

Flow Traders 1Q 2025 Trading Update

Amsterdam, the Netherlands - Flow Traders Ltd. (Euronext: FLOW) announces its unaudited 1Q 2025 trading update.

Highlights

- Flow Traders recorded Net Trading Income of €140.2m and Total Income of €135.1m in 1Q25, an increase of 10% and 4% when compared to €127.1m and €129.6m in 1Q24, respectively.
- Flow Traders' ETP Value Traded increased by 24% in 1Q25 to €507bn from €409bn in 1Q24.
- Fixed Operating Expenses were €50.8m in the quarter, an increase of 15% when compared to the €44.1m in 1Q24, due mostly to increased employee and technology expenses.
- Total Operating Expenses were €72.7m in 1Q25, an increase of 7% when compared to the €67.9m in 1Q24, due to higher Fixed Operating Expenses.
- EBITDA was €62.3m in the quarter, an increase of 1% when compared to €61.6m in 1Q24. EBITDA margin was 46% in 1Q25 vs. 48% in 1Q24.
- Net Profit came in at €36.3m in 1Q25, yielding a basic EPS of €0.84 and diluted EPS of €0.82, a 21% decrease compared to a Net Profit of €45.9m, basic EPS of €1.05, and diluted EPS of €1.04 in 1Q24.
- Trading Capital stood at €803m at the end of 1Q25, a 32% and 4% increase from €609m and €775m at the end of 1Q24 and 4Q24, respectively, and generated a 68% return on average trading capital¹.
- Shareholders' equity was €787m at the end of 1Q25, compared to €631m at the end of 1Q24 and €767m at the end of 4Q24.
- Flow Traders employed 619 FTEs at the end of 1Q25, compared to 601 at the end of 1Q24 and 609 at the end of 4Q24.

Leadership Update

In a separate release today, Flow Traders announced that Mike Kuehnel has conveyed to the Board his intention not to seek re-election as CEO for another full term at the 2025 AGM. He will leave Flow Traders at the end of August of this year, to pursue a new opportunity. To ensure a seamless leadership transition, Mike has agreed to be nominated for re-election as CEO at the upcoming AGM on 13 June 2025, his renewed term extending until 31 August 2025. The Board has initiated a search for his successor.

Furthermore, Marc Jansen will be nominated for election as Executive Director of Flow Traders Ltd. and in addition, Marc Jansen and Alex Kieft will be appointed as Co-Chief Trading Officers, effective immediately.

Financial Overview

€million	1Q25	1Q24	Change	YTD25	YTD24	Change
Net trading income	140.2	127.1	10%	140.2	127.1	10%
Other income	(5.1)	2.5	NM	(5.1)	2.5	NM
Total income	135.1	129.6	4%	135.1	129.6	4%
Revenue by region²						
Europe	79.9	68.5	17%	79.9	68.5	17%
Americas	11.4	41.3	(72%)	11.4	41.3	(72%)
Asia	43.7	19.9	120%	43.7	19.9	120%
Fixed employee expenses	24.3	20.7	18%	24.3	20.7	18%
Technology expenses	17.4	15.8	10%	17.4	15.8	10%
Other expenses	9.1	7.7	19%	9.1	7.7	19%
Fixed operating expenses	50.8	44.1	15%	50.8	44.1	15%
Variable employee expenses	22.0	23.8	(8%)	22.0	23.8	(8%)
Total operating expenses	72.7	67.9	7%	72.7	67.9	7%
EBITDA	62.3	61.6	1%	62.3	61.6	1%
Interest expenses	0.4	-	NM	0.4	-	NM
Lease expenses	0.5	0.6	(8%)	0.5	0.6	(8%)
Depreciation & amortisation	4.7	4.3	11%	4.7	4.3	11%
Impairment of intangible assets	10.5	-	NM	10.5	-	NM
Profit/(loss) on equity-accounted investments	(1.8)	(0.4)	375%	(1.8)	(0.4)	375%
Profit before tax	44.3	56.4	(21%)	44.3	56.4	(21%)
Tax expense	8.0	10.6	(24%)	8.0	10.6	(24%)
Net profit	36.3	45.9	(21%)	36.3	45.9	(21%)
Basic EPS ³ (€)	0.84	1.05	(21%)	0.84	1.05	(21%)
Fully diluted EPS ⁴ (€)	0.82	1.04	(21%)	0.82	1.04	(21%)
EBITDA margin	46%	48%		46%	48%	

Revenue by Region

€million	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
Europe	58.5	33.1	33.6	42.6	68.4	48.6	70.2	86.9	79.9
Americas	32.8	9.3	22.0	18.1	41.3	13.4	20.8	18.2	11.4
Asia	19.2	9.0	12.1	13.6	19.9	14.2	23.6	53.8	43.7

Value Traded Overview

€billion	1Q25	1Q24	Change	YTD25	YTD24	Change
Flow Traders ETP Value Traded	507	409	24%	507	409	24%
Europe	245	152	61%	245	152	61%
Americas	213	229	(7%)	213	229	(7%)
Asia	49	27	81%	49	27	81%
Flow Traders non-ETP Value Traded	1,217	1,146	6%	1,217	1,146	6%
Flow Traders Value Traded	1,724	1,555	11%	1,724	1,555	11%
Equity	861	819	5%	861	819	5%
FICC	774	691	12%	774	691	12%
Other	89	45	100%	89	45	100%
Market ETP Value Traded⁵	14,425	11,981	20%	14,425	11,981	20%
Europe	882	597	48%	882	597	48%
Americas	11,065	9,965	11%	11,065	9,965	11%
Asia	2,478	1,419	75%	2,478	1,419	75%
Asia ex China	645	439	47%	645	439	47%

Trading Capital

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
Trading Capital (€m)	647	574	585	584	609	624	668	775	803
Return on Avg Trading Capital ¹	67%	65%	56%	49%	50%	58%	62%	69%	68%
Average VIX ⁷	21.0	16.7	15.1	15.4	13.9	14.2	17.1	17.3	18.5

Market Environment

Europe

Equity trading volumes in the quarter across major exchanges saw meaningful increases when compared to the same period a year ago, while market volatility also increased. Fixed Income trading volumes on MTFs increased slightly compared to the same period a year ago.

Americas

Equity trading volumes in the U.S. increased compared to the same period a year ago, but at a much lower level when compared to the other regions, while market volatility increased. Fixed Income trading volumes in the U.S. also increased slightly when compared to the same period a year ago, while volatility declined.

Asia

Equity trading volumes in Asia were mixed as Hong Kong and China saw significant increases while Japan experienced declines when compared to the same period a year ago. Market volatility increased across the board in Hong Kong, China and Japan when compared to the same period a year ago.

Digital Assets

Within Digital Assets, which trades across regions on a 24/7 basis, trading volumes in cryptocurrencies increased when compared to the same period a year ago. However, net fund flows into cryptocurrency ETFs declined significantly compared to a year ago given the spot Bitcoin ETF launches in the U.S. in January 2024.

Outlook

Fixed operating expenses guidance for the year remains unchanged and is expected to be in the range of €190-210m given additional technology investments and targeted additions of subject matter experts in growth areas, partially offset by expected operational efficiency gains.

CEO Statement

Mike Kuehnel, CEO

“Flow Traders posted a strong set of results in the first quarter, with the strength in the Equity segment in Europe and Asia in the quarter offsetting the lower contribution from Digital Assets when compared to the first quarter of 2024. The results serve as further confirmation of our diversification strategy and our ability to capture opportunities as they arise. The 68% return on average trading capital in the quarter also further validates our strategic decision to retain more profits to reinvest back into the company under the Trading Capital Expansion Plan, announced in July last year.

During the quarter, market trading volumes increased meaningfully across Europe and Asia given the macroeconomic uncertainty raised by the prospect of tariffs from the U.S. and the potential impact to the global economy. Volumes were particularly elevated in Hong Kong and China given the continued investor interest in China following the stimulus unveiled by the government in the fourth quarter of last year. Similarly, volumes increased meaningfully in Europe given the market outperformance, as investors looked to rotate their investments given the seismic geopolitical shift in the U.S. and its ramifications on Europe. The Americas had a more muted quarter when compared with the other regions as we allocated more of our capital to regions with greater dislocations. Regardless of where the activities were in the quarter, Flow Traders continued to provide liquidity to our counterparty base and was able to leverage trading opportunities given the breadth of our global trading operation.

In Digital Assets, while the value of cryptocurrencies pulled back post the U.S. presidential inauguration, we continue to see positive sentiment shifts by regulators in not only the U.S. but also in places like Hong Kong, Japan and Korea. The first Consensus conference in Asia, held in Hong Kong in February, demonstrated the increasing institutional interest and adoption of digital assets and the underlying technology in the region. As one of the earliest adopters, Flow Traders remains instrumental in providing liquidity to this asset class on a 24/7 basis and bridging the gap between traditional finance and digital assets ecosystems.

Looking forward to the rest of 2025, we remain committed to enhancing our trading capabilities by strategically investing in cutting-edge technology and talent. This approach aligns seamlessly with our growth and diversification strategy. We anticipate that these investments, coupled with our Trading Capital Expansion Plan, will drive top-line growth for the firm over time.”

Preliminary Financial Calendar

13 June 2025	AGM
31 July 2025	1H25 Results

Analyst Conference Call and Webcast

The 1Q25 trading update analyst conference call will be held at 10:00 am CEST on Thursday 24 April 2025. The presentation can be downloaded at <https://www.flowtraders.com/investors/results-centre> and the conference call can be followed via a listen-only audio webcast. A replay of the conference call will be available on the company website for at least 90 days.

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About Flow Traders

Flow Traders is a leading trading firm providing liquidity in multiple asset classes, covering all major exchanges. Founded in 2004, Flow Traders is a leading global ETP market maker and has leveraged its expertise in trading European equity ETPs to expand into fixed income, commodities, digital assets and FX globally. Flow Traders' role in financial markets is to ensure the availability of liquidity and enabling investors to continue to buy or sell financial instruments under all market circumstances, thereby ensuring markets remain resilient and continue to function in an orderly manner. In addition to its trading activities, Flow Traders has established a strategic investment unit focused on fostering market innovation and aligned with our mission to bring greater transparency and efficiency to the financial ecosystem. With over two decades of experience, we have built a team of over 600 talented professionals, located globally, contributing to the firm's entrepreneurial culture and delivering the company's mission.

Notes

1. Return on average trading capital defined as LTM NTI divided by the average of the prior and current end of period trading capital.
2. Revenue by region includes NTI, Other Income, and inter-company revenue.
3. Weighted average shares outstanding: 1Q25 - 43,394,080; 4Q24 - 43,066,302; 1Q24 - 43,515,359.
4. Determined by adjusting the basic EPS for the effects of all dilutive share-based payments to employees.
5. Source - Flow Traders analysis.
6. Starting in 3Q24, average VIX is calculated as the average of VIX daily closing prices.

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