

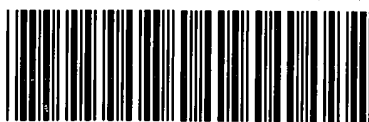
# Jump Trading International Limited

## ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

for the year ended

31 December 2021

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29/09/2022

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COMPANIES HOUSE

Registration No. 05976015

# Jump Trading International Limited

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# Jump Trading International Limited

## COMPANY INFORMATION

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### DIRECTORS

Peter Deaner

Colleen Hickey

Rupert Godber

### REGISTERED OFFICE

11<sup>th</sup> Floor

One London Wall

London

EC2Y 5EA

### INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP

7 More London Riverside

London

SE1 2RT

# Jump Trading International Limited

## DIRECTORS' REPORT

For the year ended 31 December 2021

(Expressed in U.S. dollars in thousands unless otherwise stated)

The directors submit their report and the audited consolidated financial statements of Jump Trading International Limited (The Company) together with its subsidiaries (The Group) for the year ended 31 December 2021.

### RESULTS FOR THE YEAR AND DIVIDENDS

The Group's profit for the financial year was \$99,279 (2020: \$119,777). Dividends paid for the year ended 31 December 2021 were \$124,000 (2020: \$106,500).

A review of the Group's business and future developments, the principal risks and uncertainties facing the Group and its performance against its key performance indicators are set out in the Strategic Report.

### MATTERS OF STRATEGIC IMPORTANCE

The Group has chosen in accordance with s. 414C(11) of the Companies Act 2006 to set out in the Group's Strategic Report information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments.

The Group's principal activities are to provide research and back-office support services to its affiliates.

### POST BALANCE SHEET EVENTS

In February 2022, the Group incorporated Jump Operations Switzerland GmbH, which as a subsidiary, is expected to provide research and back-office services to its affiliates.

The Group has performed an evaluation of events that have occurred subsequent to 31 December 2021. There have been no additional material subsequent events that occurred during such period that would require disclosure in this report or would be required to be recognized in the consolidated financial statements as at 31 December 2021.

### BRANCHES AND SUBSIDIARIES OUTSIDE THE UK

The Group maintains branch locations in Ireland and Portugal and subsidiaries in France, Israel and Greece. In May 2021, the Group acquired the entire share capital of Jump M.E. Operations Israel Ltd. (previously known as Darebiz AI Ltd.) and in September 2021, incorporated Jump Greece Single Member Private Company as a subsidiary in Greece. For both subsidiaries the principal activities are to provide research and back-office services to its affiliates.

### FINANCIAL RISK MANAGEMENT

Please refer to Note 19 accompanying the consolidated financial statements.

### DIRECTORS

The directors of the Group who were in office during the year and up to the date of signing the consolidated financial statements were:

Peter Deaner

Colleen Hickey

Rupert Godber

# Jump Trading International Limited

## DIRECTORS' REPORT

For the year ended 31 December 2021  
(Expressed in U.S. dollars in thousands unless otherwise stated)

### QUALIFYING THIRD PARTY INDEMNITY INSURANCE

Directors and officers of the Group are covered by the directors and officer's insurance policy that the ultimate parent company has in place. No provision for the insurance was made in these consolidated financial statements. This insurance policy was in force during the years presented and at the date of this report.

### RESEARCH AND DEVELOPMENT

In 2021 and 2020, the Company received a research credit for qualifying expenditures.

### FUTURE DEVELOPMENTS

The Group will continue to provide research and back-office services to its affiliates.

### ENVIRONMENT

The Group came within the scope of the Streamlined Energy and Carbon Reporting (SECR) requirements during the 2020 financial year. The disclosures required as per SECR are provided in the section below.

### GREENHOUSE GAS EMISSIONS

In order to provide the intensity metric for the Group's SECR disclosure, the Directors have calculated greenhouse gas emissions per employee, as the Directors believe that this is the best indicator for a company of the Group's size. The number of employees used is the average number of full-time equivalents (FTEs).

The Group's emissions are set out in the table below. Scope 1 emissions relate to the directly purchased fuel and operation of facilities. Scope 2 emissions are the direct purchase of energy for own use. Scope 3 emissions relate to business travel in rental cars or employee-owned vehicles where the company is responsible for purchasing the fuel.

Operational Scope	Greenhouse gas emissions source	Tonnes of CO <sub>2</sub> e 2021	Tonnes of CO <sub>2</sub> e 2020
<b>Scope 1:</b>			
<b>Direct emissions</b>	Combustion of fuel from transport and natural gas *	—	—
<b>Scope 2:</b>			
<b>Indirect emissions</b>	Purchase of electricity for own use	305.69	216.95
<b>Scope 3:</b>			
<b>Other indirect emissions</b>	Energy use and related emissions from business travel in rental cars or employee-owned vehicles where the company is responsible for purchasing the fuel **	—	—
<b>Total emissions for mandatory reporting</b>		305.69	216.95
<b>Intensity ratio: tCO<sub>2</sub>e / FTE</b>		1.67	1.41

Methodology: Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance (March, 2019)

\* In 2021 and 2020, no combustion of fuel from transport or natural gas had occurred within the Group.

\*\* In 2021 and 2020, no business travel had occurred in rental cars or employee-owned vehicles where the Group is responsible for purchasing the fuel.

# Jump Trading International Limited

## DIRECTORS' REPORT

For the year ended 31 December 2021

(Expressed in U.S. dollars in thousands unless otherwise stated)

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITORS

The directors who were in office on the date of approval of these consolidated financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

### DIRECTORS' CONFIRMATIONS

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

### INDEPENDENT AUDITORS

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed for reappointment of PricewaterhouseCoopers LLP as Auditors of the Group.

# Jump Trading International Limited

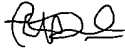
## DIRECTORS' REPORT

For the year ended 31 December 2021

(Expressed in U.S. dollars in thousands unless otherwise stated)

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On behalf of the board



Peter Deaner

Director

Date: 1 July 2022

# Jump Trading International Limited

## STRATEGIC REPORT

For the year ended 31 December 2021

(Expressed in U.S. dollars in thousands unless otherwise stated)

### PRINCIPAL ACTIVITIES

The Group consists of Jump Trading International Limited (the "Company"), which is a private company limited by shares and is domiciled and incorporated in England and Wales, together with its subsidiaries located in France, Greece and Israel. The Group's principal activities are to provide research and back-office services to its affiliates. The affiliates primary activity is proprietary trading.

The registered office is 11<sup>th</sup> Floor, One London Wall, London, EC2Y 5EA.

The Company is a wholly owned subsidiary of Jump Trading Holdings, LLC ("Jump Holdings"). Jump Holdings owns 100% of the ordinary shares of the Company.

### BUSINESS REVIEW

The Group has produced profits in the current and prior years and is expected to continue to operate profitably. In May 2021, the Group acquired Jump M.E. Operations Israel Ltd. and in September 2021, incorporated Jump Greece Single Member Private Company as a subsidiary in Greece. Both subsidiaries function as employment entities and had minimal impact on the operations of the Group. The expansion supports the Group and its affiliates global operations.

### KEY PERFORMANCE INDICATORS

The Group manages its key performance indicators ("KPIs") at Jump Holdings, its parent company level. The KPIs of the Group are profit before taxation, net current assets, and cash flow from operations. The amounts for these KPIs for the Group as at 31 December and for the years ended are:

	2021	2020
<b>Profit before taxation</b>	123,123	148,136
<b>Net current assets</b>	8,433	41,515
<b>Cash flows from operations</b>	65,976	137,711

The Group does not currently maintain any environmental related KPIs, as the Group does not have a material impact on the environment save for its occupation of buildings and investment in technology infrastructure.

The Group continues to invest in attracting, retaining and developing its personnel to ensure the continued growth of the business. The Group is an equal opportunities employer that does not discriminate on race, religion, gender, sexual orientation or disability.

### PRINCIPAL RISKS AND UNCERTAINTIES

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external causes. These failures can be deliberate, accidental or natural. Operational Risk is a significant risk for the Group as people and systems play a major role in the Group's operations. Risks are categorised based on the likelihood of occurrence and potential impact on the business. Any risk rated above the Operational Risk appetite is unacceptable to the Group and is addressed with mitigating systems and controls.

### FINANCIAL RISK MANAGEMENT

Please refer to Note 19 accompanying the consolidated financial statements.

### SECTION 172(1) STATEMENT

The Directors consider they have acted in a way that would be most likely to promote the success of the company having regard to section 172 (1)(a-f) of the Companies Act 2006. In particular, the Directors reference the following:



# Jump Trading International Limited

## STRATEGIC REPORT

For the year ended 31 December 2021

(Expressed in U.S. dollars in thousands unless otherwise stated)

### SUPPLIERS

The Group fosters strong relationships with a broad-spectrum of suppliers which are considered as key stakeholders by the Directors. These suppliers include but are not limited to consulting, legal and accounting firms providing support for numerous business areas. Suppliers are selected carefully to ensure the delivery of appropriate and effective services to achieve the Group's objectives.

### STAKEHOLDER ENGAGEMENT

The Board of Directors provide the shareholder with the information needed to reach reasoned decisions on corporate governance matters and developments of fundamental importance to the Group's future.

### THE GROUP AND ITS AFFILIATES

In line with the transfer pricing policy of the Group and its affiliates, the Group provides research and back-office services to affiliated entities. For these services, The Group continues to receive amounts from, or remits amounts to, its affiliates pursuant to the transfer pricing policy. The Directors believe they have acted in a way they consider, in good faith, to comply with the need to foster the Group's business relationships with affiliates, suppliers, and others.

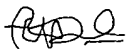
### EMPLOYEES

The Group aims to be a responsible employer in the approach taken to the benefits and wellbeing of the employee. The health, safety and wellbeing of the employee is a primary consideration when considering how the Group conducts business.

### CORPORATE GOVERNANCE

The Directors have considered all the matters they are responsible for, under Section 172 (1) of the Companies Act 2006. The Directors of the Group have acted in a way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its member as a whole, and in doing so have given regard (amongst other matters) to

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the Group's employees – the Directors consulted employees on a regular basis so that their views were considered in making decisions that were likely to affect their interests,
- (c) the need to foster the Group's business relationships with suppliers, customers, and others,
- (d) the impact of the Group's operations on the community and the environment,
- (e) the desirability of the Group maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members of the Group.



On behalf of the board

Peter Deaner

Director

Date: 1 July 2022

**Jump Trading International Limited**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JUMP TRADING**  
**INTERNATIONAL LIMITED**  
For the year ended 31 December 2021

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## Report on the audit of the financial statements

### Opinion

In our opinion, Jump Trading International Limited's group financial statements and company financial statements (the "consolidated financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2021 and of the group's and company's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: consolidated statement of financial position and company statement of financial position as at 31 December 2021; consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

**Jump Trading International Limited**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JUMP TRADING**  
**INTERNATIONAL LIMITED**  
For the year ended 31 December 2021

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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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

As explained more fully in the statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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, the directors are responsible for assessing the group's and 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 the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' 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 auditors' 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 ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# **Jump Trading International Limited**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JUMP TRADING INTERNATIONAL LIMITED**

**For the year ended 31 December 2021**

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Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of industry laws and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manual elements of control environment, specifically the posting of inappropriate journal entries.

Audit procedures performed by the engagement team included:

- Held discussions with management and those charged with governance including making specific inquiries about any consideration of known or suspected non compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing of supporting documentation to assess compliance with applicable laws and regulation;
- Tested a sample of manual journal entries and other adjustments impacting the company's accounting records; and
- Included an element of unpredictability in execution of our audit procedures

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Other required reporting**

#### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

**Jump Trading International Limited**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JUMP TRADING**  
**INTERNATIONAL LIMITED**  
For the year ended 31 December 2021

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We have no exceptions to report arising from this responsibility.

*Christopher Dalton*

Christopher Dalton (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

1 July 2022

**Jump Trading International Limited**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For the year ended 31 December 2021  
(Expressed in U.S. dollars in thousands unless otherwise stated)

	Notes	2021	2020
Revenue	4	\$ 355,904	331,052
Administrative expenses		(233,471)	(184,010)
Operating profit	5	122,433	147,042
Interest income		690	1,094
Profit before taxation		123,123	148,136
Taxation	7	(23,844)	(28,359)
Profit for the financial year		\$ 99,279	119,777

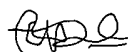
The profit and total comprehensive income for the year arise from the Group's continuing operations.

The Group has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the parent company profit and loss account. The profit after tax for the Company is \$100,341 (2020: \$119,598).

**Jump Trading International Limited**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As of 31 December 2021  
(Expressed in U.S. dollars in thousands unless otherwise stated)

	Notes	2021	2020
<b>NON CURRENT ASSETS</b>			
Tangible assets	8 \$	6,310	5,377
Debtors due after more than one year	9	735	585
Goodwill	11	6,817	—
		<u>13,862</u>	<u>5,962</u>
<b>CURRENT ASSETS</b>			
Debtors due within one year	9	151,819	61,156
Cash, cash equivalents, and restricted cash	10	<u>32,398</u>	<u>109,359</u>
		184,217	170,515
<b>Creditors due within one year</b>	12	<u>(175,784)</u>	<u>(129,000)</u>
<b>NET CURRENT ASSETS</b>		<u>8,433</u>	<u>41,515</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		22,295	47,477
<b>DEFERRED TAXATION</b>	13	<u>1,670</u>	<u>1,209</u>
<b>NET ASSETS</b>		<u>23,965</u>	<u>48,686</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	8,041	8,041
Retained earnings		<u>15,924</u>	<u>40,645</u>
<b>TOTAL EQUITY</b>		<u>\$ 23,965</u>	<u>48,686</u>

The consolidated financial statements on pages 10 to 31 were approved and authorised for issue by the Board of Directors on 1 July 2022 and are signed on its behalf by:



Peter Deaner

Director

**Jump Trading International Limited**  
**COMPANY STATEMENT OF FINANCIAL POSITION**  
As of 31 December 2021  
(Expressed in U.S. dollars in thousands unless otherwise stated)

	2021	2020
<b>NON CURRENT ASSETS</b>		
Tangible assets	\$ 6,175	5,377
Investment in subsidiaries	449	1,271
Debtors due after more than one year	584	571
Goodwill	6,817	—
	<u>14,025</u>	<u>7,219</u>
<b>CURRENT ASSETS</b>		
Debtors due within one year	145,795	59,434
Amounts owed by group undertaking	3,087	171
Cash, cash equivalents, and restricted cash	26,601	108,222
	<u>175,483</u>	<u>167,827</u>
Creditors due within one year	<u>(169,529)</u>	<u>(127,749)</u>
<b>NET CURRENT ASSETS</b>	<u>5,954</u>	<u>40,078</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	19,979	47,297
<b>DEFERRED TAXATION</b>	<u>1,670</u>	<u>1,209</u>
<b>NET ASSETS</b>	<u>21,649</u>	<u>48,506</u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	8,041	8,041
Retained earnings	<u>13,608</u>	<u>40,465</u>
<b>TOTAL EQUITY</b>	<u>\$ 21,649</u>	<u>48,506</u>



**Jump Trading International Limited**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the year ended  
(Expressed in U.S. dollars in thousands unless otherwise stated)

	Notes	Called-up Share capital	Retained earnings	Total equity
<b>Balance as at 1 January 2020</b>		\$ 24,869	\$ 10,540	\$ 35,409
<b>Profit for the year</b>		—	119,777	119,777
<b>Dividends</b>	15	—	(106,500)	(106,500)
<b>Share capital reduction</b>	14	(16,828)	16,828	—
<b>Balance as at 31 December 2020 and 1 January 2021</b>		<u>\$ 8,041</u>	<u>\$ 40,645</u>	<u>\$ 48,686</u>
<b>Profit for the year</b>		—	99,279	99,279
<b>Dividends</b>	15	—	(124,000)	(124,000)
<b>Balance as at 31 December 2021</b>		<u>\$ 8,041</u>	<u>\$ 15,924</u>	<u>\$ 23,965</u>

# Jump Trading International Limited

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended

(Expressed in U.S. dollars in thousands unless otherwise stated)

	Notes	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	16	\$ 78,963	153,183
Interest income, net		690	1,094
Income tax paid		(13,677)	(16,566)
Net cash generated from operating activities		<u>65,976</u>	<u>137,711</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets - net	8	(3,453)	(1,607)
Cash paid for acquisitions, net of cash acquired		(5,484)	—
Issuance of intercompany loans		(530,000)	—
Repayment of intercompany loans		520,000	—
Net cash used in investing activities		<u>(18,937)</u>	<u>(1,607)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of dividend	15	(124,000)	(106,500)
Net cash used in financing activities		<u>(124,000)</u>	<u>(106,500)</u>
Net decrease/increase in cash, cash equivalents and restricted cash		(76,961)	29,604
Cash, cash equivalents and restricted cash at beginning of year		109,359	79,755
Cash, cash equivalents and restricted cash at end of year		<u>\$ 32,398</u>	<u>109,359</u>

# Jump Trading International Limited

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021  
(Expressed in U.S. dollars in thousands unless otherwise stated)

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### 1 · GENERAL INFORMATION

Jump Trading International Limited (the "Company") and its subsidiaries (together 'the Group') provide research and back-office services to their affiliates. The Company is a private company limited by shares and is domiciled and incorporated in England and Wales. The address of its registered office is 11th Floor, One London Wall, London, EC2Y 5EA.

Jump Solutions France S.A.S provides research and back-office services to its affiliates. The subsidiary is a private company limited by shares and is domiciled and incorporated in France. The address of its registered office is 20 Rue Cambon, 75001 Paris.

Jump M.E. Operations Israel Ltd. provides research and back-office services to its affiliates. The subsidiary is a private company limited by shares and is domiciled and incorporated in Israel. The address of its registered office is 101 Rokach Blvd, POB 53169, Tel Aviv 6153101 Israel.

Jump Greece Single Member Private Company provides research and back-office services to its affiliates. The subsidiary is a private company limited by shares and is domiciled and incorporated in Greece. The address of its registered office is 3 Stratigou Tombra str, 153 42 Agia Paraskevi, Athens.

### 2 ACCOUNTING POLICIES

#### BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These consolidated financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention, modified to include certain financial instruments at fair value.

The consolidated financial statements are presented in United States Dollar which is the functional currency of the Group. Monetary amounts in these consolidated financial statements are rounded in thousands, unless otherwise stated.

All of the accounting policies mentioned have been applied consistently to all the years presented, unless otherwise stated.

#### GOING CONCERN

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

#### BASIS OF CONSOLIDATION

The Group consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2021.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the Group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary.

Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

# Jump Trading International Limited

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021  
(Expressed in U.S. dollars in thousands unless otherwise stated)

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The Group has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the parent company profit and loss account.

### REVENUE

The Group and its affiliates ("The Affiliated Group") apply a transfer pricing method to allocate revenues and expenses amongst the Affiliated Group. The transfer pricing policy is intended to ensure that the Affiliated Group are reporting pre-tax results reflecting their respective contributions.

The Group continues to receive amounts from, or remits amounts to, its affiliates pursuant to the transfer pricing policy of the Affiliated Group.

### INTEREST RECEIVABLE AND SIMILAR INCOME

Interest on deposits held at call with banks is recognised in the consolidated statement of comprehensive income based on the effective interest rate.

### FOREIGN CURRENCIES

Transactions in currencies other than the functional currency ("foreign currencies") are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to comprehensive income, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income. Translation differences that have been taken to profit or loss are included within administrative expenses on the consolidated statement of income and retained earnings.

### EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Employee benefits that are recognised as an expense are included within administrative expenses on the consolidated statement of comprehensive income and retained earnings.

### RETIREMENT BENEFITS

For defined contribution schemes the amount charged to comprehensive income is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments. Retirement benefit costs that are recognised as an expense are included within administrative expenses on the consolidated statement of comprehensive income and retained earnings.

### TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

# Jump Trading International Limited

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### For the year ended 31 December 2021

(Expressed in U.S. dollars in thousands unless otherwise stated)

Current and deferred tax is charged or credited in the consolidated statement of comprehensive income, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the consolidated financial statements.

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

## TANGIBLE FIXED ASSETS

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of accumulated depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than works of art, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Office furniture	5 years
Office equipment	5 years
Computer equipment	3 years
Short leasehold premium and improvements	over the remaining period of the lease
Works of art	nil

Depreciation is included in administrative expenses in the profit and loss account.

Works of art are not depreciated as, in the opinion of the directors, they are unlikely to reduce in value in the foreseeable future.

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Estimated useful lives are reviewed annually and adjusted if appropriate, in light of technological developments, usage and other relevant factors.

Assets are reviewed for impairment on a regular basis (at least annually) to assess whether the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is materially different than its estimated recoverable amount. Any impairment recognised is included within administrative expenses on the consolidated statement of income and retained earnings.

## INVESTMENTS

Investments in subsidiaries are held at cost less accumulated impairment.

# Jump Trading International Limited

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021  
(Expressed in U.S. dollars in thousands unless otherwise stated)

### CASH, CASH EQUIVALENTS AND RESTRICTED CASH

Cash, cash equivalents and restricted cash include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, bank overdrafts and restricted cash. Bank overdrafts are shown within borrowings in current liabilities. Restricted cash is related to funding requirements for the incorporation of Jump Operations Switzerland GmbH.

### FINANCIAL ASSETS

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

#### *Basic Financial Assets*

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

#### *Other Financial assets at fair value through profit or loss*

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in comprehensive income. The net gain or loss recognised in comprehensive income includes any dividend or interest earned on the financial asset.

#### *Loans and receivables*

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

#### *Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

**Jump Trading International Limited**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended 31 December 2021  
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## FINANCIAL LIABILITIES

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value

### *Other Financial liabilities at fair value through profit or loss*

Financial liabilities classified as other financial liabilities are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

### *Basic financial liabilities*

Basic financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

### *Derecognition of financial liabilities*

Financial liabilities are derecognised when, and only when, the Company's obligations are discharged, cancelled, or they expire.

## ACCRUALS

Accrued expenses are expensed as incurred.

## DEFERRED INCOME

Deferred income is initially recorded as a liability at fair value and then amortised into income over the period of the related service.

## PROVISIONS AND CONTINGENCIES

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

## LEASES

All leases are operating leases. Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

## RESEARCH CREDITS

The Company may, from time to time, be entitled to research credits for qualifying expenditures. These credits are accounted for and recognised when there is reasonable assurance that the credits will be received. The credits are recognised as an offset to administrative expense.

# Jump Trading International Limited

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### For the year ended 31 December 2021

(Expressed in U.S. dollars in thousands unless otherwise stated)

#### SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### DIVIDENDS

Dividends are recognised as liabilities once they are no longer at the discretion of the Group. Dividends are only declared if the Group will retain adequate capital, after payments of the dividend. The Group manages capital based on its own assessment of capital required to support all material risks throughout the business.

#### RELATED PARTY TRANSACTIONS

The Group has taken an exemption available under FRS 102 para 33.1A with regard to Related Party Transactions not to disclose transactions with entities that are part of the Jump Holdings consolidated group that qualify as related parties, on the grounds that it is a wholly owned subsidiary.

#### BUSINESS COMBINATIONS

On 4 May 2021, the Group acquired 100% of the ordinary share capital of Jump M.E. Operations Israel Ltd. (previously known as Darebiz AI Ltd.) its principal activities are to provide research and other services to its affiliates. The transaction was accounted for as a business combination using the acquisition method of accounting. The goodwill of \$8,741 arising from the acquisition represents the excess of consideration paid over the fair value of the net tangible assets acquired with this acquisition. The resulting recorded goodwill represents an acquired workforce with specific skillsets and talents. Management has estimated the useful life of this goodwill to be 3 years and will amortize it over this period.

Consideration related to the acquisition consisted of an initial cash payment of \$6,060 and contingent payments with a fair value of \$1,678 due in subsequent years. The following table summarizes the allocation of the estimated fair values of the assets acquired and liabilities assumed at the date of acquisition:

Consideration transferred	7,738
Cash and cash equivalents	589
Goodwill	8,741
Accounts payable and accrued expense	(1,592)
<b>Total fair value</b>	<u><u>7,738</u></u>

### 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### *Critical accounting estimates and assumptions*

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Leases*

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Group as lessee, or the lessee, where the Group is a lessor.



# Jump Trading International Limited

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021  
(Expressed in U.S. dollars in thousands unless otherwise stated)

### *Depreciation*

The Group exercises judgement to determine useful lives and residual values of tangible fixed assets. The assets are depreciated down to their residual values over their estimated useful lives.

### *Research Credits*

The Company recognizes research credits when there is reasonable assurance that the credits will be received. Judgment is required to determine when there is reasonable assurance of receipt, which is usually upon confirmation of cash receipt.

### *Goodwill*

Changes in the carrying amount of the Group's recorded goodwill is mainly the result of business acquisitions. Purchased goodwill is capitalised in line with FRS 10 and is amortised over its useful economic life.

## 4 REVENUE

The revenue and profit before taxation are attributable to the principal activity of the Group, which is to provide research and back-office support services to its affiliates.

The Group and its affiliates apply a transfer pricing method to allocate revenues and expenses amongst the Group and its affiliates. The transfer pricing policy is intended to ensure that the Group and its affiliates are reporting pre-tax results reflecting their respective contributions.

The Group continues to receive amounts from, or remits amounts to, its affiliates pursuant to the transfer pricing policy of the Group and its affiliates.

The Group has not presented a geographical analysis of revenue, as in principle the revenues are coming through the United Kingdom and an immaterial amount comes from branches (located in Ireland and Portugal) and the subsidiaries (located in France, Greece and Israel).

## 5 OPERATING PROFIT

	2021	2020
<b>Operating profit has been arrived at after charging (receiving):</b>		
<b>Auditors' remuneration for audit services</b>	\$ 77	60
<b>Additional fees related to the prior year audit</b>	14	8
<b>Auditors' remuneration for non-audit services</b>	—	187
<b>Foreign exchange (gain)/loss</b>	(1,292)	2,985
<b>Research credit</b>	(5,288)	(3,956)
<b>Depreciation of tangible fixed assets</b>	2,029	1,805
<b>Operating lease rentals – land and buildings</b>	4,665	2,093

The costs outlined in the table above are included within administrative expenses on the statement of income and retained earnings. Auditors' remuneration for non-audit services is for tax related services. The Company received a research credit for qualifying expenditures from previous years of \$5,288 (2020: \$3,956).

# Jump Trading International Limited

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021  
(Expressed in U.S. dollars in thousands unless otherwise stated)

### 6 EMPLOYEES

The average monthly number of persons (excluding directors) employed by the Group during the year was 183 (2020: 154). The breakdown as at 31 December is noted below:

	2021	2020
Front office	94	75
Back office	111	90
<b>Total headcount</b>	<b>205</b>	<b>165</b>

Staff costs (including directors' remuneration) consist of:

	2021	2020
Wages and salaries	\$ 187,940	155,275
Social security costs	29,696	20,173
Other pension costs	2,527	1,903
<b>Total</b>	<b>\$ 220,163</b>	<b>177,351</b>

A proportion of the wages and salaries consists of short-term deferred bonuses.

Directors' remuneration consists of:

	2021	2020*
Directors' remuneration for management services	\$ 33,473	17,924
Other pension costs	10	10
<b>Total</b>	<b>\$ 33,483</b>	<b>17,934</b>

\*The Directors' remuneration for management services has been corrected for 2020 to include the respective accruals for services provided in 2020. This has resulted in an increase of \$12,228 from the remuneration disclosed in the prior year.

The highest paid director received \$33,483 (2020: \$17,934), including pension contributions of \$10 (2020: \$10).

One director (2020: one) accrued benefits during the year under defined contribution pension arrangements and are included in other pension costs in table above. No payments were made to other directors during the year.

There were no other pension costs outstanding as at 31 December 2021 (2020: \$nil).

### 7 TAXATION ON PROFIT

	2021	2020
<b>Current tax:</b>		
UK corporation tax on profits for the year	\$ 23,532	28,715
Ireland corporation tax	—	—
Portugal corporation tax	—	47
France corporation tax	765	77
Greece corporation tax	1	—
Adjustments in respect of prior periods	8	31
<b>Total current tax</b>	<b>24,306</b>	<b>28,870</b>
<b>Deferred tax (note 13)</b>		
Origination and reversal of timing differences	(462)	(511)
<b>Total deferred tax</b>	<b>(462)</b>	<b>(511)</b>
<b>Total tax charge</b>	<b>\$ 23,844</b>	<b>28,359</b>

**Jump Trading International Limited**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the year ended 31 December 2021  
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	2021	2020
<b>Profit before taxation</b>	\$ 123,123	148,136
<b>Expected tax charge based on a corporation tax rate of 19% (2020: 19.0%)</b>	23,393	28,146
<b>Effect of:</b>		
<b>Bank corporation tax surcharge</b>	—	—
<b>Expenses not deductible for tax purposes</b>	(1,028)	(739)
<b>Statutory tax exemptions</b>	—	—
<b>Timing and other differences</b>	274	468
<b>Different tax rates in other countries</b>	257	30
<b>Foreign exchange differences</b>	1,401	949
<b>Branch exemption</b>	—	(15)
<b>(Over)/Under provision in previous year</b>	8	31
<b>Fixed assets timing differences</b>	(386)	(63)
<b>Short term timing differences</b>	(75)	(448)
<b>Tax expense for the year</b>	<u>\$ 23,844</u>	<u>28,359</u>

## 8 TANGIBLE ASSETS

	Short leasehold premium and improvements	Office furniture and equipment	Computer equipment	Works of art	Total
<b>COST</b>					
1 January 2021	\$ 11,567	1,907	2,218	110	\$ 15,802
Additions	2,277	304	246	—	2,827
Disposals / Write-offs	—	—	(936)	—	(936)
Transfers	—	—	557	—	557
31 December 2021	<u>13,844</u>	<u>2,211</u>	<u>2,085</u>	<u>110</u>	<u>18,250</u>
<b>ACCUMULATED DEPRECIATION</b>					
1 January 2021	7,759	1,441	1,225	—	10,425
Depreciation charged in the year	1,342	283	404	—	2,029
Disposals / Write-offs	—	—	(445)	—	(445)
Transfers	—	—	(69)	—	(69)
31 December 2021	<u>9,101</u>	<u>1,724</u>	<u>1,115</u>	<u>—</u>	<u>11,940</u>
<b>CARRYING AMOUNT</b>					
31 December 2021	4,743	487	970	110	6,310
31 December 2020	<u>\$ 3,808</u>	<u>466</u>	<u>993</u>	<u>110</u>	<u>\$ 5,377</u>

**Jump Trading International Limited**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**9 DEBTORS**

	2021	2020
<b>Amounts owed by group undertakings (a)</b>	\$ 146,467	60,249
<b>Other debtors</b>	1,772	219
<b>Prepayments and accrued income</b>	3,580	688
<b>Debtors due within one year</b>	<u>\$ 151,819</u>	<u>61,156</u>
 <b>Amounts falling due after more than one year</b>		
<b>Other debtors (b)</b>	735	585
<b>Total debtors</b>	<u>\$ 152,554</u>	<u>61,741</u>

- (a) There was an increase in Amounts owed by group undertakings and Other debtors as a result of amounts payable by affiliate companies.

In addition, the Company is party to a global intercompany note agreement under which \$40,000 was lent and \$30,000 was repaid during the year ended 31 December 2021, and the total amount outstanding was \$20,000 (2020: \$10,000). The loan granted by the Company, during the year is unsecured, interest bearing at the rate ranging of (2.06% to 2.09%) per annum and repayable on demand. The facility renews itself each year unless notified in writing by either party.

The Company also established an intercompany loan agreement with an affiliated entity, which allows each member to loan and borrow money from the other member. Any unpaid principal amount would bear interest and both the principal and interest would be payable in cash at such times as agreed upon between the parties. During the first half of 2021, the affiliated entity borrowed \$490,000 from the Company and repaid \$490,000 to the Company. This consisted primarily of three-day loans to provide the affiliated entity with additional trading capital during weekends as digital assets are traded continuously. Since July 2021, there has been no lending activity between these affiliated entities. No amounts were outstanding under the intercompany loan agreement as of 31 December 2021.

The remainder of the amount pertains to amounts owed by group undertakings in the usual course of business.

- (b) Other debtors falling due after more than one year are in respect of rent deposits of \$735 (2020: \$585). The rent deposit as at 31 December 2021 is subject to a formal charge to secure against the Company's obligations under its lease.

**Jump Trading International Limited**  
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## 10 CASH, CASH EQUIVALENTS, AND RESTRICTED STOCK

The Group held restricted cash balances of \$547 within cash, cash equivalents, and restricted cash on the Consolidated Statement of Financial Position as of 31 December 2021 related to funding requirement for incorporation of an affiliated entity.

## 11 GOODWILL

	Goodwill	Total
<b>COST</b>		
1 January 2021	\$ —	—
Acquisitions through business combinations	8,741	8,741
31 December 2021	<u>\$ 8,741</u>	<u>8,741</u>
<b>Accumulated amortisation and impairment</b>	Goodwill	Total
1 January 2021	\$ —	—
Amortisation Goodwill	(1,924)	(1,924)
31 December 2021	<u>\$ (1,924)</u>	<u>(1,924)</u>
<b>CARRYING AMOUNT</b>	Goodwill	Total
31 December 2020	—	—
31 December 2021	<u><u>\$ 6,817</u></u>	<u><u>6,817</u></u>

Goodwill was acquired as part of the acquisition of Jump M.E. Operations Israel Ltd., on 4 May 2021 (see note on Business Combinations for more information). Goodwill is amortised on a straight-line basis over a useful life of 3 years.

## 12 CREDITORS: Amounts falling due within one year

	2021	2020
Trade creditors	\$ 476	331
Amounts owed by group undertakings	202	75
Corporation tax	25,075	17,947
Other taxation and social security	—	—
Deferred rent and deferrals	1,459	82
Accrued compensation and other accruals	148,572	110,565
Total creditors	<u>\$ 175,784</u>	<u>129,000</u>

## 13 DEFERRED TAXATION

	At 1 January 2021	Profit and loss account	At 31 December 2021
<b>Deferred taxation (asset)/provision</b>			
Fixed assets timing differences	\$ 24	(386)	(362)
Short term timing differences	(1,233)	(75)	(1,308)
31 December 2021	<u>\$ (1,209)</u>	<u>(461)</u>	<u>(1,670)</u>

Deferred taxation is provided at the corporation tax rate expected at the time of utilization in future periods.

**Jump Trading International Limited**  
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## 14 CALLED UP SHARE CAPITAL

	2021	2020
<b>Allocated, issued, and fully paid:</b>		
As at 1 January 2021 5,000,000 (2020: 15,463,380) ordinary shares of \$ 8,041 £1 each	8,041	24,869
<b>Reduction of Share Capital during the period</b>	—	(16,828)
As at 31 December 2021 5,000,000 (2020: 5,000,000) ordinary shares of \$ 8,041	8,041	8,041

### *Ordinary share rights*

The Group's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Group.

### *Share Capital reduction*

On 20 March 2020, the Directors of the Company proposed that the issued share capital of the Company be reduced from £15,463,380 to £5,000,000 by cancelling and extinguishing capital to the extent of £10,463,380 on each issued fully paid-up ordinary share of £1 each in the Company. The Company reduced its share capital as it was no longer regulated by the Financial Conduct Authority (FCA) and was therefore not required to hold additional regulatory capital. The share capital reduction was subsequently repaid as explained further in Note 15.

## 15 RESERVES

### *Retained Earnings*

Cumulative profit and loss net of distributions to owners.

### *Dividends*

Dividends paid during the years presented were:

	2021	2020*
Equity – ordinary		
<b>Dividends Paid \$24.80 (2020: \$21.30) per share</b>	\$ 124,000	106,500

\* Dividends paid includes \$16,828, which pertains to repayment to Jump Trading Holdings, LLC for the reduction of share capital and the remainder as profit distribution.

## 16 CASH GENERATED FROM OPERATIONS

	2021	2020
<b>Profit for the financial year</b>	\$ 99,279	119,777
<b>Adjustments for:</b>		
Depreciation of tangible fixed assets	2,029	1,805
Amortization of goodwill	1,924	—
Tangible assets written off	491	22
Interest receivable	(690)	(1,094)
Taxation	23,844	28,359
<b>Operating cash flows before movements in working capital</b>	\$ 126,877	148,869
Change in trade and other debtors	(80,814)	(54,571)
Change in trade and other creditors	32,900	58,885
<b>Cash generated from operations</b>	\$ 78,963	153,183

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## 17 COMMITMENTS UNDER OPERATING LEASES

At the reporting end date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
<b>Land and buildings:</b>		
Within one year	\$ 2,969	466
Between one and five years	6,789	4,796
After five years	—	401
<b>Total</b>	<u>\$ 9,758</u>	<u>5,663</u>

## 18 ULTIMATE CONTROLLING PARTY

The immediate holding company of the Company is Jump Trading Holdings, LLC ("Jump Holdings") with the ultimate holding company being Jump Financial, LLC, incorporated in the United States of America.

## 19 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Details of the Financial Risk Management objectives of the Group are described below.

The Group's risk management procedures are the ultimate responsibility of the directors.

The Group's overall risk management framework is set by the Board of Directors of the Group which sets out the Group's overall business strategies and its risk management philosophy. The Group's overall risk management approach seeks to minimise potential adverse effects on the financial performance of the Group.

Due to the size and nature of the business, the Group does not maintain an internal audit function or Audit Committee. Internal audits are completed as necessary by independent employees of the Group or other entities within Jump Holding. The Group seeks outside advice in the event that external expertise is required.

The Board is responsible for reviewing the Group's internal independent audit operations to help ensure that the operation is properly independent, and their recommendations are acted upon appropriately.

The carrying amounts of the Group's financial instruments as at 31 December were:

	2021	2020
<b>Financial assets:</b>		
Debtors due	\$ 152,554	61,741
Cash and cash equivalents	32,398	109,359
<b>Total</b>	<u>\$ 184,952</u>	<u>171,100</u>
<b>Financial liabilities:</b>		
Creditors due	175,784	129,000
<b>Total</b>	<u>\$ 175,784</u>	<u>129,000</u>

### (a) Liquidity Risk

Liquidity Risk is the risk that the Group will be unable to meet financial commitments arising from its business activities. The Group seeks to ensure that it has constant access to an appropriate level of cash and committed funding lines to enable it to finance its on-going operations and reasonable unexpected events. The Group monitors and modifies its exposure to the various banks and other financial institutions, where it has funds on deposit, to ensure access to funds as they are needed.

# Jump Trading International Limited

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### (b) Credit Risk

The Group's exposure to Credit Risk arises from the possibility of a bank or other financial institution failing to fulfil their contractual obligations. The Group's Credit Risk is limited to the financial loss the Group might suffer should a financial institution holding the Group's funds fail to make those funds available. No collateral has been received or pledged with any counterparty. The Group's approach to Credit Risk is to mitigate risk by adopting policies and procedures to only deal with highly rated institutions for the purpose of non-clearing relationships and limit the concentration of its exposures to any single counterparty.

The carrying amounts for all assets represent the maximum exposure to Credit Risk.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (Moody's where available) or to historical information about counterparty default rates. The Group does not have any impaired assets.

	2021	2020
<b>Debtors due within one year</b>	\$ 151,819	\$ 61,156
<b>No rating</b>	<u>151,819</u>	<u>61,156</u>
<b>Debtors due after more than one year</b>	735	585
<b>No rating</b>	<u>735</u>	<u>585</u>
<b>Cash and cash equivalents</b>		
<b>Aa1</b>	2,000	93,000
<b>Aa2</b>	21,084	9,638
<b>Aa3</b>	7,722	5,990
<b>A1</b>	728	731
<b>A2</b>	864	—
<b>Total</b>	<u>\$ 32,398</u>	<u>109,359</u>

### (c) Market Risk

The Group's potential Market Risks include foreign currency assets or liabilities held on its balance sheet.

#### a. Currency risk

The Group's currency position risk arises from cash positions. As at 31 December the financial instruments, which would expose the Group to currency risk are as follows:

	2021	2020
<b>GBP</b>	\$ 1,107	1,691
<b>EUR</b>	131	1,436
<b>Other</b>	152	1,052
<b>Total</b>	<u>\$ 1,390</u>	<u>4,179</u>

#### b. Interest rate risk

The Group has minimal sensitivity to interest rate changes as there are no debt obligations and the interest received on bank balances is immaterial.



# Jump Trading International Limited

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## 20 CAPITAL MANAGEMENT

The Group maintains sufficient capital and meets its objectives by generating a profit for the year after taxation. Dividends are only declared if the Group will retain adequate capital after payment of the dividend. The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and maintain a strong capital base to support the development of the business activities of the Group. The Group manages capital based on its own assessment of capital required to support all material risks throughout the business.

On 20 March 2020, the Company reduced its share capital as it was no longer regulated by the Financial Conduct Authority (FCA) and was therefore not required to hold additional regulatory capital.

## 21 EVENTS AFTER THE REPORTING PERIOD

In February 2022, the Group incorporated Jump Operations Switzerland GmbH, which as a subsidiary, is expected to provide research and back-office services to its affiliates.

The Group has performed an evaluation of subsequent events through 1 July 2022, which is the date the consolidated financial statements were available to be issued. Based on the considerations above, there have been no other material subsequent events that occurred during such period that would require disclosure in this report or would be required to be recognized in the consolidated financial statements as at 31 December 2021.

## 22 IMPACT OF COVID-19 & GEOPOLITICAL DEVELOPMENTS

The COVID-19 pandemic has affected almost all countries of the world and resulted in border closures, workplace closures, movement controls and other measures imposed by the various governments. The Group's operations are in The United Kingdom, France, Portugal, Israel, Greece and Ireland which has been affected by the spread of COVID-19 since 2020.

Set out below is the impact of COVID-19 on the Group's financial performance reflected in this set of financial statements for the year ended 31 December 2021:

- i. The Group has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.
- ii. In 2021, workplace closures have resulted in periods where the Group had to adjust its operations to adhere to the governments' movement control measures, such as adopting remote working arrangements. This had no significant impact on the Group's operating capacity and financial performance for 2021.
- iii. The Group has considered the market conditions (including the impact of COVID-19) as at the balance sheet date in making estimates and judgements on the recoverability of assets and provisions for onerous contracts. There is no significant impact on its estimates and judgements on the recoverability of assets as at 31 December 2021.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Group cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2022. If the situation persists beyond management's current expectations, the Group's operations and financial performance may be subject to further impact in subsequent financial periods.

Since March 2022, the Russian invasion of Ukraine has resulted in increased market volatility and market disruption in global financial markets. The duration and full effects of this invasion are still uncertain and the Company continues to monitor the situation closely.