ARGENTEX GROUP PLC

Full year results

12-month period ended 31 December 2024

Jim Ormonde, CEO | **Guy Rudolph**, CFO

2 APRIL 2025

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Management Team

Jim Ormonde

Chief Executive Officer

Jim joined Argentex in October 2023 and as CEO sets the strategic direction of the business. He oversees the front office, including the business development and revenue generation of Argentex. Previously, he was CEO of Cardsave, one of Europe's largest independent payments businesses. He was also a director of Retail Merchant Services which was sold successfully to TCV Private Equity. He has acted as a consultant and adviser to various Fintech businesses, including Argentex.

Guy Rudolph

Chief Financial Officer

Guy joined Argentex in January 2024. At Argentex he is responsible for financial strategy of the Group and the entire finance function as well as legal and corporate governance matters across the Group. In addition, he is responsible for the Group's sustainability strategy. Guy is a qualified chartered accountant and began his career at PwC before joining Vodafone where he spent 16 years driving transformation across international teams in his roles as Group Audit and Risk Director, and Director of Group Financial Operations. He was also the deputy CFO of Camelot from 2017 to 2022 and later interim Director of Group Finance at Rank Group plc.

Contents

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Company Overview

ARGENTEX YESTERDAY	ARGENTEX TOMORROW
"Pure" FX focused – Poor visibility of customer spend – Highly transactional – Unpredictable FX market volatility	**Full-service digital accounts & payments platform** – Higher quality earnings – Greater wallet share – Pull-through of additional FX revenue
"High touch" sales/service model – Difficult to automate – High cost	**Segmented customer base with differentiated service levels**
Limited scalability	**Scalable business model**
Limited use of technology and data	**Strong technology and data capability** – Data-driven decision making – Operational leverage
UK-centric	**International footprint** – Licensed across EU; APAC and UAE

Creating the conditions for success

We have actively reset the business in 2024
and are well positioned for 2025 as a result

FIX

Improved controls and accountability
- Introduced NetSuite & Salesforce
- Rigorous budget and forecasting
- Reduced discretionary spend

Improved risk management
- Enhanced reg cap monitoring

Bringing the right skills into the business
- Strengthened Exec with key appointments;
- Experienced hires in all growth areas;

BUILD & DEPLOY

Re-platforming the business (AGP) to:
- Deliver new products and services globally

Restructured front office
- Focused on quality, retention and customer lifetime value

Focussed geographic expansion
- Australia licence obtained
- Dubai licenced obtained
- EU expansion: applying for NL MIFiD licence

ACCELERATE

Geographic expansion
- Australia and Dubai fully staffed and operational

Product expansion
- Digital accounts and Payments launch in Summer 2025
- New teams and capabilities in place

Strong momentum in core UK business
- Better client retention
- Increased cross sell opportunities

Financial results

Guy Rudolph, CFO

FY 2024

Revenues and EBITDA margins ahead of guidance

TOTAL REVENUE

£50.3m

12 months to Dec 23: **£49.9m**

REPORTED EBITDA

£4.0m

MARGIN 8%

12 months to Dec 23: **£11.9m**

OPERATING PROFIT

(£0.2m)

12 months to Dec 23: **£8.1m**

NET CASH as of 31 December 2024

£18.4m

31 December 2023: **£18.3m**

TOTAL CLIENTS TRADED[1]

2,113

9%

12 months to Dec 23: **1,938**

NEW CLIENT REVENUE

£15.8m

4%

12 months to Dec 23: **£15.2m**

[1] Excludes private clients

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P&L

	FY24	FY23	
	£m	£m	% change
Revenue	50.3	49.9	*1%*
Variable costs incl. commissions	(13.1)	(13.2)	*(1%)*
Gross margin	37.2	36.7	*1%*
Gross margin %	*74%*	*74%*	
Other income	1.6	1.1	*45%*
Administrative costs:			
Staff costs	(22.9)	(18.1)	*27%*
Other costs	(11.9)	(7.8)	*53%*
Depreciation and amortisation	(4.2)	(3.9)	*8%*
Operating profit	(0.2)	8.1	*(102%)*
Operating profit %	-	*16%*	*(16ppt)*
EBITDA	4.0	11.9	*(66%)*
EBITDA %	*8%*	*24%*	*(16ppt)*
EPS	(1.1p)	4.6p	
		No.	
Av. Headcount (incl members & directors)	199	169	
Year end headcount (incl members & directors)	197	196	
	£m	£m	
Memo: Staff costs incl. commissions	*(32.4)*	*(27.2)*	*19%*

Improving momentum in H2

FTE flat in FY24 but avg. up 18% YoY

All new headcount is in growth areas

See page 10

Significant one-off items & growth investments

See page 11

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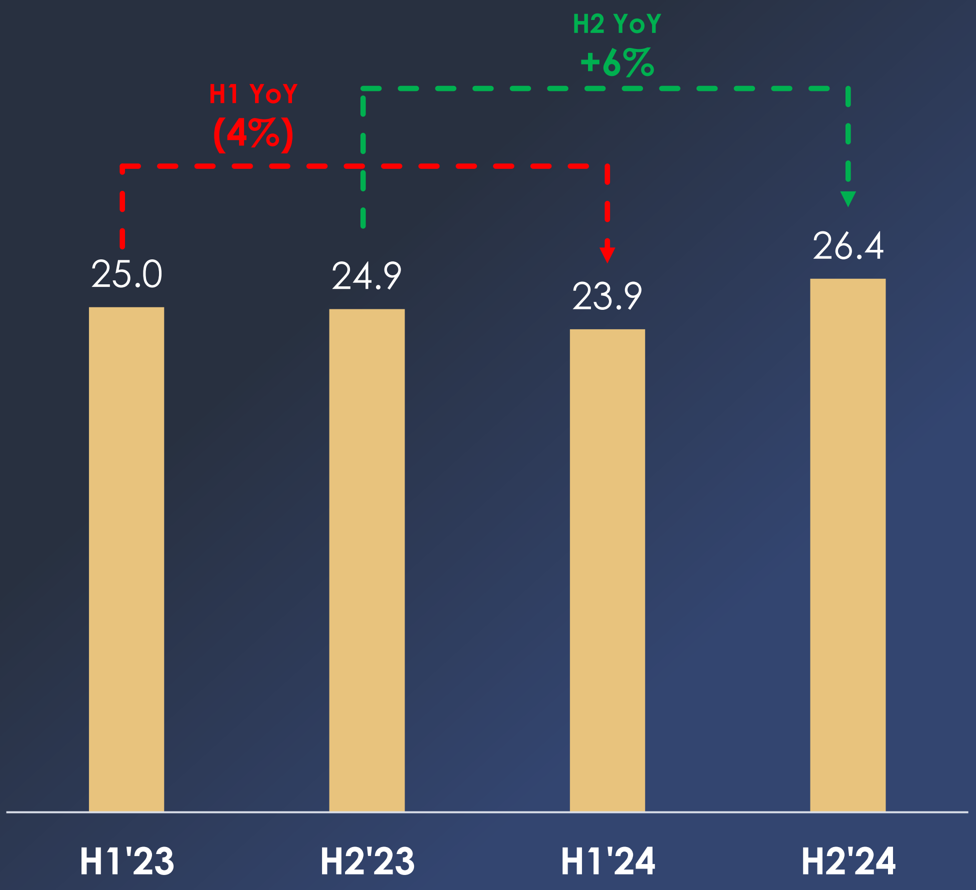
Gathering momentum

H2 revenues up sequentially and YoY

Revenue (£m)



Flat revenue year on year masks H2 recovery due to increased client spend

Average revenue per client H2 up:

+7%
YoY

+22%
YoY sequentially (H2'24 vs H1'24)

Demonstrates our enhanced focus on quality clients and their retention

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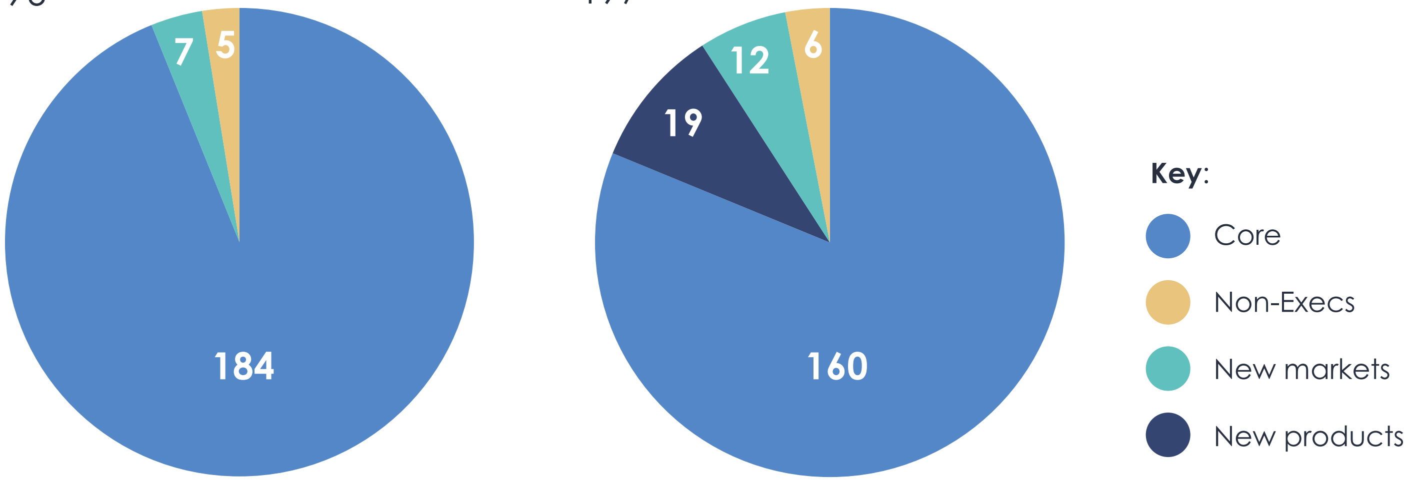
Rebalancing our workforce with a focus on growth

FY23 FTE
Closing:
196

FY24 FTE
Closing:
197



	FY23	FY24	% change
Staff costs incl. commissions	£27.2m	£32.4m	*19%*
Average FTE	169	199	*18%*
Average cost per FTE	£161k	£163k	*1%*

Headcount in core business down 13% yoy

Increases in new products and overseas offices as we invest in growth

Increase in staff costs incl. commissions driven by:

- 18% increase in average headcount
- 1% increase in average cost per FTE
  - Wage inflation
  - Upskilling of workforce

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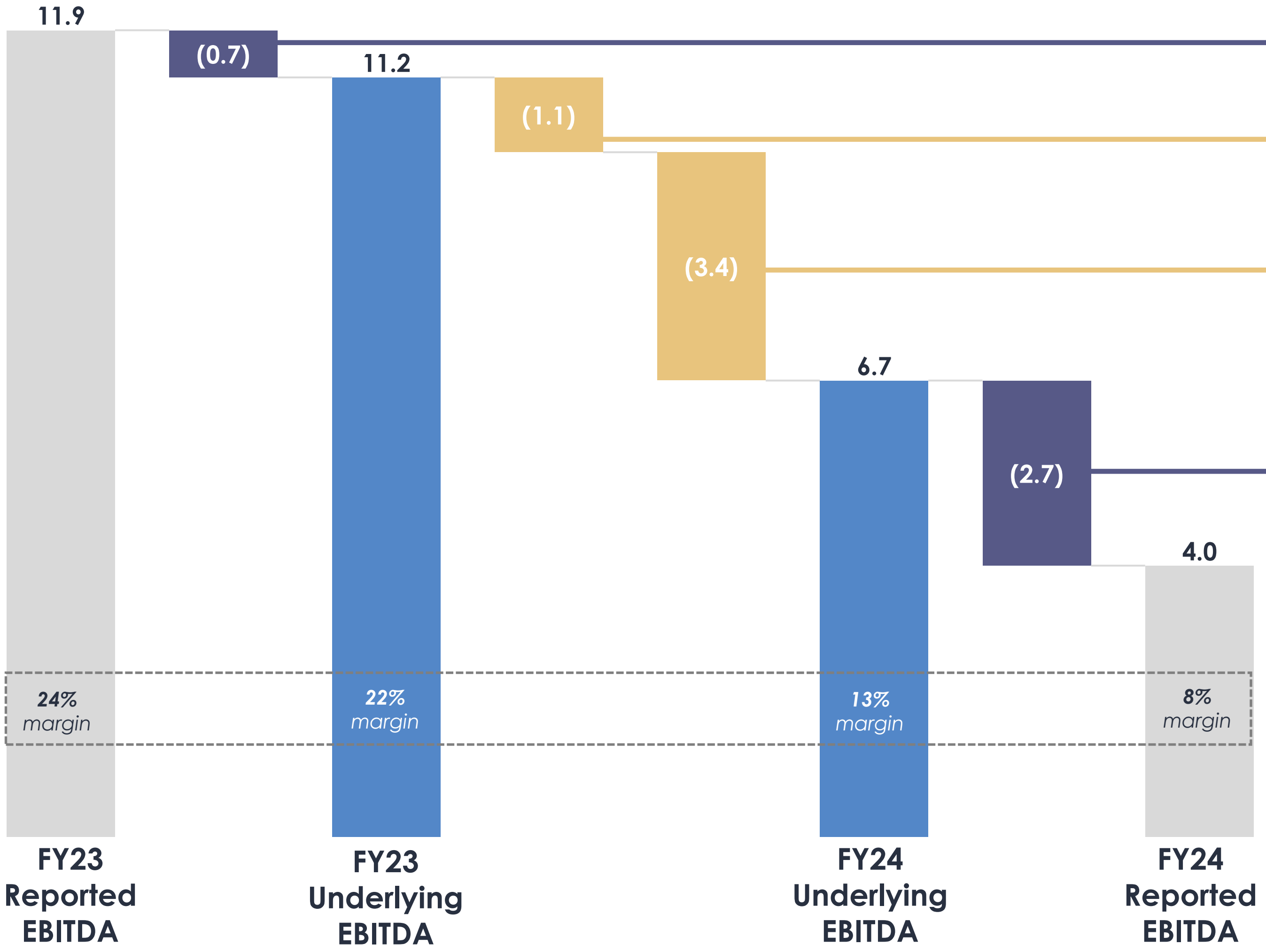
Reported and Underlying EBITDA



FY23 reported EBITDA boosted by one offs of £0.7m - Credits and provision releases offset by one off charges

Investment in Australia and Dubai of £2.2m in FY24 vs. £1.1m in FY23

Increased headcount related costs in FY24 with average headcount of 199 vs 169 in prior year

FY24 reported EBITDA impacted by one off charges of £2.7m – One off restructuring charges, cancellation of old LTIP, default on an FX contract by a customer

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Cash flow

	FY24	FY23
	£m	£m
Net cash as at 1 January	**18.3**	**16.2**
EBITDA	**4.0**	**11.9**
Lease payments	(1.9)	(1.5)
Capex	(2.1)	(4.7)
Working capital	(1.6)	1.8
OCF	**(1.6)**	**7.5**
Tax paid	(1.3)	(2.0)
FCF	**(2.9)**	**5.5**
Net proceeds from equity raise	3.0	-
Dividends paid	-	(3.4)
NCF	**0.1**	**2.1**
Net cash as at 31 December	**18.4**	**18.3**

Prior year included investment in premises

Net proceeds from equity raise in May '24 to fund investment in digital accounts & payments

Net cash needed to meet regulatory requirements

Balance sheet

	As at **31 Dec 24**	As at **31 Dec 23**	***YoY Movement***
	£m	£m	*£m*
Fixed assets	15.9	17.8	*(1.9)*
Cash and cash equivalents	48.7	33.0	*15.7*
Other assets[1]	20.5	12.0	*8.5*
Derivative financial assets	71.7	48.7	*23.0*
Total Assets	**156.8**	**111.5**	***45.3***
Trade and other payables: *segregated client funds*	(30.3)	(14.7)	*(15.6)*
Trade and other payables: *other*	(27.4)	(26.4)	*(1.0)*
Derivative financial liabilities	(55.7)	(29.4)	*(26.3)*
Total Liabilities	**(113.4)**	**(70.5)**	***(42.9)***
Net Assets	**43.4**	**41.0**	***2.4***
Total Equity	**43.4**	**41.0**	***2.4***
Cash and cash equivalents	48.7	33.0	*15.7*
Less: segregated client funds	(30.3)	(14.7)	*(15.6)*
Net cash	**18.4**	**18.3**	***0.1***
Collateral held at Institutional counterparties (other assets)	*5.7*	*5.7*	-

[1] Includes trade and other receivables, deferred tax asset, collateral held at institutional counterparties, balances segregated for CASS MTM

Net cash of £0.1m
Cash and cash equivalents include segregated client funds

Net movement of c.£3m
Movements in derivative financial assets and liabilities largely offset

Movement in other assets £8.5m
Driven by increase in balances segregated for CASS MTM

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Business update

Jim Ormonde, CEO

Business update

A confident outlook

Outperforming expectations

Revenue and EBITDA better than expected despite one off items and expansion costs

Strong momentum in H2 (revenue growth 6% yoy vs. 4% decline in H1)

Improved trading has continued into Q1 FY25

Revenue diversification & efficiencies program on track

Geographic expansion:
Australia and Dubai fully licenced, staffed and operational

***Product diversification*:**
Argentex Global Platform build on track to launch late summer FY25

Operational excellence:
Driving efficiencies in cost base and licensing

Numerous catalysts to return to growth in FY25

Overseas revenues

Strong momentum in core UK business

New teams and capabilities in place for digital accounts and payments

Geographic expansion

Opportunity in Europe

Netherlands

Creating a sales force to sell across Europe

Applying for MiFID Pru licence (expected H1 FY26) to complement existing EMI licence

Dubai

Full licence granted Q4 FY24

Office fully operational and connected Q1 FY25

Australia

Granted AFSL – allows Argentex to offer bespoke FX solutions and global accounts

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Product diversification

Digital Accounts & Payments

UK

TODAY | SUMMER 2025

FX | Digital Accounts | Payments

International

New technology, new products

One new Argentex Global Platform to deliver evolving product map

All milestones met ahead of schedule

No legacy systems

API led (easy connectivity to clients and partners)

GTM strategy underway

Target markets & client prospects clearly identified

Sales and marketing leadership hired and in situ

Opportunity is significant

DIGITAL ACCOUNTS AND PAYMENTS

A future proof solution

MARKET OPPORTUNITY

New and existing
Institutional & Corporate clients

DIGITAL SOLUTION

CLIENT EXPERIENCE

An easy to use, seamless solution

AI-driven systems for fast and digital onboarding

Enhanced client retention

Multiple revenue streams
- Digital Account fees
- Transaction fees
- Net interest
- Mass Payments txns

ADDRESSABLE MARKET

Existing business

- Institutional client base (1,000+ accounts) is a differentiating factor
- Pent up client demand for these products
- We already provide VIBAN services for some clients and have visibility into demand and usage as a result

New business

- There are 140,000+* funds globally
- 60,000+ * in Europe alone
- Mass payments opens up new opportunities
- Specialist payments sales team being recruited in H2 FY25)

* Investment Company Institute

Summary & outlook

FY24 has been a reset year

Improved controls, accountability & risk management

Brought the right skills in across the firm

Replatforming the business

Restructured front office

Better than expected results with strong momentum in H2

Revenue and EBITDA outperformed expectations despite one off items and expansion costs

Strong performance in H2 (revenue growth 6% yoy vs. 4% decline in H1)

Improved trading has continued into Q1 FY25

Growth to return in FY25

Overseas revenues starting to contribute to group performance

Strong momentum in core business

Digital accounts & payments to launch late summer

Cost efficiencies on track