admirals

2024 Annual Report

Admiral Markets AS

(Translation of the Estonian original)

Admiral Markets AS

Annual Report 2024

Commercial Registry no.	10932555
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Main area of activity	Investment services
Activity license no	4.1-1/46
Beginning and end date of financial year	01. January - 31. December
Chairman of the Management Board	Eduard Kelvet
Members of the Management Board	Andrey Koks Aleksandr Ljubovski
Chairman of the Supervisory Board	Alexander Tsikhilov
Members of the Supervisory Board	Anton Tikhomirov Anatolie Mihalcenco Dmitri Lauš
Auditor	Ernst & Young Baltic AS

Translation of the company's annual report in pdf-format without European Single Electronic Format (ESEF) markups. The original document is submitted in machine-readable .xhtml format to the Nasdaq Tallinn Stock Exchange and digitally signed.
Link: https://nasdaqbaltic.com/statistics/en/instrument/EE3300111251/reports

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Highlights 2024

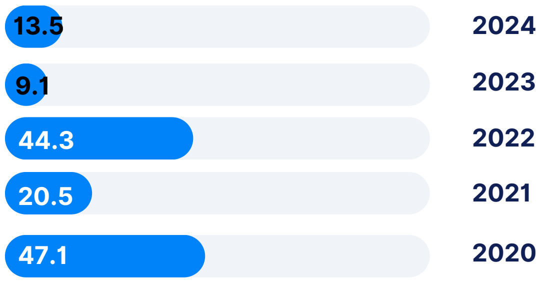
- Company net trading income was EUR 13.5 million (2023: EUR 9.1 million, 2022: EUR 44.3 million and 2021: EUR 20.5 million)
- EBITDA* was EUR 1.1 million (2023: EUR -6.9 million, 2022: EUR 25.9 million and 2021: EUR 2.5 million)
- EBITDA margin was 8% (2023: -76%, 2022: 59% and 2021: 12%)
- Net profit (loss) was EUR 0.4 million (2023: EUR -8.2 million, 2022: EUR 24.8 million and 2021: EUR 0.9 million)
- Net profit margin was 2.6% (2023: -90%, 2022: 56% and 2021: 4%)
- Cost to income ratio was 102% (2023: 203%, 2022: 48% and 2021: 109%)
- Number of active clients** in the Admirals Group (hereinafter "the Group") went down by 52% to 43,332 clients compared to 2023 and is down by 22% compared to 2022 (2023: 89,764, 2022: 55,242 and 2021: 49,080).
- Number of active accounts*** in the Group went down by 43% to 63,249 clients compared to 2023 and is down by 10% compared to 2022 (2023: 110,471, 2022: 70,346 and 2021: 63,231).
- Number of new applications in the Group went down by 64% to 95,782 applications compared to 2023 and is down by 37% compared to 2022 (2023: 266,779, 2022: 151,116 and 2021: 123,714 new applications).

*Earnings before interest, taxes, depreciation and amortization.

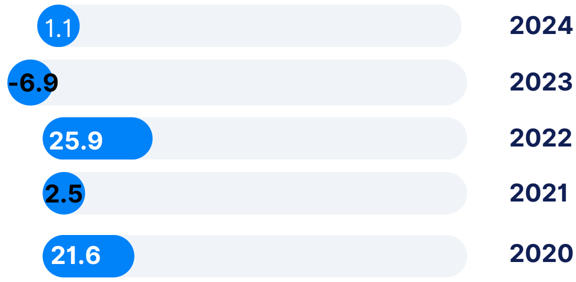
**Active clients represent clients who traded at least once in the respective of year.

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

Net trading income 13.5 EUR million

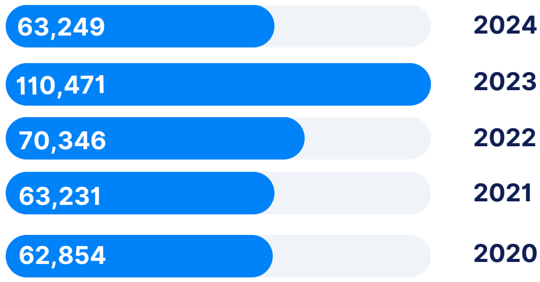


EBITDA* EUR 1.1 EUR million

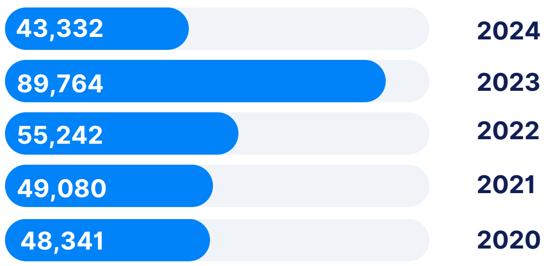


Net profit (loss) 0.4 EUR million

Active accounts*** 63,249 in the Group

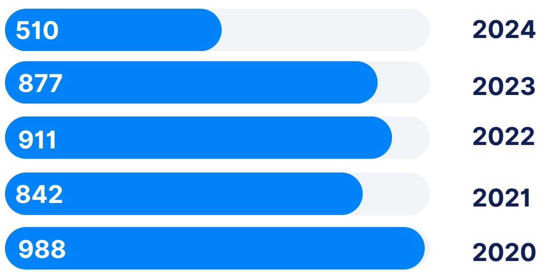


Active clients** 43,332 in the Group

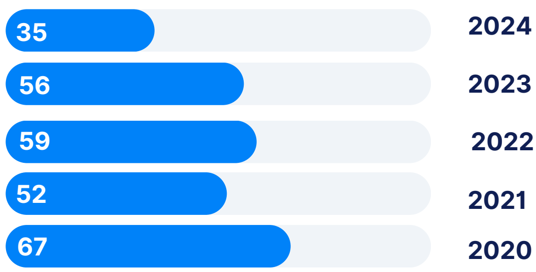


Client assets EUR 91.3 million in the Group

Value of trades EUR 510 billion in the Group



Number of trades 35 million in the Group



Management report

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

Our company

Admiral Markets AS was founded in 2003. In 2009, the Estonian Financial Supervisory Authority granted Admiral Markets AS activity license no. 4.1-1/46 for the provision of investment services. The Company is part of an international group (hereinafter "Group") that operates under a joint trademark – Admirals.

Admirals Group AS, the parent company of Admiral Markets AS, owns 100% of the shares of Admiral Markets AS. The main activity of Admiral Markets AS is the provision of trading and investment services (mainly leveraged and derivative products) to retail, professional, and institutional clients. Customers are offered leveraged Contracts for Difference (CFD) products in the over-the-counter market, including Forex, Indices, Commodities, Digital currencies, Stocks, and ETFs, as well as listed instruments.

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

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

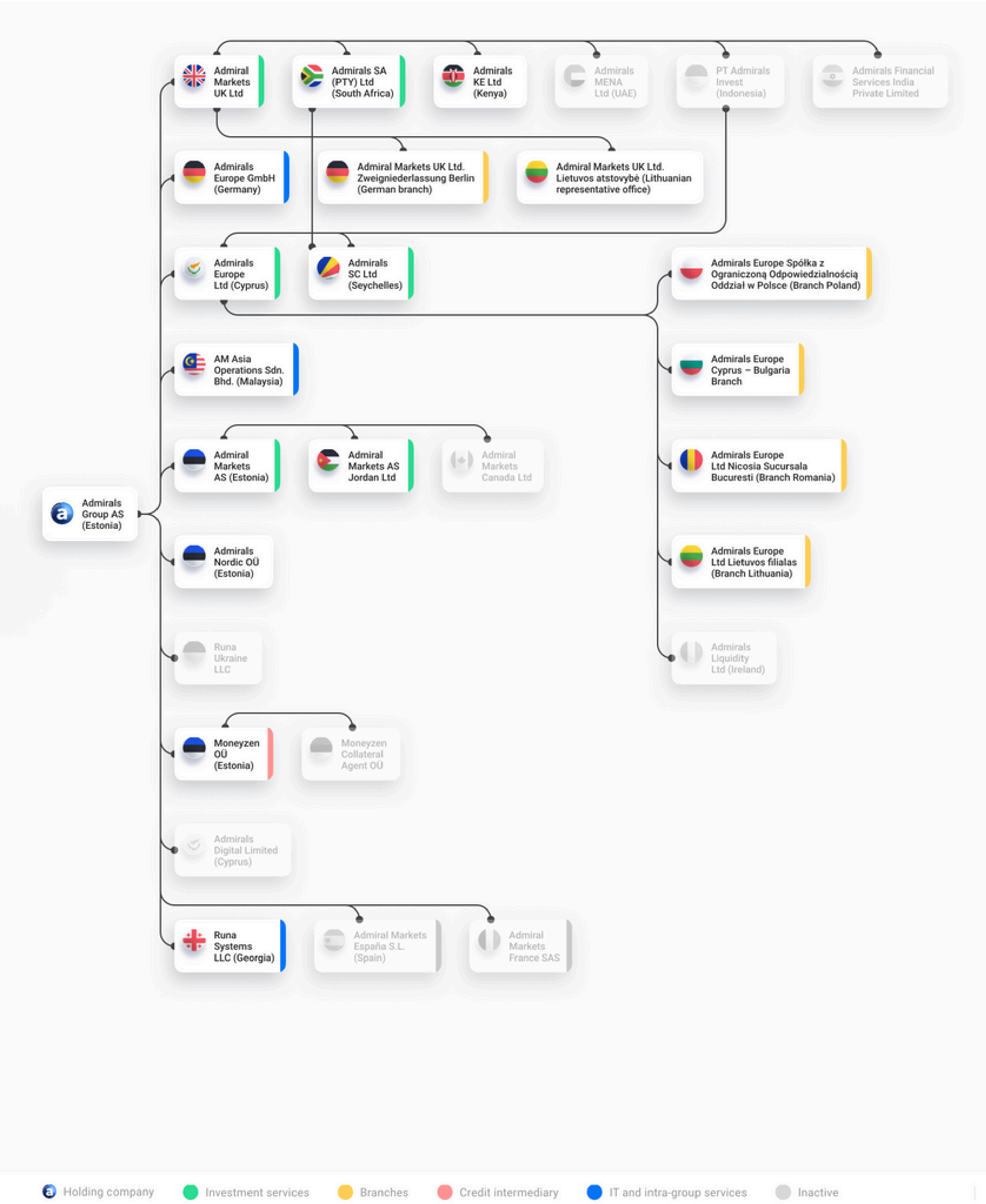
Companies belonging to the Group have nine licenses: from the Estonian Financial Supervisory Authority (EFSA) for Estonia, the Financial Conduct Authority (FCA) for the UK, the Cyprus Securities and Exchange Commission (CySEC) for Cyprus, Jordan Securities Commission (JSC) for Jordan, Financial Sector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

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

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

Admirals Group AS Structure

The structure of Admirals Group AS, the parent company of Admiral Markets AS, as of 31.12.2024:



Togetherness is one of our corporate values and it is the **key** to our **success**.

Target Markets

Within the broader institutional and technological frameworks that shape contemporary financial markets, Admirals presents a vision of individual empowerment based on innovation, education, and dedicated customer support. Our client base is segmented into three distinct groups—Traders, Investors, and Learners—each defined by unique objectives and varying degrees of market engagement.

Traders represent those who actively pursue short-term opportunities through rapid, data-driven decision-making. They rely on sophisticated technical analysis and cutting-edge trading tools to execute strategies swiftly, and Admirals supports them with resilient platforms, real-time market insights, and specialized risk management features.

In contrast, Investors adopt a longer-term, buy-and-hold approach to building wealth. Their strategies are grounded in a belief in the underlying value of assets such as stocks, bonds, and ETFs. Admirals meets their needs by providing access to direct asset ownership, including fractional share investing and automated investment options. Our streamlined portfolio management resources further assist investors in constructing diversified, long-term strategies.

Learners, whether entering the market for the first time or seeking to deepen their understanding of investment principles, form the third segment. Recognizing that market conventions may be complex for newcomers, Admirals offers a comprehensive suite of educational resources. Structured courses, interactive tools, free demo accounts, and weekly webinars in local languages help build both competence and confidence, enabling a smooth transition to live trading and investing.

Together, these three client groups reinforce our commitment to expanding our reach while nurturing long-term relationships. By emphasizing education, technological advancement, and personalized support, we equip each segment with the tools necessary to achieve their financial objectives responsibly.

Geographical Targeting

In line with our multifaceted client strategy, Admirals has adjusted its geographical focus to align with evolving regulatory requirements and emerging market opportunities. During the reporting period, we voluntarily suspended new onboardings in selected European jurisdictions, working closely with the Cyprus Securities and Exchange Commission (CySec) to meet updated procedural standards. This decision underscores our commitment to regulatory rigor and responsible growth.

Concurrently, our strategic outlook has shifted toward key regions with substantial development potential. We have concentrated our efforts on the United Kingdom, advanced initiatives in the Middle East—particularly through operations in Jordan—and established a solid foundation in Latin America with Chile as a strategic hub. Local partnerships and clearly defined growth roadmaps in these regions enable us to extend our global presence while upholding stringent compliance standards.

By integrating client segmentation with targeted geographical focus, Admirals demonstrates a deliberate approach to delivering accessible, forward-thinking, and ethically sound financial services across diverse markets.

Notably, Admirals Group AS has entered into an agreement to sell its wholly owned subsidiary, Admirals AU PTY Ltd (Australia), a licensed investment company, to a non-related party, as part of the Admirals group's ongoing optimization of its geographic focus. This strategic move underscores Admirals Group AS's commitment to delivering value by concentrating resources in key regions where it sees the strongest potential for growth and operational efficiency.

Products

Admirals has developed an integrated suite of products that directly supports the distinct needs of our client segments. Central to our offering is our advanced trading platform, available in both MetaTrader 4 and MetaTrader 5. This state-of-the-art system delivers real-time market data, advanced charting, and comprehensive analytical tools that empower active Traders to execute their strategies with precision.

Enhancing the standard platform are proprietary add-ons such as the Supreme Edition, Research Terminal, and StereoTrader. These tools provide enriched market analysis, superior charting functionalities, and an intuitive interface for rapid order execution, ensuring that even the most sophisticated trading methodologies are well supported.

For Investors, our product suite extends beyond traditional trading. Our investment accounts offer direct access to underlying assets, including stocks and exchange-traded funds, with the added benefits of fractional share investing and an Auto-Invest function. These features allow investors to build diversified portfolios with lower entry thresholds and implement disciplined, automated strategies. Integrated portfolio management tools further ensure that investors can monitor and manage their holdings efficiently.

Recognizing the importance of education, Admirals also provides comprehensive resources for Learners. Our educational portal offers structured courses and interactive tools that introduce essential market concepts. Free demo accounts enable hands-on practice in a risk-free environment, while weekly webinars hosted in local languages ensure that vital trading and investment insights are accessible to a diverse audience.

Together, these products form a cohesive framework that supports the varied objectives of our client segments, enabling us to deliver innovative, reliable, and user-friendly financial solutions.

Channels

B2C Channels

Admirals' B2C channel strategy is central to engaging and supporting our diverse client base. Our multi-channel approach leverages our website, mobile applications, social media marketing, search engine optimization, and pay-per-click campaigns to provide seamless access to our services at every stage of the client journey.

Our website is the primary hub of information and engagement. It is designed to offer a clear and intuitive interface that serves the needs of active Traders seeking real-time data, Investors in search of comprehensive asset insights, and Learners looking for educational content. The platform effectively showcases our advanced trading systems and product offerings while delivering tailored content for each client group.

Mobile applications extend our reach by providing full functionality on the go. These apps are optimized for real-time trading alerts, portfolio management, and access to educational resources, ensuring that our clients remain connected regardless of their location.

Social media channels, including Facebook, LinkedIn, Twitter, and Instagram, further amplify our brand's presence. In addition to delivering curated content and engaging market updates, we are creating country-based communities through Discord. These dedicated communities foster local interaction and provide a platform for sharing insights, discussing market trends, and building a sense of camaraderie among traders, investors, and learners.

Pay-per-click campaigns complement our SEO efforts by targeting specific client segments with tailored messaging. These campaigns are designed to reach individuals at critical decision-making moments, driving engagement with offers that speak directly to the needs of traders, investors, or learners. By leveraging data-driven insights, our PPC initiatives maximize visibility and deliver measurable results, ensuring that Admirals continues to attract a high-quality, engaged audience across all client segments.

B2B Channels

Our B2B strategy is equally critical to extending our market reach and strengthening our service offerings through strategic partnerships. The Admirals partner network is designed to expand our brand presence in new markets and segments through collaboration with industry-related websites, such as broker comparison platforms and partners offering proprietary trading tools.

Our partnership model varies by region. Within the EU, Admirals operates exclusively through marketing contracts. These agreements compensate partners based solely on the traffic directed to our platform, without any link to client activity within our system. This ensures compliance with regulatory frameworks while maintaining a transparent and ethical approach to partnerships. In non-EU markets, our partnership model is built on clear performance metrics. This performance-based approach ensures that our partners are motivated to deliver high-quality referrals and contribute actively to our client acquisition objectives.

By combining up-to-date technology with strategic collaborations, Admirals enhances its market penetration while upholding high service standards.

Together, our B2C and B2B channels form an integrated ecosystem that reinforces our commitment to excellence. By providing seamless, responsive access to our products and maintaining strong, strategic partnerships, Admirals continues to empower clients and drive sustainable growth across global markets.

Environmental, Social and Governance

Our commitment towards humanity & environment

We continue to position ourselves as leaders when fulfilling our commitment to Environmental, Social, and corporate Governance principles as stated in our overall business model.

Environmental, Social, and Governance (ESG) criteria are a set of **standards** for a company's operations that socially conscious investors use to screen potential investments.

- **Environmental criteria consider** how a company performs as a steward of nature.
- **Social criteria examine** how it manages relationships with employees, suppliers, customers, and the communities where it operates.
- **Governance** deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

As a global player and a Group with presence all over the world, we are witnessing the social, economic, and environmental changes around us every day. We believe that we can change the world – but only together. This is the mantra we follow when we consider our sustainability and ESG efforts.

Our initiatives

Environmental

“The truth is the natural world is changing, it is the most precious thing we have and we need to defend it”

Sir David Attenborough

While the primary concern in discussions about climate change is human-induced global warming, it's essential to note that natural climate variability can still lead to extreme weather events. In the past year, various regions experienced natural extremes such as intense heatwaves, severe storms, and wildfires. These events, influenced by complex climate systems, highlight the inherent variability in Earth's climate, which is further exacerbated by anthropogenic factors. It underscores the importance of understanding both natural and human-induced elements in the broader context of climate dynamics.

Renewable energy generation, Asia

Social

Our corporate social responsibility program is committed to supporting a range of initiatives focused on education, financial literacy, culture, and sports. For years, we have offered scholarships to outstanding students pursuing IT and economics, and we are dedicated to enhancing financial literacy among children and youth. As part of this commitment, we created the first children's board game, "Compass of Money Wisdom," in Estonia. We also remain the main sponsor of Eesti Kontsert, a prestigious music and event organizer, and support the well-being of wildlife by improving the living conditions for a family of polar bears at the Tallinn Zoo.

Admirals has consistently championed values that foster both personal and societal advancement, embracing principles that inspire, motivate, and unify us both as a community and as individuals.

Governance

The role and makeup of our board of directors, our shareholder rights, and how corporate performance is measured are crucial to our success and overall impact on corporate governance. The rights and responsibilities within our organization are clearly defined. We strongly believe in and act towards maintaining a balance between profiting and stakeholder support. This is the core of true governance within a corporation.

Strategic objectives

Admirals is committed to investing in the future of the company, our teams, and our partners by providing innovative, transparent, and user-centric solutions that align with the diverse needs of our Traders, Investors, and Learners. We believe in cultivating an environment where technology and education work hand in hand, ensuring that each client segment can access global markets responsibly and efficiently. Our approach emphasizes continuous enhancement of our trading platforms and product offerings, from advanced technical tools for active Traders to intuitive investment options for long-term Investors, complemented by comprehensive educational resources that empower Learners.

In pursuit of these objectives, we leverage a robust, multi-channel strategy—spanning digital platforms, social media, local-language communities, and strategic partnerships—to broaden our reach and foster meaningful engagement across all markets. We remain vigilant in upholding rigorous compliance standards, reflecting our dedication to accountability and long-term stability. By balancing innovation, operational efficiency, and client-centric development, Admirals aims to sustain a growth trajectory that not only benefits our stakeholders but also contributes to a more inclusive and informed global financial landscape.

Togetherness is one of our corporate values and it is the key to our success.

Trends and the Impact on our Future

Admirals consistently considers potential events, factors, and trends that could impact the business, using this understanding to effectively handle operational risks. Recognized for its excellence and leadership in the market, the Company strives to uphold the utmost standards in premium services, IT infrastructure, and access to financial markets.

Rising inflation rates

Rising inflation rates influence the economy by eroding the purchasing power of consumers, leading to reduced spending and slower economic growth. Businesses face uncertainty and may delay investments, affecting overall economic activity. Central banks may raise interest rates to control inflation, in turn impacting borrowing costs and potentially constraining economic expansion.

Geo-political factors

Such factors may create uncertainty and instability, leading to reduced investment, trade disruptions, and fluctuations in commodity prices. Conflicts, sanctions, trade tensions, and political instability can disrupt global supply chains and impact market confidence, affecting economic growth and financial markets. Additionally, geo-political events may prompt changes in government policies and regulations, further shaping economic conditions.

Technical development

Technology is revolutionizing the FinTech industry by making it more data-driven, accessible, automated, and diverse, while also introducing new challenges and considerations related to risk, ethics, and regulatory frameworks.

AI is transforming the investing world by enabling more accurate and data-driven decision-making through advanced analysis of market trends and patterns. Machine learning algorithms are automating trading strategies, executing trades at high speeds and reacting to market fluctuations faster than human traders. AI-driven robo-advisors are providing personalized investment advice and portfolio management, making investing even more accessible and cost-effective for a broader range of investors.

Competitor actions

The FinTech industry remains dynamic and highly competitive, with companies vying for market share, customer loyalty, and a position at the forefront of financial innovation.

The actions of competitors have an all-time effect on the business and on all the players in the industry. This competition arises from both established financial institutions that are investing in the adoption of new technologies, as well as from numerous startups and tech companies entering the financial space.

Admirals - Your trustful financial partner all the way.

Economic environment

Significant Events

- Disinflation paved the way for monetary easing around the world.
- Major armed conflicts persisted in Ukraine, the Middle East and Sudan.
- Significant advancements continued in Artificial Intelligence (AI), with growing expectations fuelling a tech-led stock market rally in the US.

More than 60 countries held elections throughout the year, perhaps the most notable of which saw Donald Trump return to the White House.

Global Economy

Global economic growth is estimated to have remained flat at 2.7% in 2024 and is forecast to remain at that level again in 2025.

Growth in advanced economies is also estimated to have remained flat at 1.7%, as robust US growth continued to offset weakness elsewhere. In 2025, growth is once again forecast to remain flat, with an anticipated slowdown in the US being balanced by recoveries in Europe and Japan.

Emerging Markets and Developing Economies (EMDEs) are estimated to have grown by 4.1% in 2024, slightly down from the 4.2% achieved the previous year. EMDE growth is forecast to remain flat this year, as a continued slowdown in China is predicted to be made up by growth in other nations.

Global inflation cooled last year and is forecast to continue easing to 4.2% in 2025, down from 5.8%. Further disinflation is likely to facilitate continued monetary easing in 2025, which would be a welcome boost for stagnating economies in the euro area and the United Kingdom.
Although inflation is expected to keep falling towards target levels and economic growth is forecast to remain steady, there remain risks to the global economy. Armed conflicts continue in Ukraine and Sudan, although, at the time of writing, a ceasefire is in place in the Middle East.

Exactly how a trade war would play out is uncertain, but it would almost certainly weigh on the growth of all involved and could unleash a fresh wave of inflationary pressure.

United States

The US economy is estimated to have grown by 2.8% last year, less than the 2.9% it grew in 2023. According to the Blue Chip Survey of around 50 professional economic forecasters, the consensus for growth in 2025 is 2.1%, which would represent a significant slowdown.

However, it is worth noting the wide range of these forecasts – from 1.5% to 2.7% - reflecting uncertainty regarding the direction of the economy in Trump's first year back in the White House.

Trump's stated policy intention of introducing tariffs on his country's largest trading partners would introduce significant downside risk to US growth and upside risk to inflation, which rose to 2.9% in December.

The Federal Reserve reduced interest rates three times in the final four months of 2024, but opted to stay its hand in January amidst the uncertainty.

During the subsequent announcement, Fed Chair Jerome Powell noted: "we do not need to be in a hurry to adjust our policy stance." The decision and his slightly hawkish tone has resulted in diminished expectations for the number of cuts in 2025.

United Kingdom

The UK economy has followed a similar trajectory to that of the euro area over the past couple of years. In 2024, the UK is estimated to have grown by 0.8%, after a much improved start to the year was followed by a stagnant second half.

This year, the consensus amongst selected independent forecasters is that the economy will grow by an improved 1.2%. However, the worse-than-expected end to last year has caused some forecasters to slash their predictions.

In the summer's general election, Sir Kier Starmer's Labour party routed the incumbent Conservatives. The new leadership campaigned on a platform of change and has made growth a key priority for their first term. However, tax hikes targeting businesses announced in the Autumn Budget last year have dented private sector confidence and threaten to stifle growth.

With growth stalling, the Bank of England began the process of monetary easing in 2024, cutting interest rates twice. At its latest meeting in February, the central bank cut rates again by a quarter of a percentage point but warned of higher inflation in the year ahead, which could limit its ability to cuts rates further.

Headline inflation dropped to 2.5% in the 12 months to December 2024, with sticky services inflation also falling to 4.4%. As in the euro area, service inflation has been driven by a tight labour market and sluggish productivity.

China

China's economy is reported to have grown by a better-than-expected 5.0% in 2024, in line with its self-imposed target.

Whilst much of the world is still working to bring down inflation, China continues to face deflationary risk. The Consumer Price Index (CPI) started 2024 in negative territory and has remained low but positive since. In December, annual inflation edged back down to 0.1% and the Producer Price Index (PPI) marked its 27th month in negative territory.

Low inflation is a reflection of the same weak domestic demand which has stifled economic growth. Low consumption, combined with an ongoing property crisis, has resulted in growth becoming largely reliant on a booming export industry, with China reporting a record trade surplus of $992 billion in 2024.

Consequently, the prospect of fresh tariffs from the US come at a bad time. A trade war with its largest single export market on top of continued weak domestic demand could further hinder growth. This scenario would increase the likelihood of Beijing ramping up economic stimulus in 2025.

In a bid to boost frail consumption, the People's Bank of China cut interest rates twice in 2024. Although it went on to hold rates steady in January, further rate cuts are expected this year.

The Euro Area

Growth in the euro area has been underwhelming of late. After recording a meagre 0.3% in 2023, the euro area is estimated to have grown by an improved 0.7% last year and is forecast to grow by 1.0% in 2025.

Two consecutive years of contraction in the region's largest economy, Germany, has undoubtedly weighed on output. However, other economies have fared better.

The region's second largest economy, France, grew by an estimated 1.1% in 2024, although contracted by 0.1% in the fourth quarter. Spain, the fourth largest economy, expanded at an impressive rate of 3.5%.

As the euro area's economy has stagnated, the European Central Bank has begun the process of unwinding restrictive monetary policy, slashing interest rates four times in 2024 and unanimously voting to cut rates once again at its meeting in January.

In January, annual headline inflation edged up to 2.5% whilst services inflation – which has been fuelled by labour shortages and low productivity - dropped slightly but remained sticky at 3.9%.

Whilst the EU escaped the first round of tariffs announced by Donald Trump, he has made a point of singling them out on several occasions, making their eventual introduction seem very likely.

The US accounts for almost 20% of the EU's total exports. Consequently, the prospect of a trade war with the US risks denting growth in the euro area and the wider trading bloc.

Estonia

The Estonian economy is estimated to have shrunk by 1.0% in 2024, its third consecutive year of contraction.
This period of negative economic growth has been largely due to weak demand both domestically and in Estonia's largest trading partners – namely Finland, Sweden and the other Baltic countries. However, the outlook for 2025 is more positive.

After three years of decline, domestic demand is forecast to grow this year. Similarly, exports, which have shrunk over the last two years, are also forecast to return to growth, as demand recovers in the Nordic countries. As a result, Estonian output is forecast to grow by 1.1%.

Whilst inflation has fallen a long way from its peak of 24.8% in 2022, it remains significantly above target levels. Headline inflation was reported at 3.9% in the 12 months to December, with services inflation at 5.1%. Tax increases will add to price pressures in 2025, with inflation forecast to remain above target levels for most of 2025 and 2026.

Financial review

Main financial Indicators of Admiral Markets AS

Income statement (in millions of euros)	2024	2023	Change 2024 vs 2023	2022	2021	2020
Net trading income	13.5	9.1	48%	44.3	20.5	47.1
Total operating expenses	13.7	18.5	-26%	21.3	22.3	26.2
EBITDA	1.1	-6.9	116%	25.9	2.5	21.6
EBIT	-0.9	-8.7	90%	24.2	1.3	20.5
Net profit (loss)	0.4	-8.2	105%	24.8	0.9	20.3
EBITDA margin, %	8%	-76%	84	59%	12%	46%
EBIT margin, %	-7%	-95%	88	55%	-1%	44%
Net profit margin, %	2.6%	-90%	93	56%	4%	43%
Cost to income ratio, %	102%	203%	-101	48%	109%	56%

Business volumes (in millions of euros)	2024	2023	Change 2024 vs 2023	2022	2021	2020
Due from credit institutions and investment companies	33	19.2	72%	33.4	23.0	40.3
Debt securities*	0	3.4	-100%	5.5	7.6	8.7
Shareholders' equity	70.2	69.9	0.4%	80.7	55.9	57.7
Total assets	75	74.9	0.1%	90.0	63.1	71.4
Off-balance sheet assets (client assets)	0.3	0.3	0%	0.5	0.7	3.0
Number of employees	62	76	-21%	92	105	141

*The company has outstanding bonds as disclosed under liabilities in the statement of financial position. Debt securities term in this context refers solely to investment holdings.

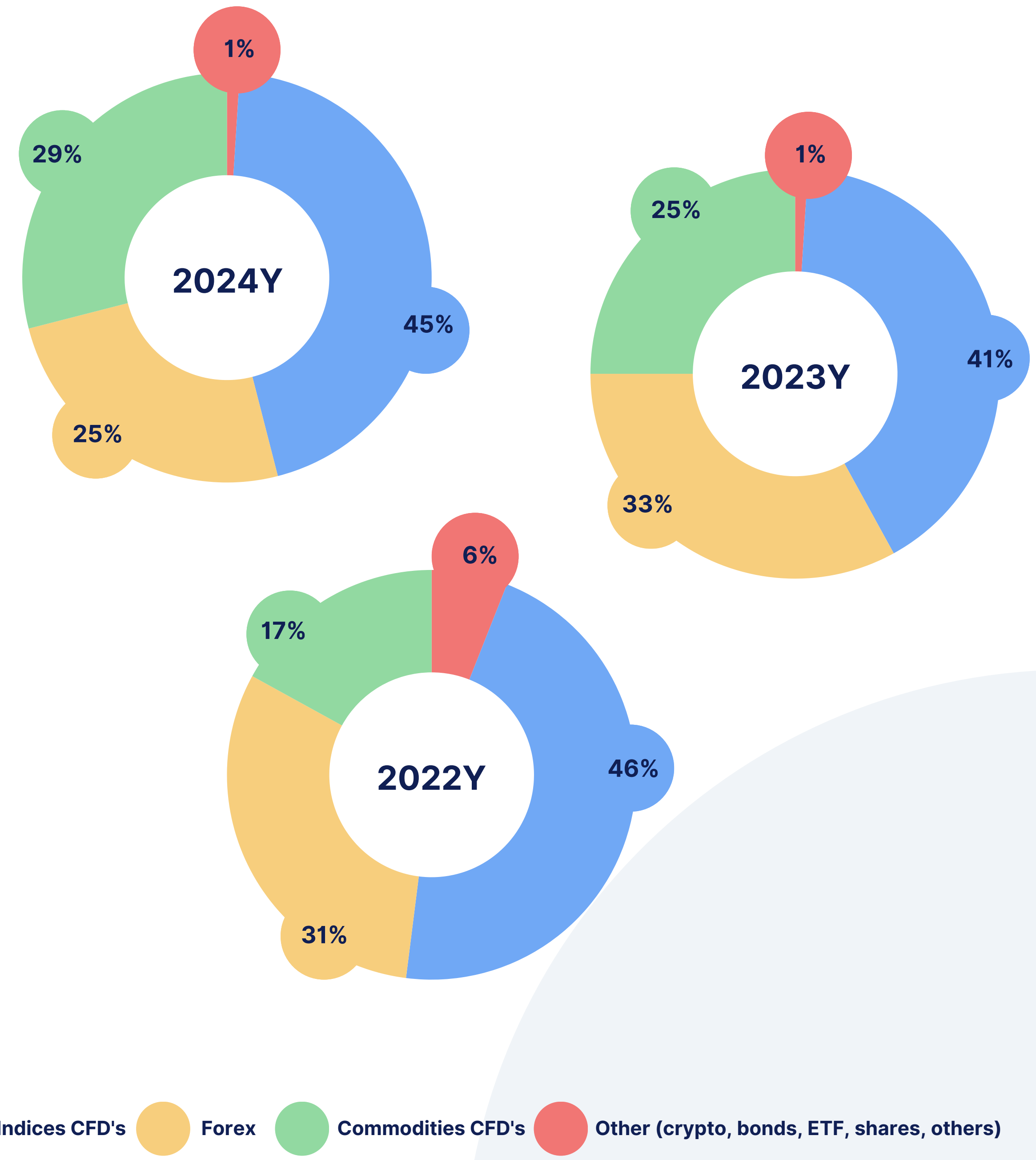
Equations used for the calculation of ratios:

EBITDA margin, % = EBITDA / Net trading income
EBIT margin, % = EBIT / Net trading income
Net profit margin, % = Net profit / Net trading income
Cost to income ratio, % = Operating expenses / Net trading income

Statement of Comprehensive Income

Net Trading Income

The Company earned 13.5 million in revenue during 2024, 48% more compared to 2023.
In 2024 Group's Commodity CFDs products accounted for 29% of total gross trading income, an increase of 4% year-on-year. Indices CFDs accounted for 45% of total gross trading income, an increase of 4% year-on-year. Forex accounted for 25% of total gross trading income, a decrease of 8% year-on-year. Forex decreased mainly due to an increase in commodities and Indices CFDs. The share of other products, such as stocks, ETFs, etc. made 1% of total gross income in 2024.



The Group's business is generally managed on a geographical basis with 4 main geographical segments, based on the location of Admirals offices: EU, UK and Australia & Other.

Gross revenue per geographical region:

	2024	2023	Change 2024 vs 2023	2022
EU	83%	82%	1	87%
UK	3%	4%	-1	3%
Australia	1%	1%	0	1%
Others	13%	13%	0	9%

Admirals has clients from 184 countries. Most EU clients are from Germany, followed by France, Spain, Estonia, Lithuania, Romania, Poland, Bulgaria, the Czech Republic and Austria. German clients generate 19% of total revenue for the Group, clients from France generate 12%, Spanish clients 9%, Estonian and Lithuanian clients 6%, Romanian clients 5%, Poland and Bulgaria 4%, and clients from United Kingdom generate 3% of total revenue for the Group. Most clients from Other geographical region are from Switzerland, Colombia, Brazil and Jordan. Switzerland clients generate 3% of total revenue for the Group, and clients from Colombia, Brazil, Jordan all generate 1% each of total revenue for the Group.

Expenses

The Company's operating expenses decreased by 26% in 2024.

The largest share of total operating expenses (which includes payroll and depreciation expenses) for the Company in 2024 comes from personnel expenses. Personnel expenses decreased by 13% year-on-year and reached EUR 4.0 million by the end of 2024. Personnel expenses account for 29% of total operating expenses.

In 2024 marketing expenses were EUR 1.6 million which is a 75% decrease year-on-year and accounts for 12% of total operating expenses.

IT expenses account for approximately 18% of total operating expenses and reached EUR 2.4 million by the end of 2024. Other larger expense types for the Company are legal and audit services, other outsourced services, VAT, and intra-group expenses.

Operating expenses by largest expense types:

Operating expenses by type (in millions of euros)	2024	2023	Change 2024 vs 2023
Personnel expenses	4.0	4.6	-0.6
Marketing expenses	1.6	6.3	-4.7
IT expenses	2.4	2.9	-0.5
Legal and audit expenses	0.6	0.7	-0.1
VAT expenses	0.3	0.3	0
Amortization and depreciation	2.0	1.7	0.3
Regulative reporting services	0.3	0.3	0
Rent of low-value leases and utility expenses	0.1	0.1	0
Other outsourced services	0	0.1	-0.1
Other inc. intragroup expenses	2.0	1.5	0.5
Total	**13.7**	**18.5**	**-4.8**

The cost-to-income ratio decreased to 102% by the end of 2024 as a result of an increase in company revenue and decrease in company operating costs.

Net Profit (Loss)

EBITDA and net profit (loss) of the Company were EUR 1.1 million and EUR 0.4 million, respectively, by the end of 2024.

The return on equity of the Company was 1% at the end of 2024 (2023: -10.9%).

Net profit (loss) per share of the Company was 0.9 at the end of 2024 (2023: -20.3).

Statement of Financial Position

(in millions of euros)	2024	2023	Change 2024 vs 2023	2022
Due from credit institutions and investment companies	33.0	19.2	72%	33.4
Debt securities	0	3.4	-100%	5.5
Total liabilities	4.7	5.0	-6%	9.3
Shareholders' equity	70.2	69.9	0.4%	80.7
Total assets	75	74.9	0.1%	90.0

Admiral Markets AS has a strong balance sheet, with EUR 70.2 million of shareholders' equity. The Company's balance sheet is liquid as 44% of its total assets consists of liquid assets.

As of 31 December 2024, the assets of the Company totaled EUR 75 million. Ca 44% of assets are balances due from credit institutions and investment companies. Balances due from credit institutions and investment companies have increased 72% in 2024. The debt securities portfolio for 2024 has been reduced to 0 and therefore accounts for 0% of total assets.

The Company's non-current assets totaled EUR 11.6 million. Intangible assets consist mainly of the development costs of Mobile app and other internally developed software.

Admiral Markets AS's long-term debt consists of subordinated debt securities and office lease EUR 6 million and makes up 7% of the balance sheet total. All other liabilities are short-term and are mainly liabilities to trade creditors and related parties, taxes payable and payables to employees.

*The company has outstanding bonds as disclosed under liabilities in the statement of financial position. Debt securities term in this context refers solely to investment holdings.

Key Financial Ratios

	2024	2023	Change 2024 vs 2023	2022
Earnings per Share (EPS), EUR	0.9	-20.3	21.2	61.5
Return on equity, %	1%	-10.9%	11.9	36.4%
Return on assets, %	1%	-9.9%	10.9	32.4%
Short-term liabilities current ratio	34.5	37.0	-2.5	11.9

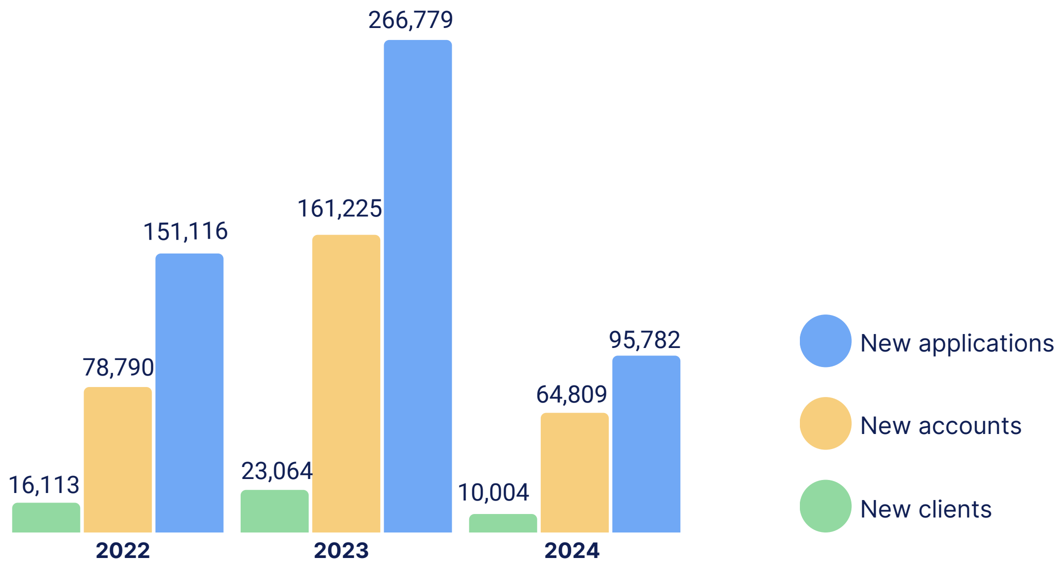
Equations used for the calculation of ratios:

- Earnings per Share (EPS), EUR = Net profit attributable to equity holders of the parent / Weighted average number of ordinary shares outstanding during the period
- Return on equity (ROE), % = net profit / average equity * 100
- Return on assets (ROA), % = net profit / average assets * 100
- Short-term liabilities current ratio = current assets / current liabilities

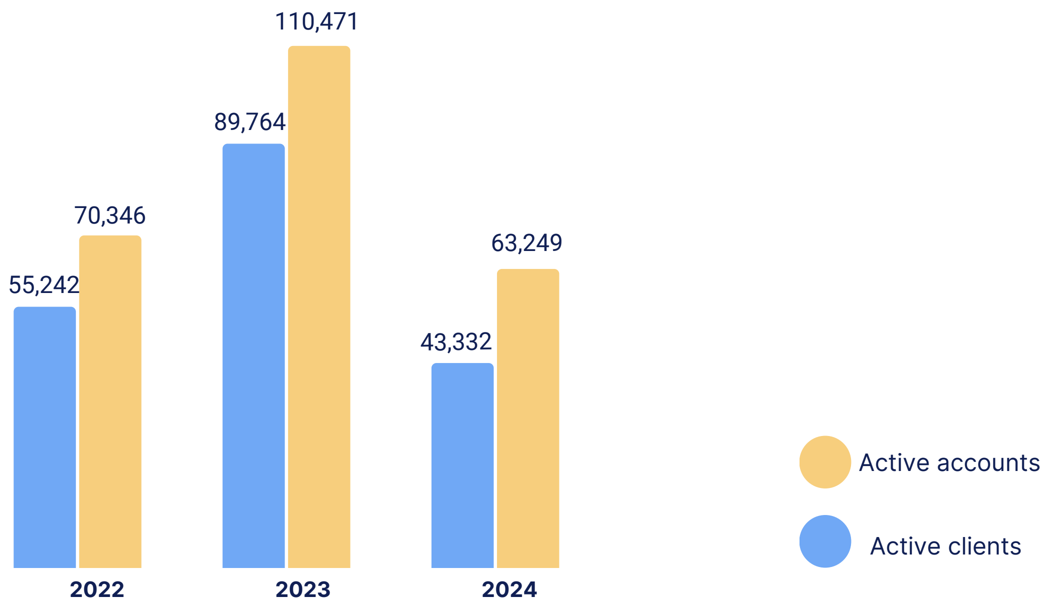
The ratios are calculated as an arithmetic average of closing balance sheet figures from the previous and current reporting period, and the indicators of the income statement are shown as at the end of the reporting period.

Client Trends

The number of new accounts and new applications increased by the end of 2024.



Admirals had a positive tendency of client's activeness. Below are active clients and active accounts who have made at least one trade in the respective year.



	2024	2023	Change 2024 vs 2023	2022
New clients	10,004	23,064	-57%	16,113
Active clients	43,332	89,764	-52%	55,242
New accounts	64,809	161,225	-60%	78,790
Active accounts	63,249	110,471	-43%	70,346
New applications	95,782	266,779	-64%	151,116
Average net trading income per client	885	456	94%	1,249
Average number of trades per client	810	624	30%	1,068

The number of active clients in the Group went down by 52% to 43,332 clients compared to period 2023 and down by 22% compared to same period in 2022. The number of new applications in the Group went down by 64% to 95,782 applications compared to the same period of 2023. The Group's client assets decreased by 8% year-on-year to 91.3 million EUR in 2024.

When new ESMA regulations were established in August 2018, the client categorisation into retail and professional clients came into the foreground. Before this, there was no real benefit for a client to request professional status – the trading offer, conditions and leverage were the same. Since 2018, Admiral Markets eligible clients could apply to be categorised as professional customers if the client meets the requirements of this amendment. This gives clients access to reduced margin requirements (increased leverage) and full access to all existing and prospective bonus programs. With the new EU regulation, professional clients exclusively get access to higher leverage, up to 1:500, while retail clients have access to leverage of up to 1:30 for Forex majors, 1:20 for index CFDs and lower for other instruments.

The Group received 95,782 applications in 2024, out of which circa 48% of applications were accepted.
At the end of 2024, the Group had in total 98% of clients categorized as retail generating ca 86% of total gross trading revenue. And 2% of clients categorized as professional generating ca 14% of total gross trading revenue.

Main consolidated financial indicators of the parent company of Admiral Markets AS, Admirals Group AS

	2024	2023	Change 2024 vs 2023	2022	2021	2020
Income statement						
Net trading income, mln EUR	38.4	40.9	-6%	69.0	35.7	62.2
Total operating expenses, mln EUR	42.4	50.3	-16%	44.7	37.8	40.6
EBITDA, mln EUR	0.9	-6.5	114%	27.4	2.6	23.4
EBIT, mln EUR	-2.5	-9.7	74%	24.5	0.5	21.7
Net profit (-loss), mln EUR	-1.6	-9.7	84%	24.3	0.1	20.7
EBITDA margin, %	2%	-16%	18	40%	7%	38%
EBIT margin, %	-6%	-24%	18	36%	1%	35%
Net profit (-loss) margin, %	-4%	-24%	20	35%	0.4%	33%
Cost to income ratio, %	110%	123%	-13	65%	106%	65%
Business volumes						
Due from credit institutions and investment companies, mln EUR	60.3	60.0	0.5%	72.0	45.7	53.2
Debt securities, mln EUR	0	3.4	-100%	5.5	7.6	8.7
Shareholders' equity, mln EUR	69.3	70.4	-1.6%	82.9	59.3	61.1
Total assets, mln EUR	79.8	82.0	-2.7%	98.2	71.9	75.2
Off-balance sheet assets (client assets), mln EUR	91.3	99.0	-8%	86.0	99.2	82.2
Number of active clients*	43,332	89,764	-52%	55,242	49,080	48,341
Number of active client accounts**	63,249	110,471	-43%	70,346	63,231	62,854
Number of employees	241	290	-19%	294	300	340

Note: The financial indicators presented in this section are based on the consolidated results of Admirals Group AS. These key performance indicators (KPIs) are monitored on a group-wide level and not separately by individual group entities such as Admiral Markets AS. Therefore, the figures reflect the overall performance of the Group.

*Active clients represent clients who have made at least one trade in the last 12 months

**Active accounts represent accounts where at least one trade was made in the last 12 months

Equations used for the calculation of ratios:

EBITDA margin, % = EBITDA / Net trading income

EBIT margin, % = EBIT / Net trading income

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

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

Risk management

Risk management is part of the internal control system of the Admiral Markets AS, and its objective is to identify, assess and monitor all risks associated with Admirals to ensure the credibility, stability and profitability of Admirals.

The Supervisory Board has established risk identification, measurement, reporting and control policies in the risk management policies. Risk control is responsible for daily risk management and is based on three lines of defence. The first line of defence is the business units that are responsible for risk-taking and risk management. The second includes risk control and compliance functions, which are independent of business operations. The third line of defence is the internal audit function.

Because we are exposed to credit and market risk as a result of our retail trading activities, the development and maintenance of robust risk management is a high priority.

We allow our customers to trade notional amounts greater than the funds they have deposited with us through the use of leverage, so credit risk management is a key focus for us. The maximum leverage available to retail traders is typically set by the regulator in each jurisdiction. We manage customer credit risk through a combination of access to trading tools that allow our customers to avoid taking on excessive risk combined with automated processes which close customer positions in accordance with our policies in the event that the funds in customers' accounts are not sufficient to continue to hold those positions. For example, our customer trading platforms provide a real-time margin monitoring tool to enable customers to know when they are approaching their margin limits. If a customer's equity falls below the amount required to support one or more positions, we will automatically liquidate positions to bring the customer's account into margin compliance.

In addition, we also actively monitor and assess various market factors. This includes volatility and liquidity, and we take steps to address identified risks, such as proactively adjusting required customer margin.

The Company's key market risk management objective is to mitigate the impact of risk on the profitability of its operations. The Company´s practice in this area is consistent with the following principles. As part of its internal procedures, the Company applies limits to mitigate market risk connected with the maintenance of open positions on financial instruments. These are, in particular: a maximum open position on a given instrument, currency exposure limits, and the maximum value of a single transaction. The Trading Department monitors open positions subject to limits on a regular basis, and in case of excesses, enters into appropriate hedging transactions. The Risk Control Function reviews the limit usage on a regular basis and controls the hedges that have been entered into.

An internal capital adequacy assessment process (ICAAP), aimed at identifying the possible need for capital in addition to the regulatory capital requirements, is carried out once a year. A detailed overview of risks taken by Admirals is provided in Note 5 of the annual report.

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Governance of Admiral Markets AS

Admiral Markets AS pursues its business activities on the basis of and in compliance with the Company's articles of association, national and European legislation, the instructions and recommendations of the Financial Supervision Authority, Nasdaq Tallinn Rules and Regulations and the rules of good governance practices adopted through the internal rules of Admiral Markets AS.

To manage its activities, Admiral Markets AS mainly uses specialists and experts employed under employment contracts, but it also purchases services from professionals in compliance with the terms and procedures laid down in the legislation, relevant guidelines and established internal procedures on the basis of the decisions made by the Supervisory Board and the Management Board.

Management of Admiral Markets AS takes into account the interests of the whole group of companies united under the Admiral Markets brand and provides an adequate opportunity to customers, investors and other interested parties to obtain an overview of it. Disclosure and governance requirements of Admiral Markets AS must ensure equal treatment of shareholders and investors. Admiral Markets AS adheres to good corporate governance practices, with the exception of the cases outlined in this report.

A trusted past,
an innovative future.

Management of Admiral Markets AS

Currently Admiral Markets AS' sole shareholder is Admirals Group AS, registry code 11838516.
At the time of the preparation of this report the main shareholders of Admirals Group AS (holding over 5% of the voting rights represented by their shares) are:

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

Supervisory Board of Admiral Markets AS

At the time of publication of the annual report, Admiral Markets AS' Supervisory Board is composed of four members:

Alexander Tsikhilov
Chairman of the Supervisory Board

Alexander Tsikhilov founded Admirals in 2001. Alexander has been involved in several commercial projects, including the provision of Internet services. His educational background consists of a Master's Degree, obtained in 2006, and a doctorate in Business Administration from the Swiss Business School in 2015. Alexander holds 5 directorships outside Admirals group (3 of these in non-commercial entities).

Anatolie Mihalcenco
Member of the Supervisory Board

Anatolie Mihalcenco joined Admirals in 2004 as IB (introducing broker) Manager. He obtained a degree from ITMO University in Saint Petersburg. He has been working as a member of the Supervisory Board for Admirals Group AS since 2011, and as its Chairman since 2024. Anatolie holds no directorships outside Admirals group.

Anton Tikhomirov
Member of the Supervisory Board

Anton Tikhomirov has been working in the industry since 1999 and has managerial experience in a financial brokerage. Joined Admirals during the company's merging with the local Russian broker. Has been developing Admirals' business activity in Spain and Latin America. Currently responsible for the supervision of the regional structure as well as research and development of the Group's KPIs and other critical business metrics. Anton holds no directorships outside Admirals group.

Dmitri Lauš
Member of the Supervisory Board

Dmitri Lauš obtained a Master's degree in business administration from IE University (Madrid, Spain). Together with Alexander Tsikhilov, founded the headquarters of Admirals in Estonia. With a background in financial technology, played an integral part in the Group's technological development. Dmitri holds 9 directorships outside Admirals group (2 of these in non-commercial entities).

Management Board of Admiral Markets AS

At the time of publication of the annual report, Admiral Markets AS is being managed by a three-member Management Board:

Eduard Kelvet
Chairman of the Management Board

Eduard Kelvet joined the Management Board in August 2024. Previously he was the Company's Head of Compliance. His roles at MoneyZen OÜ, Citadele Bank, and AS TBB Bank endowed him with expertise in corporate governance, risk management, and regulatory compliance. With a Bachelor's degree in Criminal Law from The Estonian Academy of Security Sciences, he combines legal and financial acumen seamlessly. As the Chairman of the Management Board in Admiral Markets AS, Eduard's areas of responsibility are compliance and enhancing corporate governance, AML, sanctions and tax exchange obligations fulfilment.

Andrey Koks
Member of the Management Board

Andrey Koks joined Admirals in 2020. Andrey obtained a Bachelor's Degree in Information Communication Technology from the Estonian Entrepreneurship University of Applied Sciences. He has a background of over 19 years of experience working in IT, including 6 years on IT managerial positions. Before joining Admirals, held various positions in Symantec, and Kuehne+Nagel and joined the Management Board in 2021. Andrey's areas of responsibility in Admiral Markets AS are Information technology and information security.

Aleksandr Ljubovski
Member of the Management Board

Aleksandr Ljubovski joined Admirals in 2010 and has since held several managerial roles across the company's operations, including leadership in risk and compliance functions, as well as contributions to the product development team. He earned a diploma in Logistics from Tallinn University of Applied Sciences and later completed an Executive MBA at the Estonian Business School. Before his tenure at Admirals, Aleksandr gained experience in the international logistics sector. Aleksandr joined the Management Board of Admiral Markets AS in November 2024. Aleksandr's area of responsibility in Admiral Markets AS is risk management.

Corporate Governance Report

Admiral Markets AS pursues its business activities by complying with the Company's articles of association, national legislation, and the rules of good corporate governance practices. The bonds of Admiral Markets AS are traded on the Nasdaq Tallinn Stock Exchange. In accordance with § 31^2 (1) and (2) of the Accounting Act it is required to include a corporate governance report in the management report, which complies with the requirements of § 24^2 (2) of the same Act. Managing Admiral Markets AS must, in particular, adhere to the interests of Admirals Group AS and provide an adequate opportunity to an expert and interested party to obtain an overview of the management principles.

Sole Shareholder (General Meeting of Shareholders)

Admiral Markets AS' highest governing body is the sole shareholder that carries out its rights according to the procedure and to the extent laid down in the legislation and articles of association of the Company. Within the scope of competence of the sole shareholder are amendment and approval of new articles of association, changing of the amount of share capital, recalling of members of the supervisory board and deciding on merger or restructuring of the company and other matters vested in it by virtue of legislation.

For as long as Admiral Markets AS has only one shareholder, the rules established in good corporate governance for convening the general meeting, information published for shareholders, participation in the general meeting of shareholders, and its conduct shall not be applied.

The Company has "Members of the Management Body Nomination Policy" in place for the process of selection of members of the supervisory and management boards. In addition to position-related professional criteria, when possible and reasonable, the candidates' age group, gender, qualification area and the area of geographical/ethnic origin are also considered in the process of filling a vacancy (e.g. if the board already has member(s) with qualification in the area of economics and management, a candidate with qualification in the area of law is given preference). As the Company's primary goal is the success of the business no specific targets or objectives regarding diversity have been set, the members of the boards are chosen from the best professionals available.

Supervisory Board

The Supervisory Board exercises strategic management and performs the supervisory function. The members of the Supervisory Board are elected by the sole shareholder of Admiral Markets AS. Persons who have sufficient knowledge and experience for participating in the work of the Supervisory Board are elected as members of the Supervisory Board. In electing a member of the Supervisory Board, characteristics of the activities of the Supervisory Board and Admiral Markets AS, potential risk of conflict of interests, and, if necessary and possible, the person's age group, gender and ethnic origin are taken into account, with the goal to enrich and improve the general pool of knowledge and experience among the board members. Not more than two (2) former members of the Management Board who were members of the Management Board of Admiral Markets AS or an entity controlled by Admiral Markets AS less than three (3) years ago shall simultaneously be members of the Supervisory Board.

Supervisory Board of Admiral Markets AS:

- Plans the operations of Admiral Markets AS in collaboration with the Management Board;
- Organises the management of Admiral Markets AS (including participation in making important decisions concerning the operations of Admiral Markets AS);
- Supervises the activities of the Management Board in accordance with the procedures and to the extent established by the legislation, inter alia regularly assesses the Management Board's actions in implementing Admiral Markets AS' strategy, financial condition, risk management system, legality of the activities of the Management Board and whether essential information about Admiral Markets AS is disclosed to the Supervisory Board and to the public as required;
- Determines and regularly reviews Admiral Markets AS' strategy, its general action plan, risk management policies and annual budget.

In addition to the activities prescribed by the law and internal rules of Admiral Markets AS, the Supervisory Board gives its consent to the Management Board in issues that are outside the daily business operations and in issues described in law that require the consent of the Supervisory Board.
In the framework of regular meetings, the Supervisory Board received regular reviews of operational and financial results of Admiral Markets AS.

The Supervisory Board may set up committees. When setting up committees by the Supervisory Board, Admiral Markets AS publishes on its website information about the existence, functions, composition and location of committees in the Admiral Markets AS structure. In case of a change in circumstances related to committees, Admiral Markets AS shall publish the content and time of implementation of the amendment in the same procedure. The Supervisory Board has set up three committees, whose responsibilities and structure are presented below.

As a result of the decisions of Admiral Markets AS sole shareholder the Supervisory Board members of Admiral Markets AS in 2024 were, and at the time of publication of the report, are:

- Alexander Tsikhilov, term of office 10.06.2027;
- Anatolie Mihalcenco, term of office 21.05.2026;
- Anton Tikhomirov, term of office 13.05.2027.
- Dmitri Lauš, term of office 01.07.2026

Remuneration Committee

- Evaluates the implementation of the remuneration principles (including the reward system) in Admiral Markets AS and companies that belong to the same consolidation group;
- Evaluates the impact of the remuneration-related resolutions on compliance with the requirements laid down about risk management and prudential requirements;
- Exercises supervision of the remuneration (including rewarding) of members of the Management Board and employees of Admiral Markets AS and of companies that belong to the same consolidation group as Admiral Markets AS, and evaluates, at least once a year, the implementation of the remuneration principles and, where necessary, makes a proposal updating the remuneration principles and prepares draft remuneration resolutions for the Supervisory Board (concerning the remuneration of members of the Management Board) and the chairperson of the Management Board (concerning the remuneration of employees), respectively.

The members of the Remuneration Committee are Anatolie Mihalcenco and Anton Tikhomirov, who are members of the Supervisory Board of Admiral Markets AS. The Members of the Committee receive no fee for membership in the committee. The committee has meetings at least quarterly. In 2024 the Committee submitted reviews to the Supervisory Board on the functioning of the principles of remuneration, made proposals regarding the remuneration of employees, reviewed the "Remuneration Policy" and submitted updated versions for adoption to the Supervisory Board.

According to the Company's "Remuneration Policy", a fixed monthly salary is set on an individual basis regarding the level of market salary applicable to the relevant position. Relevant professional experience, organizational responsibilities, as set out in the relevant job description, and individual performance are taken into consideration. Fixed monthly salary forms a sufficiently fair amount (based on the market salary) to allow to not pay out bonuses or any performance payment. The proportion of the fixed monthly salary and performance payment is in reasonable correspondence to the duties of the employee and the performance payment (if such is set) may not exceed the fixed monthly salary. The Company has the general rule that performance payment (if it is paid) may never exceed the fixed monthly salary.

Risk and Audit Committee:

- Evaluates the implementation of the risk management principles in Admiral Markets AS and in companies that belong to the same consolidation group, following the risk management principles of Admiral Markets AS and applicable legislation;
- Upon occurrence of unexpected events that may have a significant impact on Admiral Markets AS and/or on a company that belongs to the same consolidation group, ensures the implementation of the procedure that guarantees the continuity of activities and, where necessary, develops without delay, a more detailed or additional action plan in order to prevent or at least minimise an adverse impact on Admiral Markets AS and on companies that belong to the same consolidation group;
- Evaluates, at least once a year, the implementation of the risk management principles and the principles of ensuring the continuity of activities and makes proposals, where necessary, for updating these principles and prepares, where necessary, proposals for amendment;
- Advises the Supervisory Board on exercising supervision of accounting, auditing and internal control, establishment of the budget as well as lawfulness of activities;
- Monitors and analyses processing financial information to the extent that is necessary for preparing interim and annual reports, efficiency of risk management and internal control, the process of auditing annual accounts or a consolidated report and independence of an audit firm and a sworn auditor that represents it on the basis of law as well as the compliance of their activities with the requirements of the Auditors Activities Act;
- Presents proposals and recommendations to the Supervisory Board for appointing or recalling an audit firm, appointing or recalling an internal auditor, preventing or removing problems and inefficiency in the organisation and for compliance with legislation and good professional practice.

The members of the Risk and Audit Committee are Anatolie Mihalcenco and Anton Tikhomirov, who are members of the Supervisory Board of Admiral Markets AS, and Olga Senjuškina, who was appointed to the committee in 2020 with a decision of the Supervisory Board of Admiral Markets AS. Members of the Risk and Audit Committee receive no fee for membership in the committee. The committee has meetings at least quarterly. In 2024 the Committee has approved the internal audit work plans and the results of the conducted internal audits, reviewed the Internal Auditing Policy (as part of its regular annual review).

Nomination Committee:

- Approves the results of the annual suitability assessment of the Management and Supervisory Board members;
- Makes proposals for the appointment of the member(s) of the respective managing body after assessment of their suitability according to the legislation and the internal procedures of Admiral Markets AS;
- Reviews annually the internal regulation “Members of the Management Body Nomination Policy” and submits its updated versions to the Supervisory Board for adoption.

The members of the Nomination Committee are Anatolie Mihalcenco and Anton Tikhomirov, who are both members of the Supervisory Board of Admiral Markets AS. The members of the Nomination Committee receive no fee for membership in the committee. The committee has meetings at least quarterly. In 2024 the Committee has approved the results of the annual suitability assessment of the Management and Supervisory Board members, and reviewed the internal regulation “Members of the Management Body Nomination Policy” (as part of its regular annual review)..

Management Board

The Management Board coordinates day-to day operations of the company according to the legislation, articles of association and decisions of the Supervisory Board, acting in the most economical manner to adhere to Admiral Markets AS’ and its clients’ best interests.

Members of the Management Board are elected by the Supervisory Board. The Management Board of Admiral Markets AS must have at least two members. Members of the Management Board of Admiral Markets AS must meet, inter alia, the following requirements:

- Must have a university degree or equivalent education and experience necessary for managing an investment company;
- May not be at the same time a member of the Management Board of more than two (2) entities whose securities are listed on the stock exchange (the issuer), or Chairman of the Supervisory Board of another issuer. A Member of the Management Board may be Chairman of the Supervisory Board of the issuer that belongs to the same group as Admiral Markets AS.

The members of the Management Board of the Company in 2024 were:
- Eduard Kelvet, term of office 21.08.2027
- Aleksandr Ljubovski, term of office 01.11.2027
- Andrey Koks, term of office 03.08.2027
- Sergei Bogatenkov, term of office 09.09.2024

Remuneration of the Management Board and the Supervisory Board

Remuneration of the members of the Management Board and the Supervisory Board, including the reward system, must be such that it motivates the person to act in the best interests of Admiral Markets AS and refrain from acting in his or her own or another person’s interest.

Admiral Markets AS does not disclose remuneration of individual members of the Management Board and Supervisory Board, since according to the contract concluded with them, it is confidential information.

The total management remuneration is disclosed as an aggregate amount and set out in the annual report.

Financial Reporting and Auditing

Admiral Markets AS prepares and publishes the annual report of the financial year on its website each year. The annual report is subject to an audit.

Considering the proposals of the Management Board and the auditor's consent, under the resolution of the sole shareholder of Admiral Markets AS of 22.08.2024, Admiral Markets AS' auditor for the 2024 and 2025 annual reports is Ernst & Young Baltic AS, registry code 10877299. The fee paid to the auditor is disclosed under operating expenses (note 25).

During 2024, the Company's auditor has provided other assurance and advisory services permitted in accordance with the Auditors Activities Act in force in the Republic of Estonia.

Appointment of an Auditor

In choosing the auditing company, Admirals Markets AS asked four biggest and quality markets leader auditing companies to submit their offers.

Ernst & Young Baltic AS was chosen by way of tender because they have a long and profound knowledge and expertise in the area. They are service partners to more than 500 clients in Estonia, including leading domestic and multinational companies and public services institutions. While they have acquired good experience from all industries represented in Estonia, they have built particularly strong expertise in areas such as banking, insurance, wholesale trade, consumer goods, forestry, real estate, energy, telecommunications and infrastructure. These were the main arguments to choose them as our auditing company.

During 2024, the Company's auditor has provided other assurance services, the provision of which is the obligation arising from the Securities Market Act.

Dividend policy

- Dividend distribution to the shareholders of the company is recognised as a liability in the financial statements from the moment the dividend payout is confirmed by the shareholders of the company.

- Principles of payment of dividends:
  - The most important prerequisite for payment of a dividend is the capital-related external and internal regulatory standards, which must be sustainably met.
  - In the case of growth and investment plans, the Company may withhold from payment of dividends.
  - The Company will pay up to 30% of pre-tax profits as dividends when preconditions are met (based on the Dividend Policy of Admirals Group AS). This dividend tax includes income tax paid on dividends.

Disclosure of Information

Admiral Markets AS has a website which includes a specially developed subsite for investors https://www.admirals.group/. This website is available in both Estonian and English languages. This website contains annual reports (including Corporate Governance Report), interim reports, articles of association, composition of the Management Board and Supervisory Board and the information about the auditor. Since 2016, the annual reports are also available in English.

Admiral Markets AS neither discloses information disclosed to financial analysts or other persons, nor times and locations for meeting analysts, investors and the press, as these are not necessary considering the current activities of Admiral Markets AS and high awareness of its parent company, the sole shareholder Admirals Group AS. Admiral Markets AS has published a financial calendar and it can be seen also on the Company's web page.

Financial Statements

This chapter outlines the assets, liabilities, equity, income and cash flow of the Company for the 2024 fiscal year, in comparison to 2023.

Statement of Financial Position

(in thousands of euros)	Note	31.12.2024	31.12.2023
Assets			
Due from credit institutions	7	19,381	10,175
Due from investment companies	7	13,362	9,014
Financial assets at fair value through profit or loss	8	1,602	6,353
Loans and receivables	9	29,231	37,274
Inventories		665	311
Other assets	10	650	970
Investment into subsidiaries	28	4,180	4,180
Tangible fixed assets	11	1,041	1,494
Right-of-use asset	11	1,757	2,221
Intangible fixed assets	12	2,821	2,943
Total assets		**74,690**	**74,935**
Liabilities			
Financial liabilities at fair value through profit or loss	8	333	217
Liabilities and prepayments	13	744	980
Subordinated debt securities	16	1,347	1,353
Lease liabilities	15	2,025	2,499
Total liabilities		**4,449**	**5,049**
Equity			
Share capital	19	2,586	2,586
Statutory reserve capital		259	259
Retained earnings		67,396	67,041
Total equity		**70,241**	**69,886**
Total liabilities and equity		**74,690**	**74,935**

Notes on pages 48 to 108 are an integral part of the Financial Statements.

Statement of Comprehensive Income

(in thousands of euros)	Note	2024	2023
Net gains from trading of financial assets at fair value through profit or loss with clients and liquidity providers		37,435	41,777
Brokerage and commission fee revenue		1,062	1,668
Brokerage and commission fee expense		-25,451	-34,656
Other trading activity related income		418	339
Net income from trading	**21**	**13,464**	**9,128**
Other income similar to interest		85	172
Interest income calculated using the effective interest method		1,366	1,044
Interest expense		-155	-184
Other income		433	877
Other expense		0	10
Net gains on exchange rate changes		198	-214
Net loss from financial assets at fair value through profit or loss		-1,358	61
Personnel expenses	23	-4,019	-4,634
Operating expenses	24	-7,642	-12,168
Depreciation of tangible and intangible assets	11,12	-1,532	-1,259
Depreciation of right-of-use assets	11	-485	-484
(Loss) / Profit before income tax		**355**	**-7,651**
Income tax	17	0	-535
Net (loss) / profit for the reporting period		**355**	**-8,186**
Other comprehensive income for the reporting period		0	0
Comprehensive income for the reporting period		**355**	**-8,186**
Basic and diluted earnings per share	19	0.88	-20.26

Notes on pages 48 to 108 are an integral part of the Financial Statements.

Statement of Cash Flows

(in thousands of euros)	Note	2024	2023
Cash flow from operating activities			
Net profit / (loss) for the reporting period		355	-8,186
Adjustments for non-cash income or expenses:			
Depreciation of tangible, intangible and right of use assets	11,12	2,017	1,744
Gains on the sale of tangible assets	11	3	25
Interest and similar income		-1,451	-1,216
Interest expense		155	184
Corporate income tax expenses		0	535
Net (loss) / profit from foreign exchange rate changes		-198	92
Other financial income and expenses		1,358	-106
Operating cash flows before changes in operating assets and liabilities		**2,239**	**-6,928**
Changes in operating assets and liabilities:			
Change in amounts due from investment companies	7	-4,348	4,252
Change in receivables and prepayments relating to operating activities	9	-1,449	-2,400
Change in other assets	10	320	1,259
Change in derivative assets	8	-41	-84
Change in payables and prepayments relating to operating activities	13	-236	-3,370
Change in the derivative liabilities	8	116	3
Changes in inventories		-354	-263
Operating cash flows before interest and tax		**-3,753**	**-7,531**
Interest received		1,157	1,039
Interest paid		-108	-129
Corporate income tax paid	17	0	-535
Net cash from/used in operating activities		**-2,704**	**-7,156**

continued on next page →

(in thousands of euros)	Note	2024	2023
Cash flow from investing activities			
Purchase of tangible and intangible assets	11,12	-960	-776
Loans granted	9	-3,430	-7,126
Repayments of loans granted	9	13,274	7,052
Acquisition of financial assets at fair value through profit or loss (investment portfolio)		-10	-7,279
Proceeds from disposal of financial assets at fair value through profit or loss (investment portfolio)		3,380	8,966
Net cash used in investing activities		**12,254**	**837**
Cash flow from financing activities			
Dividends paid	19	0	-2,619
Repayment of principal element of lease liabilities	15	-541	-526
Payments from subordinated debt securities issued	16	0	-473
Net cash used in financing activities		**-541**	**-3,618**
TOTAL CASH FLOWS		**9,009**	**-9,937**
Cash and cash equivalents at the beginning of the period	**7**	**10,175**	**20,111**
Change in cash and equivalents		**9,206**	**-9,937**
Effect of exchange rate changes on cash and cash equivalents		197	1
Cash and cash equivalents at the end of the period	**7**	**19,381**	**10,175**

Notes on pages 48 to 108 are an integral part of the Financial Statements.

Statement of Changes in Equity

(in thousands of euros)	Share capital	Statutory reserve capital	Retained earnings	Total
Balance as at 31.12.2022	**2,586**	**259**	**77,846**	**80,691**
Dividends paid	0	0	-2,619	-2,619
Loss for the reporting period	0	0	-8,186	-8,186
Other comprehensive income	0	0	0	0
Total comprehensive loss for the reporting period	**0**	**0**	**-8,186**	**-8,186**
Balance as at 31.12.2023	**2,586**	**259**	**67,041**	**69,886**
Profit for the reporting period	0	0	355	355
Other comprehensive income	0	0	0	0
Total comprehensive income for the reporting period	0	0	355	355
Balance as at 31.12.2024	**2,586**	**259**	**67,396**	**70,241**

For more information of share capital refer to Note 19.

Notes on pages 48 to 108 are an integral part of the Financial Statements.

Notes to the Financial Statements

This chapter presents more detailed information of the Financial Statements.

Note 1.
General information

ADMIRAL MARKETS AS (hereinafter “Admiral Markets” and “the Company”) is an investment company since 05.06.2009. The Company’s head office is located at Maakri 19/1, Tallinn, Estonia. The annual report for the year ending 31 December 2024 was approved for publication on 30.04.2025 in accordance with the management’s decision. The annual report approved by the Management shall be authorized for approval by Supervisory Board and shareholders. Shareholders have the right to approve or disapprove the financial statements and require management to compile new ones. The Supervisory Board does not have that right.

Note 2.

Material accounting policy information and estimates used in preparing the financial statements

The financial statements of Admiral Markets AS have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as adopted by the European Union (EU) and include among other things information on risk management, own funds and capital adequacy.

Admiral Markets AS has subsidiaries in Canada and Jordan. These are the separate financial statements of the parent company. Consolidated financial statements are not prepared, as the parent company applies the exemption from consolidation provided under §29 (4) of the Estonian Accounting Act.

No business activities have been conducted yet in Canada. Pursuant to § 110^2 of Securities Market Act information concerning investment firm's branches and subsidiaries that are financial institutions is subject to disclosure.

Subsidiary name	Geographical location, nature of activities	Net income (in thousand of euros)	Number of employees on a full-time basis	Loss before tax (in thousands of euros)	Income tax on loss (in thousands of euros)	Amount of public subsidies received
Admiral Markets AS/Jordan LLC	Jordan, investment services	2,416	18	-63	0	0
Admiral Markets Canada Ltd.	Canada, investment services	-28	1	-248	0	0

The material accounting policies used in the financial statements are outlined below. These policies have been used consistently in all of the years presented, unless otherwise stated. These financial statements have been prepared under the historical cost convention, except for the assets and liabilities measured at fair value through profit or loss, including derivatives, as disclosed in the accounting policies below.

An overview of new standards and amendments to certain standards and interpretations that have been published by the time of preparation of these financial statements, as well as the assessment of the Company's management on the effect of adoption of new standards and interpretations is disclosed in Note 3.

The preparation of the financial statements requires making estimates. Estimates are based on the information about the Company's status, intentions and risks at the date of preparing the financial statements. The result of economic transactions recognised in the financial year or in previous periods may differ from the current period estimates.

The financial year started on 1 January 2024 and ended on 31 December 2024. The Company's functional currency is the euro. The separate financial statements are presented in thousands of euros, unless otherwise stated.

Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the separate financial statements, the investments in subsidiaries are accounted for using the cost method (less any impairment recognised).

Recognition of foreign currency transactions and financial assets and liabilities denominated in foreign currencies:

Functional currency
The Company's functional and presentation currency is Euro.

Transactions and balances in a foreign currency
Foreign currency transactions are recorded at the official currency exchange rates quoted by the European Central Bank on the transaction day. Monetary assets and liabilities denominated in foreign currencies are translated into euros at the official foreign currency exchange rates quoted by the European Central Bank prevailing at the balance sheet date. The fair value of derivatives is measured by the exchange rate quoted by the European Central Bank prevailing at the balance sheet date. Gains and losses on translation from assets and liabilities are recognised in the statement of profit or loss under "Net gains/(losses) on exchange rate changes." Non-monetary financial assets and liabilities not measured at fair value denominated in foreign currencies (e.g., prepayments, tangible and intangible fixed assets) are not translated at the balance sheet date but are measured based on the foreign currency exchange rates of the European Central Bank prevailing at the transaction date.

Financial assets

Classification

The Company classifies its financial assets into the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments (loans and debt securities)

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

The Company's debt instruments have been classified into the following measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income/(expenses). Foreign exchange gains and losses and impairment losses are presented as separate line items in the statement of profit or loss.

Financial assets of the Company are classified into the following classes that are measured at amortised cost:

- Cash and cash equivalents;
- Trade receivables;
- Loans;
- Other receivables.

FVPL: Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVOCI) are measured at FVPL. This is the case if the business model is held for trading; where financial assets are considered held for trading if they are held with the intention to be sold in the short-term and for the purpose of generating profits. Debt instruments are mandatorily measured at fair value through profit or loss if the assets are managed and evaluated on a fair value basis or the assets are held with an intention to sell, or alternatively, if the cash flows do not consist of solely payments of principal and interest. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented in the period in which it arises. The contractual interest earned is recognized in the statement of profit and loss line Other income similar to interest.

The following financial assets of the Company are measured FVPL:

- Equity instruments;
- Derivative financial instruments;
- Bonds.

Equity instruments

The Company subsequently measures all equity investments at fair value through profit and loss. Changes in the fair value are recognised in other income/(expenses) in the statement of profit or loss as applicable.

Derivative financial instruments

Derivative financial instruments, including futures, forward contracts, options contracts and other instruments that are related to the change in underlying assets are carried at their fair value. All derivative instruments are carried as assets when fair value is positive and as liabilities when fair value is negative. Changes in the fair value of derivative instruments are included in profit or loss for the year. The Company does not apply hedge accounting.

Impairment

The Company assesses on a forward-looking basis the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions. The Company uses expert based individual assessments for calculating ECLs.

The ECL model has a three-stage approach based on changes in the credit risk. A 12-month ECL (Stage 1) applies to all items, unless there is a significant increase in credit risk since initial recognition. For items where there is a significant increase in credit risk (Stage 2) or in default (Stage 3), lifetime ECL applies. The financial assets are in default (Stage 3) in case there is a delay in payment more than 90 days on in case adverse changes in the customers financial situation.

At the end of each reporting period the Company performs an assessment of whether credit risk has increased significantly since initial recognition.

The assessment of whether there has been a significant change in credit risk is based on quantitative and qualitative indicators. Indicators include payments that are past due >30 days and <90 days and financial assets whose contractual terms have been revised due to the customer's financial difficulties. In case there has been a significant increase in credit risk since initial recognition, an allowance for lifetime ECL shall be recognised and the financial instrument is transferred to Stage 2. The change can be vice versa, meaning that in subsequent reporting periods, if the credit quality of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the financial asset moves back to Stage 1.

For trade receivables without a significant financing component the Company applies a simplified approach permitted by IFRS 9 and measures the allowance for impairment losses at expected lifetime credit losses from initial recognition of the receivables. The Company uses a provision matrix in which allowance for impairment losses is calculated for trade receivables falling into different ageing or overdue periods.

Assessment of fair value

The Company assesses financial instruments such as derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is determined based on the assumption that the asset is sold, or liability is settled:

- Under the conditions of the primary market of the asset or liability, or;
- In case of absence of such primary market in the most favourable market condition for the asset or liability.

The Company must have access to the primary or the most favourable market. In assessing the fair value of the asset or liability, it is expected that market participants are pricing the asset or liability based on the determination of their economic interests.

The Company uses fair value valuation techniques that are appropriate in the circumstances and for which there is sufficient data to estimate the fair value, maximizing the use of relevant observable inputs and minimize the use of unobservable inputs.

All assets and liabilities that are valued at fair value or disclosed in the financial statements, are classified in accordance with the fair value hierarchy, which is described below and are based on the lowest level input that is essential to the fair value measurement:

Level 1 — Quoted prices (unadjusted) for identical assets and liabilities on an active market;

Level 2 — Valuation techniques for which the lowest level of significant inputs are directly or indirectly observable;

Level 3 — Valuation techniques for which the lowest level of significant inputs are not observable directly or indirectly.

The Company assesses at the end of each reporting period whether the assets and liabilities, which are recorded in the financial statements throughout different periods require reclassification between levels (based on the lowest input, which is important for estimating the fair value).

Cash and cash equivalents

Due from credit institutions and investment firms include short-term (with maturity of less than three months) demand deposits, which have no material market value change risk, and balances on trading accounts.

For the purposes of cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits with Credit institutions.

Recognition of off-balance assets and liabilities

Admiral Markets AS acts as an intermediary of investment services and is responsible for keeping their clients' deposited funds under their control.

As a result of the pass-through arrangement, the assets are considered as off-balance sheet assets, see Note 18.

Tangible fixed assets

Property, plant and equipment are recorded in the statement of financial position at cost less any accumulated depreciation and impairment losses.

The Company depreciates items of property, plant and equipment under the straight-line method. The following useful lives are generally assigned to items of property, plant and equipment:

Group of property, plant and equipment	Useful life
Vehicles	3-5 years
Other equipment	3 years

The depreciation methods, useful life and residual value of items of property, plant and equipment are reviewed at least once at the end of each financial year and if estimates differ from previous estimates, the changes are recorded as changes in accounting estimates, i.e., prospectively.

If costs incurred for an item of property, plant and equipment are such that meet the definition of property, plant and equipment, these costs are added to the acquisition cost of the item of property, plant and equipment. Ongoing maintenance and repair costs are expensed as incurred.

Intangible fixed assets

Intangible fixed assets are initially recognised and subsequently measured in the statement of financial position on the basis of the same principles as applied to items of property, plant and equipment.

Intangible fixed assets are amortised using the straight-line method. The following useful lives are generally assigned to intangible fixed assets:

Group of property, plant and equipment	Useful life
Licenses, software	5 years

If any indication exists that intangible assets may be impaired, an impairment test will be carried out on the same basis as for property, plant and equipment.

Development costs are capitalised if there exist technical and financial resources and a positive intention to implement the project, the Company can use or sell the asset, and the amount of development costs and future economic benefits generated by the intangible asset can be determined reliably.
The useful life of capitalised development costs is estimated to be 5 years, based on the Group's expectations regarding technical obsolescence and the economic benefits generated by the developed software. However, the actual useful life may differ due to future technical innovations or changes in market conditions.

Impairment of tangible and intangible fixed assets

At each balance sheet date, the Company's management assesses whether there are signs that may indicate that the asset may be impaired. If there is an indication that an asset may be impaired, an impairment test is carried out. The recoverable amount is equal to the higher of the asset's fair value (less costs to sell) or value in use based on the discounted cash flows. If the test reveals that the recoverable amount is lower than its carrying amount, the non-current asset is written down to its recoverable amount. If an impairment test cannot be carried out in respect of an individual asset, then the recoverable amount is determined for the smallest group of assets (cash-generating unit) to which the asset belongs. Asset impairments are recognised as loss in the accounting period.

If as a result of the impairment test of a previously impaired asset, the asset's recoverable value exceeds its carrying amount, the earlier impairment expense is reversed and the carrying amount of the asset is increased. The maximum limit is the carrying amount of the asset that would have been recognised using regular depreciation over the years.

Accounting for financial liabilities

The Company classifies financial liabilities either:
- As financial liabilities measured at fair value through profit or loss, or
- As financial liabilities measured at amortised cost.

Recognition of a financial liability (derivative) at fair value through profit or loss is disclosed under accounting policy financial assets - Derivative financial instruments. All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Transaction costs are included in the calculation of the effective interest rate. The difference between the proceeds (less transaction costs) and redemption value are recognised in the statement of profit or loss during the term of the instrument, using the effective interest rate. Interest costs are included in the statement of profit or loss line "Interest expenses".

Debt securities issued and similar subordinated debts are initially recognised at fair value, less transaction costs (cash received less transaction costs). The subordinated debts are those liabilities, which in case of a liquidation of an investment company or declaration of bankruptcy, are settled after the satisfaction of the justifiable claims of other creditors. Other financial liabilities (trade payables and accrued expenses) are initially recognised at fair value less transaction costs and are subsequently carried at amortised cost.

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expired).

Payables to employees

Payables to employees include the calculated but unpaid salaries and vacation pay liabilities as at the balance sheet date. Vacation pay liabilities are recognised together with social and unemployment insurance taxes in the statement of financial position under liabilities and accruals and in the statement of profit or loss under personnel expenses.

Leases

The Company as a lessee

All leases result in the lessee obtaining the right to use an asset at the start of the lease and, if lease payments are made over time, also obtaining financing. Lessees are required to recognise:
(a) Assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and
b) Depreciation of lease assets separately from interest on lease liabilities in the income statement.

The Company leases office space. At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the lessee is reasonable certain not to exercise that option. A lessee reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee; and affects whether the lessee is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term. The Company revises the lease term if there is a change in the noncancellable period of a lease.

Initial measurement

At the commencement date, a lessee recognises a right-of-use asset and a lease liability. At the commencement date, a lessee measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date, less any lease incentives received;
- Any initial direct costs incurred by the lessee;
- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined.

If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Subsequent measurement

After the commencement date, the Company recognises leases as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use applying a cost model. To apply a cost model, a lessee measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

After the commencement date, the Company measures the lease liability by:

- Increasing the carrying amount to reflect interest on the lease liability;
- Reducing the carrying amount to reflect the lease payments made; and
- Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. After the commencement date, a lessee recognises in profit or loss interest on the lease liability.

If there are changes in lease payments, there may be a need to remeasure the lease liability. A lessee shall recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, a lessee shall recognise any remaining amount of the remeasurement in profit or loss.

A lessee shall account for a lease modification as a separate lease if both: (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

Each lease payment is allocated between finance cost (interest expense) and the principal repayments of the lease liability, that is, to reduce the carrying amount of the liability. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability at any given time.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

More information about the right-of-use asset and lease liability is disclosed in Notes 11 and 15.

Provisions and contingent liabilities

Liabilities arising from an obligating event before the end of the reporting period that have either a legal basis or that have arisen from the Company current operating practice (legal or constructive obligation) that require probable outflow of resources, the realisation of which is probable (it is more likely than not that an outflow of resources will be required to settle the obligation) and the amount of which can reliably be estimated but for which the timing or amount are not definitely known are recognised as provisions in the statement of financial position.

The provisions are recognised based on the management’s estimates regarding the amount and timing of the expected outflows. A provision is recognised in the statement of financial position in the amount which according to the management is necessary as at the end of the reporting period for the meeting of the obligation arising from the provision or transfer to the third party. The provision expense and an expense from the change in the carrying number of provisions are included within expenses in the reporting period. Provisions are not set up to cover future operating losses.

When it is probable that a provision will be realised later than 12 months after the end of the reporting period it is recorded at discounted value (present value of expected outflows), unless the discounting effect is immaterial.

Contingent liabilities are liabilities whose probability of settlement is less than 50% or whose amount cannot be reliably estimated. Contingent liabilities are recognised off- balance sheet.

Distinction between short- and long-term assets and liabilities

Assets from which resources are expected to flow to the Company within 12 months are recognised as current assets. The portion of assets with expected inflows later than 12 months after the end of the reporting period is recognised as non-current assets (see Note 5).

Liabilities are classified as current when they are due within twelve months after the end of the reporting period or if the Company does not have an unconditional right to defer the payment for later than 12 months after the end of the reporting period. Loans received with due date within 12 months after the end of the reporting period which are refinanced as non-current after the end of the reporting period but before the financial statements are authorised for issue, are recognised as current.

For all long-term assets and liabilities, the long-term portion is separately disclosed in respective disclosure to these financial statements (see Note 5).

Corporate income tax

According to the current Income Tax Act, the profits distributed as dividends are taxed at the rate of 22/78 from the net dividend paid. Corporate income tax on dividends is recognised as an income tax expense in the statement of comprehensive income in the period when the dividend is declared, regardless of the period for which they are announced or when the dividends are paid out. The income tax liability and expense accounted from unpaid dividends as at the balance sheet date are adjusted according to the income tax rate in force in the new accounting period.

The maximum income tax liability that could arise on a dividend distribution is provided in Note 17.

Revenue and expenses

Commission revenue is recognised point in time when the Company satisfies its performance obligation, usually upon execution of the underlying transaction. Such revenue includes introducing brokers' (an introducing broker (IB) is a broker in the futures markets, who has a direct relationship with a client, but delegates the work of the floor operation and trade execution to another futures merchant) commissions and payment system fees. Variable fees are recognised only to the extent that management determines that it is highly probable that a significant reversal will not occur.

Other brokerage and commission fee revenue is recognised at a point in time when the Company satisfies its performance obligation, usually upon execution of the underlying transaction. The income received or receivable from other trading activities represents the transaction price for distinct performance obligations identified as services. Such income includes inactivity fees (a sum charged to trading accounts that have not met minimum buying or selling activity in the previous 24 months and are not used for holding open positions) and service commissions from payment systems.

Interest income and expense are recognised in the statement of comprehensive income for all financial instruments that are recognised at amortized cost, using the effective interest rate method. The effective interest rate is the interest rate which when used for discounting the cash flows arising from financial asset or liability will result in the current carrying amount of the financial asset or liability. The calculation of the effective interest rate includes all payable or receivable transaction costs, premiums or discounts related to the financial asset or liability.

Trading income includes:
- spreads (the differences between the “offer” price and the “bid” price);
- swap points charged (being the amounts resulting from the difference between the notional forward rate and the spot rate of a given financial instrument);
- net results (gains offset by losses) from Company’s market making activities.

Statutory reserve capital

According to the Commercial Code of the Republic of Estonia, the Company transfers at least 5% of the net profit of the current year to the statutory reserve until the reserve is at least 10% of the share capital. The statutory reserve cannot be distributed as dividends, but it can be used to cover losses if the losses cannot be covered from unrestricted equity. The statutory reserve can also be used to increase the company’s share capital.

Cash flow statement

The cash flow statement has been prepared using the indirect method - cash flows from operating activities are calculated by adjusting net profit by eliminating the impact of non-monetary transactions and changes in business related current assets and current liabilities.

Cash flows from investing and financing activities are recognised using the direct method.

Events after the reporting date

The financial statements reflect all significant facts affecting the assessment of assets and liabilities which occurred between the reporting date, 31 December 2024, and the date of preparing the report but are linked to transactions that occurred during the reporting period or transactions of previous periods.

Note 3.
Use and application of new amended standards and new accounting principles

The standards/amendments that are effective and have been endorsed by the European Union

The accounting policies adopted are consistent with those of the previous financial year except for the following IFRS and amendments to IFRS which have been adopted by the Company as of 1 January 2024:

- IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments).
- IFRS 16 Leases: Lease Liability in a Sale and Leaseback (Amendments).
- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements (Amendments).

The newly adopted IFRS and amendments to IFRS did not have a material impact on the Company's accounting policies.

The standards/amendments that are not yet effective, but have been endorsed by the European Union

- IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments). Issued in August 2023. The amendments become effective for annual reporting periods beginning on or after January 1, 2025. Earlier application is permitted. The Company will assess the potential impact of the amendments in due course.

The standards/amendments that are not yet effective and have not yet been endorsed by the European Union

- IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments (Amendments).
- Issued in May 2024. The amendments become effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.
- IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity (Amendments).
- Issued in December 2024. The amendments become effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.
- IFRS 18 Presentation and Disclosure in Financial Statements.
- Issued in April 2024. IFRS 18 replaces IAS 1 and introduces new requirements on the structure and content of the primary financial statements. The standard becomes effective for annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.
- Issued in May 2024. IFRS 19 becomes effective for annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted.
- Annual Improvements to IFRS Accounting Standards – Volume 11.
- Issued in July 2024. These improvements apply for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.
- Issued in 2015. The effective date of these amendments has been deferred indefinitely.

Management has performed a preliminary assessment and does not expect the upcoming standards to have a material impact on the Company’s financial position or performance.

Note 4.
Use of estimates, assumptions and judgements

Preparation of financial statements in accordance with the IFRS Accounting Standards as adopted by the EU requires management to make decisions, assumptions and estimates that affect the total amount of income and expenses, assets and liabilities and contingent liabilities recognised during the accounting period. Uncertainty in these estimates and assumptions could lead to a situation where in the future periods it may be necessary to adjust the carrying amounts of assets or liabilities to a significant extent.

Estimates and assumptions subject to day-to-day evaluation by the Company's management are based on experience and other factors, including expectations as to future events that seem justified in the given situation. The results are a basis for estimates of carrying amounts of assets and liabilities. Although the estimates are based on best knowledge regarding the current conditions and actions taken by the Company, actual results may differ from the estimates. Adjustments to estimates are recognised during the reporting period in which the adjustment was made provided that such adjustment refers only to the given period or in subsequent periods if the adjustment affects both the current period and subsequent periods. The most important areas for which the Company makes estimates are presented below.

Impairment of assets

At each balance sheet date, the Company assesses whether there are objective indications of impairment of other assets, including intangible assets. Impairment is recognised when it is probable that all or a significant part of the respective assets will not bring about the expected economic benefits, e.g. as a result of expiry of licenses or decommissioning.

Fair value of financial instruments

The fair value of financial instruments for which no active market exists is assessed by means of appropriate valuation methods. In selecting the appropriate methods and assumptions, the Company applies professional judgment. The methods used for measuring the fair value of financial instruments are presented in Note 8.

Note 5.
Risk management, principles of calculating capital requirements and capital adequacy

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

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

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

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

Quantitatively measurable

- Market risk, including foreign exchange, commodity and equity price risk;
- Credit risk, including counterparty risk, concentration risk, country risk;
- Liquidity risk;
- Operational risk, including control and management risk, legal risk, personnel risk, IT risk and model risk.

Qualitatively measurable

- Reputational risk;
- Business risk;
- Strategic risk;
- ESG risk.

The Management Board of Admiral Markets AS estimates that the main risks are related to credit, market, liquidity and operational risks. The exposure of Admirals to these risks, management and mitigation of these risks is described in detail below.

The general principles of effective risk management are based on the differentiation of the customer base and instruments by risk categories and the determination of the operating rules of hedging for every individual group. In the framework of client-based risk management the client base is divided into groups according to the client profile (e.g., trading volumes and activity, etc.). In accordance with risk hedging principles the total net position of a certain client profile is economically hedged 100% through the counterparties (liquidity providers).

However, for other client profiles, the total net position is generally not economically hedged through the counterparty, except if the portfolio exceeds total limits set by the risk manager. Therefore, an important part of risk hedging is setting limits for economical risk hedging, monitoring of limits set and in case of exceeding the limits immediately economically hedging the position that exceeds the limit.

In addition to client-based risk management, risks are managed also by instruments for which a list of instruments has been set which must be economically hedged through a counterparty. Instruments that are economically hedged through a counterparty are mostly less liquid instruments.

An important part of risk management is:

- Stop Out rate imposed on clients' trading accounts - rate of compulsory liquidation of transactions, i.e., the level of collateral in which transactions are automatically closed at current market prices;
- selection of counterparties (liquidity providers), which is made on the basis of a thorough market analysis and by observing certain rules and principles;
- ongoing monitoring of the risk limit set for the trading portfolio by the dealers of the Trading Department around the clock on all working days;
- regressive leverage for customers: the larger the client's overall position, the lower the leverage that is allowed;
- the maximum possible leverage is limited to the clients during the last business hours prior to the weekend, as well as reducing the leverage of instruments before significant events affecting currency and other markets, such as elections, etc.

Other notes

After the start of the war in Ukraine, Admiral Markets immediately stopped all its exposures with Russia and Belarus. Contracts with customers were terminated. Also, trading with financial instruments related to Russia has been closed.

Capital management

The objective of Admirals in managing capital is:

- to ensure the continuity of operations of Admirals and its ability to generate a profit for the owners;
- to maintain a strong capital base that supports business development;
- to meet capital requirements laid down by the supervisory authorities.

The Management Board and risk manager of Admirals are responsible for the overall business planning process in assessing capital requirements in relation to the risk profile and for presentation of a strategy for maintaining recommended capital levels. Capitalisation of Admirals must be forward-looking and in line with the Company's short- and long-term business plans, as well as with expected macroeconomic developments.

As part of the risk and capital management, all financial service providers belonging to the Admiral Markets comply with all requirements on own funds and risk management set forth by their countries of domicile. Financial service providers are required to consistently comply with prudential rules to ensure their credibility and reduce the risks associated with the provision of investment services. In addition, Admiral Markets AS fulfils the capital requirements as set out in the Estonian Securities Market Act and Regulation (EU) No 2019/2033 of the European Parliament and of the Council (IFR).

Admiral Markets AS is Class 2 investment company and must always have own funds higher of the following values:

- fixed overheads requirement;
- permanent Minimum Capital Requirement (EUR 750 thousand); or
- K-factor requirement.

The Admiral Markets AS is required to have own funds at least higher than the K-factor requirement.

As of 31.12.2024, the own funds of Admiral Markets AS amounted to EUR 67.9 million (31.12.2023: EUR 68.0 million).

At the end of the reporting period, Admiral Markets AS capital adequacy ratio was 396% (31.12.2023: 350%) and has complied with all regulatory capital requirements under the Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019, in 2024 as well as in the earlier period.

Own Funds

(in thousands of euros)	31.12.2024	31.12.2023
Paid-in share capital	2,586	2,586
Other reserves	259	259
Retained earnings of previous periods	67,040	75,227
Intangible assets	-2,821	-2,943
Losses for the current financial year	0	-8,186
Total Tier 1 capital	**67,064**	**66,943**
Subordinated debt securities	809	1,080
Own instruments	-3	-5
Total Tier 2 capital	**806**	**1,075**
Net own funds for capital adequacy	**67,870**	**68,018**

Capital Requirements

(in thousands of euros)	31.12.2024	31.12.2023
Fixed overheads requirement	**4,481**	**5,089**
Risk to client	1	9
Risk to market	12,188	12,224
Risk to firm	4,932	7,194
Total K-Factor requirement	**17,121**	**19,427**

Capital Adequacy

	31.12.2024	31.12.2023
Capital adequacy	396%	350%
Tier 1 capital ratio	392%	345%

Credit risk

Credit risk arises from a probable loss that may arise from incorrect performance or non-performance of the obligations arising from the law of obligations, or other factors (including the economic situation).

Assets subject to credit risk are primarily due from credit institutions and investment companies, receivables, loans, financial assets recognised at fair value through profit or loss and receivables arising from other financial assets. Trading counterparty default results from the derivatives positions opened in the trading portfolio with clients and trading counterparties.

Trading counterparty default risk is limited mainly through leveraging clients' trading positions: the bigger the client's open position, the lower leverage for new opened positions of instruments is permitted.

Maximum exposure to credit risk

(in thousands of euros)	**31.12.2024**	**31.12.2023**	**Note**
Due from credit institutions and investment companies	32,743	19,189	7
Financial assets at fair value through profit or loss	1,602	6,347	8
incl bonds	*0*	*3,362*	
incl convertible and subordinated loans	*382*	*1,649*	
incl equity investments	*878*	*1,035*	
incl derivatives	*342*	*333*	
Loans granted	20,966	31,091	9
Other receivables	8,243	6,174	9
Total financial assets	**63,554**	**62,801**	

Due from credit institutions and investment companies

(in thousands of euros)

Rating (Moody's)	Credit institutions	Investment companies	Total 31.12.2024	Credit institutions	Investment companies	Total 31.12.2023
Aa1 - Aa3	12,597	0	12,597	8,163	0	8,163
A1 - A3	6,534	0	6,534	28	0	28
Baa1 - Baa3	0	0	0	1,911	0	1,911
Non-rated	0	13,362	13,362	20	9,014	9,034
Cash in transit	250	0	250	53	0	53
Total (Note 7)	**19,381**	**13,362**	**32,743**	**10,175**	**9,014**	**19,189**

Credit risk exposure from credit institutions and investment companies (liquidity providers) is very low. It mainly consists of demand deposits, which upon the first request could be moved to another credit institution, without limitation of time and that by their nature bear very low credit risk, as estimated by the management of Admirals.

For assessing the risk level of credit institutions, the Admiral Markets AS uses ratings issued by international rating agencies Moody's, Standard & Poor's or Fitch to credit institutions or their parent companies. If a credit institution has not been issued such credit rating, the country rating is used. Generally, the credit institution must have a rating of at least Ba. The amount of demand deposits of credit institutions with lower ratings is limited.

Investment companies must have the operating permit of the supervisory authorities of their country of residence and a high reputation.

Twice a year, the ratings of credit institutions and investment companies are checked and publicly available information about potential problems is reviewed.

Due to the careful selection of investment companies and consistent monitoring, the management estimates that the credit risk arising from investment companies is low.

Non-rated credit institutions and investment companies are payment institutions and investment institutions without external credit rating. A process has been set up to monitor the quality of payment institutions and investment company's credit risk, where their credit quality is constantly monitored based on available market information and historical cooperation, and no significant problems have occurred or been identified with the parties.

Management has assessed that the ECL from credit institutions and investment companies exposures is immaterial due to the strong ratings of corresponding parties (for rated counterparties), their financial position and due to the positive economic outlook in short-term perspective, as the Company holds only very liquid positions with the counterparties.

Loans granted

In 2024, the balance of loans granted has decreased by a third. The loans presented in Note 9 are mainly intra-group loans, which, according to management, have a low credit risk.

The Company assesses based on historical loss rate and forward-looking macroeconomic information that the significant risk of the loans has not increased compared to when the loan was issued. Therefore, management assessed there is no significant risk in the credit risk for loans granted and resulting expected credit loss is immaterial.

Other receivables

The largest group consists of intra-group trade receivables, not settled by the reporting date, of 8,193 thousand euros (31.12.2023: 4,761 thousand euros). As of 31.12.2024 and 31.12.2023, there were no overdue claims. Management believes that these receivables are essentially low credit risk as all receivables are rated at Stage 1 and of high credit quality.

Credit risk involving financial assets held for trading is connected with the risk of customer or counterparty insolvency. With regard to OTC transactions with customers, the Company's policy is to mitigate the counterparty credit risk through the so-called "stop out" mechanism. Customer funds deposited in the brokerage serve as a security. If a customer's current balance is 30 per cent or less of the security paid in and blocked by the transaction system, the position that generates the highest losses is automatically closed at the current market price. The initial margin amount is established depending on the type of financial instrument, customer account, account currency and the balance of the cash account in the transaction system, as a percent of the transaction's nominal value. A detailed mechanism is set forth in the rules binding on the customers. In addition, in order to mitigate counterparty credit risk, the Company includes special clauses in agreements with selected customers, in particular, requirements regarding minimum balances in cash accounts.

If there is a receivable from client as a result of trading activity (negative client position for which credit risk has materialised), then based on historical information the probability of default and loss given default are 100% and thus, the receivable is fully impaired and written off with a management decision. Therefore, there is no need to assess or adjust forward looking information estimates.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss consist of listed bonds, listed and non-listed equity investments and derivative positions opened at trading counterparties (liquidity providers).

The bonds are included in the liquidity management portfolio. Liquidity portfolio is part of the liquidity buffer of Admirals, and it consists of investments in pledgeable and high liquidity bonds. The portfolio includes central governments, public sector entities, multilateral development banks and international organizations bonds. Bonds must have a minimum rating of Aa by Moody's.

Ratings of bonds

(in thousands of euros)	31.12.2024	31.12.2023
Aaa	0	2,456
Aa1	0	906
Total	**0**	**3,362**

Due to changes in liquidity requirements for Investment Firms, management decided to liquidate the liquidity management portfolio consisting of bonds.

In addition, the Company has granted a convertible loan in the amount of EUR 382 thousand (31.12.2023: EUR 1,649 thousand), which is measured at fair value through profit or loss as the loan has a conversion option (see Note 8). Management has assessed that the credit risk of the loan is within acceptable limits.

Off-balance sheet client bank accounts

When clients open a trading account, they transfer funds to the bank account indicated by Admirals. Admirals keeps these funds in separate bank accounts in credit institutions with a high credit rating and separates client assets from its own assets in accordance with the requirements of the Securities Market Act. Admirals is not allowed to use these client funds in its economic activities. As further explained in Note 18, these assets are not presented as the Company's assets. Admirals bears the credit risk associated with these accounts in case of the bankruptcy of the credit institution, however the risk is considered marginal as Admirals uses strong counterparties for maintenance of clients funds.

As at 31.12.2024 and 31.12.2023, off-balance sheet cash and cash equivalents in credit institutions were divided by ratings as follows:

Rating (Moody's)

(in thousands of euros)	31.12.2024	31.12.2023
A1 - A3	270	21
Baa1 - Baa3	0	223
B1 -B3	0	11
Total	**270**	**255**

Off-balance sheet client bank accounts are mainly held in the Estonian credit institutions or other large banks with high credit ratings. Therefore, management has assessed that the ECL from credit institutions is immaterial due to the strong ratings of corresponding parties, their financial position and due to the positive economic outlook in short-term perspective, as the Company holds only very liquid positions with the counterparties.

Trading portfolio

Trading counterparty default risk is calculated for derivatives opened at trading counterparties. Counterparty (liquidity provider) credit risk is managed as described in the section on Due from credit institutions and investment companies.

The credit risk of clients' trading portfolio is mainly managed through leveraging derivatives and collateral rates. Generally, the leverage of clients and collateral depend on the whole position opened by them. The greater the contingent value of the open position, the lower the leverage that is permitted for them. Also, the so-called Stop Out rate is assigned to each client's trading account. If the value of the client's open position relative to the collateral on the account is reduced to a certain level, the open position will be automatically closed in accordance with the agreement concluded with the client.

In addition, collateral and leverage rates are reviewed before known high-risk events in order to prevent a sharp drop in the client's trading portfolio that exceeds the value of the collateral held and that could create a credit risk for Admirals.

Market risk

Market risk of Admirals is mainly due to assets on the balance-sheet that are quoted in currencies other than the euro and derivatives related to currencies, equities and commodities in the trading portfolio. For managing the market risk general limit on the Company level has been set. A separate limit has been set for the trading portfolio. The limit set for the trading portfolio is monitored in real time, five days a week. If the limit is exceeded, the excess risk is economically hedged with derivative positions opened at trading counterparties.

Counterparty credit risk that may occur in the realisation of the market risk is limited primarily through leveraging clients' trading positions: the greater the client's open position, the lower the leverage for new opened positions of instruments is permitted. In addition, leverage and collateral rates are changed before known high-risk events in order to prevent a sharp drop in a client's trading portfolio that would exceed the value of the collateral held and that could create a credit risk for the Company.

The market risk related to the business activities of Admirals is divided into three parts: currency risk, equity risk and commodity risk.

Foreign currency risk

Foreign currency risk is the main part of market risk for Admirals in respect of which a set of internal risk management principles have been set. Foreign currency risk is defined as the potential damage caused by unfavourable movement of exchange rates. The foreign currency net open position is calculated by taking into account all assets and liabilities that depend on the changes in exchange rates. The euro is not considered as a foreign currency.

Foreign currency net open position is calculated separately for each currency. Admirals has set a certain limit on the level of the foreign currency open position and holds an additional capital buffer to cover the risk. The currency risk is hedged by converting monetary funds into euros and by economical hedging positions arising from the transactions. The open foreign currency position is also continuously monitored and hedged by holding the net position resulting from foreign currency positions as low as possible.

Foreign currency risk arises mainly from derivatives consisting of currency pairs. In addition, clients are offered commodity and equity derivatives that are quoted in a currency other than the euro. Admirals also has several foreign currency denominated assets, mainly in the form of demand deposits. Currency risk includes all assets that are not denominated in euros and trading portfolio derivatives linked to currencies and gold.

Below is a summary of the foreign currency risk bearing on and off-balance sheet assets and liabilities:

31.12.2024 (in thousands of euros)	EUR	USD	GBP	JPY	CAD	CHF	Other currencies	Total	Note
Due from credit institutions and from investment companies	27,842	4,872	24	0	0	0	5	32,743	7
Financial assets at fair value through profit or loss (excluding derivatives)	580	0	0	0	382	0	298	1,260	8
Loans and receivables	29,231	0	0	0	0	0	0	29,231	9
Total financial assets	**57,653**	**4,872**	**24**	**0**	**382**	**0**	**303**	**63,234**	
Subordinated debt	-1,347	0	0	0	0	0	0	-1,347	16
Other financial liabilities	-445	0	0	0	0	0	0	-445	13
Lease liabilities	-2,025	0	0	0	0	0	0	-2,025	15
Total financial liabilities	**-3,817**	**0**	**0**	**0**	**0**	**0**	**0**	**-3,817**	
Long positions of trading portfolio	32,586	176,349	13,755	7,238	4,641	7,958	5,670	248,197	
Short positions of trading portfolio	-86,077	-83,992	-18,643	-9,463	-10,826	-2,794	-15,979	-227,774	
Net open foreign currency position	**345**	**97,229**	**-4,864**	**-2,225**	**-5,803**	**5,164**	**-10,006**	**79,840**	

31.12.2023 (in thousands of euros)	EUR	USD	GBP	JPY	CAD	CHF	Other currencies	Total	Note
Due from credit institutions and from investment companies	18,650	583	18	0	0	0	-62	19,189	7
Financial assets at fair value through profit or loss (excluding derivatives)	755	3,366	0	1	1,351	4	876	6,353	8
Loans and receivables	37,274	0	0	0	0	0	0	37,274	9
Total financial assets	**56,679**	**3,949**	**18**	**1**	**1,351**	**4**	**814**	**62,816**	
Subordinated debt	-1,354	0	0	0	0	0	0	-1,354	16
Other financial liabilities	-972	0	-6	-2	0	0	0	-980	13
Lease liabilities	-2,499	0	0	0	0	0	0	-2,499	15
Total financial liabilities	**-4,825**	**0**	**-6**	**-2**	**0**	**0**	**0**	**-4,833**	
Long positions of trading portfolio	80,041	148,676	20,363	15,109	8,413	25,300	13,925	311,827	
Short positions of trading portfolio	-109,196	-201,584	-17,143	-15,005	-8,285	-4,390	-20,986	-376,589	
Net open foreign currency position	**22,699**	**-48,959**	**3,232**	**103**	**1,479**	**20,914**	**-6,247**	**-6,779**	

Impact on the statement of comprehensive income:

(in thousands of euros)	USD	GBP	JPY	CAD	CHF
Exchange rate change in relation to EUR +/- 10%					
2024	9,723	486	223	580	516
(in thousands of euros)	**USD**	**GBP**	**JPY**	**CAD**	**CHF**
Exchange rate change in relation to EUR +/- 10%					
2023	4,896	323	10	148	2,091

The sensitivity analysis that was carried out shows the impact of fluctuations in exchange rates to the statement of comprehensive income (profit or loss) if all other parameters are constant. For trading portfolio, stop out rate impact is not taken into consideration both for long and short client positions. Management has assessed that including the stop out rate into the calculations would not significantly change the sensitivity analysis presented above.

In the last years, the currency with the largest position was USD, which has the greatest effect on Admirals profitability.

Equity risk

Equity risk includes instrument risk related to equities and stock indices that for Admirals is mainly due to clients' trading portfolio. For equity instruments there has been established very low exposure limit, therefore only potential credit risk arises from stock indices. Instruments related to stock indices must be economically hedged in accordance with the recommendations of the Company's Management Board and risk manager.

More detailed information about exposures to equity risk and how risk is managed, including internal policies and processes, is disclosed in the beginning of Note 5.

The following are the positions of derivatives bearing the equity position risk in the trading portfolio as at 31.12.2024 and 31.12.2023:

31.12.2024 (in thousands of euros)			31.12.2023 (in thousands of euros)		
Equity / Index	**Long positions**	**Short positions**	**Equity / Index**	**Long positions**	**Short positions**
GERMANY40	19,635	8,944	GERMANY40	52,203	13,476
[DJI30]	6,597	19,373	[DJI30]	25,075	13,521
[NQ100]	7,298	12,560	[NQ100]	16,633	10,272
[SP500]	8,032	7,121	[SP500]	8,382	7,468
FTSE100	1,451	1,541	STXE50	3,691	781
Other instruments	7,513	13,939	Other instruments	16,760	16,013
Total	**50,526**	**63,478**	**Total**	**122,744**	**61,531**

The following sensitivity analysis identifies the impact of the largest stock index changes on the profit/ loss arising from trading positions. Sensitivity illustrates reasonably possible movements in indices.

Impact on statement of comprehensive income of the change in stock index +/- 10%:

(in thousands of euros)	**GERMANY40**	**[DJI30]**	**[NQ100]**	**[SP500]**
2024	1,069	1,278	526	91
(in thousands of euros)	**GERMANY40**	**[DJI30]**	**[NQ100]**	**[SP500]**
2023	3,873	1,155	636	91

A possible credit loss caused by the realisation of the equity position is managed according to the principles described at the beginning of market risk chapter. Stop out rate impact is not taken into consideration both for long and short client positions. Management has assessed that including the stop out rate into the calculations would not significantly change the sensitivity analysis presented above.

Commodity risk

Commodity risk includes derivatives related to various raw materials (oil and gas) and precious metals (silver, platinum and palladium), as well as instruments related to cryptocurrencies.

More detailed information about exposures to commodity risk and how risk is managed, including internal policies and processes, is disclosed in the beginning of Note 5.

Below are the commodity related derivative positions of the trading portfolio.

31.12.2024 (in thousands of euros)			31.12.2023 (in thousands of euros)		
Commodity	**Long positions**	**Short positions**	**Commodity**	**Long positions**	**Short positions**
SILVER	1,459	4,050	BRENT	4,790	6,325
BITCOIN	2,555	2,763	SILVER	1,384	2,941
BRENT	1,643	2,392	COCOA	1,486	1,486
CRUDOIL	411	854	NGAS	1,122	1,532
Other commodities	3,302	3,652	Other commodities	2,964	4,766
Total	**9,370**	**13,711**	**Total**	**11,746**	**17,050**

The following sensitivity analysis is also based on the largest intraday fluctuation of ca 5%.

(in thousands of euros)	SILVER	BITCOIN	BRENT	CRUDOIL
2024	130	10	37	22
(in thousands of euros)	**BRENT**	**SILVER**	**COCOA**	**NGAS**
2023	77	78	0	21

A possible credit loss caused by the realisation of the commodity position is managed according to the principles described at the beginning of the market risk chapter. Stop out rate impact is not taken into consideration both for long and short client positions. Management has assessed that including the stop out rate into the calculations would not significantly change the sensitivity analysis presented above.

Liquidity risk

Liquidity risk is related to the solvency of Admirals' contractual obligations in a timely manner due to differences in maturities between assets and liabilities. To manage the liquidity risk, forecasted net position of receivables and payables of different periods of time is monitored on a daily basis and by keeping at any time on the account adequate liquid assets, as well as the concentration of liabilities by maturity is monitored.

As at 31.12.2024 and 31.12.2023, the Admiral Markets AS had no overdue payables.

31.12.2024 (in thousands of euros)	On demand	0 – 3 months	3 – 12 months	1 – 5 years	Over 5 years	Total	Carrying amount	Note
Assets held for managing liquidity risk by contractual maturity dates								
Due from credit institutions and investment companies	16,390	16,353	0	0	0	32,743	32,743	7
Financial assets at fair value through profit or loss (excluding derivatives)	0	0	382	878	0	1,260	1,260	8
Financial assets at fair value through profit or loss (derivatives)	342	0	0	0	0	342	342	8
Loans and receivables	0	6,927	22,151	677	0	29,755	29,231	9
Assets total	**16,732**	**23,280**	**22,533**	**1,555**	**0**	**64,100**	**63,576**	
Liabilities by contractual maturity dates								
Subordinated debt securities	0	0	109	1,571	0	1,680	1,347	16
Other financial liabilities	0	0	445	0	0	445	445	13
Lease liabilities	0	138	416	1,550	0	2,104	2,025	15
Financial liabilities at fair value through profit or loss (derivatives)	333	0	0	0	0	333	333	8
Total liabilities	**333**	**138**	**970**	**3,121**	**0**	**4,562**	**4,150**	

31.12.2023 (in thousands of euros)	On demand	0 – 3 months	3 – 12 months	1 – 5 years	Over 5 years	Total	Carrying amount	Note
Assets held for managing liquidity risk by contractual maturity dates								
Due from credit institutions and investment companies	19,189	0	0	0	0	19,189	19,189	7
Financial assets at fair value through profit or loss (excluding derivatives)	0	3,793	934	1,359	0	6,087	6,046	8
Financial assets at fair value through profit or loss (derivatives)	301	0	0	0	0	301	301	8
Loans and receivables	0	6,613	31,348	31	0	37,992	37,274	9
Assets total	**19,490**	**10,406**	**32,282**	**1,390**	**0**	**63,569**	**62,810**	
Liabilities by contractual maturity dates								
Subordinated debt securities	0	0	109	1,679	0	1,788	1,354	16
Other financial liabilities	0	0	597	0	0	597	597	13
Lease liabilities	0	134	404	2,086	0	2,624	2,499	15
Financial liabilities at fair value through profit or loss (derivatives)	217	0	0	0	0	217	217	8
Total liabilities	**217**	**134**	**1,110**	**3,765**	**0**	**5,226**	**4,667**	

Interest rate risk

In 2024 and 2023, Company's exposure to interest rate risk was low, as funds are mostly held in current accounts or short-term deposits, where interest rates are relatively low. Loans granted and subordinated debt securities are not exposed to interest rate risk due to fixed interest terms.

Most of the Company's financial assets and liabilities either carry fixed interest rates or are non-interest-bearing. Specifically, the loans granted, deposits, and subordinated debt instruments are all under fixed conditions.

Therefore, a standard interest rate sensitivity analysis has not been provided, as changes in market interest rates would not have a material impact on the Company's financial position or profit. In addition, most financial instruments are short-term in nature, which further reduces the potential impact of interest rate movements.

This approach is consistent with IFRS 7, which allows the omission of sensitivity disclosures where the interest rate risk is considered immaterial.

(in thousands of euros)	31.12.2024	31.12.2023	Note
Due from credit institutions and investment companies	32,493	19,136	7
Financial assets and liabilities at fair value through profit or loss (bonds)	0	3,362	8
Loans granted	20,245	30,661	9
Total assets	**52,738**	**53,159**	
Subordinated debt securities	1,347	1,354	16
Total liabilities	**1,347**	**1,354**	

Concentration risk

Concentration risk is defined as risk arising from a large exposure to a single counterparty or related counterparties, or counterparties whose risk is influenced by a common risk factor or whose risk is in a strong positive correlation (including concentration risk based on a single economic sector, geographic region or activities/ products).

Concentration risk is the ratio of Admirals risk exposure to company's own funds. The activities of Admirals are aimed at avoiding excessive concentration risks, both geographically and by individual counterparties. To this end, the Company's management has established limits on concentration risk. Regarding banks the limit is 100% of own funds. Regarding investment companies the counterparty concentration risk limit is 25% of own funds.

31.12.2024 (in thousands of euros)		
Cash (except cash on hand and cash in transit) and clients' bank accounts distributed by countries	**Balance sheet balances**	**Off-balance sheet balances**
Estonia	19,105	270
United Kingdom	6,658	0
Germany	2,371	0
Denmark	2,347	0
Jordan	1,986	0
Other Countries	26	0
Total	**32,493**	**270**

31.12.2023 (in thousands of euros)		
Cash (except cash on hand and cash in transit) and clients' bank accounts distributed by countries	**Balance sheet balances**	**Off-balance sheet balances**
Estonia	10,073	223
United Kingdom	6,648	0
Germany	1,575	0
Denmark	806	0
Poland	28	0
Other Countries	6	32
Total	**19,136**	**255**

Operational risk

Operational risk is the risk of loss from the activities of people (including employees, clients or third parties), internal procedures or systems not functioning as expected, or external events. Operational risk is expressed as the probability of damage, management and control mistakes, fraud, embezzlement by employees, damages caused by unprofessionalism, errors in the Company's internal systems and human errors. This includes IT risk, which could cause damage in case of unauthorized access to information or technological failure.

The main methods for managing operational risk are the personnel policy, implementation of various internal controls and business continuity plan. For managing operational risk on a daily basis, the Company uses systems of transaction limits and competence systems and in work procedures the principle of segregation of duties is implemented.

In assessment, monitoring and managing of operational risks, compliance and internal audit function have key role. The main task of the person performing compliance control is to define, in accordance with the Credit Institutions Act and the Securities Market Act, the risk of non-compliance of the activities of Admirals with legal acts, voluntary guidelines of the Financial Supervision Authority and internal rules of Admirals, taking into consideration the business scope and complexity and characteristics of services rendered, and to arrange for their hedging or prevention.

For managing the operational risk, Admirals uses the database of incidents and loss events of operational risks. Incidents are analysed individually and together, in order to determine potential significant shortcomings in the processes and products. In addition, Admirals is implementing key risk indicators in order to introduce various levels of operational risk allowed in different areas.

ESG risk

Due to the core business of Admirals, The ESG risk is only impacted by the compliance of the companies and commodities underlying the offered instruments and their ESG effect. Admirals does not see any relevant risk related to the ESG impact. We offer clients access to international currency, stock and commodity markets, which means that even if there is change in prices, transactions (for example derivatives for oil, gas, exchange rates and similar), Admirals does not expect a large impact on business. Admirals constantly monitors the compliance of the offered instruments with ESG principles and, if necessary, updates the selection of instruments offered to customers. ESG activities within the company are very closely monitored and Admirals pays a lot of attention on following the highest standards of ESG.

Off-setting of financial assets and financial liabilities:

31.12.2024 (in thousands of euros)	Gross amount in statement of financial position	Off-setting amount under agreement	Net Amount	Note
Financial assets				
Due from investment companies	13,362	0	13,362	7
Financial assets at fair value through profit and loss (derivatives)	342	333	9	8
Total	**13,704**	**333**	**13,371**	
Financial liabilities				
Financial liabilities at fair value through profit and loss (derivatives)	333	333	0	8
Total	**333**	**333**	**0**	

31.12.2023 (in thousands of euros)	Gross amount in statement of financial position	Off-setting amount under agreement	Net Amount	Note
Financial assets				
Due from investment companies	9,014	0	9,014	7
Financial assets at fair value through profit and loss (derivatives)	301	217	84	8
Total	**9,315**	**217**	**9,098**	
Financial liabilities				
Financial liabilities at fair value through profit and loss (derivatives)	217	217	0	8
Total	**217**	**217**	**0**	

Note 6.
Assessment of fair value of financial assets and liabilities

Quantitative data disclosed on the assessment of fair value hierarchy as at 31.12.2024:

		Assessment of fair value using			
(in thousands of euros)	**Total**	**Level 1**	**Level 2**	**Level 3**	**Notes**
Financial assets recognised at fair value through profit or loss:					
Subordinated loan	382	0	0	382	8
Equity investments at fair value through profit or loss	878	0	298	580	8
Derivatives	342	0	342	0	8
Total	**1,602**	**0**	**640**	**962**	
Financial liabilities recognised at fair value through profit or loss:					
Derivatives:	333	0	333	0	8
Total	**333**	**0**	**333**	**0**	
Financial assets recognized at amortised cost:					
Due from credit institutions	19,131	19,131	0	0	7
Due from investment companies	13,362	0	13,362	0	7
Cash in transit	250	0	250	0	7
Loans	20,245	0	0	20,245	9
Interest claims from loans	721	0	0	721	9
Receivables from group companies	8,193	0	0	8,193	9
Other financial assets	50	0	0	50	9
Total	**61,952**	**19,131**	**13,612**	**29,209**	
Financial liabilities recognized at amortised cost:					
Other financial liabilities	597	0	0	597	13
Subordinated debt securities	1,347	0	0	1,347	16
Total	**1,944**	**0**	**0**	**1,944**	

Quantitative data disclosed on the assessment of fair value hierarchy as at 31.12.2023:

		Assessment of fair value using			
(in thousands of euros)	**Total**	**Level 1**	**Level 2**	**Level 3**	**Notes**
Financial assets recognised at fair value through profit or loss:					
Bonds	3,362	3,362	0	0	8
Company own bonds	6	6	0	0	8
Convertible and subordinated loans	1,649	0	0	1,649	8
Equity investments at fair value through profit or loss	1,035	0	850	185	8
Derivatives	301	0	301	0	8
Total	**6,353**	**3,368**	**1,151**	**1,834**	
Financial liabilities recognised at fair value through profit or loss:					
Derivatives	217	0	217	0	8
Total	**217**	**0**	**217**	**0**	
Financial assets recognized at amortised cost:					
Due from credit institutions	10,122	10,122	0	0	7
Due from investment companies	9,014	0	9,014	0	7
Cash in transit	53	0	53	0	7
Loans	30,661	0	0	30,661	9
Interest claims from loans	430	0	0	430	9
Receivables from group companies	4,761	0	0	4,761	9
Other financial assets	1,843	0	0	1,843	9
Total	**56,884**	**10,122**	**9,067**	**37,695**	
Financial liabilities recognized at amortised cost:					
Other financial liabilities	597	0	0	597	13
Subordinated debt securities	1,354	0	0	1,354	16
Total	**1,951**	**0**	**0**	**1,951**	

Assessment of fair value using (Level 3) (in thousands of euros)	Equity investments at fair value through profit or loss	Convertible and subordinated loans	Total
31.12.2022	**168**	**1,285**	**1,453**
Proceeds from disposal of financial assets at fair value through profit or loss (investment portfolio)	-1	0	-1
Convertible loans granted	0	364	364
Acquisition of financial assets at fair value through profit or loss (investment portfolio)	18	0	18
31.12.2023	**185**	**1,649**	**1,834**
Convertible loans granted reclassification	298	-298	0
Acquisition of financial assets at fair value through profit or loss (investment portfolio)	10	0	10
Revaluation of financial assets measured at fair value through profit or loss (investment portfolio)	87	-914	87
Change in interest claim	0	-29	-28
Net loss on exchange rate changes	0	-26	-27
31.12.2024	**580**	**382**	**962**

As at 31 December 2024, the Company had, among other instruments, the following recorded under FVTPL:
A convertible loan in the amount of EUR 1,351 thousand, which was written down by EUR 914 thousand in accordance with IFRS 9, based on the assessment that repayment of the loan is unlikely due to the liquidation of the subsidiary.
The fair value was determined by management based on information received from the subsidiary, the contractual terms, and the documentation related to the liquidation process.

Levels used in the hierarchy:

Level 1 - quoted price in an active market;
Level 2 - valuation technique based on market data;
Level 3 - other valuation methods with estimated inputs.

Financial instruments on level 1

Level 1 inputs are the most reliable evidence of fair value. They are unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. An active market is one with frequent and voluminous transactions, offering continuous pricing data. A quoted market price in an active market is used without adjustment to measure fair value.

Financial instruments on level 2

Level 2 valuation technique is used for financial instruments that do not have regular market pricing, such as corporate bonds, loans, less liquid equities, and over-the-counter derivatives.

The value of trading derivatives is based on quotations received from counterparties (liquidity providers) and other public quotations.

Dues from credit institutions and investment companies, they are short-term and very liquid.

Financial instruments on level 3

Interest rates on loans granted at amortised cost are mostly at 15 % p.a. (range from 2% to 15%) and considering a relatively short period between the loan origination date and the balance sheet date, the management has estimated there have not been material changes in the market interest rates. Hence, the carrying values of the loans are close approximations of their fair value at the balance sheet date. Significant estimates of management are used to assess the fair value of loans, so they are classified in level 3.

Convertible loans and equity investments at fair value through profit or loss are investments made on market terms during the reporting period. Management has assessed that their investment value based on contrareclctual terms is a close approximation of their fair value on the balance sheet date. Management is monitoring closely the investment performance and receives reports from investees which serves as the basis of their assessment at balance sheet date.

Subordinated debt securities are listed, but liquidity is too low for using directly the market quotes. Nevertheless, management believes that given the current market conditions and the financial position of the Company, similar financing would be obtained on terms comparable to those at the initial recognition of the subordinated bonds. Consequently, management has determined that the carrying value of the subordinated debt securities reflects their fair value as of the balance sheet date.

Other financial assets and liabilities have been incurred during ordinary business and are payable in the short term, therefore, the management estimates that their fair value does not significantly differ from their carrying amount. These receivables and liabilities are interest-free.

Risks arising from client-related open positions are disclosed in Note 5.

Note 7.
Due from credit institutions and investment companies

(in thousands of euros)	31.12.2024	31.12.2023	Note
Demand and term deposits with maturity less than 3 months*	19,131	10,122	6
Demand deposits on trading accounts	13,362	9,014	6
incl. margin with liquidity providers	*1,047*	*708*	
Cash in transit*	250	53	6
Total	**32,743**	**19,189**	

*Cash and cash equivalents in the statement of cash flows

Note 8.
Financial assets and liabilities at fair value through profit or loss

Instrument	**31.12.2024**		**31.12.2023**	
(in thousands of euros)	**Asset**	**Liability**	**Asset**	**Liability**
Bonds	0	0	3,362	0
Company own bonds	0	0	6	0
Equity investments at fair value through profit or loss	878	0	1,035	0
Convertible and subordinated loans	382	0	1,649	0
Derivatives	342	333	301	217
Total	**1,602**	**333**	**6,353**	**217**

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

One of the instruments previously presented as a convertible loan has been reclassified as a subordinated loan, due to the absence of explicit contractual terms regarding convertibility into equity. The reclassification reflects the instrument's nature as a subordinated claim in the event of liquidation. The fair value of the subordinated loan was determined based on contractual conditions, risk profile, and expectations regarding recoverability. Fair value gains and losses from these instruments are recognised in profit or loss in the period in which they arise.

Breakdown of financial assets (except derivatives) to current and non-current in subsequent periods as of 31 December 2024 and 31 December 2023 are set below:

Instrument	**31.12.2024**		**31.12.2023**	
(in thousands of euros)	**Current assets**	**Non-current assets**	**Current assets**	**Non-current assets**
Bonds	0	0	3,362	6
Equity investments at fair value through profit or loss	0	878	0	1,035
Convertible and subordinated loans	382	0	0	1,649
Derivatives	342	0	301	0
Total	**724**	**878**	**3,663**	**2,690**

Risks arising from client-related open positions are disclosed in Note 5.

Note 9.
Loans and receivables

(in thousands of euros)	31.12.2024	31.12.2023	Note
Financial assets			
Trade receivables	14	0	
Settlements with employees	8	9	
Loans granted	20,245	30,661	6
Interest claims from loans	721	430	6
Receivables from group companies	8,193	4,761	27
Other short-term receivables	50	1,413	
Total	**29,231**	**37,274**	

31.12.2024 (in thousands of euros)		Distribution by maturity		Interest rate	Due date	Base currency	Interest receivable 31.12.2024
		Up to 1 year	2-5 years				
Loan 1	44	44	0	2%	04.2025	EUR	1
Loan 2	2,300	2,300	0	2%	12.2025	EUR	0
Loan 3	9,000	9,000	0	3%	12.2025	EUR	704
Loan 4	5,700	5,700	0	2%	12.2025	EUR	0
Loan 5	2,501	2,501	0	2%	12.2025	EUR	0
Loan 6	100	100	0	5%	05.2025	EUR	0
Loan 7	400	400	31	5%	05.2025	EUR	9
Loan 8	200	0	200	6%	05.2029	EUR	7
Total	**20,245**	**20,045**	**231**				**721**

Based on management assessment of these loan exposures, there has not been significant increase in credit risk after initial recognition of these loan exposures, hence all loans have been assessed to be in stage 1 as of the balance sheet date. 12-month ECL has been considered immaterial, given the low probability of default and loss given default.

31.12.2023 (in thousands of euros)		Distribution by maturity		Interest rate	Due date	Base currency	Interest receivable 31.12.2023
		Up to 1 year	2-5 years				
Loan 1	55	55	0	2%	04.2024	EUR	0
Loan 2	74	74	0	15%	06.2024	EUR	6
Loan 3	10,000	10,000	0	3%	12.2024	EUR	0
Loan 4	10,000	10,000	0	3%	12.2024	EUR	424
Loan 5	5,700	5,700	0	2%	12.2024	EUR	0
Loan 6	4,800	4,800	0	2%	12.2024	EUR	0
Loan 7	31	0	31	8%	07.2026	EUR	0
Total	**30,661**	**30,630**	**31**				**430**

Note 10.
Other assets

(in thousands of euros)	31.12.2024	31.12.2023	Note
Prepaid expenditure of future periods	497	592	
Prepayments to suppliers	3	22	
Prepaid taxes	150	356	14
Total	**650**	**970**	

Prepaid expenditure of future periods includes advance payments to financial institutions, IT- and marketing expenses.

Note 11.
Tangible and right-of-use assets

(in thousands of euros)	Other equipment	Right-of-use assets (office properties)	Total
Balance as at 31.12.2022			
Cost	3,472	4,538	8,010
Accumulated depreciation and amortisation	-1,622	-1,854	-3,476
Carrying amount	**1,850**	**2,684**	**4,534**
Acquisition	171	21	192
Non-current assets sold	-25	0	-25
Write-off	-613	0	-613
Depreciation/amortisation charge	-502	-484	-986
Balance as at 31.12.2023			
Cost	3,005	4,559	7,564
Accumulated depreciation and amortisation	-1,511	-2,338	-3,849
Carrying amount	**1,494**	**2,221**	**3,715**
Acquisition	30	21	51
Non-current assets sold	-1	0	-1
Write-off	-54	0	-54
Depreciation/amortisation charge	-480	-485	-965
Balance as at 31.12.2024			
Cost	2,980	4,580	7,560
Accumulated depreciation and amortisation	-1,939	-2,823	-4,762
Carrying amount	**1,041**	**1,757**	**2,798**

The Company has extended its office lease agreements in 2024 and 2023. The leases are accounted for in accordance with IFRS 16 Leases, recognizing a right-of-use asset and a corresponding lease liability (Note 15).

The remaining tangible assets mainly consist of office improvements, including office equipment and furniture.

Note 12.
Intangible assets

(in thousands of euros)	License	Intangible assets generated internally	Projects in progress	Total
Balance as at 31.12.2022				
Cost	860	2,997	539	4,396
Accumulated depreciation and amortisation	-325	-976	0	-1,301
Carrying amount	**535**	**2,021**	**539**	**3,095**
Acquisition of non-current assets	65	0	540	605
Write-off of non-current assets	-42	0	0	-42
Depreciation/amortisation charge	-172	-585	0	-757
Reclassifications	0	1,079	-1,079	0
Balance as at 31.12.2023				
Cost	883	4,076	0	4,959
Accumulated depreciation and amortisation	-455	-1,561	0	-2,016
Carrying amount	**428**	**2,515**	**0**	**2,943**
Acquisition of non-current assets	7	923	0	930
Write-off of non-current assets	-51	0	0	-51
Depreciation/amortisation charge	-173	-879	0	-1,052
Balance as at 31.12.2024				
Cost	1,762	4,076	0	5,838
Accumulated depreciation and amortisation	-1,456	-1,561	0	-3,017
Carrying amount	**306**	**2,515**	**0**	**2,821**

In 2022 and 2023, the Company capitalized development costs for several new software products that are expected to generate future economic benefits. These new software products were released in February 2022, December 2023 and January 2024, with an expected useful life of 5 years.
No development costs were capitalized in 2024, as there were no qualifying expenditures that met the recognition criteria under IAS 38.

Company estimates the useful life of the new software products to be at least 5 years, based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than five years, depending on technical innovations.

Note 13.
Liabilities and accruals

(in thousands of euros)	31.12.2024	31.12.2023	Note
Financial liabilities			
Liabilities to trade creditors	233	427	
Payables to related parties	94	101	27
Interest payable	1	1	16
Other accrued expenses	117	597	
Subtotal	**445**	**597**	**6**
Non-financial liabilities			
Payables to employees	120	184	
Taxes payable	179	199	14
Subtotal	**299**	**383**	
Total	**744**	**980**	

Note 14.
Tax prepayments and liabilities

(in thousands of euros)	31.12.2024		31.12.2023		Note
	Prepaid taxes	Taxes payables	Prepaid taxes	Taxes payables	
Value-added tax	0	36	0	32	
Corporate income tax	0	2	0	7	
Individual income tax	0	51	0	55	
Social security tax	0	82	0	95	
Unemployment insurance payments	0	5	0	6	
Contributions to funded pension	0	3	0	4	
Prepayments account	150	0	356	0	
Total	**150**	**179**	**356**	**199**	**10,13**

Note 15.
Leases

The Company leases office premises. Leases are recognised as a right-of-use asset and a corresponding liability from the date the leased asset becomes available for use by the Company.

In applying IFRS 16, the Company determines an appropriate discount rate for the initial measurement of lease liabilities, based on the characteristics of the lease portfolio and prevailing market conditions. A consistent approach is applied to leases with similar terms and risks, in accordance with the requirements of the standard. The right-of-use assets and corresponding lease liabilities are presented separately in the statement of financial position.

Changes in lease liabilities are presented below:

Lease liabilities	**(in thousands of euros)**
Balance at 31.12.2022	**2,949**
Additions*	21
Lease payments made during the year	-526
Interest expense	55
Balance at 31.12.2023	**2,499**
Additions*	21
Lease payments made during the year	-541
Interest expense	46
Balance at 31.12.2024	**2,025**

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

Breakdown of lease liabilities to current and non-current in subsequent periods as of 31 December 2024 and 31 December 2023 are set below:

(in thousands of euros)	**31.12.2024**	**31.12.2023**
Short-term office lease liabilities	518	492
Long-term office lease liabilities	1,507	2,007
Total	**2,025**	**2,499**

Note 16.
Subordinated debt securities

Bond Key Terms	Admiral Markets
Listed on Nasdaq Tallinn	11 January 2018
Redemption Date	28 December 2027
Nominal Value	EUR 100
Initial Issuance Volume	EUR 1,826,800
Repurchased Bonds (2023)	EUR 473,300
Remaining Bonds	EUR 1,353,500
Interest Rate	8% per annum
Interest Payment Frequency	Semi-annual (28 June and 28 December)
ISIN	EE3300111251

Bonds	2024	2023
Issued Bonds	1,353	1,827
Repurchased Bonds	0	-474
Nasdaq Tallinn Listed Balance	1,353	1,353
Deletion of Repurchased Bonds (2023)	-6	0
Bond Carrying Amount	**1,347**	**1,353**

Bond Interest	2024	2023
Interest liability at period start	**1**	**1**
Interest accrued during the period	108	108
Interest paid during the period	-108	-108
Interest liability at period end	**1**	**1**

Transactions and Turnover	2024	2023
Number of Transactions (units)	82	81
Turnover (thousands of EUR)	61	73

Investor Composition	31.12.2024	31.12.2023
Individuals	58%	59%
Legal Entities	42%	41%

Relevant Covenants and Terms

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

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

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

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

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

Note 17.
Corporate income tax

According to Estonian laws, retained earnings are not subject to corporate income tax, whereas paid-out dividends are taxed. In 2024, Admiral Markets AS did not pay any dividends (2023: EUR 2,619 thousand paid to the parent company, Admirals Group AS). Consequently, there was no accompanying income tax liability in 2024 (2023: EUR 535 thousand).

Income tax (in thousands of euros)	**2024**	**2023**
Income tax expense associated with dividends payment	0	535
Total corporate income tax	**0**	**535**

Income tax expense for the year (in thousands of euros)	**2024**	**2023**
(Loss) / Profit before taxes	1,269	-7,651
Theoretical tax charge at statutory rate (22%)	279	-1,071
Non-taxable income	-279	1,071
Income tax from dividends	0	535
Income tax expense for the year	**0**	**535**

Contingent corporate income tax

As at 31.12.2024, the Company's retained earnings amounted to EUR 67,396 thousand (31.12.2023: EUR 67,041 thousand). The distribution of retained earnings as dividends to the owners is subject to income tax at a rate of 22/78 on the amount paid out as net dividends, effective from 01.01.2025. The previously applied reduced tax rate of 14/86 for regularly payable dividends is no longer in force.

Taking into account regulatory requirements for Net Own Funds and capital, from the retained earnings available at the reporting date, it is possible to pay out to the shareholders as dividends as at 31.12.2024 EUR 39,584 thousand (31.12.2023: EUR 47,561 thousand), and the corresponding income tax would have amounted to EUR 11,165 thousand (31.12.2023: EUR 11,890 thousand).

The management of Admiral Markets AS has proposed not to distribute dividends in accordance with the dividend policy.

The tax authority has the right to inspect the Company's tax accounting for 5 years after the due date of submitting a tax declaration and, in case of finding errors, impose additional tax amounts, interest, and fines. The Company's management estimates that there are no circumstances that would lead to the tax authority imposing a significant additional tax amount on the Company.

Note 18.
Off-balance sheet assets

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

Off-balance sheet assets (in thousands of euros)	**31.12.2024**	**31.12.2023**
Bank accounts	270	255
Total	**270**	**255**

Note 19.
Share capital

	31.12.2024	**31.12.2023**
Share capital (in thousands of euros)	2,586	2,586
Number of shares (pc)	404,000	404,000
Nominal value of shares	6.4	6.4
Basic earnings per share	0.88	-20.26

As at 31.12.2024, the share capital of the Company's parent company consists of 404,000 ordinary shares with a nominal value of EUR 6.4 which have been fully paid for.

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

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

In 2024, Admiral Markets AS did not pay any dividends to the parent company (2023: EUR 2,619 thousand).

Basic earnings per share are calculated as follows:

	31.12.2024	31.12.2023
Profit attributable to the equity holders of the Company (in thousands of euros)	355	-8,186
Weighted average number of ordinary shares (pc)	404,000	404,000
Weighted average number of shares used for calculating the earnings per shares (pc)	404,000	404,000
Basic earnings per share	0.88	-20.26

Under the articles of association, the minimum share capital of the investment company is EUR 766,940 and the maximum share capital is EUR 3,067,759, in the range of which share capital can be increased and decreased without amending the articles of association. All issued shares are fully paid.

Each share grants one vote at the general annual meeting of shareholders of Admiral Markets AS.

Note 20.
Segment reporting

The Management Board is responsible for the allocation of resources and assessment of the results of operating segments. In 2024 and 2023, the Management Board monitored the operations of the Company as one operating segment.

The Company's internal reports prepared for the Management Board are drawn up based on the same accounting principles and in a format consistent with these financial statements. Segment reporting is monitored at the Group level, and therefore, no separate segment disclosures are presented in the company's standalone financial statements. For detailed segment information, please refer to the consolidated financial statements of Admirals Group AS.

Note 21.
Net Income from trading

(in thousands of euros)	2024	2023
Indices CFD's	17,008	17,129
Currency CFD’s	9,203	13,786
Commodities CFD's	10,963	10,444
Other (crypto, bonds, ETF, shares, others)	261	418
Net gain from trading of financial assets at fair value through profit or loss with clients including hedging with liquidity providers	**37,435**	**41,777**
Commission fee revenue from clients	1,062	1,667
Brokerage and commission fee expense	-25,451	-34,656
Other trading activity related income	418	340
Net income from trading	**13,464**	**9,128**

Commission fee revenue from clients is recognised at a point in time.

Brokerage and commission fee expense contains commissions paid to introducing brokers, commissions paid to liquidity providers and fees paid to payment systems. The Company concludes cooperation agreements by introducing brokers who receive commissions which depend on the trade generated under the cooperation agreements. The Company concludes agreements with liquidity providers and providers of payment systems which require different fees charged.

Other trading activity related income includes inactive fee, payment system fee for withdrawals, special trading account fee like “swap-free Islamic accounts”.

All first per calendar month withdrawals are free for clients within all our OCs, however starting from the second withdrawal the fees are applied. The fees are depending on the operational company and vary from method to method.

Other trading activity related expenses are bonuses paid to customers, that are strictly related to trading in financial instruments by the customer with the Company.

The Company’s operating incomes is generated from:

- spreads (the differences between the “offer” price and the “bid” price);
- net results (gains offset by losses) from Company’s market making activities;
- fees and commissions charged by the Company to its clients; and
- swap points charged (being the amounts resulting from the difference between the notional forward rate and the spot rate of a given financial instrument).

Note 22.
Other income

2024 (in thousands of euros)	Point in time	Over period	Out of scope of IFRS 15	Total
Intra-group income	0	375	0	375
Other income	0	0	58	58
Total	**0**	**375**	**58**	**433**

2023 (in thousands of euros)	Point in time	Over period	Out of scope of IFRS 15	Total
Intra-group income	0	848	0	848
Other income	0	0	29	29
Total	**0**	**848**	**29**	**877**

Note 23.
Personnel expenses

The remuneration for employees including social security taxes amounted to EUR 3,794 thousand (2023: EUR 4,358 thousand) and the remuneration for the management amounted to EUR 288 thousand (2023: EUR 313 thousand).

(in thousands of euros)	2024	2023
Employees	-3,794	-4,358
Remuneration of the Management Board and Supervisory Board	-288	-313
Vacation pay reserve	63	37
Total	**-4,019**	**-4,634**

Admiral Markets AS had 62 employees at the end of 2024 (2023: 76 employees).

There were no direct pension contribution expenses in 2024 and 2023.

The vacation pay reserve is calculated based on unused vacation days. The Company does not provide share-based compensation to employees.

Note 24.
Operating expenses

Type of expense (in thousands of euros)	2024	2023	Note
Marketing expenses	-1,635	-6,283	
IT expenses	-2,379	-2,889	
Other outsourced services	-28	-73	
Bank charges	-19	-36	
VAT expenses	-291	-298	
Rent and utilities expenses	-86	-96	
Legal and audit services	-648	-710	
Regulative reporting services	-68	-75	
Transport and communication costs	-253	-309	
Travelling expenses	-38	-137	
Supervision fee of the Financial Supervision Authority	-194	-217	
Small tools	-171	-157	
Other operating expenses	-310	-409	
Intra-group expense	-1,522	-479	26
Total operating expenses	**-7,642**	**-12,168**	

Audit fees in operating expenses (in thousands of euros)	2024	2023
PricewaterhouseCoopers AS audit services	-3	-90
Ernst&Young Baltic AS audit services	-72	0
KPMG Baltics OÜ internal audit services	-13	-27
Other services for annual reports	-8	-9
Total audit fees in operating expenses	**-96**	**-126**

Note 25.
Contingent liabilities

Tax authorities have the right to review the Company's tax records for up to 5 years after submitting the tax declaration and upon finding errors, impose additional taxes, interest and fines. The tax authorities have not performed any tax audits at the Company during 2023 - 2024. The Company's management estimates that in 2024 there are no such circumstances, which may lead the tax authorities to impose significant additional taxes on the Company.

Note 26.
Transactions with related parties

Transactions with related parties are transactions with the parent company, shareholders, members of the management, their close relatives and entities that they control or over which they have significant influence. The parent company of Admiral Markets AS is Admirals Group AS. The following entities have been considered as related parties at the moment of preparing the financial statements of the Company:

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

Mr. Alexander Tsikhilov has the ultimate control over the Company

The Company has signed contracts with the members of the Management Board.

Revenue

(in thousands of euros)	Relation	2024	2023
Revenue from brokerage and commission fees*	Companies in the same consolidation Group	36,735	25,000
Services**	Companies in the same consolidation Group	375	866
Sale of goods***	Key management and companies related to them	0	111
Interest income	Parent company	214	213
Interest income	Companies in the same consolidation Group	837	611
Interest income	Key management and companies related to them	1	3
Total transactions with related parties		**38,162**	**26,804**

*The majority of clients have concluded trading contracts with the entities which are part of the same consolidation group that mediate their trading transactions with Admiral Markets AS and to whom Admiral Markets AS pays a commission fee (see the next table).
**The Company provides accounting services, legal and compliance services, IT support services and HR support services to group companies.
***DVF Group OÜ

Expenses

(in thousands of euros)	Relation	2024	2023
Commission fees	Companies in the same consolidation Group	-24,190	-33,915
Services*	Parent company	-356	-479
Services	Companies in the same consolidation Group	-1,166	0
Services	Key management and companies related to them	-48	0
Total transactions with related parties		**-25,760**	**-34,394**

*Services from the parent company are mainly related to trademark costs.

Loans and receivables

(in thousands of euros)	31.12.2024	31.12.2023	Note
Loans to the parent company	10,601	10,500	
Loans to other companies in the same consolidation Group	9,600	20,000	
Subordinated loan to a company within the same consolidation group*	382	1,351	
Loans to key management and companies related to them	0	31	
Interest receivables from group companies	720	424	
Receivables from parent company	1,338	913	
Receivables from other companies in the same consolidation Group	6,856	5,153	
Receivables from key management and companies related to them	7	9	
Total receivables from related parties	**29,504**	**38,381**	**8,9**

*The subordinated loan and interest receivables from the subordinated loan to a group company are recognised as financial assets at fair value through profit or loss (Note 8).

Payables

(in thousands of euros)	31.12.2024	31.12.2023	Note
Payables to parent company	5	101	13
Payables to other companies in the same consolidation Group	89	0	13
Payables to key management and companies related to them	5	0	
Total payables to related parties	**99**	**101**	

Terms and Conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Outstanding balances are unsecured.

Loans and Receivables in Note 9.

Loans and interest receivables to parent company

(in thousands of euros)	31.12.2024	31.12.2023	Interest rate	Interest receivable 31.12.2024	Interest receivable 31.12.2024	Due date	Currency
Loan 1	2,501	2,500	2%	0	0	12.2025	EUR
Loan 3	2,300	2,300	2%	0	0	12.2025	EUR
Loan 4	5,700	5,700	2%	0	0	12.2025	EUR
Loan 5	100	0	5%	0	0	05.2025	EUR
Total	**10,601**	**10,500**		**0**	**0**		

Loans and interest receivables to other companies in the same consolidation Group

(in thousands of euros)	31.12.2024	31.12.2023	Interest rate	Interest receivable 31.12.2024	Interest receivable 31.12.2023	Due date	Currency
Loan 1	0	10,000	3%	0	0	12.2024	EUR
Loan 2	9,000	10,000	3%	704	424	12.2025	EUR
Loan 3	400	0	5%	9	0	05.2025	EUR
Loan 4	200	0	6%	7	0	05.2029	EUR
Loan 5*	358	1,298	2%	24	53	12.2025	EUR
Total	**9,958**	**21,298**		**744**	**477**		

*The subordinated loan and interest receivables from the subordinated loan to a group company are recognised as financial assets at fair value through profit or loss (Note 8).

Loans and interest receivables to key management and companies related to them

(in thousands of euros)	31.12.2024	31.12.2023	Interest rate	Interest receivable 31.12.2024	Interest receivable 31.12.2023	Due date	Currency
Loan 1	0	31	8%	0	0	07.2026	EUR
Total	**0**	**31**		**0**	**0**		

The payments made to the management were EUR 288 thousand and EUR 313 thousand respectively in 2024 and 2023. The Company has signed contracts with the members of the Management Board.

Note 27.
Subsidiaries

Company	Country	Ownership interest 31.12.2024	Ownership interest 31.12.2023	Business activity
Admiral Markets AS/Jordan LLC	Jordan	100%	100%	Investment services
Admiral Markets Canada Ltd	Canada	100%	100%	Investment services

Admiral Markets Canada Ltd operates under the oversight of the Canadian regulatory authorities, and Admiral Markets AS/Jordan LLC is regulated by the relevant Jordanian financial regulatory body.

There were no changes in the ownership structure of these subsidiaries during the financial year 2024.

The functional currency of Admiral Markets AS/Jordan LLC is the Jordanian dinar (JOD), while the functional currency of Admiral Markets Canada Ltd is the Canadian dollar (CAD).

Company	Investment amount as at 31.12.2024	Investment amount as at 31.12.2023
Admiral Markets AS/Jordan LLC	4,179,888	4,179,888
Admiral Markets Canada Ltd	69	69

Subsequent event and impairment of investment-related instruments

Following the reporting date, the Group initiated the liquidation process of Admiral Markets Canada Ltd. As a result of information available before the reporting date and received during the early stages of liquidation, management assessed that full repayment of a subordinated loan issued to the subsidiary was unlikely.

Accordingly, as at 31 December 2024, the loan was written down by EUR 914 thousand under IFRS 9. The fair value was determined based on contractual terms, information from the subsidiary, and liquidation-related documentation.

The investment amount and related instruments in the parent company's separate financial statements reflect this impairment.

Note 28.
Earnings before interest, taxes, depreciation and amortization

(in thousands of euros)	31.12.2024	31.12.2023
Profit (Loss) for the reporting period	**355**	**-8,186**
Income tax	0	-535
Interest income	1,447	1,215
Interest expense	-155	-184
Earnings before interest and taxes (EBIT)	**-938**	**-8,681**
Depreciation of tangible and intangible assets	-1,532	-1,259
Depreciation of right-of-use assets	-485	-484
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**1,079**	**-6,938**

Signatures of the Management Board members to the 2024 Annual Report

The Management Board has prepared the Management Report and the Financial Statements of Admiral Markets AS for the financial year ended on 31 December 2024.

The Management Board confirms that Management Report of Admiral Markets AS on pages 7 to 41 provides a true and fair view of the Company's business operations, financial results and financial position.

The Management Board confirms that according to their best knowledge the Financial Statements of Admiral Markets AS on the pages 42 to 108 presents a true and fair view of the Company's assets, liabilities, financial position and financial results according to the IFRS Accounting Standards as adopted by the European Union and contains description of the main risks and judgements.

30.04.2025

Chairman of the Management Board:
Eduard Kelvet

Member of the Management Board:
Andrey Koks

Member of the Management Board:
Aleksandr Ljubovski

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Translation of the Estonian Original

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Admiral Markets AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Admiral Markets AS (the Company), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Admiral Markets AS as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (Estonia). Our responsibilities under those standards are further described in the *"Auditor's responsibilities for the audit of the financial statements"* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Estonia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *"Auditor's responsibilities for the audit of the financial statements"* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

This independent auditor's report (translation of the Estonian original) should only be used with the original document in machine-readable .xhtml format that is submitted to the Tallinn Stock Exchange (Link: https://nasdaqbaltic.com/statistics/en/instrument/EE3300111251/reports).

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Key audit matter	*How our audit addressed the key audit matter*
Net gains from trading of financial assets at fair value through profit or loss with clients and liquidity providers As disclosed in Note 21 *Net income from trading includes* net gain from trading of financial assets at fair value through profit or loss with clients, and net gain from hedging transactions with liquidity providers for the year ended 31 December 2024 amounted to EUR 37 435 thousand. Management has disclosed information on policies applied for recognition and estimation of net gain from trading of financial assets at fair value through profit or loss with clients, including hedging with liquidity providers, in Notes 2 and 5 to the financial statements. Net gain from trading is represented by the net gains on transactions with clients (primarily CFD contracts) and gains on customers' trading positions, arising on client trading activity, as well as gain/losses from the hedging transactions placed with external liquidity providers. Processing and recording of the trades is highly automated process within IT platforms used by the Company. Given the high volume of the trades and complexity involved in estimating the trading results we considered this area as key audit matter.	***Our audit procedures included, among others, the following:*** ► We gained understanding over the material processes relevant to the recognition of the net gain from trading, including respective IT solutions involved into the process. We have evaluated the design and tested operating effectiveness of relevant general IT controls supporting applications used in trading activity and key controls over the net gains/losses recoding, processing and recognition. ► We reconciled detailed registers of the net gains from trading recorded within IT trading platforms with net gains from trading recorded in the financial statements. ► We have tested the net gains from trading on the sample of customers' transaction by comparing inputs to internal and external data, including contracts details, market prices, spreads, commissions and fees and other inputs used in valuation of the gains/losses on transactions with customers and gains/losses on customers' trading positions, arising on client trading activity. ► We assessed the management assumptions used in valuation of the fair value of the positions open with external liquidity providers. ► We reconciled the net gain from trading of financial assets at fair value through profit or loss with liquidity providers to monthly reports obtained from liquidity providers. ► We reviewed the customers' complaints register held in accordance with internal policy, to identify material disputes, which could result in over or under statement of Company's net gains from trading. ► We performed analytical procedures over the net gains recognized from trading through analyzing the gains recognized across the year towards the market performance of the major trading instruments within the portfolio. ► We also obtained external confirmations and reconciled them with cash and cash equivalents and due from other credit institution balances, as well as reconciled assets attributable to the customers and used in evaluation of the net gains from trading to external confirmations. ► Finally, we also assessed the adequacy of the related disclosures in Notes 2, 5, 21 of the Company's financial statements.

Other information

Other information consists of Management report but does not consist of the financial statements and our auditor's report thereon. Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as indicated below.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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With respect to the Management report, we also performed the procedures required by the Auditors Activities Act of the Republic of Estonia. These procedures include considering whether the Management report is consistent, in all material respects, with the financial statements and is prepared in accordance with the requirements of the Accounting Act of the Republic of Estonia.

Based on the work performed during our audit, in our opinion:

- the Management Report is consistent, in all material respects, with the financial statements;
- the Management Report has been prepared in accordance with the applicable requirements of the Accounting Act of the Republic of Estonia;

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (Estonia) will always detect a material misstatement when it exists. 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.

As part of an audit in accordance with International Standards on Auditing (Estonia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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;
- obtain 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to 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. 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 the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- plan and perform the Company audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Company audit. We remain solely responsible for our audit opinion.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. 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, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. *Report on the compliance of format of the financial statements with the requirements for the European Single Electronic Reporting Format („ESEF")*

The Company's management has applied European Single Electronic Format for the Company's financial statements in order to implement the requirement of Article No. 3 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter "the ESEF Regulation"). These requirements specify the Company's obligation to prepare its financial statements including management report in a XHTML format. We confirm that the European Single Electronic Reporting format of the financial statements for the year ended 31 December 2024 complies with the ESEF Regulation in this respect.

2. *Other requirements of the auditor's report in accordance with Regulation (EU) No 537/2014 of the European Parliament and of the Council*

Appointment and approval of the auditor

In accordance with the decision made by the General Meeting of Shareholders on 22 August 2024 we were appointed to carry out the audit of the Company's financial statements for the year ended 31 December 2024. Our total uninterrupted period of engagement is 1 year, covering the period ended 31 December 2024 only.

Consistency with the additional report submitted to the audit committee

Our report on audit of the financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued in accordance with Article 11 of the Regulation (EU) No. 537/2014 on the same date as the date of this report.

Non-audit services

We confirm that in light of our knowledge and belief, services provided to the Company are consistent with the requirements of the law and regulations and do not comprise prohibited non-audit services referred to in Article 5(1) of the Regulation (EU) No 537/2014 of the European Parliament and of the Council. To the best of our knowledge and belief, we have not provided any prohibited non-audit services.

Tallinn, 30 April 2025

Olesia Abramova
Authorised Auditor's number 561
Ernst & Young Baltic AS
Audit Company's Registration number 58

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Proposal for profit distribution

The Management Board of Admiral Markets AS proposes to the General Meeting of Shareholders to distribute the profit of financial year 2024 as follows:

- transfer the profit for the reporting period in the amount of EUR 355 thousand to retained earnings.

Signatures of the supervisory board to the annual report

The supervisory board has reviewed the annual report which consists of the management report and the financial statements, the independent auditor’s report and the profit distribution proposal, and approved it for presentation at the general meeting of shareholders.

30.04.2025

Chairman of the Supervisory Board:
Alexander Tsikhilov

Member of the Supervisory Board:
Anatolie Mihalcenco

Member of the Supervisory Board:
Anton Tikhomirov

Member of the Supervisory Board:
Dmitri Lauš

Allocation of income according to EMTA classificatory

The revenue of the Company's Parent company is allocated according to the EMTAK codes as follows:

EMTAK code	Title of EMTAK group	2024
66121	Security and commodity contracts brokerage	13,464

Markets go
up and down.
We are going
forward.