3. *Liabilities to related parties*

	As at 31 December	
	2024	**2023**
Intercompany loans from group companies	14,913	5,380
Liabilities to employees	11	—
Balance at 31 December	**14,924**	**5,380**

The liabilities to group companies pertain mainly to an intercompany loan from Flow Traders Holding LLC of €14.9 million (2023: € 5.4 million).

4. *Current tax liabilities*

	As at 31 December	
	2024	**2023**
Corporate income tax	—	1,182
Total current tax liabilities	**—**	**1,182**

5. *Non-current liabilities*

	As at 31 December	
	2024	**2023**
Long term bonus payable	5,520	5,835
Subtotal non-current liabilities	**5,520**	**5,835**

6. *Other liabilities*

	As at 31 December	
	2024	**2023**
Wages and bonuses payables	1,425	1,963
Wages tax payable	419	413
Other current liabilities	1,360	1,017
Subtotal current liabilities	**3,204**	**3,393**

7. *Equity*

Statement of changes in equity (in thousands of euro) **2024**

	Share capital	Share premium	Treasury Shares	Share based payment reserve	Currency translation reserve*	Fair value reserve*	Other legal reserves*	Retained earnings	Net Profit / (loss)	Total
Balance at 1 January 2024	**162,871**	**556**	**(88,008)**	**40,740**	**18,072**	**5,010**	**128,501**	**294,932**	**23,163**	**585,837**
Profit	—	—	—	—	—	—	—	—	159,537	159,537
Total other comprehensive income	—	—	—	—	17,328	6,813	—	—	—	24,141
Total comprehensive income for the period	**—**	**—**	**—**	**—**	**17,328**	**6,813**	**—**	**—**	**159,537**	**183,678**
Transactions with owners of the Company										
Transfer to retained earnings	—	—	—	—	—	—	—	23,163	(23,163)	—
Transfer to other legal reserve	—	—	—	—	—	—	105,232	(105,232)	—	—
Transfer to fair value reserve	—	—	—	—	—	7,219	—	(7,219)	—	—
Dividends	—	—	—	—	—	—	—	(6,480)	—	(6,480)
Cancellation of shares	(3,020)	—	20,001	—	—	—	—	(16,981)	—	—
Repurchase of shares	—	—	(11,804)	—	—	—	—	—	—	(11,804)
Share-based payments	—	—	21,954	(5,433)	—	—	—	(1,145)	—	15,376
Total transactions with owners of the Company	**(3,020)**	**—**	**30,151**	**(5,433)**	**—**	**7,219**	**105,232**	**(113,894)**	**(23,163)**	**(2,908)**
Balance at 31 December 2024	**159,851**	**556**	**(57,857)**	**35,307**	**35,400**	**19,042**	**233,733**	**181,038**	**159,537**	**766,608**

Over 2023 the Board declared a total cash dividend of €0.45 per share and this has been paid out to shareholders in 2024, subject to a 15% dividend withholding tax.

*please see note 16 for additional information about legal reserves, including information about the restated balance.

Statement of changes in equity (in thousands of euro) **2023**

	Share capital	Share premium	Treasury Shares	Share based payment reserve	Currency translation reserve*	Fair value reserve (restated)*	Other legal reserve (restated)*	Retained earnings (restated)	Net Profit / (loss)	Total
Balance at 1 January 2023	**162,871**	**2,372**	**(103,536)**	**56,865**	**24,899**	**2,040**	**130,016**	**234,582**	**96,206**	**606,315**
Profit	—	—	—	—	—	—	—	—	36,151	36,151
Total other comprehensive income	—	—	—	—	(6,827)	231	—	—	—	(6,596)
Total comprehensive income for the period	**—**	**—**	**—**	**—**	**(6,827)**	**231**	**—**	**—**	**36,151**	**29,555**
Transactions with owners of the Company										
Transfer to retained earnings	—	—	—	—	—	—	—	96,206	(96,206)	—
Transfer to other legal reserve	—	—	—	—	—	—	(1,515)	1,515		—
Transfer to fair value reserve	—	—	—	—	—	2,739	—	(2,739)	—	—
Dividends	—	—	—	—	—	—	—	(34,632)	(12,988)	(47,620)
Repurchase of shares	—	—	(8,761)	—	—	—	—	—	—	15,528
Share based payments	—	(1,816)	24,289	(16,125)	—	—	—	—	—	(17,941)
Total transactions with owners of the Company	**—**	**(1,816)**	**15,528**	**(16,125)**	**—**	**2,739**	**(1,515)**	**60,350**	**(109,194)**	**(50,033)**
Balance at 31 December 2023	**162,871**	**556**	**(88,008)**	**40,740**	**18,072**	**5,010**	**128,501**	**294,932**	**23,163**	**585,837**

*please see note 16 for additional information about legal reserves.

8. *Intergroup revenues*

The Company generates revenues providing management services to its subsidiaries (customers). There were no other sources of revenue from contracts with customers.

The Company's performance obligation is to provide management services throughout the course of the year. The consideration for these services is recognized on a cost-plus margin arrangement, where the cost base is determined based on the costs incurred to provide the services. Revenue is recognized as and when the control of the services is transferred to the customers.

9. *Personnel expenses*

	For the year ended	
	2024	2023
Wages and salaries	1,377	950
Social security charges	26	29
Recruitment and other employment costs	19	511
Variable compensation paid in cash and shares	4,185	2,236
Total personnel expenses	**5,607**	**3,726**

The number of employees employed by the Company at the end of the year is 3 (2023: 4). All FTEs were employed within the Netherlands during 2024 and are part of Management (Executive Directors). The employee expenses above represents employees and include Board members (Non-Executive Directors). For further details refer to the Executive and Non-Executive Directors remuneration in the Remuneration report.

10. *Other expenses*

	For the year ended	
	2024	2023
Advisors and assurance	1,392	2,365
Regulatory costs	61	66
Shareholder meeting costs	37	149
Various expenses	918	426
Other expenses	**2,408**	**3,006**

11. *Taxation*

	For the year ended	
	2024	2023
Tax recognized in profit or loss		
Current tax expense	—	(390)
Movement deferred tax	(478)	—
Adjustment for prior years	(265)	(511)
Tax expense/(income)	**(743)**	**(901)**

Reconciliation of effective tax rate

	For the year ended	
	2024	2023 (restated)
Profit/ (Loss) before tax	(2,939)	(2,333)
Dutch standard tax rate	25.8%	25.8%
Income tax expected	(758)	(602)
Actual income tax charge	(743)	(901)
In percentage	25.3%	38.6%
Difference in tax expense	**(0.5%)**	**12.8%**

The effective tax rate differs from the (nominal) statutory tax rate. This difference is mainly caused by prior year adjustments, a difference in tax rate and non-deductible share plan costs.

Profit before tax, presented in the note above, for the year ended 2023 has been restated to agree to the profit before tax on the Income statement's comparative figures. The previously disclosed amount was incorrect as a loss of €8.2 million. This resulted in a difference in the effective tax rate from the previously presented amount of (14.8%).

12. *Other contingent liabilities*

Cash incentive provided to employees

As from 2020 certain employees receive part of their variable compensation in share appreciation rights (SARs). The SARs vest in equal installments over a period of four to five years subject to the condition that the employee remains employed on the vesting date. The SARS are expenses and recognized in the financial statements in line with the IFRS 2 Share based payment - cash settled accounting rules (refer also to note 9 - Employee Expenses).

The contingent liability from these plans are as follows:

	2025	2026	2027	2028	Total
SARs 2021	22	—	—	—	22
SARs 2022	61	—	—	—	61
SARs 2023	—	—	—	—	—
SARs 2024	—	—	—	—	—
Total	**84**	**—**	**—**	**—**	**84**

Claims

The Company is not involved in any significant legal procedures and/or claims.

There are no other contingent liabilities.

13. Related parties

For more information, refer to note 34 related parties in the consolidated financial statements.

14. Profit appropriation

For more information, refer to note 10 earnings per share and note 32 equity in the consolidated financial statements.

15. Auditor fees

With reference to Section 2:382a (1) and (2) of the Netherlands Civil Code, the following fees for the financial year have been charged by EY Accountants B.V. and its member firms and affiliates to the Group, its subsidiaries and other consolidated entities, which did not include tax advice:

	For the year ended 2024		
	EY Accountants B.V.	Other EY member firms and affiliates	Total EY
Statutory audit of annual accounts	814	113	927
Other assurance services	680	10	690
Other non audit services	—	—	—
Total auditor fees	**1,494**	**123**	**1,617**

	For the year ended 2023		
	EY Accountants B.V.	Other EY member firms and affiliates	Total EY
Statutory audit of annual accounts	650	85	735
Other assurance services	350	7	357
Tax advice	—	—	—
Other non audit services	—	—	—
Total auditor fees	**1,000**	**92**	**1,092**

Other assurance services relate to quarterly review services, interim reporting and services related to the assessment of sustainability information.

16. Legal Reserve

As per the Dutch Civil Code requirement, the Company has a legal reserve which is comprised of foreign currency translation reserve, fair value reserve and our minimum regulatory capital requirements across the Company's subsidiaries (Other legal reserve).

The Other legal reserve balance as of 1 January 2023 has been restated for a calculation error in the opening balance. The effect of the restatement is a decrease to Other legal reserves by €34.1 million and an increase to Retained earnings by €34.1 million. The movement for the 2023 year has been restated for a calculation error, the effect of which was a decrease of €43.9m.

The Fair value reserve has been restated as of 31 December 2023, to account for the transfer of the unrealized profits after taxes of €2.7 million on Investments at Fair Value through Profit and Loss from Retained Earnings to the Fair value reserve, pursuant to Book 2 Article 390, paragraph 1 of the Dutch Civil Code.

Statement of changes in equity (in thousands of euro)

	As at 1 January 2023		
	Previously presented	**Restatement**	**Restated**
Other legal reserves	164,119	(34,103)	130,016
Retained earnings	200,479	34,103	234,582

	As at 31 December 2023		
	Previously presented	**Restatement**	**Restated**
Other legal reserves	206,516	(78,015)	128,501
Fair value reserves	2,271	2,739	5,010
Retained earnings	219,656	75,276	294,932

17. Subsequent events

There were no material or significant subsequent events of the Company which require disclosure

18. Authorization of Company financial statements

Amsterdam, 13 March 2025

Executive Directors

- Mike Kuehnel (Chief Executive Officer)
- Hermien Smeets-Flier (Chief Financial Officer)
- Owain Lloyd (Chief Technology Officer)

Non-Executive Directors

- Rudolf Ferscha (Chairman)
- Jan van Kuijk (Vice-Chairman)
- Linda Hovius
- Delfin Rueda
- Paul Hilgers
- Karen Frank

2024

Other information

FLOW TRADERS

Investor Relations

Investor Relations (IR) focuses on optimizing the communication and understanding between Flow Traders and the investor community, its advisors and the analyst community. By attending broker conferences, organizing roadshows to institutional investors after Half Year and Full Year results, organizing investor conference calls, analyst days and the Annual General Meeting, Flow Traders further optimizes the information stream to the market. Flow Traders has a corporate website (www.flowtraders.com/investors) where, among other information, its financial calendar, press releases, presentations, reports and the dividend policy can be found. IR is the first point of contact for interested investors, shareholders and analysts.

Investor Relations contact information	
Eric Pan	Head of Investor Relations
Telephone	+31 20 7996799
E-mail	investor.relations@flowtraders.com

Share information

Flow Traders Ltd. (formerly known as Flow Traders N.V.) shares are listed on Euronext Amsterdam and are included in the Amsterdam Midcap Index (AMX), carrying a weight of 1.68 percent as of the end of 2024. Flow Traders shares are also included in several other indices issued by leading index providers, such as MSCI (MSCI Netherlands IMI 25/50 Price Return USD Index), FTSE (FTSE Developed ex US All Cap Net Tax Index) and Euronext (Euronext AEX All-Share Index, AEX All-Tradable Index, Euronext 150 Index, AEX Financials Index).

Introduction and key figures

Key share information	
ISIN*	NL0011279492
Bloomberg ticker:	FLOW NA
Reuters ticker:	FLOW.AS
Number of shares outstanding	45,671,645
Number of shares in treasury	2,602,889
Free float	72%
Market cap at year end (€)	€928,562,379

Source: Euronext as per 31 December 2024

** ISIN as of 16 January 2024: BMG3602E1084*

Share price performance	
Opening price 2 January 2024	€18.00
Annual highest price (closing)	€22.45
Annual lowest price (closing)	€15.03
Closing price 31 December 2024	€21.56

Source: Euronext

Financial calendar

Financial calendar	
Q1 Trading Update	24/04/2025
Annual General Meeting	13/06/2025

About sustainability information

Environment metrics

Remarks on GHG emissions data metrics

For scope 1 and scope 2 emissions, Flow Traders applies the operational control approach for the consolidation of its CO_2e emissions footprint. This means that Flow Traders accounts for all emissions from the operations over which it has control. The operations, i.e. office locations, as presented on the right have therefore been included in this CO_2e emissions footprint calculation.

Office	Country	Region
Amsterdam	Netherlands	EMEA
London	United Kingdom	EMEA
Paris	France	EMEA
Milan	Italy	EMEA
Cluj	Romania	EMEA
Hong Kong	China	APAC
Shanghai	China	APAC
Singapore	Singapore	APAC
New York	Americas	Americas
Chicago	Americas	Americas

In addition to the office locations, the use of server space from data centers is particularly relevant to Flow Traders' business activities. These have been included in the scope 3 CO_2e emissions footprint calculation. Due to the confidentiality of the information, the locations of the data centers will not be disclosed.

Data quality

The calculated CO_2e footprint of GHG emissions emitted, through Flow Traders' own business activities and those through its value chain, contains several factors of uncertainties, primarily due to limitations in the availability of actual emissions data. Flow Traders obtains third party data from service providers for its scope 1, 2 and 3 results. By default, we request actual CO_2e data from our landlords and utility providers (for scope 1 and 2) and from our value chain (for scope 3). However, at this stage, most are unable to provide actual CO_2e data. As a result, we rely on primary or secondary estimation methods based on factors such as energy consumption (kWh), distance traveled (km), and expenditure to calculate our footprint. We consider that actual emissions data will come over time as our suppliers may be subject to CSRD reporting or due the increased request from their value chain.

The table on next the page provides an overview of the calculation methods, uncertainties and data limitations for each emission category included in the calculation.

Miscellaneous

Facilitated emissions

The Facilitated Emissions Standard aims to increase transparency across this category of financial transactions. The standard covers the primary issuance of capital markets instruments and loan syndication. A primary issuance refers to new securities to provide debt-based or equity-based financing, including new issuance of various types of bonds issued for general purposes, common stock, equity and debt investments in private companies, preferred shares, and syndicated loans.

We have reviewed the Partnership for Carbon Accounting Financials (PCAF) framework and concluded that facilitated emissions are not applicable to Flow Traders, whereas Flow Traders operates in the secondary markets and does not involve with primary issuance of capital or financial instruments.

Social impact assessment

From review of Reporting Framework methodology outlined by the United Nations Guiding Principles (UNGP) on Business and Human Rights, Flow Traders has identified risks related to social, human rights. These is focused exclusively on our own operations. While Flow Traders has policies in place to promote ethical practices, human rights-related issues may still arise. Most risks are considered low, reflecting our values and inclusive workplace culture. However, some areas, particularly those involving cultural or individual differences, such as freedom of expression and rest, carry a potential medium to high impact if not carefully managed. Flow Traders plans to adopt targeted initiatives, like fostering mental health and encourage open communication in order to further mitigate these risks.

GHG Protocol emissions category	Calculation method	Estimations, assumptions and data limitations	Reporting scope
Scope 1: Heating (natural gas)	Calculation based on secondary data method, by: ▪ Actual natural gas consumption (in kWh) from meter reading ▪ Multiplied by the emission factor of natural gas to CO_2e	Meter reading data is derived from energy supplier invoices. Since invoicing occurs throughout the month rather than on the first day, we use a prorated proxy to calculate emissions for the reporting period from 1 January, 2024, to 31 December, 2024. Additionally, due to the absence of invoices for two months, we estimate based on 366 days over the year. We use the UK government Department of Environment, Fuels and Rural Affairs (DEFRA) conversion factors to convert natural gas usage into CO_2.	Worldwide
Scope 1: Company car	Calculation based on primary data method, by: ▪ Distance driven in KM ▪ Multiplied by average emission factor of petrol medium size car (unknown)	The distance driven is determined using meter reading data from the fleet manager's application. Since readings are taken intermittently throughout the reporting year, we use the most recent readings available closest to the reporting period - early December 2023 and mid-January 2025 - to calculate the total distance driven during the period. We estimate the total KM driven based on 366 days over the year. We use DEFRA conversion factors to convert the total KM driven in the car into CO_2.	Worldwide
Scope 2: Electricity (location-based)	Calculation based on primary data method, by: ▪ Amsterdam, New York, Singapore, Hong Kong, London, Cluj, Shanghai office: actual electricity consumption from meter reading (in kWh) as provided by the electricity supplier/landlord on the invoices, multiplied by country specific emission factor of the electricity grid ▪ Paris and Milan offices: estimation based on floor size in m^2 multiplied by average emissions per m2	Meter reading data is derived from energy supplier invoices. Since invoicing occurs throughout the month rather than on the first day, we use a prorated proxy to calculate emissions for the reporting period from 1 January, 2024, to 31 December, 2024. Additionally, due to the absence of invoices for Cluj five-months, London three months, Chicago one month and New York three to five months, we estimate the annual total based on 366 days over the year. We use DEFRA conversion factors to convert natural gas usage into CO_2.	Worldwide
Scope 2: Electricity (market-based)	Calculation based on primary data method, by: ▪ Total scope 2 Electricity Location-based ▪ The total location-based emissions from all reported offices minus the total location based emissions from Amsterdam and London as these 2 locations' electricity are from renewable energy sources ▪ Milan, Paris and Shanghai is calculated using average square meters for each office	For the share of renewable electricity, we rely on renewable energy certificates provided by our office landlords. As of year end 2024, the electricity consumption for our offices in Amsterdam and London is sourced from renewable energy. No actual CO2 data is available for any office location, as such location-based data is used for the calculation to market based emissions). Green certificates for buildings that don't cover the reporting period cannot be relied upon in full for 2024 from an audit perspective. Due to the timing difference between the issuance of the annual report and receipt of the 2024 updated green certificates result in certain buildings having to be considered gray as oppose to green. For offices in Paris, Milan and Shanghai we use the square meter for each office and assume an average kWh per square meter. This is then converted into CO_2e using DEFRA conversion factors.	Worldwide (however only in Amsterdam, London renewable electricity is used)
Scope 3: Cat. 7 – Employee commuting	Calculation based on primary data method, by: ▪ Commuting by various modes ▪ CO_2 emissions per travel as provided by NS Business Card railway agent	Our data calculation includes all Amsterdam office employees commuting registered by public transport using the NS business card. However, employee commuting outside these channels - car, bike, walk - is not included in the calculations. Flow Traders calculates the conversion using a weighted average conversion factor from UK Government GHG Conversion Factors for Company Reporting.	Amsterdam
Scope 3: Cat. 15 - Investments	Relevant. No data available from investee's. The majority of material strategic investments are in the form of equity and warrant investments in digital asset companies, from whom no data is available on environmental footprint.	No data is available from the investee companies, and there is no comparable companies, with similar business activities, CO_2 footprint average to support a reasonable estimate of scope 3 emissions. Flow Traders will work with relevant investees to obtain this data in the future. However for now, we are unable to calculate the emissions.	Worldwide

GHG Protocol emissions category	Calculation method	Estimations, assumptions and data limitations	Reporting scope
Scope 3: Cat. 1 – Purchased services from data center server space	Calculation based on secondary data method, by: ▪ Total server space capacity purchased (from contract agreement / invoice) in kVa (kilo volt ampere) (APAC and US) ▪ Server capacity for actual power draw (EMEA only).Note that one EMEA data center relies on contracted power usage. ▪ Converted kVa to full year kWh ▪ Total server space capacity purchased (from contract agreement / invoice) in kW (kilo Watt) full year ▪ The percentage of electricity consumption from renewable and non-renewable sources are as provided by the data center supplier ▪ Multiplied by country specific emission factor of the electricity grid	We rely on confirmation from our data center service providers to determine the share of renewable electricity used. As of year-end 2024, the data center services providers were not able to provide the Green energy certificates for the reporting year due to timing, hence we used the most recent available certificates (2023) and requested a confirmation for 2024. Due to confidentiality, we do not disclose the exact number or locations of these data centers. Currently, no actual CO_2 emissions data is available from any data center service provider. Instead, we base our calculation on (1) contracted space capacity (2) For EMEA DCs we obtain actual power draw from the DCs into our internal reporting dashboard. There is one data center that is not included in the reporting dashboard where contracted power is used. Power usage is converted into CO_2 greenhouse gas emissions factors from Carbon Footprint ltd.	Worldwide
Scope 3: Cat. 1 – Purchased goods from hardware	Calculation based on primary data method, by: ▪ Spend-based method for scope 3 calculation ▪ Total hardware related spend includes servers, storage hardware, networking peripherals, switches, laptops, screens, data communication, computers, racks and other hardware ▪ Multiplied by supply chain industry (NAICS) specific emission factors	Since we use a spend-based calculation, local pricing differences may lead to variations in the emissions calculated for the same product. Additionally, we rely on industry-specific emissions factors for the supply chain, which are sourced from public data and based on historical figures from previous years. There is data limitations at regional offices for all scope 3 categories. We use NAICS conversion factors to convert spend amounts into CO_2.	EMEA excluding London and Cluj, APAC and U.S.
Scope 3: Cat. 5 - Waste generated in operations	Calculation based on primary data method, by: ▪ Waste amount in KG and waste treatment method (recycling, anaerobic digestion, landfill) as provided by the waste treatment handler ▪ Total organic waste, general waste, plastics, drinks packaging and light metals (PDM), and paper and cardboard ▪ Multiplied by average emission factors per disposal method	We rely on average emissions factors per disposal method, which are sourced from public data and based on historical figures from previous years. We use the UK government Department of Environment, Fuels and Rural Affairs (DEFRA) conversion factors to convert waste into CO_2.	Amsterdam
Scope 3: Cat. 6 – Business travel	Calculation based on primary data method, by: ▪ Itinerary of travel by air or railway ▪ CO_2 emissions per travel as provided by the travel service agency	Our data calculation includes all business travel booked through our designated travel agents in EMEA, APAC, and the Americas. However, business travel arranged outside these channels - such as trips booked individually by employees and reimbursed through expenses - is not included in the calculations.	Worldwide

Independent auditor's report

To: the shareholders and the board of Flow Traders Ltd.

Report on the audit of the financial statements 2024 included in the Annual Report

Our opinion

We have audited the accompanying financial statements 2024 of Flow Traders Ltd. (hereinafter also referred to as: the company or Flow Traders), registered in Bermuda. The financial statements comprise the consolidated and parent company financial statements.

In our opinion:
- The consolidated financial statements give a true and fair view of the financial position of Flow Traders Ltd. as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with IFRS Accounting Standards as adopted in the European Union (IFRS Accounting Standards) and with Part 9 of Book 2 of the Dutch Civil Code
- The parent company financial statements give a true and fair view of the financial position of Flow Traders Ltd. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:
- The Consolidated statement of financial position as at 31 December 2024
- The following statements for the year ended 31 December 2024: the Consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows
- The notes comprising material accounting policy information and other explanatory information

The parent company financial statements comprise:
- The parent company balance sheet as at 31 December 2024
- The parent company income statement for the year ended 31 December 2024
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Flow Traders in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for professional accountants). The ViO and VGBA are at least as demanding as the International code of ethics for professional accountants (including International independence standards) of the International Ethics Standards Board for Accountants (the IESBA Code) related to audits of public interest entities.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our understanding of the business

Flow Traders is a global financial technology-enabled multi-asset class liquidity provider with its core business in Exchange Traded Products, which includes fixed income, currencies, digital assets and commodities. Flow Traders is structured in components and we tailored our group audit approach accordingly. In our audit, we paid specific attention to a number of areas driven by the nature of the group and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€9.8 million (2023: €2.2 million)
Benchmark applied	5% of profit before tax (rounded)
Explanation	Based on our professional judgment and our perception of the financial information needs of the users of the financial statements, a benchmark of 5% of profit before tax is an appropriate quantitative indicator of materiality as profit before tax best reflects the financial performance of Flow Traders. We determined materiality consistently with the previous financial year, as a result our materiality reflects the increase in profit before tax as compared to previous financial year.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the audit committee of the board (hereinafter: the audit committee) that misstatements in excess of €0.5 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Flow Traders is at the head of a group of entities. The financial information of this group is included in the financial statements.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Based on our understanding of the group and its environment, the applicable financial framework and the group's system of internal control, we identified and assessed risks of material misstatement of the financial statements and the significant accounts and disclosures. Based on this risk assessment, we determined the nature, timing and extent of audit work performed, including the entities or business units within the group (components) at which to perform audit work. For this determination we considered the nature of the relevant events and conditions underlying the identified risks of material misstatements for the financial statements, the association of these risks to components and the materiality or financial size of the components relative to the group. We communicated the audit work to be performed and identified risks through instructions for component auditors as well as requesting component auditors to communicate matters related to the financial information of the component that is relevant to identifying and assessing risks.

We have:

- Performed audit work ourselves at group entities (components): Flow Traders Ltd., Flow Traders B.V., INIT Capital B.V., Flow Traders Holding LLC, Flow Traders US Holding LLC and Flow Traders Investments Limited.
- Performed audit procedures ourselves in respect of areas such as investments, fair value adjustments of trading positions, variable personnel expenses, impairment of equity-accounted investees, taxes and transfer pricing and net trading positions.
- Used the work of another (non-EY) auditor working under our supervision for auditing the group entities: Flow Traders U.S. LLC and Flow Traders Institutional Trading LLC (the Flow Traders US operating entities). Moreover, we are also directly involved in parts of the audit work by auditing certain accounts centrally for Flow Trader U.S. LLC and communicating regularly with the component's management.
- Used the audit work of a component auditor from an EY Global member firm working under our supervision for the following entities: Flow Traders Asia Pte. Ltd., Flow Traders Hong Kong Services Limited, and Flow Traders Hong Kong Limited (the Flow Traders Singapore and Hong Kong entities).

This resulted in a coverage of 92% of profit before tax, 99% of total income and 95% of total assets.

For other components, we performed analytical procedures to corroborate that our risk assessment and scoping remained appropriate throughout the audit.

We held meetings with local management and component teams and visited the component team for Flow Traders Hong Kong entities, observed the component operations, discussed the group risk assessment and the risks of material misstatements for the Flow Traders Singapore, Hong Kong and US operating entities. We reviewed and evaluated the adequacy of the deliverables from component auditors and reviewed key working papers for these components to address the risks of material misstatement. We held planning meetings, key meetings required based on circumstances and we attended closing meetings with component teams for the above-mentioned components. During these meetings and calls, amongst others, the planning, procedures performed based on risk assessments, findings and observations were discussed and any further work deemed necessary by the primary or component team was then performed.

By performing the audit work mentioned above at the entities or business units within the group, together with additional work at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Teaming and use of specialists

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of a listed client in the business of providing liquidity to financial markets. We included specialists in the areas of IT audit, forensics, derivatives and investments valuation, tax and transfer pricing, and have made use of our own experts in the area of auditing digital assets and certain disclosures that include capital requirements.

Our focus on climate-related risks

Climate change and the energy transition are high on the public agenda and lead to significant change for many businesses and society.

The board summarized Flow Traders' ESG (environmental, social and governance) focus areas and reported in the section Sustainability information of the board report how the company is addressing climate-related and environmental risks also taking into account related regulatory and supervisory guidance and recommendations.

As part of our audit of the financial statements, we evaluated the extent to which climate-related risks and Flow Traders' commitments and (constructive) obligations, are taken into account in estimates and significant assumptions as well as in the design of relevant internal control measures. Furthermore, we read the board report and considered whether there is any material inconsistency between the non-financial information in the annual report and the financial statements.

Based on the audit procedures performed, we do not deem climate-related risks to have a material impact on the financial reporting judgments, estimates or significant assumptions as at 31 December 2024.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and the board's process for responding to the risks of fraud and monitoring the system of internal control and how the Risk Committee exercises oversight, as well as the outcomes. We refer to Section Our risk management of the board report for the board's (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, the global whistleblower policy and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks. As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 3 (d) to the consolidated financial statements. We have also used data analytics to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions. We evaluated that there are risks of fraud in the gross trading income recognized on financial assets and liabilities held for trading, as management may override controls around fair value measurement. We describe the audit procedures responsive to this risk in our key audit matter “Fair value measurement of financial assets and liabilities held for trading”.

Furthermore, we identified a risk related to the private keys of digital asset wallets being misappropriated or compromised. We describe the audit procedures responsive to this risk in our key audit matter “Existence, rights and obligations and valuation of digital assets”.

We considered available information and made enquiries of relevant executives, directors, internal audit, legal, compliance, human resources, risk management and regional directors and the audit committee.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

Flow Traders is subject to many laws and regulations from market regulators and for its trading activities on exchanges worldwide where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or instructions. We refer to section “Our risk management” section of the annual report for the compliance and ethical risk identified by the board and Note 33 “Provisions and contingencies” to the financial statements.

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the board and the audit committee, reading minutes, inspection of internal audit and compliance reports, and performing substantive tests of details of classes of transactions, account balances or disclosures.

We inspected lawyers’ letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with applicable laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in Note 3 “Basis of preparation” section b) “Going concern basis of accounting” to the consolidated financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the board made a specific assessment of the company’s ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the board, exercising professional judgment and maintaining professional skepticism. We considered whether the board’s going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the audit committee. The key audit matters are not a comprehensive reflection of all matters discussed.

In comparison with previous year, the nature of our key audit matters did not change.

Fair value measurement of financial assets and liabilities held for trading	
Risk	At 31 December 2024 the financial assets held for trading (long positions in equity, debt securities-trading and mark to market derivatives asset) amounted to €6.1 billion (2023: €5.6 billion) and the financial liabilities held for trading (short positions in equity, debt securities-trading and mark to market derivatives liabilities) amounted to €4.2 billion (2023: €3.2 billion), as disclosed in Note 17 and Note 26 to the consolidated financial statements, respectively. Flow Traders' fair value measurement of financial assets and liabilities held for trading is based on internally determined theoretical prices as disclosed in Note 8 to the consolidated financial statements. These prices can differ from closing prices at various stock exchanges or prices from clearers, due to market illiquidity, variety in opening hours of the stock exchanges and the prices used for identical or near-identical positions. The fair values recorded require judgment which represents a risk of improper adjustments directly impacting the gross trading income. Therefore, we considered the valuation of financial assets and liabilities held for trading a key audit matter.
Our audit approach	Our audit procedures included, amongst others, assessing the appropriateness of Flow Traders' accounting policies related to valuation of financial assets and liabilities according to IFRS 9 "Financial Instruments", IFRS 13 "Fair Value Measurement". In addition, we obtained an understanding of the valuation process, including verifications done by the company. We evaluated the design and implementation of internal controls relevant to fair value measurement. Furthermore, we performed the following procedures: ▪ Risk-based sample testing on the valuation of individual positions by evaluating the internally determined theoretical prices against market prices from independent sources ▪ Independent verification of year end positions with third parties (clearers, banks, exchanges) to verify the positions in financial assets/liability held for trading as at 31 December 2024 ▪ Subsequent cash receipt testing in January 2025 for transactions recorded directly after 31 December 2024 to evaluate the valuation of financial assets and liabilities held for trading ▪ Cut-off procedures to ensure that transactions are recorded in a correct period Furthermore, we evaluated the presentation and disclosure in the financial statements for compliance and consistency with IFRS 7 "Financial Instruments: Disclosure" and IFRS 13 "Fair Value Measurement" on disclosure requirements for financial assets and liabilities held for trading, including the fair value hierarchy.
Key observations	Based on our procedures performed, we consider the fair value of the financial assets and liabilities held for trading to be reasonable as at 31 December 2024.

Existence, rights and obligations and valuation of digital assets	
Risk	At 31 December 2024, the other assets held for trading including digital assets traded on centralized and decentralized exchanges amounted to €625.0 million (2023: €213.9 million) as disclosed in Note 19 to the consolidated financial statements. Digital assets are exchangeable directly between two parties through decentralized networks that record transaction and position data, which is publicly observable on the blockchain. These are digital assets kept in private wallets, which are each safeguarded by a private key. As these private keys grant access to the digital assets, the safeguarding of these keys are of high importance and there is a risk related to compromised private keys or misappropriation of the digital assets. Contradictory to digital assets kept in private wallets, direct trades on centralized exchanges and related positions in digital assets cannot be observed on the blockchain, as the digital assets on these centralized exchanges are stored in commingled wallets. Ownership is established based on legal terms. Digital assets prices are based on the market data from the various exchanges where prices vary per exchange. The exchanges are unregulated and due to the lack of transparency of transactions and positions there is an increased risk to existence, rights and obligations and valuation of indicated positions. Reference is made to the information on digital assets in Note 8 and Note 36 to the consolidated financial statements. Due to the risks involved for both digital assets kept in private wallets and in commingled wallets, judgements required to establish prices and verification of the quantity of digital assets owned by the company, we considered existence, rights and obligations and valuation of digital assets a key audit matter.
Our audit approach	Our audit procedures included, amongst others, assessing the appropriateness of Flow Traders' accounting policies related to the classification and measurement of the digital assets under IFRS Accounting Standards, including IAS 2 "Inventories" and IFRS 13 "Fair value Measurement" and current market practice.
Our audit approach	We evaluated the design and implementation of controls related to digital assets, including reviews performed by the Risk and Operations and the Compliance departments in onboarding exchanges as well as trading in certain digital assets, involving our own experts in the area of auditing digital assets. Furthermore, we evaluated the design and implementation of the daily trades reconciliation controls and procedures for deposits and withdrawals with cryptocurrency exchanges. We also evaluated the design and implementation of controls around the safeguarding of the private keys. For digital assets in private wallets, we tested Flow Traders' reconciliation of digital asset ending balances from its books to the blockchain and investigated any unusual and other reconciling items as at 31 December 2024. We further verified that Flow Traders has access to its wallets, and therefore its digital assets, before and after the reporting date. For digital assets held on centralized exchanges, we observed the positions at the majority of the exchanges at year-end to verify the existence and rights and obligation thereof. We evaluated the valuation methodology and consistency of its application by the Company. We further tested the valuation of individual positions by comparing the internally determined prices to independent sources as at 31 December 2024.
Key observations	Based on the procedures performed, we did not identify any material audit findings in relation to the rights and obligations, existence and valuation of digital assets as at 31 December 2024.

Valuation of (long-term) investments accounted for at fair value	
Risk	Long-term investments include investments measured at fair value through Other Comprehensive Income and through Profit or Loss. Flow Traders invests in private companies across all geographies, with an emphasis on three key themes: platform, data, and connectivity. These investments include warrants, tokens and equity stakes in the companies of which most are in the start-up and scale-up phase. At 31 December 2024, the investments measured at fair value through Other Comprehensive Income and Profit or Loss totaled to €57.8 million (2023: €26.6 million), as disclosed in Note 21 and Note 22 to the consolidated financial statements, respectively. As described in Note 8 to the consolidated financial statements, management estimates the fair value of (long-term) investments measured at fair value, by applying reference to their quoted closing bid price at the reporting date or, if unquoted, determined using a valuation technique using market observable and unobservable inputs and assumptions. Management judgment is required for these assumptions, which includes performance adjustments and discounts for liquidity. Determining the fair value of investments using unobservable inputs and assumptions is a complex process and requires judgment from the board as these investments exhibit higher estimation uncertainty. Due to the matters described, we considered the valuation of investments accounted for at fair value a key audit matter.
Our audit approach	With involvement of our specialists, we obtained an understanding and evaluated the design and implementation of controls over the estimation of the valuation of the (long-term) investments and the appropriateness of the valuation methodologies applied, including the review of Flow Traders policies in line with The International Private Equity and Venture Capital Valuation (IPEV) Guidelines and IFRS 13 "Fair Value Measurement".
Our audit approach	We evaluated the reasonableness of inputs used in the valuation models and assumptions made by the board as part of their valuation process, by performing validation procedures using external data where relevant and underlying source documentation. For a sample of investment valuations, we obtained the valuation models and compared objective inputs used in the models to agreements or underlying source documents as provided by the company. Furthermore, we tested the mathematical accuracy of the valuation models. In addition, we evaluated subsequent events and transactions and considered whether they corroborated or contradicted the year-end estimates. Finally, we evaluated the completeness and accuracy of the disclosures related to the fair value measurement of these investments in conformity with IFRS Accounting Standards.
Key observations	Based on our procedures performed we consider the valuation of investments accounted for at fair value as at 31 December 2024 to be reasonable.

Reliability and continuity of the IT environment	
Risk	Flow Traders' activities and financial reporting are highly dependent on the reliability and continuity of the IT environment. Flow Traders has a complex IT landscape, with a part of the IT services outsourced to service organisations. Effective general IT controls with respect to change management, logical access, infrastructure and operations, support the reliability and continuity of the IT systems as well as the operating effectiveness of the automated business controls. Flow Traders as an internationally operating group, is inherently subject to higher risks of cybersecurity attacks. We refer to the risk category "Technology risk" as discussed in the Our risk management section of the annual report. In our audit of the financial statements, we identified the risk that the general IT control measures may not always operate as intended. The dependency on the IT environment could lead to undetected material misstatements in financial reporting. Therefore, we considered the reliability and continuity of the IT environment a key audit matter.
Our audit approach	With the help of IT audit professionals, who are an integral part of the audit team, we assessed the reliability and continuity of the IT environment to the trading process and evaluated design and existence of general IT controls for the applications in the context of our audit of the financial statements. Our audit was not designed to express an opinion on the continuity and reliability of Flow Traders' automated data processing (or parts thereof). As part of our audit of the financial statements, we assessed the impact of changes to the IT environment during the year for the IT applications in scope of the audit of the financial statements.
Our audit approach	Furthermore, we performed the following procedures: ▪ Evaluating the design of the IT general control processes and testing the operating effectiveness of IT general controls for the main IT processes being access management and change management. This was done for the IT applications in scope of our financial statements audit as well as for the underlying operating system including database management and tooling supporting access management and change management IT processes ▪ Designing and executing IT substantive procedures when IT general controls where lacking or not operating effectively. ▪ Reviewing relevant reports of vendors on the design and the operating effectiveness of controls when one or more of the main IT processes have been outsourced, including critical cloud computing outsourcing ▪ Testing application controls over the trading process and interfaces relevant to this process. Our audit was not aimed at making a statement about the cybersecurity procedures, controls and reporting of Flow Traders. However, we did obtain an understanding of the cybersecurity procedures, controls and reporting as performed by Flow Traders.
Key observations	Based on our IT general controls testing procedures and IT substantive procedures performed, we have obtained sufficient assurance about the reliability and continuity of the IT environment relevant in the context of our financial statements audit.

Report on other information included in the Annual Report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:
- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report (excluding a sustainability statement) and the other information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code, the Dutch Standard 720 and ISA 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the supervisory board as auditor of Flow Traders N.V., as predecessor of Flow Traders Ltd., on 19 May 2016, as of the audit for the year 2016 and have operated as statutory auditor ever since that date.

European Single Electronic Reporting Format (ESEF)

Flow Traders Ltd. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in the XHTML format, including the (partially) marked-up consolidated financial statements as included in the reporting package by the company, complies in all material respects with the RTS on ESEF.

The board is responsible for preparing the annual report, including the financial statements, in accordance with the RTS on ESEF, whereby the board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N, "Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument" (assurance engagements relating to compliance with criteria for digital reporting). Our examination included amongst others:
- Obtaining an understanding of the company's financial reporting process, including the preparation of the reporting package
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
- Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files, has been prepared in accordance with the technical specifications as included in the RTS on ESEF
- Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF

Description of responsibilities regarding the financial statements

Responsibilities of the board for the financial statements

The board is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board either intends to liquidate the company or to cease operations or has no realistic alternative but to do so. The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The audit committee undertakes preparatory work for the board's decision-making regarding the supervision of the integrity and quality of the company's financial reporting. Working within the board, the audit committee is charged in particular with the supervision with respect to the provision of financial information by the company.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing and ISAs, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 13 March 2025

EY Accountants B.V.

Signed by A. Snaak

Provisions in the Bye-Laws governing the appropriation of profit

The provisions in the Bye-Laws governing the appropriation of profit read as follows:

Dividends and other payments

1. Dividends and Distributions. Subject to these Bye-Laws, the Board may from time to time declare dividends or distributions out of contributed surplus to be paid to the Shareholders according to their rights and interests, including such interim dividends as appear to the Board to be justified by the position of the Company. The Board, in its discretion, may determine that any dividend shall be paid in cash or shall be satisfied, subject to Bye -Laws 5.2, 35.1 and 35.2, in paying up in full shares in the Company to be issued to the Shareholders credited as fully paid or partly paid or partly in one way and partly the other. The Board may also pay any fixed cash dividend which is payable on any shares of the Company half yearly or on such other dates, whenever the position of the Company, in the opinion of the Board, justifies such payment. In making any determination regarding the declaration of a dividend or distribution out of contributed surplus, the Board must, in addition to any other obligations or duties under the Companies Acts or these Bye-Laws, consider the Stakeholder Interests.

2. Implementation. Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide: (a) all dividends or distributions out of contributed surplus may be declared and paid according to the amounts paid up on the shares in respect of which the dividend or distribution is paid, and an amount paid up on a share in advance of calls may be treated for the purpose of this Bye-Law as paid-up on the share; (b) dividends or distributions out of contributed surplus may be apportioned and paid pro rata according to the amounts paid-up on the shares during any portion or portions of the period in respect of which the dividend or distribution is paid.

3. Deductions. The Board may deduct from any dividend, distribution or other monies payable to a Shareholder by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.

4. No Interest. No dividend, distribution or other monies payable by the Company on or in respect of any share shall bear interest against the Company.

5. Method of Payment. (a) Subject to Bye-Law 33.5(b), any dividend, distribution or interest, or part thereof payable in cash, or any other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post or by courier addressed to the holder at their address in the Register or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at their registered address as appearing in the Register or addressed to such person at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first in the Register in respect of such shares, and shall be sent at their or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two (2) or more joint holders may give effectual receipts for any dividends, distributions or other monies payable or property distributable in respect of the shares held by such joint holders. (b) All dividends, distributions or interests in respect of shares held by a securities depository, including Euroclear Nederland, shall be paid by placing those dividends, distributions or interest at the disposal of such securities depository, subject to and in compliance with the regulations of such securities depository.

6. Unclaimed Amounts. Any dividend or distribution out of contributed surplus unclaimed for a period of five (5) years from the date of declaration of such dividend or distribution shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, distribution, interest or other sum payable on or in respect of the share into a separate account shall not constitute the Company a trustee in respect thereof.

7. In-Kind Satisfaction. The Board may also, in addition to its other powers, direct payment or satisfaction of any dividend or distribution out of contributed surplus wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and where any difficulty arises in regard to such distribution or dividend, the Board may settle it as it thinks expedient, and in particular, may authorize any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution or dividend purposes of any such specific assets and may determine that cash payments shall be made to any Shareholders upon the footing of the values so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board, provided that such dividend or distribution may not be satisfied by the distribution of any partly paid shares or debentures of any company without the sanction of a Resolution.

Reserves

8. Reserves. The Board may before declaring any dividend or distribution out of contributed surplus, set aside such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose of the Company and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any sums which it may think it prudent not to distribute.

Capitalization of profits

9. Capitalization. The Board may from time to time resolve to capitalize all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account and accordingly that such amount be set free for distribution amongst the shareholders or any class of shareholders who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up amounts for the time being unpaid on any shares in the Company held by such Shareholders respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid amongst such Shareholders, or partly in one way and partly in the other, provided that for the purpose of this Bye-Law, a share premium account may be applied only in paying up of unissued shares to be issued to such Shareholders credited as fully paid.

Glossary

AGM	Annual General Meeting of shareholders
AFM	The Dutch Authority for the Financial Markets
AML	Anti-Money Laundering
AMX	Amsterdam Midcap Index
AP	Authorized Participant
APAC	Asia Pacific
APM	Alternative Performance Metrics
APT	Dutch Association of Proprietary Traders
AuM	Asset Under Management
AuM CAGR	Asset Under Management Compound Annual Growth Rate
CapEx	Capital expenditure
CCA	Climate Change Adaptation
CCM	Climate Change Mitigation
CEO	Chief Executive Officer
CFO	Chief Finance Officer
CID	Counterparty Identification Procedures
CRD IV	EU Capital Requirements Directive (2013/36/EU)
CRR	EU Capital Requirements Regulation (575/2013)
CSDD	Corporate Sustainability Due Diligence Directive
CSDR	Corporate Sustainability Reporting Directive
CTO	Chief Technology Officer
CTrO	Chief Trading Officer
DLOM	Discount for lack of marketability
DNB	Dutch Central Bank
DNSH	Do no significant harm
DMA	Double materiality assessment
EBITDA	Earnings before interest tax deprecation & amortization
EMEA	Europe, Middle East, and Africa
EPS	Earnings per share
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
ETF	Exchange-Traded Funds
ETP	Exchange traded product
EY	EY Accountants B.V.
General	Annual General Meeting of Shareholders

FCIP	Flow Cash Incentive Plan
FIA EPTA	FIA European Principal Traders Association
FIA PTG	FIA Principal Traders Group
FICC	Fixed income, currency and commodities
FLIP	Flow Loyalty Incentive Plan
FSI	Fast Semi-Iterative schemes
FTE	Full-time equivalent
FWD	Forward
FVPL	Fair value through Profit or Loss
FVOCI	Fair value through Other Comprehensive Income
FX	Foreign currency
GAAP	Generally accepted accounting principles
GHG	Greenhouse gas
IA	Internal audit function
IFD	Directive (EU) 2019/2034 on the prudential supervision of investment
IFR	Regulation (EU) 2019/2033 on the prudential requirements of
IFRS	International Financial Reporting Standards
IR	Investor Relations
KPI	Key Performance Index
KYC	Know Your Client
kWh	Kilowatt hour
L&D	Learning and Development
MiFID II	Markets in Financial Instruments Directive (Directive 2014/65/EU; as
MWh	Megawatt hour
NDF	Non-Deliverable Forward
NTI	Net trading income
NTI CAGR	Net Trading Income Compound Annual Growth Rate
OECD	Organization for Economic Cooperation and Development
OTC	Over the counter
QFII	Qualified Foreign Institutional Investor China
RMF	Risk Management Framework
ROE	Net profit divided by average end of period equity
RSA	Risk (self-) assessments
SDG	Sustainable Development Goals
VWAP	Volume weighted average price

Colophon

Flow Traders B.V.
Jacob Bontiusplaats 9
1018 LL Amsterdam
The Netherlands
www.flowtraders.com

Flow Traders Ltd.
Canon's Court
22 Victoria Street
PO Box HM 179
Hamilton HM EX
Bermuda
www.flowtraders.com

This document contains "forward-looking statements" that relate to without limitation, our plans, objectives, strategies, anticipated developments in the industry in which we operate, and future operational performance. These forward-looking statements are often identified by terms such as "anticipate," "estimate," "believe," "intend," "plan," "predict," "may," "will," "would," "should," "continue," "expect," and similar expressions, though not exclusively. Such forward-looking statements are to involve known and unknown risks, uncertainties, and other important factors that could cause circumstances or actual outcomes, results, performance, or achievements to differ materially from any future circumstances, results, performance or achievements expressed or implied. Key factors that may affect these forward-looking statements include, but are not limited to: reduced levels of overall trading volumes and lower margins; dependence on prime brokers, ETP issuers, trading counterparties, central counterparties (CCPs), and custodians; potential loss of access to important exchange or other trading venues; occurrence of systemic market events; incurrence of trading losses; disruptions or failures of our trading platform or third-party technical infrastructure; operational risks and challenges inherent to our business and trading activities; ineffective risk management systems processes and strategies; intense industry competition; reliance on continuous access to liquidity sources; capacity constraints in computer and communication systems; dependence on third-party software, infrastructure, or software availability; damage to our reputation and the reputation of our industry; loss of key staff or failure to attract and loss of key personnel or challenges in attracting and retaining skilled professionals; changes to applicable regulatory requirements; compliance with applicable laws and regulations specific to our industry; and enhanced media and regulatory scrutiny affecting public perception among other risks. These forward-looking statements are based on assumptions, beliefs, and expectations derived from our industry experience, as well as our perceptions of historical trends, current conditions, expected future developments, and other factors we deem appropriate. Furthermore, any sustainability-related statements—pertaining to environmental, social, and governance (ESG) considerations—are based on the best evidence and information available to us at the time of this report. These statements, including those regarding future opportunities or risks, are inherently uncertain and subject to change as our understanding of ESG factors evolves. From a quantitative perspective, some of our sustainability metrics, such as emissions calculations, rely on estimates and external sources, including conversion factors. These estimates are based on current methodologies and sources, which may vary, leading to potential adjustments in reported figures over time. As such, the figures presented in this report should be understood as estimates that could change depending on the data sources or methods employed. While we believe the expectations reflected in the forward-looking and sustainability statements are reasonable as of the date they are made, we cannot guarantee their accuracy. Therefore, you are cautioned not to place undue reliance on these statements. Except as required by applicable law or stock exchange regulations, we do not undertake any obligation to update or revise any forward-looking statements or sustainability metrics, whether as a result of new information, future events, or otherwise. Any forward-looking statements should not be interpreted as guarantees of future performance or outcomes. If the risks or uncertainties materialize, or if the assumptions underlying our forward -looking statements prove inaccurate, our actual operational results, financial condition or sustainability outcomes could differ significantly from those anticipated, believed, estimated or expected. Statements regarding the market, industry trends, including the FX market, developments in ETP Assets under Management in specific markets, ETP value traded in certain markets and Flow Traders' competitive position, are based on external data and sources. As these sources and methodologies evolve, so too may the information we present.

FLOW TRADERS