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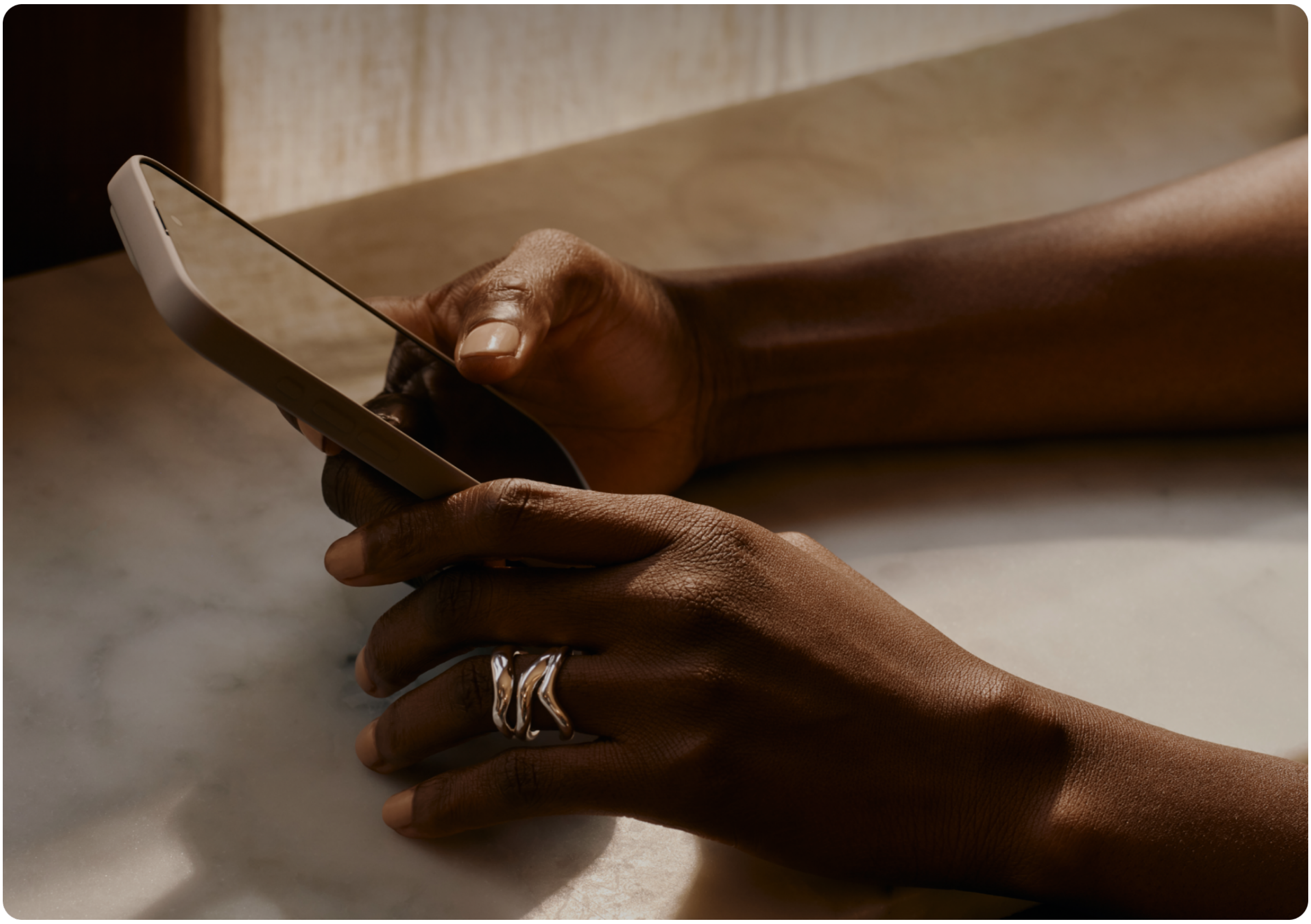
Revolut Securities Europe UAB 2024 Management Report

And Financial Statements for the year ended 31 December 2024



Revolut Securities Europe UAB | Registered number: 305799582

Contents

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Revolut Securities Europe, UAB:

Opinion

We have audited the financial statements of Revolut Securities Europe, UAB (hereafter – „the Company"), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Handbook of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the requirements of the Law on Audit of the Financial Statements and Other Assurance Services of the Republic of Lithuania that are relevant to audit in the Republic of Lithuania, and we have fulfilled our other ethical responsibilities in accordance with the Law on Audit of Financial Statements and Other Assurance Services of the Republic of Lithuania and the IESBA Code.

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

Emphasis of Matter – retrospective adjustment

We would like to draw attention to Note 2.1 to these financial statements, which states that previously reported balances were restated due to recalculated service fee for 2023 from the Group. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Each audit matter and our respective response are described below.

Key audit matter	**Our response to the audit matter**
Recognition of fee and commission income (see notes 4.2 and 7 to the financial statements)	
The Company's main activity is providing brokerage services in capital markets and providing access to money market funds to its customers. The Company's fee and commission income for the year 2024 amounted to EUR 41,755 million.	Among others, we have performed the following audit procedures: • We gained understanding of the Company's revenue recognition process and assessed whether the Company's accounting policy for recognising fee and commission income meets the requirements of the International Financial Reporting Standards as adopted by the European Union.

The Company has a revenue recognition process that has a significant automation component, where relevant fees are charged directly from the customer account according to the contractual commissions, subscription and other fees rates. Fees and commission income are the key indicators of the Company's financial performance, and their accurate and complete recognition highly depends on the reliability of the automated IT systems. Both the significance of revenue to the Company's financial results, as well as the complexity of the IT systems used to recognize them, lead to the conclusion of revenue being a key audit matter.	• We have identified the relevant IT systems that are involved in transaction processing and revenue recognition, and have tested their respective controls have been designed and implemented properly and are operating effectively. • We have reviewed ETL scripts that are used to extract, transform and load customer data into an aggregate output and verified that these scripts ensure an accurate transfer of data. • We have selected a sample of revenue records and compared them with the details in the Company's system, where these transactions are recorded and with third-party systems, on which these transactions were initiated. • We have checked whether the commission charged for relevant transactions corresponds to the rates applied by the Company and was calculated correctly. • We have tested whether subscription revenues were deferred correctly over the period of the subscription. • We have evaluated the sufficiency and appropriateness of disclosures related to revenue recognition in the financial statements of the Company.

Other Information

The other information comprises the information included in the Company's management report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon, except as specified below.

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

In addition, our responsibility is to consider whether information included in the Company's management report for the financial year for which the financial statements are prepared is consistent with the financial statements and whether management report has been prepared in compliance with applicable legal requirements. Based on the work carried out in the course of audit of the financial statements, in our opinion, in all material respects:

- The financial information presented in the Company's management report is consistent with the financial statements; and
- The Company's management report has been prepared in accordance with the requirements of the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Under the decision of the general Shareholders meeting on 30 June 2023 we were elected for the first time to audit the Company's financial statements. The total uninterrupted term of appointment is 2 years.

We confirm that our audit opinion expressed in the Opinion section of our report is consistent with the audit report for the financial statements presented to the Company and its Management Board.

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

In the course of audit, in addition to the audit of financial statements, we have provided the financial statements translation service.

The audit engagement partner on the audit resulting in this independent auditor's report is Romanas Skrebnevskis.

Auditor Romanas Skrebnevskis
Auditor's Certificate No. 000471

ROSK Consulting UAB
Company's audit certificate No. 001514

Vilnius, Lithuania
27 March 2025

The auditor's electronic signature is used herein to sign only the Independent Auditor's Report.

Management Report

1. Reporting Period Covered by This Report

This management report is prepared for the period of 1 January 2024 to 31 December 2024 and it covers information relating to Revolut Securities Europe UAB (referred to as "the Company").

2. Overview of the Company's Status and Development

The Company was incorporated in Vilnius, Lithuania on 15 June 2021. It's authorised and regulated by the Bank of Lithuania as a financial brokerage company having a category B licence received on 22 November 2021 and currently the Company is able to provide following services:

Investment services:

- Reception and transmission of orders;
- Execution of orders of behalf of clients;
- Management of financial instruments portfolio;
- Provision of investment recommendations;

Ancillary services:

- Safekeeping, accounting and management of financial instruments for the account of clients, including custodianship and other related services such as cash/collateral management and excluding maintaining securities accounts at the top tier level;
- Foreign exchange services where these are related to the provision of investment services;
- Investment research and financial analysis or other forms of general recommendations relating to transactions in financial instruments.

Revolut Securities Europe UAB kicked off 2024 with exciting news for all EEA users: the custody fee was completely eliminated, and from February onward, stock safekeeping became entirely free of charge for all customers.

In February 2024, the Company introduced a new portfolio management service, Robo-Advisor, designed to provide customers with an accessible, automated investment solution. The service initially launched with five diversified strategies built around Exchange Traded Funds (ETFs) and included a complimentary portfolio rebalancing feature. To ensure accessibility, the minimum investment threshold was set at €100, which was subsequently reduced to €10 later in the year, further broadening participation.

As part of our commitment to sustainability and innovation, Revolut Securities Europe UAB enhanced the Robo-Advisor offering during the year by adding Environmental, Social, and Governance (ESG) portfolios, enabling customers to align their investments with their values. Additionally, Revolut Securities Europe UAB introduced the spare change feature, which allowed users to seamlessly invest small amounts by rounding up their everyday purchases to the nearest euro. These incremental amounts are automatically allocated to their Robo-Advisor portfolios, promoting consistent investment habits even with minimal funds.

In Q2, 2024, the Company expanded its product offering by introducing bonds to its platform, providing users with access to a curated selection of 40 bonds, encompassing both corporate and government bonds. This addition aimed to diversify investment options and offer users exposure to a critical asset class that complements equities and other instruments. The list of bonds was expanded to 70 by the end of year.

Bonds are fixed-income securities that represent a loan made by an investor to a borrower, typically a corporation or government. When investors purchase a bond, they are effectively lending money to the issuer in exchange for periodic interest payments (known as the coupon) and the return of the bond's face value (principal) at maturity. Bonds are widely recognized for their potential to provide stable income, portfolio diversification, and lower risk compared to equities.

At launch, the minimum investment amount for bonds was set at €/$100, making them accessible to a broad range of investors. By the end of the year, this threshold was further reduced to just €/$1, significantly enhancing accessibility and enabling even more users to participate in the bond market, regardless of their investment size.

In June, the Company launched an innovative feature called "Global Markets", designed to provide users with comprehensive insights into financial markets and economic trends across the world. The product enabled users to track and analyze major stock market indexes such as the S&P 500, NASDAQ, and DOW JONES in the US; DAX in Germany; CAC40 in France; FTSE 100 in the UK; ASX 200 in Australia; HK33 in Hong Kong; and NIKKEI 225 in Japan. It also included coverage of key commodities like Crude Oil (Brent), Natural Gas, and Gold, as well as foreign exchange pairs such as EUR/USD, GBP/USD, and EUR/GBP.

In addition to tracking these indexes, Global Markets provided users with tools to understand how these indexes are structured, offering insights into the industries and sectors that drive their performance. The feature also integrated key macroeconomic indicators, such as GDP, inflation, and interest rates, across major economies, including the US, Eurozone, Germany, France, UK, China, Japan, and Australia. This empowers users to connect macroeconomic trends with market movements, fostering a deeper understanding of global financial dynamics.

In July, Revolut Securities Europe UAB expanded its product portfolio by introducing three Low Volatility Money Market Funds tailored for a new customer segment—business customers. These funds, denominated in euros, pounds, and dollars, were launched across multiple EEA countries, offering businesses a secure and stable investment option designed to preserve capital while delivering liquidity and competitive returns.

In October, Revolut Securities Europe UAB launched a standalone trading app in the Czech Republic, Greece, and Denmark. With the introduction of described products and features, the trading platform had grown significantly, making it difficult to provide an optimized trading experience within the existing Retail app. By developing a dedicated trading app, Revolut Securities Europe UAB was able to overcome these challenges, offering advanced users a streamlined environment for fast and efficient trading, while allowing the Retail app to maintain its focus on broader financial services.

Revolut Securities Europe UAB has introduced a new Contract for Difference (CFD) product, specifically designed to cater to the needs of more experienced and active traders. With this launch, the company provides users access to a wide range of global assets, including stocks, indices, commodities, and crypto, enabling them to trade on price movements without owning the underlying asset. This flexibility allows traders to take advantage of both rising and falling markets, making CFDs a powerful tool for those with a deeper understanding of market dynamics. The CFD product offers features tailored to experienced users, including leverage options, which amplify potential returns while carrying higher risk.

In November 2024, Revolut Securities Europe UAB has expanded its operations by launching trading activities in Switzerland, offering users in the region access to a broad range of financial instruments, including stocks, ETFs, and Robo-Advisor. This move aims to tap into Switzerland's established financial market, known for its robust regulatory environment and sophisticated investor base.

In December 2024, Revolut Securities Europe UAB launched ETF investment plans, offering users the ability to set up recurring purchases of selected ETFs. This feature is available free of charge to all Revolut Securities Europe UAB users, regardless of their chosen retail subscription plan.

Throughout the year, the number of financial instruments available to Revolut Securities Europe UAB retail customers grew significantly, expanding from 3,000 to nearly 10,000.

As at 31 December 2024 and 2023 Revolut Securities Europe UAB did not hold its own shares. No treasury shares were acquired or transferred during the reporting period.

As at 31 December 2024 and 2023 Revolut Securities Europe UAB doesn't operate branches or representative offices.

3. Strategy and Plans

Revolut Group's (referred to as "the Group") ambition is to build the world's first truly global financial super-app. This is best captured by the Group's vision, mission and purpose statements:

- **Vision:** Reinvent how the world does money;
- **Mission**: Relentlessly making all things money 10x easier, more rewarding and useful for everyone, everyday;
- **Purpose:** Empower users towards financial freedom.

As part of the Revolut Group, the Company shares this ambition and wants to build an all-in-one global investment platform that is multi-asset class, has coverage across global markets and caters both beginner and advanced users. Trading products are being used by active traders and passive as well, therefore the Company develops a diversified range of different asset classes which would fit different types of investor needs. The Company aims to enhance its offerings in 2025 by introducing several new products, refining app features to elevate user experience, and expanding its services to cater to the needs of business customers.

4. Organisational Structure

The Company's organisational structure embodies the specifics of its business model, wherein the provision of trading services is supported by cutting-edge technologies and certain services, with support functions being partially or entirely outsourced to the Revolut Group and external third parties.

The Company's governance structure comprises the Management Board, which established the Executive Risk Committee (ERC) to assist in its work, and the chief executive officer (CEO).

Following Articles of Association of the Company, the Management Board shall consist of three members elected by the General Meeting. However, throughout 2024, the composition of the Management Board underwent changes. Until 20 June 2024, the Management Board comprised of three members, including the Chief Executive Officer (CEO) and representatives from the compliance and operations functions. Following the resignation of a member representing the operation function, the Management Board consisted of two members as of 31 December 2024: the CEO and the compliance representative. The Company is currently in the process of appointing a new member to the Management Board. The Management Board is chaired by the CEO of the Company.

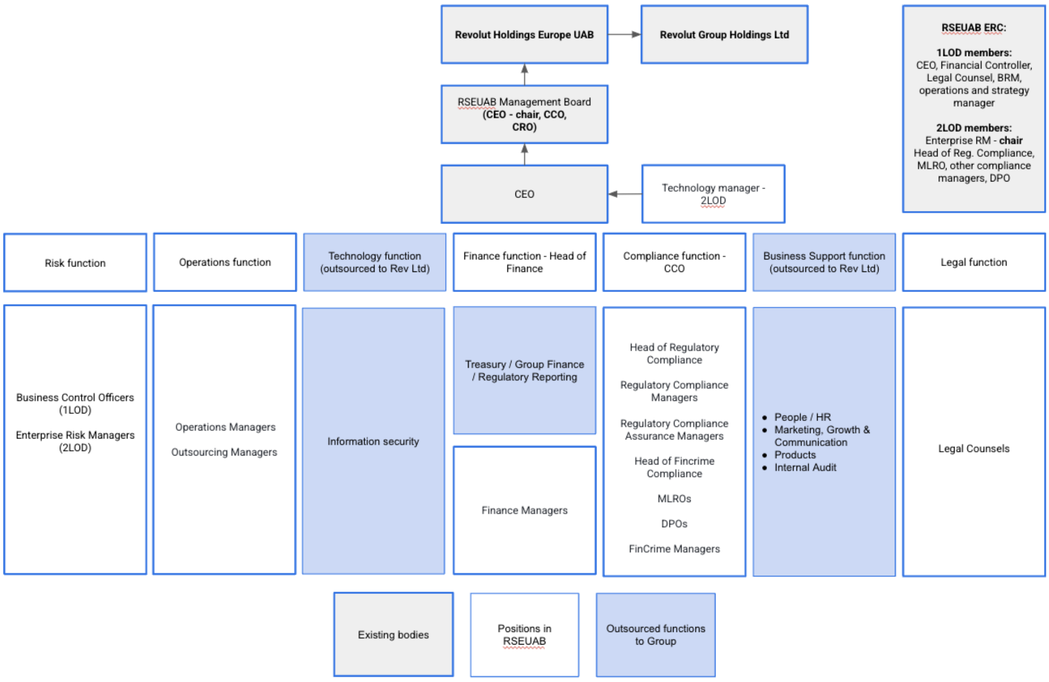
The Management Board monitors and periodically assesses the effectiveness of the Company's governance arrangements and takes appropriate steps to address any deficiencies. As part of this function, the Management Board assesses and periodically reviews the effectiveness of the policies, arrangements and procedures as adopted by the Company. The Management Board shall also analyse and approve the Company's business strategy, analyse and evaluate information on implementation of the Companies business strategy and submit it to the ordinary General Meeting. Detailed lists of Management Board competences are prescribed in the Company's Articles of Association and the Management Board's Terms of Reference.

The Management Board has established an Executive Risk Committee (ERC) for controlling and monitoring the risk profile and determining if actions are within the risk appetite of the Company, as set out by the Management Board. The Executive Risk Committee is chaired by the Enterprise Risk Manager.

The ERC monitors exceptions to risk policies, risk and control issues, tracks their timely remediation, and approves new or material changes to products and services. Detailed list of ERC competencies is prescribed in Revolut Securities Europe UAB ERC Terms of Reference.

The CEO is a single-person management (executive) body. In addition to the responsibilities related with chairing and being member of the Management Board and leading daily management of the Company, the CEO heads the administration of the Company and manages day-to-day commercial operations with responsibilities of:

- Administration of the office and infrastructure;
- Day-to-day staff supervision;
- Routine communication with the regulatory authorities;
- Developing and implementing business strategies and plans;
- Setting and achieving financial and operational goals;
- Building and maintaining strong relationships with internal and external stakeholders;
- Overseeing the development and management of the Company's product offering;
- Representing the Company in public and serving as its official spokesperson;
- Providing leadership and direction to the team.



5. Risk Management and Internal Control

The Company recognises that every employee within the organisation has responsibility for the effectiveness of the risk management and internal control framework.

The Company uses the “three lines of defence” operating model for risk management. The three lines of defence model enhances the understanding of risk management and control by clarifying the different roles and duties expected from each employee.

The three lines of defence model distinguishes among three groups (or lines) involved in effective risk management:

- Functions that take risks and manage them (The First Line of defence);
- Functions that are responsible for the control of the risk management (The Second Line of Defence;
- Functions that perform independent assessment of the efficiency of risk management processes and internal control framework (The Third Line of Defence).

The First Line of Defence (“1LoD”) comprises all the risk-taking functions of the Company. The functions comprising the first line of defence such as Products, Credits, Operations, Treasury, Finance, Legal or Outsourcing are considered to be Risk Owners.

As the 1LoD, Risk Owners have ownership, responsibility and accountability for directly assessing, controlling and mitigating risks. Revolut’s risk platform (Back Office) ensures clear ownership of risk and controls are allocated to the right 1LoD people.

The 1LoD also includes a Business Risk Manager fully dedicated to the entity's first line activities, reporting to the senior management of the Company.

The Second Line of Defence (“2LoD”) describes the risk monitoring and oversight functions of the Company, defined as the Risk Management Function, the Compliance Function and the Financial Crime Compliance Function. These teams are governed and assessed by the Board and the Executive Risk Committee ("ERC").

The Risk Management Function is responsible for enforcing the Company’s Enterprise Risk Management Framework, which consists of:

- Establishing the risk policies and procedures, maintaining risk systems and ensuring controls are appropriate;
- Defining the risk governance framework that reviews the risks and approving risk taking activities to ensure the Company operates within desired risk appetite;
- Ensuring the oversight and control of the 1LoD through on-going risk identification and management, as well as monitoring of the risk profile against risk appetite;
- Providing regular forward-looking risk analysis of the risks on the horizon to the Company’s Senior Management and the Board.

The Compliance Function is responsible for the conduct risks excluding fraud, anti-money laundering, counter terrorist financing and sanctions controls (but including, for the avoidance of doubts, modern slavery, anti-bribery and corruption) and bears responsibility for implementing the conduct risk framework.

Anti-Corruption and Bribery

The Company maintains a zero-tolerance policy towards corruption and bribery in all its forms. This includes strict adherence to all applicable laws and regulations regarding anti-corruption and bribery, both domestically and internationally.

Bribery of Foreign Officials

The Company acknowledges the particular risks associated with bribery of foreign officials in international business transactions. The Company is committed to complying with all relevant laws to ensure that the business activities are conducted in a fair and ethical manner.

The Financial Crime Compliance Function is responsible for fraud, anti-money laundering, counter terrorist financing and sanctions controls.

The Board and ERC review the management of risk in relation to the particular risk appetite, as determined by the Board. The Board also monitors the effectiveness and independence of the 2LoD functions to ensure they are independent of the 1LoD and adequately resourced in terms of qualifications, knowledge and experience.

Information contained within the risk register is used by 2LoD functions to assess the effectiveness of management controls and to ensure accuracy, completeness and compliance with policies and regulatory obligations. Based on this underlying risk data, the 2LoD provides independent reporting and Management Information to the Board and ERC via risk governance structures.

The 2LoD Functions also provide training and guidance to 1LoD to help risk owners to identify, manage and monitor risks, and to review and update the risk register with appropriate controls and management actions.

The Third Line of Defence (“3LoD”) consists of the internal audit function which works independently to the 1LoD and 2LoD bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes. As part of the Revolut Group, the Company is subject to an internal audit performed on its operations.

The Internal Audit Function for the Company is outsourced to the Head of Internal Audit located at Group level in Revolut Ltd. The Head of Internal Audit is independent of the 1LoD and 2LoD, and responsibilities include but are not limited to:

- Providing reports and assurance to the Revolut Group Board Audit Committee (BAC) and/or Board that the main risks have been identified and whether existing controls are adequately designed and effective;
- Preparing a first draft of the annual internal audit plan, which will then be reviewed and commented on by both the senior management team and the Board, to ensure it addresses the internal audit priorities of the Company (rather than Revolut Ltd or the wider group). All of the Company’s internal audit plans will be subject to approval by the Board;
- The implementation of the internal audit plan for the Company will be then outsourced to the Internal Audit Function of Revolut Ltd;
- Engaging with senior management and key function holders within the Company to provide perspectives, insights and challenge in order to improve its control framework;
- Providing independent assurance to the Bank of Lithuania, as the regulator of the Company, on specific risks and controls.

The Internal Audit function of Revolut Ltd provides internal audit support to all the companies within the Revolut Group. Revolut Ltd has contracted with a number of audit firms (e.g. Deloitte, EY and KPMG) to provide additional manpower and entity support to its Internal Audit function when carrying out internal audits in each Group company.

The Company will be in scope for any external audits being carried out at Group level. External audits are performed on an annual basis and the results of these reviews have to be communicated to the Company’s Senior Management and Board.

The Company will also request external auditors to perform a client assets assurance report on an annual basis and in good time to enable the Company to comply with its regulatory obligations under Rules on Organisational Requirements of Financial Brokerage Firms and on Provision of Investment Services as approved by the Bank of Lithuania.

The Company does not use any financial instruments for hedging purposes. This aligns with the Company's risk management objectives. Information about funding, liquidity, foreign currency, credit and concentration risks is disclosed in note 6 of the financial statements.

Disclosure of ESG risks is provided on the website https://www.revolut.com/en-LT/legal/sustainability-information/.

Disclosure of investment policy-related info is provided on the website https://www.revolut.com/en-LT/legal/#investment-services.

6. Remuneration Policy

The Decision-making Process in Establishing the Remuneration Policy

The Remuneration Policy (the "Policy") of the Company, an investment firm, fully considers and incorporates the Remuneration Policy requirements and guidelines outlined in Directive (EU) 2019/2034 (the "IFD"), the Resolution No. 03-82 of the Board of the Bank of Lithuania approving the List of Minimum Requirements for the Remuneration Policy, dated May 8, 2015, and the EBA Guidelines on sound remuneration policies under IFD (EBA/GL/2021/13), respectively. This Policy ensures that the compensation structure of the firm aligns with sound and effective risk management practices, promotes responsible risk-taking, and aligns the interests of the Company, its employees, and its clients. The Policy also incorporates transparency and consistency in the firm's compensation practices and adheres to all relevant regulations and laws. The Company regularly reviews and updates its Remuneration Policy to ensure its continued effectiveness in promoting responsible risk management and aligning the interests of all stakeholders.

The Company's Management Board and the Executive Risk Committee ("ERC") have approved the Company's Remuneration Policy, which is annually reviewed and updated by the Company's business support functions, the designated subject matter owners within the control function(s), and other relevant stakeholders to reflect recent changes to any relevant EU-wide requirements, national legal requirements, and any other relevant new obligations, regulatory guidelines or external recommendations.

The Link Between Compensation and Performance

The remuneration system implemented by the Company aims to attract, nurture, and retain motivated talent possessing the necessary knowledge and competences, foster strong performance outcomes, integrity, ethical conduct, sound risk management, and long-term growth of the Company. The system is designed to ensure equal pay for work of equal value to promote gender pay equity. Furthermore, the system is built to encourage employees to consistently follow and promote the ethical principles and values of the Revolut Group in their work and conform with the Company's business and risk management strategy.

The objectives of the remuneration system implemented by the Company are to:

1. Ensure that employee remuneration is fair, competitive, and gender-neutral;
2. Harmonise the procedures and criteria for awarding variable remuneration, ensuring they are in line with the long-term interests of the Company's continuous operation, business strategy, goals and values;
3. Ensure that variable remuneration is consistent with and promotes sound and effective risk management, including - where applicable - sustainability risks in respect of relevant employees;
4. Assist in conflict of interest prevention and management and mitigating excessive risk-taking;
5. Correlate employee remuneration with their individual performance appraisals.

The Company actively monitors to ensure that procedures required to achieve previously-stated objectives are properly implemented, effectively executed, and do not lead to conflicts of interest. The Company's regulatory compliance team, among its other functions, analyses the impact of the Policy on the Company's compliance with legal requirements, regulations, and internal procedures. The regulatory compliance team also continuously monitors the regulatory landscape to ensure that the Remuneration Policy is up-to-date with new and upcoming obligations. Furthermore, internal audit may carry out independent reviews of the design and implementation of the Company's Remuneration Policy. The assessment results, which measure whether the Company's remuneration practices effectively align with the applicable national and international regulations, principles, and standards, are subsequently recorded in audit reports and made available to the Management Board, relevant committees and subject matter owners within business support and control functions.

The Company has integrated environmental, social, and governance (ESG) considerations into its Remuneration Policy to encourage employee engagement in sustainability-related topics, particularly with regards to identification and management of sustainability risks. This integration is reflected not only in the design and long-term orientation of the Company's remuneration structure, but also in the Company's internal governance processes for making remuneration decisions in line with sustainability considerations.

Employee evaluations serve as the basis for determining remuneration principles. Personal conduct is initially evaluated within the framework of the Company's remuneration system goals (as outlined above) and with reference to adherence to the Group's core values.

The Primary Design Features of the Remuneration System, which Include Information on Performance Measurement Criteria, Risk Adjustment, Deferral Policy, and Vesting Criteria for the Variable Component Scheme and the Underlying Reasoning

The Remuneration Policy applies to all employees of the Company, as well as management bodies involved in the decision-making regarding the determination and award of employee remuneration.

The compensation at the Company encompasses both fixed and variable remuneration.

Fixed remuneration refers to the compensation specified in the employee's employment contract or other agreements with the employee, and any other long-term payments, that are not performance-related.

Variable remuneration, on the other hand, consists of Revolut Group Holdings Ltd's share options granted to employees as part of their remuneration, based on the sustainable and risk-adjusted performance of both the Company and the Group, and/or the individual performance of the employee in excess of the target performance outlined in their role description or employment terms. Please note that the Company employs different methods when granting share options as sign-on (to new hires) or referral bonuses, as well as in cases of granting severance pay or retention bonuses.

The internal control functions' variable remuneration is rewarded based on the work performed and results related to their assigned functions. The methods used to determine their remuneration must not compromise their objectivity and independence. All variable remuneration is paid to employees with a deferral and vesting period as defined in the Policy. The Policy also imposes additional requirements for Identified Staff (Material Risk Takers).

The term 'Identified Staff' (including executive staff, senior management, staff with managerial responsibility over control functions or material business functions, staff with authority to approve or veto the introduction of new products, and staff entitled to significant remuneration in the preceding financial year) means staff whose professional activity and/or decisions have a material impact on the risk profile of the Company. This identification is made through an analysis of both quantitative and qualitative parameters, as established in the Commission Delegated Regulation (EU) 2021/2154. The list of Identified Staff has been revised in October 2024 and, subsequently, January 2025, based on the changes in staff and and/or their responsibilities at the Company.

The fixed remuneration awarded to the Company's employees, including Identified Staff reflects their relevant professional experience and the organisational responsibility at the Company, while also taking into consideration their educational background, rank, competencies, skills, work experience, respective business operations, and alignment with the market.

The Proportion of Fixed to Variable Remuneration

The amount of variable remuneration granted must not surpass 100% of the relevant employee's Fixed Remuneration for the given year. However, if all the necessary conditions specified in the Remuneration Policy and related regulations are fulfilled, the Company's General Meeting of Shareholders may raise this proportion to 200%, where certain conditions, such as approval from the General Meeting of Shareholders and notifying the supervisory authority are met.

Details Regarding the Performance Criteria that Determine an Employee's Eligibility for Share Options or Variable Components of Remuneration are described below.

The allocation of variable remuneration is in the form of Share Options

The allocation budget for the variable remuneration for the financial year is determined only after evaluating the financial performance results of the Company (and relevant unit) while taking current and potential risks and the cost of maintaining working capital and liquidity into account. Variable remuneration is granted in Revolut Group Holdings Ltd Share Options by Revolut Group Holdings Ltd, the award and payment of the variable remuneration shall not in any case limit the Company’s ability to strengthen its capital base.

Variable remuneration shall be based on various considerations, including the financial performance results of the Company (in relation to the Group), the relevant structural unit for the period in question, and taking into account equally-weighed quantitative and qualitative criteria for employee performance evaluation, as pre-defined in the Policy. Qualitative criteria shall encompass achievements of strategic objectives, compliance with internal and external rules, fair treatment and quality of services provided to clients, leadership, creativity, motivation and initiative, effective collaboration with colleagues, feedback from direct supervisors, peers, and clients, etc. The evaluation also considers the employee's adherence to high professional standards of the financial sector, compliance with ethical principles, values, and risk management culture of the Company and the Group in general. The performance criteria is designed to prevent excessive risk-taking, mis-selling of products, and aims to maintain a balance between compliance, risk-aversion, and business goals.

Variable remuneration may be awarded only if no legal violations have been identified in the employee's activities, and they have received positive evaluations over the period of evaluations considered (or throughout the term of their employment with the Company).

Variable remuneration may not be granted nor disbursed in the following circumstances:

- it would conflict with the Company's performance for a given period and the employee's performance evaluation outcome;
- it would undermine the Company's responsible and effective risk management;
- disbursing the Variable remuneration would promote excessive risk-taking;
- it would not align with the Company’s strategy, objectives, values, and long-term goals.

If an Identified Staff member’s employment has been terminated due to their failure to fulfil their responsibilities or if said employee voluntarily resigns from their position, Variable remuneration that has already been granted shall not be disbursed.

The Remuneration Policy also provides for circumstances in which the Company may reduce, withhold, or recover a portion or the entire amount of the Variable remuneration awarded.

The Remuneration Policy also foresees mechanisms to ensure that Company employees do not use personal hedging strategies or, if applicable, insurance against the decrease in Variable Remuneration to minimise the impact of the risks envisaged in the models of calculating their Variable Remuneration.

Information about key management personnel remuneration is disclosed in Note 20 if the financial statements.

7. Information about Positions Held by Key Management Personnel

The information provided below reflects information as of 31 December 2024:

Name and surname	Management Body of Revolut Securities Europe UAB, title	Main workplace	Other companies where management functions are held
Rolandas Juteika	Chief Executive Officer of Revolut Securities Europe UAB; Chairman of the Management Board	Revolut Securities Europe UAB	Member of the board of directors of Revolut (Switzerland) AG Company code: CHE-462.966.439 Registered address: Beethovenstrasse 48 8002 Zürich, Switzerland
Vytautas Danta	Chief Compliance Officer of Revolut Securities Europe UAB; Member of the Management Board	Revolut Bank UAB	Deputy CEO, member of the Management Board and Chief Compliance Officer of Revolut Bank UAB Company code: 304580906 Registered address: Konstitucijos ave. 21B, 08130 Vilnius, the Republic of Lithuania
			Pinigų plovimo prevencijos kompetencijos centras VŠĮ, (Co-owner (Revolut) representative) Company code: 305773609 Registered address: Lukiškių g. 2-2, LT-01108 Vilnius, Lithuania
			European Compliance Professionals Association (Co-Founder and Board Member) Company code: 306961037 Registered address: Aguonų g. 8B-13, LT-03213 Vilnius, the Republic of Lithuania

As of 20 June 2024, Laurynas Spangevičius has resigned as a member of the Management Board of the Company.

8. Research and Development

The Company did not have any activities in the field of research and development in the current or prior year.

9. Events after the Reporting Period

Events after the reporting period are disclosed in note 22.

Rolandas Juteika
Chief Executive Officer of Revolut Securities Europe UAB

27 March 2025

Financial Statements

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2024

EURth	Notes	2024	2023 (restated)*
Fee and commission income	7	41,755	5,992
Fee and commission expense		(4)	–
Net fee and commission income		**41,751**	**5,992**
Interest income calculated using the effective interest method	8	7,288	2,058
Interest expense		(1)	(1)
Net interest income		**7,287**	**2,057**
Other operating income		347	–
Net operating income		**49,385**	**8,049**
Personnel expenses	9	(759)	(480)
Depreciation		(2)	(1)
Other operating expenses	10	(47,211)	(6,635)
Total operating expenses		**(47,972)**	**(7,116)**
Profit before tax		**1,413**	**933**
Tax expense	11	(279)	(93)
Profit for the year		**1,134**	**840**
Items that will not be reclassified to profit or loss		–	–
Items that will or may be reclassified to profit or loss		–	–
Other comprehensive income for the year		**–**	**–**
Total comprehensive income for the year, net of tax		**1,134**	**840**
Attributable to:			
Equity holders of the parent		**1,134**	**840**

**The Reason for restatement is descibed in note 2.1*

The accompanying notes on pages 24 to 48 are an integral part of these financial statements.

Statement of Financial Position

at 31 December 2024

EURth	Notes	31 December 2024	31 December 2023 (restated)*
Assets			
Due from banks and other financial institutions	12	51,726	11,060
Trade receivables	13	11,873	20,761
Property and equipment and right-of-use assets		–	2
Other assets	13	6,283	1,698
Total assets		**69,882**	**33,521**
Liabilities			
Due to banks and other financial institutions	20	285	–
Trade payables	14	47,474	7,315
Other liabilities	14	15,622	20,946
Total liabilities		**63,381**	**28,261**
Equity attributable to equity holders of parent			
Share capital	15	4,686	4,686
Retained earnings		1,658	533
Reserves		157	41
Total equity		**6,501**	**5,260**
Total liabilities and equity		**69,882**	**33,521**

**The Reason for restatement is descibed in note 2.1*

The accompanying notes on pages 24 to 48 are an integral part of these financial statements.

Statement of Changes in Equity

for the year ended 31 December 2024

EURth	Notes	Total attributable to equity holders of the parent				
		Share capital	Legal reserve	Retained earnings	Other reserves	Total equity
As at 1 January 2023		**4,686**	**–**	**(307)**	**–**	**4,379**
Profit for the year (restated)*		–	–	840	–	840
Other comprehensive income		–	–	–	–	–
Total comprehensive income for the year (restated)*		**–**	**–**	**840**	**–**	**840**
Share based payments	19	–	–	–	41	41
As at 31 December 2023 (restated)*		**4,686**	**–**	**533**	**41**	**5,260**
As at 1 January 2024		**4,686**	**–**	**533**	**41**	**5,260**
Profit for the year		–	–	1,134	–	1,134
Other comprehensive income		–	–	–	–	–
Total comprehensive income for the year		**–**	**–**	**1,134**	**–**	**1,134**
Share based payments	19	–	–	–	107	107
Formation of reserves		–	25	(25)	–	–
Exercise of options		–	–	16	(16)	–
As at 31 December 2024		**4,686**	**25**	**1,658**	**132**	**6,501**

**The Reason for restatement is descibed in note 2.1*

The accompanying notes on pages 24 to 48 are an integral part of these financial statements.

Statement of Cash Flows

for the year ended 31 December 2024

EURth	Notes	2024	2023 (restated)*
Operating activities			
Profit before tax		1,413	933
Adjustment for non-cash items:			
Interest income	8	(7,288)	(2,058)
Interest expense		1	1
Depreciation and amortisation		2	1
Share based payments to employees	9	107	41
Changes in operating assets and liabilities			
Change in other operating assets	13	4,438	(21,922)
Change in other operating liabilities	11, 14	34,903	27,756
Gain from exchange differences		(324)	—
Income tax paid		(62)	—
Interest paid		(1)	(1)
Interest received		7,153	1,620
Net cash flows from operating activities		**40,342**	**6,371**
Net cash flows used in investing activities		**—**	**—**
Net cash flows from financing activities		**—**	**—**
Net increase in cash and cash equivalents		**40,342**	**6,371**
Net foreign exchange difference		324	—
Cash and cash equivalents at 1 January	12	11,060	4,689
Cash and cash equivalents at 31 December	**12**	**51,726**	**11,060**

**The Reason for restatement is descibed in note 2.1*

The accompanying notes on pages 24 to 48 are an integral part of these financial statements

Notes to the Financial Statements

1. Corporate Information

Revolut Securities Europe UAB is a closed joint stock company incorporated and registered in the Enterprise Register of the Republic of Lithuania, at Konstitucijos ave. 21B, LT-08130 Vilnius, Lithuania with registration number 305799582. Revolut Securities Europe UAB has been granted a license on 22nd November 2021 to provide the following investment and ancillary services:

Investment services:

- reception and transmission of orders;
- execution of orders for the account of clients;
- management of financial instruments portfolio;
- provision of investment recommendations.

Ancillary services:

- safekeeping, accounting and management of financial instruments for the account of clients, including custodianship and other related services such as cash/collateral management and excluding maintaining securities accounts at the top tier level;
- foreign exchange services where these are related to the provision of investment services;
- investment research and financial analysis or other forms of general recommendations relating to transactions in financial instruments.

The sole shareholder of the Revolut Securities Europe UAB is Revolut Holdings Europe UAB, incorporated and registered in the Enterprise Register of the Republic of Lithuania, at Konstitucijos ave. 21B, LT-08130 Vilnius, Lithuania with registration number 305820090. The ultimate parent of Revolut Holdings Europe UAB is Revolut Group Holdings Ltd ("RGH") whose registered address is 7 Westferry Circus, Canary Wharf, London, E14 4HD.

2. Basis of Preparation

Revolut Securities Europe UAB has prepared the financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union (EU). The financial statements have been prepared on a historical cost basis. The financial statements are presented in euros and all values are rounded to the nearest thousands, except when otherwise indicated.

2.1. Restatement of Previously Reported Balances

During the year 2024 the Management of the Company identified a misstatement in the Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2023.

Carrying out additional control procedures for Services fee from Revolut Group, it was identified that the fee was not calculated correctly.

The effect of adjustment made to the Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2023 is presented below:

Statement of Profit or Loss and Other Comprehensive Income

Line item	As originally reported as at 31 December 2023	Effect of adjustment	Restated as at 31 December 2023
Other operating expenses	(6,976)	341	(6,635)
Profit before tax	**592**	**341**	**933**
Profit for the year	**499**	**341**	**840**
Total comprehensive income for the year, net of tax	**499**	**341**	**840**

Statement of Financial Position

Line item	As originally reported as at 31 December 2023	Effect of adjustment	Restated as at 31 December 2023
Trade payables	7,656	(341)	7,315
Total liabilities	**28,602**	**(341)**	**28,261**
Retained earnings	192	341	533
Total equity	**4,919**	**341**	**5,260**
Total liabilities and equity	**33,521**	**—**	**33,521**

The adjustment doesn't have effect on the opening Statement of Financial Position as of 1 December 2023, and therefore the third Statement of Financial Position has not been presented.

3. Changes in Accounting Policies and Disclosures

3.1. New and/or Amended Standards and Interpretations Effective from 1 January 2024

The following standards, amendments and interpretations of the existing standards issued by the International Accounting Standards Board (IASB) and adopted for review in the EU are currently effective and were applied by the Company this year:

- Amendments to IFRS 16 “Leases”: Lease liability in a sale and leaseback (effective for annual periods beginning on or after 1 January 2024);
- Amendments of IAS 1 “Presentation of Financial Statements”: Classification of Liabilities as Current and Non-Current – Deferral of the Effective Date, Non-Current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024);
- Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments”: Disclosures: Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024).

The application of the above standards, amendments and interpretations thereof did not have a significant impact on the Company’s financial statements.

3.2. Standards, Amendments and Interpretations to Existing Standards Issued by IASB, Adopted by EU, but not Yet Effective:

The Company has not applied the following IFRS standards, amendments and interpretations thereof that are already approved at the date of signature of these financial statements but have not yet become effective:

- Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates”: Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025).

The Company believes that the application of the said standards, amendments of the effective standards and interpretations thereof will not have a significant impact on the financial statements of the Company during the initial period of their application.

3.3. Standards, Amendments of the effective standards and Interpretations not yet effective and not yet approved in the EU

IFRSs currently adopted in the EU are almost identical to the standards approved by the International Accounting Standards Board (IASB), except for the standards, amendments of currently effective standards and interpretations thereof which were not yet approved in the EU (the dates of validity apply to IFRSs in full). The said standards, amendments and interpretations thereof are presented below:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027);
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027);
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (effective for annual periods beginning on or after 1 January 2026);
- Annual Improvements Volume 11 (effective for annual periods beginning on or after 1 January 2026);
- Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026).

The Company is currently assessing the impact of these new accounting standards and amendments. The management of the Company does not expect that the adoption of these standards, amendments and interpretations listed above will have a material impact on the financial statements of the Company in future periods.

4. Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the Company in preparing its financial statements:

4.1. Foreign Currency Translation

The financial statements are presented in euros (EUR). Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All foreign exchange differences arising on non–trading activities are taken to other operating income/expense in the Statement of Profit or Loss and Other Comprehensive Income. Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

4.2. Income and Expense Recognition

Interest income and expenses

Interest income and expenses relate to cash and cash equivalents from third party banks and are disclosed separately in the Statement of profit or loss and other comprehensive income, charged over the term of the asset using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating the interest income or interest expense over the expected life of the financial instrument. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

Fee and commission income and expenses

Fee and commission income and expense are generally recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for providing the services.

The Company recognises revenue according to the principles of IFRS 15 using the five-step model:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the total transaction price;
- Allocate the total transaction price to each performance obligation in the contract;
- Recognise as revenue when (or as) each performance obligation is satisfied.

The Company accounts for a contract with a customer, when the following criteria are met:

- the parties of the contract have approved the contract;
- the Company can identify each party’s rights regarding the services;
- the Company can identify the payment terms for services to be transferred;
- the contact has commercial substance;
- it’s probable that the Company will collect the consideration to which it will be entitled in exchange of services that will be transferred to the customer.

The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. Company revenue contracts do not typically include multiple performance obligations. When the Company provides a service, consideration is generally due immediately upon satisfaction of a service provided at a point in time.

Fee and commission income consists of trade commissions, Money Market Fund product service fees, subscription fees, custody fees and portfolio management fees. Subscription fees are generally recognised as revenue over time, as services are performed. All the other fees are generally recognised when the services are provided, it means, at a point in time.

4.3. Other and Administrative Expenses

Other and administrative expenses are recognized on an accrual basis in the reporting period when the income related to those expenses was earned, irrespective of the time the cash was transferred. Costs that are not directly related to the specific income are expensed as incurred.

4.4. Taxes

Corporate income tax expense comprises current tax and deferred tax. Current tax is the expected tax payable on the taxable income for the year, and any adjustment to tax payable in respect of the previous year. It is measured using the tax rate enacted or substantively enacted at the reporting date.

Corporate income tax is calculated in accordance with the requirements of the Law on Corporate Income Tax of the Republic of Lithuania.

Deferred income tax is calculated on temporary differences. Temporary differences are differences between the recorded value of an asset or liability and the taxable value of the asset and liability. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax asset for unused tax losses is recognised to the extent that it is probable that taxable profit will be available against which the tax losses will be utilised. Significant management judgment is required to determine the amount of deferred tax asset that can be recognised based on the likely timing and level of future taxable profits.

Deferred tax is reviewed at each reporting date and adjusted taking into account the changes in the temporary differences.

4.5. Cash and Cash Equivalents

Cash and cash equivalents as referred to in the cash flow statement comprises cash on hand, non–restricted current accounts with central banks and amounts due from banks on demand or with an original maturity of three months or less.

4.6. Financial Instruments – Initial Recognition

4.6.1. Date of Recognition

Financial assets and liabilities attributable to the customer are initially recognised on the trade date. The trade date is the date whereby the Company becomes a party to the contractual provisions of the instrument.

4.6.2. Initial Measurement of Financial Instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value.

4.6.3. Measurement Categories of Financial Assets and Liabilities

Subsequent measurement of financial assets depends on the classification performed by the Company at initial recognition.

At initial recognition financial assets can be classified into one of the following categories:

- Financial assets measured at fair value through profit or loss;
- Financial assets measured at fair value through other comprehensive income (OCI);
- Financial assets at amortised cost.

The Company measures financial assets at amortised cost only if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

4.6.3.1. Business Model Assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective:

- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected). The expected frequency, value and timing of sales are also important aspects of the assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

4.6.3.2. The SPPI Test

As a second step of its classification process the Company assesses the contractual terms of the financial asset to identify whether they meet the SPPI test.

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

Financial liabilities are measured at amortised cost or at FVPL when they are held for trading and derivative instruments.

The Company classifies all financial liabilities as subsequently measured at amortised cost except for financial liabilities at profit or loss. The Company can, at initial recognition, irrevocably designate a financial liability as measured at fair value through profit or loss if:

- Doing so eliminates or significantly reduces a measurement or recognition inconsistency (accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases or
- A group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel (Management Board and CEO)

4.6.4. Determination of Fair Value

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments – Those whereby the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments – Those whereby the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments – Those that include one or more unobservable input that is significant to the measurement as whole. These techniques are generally based on extrapolating from observable inputs for similar instruments, analysing historical data or other analytical techniques. Examples of Level 3 financial instruments are instruments for which there is currently no active market or binding quotes, such as unlisted equity instruments.

The Company evaluates the leveling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary, based on the facts at the end of the reporting period.

4.7. Derecognition of Financial Assets and Liabilities

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred the rights to receive cash flows from the asset or retained the right to receive cash flows from the asset but have assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement and
- The Company either (a) has transferred substantially all the risks and rewards of the asset or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A Financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When the contractual cash flows of a financial asset are substantially modified such a modification is treated as a derecognition of the original assets and the recognition of a new financial asset and the difference in the respective carrying amounts is recognised in the Statement of Profit or Loss and Other Comprehensive Income. In case of the modification which does not lead to derecognition the Company recalculates the gross carrying amount of the financial asset and recognises modification gain or loss.

When the existing financial liability is replaced by another from the same lender on substantially different terms or when the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new one and the difference in the respective carrying amounts is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

4.8. Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on financial assets measured at amortised cost:

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. Steps for determining if there has been a significant increase in credit risk (SICR) are set out in a separate procedure, which states that the Company identifies SICR, if any of the following SICR indicators is present:

1. Forborne performing as of reporting date;
2. Obligors are not eligible for forbearance measures based on their risk assessment;
3. Return to a non-impaired status and in 3 month probation period;
4. Significant increase in lifetime point-in-time forward looking PD as of reporting date compared to initial recognition;
5. More than 30 days past due as of reporting date, calculated on facility level and using the regulatory DPD definition.

SICR flags 1,2,3,4 above are evaluated at obligor level, while flag 5 is evaluated at individual financial instrument level.

The 12-month expected credit losses are a part of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both - lifetime and 12-month expected credit losses - are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Based on the above process, the Company groups its financial instruments into Stage 1, Stage 2, Stage 3, as described below:

- Stage 1: Financial assets which have not experienced a significant increase in credit risk (SICR) since initial recognition, against which an expected credit loss provision is required for expected credit losses resulting from default events expected within the next twelve months (a '12-month ECL') is required on initial recognition — when a financial asset is first recognised it is assigned to Stage 1. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.
- Stage 2: Financial assets which have experienced a SICR event since initial recognition, against which a lifetime ECL provision is required. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.
- Stage 3: Financial assets which are credit impaired, for which objective evidence of an impairment exists, and which also requires a lifetime ECL provision.

The Company recognises the amount of expected credit losses (or reversal) as impairment loss (or gain) in profit or loss.

Credit loss is the difference between the contractual cash flows that are due in accordance with the contract through the expected life of the financial instrument and all cash flows that the Company expects to receive discounted at the original effective interest rate .

As at 31 December 2024 and 2023 expected credit losses were not material and not recorded in the financial statements for financial assets.

4.8.1. Default Definition

The Company uses the definition of default according to the Revolut Group's Retail Credit Non-Performing and Forborne Exposures Policy.

The Company identifies defaults at obligor level when either one or both of the following have taken place:

- (A) the obligor is past due more than 90 days on any material credit obligation to the Company;
- (B) the obligor is considered unlikely to pay its credit obligations to the Company without recourse to actions such as realising security.

Counting of days past due in relation to criterion (A) is performed at obligor level. The Company assesses all credit obligations of a customer past due as material according to absolute and relative thresholds relative to the total amount of all on-balance sheet exposures to the obligor. The number of days past due will be counted as the consecutive number of days that the amount owed by an obligor has been above the materiality threshold and counting stops only when the amount past due drops below the threshold.

Exception from criterion (A) is applied for exposures to banks, for which default is recognized when payments are past due more than 7 days.

For the purpose of criterion (B), elements taken by the Company as indications of unlikeliness to pay include the following:

1. The Company puts the credit obligation on non-accrued status due to the decrease of the credit quality of the obligation. Non-accrued status covers situations where the Company stops charging interest and/or has direct write-offs;
2. The Company recognises a specific credit adjustment resulting from a significant perceived decline in credit quality subsequent to the Company taking on the exposure;
3. The Company sells the credit obligation at a material credit-related economic loss;

4. The Company consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness or postponement of principal, interest or, where relevant, fees;

5. Bankruptcy of the customer or similar protection;

6. Credit fraud;

7. Death of a customer;

8. Materially overdue on at least one significant facility but not meeting criterion A at obligor level (applicable for retail exposures only);

9. Disappearance of an active market for a financial instrument because of financial difficulties of the customer (applicable for non-retail exposures only);

10. Observable data indicating a measurable decrease in estimated future cash flows from a group of financial assets, such that the counterparty is not capable of servicing its debt (applicable for non-retail exposures only);

11. For previously defaulted exposures in 'probation' status, where the exposure in probation becomes 30 days or more past due (applicable for non-retail exposures only).

4.9. Write-offs

Financial assets are written off either partially or in their entirety when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

There is no reasonable expectation of recovering a financial asset in case of:

- terminated users - at the point of termination;
- fraudulent user activity - at the point of completion of internal investigation;
- for balances older than 365 days.

If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

4.10. Share Capital

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

4.11. Share-based Payments

The Company operates share-based payment schemes. The purpose of these plans is to incentivise and remunerate the employees. These schemes meet the definition of equity-settled share-based payment schemes. Estimating fair value for share-based compensation transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. The Company uses third party valuation specialists to estimate the fair value of each grant based on the terms of that grant as well as internal and market data. The Black-Scholes option pricing model was used to value the equity settled share-based payment awards as the model is internationally recognised as being appropriate to value employee share schemes similar to the Unapproved Options Plan ('UOP').

The fair value of the awards is recognised as an expense in the Statement of profit or loss and other comprehensive Income over the vesting period with a corresponding increase in the share-based payment reserve in equity. The cumulative expense at each reporting date is based on the total number of share-based payment awards that are expected to vest, taking into account the service conditions and any non-market performance conditions such that the total cumulative amount recognised as an expense over the vesting period is based on the number of share-based payment awards that eventually vest. The Company has to estimate the expected yearly percentage of employees that will stay within the Company at the end of the vesting period of the share based payment awards in order to determine the amount of share-based compensation expense charged to the Statement of profit or loss and other comprehensive Income.

During the year, the Company has revised the accounting policy regarding the disclosure of the Share-based payment reserve. Previously, all reserves related to exercised options were retained within the share-based payment reserve in other reserves. Under the revised policy, reserves related to exercised or expired options are transferred from the other reserves to retained earnings.

Reason for the change

The revised policy provides a clearer presentation of share-based payments. It reflects the actual exercised or expired options during the period while ensuring the share-based payments reserve shows only the balance for vested but not yet exercised options. This results in the improved transparency and better alignment with the Company's financial reporting objectives. The policy was applied from 2024 since the impact in previous periods is not material.

5. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date.

5.1. Going Concern

The Company's financial statements have been prepared on a going concern basis as, after making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

In forming this view, the directors have taken into account the following key considerations:

- **Profitability**: The Company was profitable throughout 2023 and 2024.
- **Revenue Growth**: Substantial growth in the customer base has resulted in a material increase in revenues, in 2024 the Company launched several new service offerings (bonds, roboadvisor and contracts for differences), which generated substantial revenues.
- **Capital Adequacy**: The Company maintains a strong capital base, with capital ratios significantly exceeding regulatory minimum requirements.

- **Liquidity**: The Company demonstrates a robust liquidity position; the Company's current assets are higher than its liabilities, therefore the Company maintains a strong liquidity position and is capable of meeting its short-term obligations

Forecasts show that the Company is expected to sustain the trend of increasing its customer base in the foreseeable future. Based on these factors, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

The Company is reliant upon the Group's ultimate parent company, Revolut Group Holdings Ltd, for the provision of any additional short-term funding (credit facility), the use of the Group's technology platform and app, and the provision of certain centralised support functions, as well as the Company's increasing capital requirement which is also satisfied by Revolut Group Holdings Ltd.

5.2. Share Based Payments

The Company applied the Group methodology to determine the share based payment liability, using the fair value as verified by an independent party. Information about method and assumptions used is disclosed in Note 19.

6. Risk Management

6.1. Funding and Liquidity Risk

Liquidity risk is the risk that the Company cannot meet its financial obligations when they fall due. Funding risk is the risk that the Company does not have sufficient stable sources of funding to meet its financial obligations when they fall due, or can do so only at excessive cost. Risk arises when assets maturing during a particular period are lower than corresponding liabilities maturing during the same period; an unexpected decrease in assets or an increase in liabilities can also create funding and liquidity risk. The Company is subject to a dedicated prudential framework, proportionate to its size, activities and risks. It is governed by the Markets in Financial Instruments Directive (MiFID) and prudential framework composed of Investment Firms Regulation (IFR)[1] and Investment Firms Directive (IFD)[2] that aim to ensure the Company has sufficient resources to cover potential losses from its activities.

The Company aims to maintain a sufficient amount of unencumbered cash or cash equivalents to ensure that it can meet all of its financial obligations in business-as-usual circumstances and in stress conditions. The IFR-IFD framework imposes that the Company shall hold an amount of liquid assets equivalent to at least one third of the fixed overhead requirements, calculated based on the preceding year. The fixed overhead requirements in 2024 (based on 2023 data) amounted to EUR 1,822,125. Therefore, the Company should hold EUR 607,375 of liquid assets at all times.

As of 31 December 2024 the Company had liquid assets of EUR 51,726,196 (cash held in banks and other financial institutions) with requirements of EUR 607,375. Thus, the ratio of liquid assets held by the Company to liquidity requirements was 8,516% (where 100% is the minimum value required under the regulations). Thus, the Company met the minimum regulatory liquidity requirements.

Cash, short term deposits and financial instruments belonging to clients, even where held in the own name of the Company, shall not be treated as liquid assets.

[1] Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms

[2] Directive (EU) 2019/2034 of the European Parliament and of the Council of 27 November 2019 on the prudential supervision of investment firms

6.2. Foreign Currency Risk

The FX position of the banking book mainly arises from the operating activities. This includes revenues earned and costs incurred in non-base currencies (predominantly USD and GBP).

As of 31 December 2024 the Company was exposed to foreign exchange risk with the majority of exposure in USD currency.

Sensitivity of foreign exchange risk

The Company uses a historical value-at-risk (VaR) model to forecast a potential loss due to movements in FX rates.

The table below summarises the Company's exposure to foreign currency exchange rate risk at the 31 December 2024.

Currency	Rates	Position	Reasonably possible change	Impact on Profit	Percentage of capital
USD	1.0389	3,792	7.46 %	283	4.35 %
GBP	0.8292	1,994	4.98 %	99	1.53 %
Open position		**5,786**		**382**	

6.3. Credit Risk

Credit limits and credit assessments of counterparties are made at the Revolut Group level. Thus, the monitoring of the use of the granted limits, as well as the supervision of credit risk, rests with the Group's Credit Risk Department. Revolut Securities Europe UAB, on the other hand, monitors the limits that have been set for its direct counterparties. The most recent credit risk review for the two largest counterparties, J.P. Morgan Group and Fidelity Institutional Liquidity Fund plc, was conducted in the third quarter of 2024.

The credit ratings of the J.P. Morgan Group ("JPM") as a whole are strong, reflecting the breadth and scale of the Group's business, with a good level of diversification between capital markets and non-capital markets facing businesses, providing a balance in the stability of revenues. Its retail business also provides a good source of funding. The J.P. Morgan Group's parent, J.P. Morgan Chase & Co, holds a Moody's rating of A1, which is lower than the rating of the J.P. Morgan Group's entities to which Revolut Securities Europe UAB has exposure. This discrepancy is typical for holding companies due to the debt at the parent level and structural subordination relative to the parent. Meanwhile, JP Morgan Bank Luxembourg SA's rating is aligned with that of JP Morgan Chase Bank NA (Moody's: Aa2), reflecting its materiality and importance as a key EU operating entity for JP Morgan Chase Bank NA.

JPM continues to benefit meaningfully from its strong company profile and franchise in a challenging operating environment. JPM's financial performance reflects its proven ability to build capital and the diversity of its overall business model. All of this is underpinned by the firm's industry-leading franchises across multiple consumer and wholesale businesses, driving pricing power and allowing adequate investment in risk systems and customer-facing technology, to gain further market share. The J.P. Morgan Group has been successful in adapting its business model to meet evolving regulatory expectations as well as customer behaviour, which is expected to allow the company to operate from a position of strength.

The credit risk from JPM arises from holding a bank account with this entity, where Revolut Securities Europe UAB stores cash and cash equivalents. At the end of the reporting period, this amounted to approximately EUR 45 million.

Fidelity Institutional Liquidity Fund plc (“FIL Fund”) is an open-ended investment company structured as an umbrella fund, offering a range of institutional money market funds that invest in a diversified portfolio of short-term instruments. FIL Fund is the entity with which Revolut Securities Europe UAB interacts as part of its Money Market Funds ("MMF") product offered by the Company.

The credit risk associated with FIL Fund stems from the MMF product, which includes a pre-funding mechanism that provides Revolut Securities Europe UAB’s clients with immediate access to withdrawn funds upon the redemption of units. This pre-funding eliminates the need for clients to wait for the settlement of unit redemption transactions. However, this arrangement exposes Revolut Securities Europe UAB to the risk of non-payment of pre-funded amounts owed by FIL Fund.

FIL Fund is managed by FIL (Luxembourg) S.A. (“FIL Lux”), a wholly owned subsidiary of Fidelity International Limited (FIL), which serves the Group’s customers in Continental Europe. FIL is a global asset management and investment company that provides a range of investment management services, including mutual funds, pension management, and fund platforms, catering to both private and institutional investors worldwide.

FIL Fund holds external credit ratings of AAAm/Aaa-mf/AAAmmf from S&P, Moody’s, and Fitch, respectively. These ratings—AAAm, Aaa-mf, and AAAmmf—are specific to money market funds. The suffixes 'm,' '-mf,' and 'mmf' indicate that the ratings are tailored for money market funds, differentiating them from traditional issue or issuer credit ratings. These money market fund ratings assess the fund's ability to maintain a stable principal value, unlike traditional corporate issuer ratings, which evaluate an entity's overall creditworthiness and likelihood of default.

Nostro accounts

As of 31 December 2024, the Company had EUR 45 million of cash and cash equivalents in JPM accounts.

For financial assets recognised on the balance sheet maximum exposure to credit risk equals their carrying amount (as of 31 December 2024: EUR 69,879 thousand, as of 31 December 2023: EUR 33,511 thousand).

6.4. Concentration Risk

Concentration Risk in the Company is managed in accordance with Investment Firms Regulation (IFR) and Investment Firms Directive (IFD). The Company manages concentrations in the credit risk profile through setting restrictions (limits) on exposures against certain concentration types. Risk concentrations covered within the scope of the regulation include:

- individual client concentrations;
- group of connected clients concentrations.

Concentrations within credit exposures will be identified as part of the ongoing wholesale credit risk management processes, which require second line Credit Risk review and approval for new products, initiatives and counterparty exposures. Risk management function monitors and reports concentration risks to the ERC, which further decides whether escalation is required to the Company’s Management Board as well as to the Revolut Group’s relevant decision body.

Revolut Securities Europe UAB has the largest concentration limit within credit exposures with Fidelity International Ltd (Luxembourg) S.A. This limit is related to the Money Market Funds product, which includes a pre-funding element to Revolut Securities Europe UAB’s clients for the redemption of units, thereby giving them immediate access to the withdrawn funds.

7. Fee and Commission Income

EURth	2024	2023
Trading fees and commission	39,383	5,813
Subscription	1,885	179
Portfolio management fees	487	–
Total	**41,755**	**5,992**

Trading fees and commission revenue consists of trade commissions, Money Market Fund product service fees and custody fees.

Contract assets are disclosed in note 13 under “accrued income from contracts with customers”, contract liabilities are included in note 14 under “deferred revenue”.

8. Interest Income

EURth	2024	2023
Interest income from amounts held in banks	7,274	2,057
Interest on cash collateral to financial brokerage firms	14	1
Total	**7,288**	**2,058**

9. Personnel Expense

EURth	2024	2023
Wages and salaries	(620)	(428)
Share based payments	(107)	(41)
Employee benefits	(18)	(2)
Social security costs	(12)	(8)
Staff Recruitment & HR Expenses	(2)	(1)
Total	**(759)**	**(480)**

10. Other Operating Expenses

EURth	2024	2023 (restated)*
Services fee from Revolut Group	(47,005)	(6,465)
Net foreign exchange loss	–	(129)
Professional fees	(75)	(11)
Irrecoverable VAT	(63)	(7)
Audit fees	(15)	(3)
Other expenses	(53)	(20)
Total	**(47,211)**	**(6,635)**

**The Reason for restatement is descibed in note 2.1*

11. Income Tax

EURth	2024	2023
Current tax	(279)	(41)
Deferred tax	–	(52)
Total income tax	**(279)**	**(93)**

11.1. Reconciliation of the Tax Charge

EURth	2024	2023
Profit before tax	1,413	933
Tax (charge) at statutory income tax rate 15% (2023: 15%)	(212)	(140)
Tax (release)/expense of previous periods	(51)	51
Effects of:		
Non-deductible expenses	(16)	(4)
Utilization of tax losses	–	52
Increase(+) /Decrease (-) in deferred tax assets	–	(52)
Income tax expense in the statement of profit or loss and other comprehensive income	**(279)**	**(93)**

11.2. Deferred Tax

EURth	Deferred tax asset	Statement of profit or loss and other comprehensive income
31 December 2024		
Provision for tax losses carried forward	–	–

EURth	Deferred tax asset	Statement of profit or loss and other comprehensive income
31 December 2023		
Provision for tax losses carried forward	–	(52)

12. Due from Banks and Other Financial Institutions

EURth	2024	2023
Placements with banks and other financial institutions - demand deposits	51,726	11,060
Total	**51,726**	**11,060**

Placements with other banks consist of on demand deposits and are included in cash and cash equivalents as referred to in the cash flow statement.

The Company holds money on behalf of its clients in accordance with the rules described in MiFID II. These client funds are held in segregated bank accounts, are separated from the Company's own funds and are excluded from the Company's Balance Sheet. As at 31 December 2024 the client money held by the Company amounted to EUR 195,978,283 (2023: EUR 101,618,918).

The Company also holds and administers securities belonging to its clients. Similarly to client money, these securities are excluded from the Company's Balance Sheet. As at 31 December 2024 the value of clients' securities held amounted to EUR 9.10 billion (2023: EUR 2.96 billion).

13. Trade Receivables and Other Assets

EURth	2024	2023
Trade receivables from related parties	11,868	20,761
Trade receivables from non related parties	5	–
Total trade receivables	**11,873**	**20,761**
Cash collateral to financial brokerage firms	3,048	151
Accrued income from contracts with customers	2,673	728
Accrued income from placements with banks	559	467
Deferred expenses	3	–
Client money settlement position	–	344
Prepaid expenses	–	8
Total other assets	**6,283**	**1,698**
Total	**18,156**	**22,459**

14. Trade Payables and Other Liabilities

EURth	2024	2023 (restated)*
Trade payables to related parties	47,469	7,223
Trade payables to non related parties	5	92
Total trade payables	**47,474**	**7,315**
Other liabilities:		
Unsettled client liabilities**	9,488	20,508
Client money settlement position	4,816	–
Accrued expenses	766	312
Corporate tax payable	258	41
Deferred revenue	64	51
Payroll payable	43	27
Other liabilities	187	7
Total other liabilities	**15,622**	**20,946**
Total	**63,096**	**28,261**

**The Reason for restatement is descibed in note 2.1*

** Unsettled client liabilities consist of customers' transactions related to investments into Money Market Funds, which were instructed by the customer before the year-end, but settled in 2025 due to cut-off time.

15. Share Capital

	2024	2023
	Units	Units
Ordinary shares of €1 nominal each	4,686,000	4,686,000

Ordinary shares issued and fully paid	Thousands	EURth
At 31 December 2022	4,686	4,686
At 31 December 2023	4,686	4,686
At 31 December 2024	4,686	4,686

The EUR 1 ordinary share has full voting, dividend and capital distribution rights. Profit and loss account records the accumulated results of the Company. The Company did not not hold its own shares, nor did it have treasury shares. No treasury shares were acquired or transferred during the reporting period.

The Board has not proposed a dividend for 2024 (2023: Nil).

Reserves include a share-based payment reserve of EUR 132 thousand (2023: EUR 41 thousand) and a legal reserve of EUR 25 thousand (2023: Nil). Assumptions and method of calculation for the share-based payments are described in note 19.

16. Maturity Analysis of Financial assets and Liabilities

The table below shows an analysis of financial assets and liabilities presented according to when they are expected to be recovered or settled.

As at 31 December 2024

EURth	Up to 3 months	3-12 months	1-5 years	Total
Assets				
Due from banks and other financial institutions	51,726	–	–	51,726
Trade receivables	11,873	–	–	11,873
Other financial assets	6,280	–	–	6,280
Total financial assets	**69,879**	**–**	**–**	**69,879**
Liabilities				
Due to banks and other financial institutions	285	–	–	285
Trade payables	47,474	–	–	47,474
Other financial liabilities	14,347	–	–	14,347
Total financial liabilities	**62,106**	**–**	**–**	**62,106**

As at 31 December 2023

EURth	Up to 3 months	3-12 months	1-5 years	Total
Assets				
Due from banks	11,060	–	–	11,060
Trade receivables	20,761	–	–	20,761
Other financial assets	1,539	–	151	1,690
Total financial assets	**33,360**	**–**	**151**	**33,511**
Liabilities				
Trade payables	7,315	–	–	7,315
Other financial liabilities	20,854	–	–	20,854
Total financial liabilities	**28,169**	**–**	**–**	**28,169**

17. Fair Value Measurement

The Company didn't have any financial instruments recorded at fair value as at 31 December 2024 and 31 December 2023.

The carrying amounts and fair values of those financial assets and liabilities presented on the Company's statement of financial position at amortised cost don't differ materially, as all transactions are concluded based on market conditions.

18. Internal Capital Assessment and Capital Requirements

The purpose of the internal capital adequacy assessment process (ICAAP), is to ensure that the Company develops and implements effective and functional mechanism for determining the internal capital adequacy requirements, which would include:

a) Strong and effective corporate governance arrangements, including a clear organisational structure for the Company with well-defined, transparent and consistent responsibilities;

b) Effective identification, management, monitoring and control of risks to which the Company is or may be exposed;

c) Appropriate internal control mechanisms;

An integral part of the Company's ICAAP is Stress Testing which helps to determine whether the Company's capital would be adequate to cover losses, amortise unfavourable changes in the balance sheet, and maintain the Company's solvency at proper level in case of occurrence of certain events driven by internal and/or external factors, adverse changes in financial and economic environment.

Main principles followed by the Company in its ICAAP are:

- **Reliability**. The Company's ICAAP process determines the appropriate amount and structure of capital buffers required to ensure sustainable development of its activities and cover risks identified by the Company taking into account both normal (planned) business conditions and potential adverse scenarios. The Company's ICAAP process is supported by reliable internal and external empirical data, estimates, forecasts and ensures uniform methodological treatment of the outcomes in the context of the Company's financial and prudential reporting. The Company's ICAAP process is based on the application of reasonable risk identification and assessment methods as well as on evaluation of efficiency of internal governance and internal control systems.

- **Efficiency and consistency**. The ICAAP process is an integral part of the Company's overall management framework which affects the strategic decisions related with the Company's business development and the everyday/regular organisation and execution of its activities. The ICAAP process outcomes (material risks, limits, key risk indicators (KRI) and similar) are integrated into the Company's management information and reporting system and are monitored with the defined frequency. The functions and responsibilities of the Company's management bodies, structural units and employees related to the ICAAP process are clearly defined and documented, and the process itself is described in detail. The ICAAP process is closely linked with the Company's strategic planning and risk management processes and informs the review and updates of the strategic plan, risk management strategy and relevant risk management policies. The Company's ICAAP process is to be treated as a tool for the Company's management and not just for reporting.
- **Completeness and proportionality**. The Company makes an assessment of all relevant risk types and their materiality taking into account specifics of its business model. Forward-looking assessment of internal capital adequacy is performed for the period of minimum 3 years. In accordance with the principle of proportionality the Company's ICAAP utilises processes, data, risk identification, quantification and aggregation approaches, which are proportional to the scale, nature and complexity of the Company's activities.

The results of the ICAAP process are described and formalised in the ICAAP Report. The ICAAP Report is a document, which discloses the Company's comprehensive assessment and justification of the capital adequacy and integration of the ICAAP process into the Company's activities.

The regular ICAAP process is held and the ICAAP Report is prepared on an annual basis during the first 4 months of the year, and the ICAAP process documentation is submitted to the Bank of Lithuania upon request according to the deadlines determined by it.

The ICAAP process is considered to be a tool that enables the Company to have a sound capital management, therefore, the whole ICAAP process or certain relevant parts of the ICAAP process could be reviewed and updated, if needed, more frequently than on a yearly basis in order to ensure proactive adjustment of the ICAAP process to any material changes that occur, such as entering new markets, providing new services, offering new products or changes in the perimeter of entities to be covered by it.

While conducting the ICAAP process, the internal audit remarks should be addressed in the best way possible in the ongoing ICAAP process or included in the remediation action plan for the next ICAAP process cycle.

As per the Markets in Financial Instruments Directive II (MiFID II), investment firms are required to maintain their capital requirements in accordance with the guidelines set out in the legislation. The Company, being a Class 2 MiFID II investment firm, is required to hold an adequate level of capital as set out in regulation at all times. The regulatory capital requirements for the Company are calculated as the highest of:

- a fixed overheads requirement (FOR), equal to a quarter of the annual fixed overheads of the firm;
- a permanent minimum capital requirement (PMR);
- an overall "K-factor" capital requirement, which is the sum of "K-factor requirements" grouped in three categories: Risk-to-Client (RtC), Risk-to-Market (RtM), Risk-to-Firm (RtF).

As of 31 December 2024, the regulatory capital requirements for the Company are:

- The Fixed Overhead Requirement (FOR) was calculated based on the fixed overheads in 2023 and amounts to EUR 1,822,125;
- PMR capital requirement equals EUR 150,000;

- “K-factor” capital requirement was calculated as EUR 3,079,449.

Based on that, the final capital requirement for the Company is EUR 3,079,449.

The level of applicable Tier 1 capital as at 31 December 2024 was EUR 5,024,876, therefore the ratio of the Company’s capital to its capital requirement was 163% (where 100% is the minimum value required under the regulations).

19. Share Based Payments

The Revolut Group issues equity-settled share based payment awards to certain employees. These awards are share options which will be settled in shares of Revolut Group Holdings Ltd, the ultimate parent company. As there is no obligation for the Company to settle these awards, these represent equity settled share based payments. Equity-settled share based payments are measured at fair value (excluding the effect of non-market performance vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share based payments is expensed on a graded vesting basis over the vesting period, based on the Revolut Group's estimate of the number of awards that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Unapproved share option scheme and parent company modification

During 2022, a change in the legal structure of Revolut Group occurred; the ultimate parent company of the Revolut Group was changed to Revolut Group Holdings Ltd instead of Revolut Ltd. With this change, all previously awarded grants’ have been novated from Revolut Ltd to Revolut Group Holdings Ltd.

In 2022, the Revolut Group issued share options under the Unapproved Options Plan ('UOP') for both UK and non-UK employees and issued no share options under the Company Stock Option Scheme ('CSOP') plan.

During 2023, the Revolut Group adopted the Revolut Group Holdings Ltd Global Share Plan (GSP) under which share options and Restricted Stock Units (RSUs) were granted in 2023 and 2024.

The fair value of the options granted to employees during the year ended 31 December 2024 has been determined utilising an options pricing model, which encompasses the Black-Scholes methodology.

Share-based awards granted have varying vesting schedules depending on the reason for the grant — for example, Sign-on Bonus, Referral Bonus, Promotion Bonus, or Performance Bonus. The main vesting schedules for those grants are: (i) a four-year vesting schedule with 25% vesting on each anniversary; (ii) a two-year vesting schedule with 50% upfront and 25% vesting annually over the subsequent two years; and (iii) a two-year vesting schedule where 1/24th vests each month. Employees are required to remain in employment with the Revolut Group until the vesting period has elapsed; otherwise, the awards lapse. Options and RSUs granted under the GSP have expiry dates not exceeding ten years from the date of the grant.

Reconciliation of outstanding share-based payment awards

	Weighted average exercise price, (EUR) 2024	Number 2024	Weighted average exercise price, (EUR) 2023	Number 2023
Outstanding at the beginning of the year	0.08	1,411	0.00	–
Adjustments related to prior year	0.00	(172)	0.11	1,089
Granted during the year	0.00	345	0.00	322
Exercised during the year	0.00	(80)	0.00	–
Cancelled during the year	0.00	(66)	0.00	–
Outstanding at the end of the year	0.08	1,438	0.08	1,411
Exercisable at the end of the year	0.10	1,234	0.10	1,179

No options expired during the periods covered by the above tables

Share options outstanding at the end of the year have the weighted average contractual life dates and exercise prices:

Pool	Exercise price (EUR)	Weighted average remaining contractual life (years)	Share options 31 December 2024	Share options 31 December 2023
1	0.00	7	1,237	1,210
2	0.6	4.5	201	201
Total			**1,438**	**1,411**

Fair value of options granted

The fair value of the options granted to employees was determined utilising an options pricing model, which encompasses The Black-Scholes methodology.

Key assumptions used in determining the values of options are shared below:

	2024	2023
Model	Option Pricing Model	Option Pricing Model
Expected volatility	35%-50%	40% - 50%
Expected terms (years)	1.5	1.25
Expected dividend yields	0%	0%
Risk-free interest rate	3.6%-4.4%	4.29% - 5.35%

Calculating the grant-date fair value of options in private companies requires making highly subjective estimates and assumptions. The most material of which are the Revolut Group's grant-date ordinary share value and expected volatility.

Grant-date fair value is estimated using a combination of an income and market approach, including referencing transactions or attempted transactions in the company's own shares during the period in question. Expected volatility is derived from observed volatility from comparable companies, as the Revolut Group became a prudential consolidation group in July 2024 the list of comparable companies was updated resulting in a reduced volatility assumption for grants awarded subsequently.

Grant-date fair values have been calculated with the assistance of third party valuation specialists.

The estimated weighted average fair value of share options granted as at 31 December 2024 was EUR 276.92 (2023: EUR 183.53). The estimated weighted average share price at the date of exercise for share options exercised in 2024 was EUR 481.56 (2023: EUR 192.89).

Impact on the Statement of Profit or Loss and Other Comprehensive Income

The total share-based payment expense recognised in personnel expenses in the Statement of Profit or Loss and Other Comprehensive Income is as follows:

EURth	2024	2023
Equity-settled share-based payment charge	107	41

20. Related Party Disclosures

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

EURth	Parent 2024	Other Related Parties 2024	Parent 2023	Other Related Parties 2023 (restated)*
Assets				
Due from banks and other financial institutions**	–	6,930	–	2,574
Trade receivables**	–	11,868	–	20,761
Total assets	**–**	**18,798**	**–**	**23,335**
Liabilities				
Due to banks and other financial institutions**	–	285	–	–
Trade payables***	4	47,465	–	7,223
Total liabilities	**4**	**47,750**	**–**	**7,223**
Income and expenses				
Sales to related parties	–	–	–	–
Other operating expenses	–	(46,681)	–	(6,478)
Personnel expenses	(13)	(143)	–	(127)
Net income and expenses	**(13)**	**(46,824)**	**–**	**(6,605)**

** Amounts due from/to banks and other financial institutions include positive and negative balance within multi-currency facilities with Revolut Bank UAB and Revolut Ltd to deposit funds. The intercompany receivables classified under trade receivables relate to investments made by the customers which were not yet settled between the entities at year end and subscription fees charged to customers by Revolut Bank UAB on behalf of the Company.

*** The amounts classified as trade payables (Note 14) represent unsecured intra-group liabilities, which do not have any particular terms and conditions associated with them. The amounts relate to direct and indirect recharges as well as payments made on behalf of the Company. There were no guarantees paid or received in relation to these liabilities.

Other operating expenses and personnel expenses include recharges, which relate to technology, shared services and support functions outsourced partially or entirely to Revolut Ltd and are based on the transfer pricing policy between group entities.

The management of Revolut Securities Europe UAB received fixed remuneration of EUR 278 thousand in 2024 (2023: EUR 232 thousand) and variable (share options) of EUR 84 thousand in 2024 (2023: EUR 39 thousand). Revolut Securities Europe UAB did not provide short-term, post-employment, termination, or other long-term benefits to its employees.

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

21. Commitments and Contingencies

As at 31 December 2024 and 2023 the Company has no commitments or contingencies.

22. Events after the Reporting Period

On 11 February 2025 the shareholder decided to increase the share capital of Revolut Securities Europe UAB from EUR 4,686 thousand to EUR 4,864 thousand. The total issuance price of the new shares is EUR 8,900 thousand. New article of association of Revolut Securities Europe UAB was registered on 4 March 2025.

There were no other than disclosed events post reporting period that required disclosure or adjustments to be made to accounting estimates and assumptions as at 31 December 2024.

The financial statements were signed on 27 March 2025 by:

Rolandas Juteika	Olga Kosiakova
Chief Executive Officer	Head of Finance

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