

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended June 30, 2024
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period From _____ to _____
Commission File Number 000-23554

StoneX Group Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

59-2921318
(I.R.S. Employer
Identification No.)

230 Park Ave , 10th Floor
New York , NY 10169
(Address of principal executive offices) (Zip Code)
(212) 485-3500
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.01 par value	SNEX	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer x	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer o	Smaller reporting company	<input type="checkbox"/>
	Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 5, 2024, there were 31,791,288 shares of the registrant's common stock outstanding.

StoneX Group Inc.
Quarterly Report on Form 10-Q for the Quarterly Period Ended June 30, 2024
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

StoneX Group Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions, except par value and share amounts)		June 30, 2024	September 30, 2023
ASSETS			
Cash and cash equivalents	\$	1,220.8	\$ 1,108.3
Cash, securities and other assets segregated under federal and other regulations (including \$ 48.4 million and \$ 5.8 million at fair value at June 30, 2024 and September 30, 2023, respectively)		2,750.4	2,426.3
Collateralized transactions:			
Securities purchased under agreements to resell		4,904.8	2,979.5
Securities borrowed		1,155.7	1,129.1
Deposits with and receivables from broker-dealers, clearing organizations and counterparties, net (including \$ 3,740.4 million and \$ 4,248.3 million at fair value at June 30, 2024 and September 30, 2023, respectively)		7,570.2	7,443.8
Receivable from clients, net (including \$(0.5) million and \$(7.9) million at fair value at June 30, 2024 and September 30, 2023, respectively)		871.4	683.1
Notes receivable, net		—	5.2
Income taxes receivable		28.9	25.1
Financial instruments owned, at fair value (includes securities pledged as collateral that can be sold or repledged of \$ 1,751.0 million and \$ 1,466.4 million at June 30, 2024 and September 30, 2023, respectively)		6,155.4	5,044.8
Physical commodities inventory, net (including \$ 344.5 million and \$ 386.5 million at fair value at June 30, 2024 and September 30, 2023, respectively)		587.4	537.3
Deferred tax asset		42.3	45.4
Property and equipment, net		142.2	123.5
Operating right of use assets		157.4	122.1
Goodwill and intangible assets, net		77.1	82.4
Other assets		266.8	182.8
Total assets	\$	25,930.8	\$ 21,938.7
LIABILITIES AND STOCKHOLDERS' EQUITY			
Liabilities:			
Accounts payable and other accrued liabilities (including \$ 1.7 million and \$ 1.5 million at fair value at June 30, 2024 and September 30, 2023, respectively)	\$	544.9	\$ 533.0
Operating lease liabilities		193.7	149.3
Payables to:			
Clients (including \$ 387.3 million and \$ 79.8 million at fair value at June 30, 2024 and September 30, 2023, respectively)		10,586.2	9,976.0
Broker-dealers, clearing organizations and counterparties (including \$ 3.6 million and \$ 10.2 million at fair value at June 30, 2024 and September 30, 2023, respectively)		429.2	442.4
Lenders under loans		227.8	341.0
Senior secured borrowings, net		542.8	342.1
Income taxes payable		24.5	38.2
Deferred tax liability		8.2	8.1
Collateralized transactions:			
Securities sold under agreements to repurchase		7,071.9	4,526.6
Securities loaned		1,124.0	1,117.3
Financial instruments sold, not yet purchased, at fair value		3,569.8	3,085.6
Total liabilities		24,323.0	20,559.6
Commitments and contingencies (Note 11)			
Stockholders' equity:			
Preferred stock, \$ 0.01 par value. Authorized 1,000,000 shares; no shares issued or outstanding		—	—
Common stock, \$ 0.01 par value. Authorized 200,000,000 shares; 35,653,070 issued and 31,742,085 outstanding at June 30, 2024 and 35,105,852 issued and 31,194,867 outstanding at September 30, 2023		0.4	0.4
Common stock in treasury, at cost. 3,910,985 shares at June 30, 2024 and September 30, 2023		(69.3)	(69.3)
Additional paid-in-capital		402.0	371.7
Retained earnings		1,312.2	1,128.1
Accumulated other comprehensive loss, net		(37.5)	(51.8)
Total equity		1,607.8	1,379.1
Total liabilities and stockholders' equity	\$	25,930.8	\$ 21,938.7

See accompanying notes to the condensed consolidated financial statements.

StoneX Group Inc.
Condensed Consolidated Income Statements
(Unaudited)

(in millions, except share and per share amounts)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Revenues:				
Sales of physical commodities	\$ 26,196.2	\$ 14,319.2	\$ 66,339.0	\$ 42,228.8
Principal gains, net	305.6	300.0	881.2	810.8
Commission and clearing fees	143.0	126.8	408.9	375.5
Consulting, management, and account fees	45.3	39.2	124.0	119.7
Interest income	379.6	262.7	995.7	685.7
Total revenues	27,069.7	15,047.9	68,748.8	44,220.5
Cost of sales of physical commodities	26,156.0	14,271.0	66,232.7	42,084.4
Operating revenues	913.7	776.9	2,516.1	2,136.1
Transaction-based clearing expenses	81.0	66.7	233.8	203.2
Introducing broker commissions	43.1	43.4	124.2	122.4
Interest expense	297.0	216.0	792.2	549.0
Interest expense on corporate funding	24.1	14.9	53.5	44.2
Net operating revenues	468.5	435.9	1,312.4	1,217.3
Compensation and other expenses:				
Compensation and benefits	257.5	226.6	710.0	658.1
Trading systems and market information	20.1	19.4	58.2	54.9
Professional fees	20.0	13.9	55.0	41.1
Non-trading technology and support	18.7	13.7	53.6	44.7
Occupancy and equipment rental	13.5	10.0	34.8	29.5
Selling and marketing	12.8	13.7	40.1	40.8
Travel and business development	6.9	6.2	21.1	17.7
Communications	1.9	2.4	6.4	6.7
Depreciation and amortization	12.3	13.8	35.8	39.6
Bad debts (recoveries), net	0.5	6.3	(0.2)	10.0
Other	18.1	15.4	50.3	50.1
Total compensation and other expenses	382.3	341.4	1,065.1	993.2
Gain on acquisition and other gains	1.8	—	8.7	23.5
Income before tax	88.0	94.5	256.0	247.6
Income tax expense	26.1	25.0	71.9	59.8
Net income	\$ 61.9	\$ 69.5	\$ 184.1	\$ 187.8
Earnings per share:				
Basic	\$ 1.95	\$ 2.24	\$ 5.83	\$ 6.09
Diluted	\$ 1.88	\$ 2.17	\$ 5.64	\$ 5.88
Weighted-average number of common shares outstanding:				
Basic	30,643,270	30,060,251	30,449,286	29,870,136
Diluted	31,743,032	30,981,451	31,487,370	30,867,473

See accompanying notes to the condensed consolidated financial statements.

StoneX Group Inc.
Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

(in millions)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Net income	\$ 61.9	\$ 69.5	\$ 184.1	\$ 187.8
Other comprehensive (loss)/gain, net of tax:				
Foreign currency translation adjustment	(9.2)	4.1	(6.9)	15.5
Cash flow hedges	1.3	2.6	21.2	31.6
Total other comprehensive (loss)/gain, net of tax	(7.9)	6.7	14.3	47.1
Comprehensive income	<u>\$ 54.0</u>	<u>\$ 76.2</u>	<u>\$ 198.4</u>	<u>\$ 234.9</u>

See accompanying notes to the condensed consolidated financial statements.

StoneX Group Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Nine Months Ended June 30,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 184.1	\$ 187.8
Adjustments to reconcile net income to net cash provided by/(used in) operating activities:		
Depreciation and amortization	35.8	39.6
Amortization of right of use assets	16.4	7.9
Bad debts (recoveries), net	(0.2)	10.0
Deferred income taxes	(3.6)	3.2
Amortization of debt issuance costs	7.9	4.3
Amortization of share-based compensation	27.8	21.3
Gain on acquisition	—	(23.5)
Changes in operating assets and liabilities, net:		
Securities and other assets segregated under federal and other regulations	(42.6)	600.6
Securities purchased under agreements to resell	(1,925.3)	(970.0)
Securities borrowed	(26.6)	115.5
Deposits with and receivables from broker-dealers, clearing organizations, and counterparties, net	(183.8)	(1,072.7)
Receivables from clients, net	(188.1)	(89.8)
Notes receivable, net	—	(0.2)
Income taxes receivable	(3.8)	(5.3)
Financial instruments owned, at fair value	(1,106.8)	(1,112.6)
Physical commodities inventory, net	(50.1)	91.3
Other assets	(84.7)	(44.5)
Accounts payable and other accrued liabilities	20.6	23.5
Operating lease liabilities	(7.3)	(0.5)
Payables to clients	610.2	(170.7)
Payables to broker-dealers, clearing organizations, and counterparties	(13.2)	(26.6)
Income taxes payable	(13.6)	18.8
Securities sold under agreements to repurchase	2,545.3	1,833.9
Securities loaned	6.7	(96.2)
Financial instruments sold, not yet purchased, at fair value	509.2	260.1
Net cash provided by/(used in) operating activities	314.3	(394.8)
Cash flows from investing activities:		
Proceeds from notes receivable	5.2	—
Acquisition of businesses and assets, net of cash received	(0.7)	(6.1)
Purchase of exchange memberships and common stock	(1.0)	—
Purchases of property and equipment	(48.5)	(32.8)
Net cash used in investing activities	(45.0)	(38.9)
Cash flows from financing activities:		
Net change in payables to lenders under loans with maturities 90 days or less	(113.2)	(37.7)
Proceeds from payables to lenders under loans with maturities greater than 90 days	10.0	170.0
Repayments of payables to lenders under loans with maturities greater than 90 days	(10.0)	(205.0)
Proceeds from issuance of senior secured notes	550.0	—
Repayment of senior secured notes	(347.9)	—
Deferred payments on acquisitions	(9.6)	(18.5)
Debt issuance costs	(7.6)	—
Shares withheld to cover taxes on vesting of equity awards	(2.0)	—
Exercise of stock options	4.5	3.6
Net cash provided by/(used in) financing activities	74.2	(87.6)
Effect of exchange rates on cash, segregated cash, cash equivalents, and segregated cash equivalents	(6.9)	14.8
Net increase/(decrease) in cash, segregated cash, cash equivalents, and segregated cash equivalents	336.6	(506.5)
Cash, segregated cash, cash equivalents, and segregated cash equivalents at beginning of period	6,041.7	6,285.1

Cash, segregated cash, cash equivalents, and segregated cash equivalents at beginning of period	5,941.7	5,695.1
Cash, segregated cash, cash equivalents, and segregated cash equivalents at end of period	\$ 6,378.3	\$ 5,778.6
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 848.7	\$ 550.8
Income taxes paid, net of cash refunds	\$ 89.1	\$ 41.9
Supplemental disclosure of non-cash investing and financing activities:		
Additional consideration payable related to acquisition of customer list	\$ 0.6	\$ —
Identified intangible assets and goodwill on acquisitions	\$ —	\$ 10.6
Additional consideration payable related to acquisitions, net	\$ 3.5	\$ 28.7
Acquisition of business:		
Assets acquired	\$ —	\$ 141.6
Liabilities assumed	—	84.1
Total net assets acquired	\$ —	\$ 57.5

See accompanying notes to the condensed consolidated financial statements.

StoneX Group Inc.
Condensed Consolidated Statements of Cash Flows - Continued
(Unaudited)

The following table provides a reconciliation of cash, segregated cash, cash equivalents, and segregated cash equivalents reported within the Condensed Consolidated Balance Sheets.

(in millions)	June 30,	
	2024	2023
Cash and cash equivalents	\$ 1,220.8	\$ 1,401.3
Cash segregated under federal and other regulations ⁽¹⁾	2,702.0	2,487.5
Securities segregated under federal and other regulations ⁽¹⁾	—	0.1
Cash segregated and deposited with or pledged to exchange-clearing organizations and other futures commission merchants ("FCMs") ⁽²⁾	1,535.1	1,499.2
Securities segregated and pledged to exchange-clearing organizations ⁽²⁾	920.4	390.5
Total cash, segregated cash, cash equivalents, and segregated cash equivalents shown in the condensed consolidated statements of cash flows	<u>\$ 6,378.3</u>	<u>\$ 5,778.6</u>

⁽¹⁾ Represents segregated client cash held at third-party banks. Excludes segregated commodity warehouse receipts, segregated U.S. Treasury obligations with original or acquired maturities of greater than 90 days, and other assets of \$ 48.4 million and \$ 4.8 million as of June 30, 2024 and 2023, respectively, included within *Cash, securities and other assets segregated under federal and other regulations* on the Condensed Consolidated Balance Sheets.

⁽²⁾ Represents segregated client cash and U.S. Treasury obligations on deposit with, or pledged to, exchange clearing organizations and other FCMs. Excludes non-segregated cash, segregated U.S. Treasury obligations pledged to exchange-clearing organizations with original or acquired maturities greater than 90 days, and other assets of \$ 5,114.7 million and \$ 5,408.0 million as of June 30, 2024 and 2023, respectively, included within *Deposits with and receivables from broker-dealers, clearing organizations, and counterparties, net* on the Condensed Consolidated Balance Sheets.

See accompanying notes to the condensed consolidated financial statements.

StoneX Group Inc.
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)

Three Months Ended June 30, 2023

(in millions)	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss, net	Total
Balances as of March 31, 2023	\$ 0.4	\$ (69.3)	\$ 358.5	\$ 1,007.9	\$ (50.2)	\$ 1,247.3
Net income	—	—	—	69.5	—	69.5
Other comprehensive gain, net of tax	—	—	—	—	6.7	6.7
Exercise of stock options	—	—	—	—	—	—
Share-based compensation	—	—	6.4	—	—	6.4
Balances as of June 30, 2023	\$ 0.4	\$ (69.3)	\$ 364.9	\$ 1,077.4	\$ (43.5)	\$ 1,329.9

Three Months Ended June 30, 2024

(in millions)	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss, net	Total
Balances as of March 31, 2024	\$ 0.4	\$ (69.3)	\$ 390.8	\$ 1,250.3	\$ (29.6)	\$ 1,542.6
Net income	—	—	—	61.9	—	61.9
Other comprehensive loss, net of tax	—	—	—	—	(7.9)	(7.9)
Exercise of stock options	—	—	1.0	—	—	1.0
Shares withheld to cover taxes on vesting of equity awards	—	—	(0.8)	—	—	(0.8)
Share-based compensation	—	—	11.0	—	—	11.0
Balances as of June 30, 2024	\$ 0.4	\$ (69.3)	\$ 402.0	\$ 1,312.2	\$ (37.5)	\$ 1,607.8

Nine Months Ended June 30, 2023

(in millions)	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss, net	Total
Balances as of September 30, 2022	\$ 0.4	\$ (69.3)	\$ 340.0	\$ 889.6	\$ (90.6)	\$ 1,070.1
Net income	—	—	—	187.8	—	187.8
Other comprehensive gain, net of tax	—	—	—	—	47.1	47.1
Exercise of stock options	—	—	3.6	—	—	3.6
Share-based compensation	—	—	21.3	—	—	21.3
Balances as of June 30, 2023	\$ 0.4	\$ (69.3)	\$ 364.9	\$ 1,077.4	\$ (43.5)	\$ 1,329.9

Nine Months Ended June 30, 2024

(in millions)	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss, net	Total
Balances as of September 30, 2023	\$ 0.4	\$ (69.3)	\$ 371.7	\$ 1,128.1	\$ (51.8)	\$ 1,379.1
Net income	—	—	—	184.1	—	184.1
Other comprehensive gain, net of tax	—	—	—	—	14.3	14.3
Exercise of stock options	—	—	4.5	—	—	4.5
Shares withheld to cover taxes on vesting of equity awards	—	—	(2.0)	—	—	(2.0)
Share-based compensation	—	—	27.8	—	—	27.8
Balances as of June 30, 2024	\$ 0.4	\$ (69.3)	\$ 402.0	\$ 1,312.2	\$ (37.5)	\$ 1,607.8

See accompanying notes to the condensed consolidated financial statements.

StoneX Group Inc.
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

Note 1 – Basis of Presentation and Consolidation and Accounting Standards Adopted

StoneX Group Inc., a Delaware corporation, and its consolidated subsidiaries (collectively “StoneX” or “the Company”), is a global financial services network that connects companies, organizations, traders and investors to the global market ecosystem through a unique blend of digital platforms, end-to-end clearing and execution services, high touch service, and deep expertise. The Company strives to be the one trusted partner to its clients, providing its network, products and services to allow them to pursue trading opportunities, manage their market risks, make investments and improve their business performance. The Company offers a vertically integrated product suite, beginning with high-touch and electronic access to nearly all major financial markets worldwide, as well as numerous liquidity venues. The Company delivers access and services through the entire lifecycle of a trade, by delivering deep market expertise and on-the-ground intelligence, best execution, and finally post-trade clearing, custody, as well as settlement services. The Company has created revenue streams, diversified by asset class, client type and geography, that earn commissions, spreads, and principal revenue as clients execute transactions across its financial network, while monetizing non-trading client activity including interest and fee earnings on client balances as well as earning consulting fees for market intelligence and risk management services.

The Company provides its services to a diverse group of clients in more than 180 countries. These clients include more than 54,000 commercial, institutional, and payments clients and over 400,000 retail clients. The Company's clients include commercial entities, asset managers, regional, national and introducing broker-dealers, insurance companies, brokers, institutional investors and professional traders, commercial and investment banks and government and non-governmental organizations (“NGOs”).

The Company's common stock trades on The NASDAQ Global Select Market under the symbol “SNEX”.

Basis of Presentation and Consolidation

The accompanying unaudited Condensed Consolidated Balance Sheet as of September 30, 2023, which has been derived from the audited consolidated balance sheet of September 30, 2023, and the unaudited interim condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and disclosures normally included in annual consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) have been condensed or omitted pursuant to those rules and regulations. The Company believes that the included disclosures clearly and fairly present the information within. In management's opinion, all adjustments, generally consisting of normal accruals, considered necessary to fairly present the condensed consolidated financial statements for the interim periods presented have been reflected as required by Rule 10-01 of Regulation S-X.

Operating results for interim periods are not necessarily indicative of the results that may be expected for the full year. These condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and related notes contained in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2023, as filed with the SEC.

These condensed consolidated financial statements include the accounts of StoneX Group Inc. and all entities in which the Company has a controlling financial interest. All material intercompany transactions and balances have been eliminated in consolidation.

The Company's fiscal year end is September 30, and its fiscal quarters end on December 31, March 31, June 30 and September 30. Unless otherwise stated, all dates refer to fiscal years and fiscal interim periods.

Preparing condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as of the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. The most significant of these estimates and assumptions relate to fair value measurement for financial instruments, revenue recognition, valuation of inventories, and income taxes. These estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. The Company reviews all significant estimates affecting the financial statements on a recurring basis and records the effect of any necessary adjustments prior to financial statement issuance. Although these and other estimates and assumptions are based on the best available information, actual results could be materially different from these estimates. Estimates and assumptions were considered and made in context with the information reasonably available to the Company as of June 30, 2024 and through the date of this Form 10-Q.

In the Condensed Consolidated Income Statements, the total revenues reported combine gross revenues for the physical commodities business and net revenues for all other businesses. The subtotal *Operating revenues* in the Condensed

Consolidated Income Statements is calculated by deducting *Cost of sales of physical commodities* from *Total revenues*. The subtotal *Net operating revenues* in the Condensed Consolidated Income Statements is calculated as *Operating revenues* less *Transaction-based clearing expenses*, *Introducing broker commissions*, *Interest expense*, and *Interest expense on corporate funding*. *Transaction-based clearing expenses* represent variable expenses paid to executing brokers, exchanges, clearing organizations and banks in relation to transactional volumes. *Introducing broker commissions* include commission paid to certain non-employee third parties that have introduced clients to the Company. *Net operating revenues* represent revenues available to pay variable compensation to risk management consultants and traders, direct non-variable expenses, as well as variable and non-variable expenses to operational and administrative employees.

Common Stock Split

On November 7, 2023, the Company's Board of Directors approved a three-for-two split of its common stock, to be effected as a stock dividend. The stock split was effective on November 24, 2023, and entitled each shareholder of record as of November 17, 2023 to receive one additional share of common stock for every two shares owned and cash in lieu of fractional shares.

The stock split increased the number of shares of common stock outstanding. All share and per share amounts contained herein have been retroactively adjusted for the stock split.

The shares of common stock retain a par value of \$ 0.01 per share. Accordingly, an amount equal to the par value of the increased shares resulting from the stock split was reclassified from *Additional paid-in-capital* to *Common stock*.

Gain on Acquisition

In October 2022, the Company's wholly owned subsidiary, StoneX Netherlands B.V., acquired CDI-Societe Cotonniere De Distribution S.A. The fair value of identifiable net assets acquired was approximately \$ 66.2 million and the purchase price was approximately \$ 42.7 million. The value that the Company acquired in excess of consideration paid resulted in a gain on acquisition of \$ 23.5 million for the nine months ended June 30, 2023.

Accounting Standards

The Company did not adopt any new accounting standards during the three and nine months ended June 30, 2024.

Note 2 – Earnings per Share

The Company presents basic and diluted earnings per share ("EPS") using the two-class method, which requires all outstanding unvested share-based payment awards that contain rights to non-forfeitable dividends and therefore participate in undistributed earnings with common stockholders be included in computing earnings per share. Under the two-class method, net income is reduced by the amount of dividends declared in the period for each class of common stock and participating security. The remaining undistributed earnings are then allocated to common stock and participating securities, based on their respective rights to receive dividends. Restricted stock awards granted to certain employees and directors contain non-forfeitable rights to dividends at the same rate as common stock and are considered participating securities. Basic EPS has been computed by dividing net income by the weighted-average number of common shares outstanding.

The following is a reconciliation of the numerator and denominator of the diluted earnings per share computations for the periods presented below.

(in millions, except share amounts)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Numerator:				
Net income	\$ 61.9	\$ 69.5	\$ 184.1	\$ 187.8
Less: Allocation to participating securities	(2.2)	(2.4)	(6.5)	(6.3)
Net income allocated to common stockholders	\$ 59.7	\$ 67.1	\$ 177.6	\$ 181.5
Denominator:				
Weighted average number of:				
Common shares outstanding	30,643,270	30,060,251	30,449,286	29,870,136
Dilutive potential common shares outstanding:				
Share-based awards	1,099,762	921,200	1,038,084	997,337
Diluted weighted-average common shares	31,743,032	30,981,451	31,487,370	30,867,473

The dilutive effect of share-based awards is reflected in diluted net income per share by applying the treasury stock method, which includes consideration of unamortized share-based compensation expense.

Options to purchase 1,766,358 and 433,118 shares of common stock for the three months ended June 30, 2024 and 2023, respectively, were excluded from the calculation of diluted earnings per share as they would have been anti-dilutive. Options to

purchase 1,550,164 and 374,816 shares of common stock for the nine months ended June 30, 2024 and 2023, respectively, were excluded from the calculation of diluted earnings per share as they would have been anti-dilutive.

Note 3 – Assets and Liabilities, at Fair Value

Fair value is defined by U.S. GAAP as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between willing market participants on the measurement date.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Even when market assumptions are not readily available, the Company is required to develop a set of assumptions that reflect those that market participants would use in pricing an asset or liability at the measurement date. The Company uses prices and inputs that are current as of measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

The Company has designed independent price verification controls to mitigate risks related to the reasonableness of such prices.

Financial and nonfinancial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A market is active if there are sufficient transactions on an ongoing basis to provide current pricing information for the asset or liability, pricing information is released publicly, and price quotations do not vary substantially either over time or among market participants. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity.

Relevant guidance requires the Company to consider counterparty credit risk of all parties to outstanding derivative instruments that would be considered by a market participant in the transfer or settlement of such contracts (exit price). The Company's exposure to credit risk on derivative financial instruments principally relates to the portfolio of Over-the-counter ("OTC") derivative contracts as all exchange-traded contracts held can be settled on an active market with a credit guarantee from the respective exchange. The Company requires each counterparty to deposit margin collateral for all OTC instruments and is also required to deposit margin collateral with counterparties. The Company has assessed the nature of these deposits and used its discretion to adjust each based on the underlying credit considerations for the counterparty and determined that the collateral deposits minimize the exposure to counterparty credit risk in the evaluation of the fair value of OTC instruments as determined by a market participant.

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, *Fair Value Measurement*, the Company groups its assets and liabilities measured at fair value in three levels based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 - Valuation is based upon unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. Level 1 consists of financial assets and liabilities whose fair values are estimated using quoted market prices.

Level 2 - Valuation is based upon quoted prices for identical or similar assets or liabilities in markets that are less active, that is, markets in which there are few transactions for the asset or liability that are observable for substantially the full term. Included in Level 2 are those financial assets and liabilities for which fair values are estimated using models or other valuation methodologies. These models are primarily industry-standard models that consider various observable inputs, including time value, yield curve, volatility factors, observable current market and contractual prices for the underlying financial instruments, as well as other relevant economic measures.

Level 3 - Valuation is based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity). Level 3 comprises financial assets and liabilities whose fair value is estimated based on internally developed models or methodologies utilizing significant inputs that are not readily observable from objective sources. Level 3 includes contingent liabilities that have been valued using an income approach based upon management developed discounted cash flow projections, which are an unobservable input.

Fair value of financial and nonfinancial assets and liabilities that are carried on the Condensed Consolidated Balance Sheets at fair value on a recurring basis

Cash and cash equivalents reported at fair value on a recurring basis includes certificates of deposit and money market mutual funds, which are stated at cost plus accrued interest, which approximates fair value.

Cash, securities and other assets segregated under federal and other regulations reported at fair value on a recurring basis include the value of pledged investments, primarily U.S. Treasury obligations and commodities warehouse receipts.

Deposits with and receivables from broker-dealers, clearing organizations and counterparties and payable to clients and broker-dealers, clearing organizations and counterparties includes the fair value of pledged investments, primarily U.S. Treasury obligations and foreign government obligations. These balances also include the fair value of exchange-traded options on futures and OTC forwards, swaps and options.

Financial instruments owned and sold, not yet purchased include the fair value of equity securities, which includes common, preferred, and foreign ordinary shares, American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), and exchange-traded funds ("ETFs"), corporate and municipal bonds, U.S. Treasury obligations, U.S. government agency obligations, foreign government obligations, agency mortgage-backed obligations, asset-backed obligations, derivative financial instruments, commodities warehouse receipts, exchange firm common stock, and investments in managed funds. The fair value of exchange firm common stock is determined by quoted market prices.

Cash equivalents, debt and equity securities, commodities warehouse receipts, physical commodities inventory, derivative financial instruments and contingent liabilities are carried at fair value, on a recurring basis, and are classified and disclosed into three levels in the fair value hierarchy.

The following section describes the valuation methodologies used by the Company to measure classes of financial instruments at fair value and specifies the level within the fair value hierarchy where various financial instruments are classified.

The Company uses quoted prices in active markets, where available, and classifies instruments with such quotes within Level 1 of the fair value hierarchy. Examples include U.S. Treasury obligations, foreign government obligations, commodities warehouse receipts, certain equity securities traded in active markets, physical precious metals inventory held by a regulated broker-dealer subsidiary, exchange firm common stock, investments in managed funds, as well as options on futures contracts traded on national exchanges. The fair value of exchange firm common stock is determined by recent sale transactions and is included within Level 1.

When instruments are traded in secondary markets and observable prices are not available for substantially the full term, the Company generally relies on internal valuation techniques based upon observable inputs for comparable financial instruments, or prices obtained from third-party pricing services or brokers or a combination thereof, and accordingly, classified these instruments as Level 2. Examples include corporate and municipal bonds, U.S. government agency obligations, agency-mortgage backed obligations, asset-backed obligations, certain equity securities traded in less active markets, and OTC derivative contracts, which include purchase and sale commitments related to the Company's foreign exchange, agricultural, and energy commodities.

Certain derivatives without a quoted price in an active market and derivatives executed OTC are valued using internal valuation techniques, including pricing models which utilize significant inputs observable to market participants. The valuation techniques and inputs depend on the type of derivative and the nature of the underlying instrument. The key inputs depend upon the type of derivative and the nature of the underlying instrument and include interest yield curves, foreign exchange rates, commodity prices, volatilities and correlation. These derivative instruments are included within Level 2 of the fair value hierarchy.

Physical commodities inventory includes precious metals that are a part of the trading activities of a regulated broker-dealer subsidiary and is recorded at fair value using exchange-quoted prices. Physical commodities inventory also includes agricultural commodities that are a part of the trading activities of a non-broker dealer subsidiary and are recorded at net realizable value using exchange-quoted prices. The fair value of precious metals physical commodities inventory is based upon unadjusted exchange-quoted prices and is, therefore, classified within Level 1 of the fair value hierarchy. The fair value of agricultural physical commodities inventory and the related OTC firm sale and purchase commitments are generally based upon exchange-quoted prices, adjusted for basis or differences in local markets, broker or dealer quotations or market transactions in either listed or OTC markets. Exchange-quoted prices are adjusted for location and quality because the exchange-quoted prices for agricultural and energy related products represent contracts that have standardized terms for commodity, quantity, future delivery period, delivery location, and commodity quality or grade. The basis or local market adjustments are observable inputs or have an insignificant impact on the measurement of fair value and, therefore, the agricultural physical commodities inventory, as well as the related OTC forward firm sale and purchase commitments have been included within Level 2 of the fair value hierarchy.

With the exception of certain derivative instruments where the valuation approach is disclosed above, financial instruments owned and sold are primarily valued using third-party pricing sources. Third-party pricing vendors compile prices from various sources and often apply matrix pricing for similar securities when market-observable transactions for the instruments are not observable for substantially the full term. The Company reviews the pricing methodologies used by third-party pricing vendors in order to evaluate the fair value hierarchy classification of vendor-priced financial instruments and the accuracy of vendor pricing, which typically involves comparing of primary vendor prices to internal trader prices or secondary vendor prices. When evaluating the propriety of vendor-priced financial instruments using secondary prices, considerations include the range and quality of vendor prices, level of observable transactions for identical and similar instruments, and judgments based upon

knowledge of a particular market and asset class. If the primary vendor price does not represent fair value, justification for using a secondary price, including source data used to make the determination, is subject to review and approval by authorized personnel prior to using a secondary price. Financial instruments owned and sold that are valued using third party pricing sources are included within either Level 1 or Level 2 of the fair value hierarchy based upon the observability of the inputs used and the level of activity in the market.

The fair value estimates presented herein are based on pertinent information available to management as of June 30, 2024 and September 30, 2023. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these condensed consolidated financial statements since that date and current estimates of fair value may differ significantly from the amounts presented herein.

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The following tables set forth the Company's financial and nonfinancial assets and liabilities accounted for at fair value, on a recurring basis, as of June 30, 2024 and September 30, 2023 by level in the fair value hierarchy. All fair value measurements were performed on a recurring basis as of June 30, 2024 and September 30, 2023.

(in millions)	June 30, 2024				
	Level 1	Level 2	Level 3	Netting (1)	Total
Assets:					
Certificates of deposit	\$ 12.4	\$ —	\$ —	\$ —	\$ 12.4
Money market mutual funds	35.6	—	—	—	35.6
Cash and cash equivalents	48.0	—	—	—	48.0
Commodities warehouse receipts	48.4	—	—	—	48.4
Securities and other assets segregated under federal and other regulations	48.4	—	—	—	48.4
U.S. Treasury obligations	3,227.7	—	—	—	3,227.7
To be announced and forward settling securities	—	25.4	—	(21.4)	4.0
Foreign government obligations	17.3	—	—	—	17.3
Derivatives	4,710.5	1,748.8	—	(5,967.9)	491.4
Deposits with and receivables from broker-dealers, clearing organizations and counterparties, net	7,955.5	1,774.2	—	(5,989.3)	3,740.4
Receivables from clients, net - Derivatives	76.7	614.8	—	(692.0)	(0.5)
Equity securities	440.3	16.4	—	—	456.7
Corporate and municipal bonds	—	361.1	—	—	361.1
U.S. Treasury obligations	721.8	—	—	—	721.8
U.S. government agency obligations	—	373.9	—	—	373.9
Foreign government obligations	150.5	—	—	—	150.5
Agency mortgage-backed obligations	—	3,469.7	—	—	3,469.7
Asset-backed obligations	—	219.4	—	—	219.4
Derivatives	0.1	732.8	—	(416.2)	316.7
Commodities warehouse receipts	43.0	—	—	—	43.0
Exchange firm common stock	11.8	—	—	—	11.8
Cash flow hedges	—	5.5	—	—	5.5
Mutual funds and other	22.5	—	2.8	—	25.3
Financial instruments owned	1,390.0	5,178.8	2.8	(416.2)	6,155.4
Physical commodities inventory	193.8	150.7	—	—	344.5
Total assets at fair value	<u>\$ 9,712.4</u>	<u>\$ 7,718.5</u>	<u>\$ 2.8</u>	<u>\$ (7,097.5)</u>	<u>\$ 10,336.2</u>
Liabilities:					
Accounts payable and other accrued liabilities	\$ —	\$ —	\$ 1.7	\$ —	\$ 1.7
Payables to clients - Derivatives	4,418.5	292.5	—	(4,323.7)	387.3
TBA and forward settling securities	—	26.2	—	(20.2)	6.0
Derivatives	371.6	1,963.8	—	(2,337.8)	(2.4)
Payable to broker-dealers, clearing organizations and counterparties	371.6	1,990.0	—	(2,358.0)	3.6
Equity securities	272.0	5.1	—	—	277.1
Foreign government obligations	130.6	—	—	—	130.6
Corporate and municipal bonds	—	141.3	—	—	141.3
U.S. Treasury obligations	2,662.3	—	—	—	2,662.3
U.S. government agency obligations	—	13.7	—	—	13.7
Agency mortgage-backed obligations	—	12.1	—	—	12.1
Asset-backed obligations	—	4.0	—	—	4.0
Derivatives	5.8	659.8	—	(340.1)	325.5
Cash flow hedges	—	2.1	—	—	2.1
Other	—	—	1.1	—	1.1
Financial instruments sold, not yet purchased	3,070.7	838.1	1.1	(340.1)	3,569.8
Total liabilities at fair value	<u>\$ 7,860.8</u>	<u>\$ 3,120.6</u>	<u>\$ 2.8</u>	<u>\$ (7,021.8)</u>	<u>\$ 3,962.4</u>

(1) Represents cash collateral and the impact of netting across at each level of the fair value hierarchy.

(in millions)	September 30, 2023				
	Level 1	Level 2	Level 3	Netting (1)	Total
Assets:					
Certificates of deposit	\$ 8.7	\$ —	\$ —	\$ —	\$ 8.7
Money market mutual funds	57.8	—	—	—	57.8
Cash and cash equivalents	66.5	—	—	—	66.5
Commodities warehouse receipts	5.8	—	—	—	5.8
Securities and other assets segregated under federal and other regulations	5.8	—	—	—	5.8
U.S. Treasury obligations	4,023.8	—	—	—	4,023.8
TBA and forward settling securities	—	73.5	—	(31.7)	41.8
Foreign government obligations	17.8	—	—	—	17.8
Derivatives	5,497.5	1,135.9	—	(6,468.5)	164.9
Deposits with and receivables from broker-dealers, clearing organizations and counterparties, net	9,539.1	1,209.4	—	(6,500.2)	4,248.3
Receivables from clients, net - Derivatives	61.7	561.3	—	(630.9)	(7.9)
Equity securities	324.0	10.3	—	—	334.3
Corporate and municipal bonds	—	284.2	—	—	284.2
U.S. Treasury obligations	531.7	—	—	—	531.7
U.S. government agency obligations	—	451.7	—	—	451.7
Foreign government obligations	43.3	—	—	—	43.3
Agency mortgage-backed obligations	—	2,865.8	—	—	2,865.8
Asset-backed obligations	—	138.8	—	—	138.8
Derivatives	0.6	868.1	—	(600.2)	268.5
Commodities leases	—	16.0	—	—	16.0
Commodities warehouse receipts	54.7	—	—	—	54.7
Exchange firm common stock	12.0	—	—	—	12.0
Cash flow hedges	—	1.7	—	—	1.7
Mutual funds and other	39.3	—	2.8	—	42.1
Financial instruments owned	1,005.6	4,636.6	2.8	(600.2)	5,044.8
Physical commodities inventory	240.3	146.2	—	—	386.5
Total assets at fair value	\$ 10,919.0	\$ 6,553.5	\$ 2.8	\$ (7,731.3)	\$ 9,744.0
Liabilities:					
Accounts payable and other accrued liabilities - contingent liabilities	\$ —	\$ —	\$ 1.5	\$ —	\$ 1.5
Payables to clients - Derivatives	5,430.7	226.2	—	(5,577.1)	79.8
TBA and forward settling securities	—	47.5	—	(31.4)	16.1
Derivatives	112.2	1,402.0	—	(1,520.1)	(5.9)
Payable to broker-dealers, clearing organizations and counterparties	112.2	1,449.5	—	(1,551.5)	10.2
Equity securities	230.6	5.5	—	—	236.1
Foreign government obligations	21.5	—	—	—	21.5
Corporate and municipal bonds	—	81.6	—	—	81.6
U.S. Treasury obligations	2,409.3	—	—	—	2,409.3
U.S. government agency obligations	—	5.1	—	—	5.1
Agency mortgage-backed obligations	—	31.7	—	—	31.7
Derivatives	2.4	769.2	—	(510.4)	261.2
Cash flow hedges	—	27.1	—	—	27.1
Other	—	10.9	1.1	—	12.0
Financial instruments sold, not yet purchased	2,663.8	931.1	1.1	(510.4)	3,085.6
Total liabilities at fair value	\$ 8,206.7	\$ 2,606.8	\$ 2.6	\$ (7,639.0)	\$ 3,177.1

(1) Represents cash collateral and the impact of netting across at each level of the fair value hierarchy.

Realized and unrealized gains and losses are included in *Principal gains, net*, *Interest income*, and *Cost of sales of physical commodities* in the

Additional disclosures about the fair value of financial instruments that are not carried on the Condensed Consolidated Balance Sheets at fair value

Many, but not all, of the financial instruments that the Company holds are recorded at fair value in the Condensed Consolidated Balance Sheets. The following represents financial instruments for which the ending balance at June 30, 2024 and September 30, 2023 was not carried at fair value on the Condensed Consolidated Balance Sheets in accordance with U.S. GAAP:

Short-term financial instruments: The carrying value of short-term financial instruments, including cash and cash equivalents, cash segregated under federal and other regulations, securities purchased under agreements to resell and securities sold under agreements to repurchase, and securities borrowed and loaned are recorded at amounts that approximate the fair value of these instruments due to their short-term nature and level of collateralization. These financial instruments generally expose the Company to limited credit risk and have no stated maturities or have short-term maturities and carry interest rates that approximate market rates. Under the fair value hierarchy, cash and cash equivalents and cash segregated under federal and other regulations are classified as Level 1. Securities purchased under agreements to resell and securities sold under agreements to repurchase, and securities borrowed and loaned are classified as Level 2 under the fair value hierarchy as they are generally overnight or short-term in nature and are collateralized by equity securities, U.S. Treasury obligations, U.S. government agency obligations, agency mortgage-backed obligations, and asset-backed obligations.

Receivables and other assets : Receivables from broker-dealers, clearing organizations, and counterparties, receivables from clients, net, notes receivables, and certain other assets are recorded at amounts that approximate fair value due to their short-term nature and are classified as Level 2 under the fair value hierarchy.

Payables: Payables to clients and payables to broker-dealers, clearing organizations, and counterparties are recorded at amounts that approximate fair value due to their short-term nature and are classified as Level 2 under the fair value hierarchy.

Lenders under loans: Payables to lenders under loans carry variable rates of interest and thus approximate fair value and are classified as Level 2 under the fair value hierarchy.

Senior secured borrowings, net : Senior secured borrowings, net includes the Company's 7.875 % Senior Secured Notes due 2031 (the "Notes due 2031"), as further described in Note 9, with a carrying value of \$ 542.8 million as of June 30, 2024. The carrying value of the Notes due 2031 represents their principal amount net of unamortized deferred financing costs and original issue discount. As of June 30, 2024, the Notes due 2031 had a fair value of \$ 567.3 million. They were classified as Level 2 under the fair value hierarchy.

Note 4 – Financial Instruments with Off-Balance Sheet Risk and Concentrations of Credit Risk

The Company is party to certain financial instruments with off-balance sheet risk in the normal course of its business. The Company has sold financial instruments that it does not currently own and will therefore be obliged to purchase such financial instruments at a future date. The Company has recorded these obligations in the condensed consolidated financial statements as of June 30, 2024 and September 30, 2023 at the fair values of the related financial instruments. The Company will incur losses if the fair value of the underlying financial instruments increases subsequent to June 30, 2024. The total financial instruments sold, not yet purchased of \$ 3,569.8 million and \$ 3,085.6 million as of June 30, 2024 and September 30, 2023, respectively, includes \$ 325.5 million and \$ 261.2 million for derivative contracts not designated as hedges, respectively, which represented a liability to the Company based on their fair values as of June 30, 2024 and September 30, 2023.

Derivatives

The Company utilizes derivative products in its trading capacity as a dealer in order to satisfy client needs and mitigate risk. The Company manages risks from both derivatives and non-derivative cash instruments on a consolidated basis. The risks of derivatives should not be viewed in isolation, but in aggregate with the Company's other trading activities. The Company's derivative positions are included in the Condensed Consolidated Balance Sheets in *Deposits with and receivables from broker-dealers, clearing organizations and counterparties , Receivables from clients, net, Financial instruments owned and sold, not yet purchased, at fair value, Payable to clients and Payables to broker-dealers, clearing organizations and counterparties .*

Listed below are the fair values of the Company's derivative assets and liabilities as of June 30, 2024 and September 30, 2023. Assets represent net unrealized gains and liabilities represent net unrealized losses.

(in millions)	June 30, 2024		September 30, 2023	
	Assets ⁽¹⁾	Liabilities ⁽¹⁾	Assets ⁽¹⁾	Liabilities ⁽¹⁾
Derivative contracts not accounted for as hedges:				
Exchange-traded commodity derivatives	\$ 1,698.9	\$ 1,701.7	\$ 1,907.0	\$ 1,890.3
OTC commodity derivatives	2,031.7	1,972.5	1,523.3	1,456.0
Exchange-traded foreign exchange derivatives	1.4	1.4	4.3	4.3
OTC foreign exchange derivatives	613.2	577.5	497.1	455.3
Exchange-traded interest rate derivatives	566.2	572.0	1,507.6	1,509.8
OTC interest rate derivatives	288.3	288.3	417.6	417.6
Exchange-traded equity index derivatives	2,520.8	2,520.8	2,140.9	2,140.9
OTC equity and indices derivatives	163.2	77.8	127.3	68.5
TBA and forward settling securities	25.4	26.2	73.5	47.5
Subtotal	7,909.1	7,738.2	8,198.6	7,990.2
Derivative contracts designated as hedging instruments:				
Interest rate contracts	—	2.0	—	24.6
Foreign currency forward contracts	5.5	0.1	1.7	2.5
Subtotal	5.5	2.1	1.7	27.1
Gross fair value of derivative contracts	\$ 7,914.6	\$ 7,740.3	\$ 8,200.3	\$ 8,017.3
Impact of netting and collateral	(7,097.5)	(7,021.8)	(7,731.3)	(7,639.0)
Total fair value included in <i>Deposits with and receivables from broker-dealers, clearing organizations, and counterparties, net</i>	\$ 495.4		\$ 206.7	
Total fair value included in <i>Receivable from clients, net</i>	\$ (0.5)		\$ (7.9)	
Total fair value included in <i>Financial instruments owned, at fair value</i>	\$ 322.2		\$ 270.2	
Total fair value included in <i>Payables to clients</i>		\$ 387.3		\$ 79.8
Total fair value included in <i>Payables to broker-dealers, clearing organizations and counterparties</i>		\$ 3.6		\$ 10.2
Total fair value included in <i>Financial instruments sold, not yet purchased, at fair value</i>		\$ 327.6		\$ 288.3

(1) As of June 30, 2024 and September 30, 2023, the Company's derivative contract volume for open positions was approximately 11.2 million and 13.4 million contracts, respectively.

The Company's derivative contracts are principally held in its Institutional, Commercial, and Retail segments. The Company provides its Institutional segment clients access to exchanges at which they can carry out their trading strategies. The Company assists its Commercial segment clients in protecting the value of their future production by entering into option or forward agreements with them on an OTC basis. The Company also provides its Commercial segment clients with exchange products, including combinations of buying and selling puts and calls. In its Retail segment, the Company provides its retail clients with access to spot foreign exchange, precious metals trading, as well as contracts for difference ("CFD") and spread bets, where permitted. The Company mitigates its risk by generally offsetting the client's transaction simultaneously with one of the Company's trading counterparties or will offset that transaction with a similar but not identical position on the exchange. The risk mitigation of these offsetting trades is not within the documented hedging designation requirements of the Derivatives and Hedging Topic of the ASC. These derivative contracts are traded along with cash transactions because of the integrated nature of the markets for these products. The Company manages the risks associated with derivatives on an aggregate basis along with the risks associated with its proprietary trading and market-making activities in cash instruments as part of its firm-wide risk management policies. In particular, the risks related to derivative positions may be partially offset by inventory, other derivatives, or cash collateral paid or received.

Hedging Activities

The Company uses interest rate derivatives, in the form of swaps, to hedge risk related to variability in overnight rates. These hedges are designated cash flow hedges, through which the Company mitigates uncertainty in its interest income by converting floating-rate interest income to fixed-rate interest income. While the swaps mitigate interest rate risk, they do introduce credit risk, which is the possibility that the Company's trading counterparty fails to meet its obligation. The Company minimizes this risk by entering into its swaps with highly-rated, multi-national institutions. In addition to credit risk, there is market risk

associated with the swap positions. The Company's market risk is limited, because any amounts the Company must pay from having exchanged variable interest will be funded by the variable interest the Company receives on its deposits. As of June 30, 2024, the Company's hedges will all have matured in less than 1 year from the end of the current period.

The Company also uses foreign currency derivatives, in the form of forward contracts, to hedge risk related to the variability in exchange rates relative to certain of the Company's non-USD expenditures. These hedges are designated cash flow hedges, through which the Company mitigates variability in exchange rates by exchanging foreign currency for USD at fixed exchange rates at a pre-determined future date, or several cash flows at several pre-determined future dates. While the forward contracts mitigate exchange rate variability risk, they do introduce credit risk, which is the possibility that the Company's trading counterparty fails to meet its obligation. The Company minimizes this risk by entering into its forward contracts with highly-rated, multi-national institutions. These hedges will all mature within 2 years from the end of the current period.

The Company assesses the effectiveness of its hedges at each reporting period to identify any required reclassifications into current earnings. During the three months ended June 30, 2024 and 2023, the Company did not designate any portion of its hedges as ineffective and thus did not have any values in current earnings related to ineffective hedges. The fair values of derivative instruments designated for hedging held as of June 30, 2024 and September 30, 2023 are as follow:

		June 30, 2024	September 30, 2023
(in millions)	Balance Sheet Location	Fair Value	Fair Value
Asset Derivatives			
Derivatives designated as hedging instruments:			
Foreign currency forward contracts	Financial instruments owned, net	\$ 5.5	\$ 1.7
Total derivatives designated as hedging instruments		\$ 5.5	\$ 1.7
Derivative assets expected to be released from <i>Other comprehensive income</i> into current earnings:			
Foreign currency forward contracts		\$ 5.5	\$ 1.4
Total expected to be released from <i>Other comprehensive income</i> into earnings		\$ 5.5	\$ 1.4
Liability Derivatives			
Derivatives designated as hedging instruments:			
Interest rate contracts	Financial instruments sold, not yet purchased	\$ 2.0	\$ 24.6
Foreign currency forward contracts	Financial instruments sold, not yet purchased	0.1	2.5
Total derivatives designated as hedging instruments		\$ 2.1	\$ 27.1
Derivative liabilities expected to be released from <i>Other comprehensive income</i> into current earnings:			
Interest rate contracts		\$ 2.0	\$ 20.3
Foreign currency forward contracts		—	1.0
Total expected to be released from <i>Other comprehensive income</i> into earnings		\$ 2.0	\$ 21.3

The notional values of derivative instruments designated for hedging held as of June 30, 2024 and September 30, 2023 are as follows:

(in millions)	June 30, 2024		September 30, 2023	
	Notional Value		Notional Value	
Derivatives designated as hedging instruments:				
Interest rate contracts	\$	1,000.0	\$	2,000.0
Foreign currency forward contracts:				
Foreign currency forward contracts to purchase Polish Zloty:				
Local currency	zł	156.1	zł	156.1
USD	\$	36.6	\$	34.0
Foreign currency forward contracts to purchase British Pound Sterling:				
Local currency	£	96.0	£	168.0
USD	\$	117.9	\$	206.9

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The Condensed Consolidated Income Statement effects of derivative instruments designated for hedging held for the three and nine months ended June 30, 2024 and 2023 are as follows:

(in millions)	Income Statement Location	Three Months Ended June 30, 2024	Nine Months Ended June 30, 2024
Total amounts reclassified from Accumulated Other Comprehensive Income into Income:			
Interest rate contracts	Interest income	\$ (4.4)	\$ (24.9)
Foreign currency forward contracts	Compensation and benefits	1.8	5.5
Total derivatives designated as hedging instruments		<u>\$ (2.6)</u>	<u>\$ (19.4)</u>
Amount of gain reclassified from accumulated other comprehensive income into income as a result of a forecasted transaction that is no longer probable of occurring			
		\$ —	\$ —

(in millions)	Income Statement Location	Three Months Ended June 30, 2023	Nine Months Ended June 30, 2023
Total amounts reclassified from Accumulated Other Comprehensive Income into Income:			
Interest rate contracts	Interest Income	\$ (14.3)	\$ (31.3)
Foreign currency forward contracts	Compensation and benefits	1.6	2.1
Total derivatives designated as hedging instruments		<u>\$ (12.7)</u>	<u>\$ (29.2)</u>
Amount of gain reclassified from accumulated other comprehensive income into income as a result of a forecasted transaction that is no longer probable of occurring			
		\$ —	\$ —

The accumulated other comprehensive income effects of derivative instruments designated for hedging held for three and nine months ended June 30, 2024 and 2023 are as follow:

(in millions)	Amount of Gain/(Loss) Recognized in Other Comprehensive Income on Derivatives, net of tax	
	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023
Derivatives in Cash Flow Hedging Relationships:		
Interest rate contracts	\$ 2.8	\$ (0.7)
Foreign currency forward contracts	(1.5)	3.3
Total	<u>\$ 1.3</u>	<u>\$ 2.6</u>

(in millions)	Amount of Gain Recognized in Other Comprehensive Income on Derivatives, net of tax	
	Nine Months Ended June 30, 2024	Nine Months Ended June 30, 2023
Derivatives in Cash Flow Hedging Relationships:		
Interest rate contracts	\$ 17.1	\$ 8.5
Foreign currency forward contracts	4.1	23.1
Total	<u>\$ 21.2</u>	<u>\$ 31.6</u>

The following table sets forth the Company's net gains/(losses) related to derivative financial instruments for the three and nine months ended June 30, 2024 and 2023 in accordance with the Derivatives and Hedging Topic of the ASC. The net gains/(losses) set forth below are included in *Principal gains, net* and *Cost of sales of physical commodities* in the Condensed Consolidated Income Statements.

(in millions)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Commodities	\$ 189.6	\$ 105.3	\$ 320.3	\$ 307.3
Foreign exchange	29.8	(10.8)	87.6	(34.8)
Interest rate, equities, and indices	27.1	51.6	70.0	85.5
TBA and forward settling securities	8.7	42.0	(59.0)	4.9
Net gains from derivative contracts	<u>\$ 255.2</u>	<u>\$ 188.1</u>	<u>\$ 418.9</u>	<u>\$ 362.9</u>

Credit Risk

In the normal course of business, the Company purchases and sells financial instruments, commodities and foreign currencies as either a principal or agent on behalf of its clients. If either the client or counterparty fails to perform, the Company may be required to discharge the obligations of the nonperforming party. In such circumstances, the Company may sustain a loss if the fair value of the financial instrument, commodity, or foreign currency is different from the contract value of the transaction.

The majority of the Company's transactions and, consequently, the concentration of its credit exposure are with commodity exchanges, clients, broker-dealers and other financial institutions. These activities primarily involve collateralized and uncollateralized arrangements and may result in credit exposure in the event that a counterparty fails to meet its contractual obligations. The Company's exposure to credit risk can be directly impacted by volatile financial markets, which may impair counterparties' ability to satisfy contractual obligations. The Company seeks to control its credit risk through a variety of reporting and control procedures, including establishing credit and/or position limits based upon a review of the counterparties' financial condition and credit ratings. The Company monitors collateral levels on a daily basis for compliance with regulatory and internal guidelines and requests changes in collateral levels as appropriate.

The Company is a party to financial instruments in the normal course of its business through client and proprietary trading accounts in exchange-traded and OTC derivative instruments. These instruments are primarily the result of the execution of orders for commodity futures, options on futures, OTC swaps and options and spot and forward foreign currency contracts on behalf of its clients, substantially all of which are transacted on a margin basis. Such transactions may expose the Company to significant credit risk in the event that margin requirements are not sufficient to fully cover losses which clients may incur. The Company controls the risks associated with these transactions by requiring clients to maintain margin deposits in compliance with individual exchange regulations and internal guidelines. The Company monitors required margin levels daily, and therefore, may require clients to deposit additional collateral or reduce positions when necessary. The Company also establishes credit limits for clients, which are monitored daily. The Company evaluates each client's creditworthiness on a case by case basis. Clearing, financing, and settlement activities may require the Company to maintain funds with or pledge securities as collateral with other financial institutions. Generally, these exposures to both clients and exchanges are subject to master netting, or client agreements, which reduce the exposure to the Company by permitting receivables and payables with such clients to be offset in the event of a client default. Management believes that the margin deposits held as of June 30, 2024 and September 30, 2023 were adequate to minimize the risk of material loss that could be created by positions held at that time. Additionally, the Company monitors collateral fair value on a daily basis and adjusts collateral levels in the event of excess market exposure.

Derivative financial instruments involve varying degrees of off-balance sheet market risk whereby changes in the fair values of underlying financial instruments may result in changes in the fair value of the financial instruments in excess of the amounts reflected in the consolidated balance sheets. Exposure to market risk is influenced by a number of factors, including the relationships between the financial instruments and the Company's positions, as well as the volatility and liquidity in the markets in which the financial instruments are traded. The principal risk components of financial instruments include, among other things, interest rate volatility, the duration of the underlying instruments and changes in commodity pricing and foreign exchange rates. The Company attempts to manage its exposure to market risk through various techniques. Aggregate market limits have been established and market risk measures are routinely monitored against these limits.

Note 5 – Allowance for Doubtful Accounts

The allowance for doubtful accounts related to deposits with and receivables from broker-dealers, clearing organizations, and counterparties was \$ 0.0 million as of June 30, 2024 and \$ 0.1 million as of September 30, 2023. The allowance for doubtful accounts related to receivables from clients was \$ 56.2 million and \$ 59.8 million as of June 30, 2024 and September 30, 2023, respectively. The Company had no allowance for doubtful accounts related to notes receivable as of June 30, 2024 and September 30, 2023.

Activity in the allowance for doubtful accounts for the nine months ended June 30, 2024 was as follows:

(in millions)

Balance as of September 30, 2023	\$	59.9
Recovery of bad debts ⁽¹⁾		(3.0)
Allowance charge-offs		(1.1)
Other		0.4
Balance as of June 30, 2024	\$	56.2

⁽¹⁾ An additional \$ 2.8 million is included in bad debt expense for the nine months ended June 30, 2024 on the consolidated income statement, which is not included in the allowance at the period then ended.

Note 6 – Physical Commodities Inventory

The Company's inventories consist of finished physical commodities as shown below.

(in millions)	June 30, 2024	September 30, 2023
Physical Ag & Energy ⁽¹⁾	\$ 150.7	\$ 146.2
Precious metals - held by broker-dealer subsidiary	193.8	240.3
Precious metals - held by non-broker-dealer subsidiaries	242.9	150.8
Physical commodities inventory, net	<u>\$ 587.4</u>	<u>\$ 537.3</u>

⁽¹⁾ Physical Ag & Energy consists of agricultural commodity inventories, including corn, soybeans, wheat, dried distillers grain, canola, sorghum, coffee, cocoa, cotton, and various energy commodity inventories. Agricultural inventories have reliable, readily determinable and realizable market prices, have relatively insignificant costs of disposal and are available for immediate delivery. The Company records changes to these values in *Cost of sales of physical commodities* on the Condensed Consolidated Income Statements.

Note 7 – Goodwill

Goodwill allocated to the Company's operating segments is as follows:

(in millions)	June 30, 2024	September 30, 2023
Commercial	\$ 33.3	\$ 33.7
Institutional	9.8	9.8
Retail	5.8	5.8
Payments	10.0	10.0
Total Goodwill	<u>\$ 58.9</u>	<u>\$ 59.3</u>

The Company had \$ 0.4 million of foreign exchange translation decline during the current year related to Goodwill.

Note 8 – Intangible Assets

The gross and net carrying values of intangible assets as of the balance sheet dates, by major intangible asset class are as follows (in millions):

	June 30, 2024			September 30, 2023		
	Gross Amount	Accumulated Amortization	Net Amount	Gross Amount	Accumulated Amortization	Net Amount
Intangible assets subject to amortization						
Trade/domain names	\$ 4.1	\$ (3.0)	\$ 1.1	\$ 4.1	\$ (2.4)	\$ 1.7
Software programs/platforms	4.8	(3.8)	1.0	28.5	(26.9)	1.6
Client and supplier base	34.8	(24.5)	10.3	38.3	(24.1)	14.2
Total intangible assets subject to amortization	43.7	(31.3)	12.4	70.9	(53.4)	17.5
Intangible assets not subject to amortization						
Website domains	2.1	—	2.1	1.9	—	1.9
Business licenses	3.7	—	3.7	3.7	—	3.7
Total intangible assets not subject to amortization	5.8	—	5.8	5.6	—	5.6
Total intangible assets	<u>\$ 49.5</u>	<u>\$ (31.3)</u>	<u>\$ 18.2</u>	<u>\$ 76.5</u>	<u>\$ (53.4)</u>	<u>\$ 23.1</u>

Amortization expense related to intangible assets was \$ 1.9 million and \$ 3.9 million for the three months ended June 30, 2024 and 2023, respectively. Amortization expense related to intangible assets was \$ 6.0 million and \$ 11.9 million for the nine months ended June 30, 2024 and 2023, respectively.

The Company wrote off \$ 27.8 million of fully amortized intangible assets during the nine months ended June 30, 2024.

As of June 30, 2024, estimated future amortization expense was as follows:

(in millions)

Fiscal 2024 (remaining months)	\$	1.2
Fiscal 2025		3.7
Fiscal 2026		2.9
Fiscal 2027		2.2
Fiscal 2028 and thereafter		2.4
Total intangible assets subject to amortization	\$	12.4

Note 9 – Credit Facilities

Committed Credit Facilities

The Company and its subsidiaries have committed credit facilities under which they may borrow up to \$ 1,125.0 million, subject to the terms and conditions of these facilities. The amounts outstanding under these credit facilities carry variable rates of interest, thus approximating fair value. The committed credit facilities generally have covenant requirements that relate to various leverage, debt to net worth, fixed charge, tangible net worth, excess net capital, or profitability measures. The Company and its subsidiaries were in compliance with all relevant covenants as of June 30, 2024.

Uncommitted Credit Facilities

The Company has access to certain uncommitted financing agreements that support its ordinary course securities and commodities inventories. The agreements are subject to certain borrowing terms and conditions.

Note Payable to Bank

The Company has a note payable to a commercial bank related to the financing of certain equipment which secures the note.

Senior Secured Notes

On March 1, 2024, the Company issued \$ 550 million in aggregate principal amount of its 7.875 % Notes due 2031 at the offering price of 100 % of the aggregate principal amount. The Notes due 2031 are fully and unconditionally guaranteed, jointly and severally, on a senior secured second lien basis by each of the Company's existing and future subsidiaries that guarantee indebtedness under the Company's senior secured revolving credit facility and certain other senior indebtedness. Interest related to these notes is payable twice annually, in arrears. The Company incurred debt issuance costs of \$ 7.6 million, which are being amortized over the term of the Notes due 2031 under the effective interest method.

On June 17, 2024, the Company used part of the proceeds from its Notes due 2031 to extinguish its 8.625 % Senior Secured Notes due 2025 (the "Notes due 2025") when \$ 363.0 million that the Company had previously deposited into an irrevocable trust as part of an in-substance defeasance was remitted to the note holders to redeem the notes and pay interest due up to that date.

In accordance with ASC 470-50 "Debt - Modifications and Extinguishments", the transactions noted above were determined to be an extinguishment of the Notes due 2025 and an issuance of new debt. As a result, the Company recorded a loss on the extinguishment of debt in the amount of \$ 3.7 million included in *Interest expense on corporate funding* on the Condensed Consolidated Income Statements for the three and nine months ended June 30, 2024, of which \$ 2.4 million represented the write off of deferred financing costs and \$ 1.3 million represented the write off of original issue discount.

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The following table sets forth a listing of credit facilities, the current committed amounts as of the report date on the facilities, and outstanding (in millions, except for percentages):

(in millions)

(in millions)				Amounts Outstanding			
Borrower	Security	Renewal/Expiration Date	Total Commitment	September 30, June 30, 20242023			
Committed Credit Facilities							
Senior StoneX Group Inc. Committed Credit Facility - Revolving Line of Credit	(1)	April 21, 2026	\$ 500.0	\$ 15.0	(5)	\$ 150.0	
StoneX Financial Inc.	None	October 29, 2024	190.0	—	(5)	—	
StoneX Commodity Solutions LLC	Certain assets	July 29, 2025	325.0	(6) 125.0	(5)	103.0	
StoneX Financial Ltd.	None	October 12, 2024	100.0	—	(5)	25.0	
StoneX Financial Pte. Ltd.	None	September 6, 2024	10.0	—	(5)	—	
			\$ 1,125.0	\$ 140.0		\$ 278.0	
Uncommitted Credit Facilities	Various			80.7	(5)	55.5	
Note Payable to Bank	Certain equipment			7.1	(5)	7.5	
Senior Secured Notes due 2031	(2)			542.8	(4)	—	
Senior Secured Notes due 2025	(2)			—	(3)	342.1	
Total outstanding borrowings				\$ 770.6		\$ 683.1	

(1) The StoneX Group Inc. senior committed credit facility is a revolving facility secured by substantially all of the assets of StoneX Group Inc. and certain subsidiaries identified in the credit facility agreement as obligors, and pledged equity of certain subsidiaries identified in the credit facility as limited guarantors. On July 10, 2024 the obligation of one lender was assigned to another lender with the new maturity date consistent with the other existing lenders', April 21, 2026.

(2) The Notes and the related guarantees are secured by liens on substantially all of the Company's and the guarantors' assets, subject to certain customary and other exceptions and permitted liens. The liens on the assets that secure the Notes and the related guarantees are contractually subordinated to the liens on the assets that secure the Company's and the guarantors' existing and future first lien secured indebtedness, including indebtedness under the Company's senior committed credit facility.

(3) Included in *Senior secured borrowings, net* on the Condensed Consolidated Balance Sheets. Amounts outstanding under the Notes due 2025 are reported net of unamortized original issue discount and unamortized deferred financing costs of \$ 5.8 million as of September 30, 2023. The Notes due 2025 were extinguished as of June 30, 2024.

(4) Included in *Senior secured borrowings, net* on the Condensed Consolidated Balance Sheets. Amounts outstanding under the Notes due 2031 are reported net of unamortized deferred financing costs of \$ 7.2 million.

(5) Included in *Lenders under loans* on the Condensed Consolidated Balance Sheets.

(6) The facility was amended on July 29, 2024 to extend the maturity date to July 29, 2025. The amount available was reduced from \$ 400.0 million to \$ 325.0 million as part of the renewal process.

As reflected above, certain of the Company's committed credit facilities are scheduled to expire during the next twelve months following the quarterly period ended June 30, 2024. The Company intends to renew or replace the facilities as they expire, and based on the Company's liquidity position and capital structure, the Company believes it will be able to do so.

Note 10 – Securities and Commodity Financing Transactions

The Company's repurchase agreements and securities borrowing and lending arrangements are generally recorded at cost in the Condensed Consolidated Balance Sheets, which is a reasonable approximation of their fair values due to their short-term nature. Secured borrowing and lending arrangements are entered into to obtain collateral necessary to effect settlement, finance inventory positions, meet customer needs or re-lend as part of our dealer operations. The fair value of securities loaned and borrowed is monitored daily compared with the related payable or receivable, and additional collateral or returning excess collateral is requested, as appropriate. These arrangements may serve to limit credit risk resulting from our transactions with our counterparties. Financial instruments are pledged as collateral under repurchase agreements, securities lending agreements and other secured arrangements, including clearing arrangements. Agreements with counterparties generally contain contractual provisions allowing counterparties the right to sell or repledge collateral. Either the Company or its counterparties may require additional collateral. All collateral is held by the Company or a custodian.

The following tables set forth the carrying value of repurchase agreements, and securities lending agreements by remaining contractual maturity (in millions):

June 30, 2024					
	Overnight and Open	Less than 30 Days	30-90 Days	Over 90 Days	Total
Securities sold under agreements to repurchase	\$ 12,048.0	\$ 2,232.3	\$ 1,241.7	\$ 475.3	\$ 15,997.3
Securities loaned	1,124.0	—	—	—	1,124.0
Gross amount of secured financing	\$ 13,172.0	\$ 2,232.3	\$ 1,241.7	\$ 475.3	\$ 17,121.3

September 30, 2023					
	Overnight and Open	Less than 30 Days	30-90 Days	Over 90 Days	Total
Securities sold under agreements to repurchase	\$ 8,300.0	\$ 786.8	\$ 107.0	\$ 2.6	\$ 9,196.4
Securities loaned	1,117.3	—	—	—	1,117.3
Gross amount of secured financing	\$ 9,417.3	\$ 786.8	\$ 107.0	\$ 2.6	\$ 10,313.7

Offsetting of Collateralized Transactions

The following table sets forth the carrying value of repurchase agreements and securities lending agreements by class of collateral pledged (in millions):

Securities sold under agreements to repurchase	June 30, 2024		September 30, 2023	
U.S. Treasury obligations	\$	9,815.1	\$	3,696.1
U.S. government agency obligations and municipal bonds		520.4		542.2
Asset-backed obligations		137.7		102.9
Agency mortgage-backed obligations		4,556.0		4,371.6
Foreign government obligations		488.3		148.1
Corporate bonds		479.8		335.5
Total securities sold under agreement to repurchase	\$	15,997.3	\$	9,196.4

Securities loaned				
Equity securities	\$	1,124.0	\$	1,117.3
Total securities loaned		1,124.0		1,117.3
Gross amount of secured financing	\$	17,121.3	\$	10,313.7

The following tables provide the netting of securities purchased under agreements to resell, securities sold under agreements to repurchase, securities borrowed and securities loaned as of the periods indicated (in millions):

June 30, 2024				
Offsetting of collateralized transactions:	Gross Amounts Recognized	Amounts Offset in the Condensed Consolidated Balance Sheet	Net Amounts Presented in the Condensed Consolidated Balance Sheet	
Securities purchased under agreements to resell	\$ 13,830.2	\$ (8,925.4)	\$ 4,904.8	
Securities borrowed	\$ 1,155.7	\$ —	\$ 1,155.7	
Securities sold under agreements to repurchase	\$ 15,997.3	\$ (8,925.4)	\$ 7,071.9	
Securities loaned	\$ 1,124.0	\$ —	\$ 1,124.0	

September 30, 2023				
Offsetting of collateralized transactions:	Gross Amounts Recognized	Amounts Offset in the Condensed Consolidated Balance Sheet	Net Amounts Presented in the Condensed Consolidated Balance Sheet	
Securities purchased under agreements to resell	\$ 7,649.3	\$ (4,669.8)	\$ 2,979.5	
Securities borrowed	\$ 1,129.1	\$ —	\$ 1,129.1	
Securities sold under agreements to repurchase	\$ 9,196.4	\$ (4,669.8)	\$ 4,526.6	
Securities loaned	\$ 1,117.3	\$ —	\$ 1,117.3	

The Company pledges securities owned as collateral in both tri-party and bilateral arrangements. Pledged securities under tri-party arrangements may not be repledged or sold by the Company's counterparties, whereas bilaterally pledged securities may be. The approximate fair value of pledged securities that can be sold or repledged by the Company's counterparties has been parenthetically disclosed on the Condensed Consolidated Balance Sheets.

The Company receives securities as collateral under reverse repurchase agreements, securities borrowed agreements, and margin securities held on behalf of counterparties. This collateral is used by the Company to cover financial instruments sold, not yet purchased; to obtain financing in the form of repurchase agreements; and to meet counterparties' needs under lending arrangement and matched-booked trading strategies. Additional securities collateral is obtained as necessary to ensure such transactions are adequately collateralized. In many instances, the Company is permitted by contract to repledge the securities received as collateral, which may include pledges to cover collateral requirements for tri-party repurchase agreements.

The following table sets forth the fair values of collateral pledged, received and repledged (in millions):

	June 30, 2024	September 30, 2023
Securities pledged or repledged to cover collateral requirements for tri-party arrangements	\$ 6,321.6	\$ 4,726.6
Securities received as collateral that may be repledged	\$ 18,479.1	\$ 9,180.1
Securities received as collateral that may be repledged covering securities sold short	\$ 2,957.5	\$ 2,461.1
Repledged securities borrowed and client securities held under custodial clearing arrangements to collateralize securities loaned agreements	\$ 1,050.3	\$ 1,097.3

Note 11 – Commitments and Contingencies

Legal Proceedings

From time to time and in the ordinary course of business, the Company is involved in various legal actions and proceedings, including tort claims, contractual disputes, employment matters, workers' compensation claims and collections. The Company carries insurance that provides protection against certain types of claims, up to the relevant policy's limits.

On November 13, 2023, BTIG filed a civil complaint (the "BTIG complaint") against the Company and StoneX Financial Inc. in San Francisco Superior Court (CGC-23-610525) seeking monetary damages and injunctive relief for, among other things, alleged theft of purported trade secrets by former BTIG employees later employed at StoneX. The Company intends to vigorously defend itself. The Company subsequently received from the U.S. Department of Justice (the "DOJ") and the SEC subpoenas that the Company believes are related to conduct alleged in the BTIG complaint, and the Company is cooperating with these agencies. The ultimate outcomes of the BTIG complaint and the DOJ and SEC subpoenas cannot presently be determined.

As of June 30, 2024 and September 30, 2023, the Condensed Consolidated Balance Sheets include loss contingency accruals which are not material, individually or in the aggregate, to the Company's financial position or liquidity. In the opinion of

management, possible exposure from loss contingencies in excess of the amounts accrued, is not likely to be material to the Company's earnings, financial position or liquidity.

Note 12 – Accumulated Other Comprehensive Loss, Net

Accumulated other comprehensive loss, net consists of net income and other gains and losses affecting stockholders' equity that, under U.S. GAAP, are excluded from net income. Other comprehensive income includes net actuarial losses from defined benefit pension plans, foreign currency translation adjustments, and cash flow hedge gains or losses. See note 4 for additional information on cash flow hedges.

The following table summarizes the changes in accumulated other comprehensive loss, net for the nine months ended June 30, 2024.

(in millions)	Foreign Currency	Pension Benefits		Accumulated Other
	Translation Adjustment	Adjustment	Cash Flow Hedge	Comprehensive Loss, net
Balances as of September 30, 2023	\$ (31.2)	\$ (2.2)	\$ (18.4)	\$ (51.8)
Other comprehensive income, net of tax	(6.9)	—	21.2	14.3
Balances as of June 30, 2024	<u>\$ (38.1)</u>	<u>\$ (2.2)</u>	<u>\$ 2.8</u>	<u>\$ (37.5)</u>

Note 13 – Revenue from Contracts with Clients

The Company accounts for revenue earned from contracts with clients for services such as the execution, clearing, brokering, and custody of futures and options on futures contracts, OTC derivatives, and securities, investment management, and underwriting services in accordance with FASB ASC 606, Revenues from Contracts with Customers (Topic 606). Revenues for these services are recognized when the performance obligations related to the underlying transaction are completed.

Revenues are recognized when control of the promised goods or services are transferred to clients, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. Revenues are analyzed to determine whether the Company is the principal (i.e. reports revenue on a gross basis) or agent (i.e., reports revenues on a net basis) in the contract. Principal or agent designations depend primarily on the control an entity has over the good or service before control is transferred to a client. The indicators of which party exercises control include primary responsibility over performance obligations, inventory risk before the good or service is transferred, and discretion in establishing the price.

Topic 606 does not apply to revenues associated with dealing, or market-making, activities in financial instruments or contracts in the capacity of a principal, including derivative sales contracts which result in physical settlement and interest income.

Revenues within the scope of Topic 606 are presented within *Commission and clearing fees; Consulting, management, and account fees; and Sales of physical commodities* on the Condensed Consolidated Income Statements. Revenues that are not within the scope of Topic 606 are presented within *Sales of physical commodities, Principal gains, net, and Interest income* on the Condensed Consolidated Income Statements.

(in millions)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Revenues from contracts with clients as a percentage of total revenues	2.1 %	6.5 %	2.5 %	6.4 %

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The following table represents a disaggregation of the Company's total revenues separated between revenues from contracts with clients and other sources of revenue for the periods indicated.

(in millions)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Revenues from contracts with clients:				
Commission and clearing fees:				
Sales-based:				
Exchange-traded futures and options	\$ 59.4	\$ 57.6	\$ 166.6	\$ 161.6
OTC derivative brokerage	2.8	2.0	8.6	10.1
Equities and fixed income	17.8	13.6	48.8	44.6
Mutual funds	0.8	0.7	2.4	2.2
Insurance and annuity products	2.4	2.0	8.1	6.5
Other	—	2.0	0.1	4.2
Total sales-based commission	83.2	77.9	234.6	229.2
Trailing:				
Mutual funds	3.2	3.1	9.4	9.2
Insurance and annuity products	3.9	3.5	11.3	10.5
Total trailing commission	7.1	6.6	20.7	19.7
Clearing fees	47.2	38.6	135.9	114.6
Trade conversion fees	3.3	1.7	10.8	6.1
Other	2.2	2.0	6.9	5.9
Total commission and clearing fees	143.0	126.8	408.9	375.5
Consulting, management, and account fees:				
Underwriting fees	0.1	0.2	0.2	0.5
Asset management fees	13.3	11.5	37.0	33.3
Advisory and consulting fees	12.4	8.4	29.6	26.1
Sweep program fees	10.7	12.3	33.4	36.6
Client account fees	4.6	4.0	13.1	11.5
Other	4.2	2.8	10.7	11.7
Total consulting, management, and account fees	45.3	39.2	124.0	119.7
Sales of physical commodities:				
Precious metals sales under ASC Topic 606	383.5	814.7	1,175.5	2,349.7
Total revenues from contracts with clients	\$ 571.8	\$ 980.7	\$ 1,708.4	\$ 2,844.9
Method of revenue recognition:				
Point-in-time	\$ 528.3	\$ 941.9	\$ 1,587.7	\$ 2,729.2
Time elapsed	43.5	38.8	120.7	115.7
Total revenues from contracts with clients	571.8	980.7	1,708.4	2,844.9
Other sources of revenues				
Physical precious metals under ASC Topic 815	25,030.2	12,513.4	62,259.7	36,695.5
Physical agricultural and energy products	782.5	991.1	2,903.8	3,183.6
Principal gains, net	305.6	300.0	881.2	810.8
Interest income	379.6	262.7	995.7	685.7
Total revenues	\$ 27,069.7	\$ 15,047.9	\$ 68,748.8	\$ 44,220.5
Total revenues by primary geographic region:				
United States	\$ 1,400.2	\$ 1,428.9	\$ 4,411.4	\$ 4,463.6
Europe	618.9	1,014.8	1,837.5	2,841.8
South America	118.5	65.9	351.5	184.6
Middle East and Asia	24,923.7	12,534.9	62,124.4	36,721.2
Other	8.4	3.4	24.0	9.3
Total revenues	\$ 27,069.7	\$ 15,047.9	\$ 68,748.8	\$ 44,220.5
Operating revenues by primary geographic region:				
United States	\$ 657.0	\$ 550.6	\$ 1,815.0	\$ 1,588.0

United States	\$	937.9	\$	939.0	\$	1,013.9	\$	1,000.0
Europe		162.5		145.1		459.2		352.1
South America		43.5		34.3		109.9		97.8
Middle East and Asia		41.4		34.4		107.1		88.9
Other		8.4		3.5		24.0		9.3
Total operating revenues	\$	913.7	\$	776.9	\$	2,516.1	\$	2,136.1

The substantial majority of the Company's performance obligations for revenues from contracts with clients are satisfied at a point in time and are typically collected from clients by debiting their accounts with the Company.

Commission and clearing fees revenue and *Consulting, management, and account fees* revenue are primarily related to the Commercial, Institutional and Retail reportable segments. *Sales of physical commodities* under topic 606 are primarily related to the Company's Commercial and Retail segments. *Principal gains, net* are contributed by all of the Company's reportable segments. *Interest income* is primarily related to the Commercial and Institutional reportable segments. Precious metals trading and agricultural and energy product trading revenues are primarily related to the Commercial reportable segment. Precious metals sales that are recognized on a point-in-time basis are included in the Retail and the Commercial reportable segments

Principal gains, net also includes dividend income on long equity positions and dividend expense on short equity positions, which are recognized on the ex-dividend date. The following table indicates the relevant income and expense:

(in millions)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Dividend income on long equity positions	\$ 77.7	\$ 10.2	\$ 163.7	\$ 27.5
Dividend expense on short equity positions	79.1	11.6	162.6	28.8
Dividend (loss)/income, net reported within Principal Gains, net	\$ (1.4)	\$ (1.4)	\$ 1.1	\$ (1.3)

Remaining Performance Obligations

Remaining performance obligations are services that the Company has committed to perform in the future in connection with its contracts with clients. The Company's remaining performance obligations are generally related to its risk management consulting and asset management contracts with clients. Revenues associated with remaining performance obligations related to these contracts with clients are not material to the overall consolidated results of the Company. For the Company's asset management activities, where fees are calculated based on a percentage of the fair value of eligible assets in client's accounts, future revenue associated with remaining performance obligations cannot be determined as such fees are subject to fluctuations in the fair value of eligible assets in clients' accounts.

Note 14 – Other Expenses

Other expenses consisted of the following, for the periods indicated.

(in millions)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Non-income taxes	\$ 2.6	\$ 4.1	\$ 7.9	\$ 11.0
Insurance	2.8	2.5	8.9	8.2
Employee related expenses	1.8	2.1	5.4	8.0
Other direct business expenses	3.8	3.0	11.7	11.1
Membership fees	0.9	0.9	2.8	2.8
Director and public company expenses	0.6	0.5	1.8	1.5
Office expenses	0.6	0.5	1.7	1.4
Other expenses	5.0	1.8	10.1	6.1
Total other expenses	\$ 18.1	\$ 15.4	\$ 50.3	\$ 50.1

Note 15 – Income Taxes

The income tax provision for interim periods comprises income tax on ordinary income (loss) at the most recent estimated annual effective income tax rate, adjusted for the income tax effect of discrete items. Management uses an estimated annual effective income tax rate based on the forecasted pretax income/(loss) and statutory tax rates in the various jurisdictions in which the Company operates. The Company's effective income tax rate differs from the U.S. statutory income tax rate primarily due to state and local taxes, global intangible low taxed income ("GILTI"), and differing statutory tax rates applied to the income of non-U.S. subsidiaries. The Company records the tax effect of certain discrete items, including the effects of changes in tax laws, tax rates and adjustments with respect to valuation allowances or other unusual or nonrecurring tax adjustments, in the interim period in which they occur, as an addition to, or reduction from, the income tax provision, rather than being included in the estimated effective annual income tax rate. In addition, jurisdictions with a projected loss for the year or a year-to-date loss where no income tax benefit can be recognized are excluded from the estimated annual effective income tax rate.

Deferred income tax balances reflect the effects of temporary differences between the carrying amounts of assets and liabilities and their tax bases and are stated at enacted tax rates expected to be in effect when taxes are actually paid or recovered. The Company is required to assess its deferred tax assets and the need for a valuation allowance at each reporting period. This

assessment requires judgment on the part of management with respect to benefits that may be realized. The Company will record a valuation allowance against deferred tax assets when it is considered more likely than not that all or a portion of the deferred tax assets will not be realized.

Current and Prior Period Tax Expense

Income tax expense, as shown on the Condensed Consolidated Income Statements, reflects estimated federal, foreign, state and local income taxes.

The Company's effective tax rate was 30 % and 26 % for the three months ended June 30, 2024 and 2023, respectively. The effective tax rate was higher than the U.S. federal statutory rate of 21% for the three months ended June 30, 2024 due to U.S. state and local taxes, GILTI, U.S. and foreign permanent differences, and the amount of foreign earnings taxed at higher rates.

Note 16 – Regulatory Capital Requirements

The Company's activities are subject to significant governmental regulation, both in the U.S. and in the international jurisdictions in which it operates. Subsidiaries of the Company were in compliance with all of their regulatory requirements as of June 30, 2024. The following table details those subsidiaries with minimum regulatory requirements in excess of \$ 10.0 million along with the actual balance maintained as of that date.

(in millions)		As of June 30, 2024	
Subsidiary	Regulatory Authority	Actual	Minimum Requirement
StoneX Financial Inc.	SEC and CFTC	\$ 390.5	\$ 252.8
StoneX Financial Ltd.	FCA	\$ 454.2	\$ 358.0
Gain Capital Group, LLC	CFTC and NFA	\$ 50.3	\$ 29.9
StoneX Financial Pte. Ltd.	MAS	\$ 93.9	\$ 26.2
StoneX Markets LLC	CFTC and NFA	\$ 239.2	\$ 138.3

Certain other subsidiaries of the Company, typically with a minimum requirement less than \$ 10.0 million, are also subject to net capital requirements promulgated by authorities in the countries in which they operate. As of June 30, 2024, all of the Company's subsidiaries were in compliance with their local regulatory requirements.

Note 17 – Segment Analysis

The Company's operating segments are principally based on the nature of the clients it serves (commercial, institutional, and retail), and a fourth operating segment, its payments business. The Company manages its business in this manner due to its large global footprint, in which it has approximately 4,400 employees allowing it to serve clients in more than 180 countries.

The Company's business activities are managed as operating segments, which are our reportable segments for financial statement purposes as shown below.

- *Commercial*
- *Institutional*
- *Retail*
- *Payments (previously disclosed as Global Payments)*

Commercial

The Company offers commercial clients a comprehensive array of products and services, including risk management and hedging services, execution and clearing of exchange-traded and OTC products, voice brokerage, market intelligence and physical trading, as well as commodity financing and logistics services. The ability to provide these high-value-added products and services differentiates the Company from its competitors and maximizes the opportunity to retain clients.

Institutional

The Company provides institutional clients with a complete suite of equity trading services to help them find liquidity with best execution, consistent liquidity across a robust array of fixed income products, competitive and efficient clearing and execution in all major futures and securities exchanges globally, as well as prime brokerage in equities and major foreign currency pairs and swap transactions. In addition, the Company originates, structures and places debt instruments in the international and domestic capital markets. These instruments include asset-backed securities (primarily in Argentina) and domestic municipal securities.

Retail

The Company provides retail clients around the world access to over 18,000 global financial markets, including spot foreign exchange ("forex"), both financial trading and physical investment in precious metals, as well as contracts for difference

("CFDs"), which are investment products with returns linked to the performance of underlying assets. In addition, its independent wealth management business offers a comprehensive product suite to retail investors in the U.S.

Payments

The Company provides customized foreign exchange and treasury services to banks and commercial businesses, as well as charities and non-governmental organizations and government organizations. The Company provides transparent pricing and offers payments services in more than 180 countries and 140 currencies, which it believes is more than any other payments solution provider.

The total revenues reported combine gross revenues from physical contracts for subsidiaries that are not broker-dealers and net revenues for all other businesses. In order to reflect the way that the Company's management views the results, the table below also reflects the segment contribution to 'operating revenues', which is shown on the face of the consolidated income statements and which is calculated by deducting physical commodities cost of sales from total revenues.

Segment data includes the profitability measure of net contribution by segment. Net contribution is one of the key measures used by management to assess the performance of each segment and for decisions regarding the allocation of the Company's resources. Net contribution is calculated as revenue less direct cost of sales, transaction-based clearing expenses, variable compensation, introducing broker commissions, and interest expense. Variable compensation paid to risk management consultants/traders generally represents a fixed percentage of revenues generated, and in some cases, revenues generated less transaction-based clearing expenses, base salaries and an overhead allocation.

Segment data also includes segment income which is calculated as net contribution less non-variable direct expenses of the segment. These non-variable direct expenses include trader base compensation and benefits, operational employee compensation and benefits, communication and data services, business development, professional fees, bad debt expense and other direct expenses.

Inter-segment revenues, expenses, receivables and payables are eliminated upon consolidation.

Total revenues, operating revenues and net operating revenues shown in the table below as "Corporate" primarily consist of interest income from the Company's centralized corporate treasury function. In the normal course of operations, the Company operates a centralized corporate treasury function in which it may sweep excess cash from certain subsidiaries, where permitted within regulatory limitations, in exchange for a short-term interest bearing intercompany payable, or provide excess cash to subsidiaries in exchange for a short-term interest bearing intercompany receivable in lieu of the subsidiary borrowing on external credit facilities. The intercompany receivables and payables are eliminated during consolidation.

"Overhead costs and expenses" include costs and expenses of certain shared services such as information technology, accounting and treasury, credit and risk, legal and compliance, and human resources and other activities. These amount represent the gross overhead costs and expenses, before any allocation of overhead costs to operating segments.

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Information for the reportable segments is shown in accordance with the Segment Reporting Topic of the ASC as follows:

(in millions)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Total revenues:				
Commercial	\$ 26,410.3	\$ 14,444.5	\$ 66,867.4	\$ 42,188.7
Institutional	508.9	381.1	1,408.0	1,087.1
Retail	104.1	170.7	317.1	791.5
Payments	51.1	53.2	161.0	158.4
Corporate	8.3	8.6	31.9	23.9
Eliminations	(13.0)	(10.2)	(36.6)	(29.1)
Total	<u>\$ 27,069.7</u>	<u>\$ 15,047.9</u>	<u>\$ 68,748.8</u>	<u>\$ 44,220.5</u>
Operating revenues:				
Commercial	\$ 262.2	\$ 252.7	\$ 661.1	\$ 655.2
Institutional	508.9	381.1	1,408.0	1,087.1
Retail	96.2	91.5	290.7	240.6
Payments	51.1	53.2	161.0	158.4
Corporate	8.3	8.6	31.9	23.9
Eliminations	(13.0)	(10.2)	(36.6)	(29.1)
Total	<u>\$ 913.7</u>	<u>\$ 776.9</u>	<u>\$ 2,516.1</u>	<u>\$ 2,136.1</u>
Net operating revenues (loss):				
Commercial	\$ 220.5	\$ 213.6	\$ 548.1	\$ 551.4
Institutional	157.7	120.3	456.1	401.4
Retail	68.5	65.1	209.8	159.8
Payments	48.7	51.0	153.7	151.7
Corporate	(26.9)	(14.1)	(55.3)	(47.0)
Total	<u>\$ 468.5</u>	<u>\$ 435.9</u>	<u>\$ 1,312.4</u>	<u>\$ 1,217.3</u>
Net contribution:				
(Revenues less cost of sales of physical commodities, transaction-based clearing expenses, variable compensation, introducing broker commissions and interest expense)				
Commercial	\$ 168.7	\$ 156.9	\$ 414.4	\$ 413.5
Institutional	104.8	81.7	307.5	265.6
Retail	63.7	60.3	196.2	147.9
Payments	40.1	41.9	125.0	122.1
Total	<u>\$ 377.3</u>	<u>\$ 340.8</u>	<u>\$ 1,043.1</u>	<u>\$ 949.1</u>
Segment income:				
(Net contribution less non-variable direct segment costs)				
Commercial	\$ 125.7	\$ 117.0	\$ 298.5	\$ 302.7
Institutional	62.2	45.1	188.7	162.9
Retail	27.6	17.2	89.5	17.8
Payments	28.2	28.6	87.8	76.8
Total	<u>\$ 243.7</u>	<u>\$ 207.9</u>	<u>\$ 664.5</u>	<u>\$ 560.2</u>
Reconciliation of segment income to income before tax:				
Segment income	\$ 243.7	\$ 207.9	\$ 664.5	\$ 560.2
Net operating revenue (loss) with Corporate	(26.9)	(14.1)	(55.3)	(47.0)
Overhead costs and expenses	(128.8)	(99.3)	(353.2)	(289.1)
Gain on acquisition	—	—	—	23.5
Income before tax	<u>\$ 88.0</u>	<u>\$ 94.5</u>	<u>\$ 256.0</u>	<u>\$ 247.6</u>

(in millions)	As of September 30,	
	As of June 30, 2024	2023
Total assets:		
Commercial	\$ 4,743.7	\$ 4,676.3
Institutional	18,635.7	15,059.3
Retail	1,056.9	1,014.2
Payments	562.3	376.6
Corporate	932.2	812.3
Total	<u>\$ 25,930.8</u>	<u>\$ 21,938.7</u>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Throughout this document, unless the context otherwise requires, the terms "Company", "we", "us" and "our" refer to StoneX Group Inc. and its consolidated subsidiaries.

The following discussion and analysis should be read in conjunction with the condensed consolidated financial statements and notes thereto appearing elsewhere in this report. This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company, including adverse changes in economic, political and market conditions, losses from our market-making and trading activities arising from counterparty failures and changes in market conditions, the loss of key personnel, the impact of increasing competition, the impact of changes in government regulation, the possibility of liabilities arising from violations of foreign, United States ("U.S.") federal and U.S. state securities laws, the impact of changes in technology in the securities and commodities trading industries, and other risks discussed in our filings with the SEC, including Part I, Item 1A of our Annual Report on Form 10-K for the year ended September 30, 2023. Although we believe that our forward-looking statements are based upon reasonable assumptions regarding our business and future market conditions, there can be no assurances that our actual results will not differ materially from any results expressed or implied by our forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. We caution readers that any forward-looking statements are not guarantees of future performance.

Overview

We operate a global financial services network that connects companies, organizations, traders and investors to the global market ecosystem through a unique blend of digital platforms, end-to-end clearing and execution services, high touch service and deep expertise. We strive to be the one trusted partner to our clients, providing our network, product and services to allow them to pursue trading opportunities, manage their market risks, make investments and improve their business performance. Our businesses are supported by our global infrastructure of regulated operating subsidiaries, our advanced technology platform and our team of approximately 4,400 employees as of June 30, 2024. We believe our client-first approach differentiates us from large banking institutions, engenders trust and has enabled us to establish leadership positions in a number of complex fields in financial markets around the world. For additional information, see *Overview of Business and Strategy* within "Item 1. Business" in our Annual Report on Form 10-K for the fiscal year ended September 30, 2023.

We report our operating segments based primarily on the nature of the clients we serve (commercial, institutional, and retail), and a fourth operating segment, our payments business. See Segment Information below for a listing of business activities performed within our reportable segments.

Common Stock Split

On November 7, 2023, our Board of Directors approved a three-for-two split of its common stock, to be effected as a stock dividend. The stock split was effective on November 24, 2023, and entitled each shareholder of record as of November 17, 2023 to receive one additional share of common stock for every two shares owned and cash in lieu of fractional shares.

The stock split increased the number of shares of common stock outstanding. All share and per share amounts contained herein have been retroactively adjusted for the stock split.

Executive Summary

In the third quarter of fiscal 2024, we experienced strong client engagement resulting in increased volumes across nearly all of our operating segments and products. However, with the exception of base metals commodity markets in our Commercial segment, diminished volatility persisted during the quarter, generally leading to lower rate per million ("RPM") realized on client activity. Despite a decline in average client equity and money market/FDIC client balances, driven by lower margin requirements, interest and fee income earned on client balances increased compared to the three months ended June 30, 2023, as we achieved an increase in the interest rate realized on these client balances. As noted in *Results of Operations* below, operating revenues were favorably impacted by realized gains on the sale of physical inventories carried at the lower of cost or net realizable value, for which losses on related derivative positions were recognized in prior periods.

Operating revenues increased \$136.8 million, or 18%, to \$913.7 million in the three months ended June 30, 2024 compared to \$776.9 million in the three months ended June 30, 2023, led by our Institutional and Commercial segments which added \$127.8 million and \$9.5 million, respectively, compared to the three months ended June 30, 2023. Operating revenues in our Retail segment added \$4.7 million, while our Payments segment declined \$2.1 million, compared to the three months ended June 30, 2023.

Overall segment income increased \$35.8 million, or 17%, compared to the three months ended June 30, 2023, with all of our segments experiencing growth versus the prior year, with the exception of our Payments segment. The growth was led by our Institutional segment which added \$17.1 million compared to the three months ended June 30, 2023. In addition, our Retail and Commercial segments increased \$10.4 million and \$8.7 million, respectively, compared to the three months ended June 30, 2023, while our Payments segment income declined \$0.4 million.

Interest expense related to corporate funding purposes increased \$9.2 million to \$24.1 million in the three months ended June 30, 2024 compared to \$14.9 million in the three months ended June 30, 2023. The increase in interest expense attributable to corporate funding was principally due to incremental interest from the March 1, 2024 issuance of our 7.875% Senior Secured Notes due 2031 (the "Notes due 2031"), partially offset by lower average borrowings on our revolving credit facility. While funds from the issuance of the Notes due 2031 were used to redeem the 8.625% Senior Secured Notes due 2025 (the "Notes due 2025"), the redemption did not occur until June 17, 2024, in order to redeem those notes at par. Upon completion of the redemption of the Notes due 2025, we recognized a \$3.7 million loss on the extinguishment of debt related to the write-off of unamortized original issue discount and deferred financing costs, which we have classified as a component of *Interest expense on corporate funding* in the Condensed Consolidated Income Statements.

On the expense side, we continue to focus on maintaining our variable cost model and limiting the growth of our non-variable expenses. Variable expenses were 52% of total expenses in the three months ended June 30, 2024 as compared to 54% in the three months ended June 30, 2023. Non-variable expenses, excluding bad debts, increased \$36.6 million compared to the three months ended June 30, 2023, principally due to higher fixed compensation and benefits, professional fees, non-trading technology and support and occupancy and equipment rental. The increase in fixed compensation and benefits includes \$4.5 million in severance and accelerated share-based compensation related to the departure of an executive officer in the three months ended June 30, 2024.

Net income decreased \$7.6 million to \$61.9 million in the three months ended June 30, 2024 compared to \$69.5 million in the three months ended June 30, 2023. Net income in the three months ended June 30, 2024 includes a nonrecurring gain related to proceeds of \$1.8 million resulting from a settlement in a gold fix class action settlement recovery matter, which is included in *Gain on acquisition and other gains* in the Condensed Consolidated Income Statement. Diluted earnings per share were \$1.88 for the three months ended June 30, 2024 compared to \$2.17 in the three months ended June 30, 2023.

Selected Summary Financial Information

Results of Operations

Our total revenues, as reported, combine gross revenues for the physical commodities business and net revenues for all other businesses. Management believes that operating revenues, which deduct the cost of sales of physical commodities from total revenues, is a more useful financial measure with which to assess our results of operations. The table below sets forth our operating revenues, as well as other key financial measures, for the periods indicated.

Financial Information (Unaudited)						
(in millions)	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenues:						
Sales of physical commodities	\$ 26,196.2	\$ 14,319.2	83%	\$ 66,339.0	\$ 42,228.8	57%
Principal gains, net	305.6	300.0	2%	881.2	810.8	9%
Commission and clearing fees	143.0	126.8	13%	408.9	375.5	9%
Consulting, management, and account fees	45.3	39.2	16%	124.0	119.7	4%
Interest income	379.6	262.7	44%	995.7	685.7	45%
Total revenues	27,069.7	15,047.9	80%	68,748.8	44,220.5	55%
Cost of sales of physical commodities	26,156.0	14,271.0	83%	66,232.7	42,084.4	57%
Operating revenues	913.7	776.9	18%	2,516.1	2,136.1	18%
Transaction-based clearing expenses	81.0	66.7	21%	233.8	203.2	15%
Introducing broker commissions	43.1	43.4	(1)%	124.2	122.4	1%
Interest expense	297.0	216.0	38%	792.2	549.0	44%
Interest expense on corporate funding	24.1	14.9	62%	53.5	44.2	21%
Net operating revenues	468.5	435.9	7%	1,312.4	1,217.3	8%
Compensation and benefits	257.5	226.6	14%	710.0	658.1	8%
Bad debts (recoveries), net	0.5	6.3	(92)%	(0.2)	10.0	n/m
Other expenses	124.3	108.5	15%	355.3	325.1	9%
Total compensation and other expenses	382.3	341.4	12%	1,065.1	993.2	7%
Gain on acquisition and other gains	1.8	—	n/m	8.7	23.5	(63)%
Income before tax	88.0	94.5	(7)%	256.0	247.6	3%
Income tax expense	26.1	25.0	4%	71.9	59.8	20%
Net income	\$ 61.9	\$ 69.5	(11)%	\$ 184.1	\$ 187.8	(2)%
Return on average stockholders' equity	15.7 %	21.6 %		16.4 %	20.9 %	
Balance Sheet information:						
	June 30, 2024			June 30, 2023		% Change
Total assets	\$ 25,930.8	\$ 21,933.1				18%
Payables to lenders under loans	\$ 227.8	\$ 422.6				(46)%
Senior secured borrowings, net	\$ 542.8	\$ 341.3				59%
Stockholders' equity	\$ 1,607.8	\$ 1,329.9				21%
n/m = not meaningful to present as a percentage						

The tables below present operating revenues disaggregated across the key products we provide to our clients and select operating data and metrics used by management in evaluating our performance, for the periods indicated.

	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Operating Revenues (in millions):						
Listed derivatives	\$ 130.5	\$ 107.6	21%	\$ 351.4	\$ 317.9	11%
Over-the-counter ("OTC") derivatives	66.2	71.9	(8)%	163.7	172.3	(5)%
Securities	374.0	272.4	37%	1,030.9	755.7	36%
FX / Contracts For Difference ("CFD") contracts	76.5	72.1	6%	231.4	182.7	27%
Payments	50.0	52.7	(5)%	157.8	155.4	2%
Physical contracts	67.3	81.0	(17)%	164.6	194.8	(16)%
Interest / fees earned on client balances	115.9	92.2	26%	318.5	281.8	13%
Other	38.0	28.6	33%	102.5	80.7	27%
Corporate	8.3	8.6	(3)%	31.9	23.9	33%
Eliminations	(13.0)	(10.2)	27%	(36.6)	(29.1)	26%
	<u>\$ 913.7</u>	<u>\$ 776.9</u>	<u>18%</u>	<u>\$ 2,516.1</u>	<u>\$ 2,136.1</u>	<u>18%</u>

Volumes and Other Select Data:

Listed derivatives (contracts, 000's)	52,736	39,044	35%	157,299	120,831	30%
Listed derivatives, average rate per contract ⁽¹⁾	\$ 2.39	\$ 2.62	(9)%	\$ 2.13	\$ 2.47	(14)%
Average client equity - listed derivatives (millions)	\$ 5,957	\$ 6,459	(8)%	\$ 6,063	\$ 7,301	(17)%
OTC derivatives (contracts, 000's)	959	1,063	(10)%	2,584	2,638	(2)%
OTC derivatives, average rate per contract	\$ 69.03	\$ 67.75	2%	\$ 63.53	\$ 65.73	(3)%
Securities average daily volume ("ADV") (millions)	\$ 7,358	\$ 5,378	37%	\$ 7,013	\$ 5,121	37%
Securities rate per million ("RPM") ⁽²⁾	\$ 239	\$ 262	(9)%	\$ 256	\$ 314	(18)%
Average money market / FDIC sweep client balances (millions)	\$ 968	\$ 1,269	(24)%	\$ 1,025	\$ 1,393	(26)%
FX / CFD contracts ADV (millions)	\$ 10,861	\$ 10,513	3%	\$ 10,744	\$ 12,278	(12)%
FX / CFD contracts RPM	\$ 111	\$ 107	4%	\$ 113	\$ 79	43%
Payments ADV (millions)	\$ 69	\$ 65	6%	\$ 69	\$ 68	1%
Payments RPM	\$ 11,264	\$ 12,907	(13)%	\$ 12,053	\$ 12,049	—%

⁽¹⁾ Give-up fee revenues, related to contract execution for clients of other FCMs, as well as cash and voice brokerage revenues are excluded from the calculation of listed derivatives, average rate per contract.

⁽²⁾ Interest expense associated with our fixed income activities is deducted from operating revenues in the calculation of Securities RPM, while interest income related to securities lending is excluded.

Operating Revenues

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Operating revenues increased \$136.8 million, or 18%, to \$913.7 million in the three months ended June 30, 2024 compared to \$776.9 million in the three months ended June 30, 2023. The table above displays operating revenues disaggregated across the key products we provide to our clients.

Operating revenues derived from listed derivatives increased \$22.9 million, or 21%, to \$130.5 million in the three months ended June 30, 2024 compared to \$107.6 million in the three months ended June 30, 2023, driven by increases of \$16.4 million and \$6.5 million in our Commercial and Institutional segments, respectively, as compared to the three months ended June 30, 2023.

Operating revenues derived from OTC derivatives declined \$5.7 million, or 8%, to \$66.2 million in the three months ended June 30, 2024 compared to \$71.9 million in the three months ended June 30, 2023, principally driven by lower client activity in Brazilian agricultural markets.

Operating revenues derived from securities transactions increased \$101.6 million, or 37%, to \$374.0 million in the three months ended June 30, 2024 compared to \$272.4 million in the three months ended June 30, 2023. This increase was principally due to a 37% increase in ADV, as well as an increase in short-term interest rates. Carried interest on fixed income securities is a component of operating revenues, however interest expense associated with financing these positions is not. Our calculation of the securities RPM, in the table above, presents the RPM after deducting from operating revenues the interest expense associated with our fixed income activities. Net operating revenues derived from securities transactions increased \$16.1 million, or 23%, to \$86.2 million in the three months ended June 30, 2024 compared to \$70.1 million in the three months ended June 30, 2023. This increase was principally driven by the increase in ADV noted above, which more than offset the 9% decline in the RPM resulting from a tightening of spreads and a change in product mix.

Operating revenues derived from FX/CFD contracts increased \$4.4 million, or 6%, to \$76.5 million in the three months ended June 30, 2024 compared to \$72.1 million in the three months ended June 30, 2023, with a \$4.8 million increase in our Retail segment more than offsetting a \$0.4 million decline in Institutional segment FX/CFD contracts operating revenues as compared to the three months ended June 30, 2023.

Operating revenues from payments declined \$2.7 million, to \$50.0 million in the three months ended June 30, 2024 compared to \$52.7 million in the three months ended June 30, 2023, principally driven by a 13% decline in the payments RPM, which was partially offset by a 6% increase in the ADV as compared to the three months ended June 30, 2023.

Operating revenues derived from physical contracts declined \$13.7 million, or 17%, to \$67.3 million in the three months ended June 30, 2024 compared to \$81.0 million in the three months ended June 30, 2023. Precious metals related operating revenues were favorably impacted by realized gains of \$8.5 million and \$3.6 million on the sale of physical inventories carried at the lower of cost or net realizable value, for which losses on related derivative positions were recognized in prior periods in the three months ended June 30, 2024 and the three months ended June 30, 2023, respectively.

Interest and fee income earned on client balances, which is associated with our listed and OTC derivatives, correspondent clearing, and independent wealth management product offerings, increased \$23.7 million, or 26%, to \$115.9 million in the three months ended June 30, 2024 compared to \$92.2 million in the three months ended June 30, 2023. This was principally driven by an increase in the short-term interest rate realized, which was partially offset by declines in average client equity and average money-market/FDIC sweep client balances of 8% and 24%, respectively, as compared to the three months ended June 30, 2023.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Operating revenues increased \$380.0 million, or 18%, to \$2,516.1 million in the nine months ended June 30, 2024 compared to \$2,136.1 million in the nine months ended June 30, 2023. The table above displays operating revenues disaggregated across the key products we provide to our clients.

Operating revenues from listed derivatives increased \$33.5 million, or 11%, to \$351.4 million in the nine months ended June 30, 2024 compared to \$317.9 million in the nine months ended June 30, 2023, with Institutional and Commercial segment listed derivative operating revenues increasing \$13.4 million and \$20.1 million, respectively, as compared to the nine months ended June 30, 2023.

Operating revenues in OTC derivatives declined \$8.6 million, or 5%, to \$163.7 million in the nine months ended June 30, 2024 compared to \$172.3 million in the nine months ended June 30, 2023. This decrease was principally driven by declines in OTC average rate per contract and contract volumes of 3% and 2%, respectively, as compared to the nine months ended June 30, 2023.

Operating revenue from securities transactions increased \$275.2 million, or 36%, to \$1,030.9 million in the nine months ended June 30, 2024 compared to \$755.7 million in the nine months ended June 30, 2023. This increase was principally due to a 37% increase in securities ADV, as well as a significant increase in interest rates. Carried interest on fixed income securities is a component of operating revenues, however interest expense associated with financing these positions is not. Our calculation of securities RPM, in the table above, presents the RPM after deducting from operating revenues the interest expense associated with our fixed income activities. Net operating revenues derived from securities transactions increased \$23.0 million, or 9%, to \$270.7 million in the nine months ended June 30, 2024 compared to \$247.7 million in the three months ended June 30, 2023. This increase was principally driven by the increase in ADV noted above, which more than offset the 18% decline in RPM resulting from a tightening of spreads and a change in product mix.

Operating revenues from FX/CFD contracts increased \$48.7 million, or 27%, to \$231.4 million in the nine months ended June 30, 2024 compared to \$182.7 million in the nine months ended June 30, 2023, with a \$52.0 million increase in our Retail segment more than offsetting a \$3.3 million decline in Institutional segment FX contracts operating revenues as compared to the nine months ended June 30, 2023.

Operating revenues from payments increased by \$2.4 million, or 2%, to \$157.8 million in the nine months ended June 30, 2024 compared to \$155.4 million in the nine months ended June 30, 2023, principally as a result of a 1% increase in ADV as the RPM traded was relatively flat as compared to the nine months ended June 30, 2023.

Operating revenues from physical contracts declined \$30.2 million, or 16%, to \$164.6 million in the nine months ended June 30, 2024 compared to \$194.8 million in the nine months ended June 30, 2023, Precious metals related operating revenues were unfavorably impacted during the nine months ended June 30, 2024, by unrealized losses on derivative positions of \$2.3 million, related to physical inventories held at the lower of cost or net realizable value. Precious metals related operating revenues during the nine months ended June 30, 2023 were favorably impacted by realized gains of \$1.5 million on the sale of physical inventories carried at the lower of cost or net realizable value, for which losses on related derivative positions were recognized in prior periods.

Interest and fee income earned on client balances, which is associated with our listed and OTC derivative businesses, as well as our correspondent clearing and independent wealth management businesses, increased \$36.7 million, or 13%, to \$318.5 million in the nine months ended June 30, 2024 compared to \$281.8 million in the nine months ended June 30, 2023, principally as a result of the impact of the increase in the short-term interest rates realized, which was partially offset by declines in average client equity and average money-market/FDIC sweep client balances of 17% and 26%, respectively, as compared to the nine months ended June 30, 2023.

Interest and Transactional Expenses

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Transaction-based clearing expenses

	Three Months Ended June 30,			
	2024	2023	\$ Change	% Change
Transaction-based clearing expenses	\$ 81.0	\$ 66.7	\$ 14.3	21%
Percentage of operating revenues	9%	9%		

Expenses were higher in our Equity Capital Markets business, principally related to an increase in ADV and higher ADR conversion fees, and in our Exchange-Traded Futures & Options and LME businesses, principally related to the increase in contracts traded.

Introducing broker commissions

	Three Months Ended June 30,			
	2024	2023	\$ Change	% Change
Introducing broker commissions	\$ 43.1	\$ 43.4	\$ (0.3)	(1)%
Percentage of operating revenues	5%	6%		

Expenses were relatively unchanged with lower payouts within our Retail Forex, Correspondent Clearing, and Financial Ag and Energy businesses nearly offset by higher expenses in our Independent Wealth Management business, principally due to increased revenues.

Interest expense

	Three Months Ended June 30,			
	2024	2023	\$ Change	% Change
Interest expense attributable to:				
Trading activities:				
Institutional dealer in fixed income securities	\$ 229.1	\$ 156.4	\$ 72.7	46 %
Securities borrowing	16.6	11.4	5.2	46 %
Client balances on deposit	31.7	34.0	(2.3)	(7) %
Short-term financing facilities of subsidiaries and other direct interest of operating segments	19.6	14.2	5.4	38 %
	297.0	216.0	81.0	38 %
Corporate funding	24.1	14.9	9.2	62 %
Total interest expense	\$ 321.1	\$ 230.9	\$ 90.2	39 %

Increased interest expense attributable to trading activities principally resulted from an increase in our fixed income and securities borrowing activities, along with the effect of the increase in short-term interest rates, partially offset by a decrease in interest expense attributable to client balances, principally resulting from the decline in average client equity. Interest expense attributable to short-term financing facilities of subsidiaries and other direct interest of operating segments increased principally within our Equity Capital Markets business.

The increase in interest expense attributable to corporate funding was principally due to incremental interest from our March 1, 2024 issuance of the Notes due 2031, partially offset by lower average borrowings on our revolving credit facility. While funds from the issuance of the Notes due 2031 were used to redeem the Notes due 2025, the redemption did not occur until June 17, 2024, in order to redeem those notes at par. Upon completion of the redemption of the Notes due 2025, we recognized a \$3.7 million loss on the extinguishment of debt related to the write-off of unamortized original issue discount and deferred financing costs, which we have classified as a component of *Interest expense on corporate funding* on the Condensed Consolidated Income Statements.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Transaction-based clearing expenses

	Nine Months Ended June 30,			
	2024	2023	\$ Change	% Change
Transaction-based clearing expenses	\$ 233.8	\$ 203.2	\$ 30.6	15 %
Percentage of operating revenues	9 %	10 %		

Expenses were higher in our Exchange-Traded Futures & Options, Financial Ag and Energy and LME businesses, principally related to the increase in contracts traded. Expenses were also higher in our Equity Capital Markets business, principally related to an increase in ADV and higher ADR conversion fees. Partially offsetting these increases were lower expenses in the Retail Forex business, principally related to reducing costs through successful renegotiation of certain vendor contracts.

Introducing broker commissions

	Nine Months Ended June 30,			
	2024	2023	\$ Change	% Change
Introducing broker commissions	\$ 124.2	\$ 122.4	\$ 1.8	1 %
Percentage of operating revenues	5 %	6 %		

Expenses were higher in our Independent Wealth Management business, principally driven by increased revenues, higher in our Financial Ag and Energy business, principally due to increased volume and client mix traded, and higher in our Physical Ag and Energy business, principally due to the growth in our physical cotton business following the acquisition of CDI. These increases were partially offset by lower payouts within our Retail Forex, Exchange-Traded Futures & Options, and Correspondent Clearing businesses.

Interest expense

	Nine Months Ended June 30,			
	2024	2023	\$ Change	% Change
Interest expense attributable to:				
Trading activities:				
Institutional dealer in fixed income securities	\$ 599.2	\$ 372.1	\$ 227.1	61 %
Securities borrowing	45.2	27.6	17.6	64 %
Client balances on deposit	99.4	107.7	(8.3)	(8) %
Short-term financing facilities of subsidiaries and other direct interest of operating segments	48.4	41.6	6.8	16 %
	792.2	549.0	243.2	44 %
Corporate funding	53.5	44.2	9.3	21 %
Total interest expense	\$ 845.7	\$ 593.2	\$ 252.5	43 %

Increased interest expense attributable to trading activities principally resulted from an increase in our fixed income and securities borrowing activities, as well as the effect of the increase in short-term interest rates, partially offset by a decrease in interest expense attributable to client balances, principally resulting from the decline in average client equity within our Exchange-Traded Futures & Options business. Interest expense attributable to short-term financing facilities of subsidiaries and other direct interest of operating segments increased principally within our Equity Capital Markets business, partially offset by lower average borrowings on our revolving credit facility within our Physical Ag and Energy business.

The increase in interest expense attributable to corporate funding was principally due to incremental interest from our March 1, 2024 issuance of the Notes due 2031, partially offset by lower average borrowings on our revolving credit facility. While funds from the issuance of the Notes due 2031 were used to redeem the Notes due 2025, the redemption did not occur until June 17, 2024, in order to redeem those notes at par. Upon completion of the redemption of the Notes due 2025, we recognized a \$3.7 million loss on the extinguishment of debt related to the write-off of unamortized original issue discount and deferred financing costs, which we have classified as a component of *Interest expense on corporate funding* on the Condensed Consolidated Income Statements.

Net Operating Revenues

Net operating revenues is one of the key measures used by management to assess operating segment performance. Net operating revenue is calculated as operating revenue less transaction-based clearing expenses, introducing broker commissions and interest expense. Transaction-based clearing expenses represent variable expenses paid to executing brokers, exchanges, clearing organizations and banks in relation to our transactional volumes. Introducing broker commissions include commission paid to non-employee third parties that have introduced clients to us. Net operating revenues represent revenues available to pay variable compensation to risk management consultants and traders and direct non-variable expenses, as well as variable and non-variable expenses of operational and administrative employees, including our executive management team.

The table below presents a disaggregation of consolidated net operating revenues used by management in evaluating our performance, for the periods indicated:

	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Net Operating Revenues (in millions):						
Listed derivatives	\$ 65.3	\$ 49.8	31%	\$ 163.9	\$ 152.0	8%
OTC derivatives	66.2	71.9	(8)%	163.6	172.2	(5)%
Securities	86.2	70.1	23%	270.7	247.7	9%
FX / CFD contracts	67.6	64.3	5%	205.6	153.2	34%
Payments	47.5	50.6	(6)%	150.4	148.8	1%
Physical contracts	55.8	69.3	(19)%	134.6	164.0	(18)%
Interest, net / fees earned on client balances	86.4	57.9	49%	223.4	175.6	27%
Other	20.4	16.1	27%	55.5	50.8	9%
Corporate	(26.9)	(14.1)	91%	(55.3)	(47.0)	18%
	<u>\$ 468.5</u>	<u>\$ 435.9</u>	<u>7%</u>	<u>\$ 1,312.4</u>	<u>\$ 1,217.3</u>	<u>8%</u>

Compensation and Other Expenses

The following table presents a summary of expenses, other than interest and transactional expenses.

(in millions)	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Compensation and benefits:						
Variable compensation and benefits	\$ 140.6	\$ 130.5	8%	\$ 386.2	\$ 370.8	4%
Fixed compensation and benefits	116.9	96.1	22%	323.8	287.3	13%
	257.5	226.6	14%	710.0	658.1	8%
Other expenses:						
Trading systems and market information	20.1	19.4	4%	58.2	54.9	6%
Professional fees	20.0	13.9	44%	55.0	41.1	34%
Non-trading technology and support	18.7	13.7	36%	53.6	44.7	20%
Occupancy and equipment rental	13.5	10.0	35%	34.8	29.5	18%
Selling and marketing	12.8	13.7	(7)%	40.1	40.8	(2)%
Travel and business development	6.9	6.2	11%	21.1	17.7	19%
Communications	1.9	2.4	(21)%	6.4	6.7	(4)%
Depreciation and amortization	12.3	13.8	(11)%	35.8	39.6	(10)%
Bad debts, net of recoveries	0.5	6.3	(92)%	(0.2)	10.0	n/m
Other	18.1	15.4	18%	50.3	50.1	—%
	124.8	114.8	9%	355.1	335.1	6%
Total compensation and other expenses	<u>\$ 382.3</u>	<u>\$ 341.4</u>	<u>12%</u>	<u>\$ 1,065.1</u>	<u>\$ 993.2</u>	<u>7%</u>

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Compensation and Other Expenses: Compensation and other expenses increased \$40.9 million, or 12%, to \$382.3 million in the three months ended June 30, 2024 compared to \$341.4 million in the three months ended June 30, 2023.

Compensation and Benefits:

(in millions)	Three Months Ended June 30,			
	2024	2023	\$ Change	% Change
Compensation and benefits:				
Variable compensation and benefits				
Front office	\$ 117.0	\$ 108.6	\$ 8.4	8%
Administrative, executive, and centralized and local operations	23.6	21.9	1.7	8%
Total variable compensation and benefits	140.6	130.5	10.1	8%
Variable compensation and benefits as a percentage of net operating revenues	30%	30%		
Fixed compensation and benefits:				
Non-variable salaries	77.5	68.7	8.8	13%
Employee benefits and other compensation	24.6	20.3	4.3	21%
Share-based compensation	10.7	6.4	4.3	67%
Severance	4.1	0.7	3.4	486%
Total fixed compensation and benefits	116.9	96.1	20.8	22%
Total compensation and benefits	257.5	226.6	30.9	14%
Total compensation and benefits as a percentage of operating revenues	28%	29%		
Number of employees, end of period	4,458	3,972	486	12%

Non-variable salaries increased within the Commercial and Institutional segments, as well as within our overhead departments, principally due to the increase in headcount, as well as the impact of annual merit increases.

Employee benefits and other compensation increased principally due to higher retirement and benefits costs principally related to the increase in headcount, and a decrease in employee-elected deferred incentive. The three months ended June 30, 2024 also included \$0.9 million in accelerated long-term incentive due to the departure of an executive officer.

Share-based compensation, which contains stock option and restricted stock expense, increased principally due to the issuance of additional stock option awards during the first quarter of 2024, as well as from the increase in the value of previously granted restricted stock awards related to employee-elected and statutorily-required deferred incentive, which is exchanged for restricted stock that is amortized over a thirty-six month period following the grant date. The three months ended June 30, 2024 also included \$0.9 million in accelerated share-based compensation due to the departure of the executive officer.

During the three months ended June 30, 2024, severance costs were related to the departure of several employees, including the executive officer mentioned above.

Other Expenses: Other non-compensation expenses increased \$10.0 million, or 9%, to \$124.8 million in the three months ended June 30, 2024 compared to \$114.8 million in the three months ended June 30, 2023.

Professional fees increased \$6.1 million, principally due to higher legal fees related to matters in which we are defendants, as well as related to advisory matters in the normal course of business. Additionally, the increase is related to higher consulting fees, principally within our Physical Ag & Energy business and IT Development, as well as from higher accounting-related fees due to the timing and scope of various services provided.

Non-trading technology and support increased \$5.0 million, principally due to higher non-trading software maintenance and support costs related to various technologies used throughout core-IT, compliance and Retail Forex.

Occupancy and equipment rental increased \$3.5 million, principally due to additional office space acquired in London, as we consolidate office space in order to support our current and anticipated future growth. Additionally, we experienced higher costs in India, the U.S., and Singapore.

During the three months ended June 30, 2024, we recorded bad debts, net of recoveries of \$0.5 million, principally related to client trading account deficits in our Retail Forex business. During the three months ended June 30, 2023, bad debts, net of recoveries were \$6.3 million, principally related to bad debt expense of \$4.5 million of client receivable in the Physical Ag & Energy business, \$1.5 million of client trading account deficits in our Retail Forex business, and \$0.4 million in client trading account deficits in our Financial Ag & Energy business.

Other expenses increased \$2.7 million, principally due to an accrual of \$3.5 million related to our proposed settlement offer of a post-acquisition commitment contingency, partially offset by a decrease in other non-income taxes.

Other Gain: The results of the three months ended June 30, 2024 include a nonrecurring gain related to proceeds of \$1.8 million resulting from settlement of a gold fix class action settlement recovery matter, reported within our Retail segment.

Provision for Taxes: The effective income tax rate was 30% and 26% in the three months ended June 30, 2024 and 2023, respectively. The effective tax rate was higher than the U.S. federal statutory rate of 21% due to U.S. state and local taxes, GILTI, U.S. and foreign permanent differences, and the amount of foreign earnings taxed at higher rates.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Compensation and Other Expenses: Compensation and other expenses increased \$71.9 million, or 7%, to \$1,065.1 million in the nine months ended June 30, 2024 compared to \$993.2 million in the nine months ended June 30, 2023.

Compensation and Benefits:

(in millions)	Nine Months Ended June 30,			
	2024	2023	\$ Change	% Change
Compensation and benefits:				
Variable compensation and benefits				
Front office	\$ 321.3	\$ 313.0	\$ 8.3	3 %
Administrative, executive, and centralized and local operations	64.9	57.8	7.1	12 %
Total variable compensation and benefits	386.2	370.8	15.4	4 %
Variable compensation and benefits as a percentage of net operating revenues	29 %	30 %		
Fixed compensation and benefits:				
Non-variable salaries	224.1	196.6	27.5	14 %
Employee benefits and other compensation	65.5	56.0	9.5	17 %
Share-based compensation	27.7	21.3	6.4	30 %
Severance	6.5	13.4	(6.9)	(51) %
Total fixed compensation and benefits	323.8	287.3	36.5	13 %
Total compensation and benefits	\$ 710.0	\$ 658.1	\$ 51.9	8 %
Total compensation and benefits as a percentage of operating revenues	28 %	31 %		
Number of employees, end of period	4,458	3,972	486	12 %

Non-variable salaries increased within the Commercial and Institutional segments, as well as within our overhead departments, principally due to the increase in headcount resulting from expanding capabilities among our business lines, as well as the growth in our operational and overhead departments supporting our business initiatives, as well as the impact of annual merit increases.

Employee benefits and other compensation, increased principally due to higher payroll taxes, benefits, and retirement costs principally related to the increase in headcount, and a decrease in employee-elected deferred incentive, which is exchanged for restricted stock that will be amortized over a thirty-six month period following the grant date. The nine months ended June 30, 2024 also included \$0.9 million in accelerated long-term incentive due to the departure of an executive officer.

Share-based compensation increased principally due to the issuance of additional stock option awards during the nine months ended June 30, 2024, as well as from the increase in the value of previously granted restricted stock awards related to employee-elected and statutorily-required deferred incentive, which is exchanged for restricted stock that is amortized over a thirty-six month period following the grant date. The nine months ended June 30, 2024 also included \$0.9 million in accelerated share-based compensation due to the departure of the executive officer.

During the nine months ended June 30, 2024, severance costs were \$6.5 million, relating to the departure of several employees, including the executive officer mentioned above. During the nine months ended June 30, 2023, severance costs were \$13.4 million, principally related to a reorganization within the Payments business.

Other Expenses: Other non-compensation expenses increased \$20.0 million, or 6%, to \$355.1 million in the nine months ended June 30, 2024 compared to \$335.1 million in the nine months ended June 30, 2023.

Professional fees increased \$13.9 million, principally due to higher legal fees related to matters in which we are defendants, as well as related to advisory matters in the normal course of business. Additionally, the increase is related to higher consulting fees, principally within our Physical Ag & Energy business and IT Development, as well as from higher accounting-related fees due to the timing and scope of various services provided.

Non-trading technology and support increased \$8.9 million, principally due to higher non-trading software maintenance and support costs related to various technology used throughout core-IT, compliance and Retail Forex.

Occupancy and equipment rental increased \$5.3 million, principally due to additional office space acquired in London and India, as well as certain accelerated charges incurred as we consolidate office space in London to support our current and anticipated future growth, partially offset by a partial refund of property tax and related expenses covering prior years in London. Additionally, we experienced higher costs in the U.S. and Singapore.

Travel and business development increased \$3.4 million, principally due to higher transportation and lodging costs across our Commercial and Institutional segments and support departments, as well as transportation and lodging costs related to our global sales summit, held in February 2024, which occurs on a once-every-two years rotation.

During the nine months ended June 30, 2024, we recorded net recoveries of bad debts of \$0.2 million, principally related to recoveries within our Institutional segment of \$1.8 million, which were partially offset by bad debt expense of \$1.0 million of client receivables in our Payments segment and \$0.6 million within our Retail segment. During the nine months ended June 30, 2023, bad debts, net of recoveries was \$10.0 million, principally related to bad debt expense of \$7.6 million of client receivables in the Physical Ag & Energy business, \$2.3 million of client trading account deficits in our Retail Forex business, and \$0.4 million in client trading account deficits in our Financial Ag & Energy business

Gain on Acquisition and Other Gains: The results of the nine months ended June 30, 2024 include nonrecurring gains of \$1.8 million resulting from settlement of a gold fix class action settlement recovery matter, reported within our Retail segment, and \$6.9 million resulting from the settlement of a commodity exchange gold futures and options trading matter, reported within our Commercial segment. The results of the nine months ended June 30, 2023 included a nonrecurring gain of \$23.5 million related to the acquisition of CDI.

Provision for Taxes: Our effective income tax rate was 28% and 24% for nine months ended June 30, 2024 and 2023, respectively. The gain on acquisition of \$23.5 million in the nine months ended June 30, 2023 was not taxable and reduced the effective income tax rate 3.2%.

The effective income tax rate for the nine months ended June 30, 2024 and 2023 was higher than the U.S. federal statutory rate of 21% due to U.S. state and local taxes, changes in valuation allowances, U.K. bank tax, U.S. permanent differences, and the amount of foreign earnings taxed at higher tax rates.

Variable vs. Fixed Expenses

The table below presents our variable expenses and non-variable expenses as a percentage of total non-interest expenses for the periods indicated.

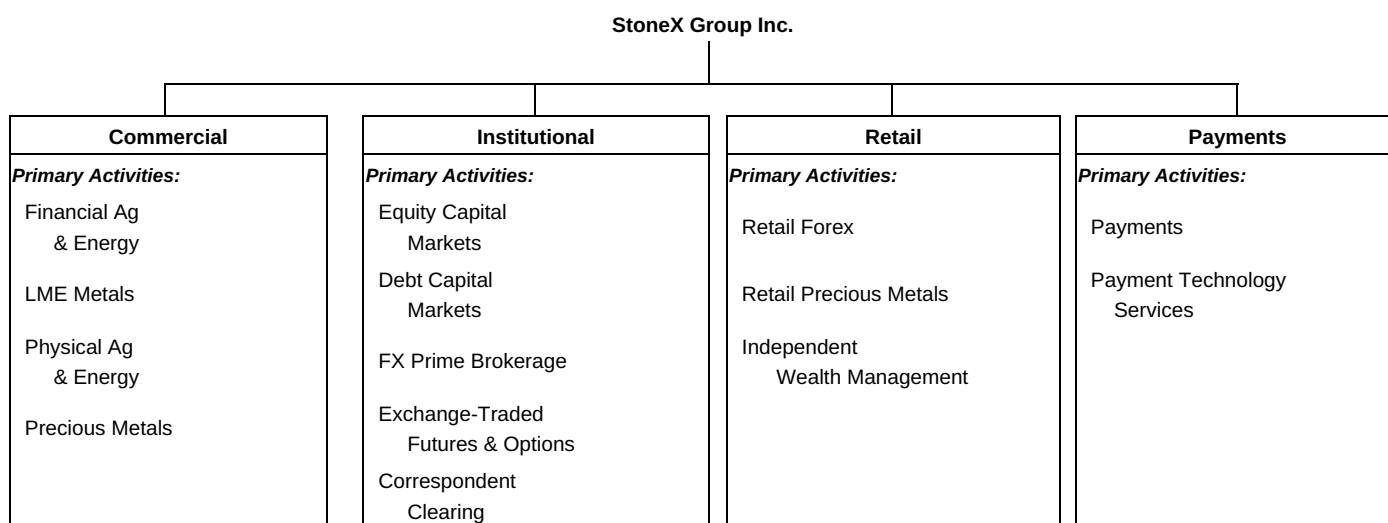
(in millions)	Three Months Ended June 30,				Nine Months Ended June 30,			
	2024	% of Total	2023	% of Total	2024	% of Total	2023	% of Total
Variable compensation and benefits	\$ 140.6	28%	\$ 130.5	29%	\$ 386.2	27%	\$ 370.8	28%
Transaction-based clearing expenses	81.0	16%	66.7	15%	233.8	16%	203.2	15%
Introducing broker commissions	43.1	8%	43.4	10%	124.2	9%	122.4	9%
Total variable expenses	264.7	52%	240.6	54%	744.2	52%	696.4	52%
Fixed compensation and benefits	116.9	23%	96.1	21%	323.8	23%	287.3	22%
Other fixed expenses	124.3	25%	108.5	24%	355.3	25%	325.1	25%
Bad debts (recoveries), net	0.5	—%	6.3	1%	(0.2)	—%	10.0	1%
Total non-variable expenses	241.7	48%	210.9	46%	678.9	48%	622.4	48%
Total non-interest expenses	\$ 506.4	100%	\$ 451.5	100%	\$ 1,423.1	100%	\$ 1,318.8	100%

Our variable expenses include variable compensation paid to traders and risk management consultants, bonuses paid to operational, administrative, and executive employees, transaction-based clearing expenses and introducing broker commissions. We seek to make our non-interest expenses variable to the greatest extent possible, and to keep our fixed costs as low as possible.

Segment Information

Our operating segments are based principally on the nature of the clients we serve (commercial, institutional, and retail), and a fourth operating segment, our payments business. We manage our business in this manner due to our large global footprint, in which we have more than 4,400 employees allowing us to serve clients in more than 180 countries.

Our business activities are managed as operating segments, which are our reportable segments for financial reporting purposes, as shown below.



Operating revenues, net operating revenues, net contribution and segment income are some of the key measures used by management to assess the performance of each segment and for decisions regarding the allocation of our resources. Operating revenues are calculated as total revenues less cost of sales of physical commodities.

Net operating revenues are calculated as operating revenues less transaction-based clearing expenses, introducing broker commissions and interest expense.

Net contribution is calculated as net operating revenues less variable compensation. Variable compensation paid to risk management consultants and traders generally represents a fixed percentage that can vary by revenue type. This fixed percentage is applied to revenues generated, and in some cases, revenues generated less transaction-based clearing expenses, base salaries and other expenses/allocations.

Segment income is calculated as net contribution less non-variable direct segment costs. These non-variable direct expenses include trader base compensation and benefits, operational charges, trading systems and market information, professional fees, travel and business development, communications, bad debts, trade errors and direct marketing expenses.

Segment income is used by our chief operating decision maker ("CODM") as the primary measure of segment profit or loss in the evaluation for each of our operating segments. During the three months ended December 31, 2023, we revised our method of allocating certain overhead costs to our operating segments, and, beginning in the three months ended December 31, 2023, the CODM also uses 'Segment income, less allocation of overhead costs' as an additional segment measure of our segments' financial performance. The allocation of overhead costs to operating segments includes costs associated with compliance, technology, and credit and risk costs. The share of allocated costs is based on resources consumed by the relevant businesses. In addition, the allocation of human resources and occupancy costs is principally based on employee costs within the relevant businesses. The measure of segment profit or loss most consistent with the corresponding amounts in the consolidated financial statements is segment income.

In the accompanying segment tables, 'Allocation of overhead costs' has been added beneath 'Segment income', which reconciles the segment income measure to the segment income, less allocation of overhead costs measure for the three and nine months ended June 30, 2024.

Total Segment Results

The following table shows summary information concerning all of our business segments combined.

(in millions)	Three Months Ended June 30,				Nine Months Ended June 30,			
	2024	% of Operating Revenues	2023	% of Operating Revenues	2024	% of Operating Revenues	2023	% of Operating Revenues
Revenues:								
Sales of physical commodities	\$ 26,196.2		\$ 14,319.2		\$ 66,339.0		\$ 42,228.8	
Principal gains, net	307.3		302.6		880.3		811.9	
Commission and clearing fees	143.6		127.2		410.8		376.9	
Consulting, management, and account fees	44.7		39.1		122.3		117.0	
Interest income	382.6		261.4		1,001.1		691.1	
Total revenues	27,074.4		15,049.5		68,753.5		44,225.7	
Cost of sales of physical commodities	26,156.0		14,271.0		66,232.7		42,084.4	
Operating revenues	918.4	100%	778.5	100%	2,520.8	100%	2,141.3	100%
Transaction-based clearing expenses	81.1	9%	66.7	9%	233.2	9%	203.2	9%
Introducing broker commissions	43.1	5%	43.4	6%	124.2	5%	122.4	6%
Interest expense	298.8	33%	218.4	28%	795.7	32%	551.4	26%
Net operating revenues	495.4		450.0		1,367.7		1,264.3	
Variable direct compensation and benefits	118.1	13%	109.2	14%	324.6	13%	315.2	15%
Net contribution	377.3		340.8		1,043.1		949.1	
Fixed compensation and benefits	57.5		52.6		162.5		158.7	
Other fixed expenses	77.4		74.0		225.0		220.2	
Bad debts (recoveries), net	0.5		6.3		(0.2)		10.0	
Total non-variable direct expenses	135.4	15%	132.9	17%	387.3	15%	388.9	18%
Other gains	1.8		—		8.7		—	
Segment income	243.7		207.9		664.5		560.2	
Allocation of overhead costs ⁽¹⁾	39.2		—		116.8		—	
Segment income, less allocation of overhead costs	\$ 204.5		\$ 207.9		\$ 547.7		\$ 560.2	

⁽¹⁾ Includes an allocation of certain overhead costs to our operating segments as noted above for the three months ended June 30, 2024 and nine months ended June 30, 2024. These allocations will be provided on an ongoing basis but have not been calculated for comparable periods.

Commercial

We offer our commercial clients a comprehensive array of products and services, including risk management and hedging services, execution and clearing of exchange-traded and OTC products, voice brokerage, market intelligence and physical trading, as well as commodity financing and logistics services. We believe providing these high-value-added products and services differentiates us from our competitors and maximizes our opportunity to retain our clients.

The tables below present the financial performance, a disaggregation of operating revenues, and select operating data and metrics used by management in evaluating the performance of the Commercial segment, for the periods indicated.

(in millions)	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenues:						
Sales of physical commodities	\$ 26,186.1	\$ 14,240.1	84%	\$ 66,305.6	\$ 41,668.8	59%
Principal gains, net	113.7	109.5	4%	264.5	254.1	4%
Commission and clearing fees	52.3	50.0	5%	143.6	133.3	8%
Consulting, management and account fees	7.1	6.9	3%	20.0	19.8	1%
Interest income	51.1	38.0	34%	133.7	112.7	19%
Total revenues	26,410.3	14,444.5	83%	66,867.4	42,188.7	58%
Cost of sales of physical commodities	26,148.1	14,191.8	84%	66,206.3	41,533.5	59%
Operating revenues	262.2	252.7	4%	661.1	655.2	1%
Transaction-based clearing expenses	19.0	16.3	17%	51.7	44.1	17%
Introducing broker commissions	11.7	12.0	(3)%	33.0	29.4	12%
Interest expense	11.0	10.8	2%	28.3	30.3	(7)%
Net operating revenues	220.5	213.6	3%	548.1	551.4	(1)%
Variable direct compensation and benefits	51.8	56.7	(9)%	133.7	137.9	(3)%
Net contribution	168.7	156.9	8%	414.4	413.5	—%
Fixed compensation and benefits	19.5	16.0	22%	51.5	46.0	12%
Other fixed expenses	23.5	18.9	24%	71.3	56.9	25%
Bad debts (recoveries), net	—	5.0	(100)%	—	7.9	(100)%
Non-variable direct expenses	43.0	39.9	8%	122.8	110.8	11%
Other gains	—	—	n/m	6.9	—	n/m
Segment income	125.7	117.0	7%	298.5	302.7	(1)%
Allocation of overhead costs ⁽¹⁾	8.9	—	—	26.6	—	—
Segment income, less allocation of overhead costs	\$ 116.8	\$ 117.0	n/m	\$ 271.9	\$ 302.7	n/m

⁽¹⁾ Includes an allocation of certain overhead costs to our operating segments as noted above for the three and nine months ended June 30, 2024. These allocations will be provided on an ongoing basis but have not been calculated for comparable periods.

	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Operating Revenues (in millions):						
Listed derivatives	\$ 78.6	\$ 62.2	26%	\$ 197.1	\$ 177.0	11%
OTC derivatives	66.2	71.9	(8)%	163.7	172.3	(5)%
Physical contracts	65.3	77.0	(15)%	159.8	182.6	(12)%
Interest / fees earned on client balances	45.2	35.0	29%	120.5	104.5	15%
Other	6.9	6.6	5%	20.0	18.8	6%
	\$ 262.2	\$ 252.7	4%	\$ 661.1	\$ 655.2	1%

Volumes and Other Select Data:						
Listed derivatives (contracts, 000's)	10,547	9,021	17%	29,704	25,532	16%
Listed derivatives, average rate per contract ⁽¹⁾	\$ 7.21	\$ 6.58	10%	\$ 6.39	\$ 6.62	(3)%
Average client equity - listed derivatives (millions)	\$ 1,751	\$ 1,815	(4)%	\$ 1,712	\$ 1,974	(13)%
OTC derivatives (contracts, 000's)	959	1,063	(10)%	2,584	2,638	(2)%
OTC derivatives, average rate per contract	\$ 69.03	\$ 67.75	2%	\$ 63.53	\$ 65.73	(3)%

⁽¹⁾ Give-up fee revenues, related to contract execution for clients of other FCMs, as well as cash and voice brokerage revenues are excluded from the calculation of listed derivatives, average rate per contract.

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Operating revenues increased \$9.5 million, or 4%, to \$262.2 million in the three months ended June 30, 2024 compared to \$252.7 million in the three months ended June 30, 2023. Net operating revenues increased \$6.9 million, or 3%, to \$220.5 million in the three months ended June 30, 2024 compared to \$213.6 million in the three months ended June 30, 2023.

Operating revenues derived from listed derivatives increased \$16.4 million, or 26%, to \$78.6 million in the three months ended June 30, 2024 compared

to \$62.2 million in the three months ended June 30, 2023. This increase was principally due to 17%

and 10% increases in listed derivatives contract volumes and average rate per contract, respectively, compared to the three months ended June 30, 2023. These increases were primarily driven by an increase in client activity and widening of spreads in in LME base metals markets, following U.S. and U.K. imposed sanctions on Russian base metals exports.

Operating revenues derived from OTC derivatives declined \$5.7 million, or 8%, to \$66.2 million in the three months ended June 30, 2024 compared to \$71.9 million in the three months ended June 30, 2023. This decline was principally due to a 10% decrease in OTC derivative volumes, most notably in Brazilian markets, which was partially offset by 2% increase in the average rate per contract as compared to the three months ended June 30, 2023.

Operating revenues derived from physical contracts declined \$11.7 million, or 15%, to \$65.3 million in the three months ended June 30, 2024 compared to \$77.0 million in the three months ended June 30, 2023. This was principally driven by a \$13.8 million decline in operating revenues in our physical agricultural and energy business, which was partially offset by a \$1.9 million increase in operating revenues in our precious metals businesses, as compared to the three months ended June 30, 2023. Precious metals operating revenues were favorably impacted by realized gains of \$8.4 million and \$3.3 million on the sale of physical inventories carried at the lower of cost or net realizable value, for which losses on related derivative positions were recognized in prior periods, during the three months ended June 30, 2024 and 2023, respectively.

Interest and fee income earned on client balances increased \$10.2 million, or 29%, to \$45.2 million in the three months ended June 30, 2024 compared to \$35.0 million in the three months ended June 30, 2023, primarily as a result of an increase in the short term interest rates realized, which was partially offset by a 4% decline in average client equity to \$1,751 million in the three months ended June 30, 2024.

Variable expenses, excluding interest, expressed as a percentage of operating revenues declined to 31% in the three months ended June 30, 2024 compared to 34% in the three months ended June 30, 2023, primarily as a result of the impact of the realized gains on precious metals inventories, discussed above, which are not correlated to variable expenses.

Segment income increased \$8.7 million, or 7%, to \$125.7 million in the three months ended June 30, 2024 compared to \$117.0 million in the three months ended June 30, 2023, principally due to the increase in operating revenues, which was partially offset by a \$3.1 million increase in non-variable direct expenses. The increase in non-variable direct expenses was driven by a \$3.5 million increase in fixed compensation and benefits and a \$4.6 million increase in other fixed expenses, including a \$0.9 million increase in selling and marketing and a \$1.2 million increase in professional fees as compared to the three months ended June 30, 2023. These increases were partially offset by a \$5.0 million decline in bad debt expense as compared to the three months ended June 30, 2023.

For the three months ended June 30, 2024, we have calculated an allocation for overhead costs of \$8.9 million for the Commercial segment as described in the introduction to *Total Segment Results* above. An allocation of overhead costs will be provided on an ongoing basis, but we have not calculated historical comparable information.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Operating revenues increased \$5.9 million, or 1%, to \$661.1 million in the nine months ended June 30, 2024 compared to \$655.2 million in the nine months ended June 30, 2023. Net operating revenues decreased \$3.3 million, or 1%, to \$548.1 million in the nine months ended June 30, 2024 compared to \$551.4 million in the nine months ended June 30, 2023.

Operating revenues derived from listed derivatives increased \$20.1 million, or 11%, to \$197.1 million in the nine months ended June 30, 2024 compared to \$177.0 million in the nine months ended June 30, 2023. This was principally driven by a 16% increase in listed derivative contract volumes, primarily in agricultural and LME base metal commodity markets. This was partially offset by a 3% decline in the average rate per contract.

Operating revenues derived from OTC transactions declined \$8.6 million, or 5%, to \$163.7 million in the nine months ended June 30, 2024 compared to \$172.3 million in the nine months ended June 30, 2023. This decrease principally resulted from a 3% decline in the average rate per contract as well as a 2% decrease in OTC volumes as compared to the nine months ended June 30, 2023.

Operating revenues derived from physical transactions declined \$22.8 million, or 12%, to \$159.8 million in the nine months ended June 30, 2024 compared to \$182.6 million in the nine months ended June 30, 2023. This was principally driven by a \$19.0 million decline in operating revenues in our physical agricultural and energy business and to a lesser extent a \$3.9 million decline in operating revenues in our precious metals businesses, as compared to the nine months ended June 30, 2023.

Interest and fee income earned on client balances increased \$16.0 million, or 15%, to \$120.5 million in the nine months ended June 30, 2024 compared to \$104.5 million in the nine months ended June 30, 2023, as a result of an increase in the short-term interest rates realized, which was partially offset by a 13% decrease in average client equity to \$1,712 million in the nine months ended June 30, 2024.

Variable expenses, excluding interest, expressed as a percentage of operating revenues, were 33% in the nine months ended June 30, 2024 compared to 32% in the nine months ended June 30, 2023.

Segment income decreased \$4.2 million, or 1%, to \$298.5 million in the nine months ended June 30, 2024 compared to \$302.7 million in the nine months ended June 30, 2023, partially due to the decline in net operating revenues, as well as a \$12.0 million increase in non-variable direct expenses. The increase in non-variable direct expenses was primarily due to a \$5.5 million increase in fixed compensation and benefits, a \$3.1 million increase in professional fees, a \$1.6 million increase in depreciation and amortization, a \$1.1 million increase in selling and marketing, and a \$1.0 million increase in travel and business development. The increase in non-variable direct expenses were partially offset by a \$7.9 million decline in bad debts, net of recoveries. Also, the decline in segment income was partially offset by a nonrecurring gain of \$6.9 million related to proceeds from a settlement in a commodity exchange gold futures and options trading matter.

For the nine months ended June 30, 2024, we have calculated an allocation for overhead costs of \$26.6 million for the Commercial segment as described in the introduction to *Total Segment Results* above. An allocation of overhead costs will be provided on an ongoing basis, but we have not calculated historical comparable information.

Institutional

We provide institutional clients with a complete suite of equity trading services to help them find liquidity with best execution, consistent liquidity across a robust array of fixed income products, competitive and efficient clearing and execution in all major futures and securities exchanges globally as well as prime brokerage in equities and major foreign currency pairs and swap transactions. In addition, we originate, structure and place debt instruments in the international and domestic capital markets. These instruments include asset-backed securities (primarily in Argentina) and domestic municipal securities.

The tables below present the financial performance, a disaggregation of operating revenues, and select operating data and metrics used by management in evaluating the performance of the Institutional segment, for the periods indicated.

(in millions)	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenues:						
Sales of physical commodities	\$ —	\$ —	—%	\$ —	\$ —	—%
Principal gains, net	89.2	82.8	8%	290.0	273.1	6%
Commission and clearing fees	77.6	63.6	22%	225.7	204.0	11%
Consulting, management and account fees	21.0	18.4	14%	56.0	54.0	4%
Interest income	321.1	216.3	48%	836.3	556.0	50%
Total revenues	508.9	381.1	34%	1,408.0	1,087.1	30%
Cost of sales of physical commodities	—	—	—%	—	—	—%
Operating revenues	508.9	381.1	34%	1,408.0	1,087.1	30%
Transaction-based clearing expenses	57.3	45.8	25%	166.2	141.1	18%
Introducing broker commissions	8.6	9.1	(5)%	24.3	27.8	(13)%
Interest expense	285.3	205.9	39%	761.4	516.8	47%
Net operating revenues	157.7	120.3	31%	456.1	401.4	14%
Variable direct compensation and benefits	52.9	38.6	37%	148.6	135.8	9%
Net contribution	104.8	81.7	28%	307.5	265.6	16%
Fixed compensation and benefits	19.6	15.4	27%	56.4	44.2	28%
Other fixed expenses	23.0	21.4	7%	64.2	58.7	9%
Bad debts (recoveries), net	—	(0.2)	(100)%	(1.8)	(0.2)	n/m
Non-variable direct expenses	42.6	36.6	16%	118.8	102.7	16%
Segment income	62.2	45.1	38%	188.7	162.9	16%
Allocation of overhead costs ⁽¹⁾	13.1	—	—	39.2	—	—
Segment income, less allocation of overhead costs	\$ 49.1	\$ 45.1	n/m	\$ 149.5	\$ 162.9	n/m

⁽¹⁾ Includes an allocation of certain overhead costs to our operating segments as noted above for the three and nine months ended June 30, 2024. These allocations will be provided on an ongoing basis but have not been calculated for comparable periods.

	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Operating Revenues (in millions):						
Listed derivatives	\$ 51.9	\$ 45.4	14%	\$ 154.3	\$ 140.9	10%
Securities	348.6	249.0	40%	957.1	688.8	39%
FX contracts	9.1	9.5	(4)%	24.7	28.0	(12)%
Interest / fees earned on client balances	70.1	56.5	24%	196.0	175.0	12%
Other	29.2	20.7	41%	75.9	54.4	40%
	<u>\$ 508.9</u>	<u>\$ 381.1</u>	<u>34%</u>	<u>\$ 1,408.0</u>	<u>\$ 1,087.1</u>	<u>30%</u>
Volumes and Other Select Data:						
Listed derivatives (contracts, 000's)	42,188	30,023	41%	127,595	95,299	34%
Listed derivatives, average rate per contract ⁽¹⁾	\$ 1.18	\$ 1.43	(17)%	\$ 1.14	\$ 1.36	(16)%
Average client equity - listed derivatives (millions)	\$ 4,206	\$ 4,645	(9)%	\$ 4,352	\$ 5,327	(18)%
Securities ADV (millions)	\$ 7,358	\$ 5,378	37%	\$ 7,013	\$ 5,121	37%
Securities RPM ⁽²⁾	\$ 239	\$ 262	(9)%	\$ 256	\$ 314	(18)%
Average money market / FDIC sweep client balances (millions)	\$ 968	\$ 1,269	(24)%	\$ 1,025	\$ 1,393	(26)%
FX contracts ADV (millions)	\$ 3,958	\$ 3,612	10%	\$ 3,997	\$ 4,520	(12)%
FX contracts RPM	\$ 40	\$ 42	(5)%	\$ 35	\$ 33	6%

- (1) Give-up fee revenues, related to contract execution for clients of other FCMs, are excluded from the calculation of listed derivatives, average rate per contract.
- (2) Interest expense associated with our fixed income activities is deducted from operating revenues in the calculation of Securities RPM, while interest income related to securities lending is excluded.

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Operating revenues increased \$127.8 million, or 34%, to \$508.9 million in the three months ended June 30, 2024 compared to \$381.1 million in the three months ended June 30, 2023. Net operating revenues increased \$37.4 million, or 31%, to \$157.7 million in the three months ended June 30, 2024 compared to \$120.3 million in the three months ended June 30, 2023.

Operating revenues derived from listed derivatives increased \$6.5 million, or 14%, to \$51.9 million in the three months ended June 30, 2024 compared to \$45.4 million in the three months ended June 30, 2023, principally due to an 41% increase in listed derivative contract volumes, which was partially offset by a 17% decline in the average rate per contract.

Operating revenues derived from securities transactions increased \$99.6 million, or 40%, to \$348.6 million in the three months ended June 30, 2024 compared to \$249.0 million in the three months ended June 30, 2023. The ADV of securities traded increased 37%, principally driven by increased client activity in both equity and fixed income markets. Carried interest on fixed income securities is a component of operating revenues, however interest expense associated with financing these positions is not. Our calculation of Securities RPM, in the table above, presents the RPM after deducting from operating revenues the interest expense associated with our fixed income activities. The securities RPM decreased 9% in the three months ended June 30, 2024 compared to the three months ended June 30, 2023, principally due to a tightening of spreads and a change in product mix.

Operating revenues derived from FX contracts declined \$0.4 million, or 4%, to \$9.1 million in the three months ended June 30, 2024 compared to \$9.5 million in the three months ended June 30, 2023, principally driven by a 5% decline in the FX contracts RPM, which was partially offset by a 10% increase in the ADV of FX contracts.

Interest and fee income earned on client balances, which is associated with our listed derivative and correspondent clearing businesses increased \$13.6 million, to \$70.1 million in the three months ended June 30, 2024, principally driven by an increase in the short-term interest rates realized, which was partially offset by declines of 9% and 24% in average client equity and average money market/FDIC sweep client balances, respectively, as compared to the three months ended June 30, 2023.

As a result of the increase in short-term interest rates and the increase in ADV, interest expense increased \$79.4 million, to \$285.3 million in the three months ended June 30, 2024 compared to \$205.9 million in the three months ended June 30, 2023, with interest expense directly associated with serving as an institutional dealer in fixed income securities increasing \$72.7 million and interest expense directly attributable to securities lending activities increasing \$5.2 million as compared to the three months ended June 30, 2023. Partially offsetting these increases, interest paid to clients declined \$3.8 million as compared to the three months ended June 30, 2023.

Variable expenses, excluding interest, expressed as a percentage of operating revenues declined to 23% in the three months ended June 30, 2024 compared to 25% in the three months ended June 30, 2023, primarily as the result of the increase in interest/fees earned on client balances, which is generally not a component of variable compensation.

Segment income increased \$17.1 million, or 38%, to \$62.2 million in the three months ended June 30, 2024 compared to \$45.1 million in the three months ended June 30, 2023, as a result of the increase in net operating revenues noted above, which was partially offset by a \$6.0 million increase in non-variable direct expenses, including a \$4.2 million increase in fixed compensation and a \$2.6 million increase in professional fees as compared to the three months ended June 30, 2023.

For the three months ended June 30, 2024, we have calculated an allocation for overhead costs of \$13.1 million for the Institutional segment as described in the introduction to *Total Segment Results* above. An allocation of overhead costs will be provided on an ongoing basis, but we have not calculated historical comparable information.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Operating revenues increased \$320.9 million, or 30%, to \$1,408.0 million in the nine months ended June 30, 2024 compared to \$1,087.1 million in the nine months ended June 30, 2023. Net operating revenues increased \$54.7 million, or 14%, to \$456.1 million in the nine months ended June 30, 2024 compared to \$401.4 million in the nine months ended June 30, 2023.

Operating revenues derived from listed derivatives increased \$13.4 million, or 10%, to \$154.3 million in the nine months ended June 30, 2024 compared to \$140.9 million in the nine months ended June 30, 2023, principally driven by a 34% increase in listed derivative contract volumes, which was partially offset by a 16% decline in the average rate per contract compared to the nine months ended June 30, 2023.

Operating revenues derived from securities transactions increased \$268.3 million, or 39%, to \$957.1 million in the nine months ended June 30, 2024 compared to \$688.8 million in the nine months ended June 30, 2023. The ADV of securities traded increased 37%, principally driven by increased client activity in both equity and fixed income markets. Carried interest on fixed income securities is a component of operating revenues, however interest expense associated with financing these positions is not. Our calculation of the securities RPM, in the table above, presents the RPM after deducting from operating revenues the interest expense associated with our fixed income activities. The securities RPM decreased 18% in the nine months ended June 30, 2024 compared to the nine months ended June 30, 2023, principally due to a tightening of spreads and a change in product mix.

Operating revenues derived from FX contracts declined \$3.3 million, or 12%, to \$24.7 million in the nine months ended June 30, 2024 compared to \$28.0 million in the nine months ended June 30, 2023, principally driven by a 12% decline in the ADV of FX contracts traded, which was partially offset by a 6% increase in the average rate per contract.

Finally, interest and fee income earned on client balances, which is associated with our listed derivative business, as well as our correspondent clearing businesses, increased \$21.0 million, to \$196.0 million in the nine months ended June 30, 2024 compared to \$175.0 million in the nine months ended June 30, 2023, principally driven by an increase in the short-term interest rates realized, which was partially offset by declines of 18% and 26% in average client equity and average money market/FDIC sweep client balances, respectively, as compared to the nine months ended June 30, 2023.

As a result of the increase in short-term interest rates and the increase in the ADV, interest expense increased \$244.6 million, to \$761.4 million in the nine months ended June 30, 2024 compared to \$516.8 million the nine months ended June 30, 2023, with interest expense directly associated with serving as an institutional dealer in fixed income securities increasing \$227.1 million and interest expense directly attributable to securities lending activities increasing \$17.6 million compared to the nine months ended June 30, 2023. Partially offsetting these increases, interest paid to clients decreased \$11.1 million as compared to the nine months ended June 30, 2023.

Variable expenses, excluding interest, expressed as a percentage of operating revenues declined to 24% in the nine months ended June 30, 2024 compared to 28% in the nine months ended June 30, 2023, principally as the result of the increase in interest/fees earned on client balances, which is generally not a component of variable compensation.

Segment income increased \$25.8 million, or 16%, to \$188.7 million in the nine months ended June 30, 2024 compared to \$162.9 million in the nine months ended June 30, 2023, primarily as a result of the increase in net operating revenues noted above, which was partially offset by a \$16.1 million, or 16% increase in non-variable direct expenses versus the nine months ended June 30, 2023. The increase in non-variable direct expenses was primarily related to an \$12.2 million increase in fixed compensation and benefits, a \$1.7 million increase in trade systems and market information, a \$5.6 million increase in professional fees and a \$0.9 million increase in travel and business development. These increases were partially offset by a \$1.6 million positive variance in bad debts, net of recoveries and a \$1.5 million decline in non-trading technology and support as compared to the nine months ended June 30, 2023.

For the nine months ended June 30, 2024, we have calculated an allocation for overhead costs of \$39.2 million for the Institutional segment as described in the introduction to *Total Segment Results* above. An allocation of overhead costs will be provided on an ongoing basis, but we have not calculated historical comparable information.

Retail

We provide our retail clients around the world access to over 18,000 global financial markets, including spot foreign exchange ("forex"), both financial trading and physical investment in precious metals, as well as contracts for difference ("CFDs"), which are investment products with returns linked to the performance of underlying assets. In addition, our independent wealth management business offers a comprehensive product suite to retail investors in the U.S.

The tables below present the financial performance, a disaggregation of operating revenues, and select operating data and metrics used by management in evaluating the performance of the Retail segment, for the periods indicated.

(in millions)	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenues:						
Sales of physical commodities	\$ 10.1	\$ 79.1	(87)%	\$ 33.4	\$ 560.0	(94)%
Principal gains, net	56.9	59.8	(5)%	174.3	134.9	29%
Commission and clearing fees	12.2	12.0	2%	37.1	34.6	7%
Consulting, management and account fees	14.9	13.1	14%	42.9	40.7	5%
Interest income	10.0	6.7	49%	29.4	21.3	38%
Total revenues	104.1	170.7	(39)%	317.1	791.5	(60)%
Cost of sales of physical commodities	7.9	79.2	(90)%	26.4	550.9	(95)%
Operating revenues	96.2	91.5	5%	290.7	240.6	21%
Transaction-based clearing expenses	3.2	3.1	3%	10.2	13.1	(22)%
Introducing broker commissions	22.0	21.7	1%	64.8	63.6	2%
Interest expense	2.5	1.6	56%	5.9	4.1	44%
Net operating revenues	68.5	65.1	5%	209.8	159.8	31%
Variable direct compensation and benefits	4.8	4.8	—%	13.6	11.9	14%
Net contribution	63.7	60.3	6%	196.2	147.9	33%
Fixed compensation and benefits	11.4	13.1	(13)%	33.0	37.3	(12)%
Other fixed expenses	26.0	28.5	(9)%	74.9	90.5	(17)%
Bad debts, net of recoveries	0.5	1.5	(67)%	0.6	2.3	(74)%
Non-variable direct expenses	37.9	43.1	(12)%	108.5	130.1	(17)%
Other gain	1.8	—	n/m	1.8	—	n/m
Segment income	27.6	17.2	60%	89.5	17.8	403%
Allocation of overhead costs ⁽¹⁾	11.9	—	—	35.4	—	—
Segment income, less allocation of overhead costs	\$ 15.7	\$ 17.2	n/m	\$ 54.1	\$ 17.8	n/m

⁽¹⁾ Includes an allocation of certain overhead costs to our operating segments as noted above for the three and nine months ended June 30, 2024. These allocations will be provided on an ongoing basis, but they have not been calculated for previously reported periods.

	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Operating Revenues (in millions):						
Securities	\$ 25.4	\$ 23.4	9%	\$ 73.8	\$ 66.9	10%
FX / CFD contracts	67.4	62.6	8%	206.7	154.7	34%
Physical contracts	2.0	4.0	(50)%	4.8	12.2	(61)%
Interest / fees earned on client balances	0.6	0.7	(14)%	2.0	2.3	(13)%
Other	0.8	0.8	—%	3.4	4.5	(24)%
	\$ 96.2	\$ 91.5	5%	\$ 290.7	\$ 240.6	21%
Volumes and Other Select Data:						
FX / CFD contracts ADV (millions)	\$ 6,904	\$ 6,901	—%	\$ 6,746	\$ 7,758	(13)%
FX / CFD contracts RPM	\$ 152	\$ 141	8%	\$ 160	\$ 105	52%

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Operating revenues increased \$4.7 million, or 5%, to \$96.2 million in the three months ended June 30, 2024 compared to \$91.5 million in the three months ended June 30, 2023. Net operating revenues increased \$3.4 million, or 5%, to \$68.5 million in the three months ended June 30, 2024 compared to \$65.1 million in the three months ended June 30, 2023.

Operating revenues derived from FX/CFD contracts increased \$4.8 million, or 8%, to \$67.4 million in the three months ended June 30, 2024 compared to \$62.6 million in the three months ended June 30, 2023 principally driven by an 8% increase in FX/CFD contracts RPM, while FX/CFD contracts ADV was relatively flat, compared to the three months ended June 30, 2023.

Operating revenues derived from securities transactions, which relate to our independent wealth management activities, increased \$2.0 million to \$25.4 million in the three months ended June 30, 2024 compared to \$23.4 million in the three months ended June 30, 2023.

Operating revenues derived from physical contracts declined \$2.0 million, or 50% to \$2.0 million in the three months ended June 30, 2024 compared to \$4.0 million in the three months ended June 30, 2023.

Interest and fee income earned on client balances was \$0.6 million in the three months ended June 30, 2024 as compared to \$0.7 million in the three months ended June 30, 2023.

Variable expenses, excluding interest, as a percentage of operating revenues were 31% in the three months ended June 30, 2024 compared to 32% in the three months ended June 30, 2023, principally due to the increase in operating revenues derived from FX / CFD contracts which typically incur a lower relative percentage of variable expenses than do our other revenue streams within this segment.

Segment income increased \$10.4 million to \$27.6 million in the three months ended June 30, 2024 compared to \$17.2 million in the three months ended June 30, 2023, principally due to the increase in net operating revenues noted above, as well as a \$5.2 million decline in non-variable direct expenses compared to the three months ended June 30, 2023. The decline in non-variable direct expenses was primarily a result of a \$3.1 million decrease in amortization, as certain intangibles, recognized as part the acquisition of Gain Capital Holdings, Inc. in fiscal 2020, became fully amortized during fiscal 2023, a \$1.7 million decline in fixed compensation and benefits, a \$0.8 million decline in selling and marketing, and a \$1.0 million decrease in bad debts as compared to the three months ended June 30, 2023. In addition, the three months ended June 30, 2024 includes a nonrecurring gain of \$1.8 million related to proceeds from a settlement in a commodity exchange gold futures and options trading matter.

For the three months ended June 30, 2024, we have calculated an allocation for overhead costs of \$11.9 million for the Retail segment as described in the introduction to *Total Segment Results* above. An allocation of overhead costs will be provided on an ongoing basis, but we have not calculated historical comparable information.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Operating revenues increased \$50.1 million, or 21%, to \$290.7 million in the nine months ended June 30, 2024 compared to \$240.6 million in the nine months ended June 30, 2023. Net operating revenues increased \$50.0 million, or 31%, to \$209.8 million in the nine months ended June 30, 2024 compared to \$159.8 million in the nine months ended June 30, 2023.

Operating revenues derived from FX/CFD contracts increased \$52.0 million, or 34%, to \$206.7 million, primarily as a result of a 52% increase in FX/CFD contracts RPM, which was partially offset by a 13% decline in FX/CFD contracts ADV compared to the nine months ended June 30, 2023.

Operating revenues derived from securities transactions, which are related to our independent wealth management activities, increased \$6.9 million, or 10%, to \$73.8 million in the nine months ended June 30, 2024 compared to \$66.9 million in the nine months ended June 30, 2023.

Operating revenues derived from physical contracts declined \$7.4 million, or 61%, to \$4.8 million in the nine months ended June 30, 2024 compared to \$12.2 million in the nine months ended June 30, 2023.

Interest and fee income earned on client balances was \$2.0 million in the nine months ended June 30, 2024 as compared to \$2.3 million in the nine months ended June 30, 2023.

Variable expenses, excluding interest, as a percentage of operating revenues were 30% in the nine months ended June 30, 2024 compared to 37% in the nine months ended June 30, 2023, principally due to the increase in operating revenues derived from FX / CFD contracts which typically incur a lower relative percentage of variable expenses than do our other revenue streams within this segment.

Segment income increased \$71.7 million, to \$89.5 million in the nine months ended June 30, 2024 compared to \$17.8 million in the nine months ended June 30, 2023, principally due to the increase in net operating revenues noted above as well as a \$21.6 million, or 17%, decline in non-variable direct expenses, compared to the nine months ended June 30, 2023. The decline in non-variable direct expenses was principally the result of a \$8.4 million decline in depreciation and amortization, as certain intangibles, recognized as part the acquisition of Gain Capital Holdings, Inc. in fiscal 2020, became fully amortized during fiscal 2023, a \$4.9 million decline in direct selling and marketing costs, a \$4.3 million decline in fixed compensation and benefits and a \$1.7 million decrease in bad debts as compared to the nine months ended June 30, 2023.

For the nine months ended June 30, 2024, we have calculated an allocation for overhead costs of \$35.4 million for the Retail segment as described in the introduction to *Total Segment Results* above. An allocation of overhead costs will be provided on an ongoing basis, but we have not calculated historical comparable information.

Payments

We provide customized foreign exchange and treasury services to banks and commercial businesses, charities, non-governmental organizations, as well as government organizations. We provide transparent pricing and offer payments services in more than 180 countries and 140 currencies, which we believe is more than any other payments solutions provider.

The tables below present the financial performance, a disaggregation of operating revenues, and select operating data and metrics used by management in evaluating the performance of the Payments segment for the periods indicated.

(in millions)	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Revenues:						
Sales of physical commodities	\$ —	\$ —	—%	\$ —	\$ —	—%
Principal gains, net	47.5	50.5	(6)%	151.5	149.8	1%
Commission and clearing fees	1.5	1.6	(6)%	4.4	5.0	(12)%
Consulting, management, account fees	1.7	0.7	143%	3.4	2.5	36%
Interest income	0.4	0.4	—%	1.7	1.1	55%
Total revenues	51.1	53.2	(4)%	161.0	158.4	2%
Cost of sales of physical commodities	—	—	—%	—	—	—%
Operating revenues	51.1	53.2	(4)%	161.0	158.4	2%
Transaction-based clearing expenses	1.6	1.5	7%	5.1	4.9	4%
Introducing broker commissions	0.8	0.6	33%	2.1	1.6	31%
Interest expense	—	0.1	(100)%	0.1	0.2	(50)%
Net operating revenues	48.7	51.0	(5)%	153.7	151.7	1%
Variable compensation and benefits	8.6	9.1	(5)%	28.7	29.6	(3)%
Net contribution	40.1	41.9	(4)%	125.0	122.1	2%
Fixed compensation and benefits	7.0	8.1	(14)%	21.6	31.2	(31)%
Other fixed expenses	4.9	5.2	(6)%	14.6	14.1	4%
Bad debts	—	—	—%	1.0	—	n/m
Total non-variable direct expenses	11.9	13.3	(11)%	37.2	45.3	(18)%
Segment income	28.2	28.6	(1)%	87.8	76.8	14%
Allocation of overhead costs ⁽¹⁾	5.3	—	—	15.6	—	—
Segment income, less allocation of overhead costs	\$ 22.9	\$ 28.6	n/m	\$ 72.2	\$ 76.8	n/m

⁽¹⁾ Includes an allocation of certain overhead costs to our operating segments as noted above for the three and nine months ended June 30, 2024. These allocations will be provided on an ongoing basis but have not been calculated for comparable periods.

	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Operating Revenues (in millions):						
Payments	\$ 50.0	\$ 52.7	(5)%	\$ 157.8	\$ 155.4	2%
Other	1.1	0.5	120%	3.2	3.0	7%
	<u>\$ 51.1</u>	<u>\$ 53.2</u>	<u>(4)%</u>	<u>\$ 161.0</u>	<u>\$ 158.4</u>	<u>2%</u>
Volumes and Other Select Data:						
Payments ADV (millions)	\$ 69	\$ 65	6%	\$ 69	\$ 68	1%
Payments RPM	\$ 11,264	\$ 12,907	(13)%	\$ 12,053	\$ 12,049	—%

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Operating revenues decreased \$2.1 million, or 4%, to \$51.1 million in the three months ended June 30, 2024 compared to \$53.2 million in the three months ended June 30, 2023. Net operating revenues decreased \$2.3 million, or 5%, to \$48.7 million in the three months ended June 30, 2024 compared to \$51.0 million in the three months ended June 30, 2023.

The decline in operating revenues was principally due to a 13% decrease in the RPM traded, which was partially offset by a 6% increase in the average daily notional payment volume as compared to the three months ended June 30, 2023.

Variable expenses, excluding interest, expressed as a percentage of operating revenues were 22% in the three months ended June 30, 2024 compared to 21% in the three months ended June 30, 2023.

Segment income decreased \$0.4 million, or 1%, to \$28.2 million in the three months ended June 30, 2024 compared to \$28.6 million in the three months ended June 30, 2023, principally driven by the decline in net operating revenues noted above, which was partially offset by a \$1.4 million decline in non-variable direct expenses, including a \$1.1 million decline in fixed compensation and benefits and a \$0.5 million decline in selling and marketing as compared to the three months ended June 30, 2023.

For the three months ended June 30, 2024, we have calculated an allocation for overhead costs of \$5.3 million for the Payments segment as described in the introduction to *Total Segment Results* above. An allocation of overhead costs will be provided on an ongoing basis, but we have not calculated historical comparable information.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Operating revenues increased \$2.6 million, or 2%, to \$161.0 million in the nine months ended June 30, 2024 compared to \$158.4 million in the nine months ended June 30, 2023. Net operating revenues increased \$2.0 million, or 1%, to \$153.7 million in the nine months ended June 30, 2024 compared to \$151.7 million in the nine months ended June 30, 2023.

The increase in operating revenues was primarily driven by a 1% increase in the average daily volume, as the RPM traded was relatively flat compared to the nine months ended June 30, 2023.

Variable expenses, excluding interest, expressed as a percentage of operating revenues were 22% in the nine months ended June 30, 2024 as compared to 23% in the nine months ended June 30, 2023.

Segment income increased \$11.0 million, or 14%, to \$87.8 million in the nine months ended June 30, 2024 compared to \$76.8 million in the nine months ended June 30, 2023. This was driven by the increase in net operating revenues noted above as well as an \$8.1 million decline in non-variable direct expenses. The decline in non-variable direct expenses was primarily driven by a \$9.6 million decrease in fixed compensation and benefits as the nine months ended June 30, 2023 included \$10.0 million in severance related to a reorganization of the business.

For the nine months ended June 30, 2024, we have calculated an allocation for overhead costs of \$15.6 million for the Payments segment as described in the introduction to *Total Segment Results* above. An allocation of overhead costs will be provided on an ongoing basis, but we have not calculated historical comparable information.

Overhead Costs and Expenses

We incur overhead costs and expenses, including certain shared services such as information technology, accounting and treasury, credit and risk, legal and compliance, and human resources and other activities. The following table provides information regarding our overhead costs and expenses.

In addition, for the three and nine months ended June 30, 2024, the table provides information regarding the allocation of a portion of these costs to the aforementioned operating segments. The allocation of overhead costs to operating segments includes costs associated with compliance, technology, and credit and risk costs. The share of allocated costs is based on resources consumed by the relevant businesses. In addition, the allocation of human resources and occupancy costs is principally based on employee costs within the relevant businesses.

(in millions)	Three Months Ended June 30,			Nine Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Compensation and benefits:						
Variable compensation and benefits	\$ 21.1	\$ 19.9	6%	\$ 56.9	\$ 51.4	11%
Fixed compensation and benefits	52.5	37.1	42%	141.8	110.7	28%
	73.6	57.0	29%	198.7	162.1	23%
Other expenses:						
Occupancy and equipment rental	13.1	9.8	34%	33.5	29.0	16%
Non-trading technology and support	14.3	9.7	47%	40.9	30.6	34%
Professional fees	8.1	5.6	45%	23.9	18.1	32%
Depreciation and amortization	6.1	5.7	7%	17.7	17.1	4%
Communications	1.3	1.8	(28)%	4.5	4.9	(8)%
Selling and marketing	0.4	0.8	(50)%	6.0	2.8	114%
Trading systems and market information	2.5	1.9	32%	5.7	5.6	2%
Travel and business development	2.5	1.4	79%	6.3	4.0	58%
Other	6.9	5.6	23%	16.0	14.9	7%
	55.2	42.3	30%	154.5	127.0	22%
Overhead costs and expenses	128.8	99.3	30%	353.2	289.1	22%
Allocation of overhead costs ⁽¹⁾	(39.2)	—	—	(116.8)	—	—
Overhead costs and expense, net of allocation to operating segments	\$ 89.6	\$ 99.3	n/m	\$ 236.4	\$ 289.1	n/m

⁽¹⁾ Includes an allocation of certain overhead costs to our operating segments as noted above for the three and nine months ended June 30, 2024. The allocations will be provided on an ongoing basis but have not been calculated for comparable periods.

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Overhead costs and expenses increased \$29.5 million, or 30%, to \$128.8 million in the three months ended June 30, 2024 compared to \$99.3 million in the three months ended June 30, 2023. Compensation and benefits increased \$16.6 million, or 29%, to \$73.6 million in the three months ended June 30, 2024 compared to \$57.0 million in the three months ended June 30, 2023.

Non-variable salaries increased \$4.8 million, or 15%, principally due an increase in headcount, as well as the impact of annual merit increases. The increase in fixed compensation and benefits was principally a result of hiring among our IT development, compliance, and human resource departments, principally due to company expansion. Average administrative headcount increased 13% in the three months ended June 30, 2024 compared to the three months ended June 30, 2023.

Fixed compensation and benefits for the three months ended June 30, 2024 included \$4.5 million in aggregate related to severance, accelerated long-term incentive and accelerated share-based compensation due to the departure of an executive officer.

Other non-compensation expenses increased \$12.9 million, to \$55.2 million, in the three months ended June 30, 2024. Occupancy and equipment rental costs increased \$3.3 million, principally due to additional office space acquired in London, as we consolidate office space in order to support our current and anticipated future growth. Additionally, we experienced higher costs in India, the U.S., and Singapore.

Non-trading technology and support increased \$4.6 million, principally due to higher non-trading software maintenance and support costs related to various technologies used throughout our overhead departments, most notably within core-IT and compliance.

Professional fees increased \$2.5 million, principally due to higher audit, consulting and legal fees.

Other expenses increased \$1.3 million, principally due to an accrual of \$3.5 million related to our proposed settlement offer of a post-acquisition commitment contingency, partially offset by a decrease in other non-income taxes.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Overhead costs and other expenses increased \$64.1 million, or 22%, to \$353.2 million in the nine months ended June 30, 2024 compared to \$289.1 million in the nine months ended June 30, 2023. Compensation and benefits increased \$36.6 million, or 23%, to \$198.7 million in the nine months ended June 30, 2024 compared to \$162.1 million in the nine months ended June 30, 2023.

Non-variable salaries increased \$15.0 million, or 17%, principally due an increase in headcount, as well as the impact of annual merit increases. Also, there was a decrease in employee-elected deferred incentive, which is exchanged for restricted stock that will be amortized over a thirty-six month period following the grant date. Share-based compensation related to stock option expense increased principally due to the issuance of additional stock option awards during the nine months ended June 30, 2024.

Fixed compensation and benefits for the nine months ended June 30, 2024 included \$4.5 million in aggregate related to severance, accelerated long-term incentive and accelerated share-based compensation due to the departure of an executive officer. Fixed compensation and benefits for the nine months ended June 30, 2023 included \$3.3 million in accelerated share-based compensation for employee departures that were related to retirements and certain business reorganizations.

Other non-compensation expenses increased \$27.5 million, or 22%, to \$154.5 million in the nine months ended June 30, 2024 compared to \$127.0 million in the nine months ended June 30, 2023.

Non-trading technology and support increased \$10.3 million, principally due to higher non-trading software maintenance and support costs related to various IT systems various technologies used throughout core-IT and compliance.

Professional fees increased \$5.8 million, principally due to higher legal and consulting fees within our technology departments.

Selling and marketing costs increased \$3.2 million, principally due to costs related to our global sales summit, held in February 2024, which occurs on a once-every-two years rotation.

Travel and business development increased \$2.3 million, principally due to higher transportation and lodging costs related to the previously mentioned global sales summit.

Liquidity, Financial Condition and Capital Resources

Overview

Liquidity is our ability to generate sufficient funding to meet all of our cash needs. Liquidity is of critical importance to us and imperative to maintaining our operations on a daily basis. Senior management establishes liquidity and capital policies, which we monitor and review for funding from both internal and external sources. We continuously evaluate how effectively our policies support our business operations, issuing debt and equity securities, and accessing committed credit facilities. We plan to finance our future operating liquidity and regulatory capital needs in a manner consistent with our past practice. Liquidity and capital matters are reported regularly to our Board of Directors.

Regulatory

StoneX Financial Inc. is registered as a broker-dealer with the Securities and Exchange Commission ("SEC") and is a member of both the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). In addition, StoneX Financial Inc. is registered as a futures commission merchant with the CFTC and NFA, and a member of various commodities and futures exchanges in the U.S. and abroad. StoneX Financial Inc. has a responsibility to meet margin calls at all exchanges on a daily basis, and even on an intra-day basis, if deemed necessary by relevant regulators or exchanges. We require our clients to make margin deposits the next business day, and we require our largest clients to make intra-day margin payments during periods of significant price movement. Margin required to be posted to the exchanges is a function of our clients' net open positions and required margin per contract. StoneX Financial Inc. is subject to minimum capital requirements under Section 4(f)(b) of the Commodity Exchange Act, Part 1.17 of the rules and regulations of the CFTC and the SEC Uniform Net Capital Rule 15c3-1 under the Securities Exchange Act of 1934. StoneX Financial Inc. is also subject to the Rule 15c3-3 of the Securities Exchange Act of 1934, as amended ("Customer Protection Rule").

Gain Capital Group, LLC is registered as both a futures commission merchant and registered foreign exchange dealer, subject to minimum capital requirements under Section 4(f)(b) of the Commodity Exchange Act, Part 1.17 of the rules and regulations of the CFTC and NFA Financial Requirements, Sections 1 and 11.

StoneX Markets LLC is a CFTC registered swap dealer, whose business is overseen by the NFA. The CFTC imposes rules over net capital requirements, as well as the exchange of initial margin between registered swap dealers and certain counterparties.

These rules specify the minimum amount of capital that must be available to support our clients' account balances and open trading positions, including the amount of assets that StoneX Financial Inc., Gain Capital Group, LLC and StoneX Markets LLC must maintain in relatively liquid form. Further, the rules are designed to maintain general financial integrity and liquidity.

StoneX Financial Ltd is regulated by the Financial Conduct Authority ("FCA"), the regulator of investor firms in the U.K. as a MiFID investment firm under U.K. law, and is subject to regulations which impose regulatory capital requirements. In Europe, our regulated subsidiaries are subject to E.U. regulation. Across the U.K. and E.U., the respective transpositions of the Market Abuse Regulation, and the General Data Protection Regulation, also apply. StoneX Financial Ltd is a member of various commodities and futures exchanges in the U.K. and Europe and has the responsibility to meet margin calls at all exchanges on a daily basis and intra-day basis, as necessary. StoneX Financial Ltd is required to be compliant with the U.K.'s 'MIFIDPRU' regulation. To comply with these standards, we have implemented daily liquidity procedures, conduct periodic reviews of liquidity by stressed scenarios, and are required to maintain enough liquidity for the firm to survive for one year under the appropriate stressed conditions.

The regulations discussed above limit funds available for dividends to us. As a result, we may be unable to access our operating subsidiaries' funds when we need them.

StoneX Financial Pte. Ltd. is regulated by the Monetary Authority of Singapore ("MAS") and operates as an approved holder of a Capital Market Services and a Payments Service License. StoneX Financial Pte. Ltd. is subject to the requirements of MAS pursuant to the Securities and Futures Act and the Payments Services Act 2019. The regulations include those that govern the treatment of client money and other assets which under certain circumstances must be segregated from the firm's own assets.

In our physical commodities trading, commercial hedging OTC, securities and foreign exchange trading activities, we may be required upon to meet margin calls with our various trading counterparties based upon the underlying open transactions we have in place with those counterparties.

We continuously review our overall credit and capital needs to determine whether our capital base, both stockholders' equity and debt, as well as available credit facilities can appropriately support the anticipated financing needs of our operating subsidiaries.

As of June 30, 2024, we had total equity of \$1,607.8 million, outstanding loans under revolving credit facilities and other payables to lenders of \$227.8 million, and \$542.8 million outstanding on our senior secured notes, net of deferred financing costs.

A substantial portion of our assets are liquid. As of June 30, 2024, approximately 97% of our assets consisted of cash and cash equivalents; securities purchased under agreements to resell; securities borrowed; deposits with and receivables from broker-dealers, clearing organizations and counterparties; receivables from clients; financial instruments owned, at fair value; and physical commodities inventory. All assets that are not client and counterparty deposit financed are financed by our equity capital, bank loans, short-term borrowings from financial instruments sold, not yet purchased and under repurchase agreements, securities loaned and other payables.

Client and Counterparty Credit and Liquidity Risk

Our operations expose us to credit risk of default of our clients and counterparties. The risk includes liquidity risk to the extent our clients or counterparties are unable to make timely payment of margin or other credit support. We are indirectly exposed to the financing and liquidity risks of our clients and counterparties, including the risks that our clients and counterparties may not be able to finance their operations.

As a clearing broker, we act on behalf of our clients for all trades consummated on exchanges. We must pay initial and variation margin to the exchanges, on a net basis, before we receive the required payments from our clients. Accordingly, we are responsible for our clients' obligations with respect to these transactions, which exposes us to significant credit risk. Our clients are required to make any margin deposits the next business day, and we require our largest clients to make intra-day margin payments during periods of significant price movement. Our clients are obligated to maintain initial margin requirements at the level set by the respective exchanges, but we have the ability to increase margin requirements for clients based on their open positions, trading activity, or market conditions.

As it relates to OTC derivative transactions, we act as a principal, which exposes us to the credit risk of both our clients and the counterparties with which we offset our client positions. As with exchange-traded transactions, our OTC transactions require that we meet initial and variation margin payments on behalf of our clients before we receive related required payments from our clients. OTC clients are required to post sufficient collateral to meet margin requirements based on value-at-risk models, as well as variation margin requirements based on the price movement of the commodity or security in which they transact. Our clients are required to make any margin deposits the next business day, and we may require our largest clients to make intra-day

margin payments during periods of significant price movement. In this business as well, we have the ability to increase the margin requirements for clients based on their open positions, trading activity, or market conditions. On a limited basis, we provide credit thresholds to certain clients, based on internal evaluations and monitoring of client creditworthiness.

In addition, with OTC transactions, we are at risk that a counterparty will fail to meet its obligations to us when due. We would then be exposed to the risk that the settlement of a transaction which is due a client will not be collected from the respective counterparty with which the transaction was offset. We continuously monitor the credit quality of our respective counterparties and mark our positions held with each counterparty to market on a daily basis.

We enter into securities purchased under agreements to resell, securities sold under agreements to repurchase, securities borrowed and securities loaned transactions to, among other things, finance financial instruments, acquire securities to cover short positions, acquire securities for settlement, and to accommodate counterparties' needs. In connection with these agreements and transactions, it is our policy to receive or pledge cash or securities to adequately collateralize such agreements and transactions in accordance with general industry guidelines and practices. The collateral is valued daily and we may require counterparties to deposit additional collateral or return collateral pledged, when appropriate.

Primary Sources and Uses of Cash

Our cash and cash equivalents and client cash and securities held for clients are held at banks, deposits at liquidity providers, investments in money market funds that invest in highly liquid investment grade securities including U.S. treasury bills, as well as investments in U.S. treasury bills. In general, we believe all of our investments and deposits are of high credit quality and we have more than adequate liquidity to conduct our businesses.

Our assets and liabilities may vary significantly from period to period due to changing client requirements, economic and market conditions, and our growth. Our total assets as of June 30, 2024 and September 30, 2023, were \$25,930.8 million and \$21,938.7 million, respectively. Our operating activities generate or utilize cash as a result of net income or loss earned or incurred during each period and fluctuations in our assets and liabilities. The most significant fluctuations arise from changes in the level of client activity, commodities prices, and changes in the balances of financial instruments and commodities inventory. StoneX Financial Inc. and StoneX Financial Ltd occasionally utilize their margin line credit facilities, on a short-term basis, to meet intraday settlements with the commodity exchanges prior to collecting margin funds from their clients.

The majority of the assets of StoneX Financial Inc., StoneX Financial Ltd, StoneX Financial Pte. Ltd, StoneX Markets LLC, and Gain Capital Group, LLC are restricted from being transferred to us or other affiliates due to specific regulatory requirements. This restriction has no current impact on our ability to meet our cash obligations, and no such impact is expected in the future.

We have liquidity and funding policies and processes in place that are intended to maintain sufficient flexibility to address both company-specific and industry liquidity needs. The majority of our excess funds is held with high-quality institutions, under highly-liquid reverse repurchase agreements, U.S. government obligations, interest earning cash deposits and AA-rated money market investments.

We do not intend to distribute earnings of our foreign subsidiaries in a taxable manner, and therefore intend to limit distributions to earnings previously taxed in the U.S., or earnings that would qualify for the 100 percent dividends received deduction, and earnings that would not result in any significant foreign taxes. We repatriated \$80.0 million and \$11.2 million for the nine months ended June 30, 2024 and 2023, respectively, of earnings previously taxed in the U.S., resulting in no significant incremental taxes. Therefore, the Company has not recognized a deferred tax liability on its investment in foreign subsidiaries.

Senior Secured Notes

On March 1, 2024, we issued \$550 million in aggregate principal amount of the Notes due 2031, which are fully and unconditionally guaranteed, jointly and severally, on a senior secured second lien basis, by certain subsidiaries of the Company that guarantee the Company's senior committed credit facility and certain of its domestic subsidiaries.

The Notes due 2031 will mature on March 1, 2031. Interest on the Notes accrues at a rate of 7.875% per annum and is payable semiannually in arrears on September 1 and March 1 of each year. We incurred debt issuance costs of \$7.6 million in connection with the issuance of the Notes due 2031, which are being amortized over the term of the notes.

In June 2020, we issued \$350 million in aggregate principal amount of the Notes due 2025 at the offering price of 98.5% of the aggregate principal amount. On June 17, 2024, we used part of the proceeds from our issuance of the Notes due 2031 to extinguish the Notes due 2025 when \$363.0 million that we had previously deposited into an irrevocable trust as part of an in-substance defeasance was remitted to the note holders to redeem the notes and pay interest due up to that date. Upon completion of the redemption of the Notes due 2025, we recognized a \$3.7 million loss on the extinguishment of debt related to the write-

off of unamortized original issue discount and deferred financing costs, which we have classified as a component of 'interest expense on corporate funding'.

Committed Credit Facilities

As of June 30, 2024, we had five committed bank credit facilities, totaling \$1,125.0 million, of which \$140.0 million was outstanding. Additional information regarding the committed bank credit facilities can be found in Note 9 of the Condensed Consolidated Financial Statements. The credit facilities include:

- A first-lien senior secured syndicated loan facility principally committed until April 21, 2026, under which \$500.0 million is available to us for general working capital requirements and capital expenditures.
- An unsecured line of credit committed until October 29, 2024, under which \$190.0 million is available to our wholly owned subsidiary, StoneX Financial Inc. to provide short-term funding of margin to commodity exchanges as necessary.
- A syndicated borrowing facility committed until July 29, 2025, under which \$325.0 million is available to our wholly owned subsidiary, StoneX Commodity Solutions LLC, to support commodity financing arrangements and commodity repurchase agreements.
- An unsecured syndicated loan facility committed until October 12, 2024, under which our subsidiary, StoneX Financial Ltd is entitled to borrow up to \$100.0 million, subject to certain terms and conditions of the credit agreement. This facility is intended to provide short-term funding of margin to commodity exchanges as necessary.
- An unsecured revolving credit facility committed until September 6, 2024, under which \$10.0 million is available to our wholly owned subsidiary, StoneX Financial Pte. Ltd. for general working capital requirements.

Our facility agreements contain certain financial covenants relating to financial measures on a consolidated basis, as well as on a stand-alone basis for certain subsidiaries, including minimum tangible net worth, minimum regulatory capital, minimum net unencumbered liquid assets, maximum net loss, minimum fixed charge coverage ratio and maximum funded debt to net worth ratio. Failure to comply with any such covenants could result in the debt becoming payable on demand. As of June 30, 2024, we and our subsidiaries were in compliance with all of our financial covenants under the outstanding facilities.

In accordance with required disclosure as part of our first-lien senior secured syndicated loan facility, during the trailing twelve months ended June 30, 2024, interest expense directly attributable to trading activities includes \$783.8 million in connection with trading activities conducted as an institutional dealer in fixed income securities, and \$57.0 million in connection with securities lending activities.

As reflected above, certain of our committed credit facilities are scheduled to expire during the next twelve months following the quarterly period ended June 30, 2024. We intend to renew or replace these facilities as they expire, and based on our liquidity position and capital structure, we believe we will be able to do so.

Uncommitted Credit Facilities

We have access to certain uncommitted financing agreements that support our ordinary course securities and commodities inventories. The agreements are subject to certain borrowing terms and conditions. As of June 30, 2024 and September 30, 2023, the Company had \$80.7 million and \$55.5 million total borrowings outstanding under these uncommitted credit facilities, respectively.

Other Capital Considerations

Our activities are subject to various significant governmental regulations and capital adequacy requirements, both in the U.S. and in the international jurisdictions in which we operate. Our subsidiaries are in compliance with all of their capital regulatory requirements as of June 30, 2024. Additional information on our subsidiaries subject to significant net capital and minimum net capital requirements can be found in Note 16 of the Condensed Consolidated Financial Statements.

Cash Flows

We include client cash and securities that meet the short-term requirement for cash classification to be segregated for regulatory purposes in our Condensed Consolidated Statements of Cash Flows. We hold a significant amount of U.S. Treasury obligations, which represent investments of client funds or client-owned investments pledged in lieu of cash margin. U.S. Treasury securities held with third-party banks or pledged with exchange-clearing organizations representing investments of client funds or which are held for particular clients in lieu of cash margin are included in the beginning and ending cash balances reconciled on our Condensed Consolidated Statements of Cash Flows to the extent that they have an original or acquired maturity of 90 days or less and, therefore, meet the definition of a segregated cash equivalent. Purchases and sales of U.S. Treasury securities representing investment of clients' funds and U.S. Treasury securities pledged or redeemed by particular clients in lieu of cash margin are presented as operating uses and sources of cash, respectively, within the operating section of the consolidated statements of cash flows if they have an original or acquired maturity of greater than 90 days. Typically, there is an offsetting use or source of cash related to the change in the payables to clients. However, we will report a use of cash in periods where segregated U.S. Treasury securities that meet the aforementioned definition of a segregated cash equivalent mature and are replaced with U.S. Treasury securities that have original or acquired maturities that are greater than 90 days.

Our cash, segregated cash, cash equivalents, and segregated cash equivalents increased by \$336.6 million from \$6,041.7 million as of September 30, 2023 to \$6,378.3 million as of June 30, 2024. During the nine months ended June 30, 2024, net cash of \$314.3 million was provided by operating activities, \$45.0 million was used in investing activities and net cash of \$74.2 million was provided by financing activities.

Net cash provided by financing activities during the nine months ended June 30, 2024 included significant inflows related to the Notes due 2031, which resulted in a net inflow of \$542.4 million. The most significant outflow in the period related to the extinguishment of the Notes due 2025, which resulted in an outflow of \$347.9 million. Additionally, we had outflows from payables to lenders under 90 days of \$113.2 million as well as deferred payments on acquisitions of \$9.6 million.

In the broker-dealer and related trading industries, companies report trading activities in the operating section of the statement of cash flows. Due to the daily price volatility in the commodities market, as well as changes in margin requirements, fluctuations in the balances of deposits held at various exchanges, marketable securities and client commodity accounts may occur from day-to-day. A use of cash, as calculated on the consolidated statement of cash flows, includes unrestricted cash transferred and pledged to the exchanges or guaranty funds. These funds are held in interest-bearing deposit accounts at the exchanges, and based on daily exchange requirements, may be withdrawn and returned to unrestricted cash. Additionally, within our unregulated OTC and foreign exchange operations, cash deposits received from clients are reflected as cash provided from operations. Subsequent transfer of these cash deposits to counterparties or exchanges to margin their open positions will be reflected as an operating use of cash to the extent the transfer occurs in a different period than the cash deposit was received.

Unrealized gains and losses on open positions revalued at prevailing foreign currency exchange rates are included in trading revenue but have no direct impact on cash flow from operations. Similarly, gains and losses become realized when client transactions are liquidated, though they do not affect cash flow. To some extent, the amount of net deposits made by our clients in any given period is influenced by the impact of gains and losses on our client balances, such that clients may be required to post additional funds to maintain open positions or may choose to withdraw excess funds on open positions.

We continuously evaluate opportunities to expand our business. Investing activities included \$48.5 million in capital expenditures for property and equipment during the nine months ended June 30, 2024 compared to \$32.8 million during the prior year. Additionally, we expended \$0.7 million of net cash on the Company's acquisitions.

Fluctuations in exchange rates decreased our cash, segregated cash, cash equivalents and segregated cash equivalents by \$6.9 million.

Apart from what has been disclosed above, there are no known trends, events or uncertainties that have had or are likely to have a material impact on our liquidity, financial condition and capital resources. Based upon our current operations, we believe that cash flows from operations, available cash and available borrowings under our credit facilities will be adequate to meet our future liquidity needs for the following year.

Commitments and Contingencies

Information about our commitments and contingent liabilities is contained in Note 11 of the Condensed Consolidated Financial Statements.

Off Balance Sheet Arrangements

We are party to certain financial instruments with off-balance sheet risk in the normal course of business as a registered securities broker-dealer, futures commission merchant, U.K. based financial services firm, provisionally registered swap dealer and from our market-making and proprietary trading in the foreign exchange and commodities and debt securities markets. These financial instruments include futures, forward and foreign exchange contracts, exchange-traded and OTC options, To Be Announced ("TBA") securities and interest rate swaps. Derivative financial instruments involve varying degrees of off-balance sheet market risk whereby changes in the fair values of underlying financial instruments may result in changes in the fair value of the financial instruments in excess of the amounts reflected in the Condensed Consolidated Balance Sheets. Exposure to market risk is influenced by a number of factors, including the relationships between the financial instruments and our positions, as well as the volatility and liquidity in the markets in which the financial instruments are traded. The principal risk components of financial instruments include, among other things, interest rate volatility, the duration of the underlying instruments and changes in commodity pricing and foreign exchange rates. We attempt to manage our exposure to market risk through various techniques. Aggregate market limits have been established and market risk measures are routinely monitored against these limits. Derivative contracts are traded along with cash transactions because of the integrated nature of the markets for such products. We manage the risks associated with derivatives on an aggregate basis along with the risks associated with our proprietary trading and market-making activities in cash instruments as part of our firm-wide risk management policies.

A significant portion of these instruments are primarily the execution of orders for commodity futures and options on futures contracts on behalf of our clients, substantially all of which are transacted on a margin basis. Such transactions may expose us to significant credit risk in the event margin requirements are not sufficient to fully cover losses which clients may incur. We control the risks associated with these transactions by requiring clients to maintain margin deposits in compliance with both clearing organization requirements and internal guidelines. We monitor required margin levels daily and, therefore, may require clients to deposit additional collateral or reduce positions when necessary. We also establish contract limits for clients, which are monitored daily. We evaluate each client's creditworthiness on a case-by-case basis. Clearing, financing, and settlement activities may require us to maintain funds with or pledge securities as collateral with other financial institutions. Generally, these exposures to exchanges are subject to netting of open positions and collateral, while exposures to clients are subject to netting, per the terms of the client agreements, which reduce the exposure to us by permitting receivables and payables with such clients to be offset in the event of a client default. Management believes that the margin deposits held as of June 30, 2024 are adequate to minimize the risk of material loss that could be created by positions held at that time. Additionally, we monitor collateral fair value on a daily basis and adjust collateral levels in the event of excess market exposure. Generally, these exposures to both counterparties and clients are subject to master netting agreements and the terms of the client agreements, which reduce our exposure.

As a broker-dealer in U.S. Treasury obligations, U.S. government agency obligations, agency mortgage-backed obligations, and asset-backed obligations, we are engaged in various securities trading, borrowing and lending activities serving solely institutional counterparties. Our exposure to credit risk associated with the nonperformance of counterparties in fulfilling their contractual obligations pursuant to these securities transactions and market risk associated with the sale of securities not yet purchased can be directly impacted by volatile trading markets which may impair their ability to satisfy outstanding obligations to us. In the event of non-performance and unfavorable market price movements, we may be required to purchase or sell financial instruments, which may result in a loss to us.

We transact OTC and foreign exchange contracts with our clients, and our OTC and foreign exchange trade desks will generally offset the client's transaction simultaneously with one of our trading counterparties or will offset that transaction with a similar, but not identical, position on the exchange. These unmatched transactions are intended to be short-term in nature and are conducted to facilitate the most effective transaction for our client.

Additionally, we hold options and futures on options contracts resulting from market-making and proprietary trading activities in these product lines. We assist clients in our commodities trading business to protect the value of their future production (precious or base metals) by selling them put options on an OTC basis. We also provide our physical commodities trading business clients with sophisticated option products, including combinations of buying and selling puts and calls. We mitigate our risk by effecting offsetting options with market counterparties or through the purchase or sale of exchange-traded commodities futures. The risk mitigation of offsetting options is not within the documented hedging designation requirements of the Derivatives and Hedging Topic of the ASC.

As part of the activities discussed above, we carry short positions. We sell financial instruments that we do not own, borrow the financial instruments to make good delivery, and therefore are obliged to purchase such financial instruments at a future date in order to return the borrowed financial instruments. We record these obligations in the condensed consolidated financial statements as of June 30, 2024 and September 30, 2023, at fair value of the related financial instruments, totaling \$3,569.8 million and \$3,085.6 million, respectively. These positions are held to offset the risks related to financial assets owned, and reported in our Condensed Consolidated Balance Sheets in *Financial instruments owned, at fair value* and *Physical commodities inventory, net*. We will incur losses if the fair value of the financial instruments sold, not yet purchased, increases

subsequent to June 30, 2024, which might be partially or wholly offset by gains in the value of assets held as of June 30, 2024. The totals of \$3,569.8 million and \$3,085.6 million include a net liability of \$327.6 million and \$288.3 million for derivative contracts, including those designated as hedges, based on their fair value as of June 30, 2024 and September 30, 2023, respectively.

We do not anticipate non-performance by counterparties in the above situations. We have a policy of reviewing the credit standing of each counterparty with which we conduct business. We have credit guidelines that limit our current and potential credit exposure to any one counterparty. We administer limits, monitor credit exposure, and periodically review the financial soundness of counterparties. We manage the credit exposure relating to our trading activities in various ways, including entering into collateral arrangements and limiting the duration of exposure. Risk is mitigated in certain cases by closing out transactions and entering into risk reducing transactions.

We are a member of various exchanges that trade and clear futures and option contracts. We are also a member of and provide guaranties to securities clearinghouses and exchanges in connection with client trading activities. Associated with our memberships, we may be required to pay a proportionate share of the financial obligations of another member who may default on its obligations to the exchanges. While the rules governing different exchange memberships vary, in general our guaranty obligations would arise only if the exchange had previously exhausted its resources. In addition, any such guaranty obligation would be apportioned among the other non-defaulting members of the exchange. Our liability under these arrangements is not quantifiable and could exceed the cash and securities we have posted as collateral at the exchanges. However, management believes that the potential for us to be required to make payments under these arrangements is remote. Accordingly, no contingent liability for these arrangements has been recorded in the Condensed Consolidated Balance Sheets as of June 30, 2024 and September 30, 2023.

Effects of Inflation

Increases in our expenses, such as compensation and benefits, transaction-based clearing expenses, as well as occupancy and equipment rental, may result from inflation and may not be readily recoverable from increasing the prices of our services. While rising interest rates are generally favorable for us, to the extent that inflation has other adverse effects on the financial markets and on the value of the financial instruments held in inventory, it may adversely affect our financial position and results of operations.

Critical Accounting Policies

See our critical accounting policies discussed in the Management's Discussion and Analysis of the most recent Annual Report filed on Form 10-K. There have been no material changes to these policies.

Other Accounting Policies

Note 1 to the Consolidated Financial Statements included within the most recent Annual Report filed on Form 10-K includes our significant accounting policies. There have been no material changes to these policies.

Accounting Development Updates

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"), which will require the Company to disclose specified additional information in its income tax rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. ASU 2023-09 will also require the Company to disaggregate its income taxes paid disclosure by federal, state and foreign taxes, with further disaggregation required for significant individual jurisdictions. ASU 2023-09 is effective for the Company's fiscal year ending September 30, 2026. Early adoption is permitted. The guidance allows for adoption using either a prospective or retrospective transition method. We are currently evaluating the impact that adopting this guidance will have on our disclosures.

In November 2023, the FASB issued ASU No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures ("ASU 2023-07"), which will require the Company to disclose segment expenses that are significant and regularly provided to the Company's chief operating decision maker ("CODM"). In addition, ASU 2023-07 will require the Company to disclose the title and position of its CODM and how the CODM uses segment profit or loss information in assessing segment performance and deciding how to allocate resources. ASU 2023-09 is effective for the Company's fiscal year ending September 30, 2026. Early adoption is permitted. The guidance should be applied retrospectively unless impracticable. We are currently evaluating the impact that adopting this guidance will have on our disclosures.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Credit Risk

See also Note 4 to the condensed consolidated financial statements, "Financial Instruments with Off-Balance Sheet Risk and Concentrations of Credit Risk".

Market Risk

We conduct our market-making and trading activities predominantly as a principal, which subjects our capital to significant risks. These risks include, but are not limited to, absolute and relative price movements, price volatility and changes in liquidity, over which we have virtually no control. Our exposure to market risk varies in accordance with the volume of client-driven market-making transactions, the size of the proprietary positions and the volatility of the financial instruments traded.

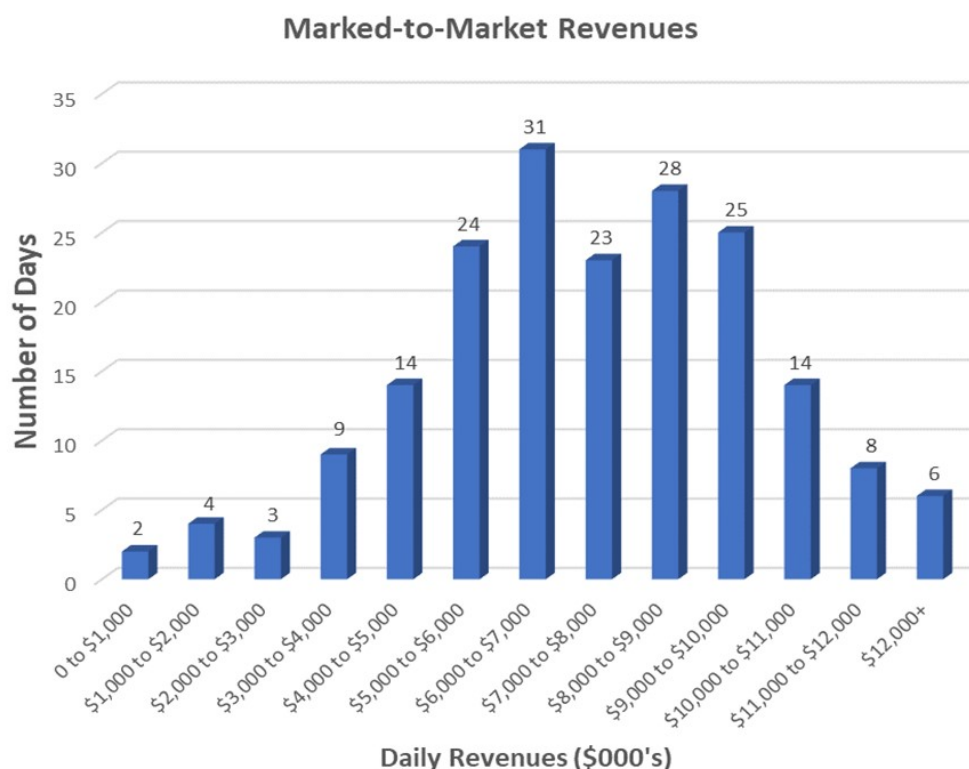
We seek to mitigate exposure to market risk by utilizing a variety of qualitative and quantitative techniques:

- Diversification of business activities and instruments;
- Limitations on positions;
- Allocation of capital and limits based on estimated weighted risks; and
- Daily monitoring of positions and mark-to-market profitability.

We utilize derivative products in a trading capacity as a dealer to satisfy client needs and mitigate risk. We manage risks from both derivatives and non-derivative cash instruments on a consolidated basis. The risks of derivatives should not be viewed in isolation, but in aggregate with our other trading activities.

We are exposed to market risk in connection with our retail trading activities. Because we act as counterparty to our retail clients' transactions, we are exposed to risk on each trade that the value of our position will decline. Accordingly, accurate and efficient management of our net exposure is a high priority, and we have developed policies addressing both our automated and manual procedures to manage our exposure. These risk-management policies and procedures are established and reviewed regularly by the Risk Committee of our Board of Directors. Our risk-management policies require quantitative analyses by instrument, as well as assessment of a range of market inputs, including trade size, dealing rate, client margin and market liquidity. Our risk-management procedures require our team of senior traders to monitor risk exposure on a continuous basis and update senior management both informally over the course of the trading day and formally through intraday and end of day reporting. A key component of our approach to managing market risk is that we do not initiate market positions for our own account in anticipation of future movements in the relative prices of products we offer.

Management believes that the volatility of revenues is a key indicator of the effectiveness of our risk management techniques. The graph below summarizes volatility of our daily revenue, determined on a marked-to-market basis, during the nine months ended June 30, 2024.



In our Securities market-making and trading activities, we maintain inventories of equity and debt securities. In our Commercial segment, our positions include physical commodities inventories, precious metals on lease, forwards, futures and options on futures, and OTC derivatives. Our commodity trading activities are managed as one consolidated book for each commodity encompassing both cash positions and derivative instruments. We monitor the aggregate position for each commodity in equivalent physical ounces, metric tons, or other relevant unit.

Interest Rate Risk

In the ordinary course of our operations, we have interest rate risk from the possibility that changes in interest rates will affect the values of financial instruments and impact interest income earned. Within our domestic institutional dealer in fixed income securities business, we maintain a significant amount of trading assets and liabilities which are sensitive to changes in interest rates. These trading activities primarily consist of securities trading in connection with U.S. Treasury, U.S. government agency, agency mortgage-backed and agency asset-backed obligations, as well as investment grade, high-yield, convertible and emerging markets debt securities. Derivative instruments, which consist of futures, TBA securities and forward settling transactions, are used to manage risk exposures in the trading inventory. We enter into TBA securities transactions for the sole purpose of managing risk associated with mortgage-backed securities.

In addition, we generate interest income from the positive spread earned on client deposits. We typically invest in U.S. Treasury bills, notes, and obligations issued by government sponsored entities, reverse repurchase agreements involving U.S. Treasury bills and government obligations or AA-rated money market funds. In some instances, we maintain interest earning cash deposits with banks, clearing organizations and counterparties. We have an investment policy which establishes acceptable standards of credit quality and limits the amount of funds that can be invested within a particular fund, institution, clearing organization or counterparty. We estimate that as of June 30, 2024, an immediate 25 basis point decrease in short-term interest rates would result in approximately \$5.2 million less in annual net income.

We manage interest expense using a combination of variable and fixed rate debt. The debt instruments are carried at their unpaid principal balance which approximates fair value. As of June 30, 2024, \$227.8 million of outstanding principal debt was variable-rate debt. We are subject to earnings and liquidity risks for changes in the interest rate on this debt. As of June 30, 2024, \$550.0 million of outstanding principal debt was fixed-rate long-term debt.

Foreign Currency Risk

Currency risk arises from the possibility that fluctuations in foreign exchange rates will impact the value of our earnings and assets. Entities that have assets and liabilities denominated in currencies other than the primary economic environment in which the entity operates are subject to remeasurement. Virtually all sales and related operating costs are denominated in the currency of the local country and translated into USD for consolidated reporting purposes. Although the majority of the assets and liabilities of these subsidiaries are denominated in the functional currency of the subsidiary, they may also hold assets or liabilities denominated in other currencies. As a result, our results of operations and financial position are exposed to changing currency rates. We may consider entering into hedging transactions to mitigate our exposure to foreign currency exchange rates. These hedging transactions may not be successful.

Item 4. Controls and Procedures

In connection with the filing of this Form 10-Q, our management, including the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of June 30, 2024. Our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective to provide reasonable assurance that their objectives were met as of June 30, 2024.

There are limitations inherent in any internal control, such as the possibility of human error and the circumvention or overriding of controls. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met, and may not prevent or detect misstatements. As conditions change over time, so too may the effectiveness of internal controls. As a result, there can be no assurance that a control system will succeed in preventing all possible instances of error and fraud. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives, and the conclusions our Chief Executive Officer and Chief Financial Officer are made at the "reasonable assurance" level.

There were no changes in our internal controls over financial reporting during the quarter ended June 30, 2024 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

Item 1. Legal Proceedings

For information regarding certain legal proceedings to which we are currently a party, see Note 11, "Commitments and Contingencies" in the notes to our Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

In addition to the other information set forth in this report, information regarding risks affecting us appears in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended September 30, 2023. These are not the only risks we face. Additional risks and uncertainties not currently known to us or that management currently considers to be non-material may in the future adversely affect our business, financial condition and operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On August 30, 2023, our Board of Directors authorized the repurchase of up to 1.5 million shares of our outstanding common stock from time to time in open market purchases and private transactions, commencing on October 1, 2023 and ending on September 30, 2024. The repurchases are subject to the discretion of the senior management team to implement our stock repurchase program, and subject to market conditions and as permitted by securities laws and other legal, regulatory and contractual requirements and covenants. Our common stock repurchase program activity for the three months ended June 30, 2024 was as follows:

Period	Total Number of Shares	Average Price	Total Number of Shares	Maximum Number of Shares
	Purchased ⁽¹⁾	Paid per Share	Purchased as Part of Publicly Announced Program	Remaining to be Purchased Under the Program
April 1, 2024 to April 30, 2024	10,837	\$ 71.56	—	1,500,000
May 1, 2024 to May 31, 2024	94	72.60	—	1,500,000
June 1, 2024 to June 30, 2024	4,165	71.02	—	1,500,000
Total	15,096	\$ 71.42	—	

⁽¹⁾ The 2022 Omnibus Incentive Compensation Plan allows for “withhold to cover” as a tax payment method for vesting of restricted stock awards. Pursuant to the “withhold to cover” method, we withheld from certain employees shares noted in the table above to cover tax withholding related to the vesting of their awards.

Item 5. Other Information

During the three months ended June 30, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K, except as described below.

Name and Title	Type of Plan	Adoption Date	Duration or End Date	Aggregate Number of Securities to be Sold	Description of Trading Arrangement
Diego Rotsztain - Chief Governance and Legal Officer	Rule 10b5-1 trading arrangement		6/6/2024 (1)	5,677	Sales of shares

⁽¹⁾ On June 6, 2024, Mr. Rotsztain terminated a trading arrangement previously adopted on December 31, 2023 and scheduled to end on December 31, 2024.

Item 6. Exhibits

31.1 [Certification of Chief Executive Officer, pursuant to Rule 13a—14\(a\)*](#)

31.2 [Certification of Chief Financial Officer, pursuant to Rule 13a—14\(a\)*](#)

32.1 [Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**](#)

32.2 [Certification of Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**](#)

101.INS Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)

101.SCH Inline XBRL Taxonomy Extension Schema Document

101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document

101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document

101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document

104 Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Filed as part of this report.

** Furnished as part of this report.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

StoneX Group Inc.

Date: August 6, 2024

/s/ Sean M. O'Connor

Sean M. O'Connor

Chief Executive Officer

Date: August 6, 2024

/s/ William J. Dunaway

William J. Dunaway

Chief Financial Officer

SECTION 302 CERTIFICATION

I, Sean M. O'Connor, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of StoneX Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d - 15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

/s/ SEAN M. O'CONNOR

Sean M. O'Connor

Chief Executive Officer

SECTION 302 CERTIFICATION

I, William J. Dunaway certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of StoneX Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2024

/s/ WILLIAM J. DUNAWAY

William J. Dunaway

Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of StoneX Group Inc. (the Company) on Form 10-Q for the period ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Sean M. O'Connor, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 6, 2024

/s/ SEAN M. O'CONNOR

Sean M. O'Connor

Chief Executive Officer

A signed original of this written statement required by Section 906 or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to StoneX Group Inc. and will be retained by StoneX Group Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of StoneX Group Inc. (the Company) on Form 10-Q for the period ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, William J. Dunaway, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 6, 2024

/s/ WILLIAM J. DUNAWAY

William J. Dunaway

Chief Financial Officer

A signed original of this written statement required by Section 906 or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to StoneX Group Inc. and will be retained by StoneX Group Inc. and furnished to the Securities and Exchange Commission or its staff upon request.