
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 6, 2024

StoneX Group Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

000-23554
(Commission File Number)

59-2921318
(IRS Employer ID No.)

230 Park Ave, 10th Floor
New York, NY 10169

(Address of principal executive offices, including Zip Code)

(212) 485-3500

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to rule 14d-2(b) under the Exchange Act 17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

Item 2.02. Results of Operations and Financial Condition

On February 6, 2024, the Company issued a news release on the subject of the Company's results of operations and financial condition for the fiscal quarter ended December 31, 2023.

The press release is attached hereto as Exhibit 99.1 and incorporated by reference herein.

The information furnished under this Item 2.02, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit No.

99.1 [Press release dated February 6, 2024.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

Signature

Pursuant to the Requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the Undersigned hereunto duly authorized.

February 6, 2024

(Date)

StoneX Group Inc.

(Registrant)

/s/ WILLIAM J. DUNAWAY

William J. Dunaway
Chief Financial Officer



StoneX Group Inc. Reports Fiscal 2024 First Quarter Financial Results

Quarterly Operating Revenues of \$784.2 million, up 20%

Quarterly Net Income of \$69.1 million, ROE of 19.3%

Quarterly Diluted EPS of \$2.13 per share

New York, NY – February 6, 2024 – StoneX Group Inc. (the “Company”; NASDAQ: SNEX), a global financial services network that connects companies, organizations, traders and investors to the global market ecosystem through a unique blend of digital platforms, end-to-end clearing and execution services, high touch service and deep expertise, today announced its financial results for the fiscal year 2024 first quarter ended December 31, 2023.

Sean M. O’Connor, the Company’s CEO, stated, “We had a very strong start to fiscal 2024, with net income of \$69.1 million representing a 19.3% return on equity, a 20.5% return on tangible book value, and diluted EPS of \$2.13. The comparable prior year period included a \$23.5 million gain on acquisition, which contributed \$0.74 of diluted EPS. Excluding this gain on acquisition, diluted EPS increased by 28.0% over the prior year. We continue to see a constructive market environment with good client engagement, and increased interest earnings on our client float. We are pleased to see that our business continues to deliver what we believe to be superior returns to our shareholders.”

StoneX Group Inc. Summary Financials

Consolidated financial statements for the Company will be included in our Quarterly Report on Form 10-Q to be filed with the Securities and Exchange Commission (the "SEC"). Upon filing, the Quarterly Report on Form 10-Q will also be made available on the Company's website at www.stonex.com.

| (Unaudited) (in millions, except share and per share amounts) | Three Months Ended December 31, | | |
|---|---------------------------------|-----------------|--------------|
| | 2023 | 2022 | % Change |
| Revenues: | | | |
| Sales of physical commodities | \$ 18,820.9 | \$ 12,403.4 | 52% |
| Principal gains, net | 293.8 | 254.2 | 16% |
| Commission and clearing fees | 129.7 | 118.0 | 10% |
| Consulting, management, and account fees | 38.5 | 39.8 | (3)% |
| Interest income | 290.1 | 196.2 | 48% |
| Total revenues | 19,573.0 | 13,011.6 | 50% |
| Cost of sales of physical commodities | 18,788.8 | 12,356.8 | 52% |
| Operating revenues | 784.2 | 654.8 | 20% |
| Transaction-based clearing expenses | 74.3 | 67.3 | 10% |
| Introducing broker commissions | 39.1 | 36.8 | 6% |
| Interest expense | 236.0 | 154.3 | 53% |
| Interest expense on corporate funding | 13.2 | 14.4 | (8)% |
| Net operating revenues | 421.6 | 382.0 | 10% |
| Compensation and other expenses: | | | |
| Variable compensation and benefits | 121.9 | 118.5 | 3% |
| Fixed compensation and benefits | 96.2 | 80.5 | 20% |
| Trading systems and market information | 18.7 | 17.7 | 6% |
| Professional fees | 15.7 | 15.9 | (1)% |
| Non-trading technology and support | 16.9 | 14.8 | 14% |
| Occupancy and equipment rental | 7.7 | 8.9 | (13)% |
| Selling and marketing | 11.7 | 12.9 | (9)% |
| Travel and business development | 7.1 | 5.7 | 25% |
| Communications | 2.2 | 2.2 | —% |
| Depreciation and amortization | 11.2 | 12.7 | (12)% |
| Bad debts (recoveries), net | (0.3) | 0.7 | n/m |
| Other | 16.9 | 19.4 | (13)% |
| Total compensation and other expenses | 325.9 | 309.9 | 5% |
| Gain on acquisition | — | 23.5 | (100)% |
| Income before tax | 95.7 | 95.6 | —% |
| Income tax expense | 26.6 | 19.0 | 40% |
| Net income | \$ 69.1 | \$ 76.6 | (10)% |
| Earnings per share: ⁽¹⁾ | | | |
| Basic | \$ 2.20 | \$ 2.50 | (12)% |
| Diluted | \$ 2.13 | \$ 2.41 | (12)% |
| Weighted-average number of common shares outstanding: ⁽¹⁾ | | | |
| Basic | 30,233,107 | 29,657,724 | 2% |
| Diluted | 31,274,307 | 30,749,778 | 2% |
| Return on equity ("ROE") | 19.3 % | 27.3 % | |
| ROE on tangible book value | 20.5 % | 29.6 % | |

n/m = not meaningful to present as a percentage

(1) On November 24, 2023, the Company effected a three-for-two stock dividend to stockholders of record as of November 17, 2023. The stock split increased the number of shares of common stock outstanding. All share and per share amounts have been retroactively adjusted for the stock split.

The following table presents our consolidated operating revenues by segment for the periods indicated.

| (in millions) | Three Months Ended December 31, | | |
|---|---------------------------------|-----------------|------------|
| | 2023 | 2022 | % Change |
| Segment operating revenues represented by: | | | |
| Commercial | \$ 198.4 | \$ 182.4 | 9% |
| Institutional | 435.7 | 343.5 | 27% |
| Retail | 92.5 | 70.5 | 31% |
| Payments | 60.6 | 55.4 | 9% |
| Corporate | 9.2 | 12.8 | (28)% |
| Eliminations | (12.2) | (9.8) | 24% |
| Operating revenues | <u>\$ 784.2</u> | <u>\$ 654.8</u> | <u>20%</u> |

The following table presents our consolidated income by segment for the periods indicated.

| (in millions) | Three Months Ended December 31, | | |
|---|---------------------------------|-----------------|------------|
| | 2023 | 2022 | % Change |
| Segment income represented by: | | | |
| Commercial | \$ 87.2 | \$ 82.8 | 5% |
| Institutional | 65.2 | 62.0 | 5% |
| Retail | 28.7 | (4.2) | n/m |
| Payments | 35.0 | 32.3 | 8% |
| Total segment income | <u>\$ 216.1</u> | <u>\$ 172.9</u> | <u>25%</u> |
| Reconciliation of segment income to income before tax: | | | |
| Segment income | \$ 216.1 | \$ 172.9 | 25% |
| Net operating revenues (loss) within Corporate ⁽¹⁾ | (15.6) | (11.1) | 41% |
| Overhead costs and expenses | (104.8) | (89.7) | 17% |
| Gain on acquisition | — | 23.5 | (100)% |
| Income before tax | <u>\$ 95.7</u> | <u>\$ 95.6</u> | <u>—%</u> |

(1) Includes interest expense on corporate funding.

Key Operating Metrics

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

All \$ amounts are U.S. dollar or U.S. dollar equivalents

| Operating Revenues (in millions): | Three Months Ended December 31, | | |
|---|---------------------------------|-----------------|------------|
| | 2023 | 2022 | % Change |
| Listed derivatives | \$ 109.2 | \$ 99.8 | 9% |
| Over-the-counter (“OTC”) derivatives | 44.5 | 42.5 | 5% |
| Securities | 316.2 | 234.1 | 35% |
| FX / Contracts for difference (“CFD”) contracts | 74.6 | 48.8 | 53% |
| Payments | 59.4 | 54.2 | 10% |
| Physical contracts | 51.4 | 59.7 | (14)% |
| Interest / fees earned on client balances | 98.4 | 86.2 | 14% |
| Other | 33.5 | 26.5 | 26% |
| Corporate | 9.2 | 12.8 | (28)% |
| Eliminations | (12.2) | (9.8) | 24% |
| | <u>\$ 784.2</u> | <u>\$ 654.8</u> | <u>20%</u> |
| Volumes and Other Select Data (all \$ amounts are U.S. dollar or U.S. dollar equivalents): | | | |
| Listed derivatives (contracts, 000’s) | 50,759 | 40,199 | 26% |
| Listed derivatives, average rate per contract ⁽¹⁾ | \$ 2.03 | \$ 2.33 | (13)% |
| Average client equity - listed derivatives (millions) | \$ 6,170 | \$ 8,222 | (25)% |
| OTC derivatives (contracts, 000’s) | 814 | 717 | 14% |
| OTC derivatives, average rate per contract | \$ 54.92 | \$ 60.08 | (9)% |
| Securities average daily volume (“ADV”) (millions) | \$ 6,224 | \$ 4,231 | 47% |
| Securities rate per million (“RPM”) ⁽²⁾ | \$ 295 | \$ 422 | (30)% |
| Average money market / FDIC sweep client balances (millions) | \$ 1,060 | \$ 1,535 | (31)% |
| FX / CFD contracts ADV (millions) | \$ 10,917 | \$ 12,830 | (15)% |
| FX / CFD contracts RPM | \$ 109 | \$ 63 | 73% |
| Payments ADV (millions) | \$ 75 | \$ 75 | —% |
| Payments RPM | \$ 12,557 | \$ 11,431 | 10% |

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

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

Interest expense

| (in millions) | Three Months Ended December 31, | | |
|---|---------------------------------|----------|----------|
| | 2023 | 2022 | % Change |
| Interest expense attributable to: | | | |
| Trading activities: | | | |
| Institutional dealer in fixed income securities | \$ 172.1 | \$ 96.3 | 79 % |
| Securities borrowing | 14.6 | 7.9 | 85 % |
| Client balances on deposit | 36.3 | 36.5 | (1)% |
| Short-term financing facilities of subsidiaries and other direct interest of operating segments | 13.0 | 13.6 | (4)% |
| | 236.0 | 154.3 | 53 % |
| Corporate funding | 13.2 | 14.4 | (8)% |
| Total interest expense | \$ 249.2 | \$ 168.7 | 48 % |

Variable vs. Fixed Expenses

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

| (in millions) | Three Months Ended December 31, | | | |
|-------------------------------------|---------------------------------|------------|----------|------------|
| | 2023 | % of Total | 2022 | % of Total |
| Variable compensation and benefits | \$ 121.9 | 28% | \$ 118.5 | 29% |
| Transaction-based clearing expenses | 74.3 | 17% | 67.3 | 16% |
| Introducing broker commissions | 39.1 | 9% | 36.8 | 9% |
| Total variable expenses | 235.3 | 54% | 222.6 | 54% |
| Fixed compensation and benefits | 96.2 | 22% | 80.5 | 19% |
| Other fixed expenses | 108.1 | 24% | 110.2 | 27% |
| Bad debts (recoveries), net | (0.3) | —% | 0.7 | —% |
| Total non-variable expenses | 204.0 | 46% | 191.4 | 46% |
| Total non-interest expenses | \$ 439.3 | 100% | \$ 414.0 | 100% |

Impact of the Gain on Acquisition and Related Amortization

On October 31, 2022, the Company's wholly owned subsidiary, StoneX Netherlands B.V., acquired CDI-Societe Cotonniere De Distribution S.A ("CDI"), based in Switzerland. The results of the three months ended December 31, 2022 include a non-taxable gain of \$23.5 million related to the acquisition. The results of the three months ended December 31, 2023 and 2022 include amortization expense related to identified intangible assets from this acquisition.

The Company acquired Gain Capital Holdings, Inc. effective August 1, 2020. The results of the three months ended December 31, 2023 and 2022 include amortization expense related to identified intangible assets from this acquisition.

When evaluating acquisitions, management considers the gain on acquisition and the amortization expense related to the intangible assets identified and recorded as part of these acquisitions.

The following table presents income before tax, income tax expense, and net income as reported in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The table also presents adjusted income before tax, adjusted income tax expense, and adjusted net income, which are non-GAAP financial measures. The "adjusted" non-GAAP financial measures reflect each item after removing the impact of the gain on acquisition and the related amortization expense of the intangible assets for the three months ended December 31, 2023 and 2022, respectively.

Management believes that presenting our results excluding the gain on acquisition and the amortization expense related to the intangible assets identified and recorded as part of these acquisitions is meaningful, as it increases the comparability of period-to-period results.

| (in millions) | Three Months Ended December 31, | | |
|------------------------------------|---------------------------------|---------|----------|
| | 2023 | 2022 | % Change |
| As reported, GAAP: | | | |
| Income before tax | \$ 95.7 | \$ 95.6 | — % |
| Income tax expense | 26.6 | 19.0 | 40 % |
| Net income | \$ 69.1 | \$ 76.6 | (10)% |
| Return on equity | 19.3 % | 27.3 % | (8.0)% |
| Adjusted (non-GAAP) ⁽¹⁾ | | | |
| Adjusted income before tax | \$ 97.0 | \$ 75.1 | 29 % |
| Adjusted income tax expense | 27.0 | 19.8 | 36 % |
| Adjusted net income | \$ 70.0 | \$ 55.3 | 27 % |
| Adjusted return on equity | 19.6 % | 19.7 % | (0.1)% |

(1) Adjusted income before tax, adjusted income tax expense, adjusted net income, and adjusted return on equity are non-GAAP financial measures. A reconciliation between the GAAP and non-GAAP amounts listed above is provided in Appendix A.

Segment Information

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

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

In the accompanying segment tables, 'Allocation of overhead costs' has been added beneath 'Segment income', which reconciles the segment income measure to the segment income, less allocation of overhead costs measure for the three months ended December 31, 2023.

Segment Results

Our business activities are managed through four operating segments, including Commercial, Institutional, Retail and Payments.

The tables below present the financial performance, a disaggregation of operating revenues, and select operating data and metrics used by management in evaluating the performance of our segments, for the periods indicated. Additional information on the performance of our segments will be included in our Quarterly Report on Form 10-Q to be filed with the SEC.

Commercial

| (in millions) | Three Months Ended December 31, | | |
|--|---------------------------------|-----------------|------------|
| | 2023 | 2022 | % Change |
| Revenues: | | | |
| Sales of physical commodities | \$ 18,809.5 | \$ 12,149.4 | 55% |
| Principal gains, net | 77.1 | 69.7 | 11% |
| Commission and clearing fees | 44.3 | 38.8 | 14% |
| Consulting, management and account fees | 5.8 | 6.5 | (11)% |
| Interest income | 41.3 | 29.1 | 42% |
| Total revenues | 18,978.0 | 12,293.5 | 54% |
| Cost of sales of physical commodities | 18,779.6 | 12,111.1 | 55% |
| Operating revenues | 198.4 | 182.4 | 9% |
| Transaction-based clearing expenses | 15.8 | 13.2 | 20% |
| Introducing broker commissions | 10.4 | 7.5 | 39% |
| Interest expense | 8.8 | 9.0 | (2)% |
| Net operating revenues | 163.4 | 152.7 | 7% |
| Variable direct compensation and benefits | 37.0 | 37.0 | —% |
| Net contribution | 126.4 | 115.7 | 9% |
| Fixed compensation and benefits | 15.5 | 13.7 | 13% |
| Other fixed expenses | 23.8 | 18.7 | 27% |
| Bad debts (recoveries), net | (0.1) | 0.5 | n/m |
| Non-variable direct expenses | 39.2 | 32.9 | 19% |
| Segment income | 87.2 | 82.8 | 5% |
| Allocation of overhead costs ⁽¹⁾ | 8.8 | — | n/m |
| Segment income, less allocation of overhead costs | \$ 78.4 | \$ 82.8 | n/m |

- (1) Includes an allocation of certain overhead costs to our operating segments as noted above for the three months ended December 31, 2023. These allocations will be provided on an ongoing basis, however they have not been calculated for previously reported periods.

| (in millions) | Three Months Ended December 31, | | |
|---|---------------------------------|-----------------|-----------|
| | 2023 | 2022 | % Change |
| Operating revenues (in millions): | | | |
| Listed derivatives | \$ 59.4 | \$ 53.8 | 10% |
| OTC derivatives | 44.5 | 42.5 | 5% |
| Physical contracts | 50.6 | 53.7 | (6)% |
| Interest / fees earned on client balances | 37.2 | 26.1 | 43% |
| Other | 6.7 | 6.3 | 6% |
| | \$ 198.4 | \$ 182.4 | 9% |
| Select data (all \$ amounts are U.S. dollar or U.S. dollar equivalents): | | | |
| Listed derivatives (contracts, 000's) | 9,523 | 7,887 | 21% |
| Listed derivatives, average rate per contract ⁽¹⁾ | \$ 5.95 | \$ 6.67 | (11)% |
| Average client equity - listed derivatives (millions) | \$ 1,700 | \$ 2,136 | (20)% |
| Over-the-counter ("OTC") derivatives (contracts, 000's) | 814 | 717 | 14% |
| OTC derivatives, average rate per contract | \$ 54.92 | \$ 60.08 | (9)% |

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

Institutional

| (in millions) | Three Months Ended December 31, | | |
|--|---------------------------------|----------------|------------|
| | 2023 | 2022 | % Change |
| Revenues: | | | |
| Sales of physical commodities | \$ — | \$ — | —% |
| Principal gains, net | 103.2 | 101.2 | 2% |
| Commission and clearing fees | 73.3 | 67.5 | 9% |
| Consulting, management and account fees | 17.3 | 16.8 | 3% |
| Interest income | 241.9 | 158.0 | 53% |
| Total revenues | 435.7 | 343.5 | 27% |
| Cost of sales of physical commodities | — | — | —% |
| Operating revenues | 435.7 | 343.5 | 27% |
| Transaction-based clearing expenses | 52.9 | 47.0 | 13% |
| Introducing broker commissions | 7.7 | 8.6 | (10)% |
| Interest expense | 226.5 | 144.7 | 57% |
| Net operating revenues | 148.6 | 143.2 | 4% |
| Variable direct compensation and benefits | 48.4 | 48.6 | —% |
| Net contribution | 100.2 | 94.6 | 6% |
| Fixed compensation and benefits | 16.4 | 12.7 | 29% |
| Other fixed expenses | 19.0 | 20.0 | (5)% |
| Bad debts (recoveries), net | (0.4) | (0.1) | 300% |
| Non-variable direct expenses | 35.0 | 32.6 | 7% |
| Segment income | 65.2 | 62.0 | 5% |
| Allocation of overhead costs ⁽¹⁾ | 12.8 | — | n/m |
| Segment income, less allocation of overhead costs | \$ 52.4 | \$ 62.0 | n/m |

- (1) Includes an allocation of certain overhead costs to our operating segments as noted above for the three months ended December 31, 2023. These allocations will be provided on an ongoing basis, however they have not been calculated for previously reported periods.

| (in millions) | Three Months Ended December 31, | | |
|--|---------------------------------|-----------------|------------|
| | 2023 | 2022 | % Change |
| Operating revenues (in millions): | | | |
| Listed derivatives | \$ 49.8 | \$ 46.0 | 8% |
| Securities | 293.6 | 213.0 | 38% |
| FX contracts | 8.0 | 9.2 | (13)% |
| Interest / fees earned on client balances | 60.5 | 59.3 | 2% |
| Other | 23.8 | 16.0 | 49% |
| | \$ 435.7 | \$ 343.5 | 27% |
| Select data (all \$ amounts are U.S. dollar or U.S. dollar equivalents): | | | |
| Listed derivatives (contracts, 000's) | 41,236 | 32,312 | 28% |
| Listed derivatives, average rate per contract ⁽¹⁾ | \$ 1.12 | \$ 1.27 | (12)% |
| Average client equity - listed derivatives (millions) | \$ 4,470 | \$ 6,086 | (27)% |
| Securities ADV (millions) | \$ 6,224 | \$ 4,231 | 47% |
| Securities RPM ⁽²⁾ | \$ 295 | \$ 422 | (30)% |
| Average money market / FDIC sweep client balances (millions) | \$ 1,060 | \$ 1,535 | (31)% |
| FX contracts ADV (millions) | \$ 3,970 | \$ 4,868 | (18)% |
| FX contracts RPM | \$ 34 | \$ 30 | 13% |

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

Retail

| (in millions) | Three Months Ended December 31, | | |
|---|---------------------------------|-----------------|--------------|
| | 2023 | 2022 | % Change |
| Revenues: | | | |
| Sales of physical commodities | \$ 11.4 | \$ 254.0 | (96)% |
| Principal gains, net | 55.6 | 31.8 | 75% |
| Commission and clearing fees | 11.2 | 10.7 | 5% |
| Consulting, management and account fees | 14.1 | 14.9 | (5)% |
| Interest income | 9.4 | 4.8 | 96% |
| Total revenues | 101.7 | 316.2 | (68)% |
| Cost of sales of physical commodities | 9.2 | 245.7 | (96)% |
| Operating revenues | 92.5 | 70.5 | 31% |
| Transaction-based clearing expenses | 3.5 | 5.3 | (34)% |
| Introducing broker commissions | 20.4 | 20.2 | 1% |
| Interest expense | 1.6 | 1.1 | 45% |
| Net operating revenues | 67.0 | 43.9 | 53% |
| Variable direct compensation and benefits | 4.4 | 4.7 | (6)% |
| Net contribution | 62.6 | 39.2 | 60% |
| Fixed compensation and benefits | 10.3 | 13.2 | (22)% |
| Other fixed expenses | 23.5 | 29.9 | (21)% |
| Bad debts, net of recoveries | 0.1 | 0.3 | (67)% |
| Non-variable direct expenses | 33.9 | 43.4 | (22)% |
| Segment income (loss) | 28.7 | (4.2) | n/m |
| Allocation of overhead costs ⁽¹⁾ | 11.5 | — | n/m |
| Segment income (loss), less allocation of overhead costs | \$ 17.2 | \$ (4.2) | n/m |

(1)

Includes an allocation of certain overhead costs to our operating segments as noted above for the three months ended December 31, 2023. These allocations will be provided on an ongoing basis, however they have not been calculated for previously reported periods.

| (in millions) | Three Months Ended December 31, | | |
|---|---------------------------------|----------------|------------|
| | 2023 | 2022 | % Change |
| Operating revenues (in millions): | | | |
| Securities | \$ 22.6 | \$ 21.1 | 7% |
| FX / CFD contracts | 66.6 | 39.6 | 68% |
| Physical contracts | 0.8 | 6.0 | (87)% |
| Interest / fees earned on client balances | 0.7 | 0.8 | (13)% |
| Other | 1.8 | 3.0 | (40)% |
| | \$ 92.5 | \$ 70.5 | 31% |
| Select data (all \$ amounts are U.S. dollar or U.S. dollar equivalents): | | | |
| FX / CFD contracts ADV (millions) | \$ 6,948 | \$ 7,962 | (13)% |
| FX / CFD contracts RPM | \$ 151 | \$ 82 | 84% |

Payments

| (in millions) | Three Months Ended December 31, | | |
|--|---------------------------------|----------------|------------|
| | 2023 | 2022 | % Change |
| Revenues: | | | |
| Sales of physical commodities | \$ — | \$ — | —% |
| Principal gains, net | 57.5 | 52.6 | 9% |
| Commission and clearing fees | 1.5 | 1.6 | (6)% |
| Consulting, management, account fees | 0.9 | 1.0 | (10)% |
| Interest income | 0.7 | 0.2 | 250% |
| Total revenues | 60.6 | 55.4 | 9% |
| Cost of sales of physical commodities | — | — | —% |
| Operating revenues | | | |
| Transaction-based clearing expenses | 1.8 | 1.6 | 13% |
| Introducing broker commissions | 0.6 | 0.5 | 20% |
| Interest expense | — | — | —% |
| Net operating revenues | 58.2 | 53.3 | 9% |
| Variable compensation and benefits | 10.6 | 11.2 | (5)% |
| Net contribution | 47.6 | 42.1 | 13% |
| Fixed compensation and benefits | 7.3 | 5.5 | 33% |
| Other fixed expenses | 5.2 | 4.3 | 21% |
| Bad debts | 0.1 | — | n/m |
| Total non-variable direct expenses | 12.6 | 9.8 | 29% |
| Segment income | 35.0 | 32.3 | 8% |
| Allocation of overhead costs ⁽¹⁾ | 5.1 | — | n/m |
| Segment income, less allocation of overhead costs | \$ 29.9 | \$ 32.3 | n/m |

(1)

Includes an allocation of certain overhead costs to our operating segments as noted above for the three months ended December 31, 2023. These allocations will be provided on an ongoing basis, however they have not been calculated for previously reported periods.

| (in millions) | Three Months Ended December 31, | | |
|---|---------------------------------|----------------|-----------|
| | 2023 | 2022 | % Change |
| Operating revenues (in millions): | | | |
| Payments | \$ 59.4 | \$ 54.2 | 10% |
| Other | 1.2 | 1.2 | —% |
| | \$ 60.6 | \$ 55.4 | 9% |
| Select data (all \$ amounts are U.S. dollar or U.S. dollar equivalents): | | | |
| Payments ADV (millions) | \$ 75 | \$ 75 | —% |
| Payments RPM | \$ 12,557 | \$ 11,431 | 10% |

Overhead Costs and Expenses

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

In addition, for the three months ended December 31, 2023, the table provides information regarding the allocation of a portion of these costs to the aforementioned operating segments. The allocation of overhead costs to operating segments includes costs associated with compliance, technology, and credit and risk costs. The share of allocated costs is based on resources consumed by the relevant businesses. In addition, the allocation of human resources and occupancy costs is principally based on employee costs within the relevant businesses.

| (in millions) | Three Months Ended December 31, | | |
|---|---------------------------------|---------|----------|
| | 2023 | 2022 | % Change |
| Compensation and benefits: | | | |
| Variable compensation and benefits | \$ 19.4 | \$ 15.5 | 25% |
| Fixed compensation and benefits | 40.6 | 29.9 | 36% |
| | 60.0 | 45.4 | 32% |
| Other expenses: | | | |
| Occupancy and equipment rental | 7.3 | 8.8 | (17)% |
| Non-trading technology and support | 13.0 | 9.6 | 35% |
| Professional fees | 7.5 | 7.8 | (4)% |
| Depreciation and amortization | 5.5 | 5.7 | (4)% |
| Communications | 1.6 | 1.6 | —% |
| Selling and marketing | 1.3 | 0.9 | 44% |
| Trading systems and market information | 1.7 | 2.1 | (19)% |
| Travel and business development | 1.7 | 1.6 | 6% |
| Other | 5.2 | 6.2 | (16)% |
| | 44.8 | 44.3 | 1% |
| Overhead costs and expenses | 104.8 | 89.7 | 17% |
| Allocation of overhead costs ⁽¹⁾ | (38.2) | — | n/m |
| Overhead costs and expense, net of allocation to operating segments | \$ 66.6 | \$ 89.7 | n/m |

(1)

Includes an allocation of certain overhead costs to our operating segments as noted above for the three months ended December 31, 2023. These allocations will be provided on an ongoing basis, however they have not been calculated for previously reported periods.

Balance Sheet Summary

The following table below provides a summary of asset, liability and stockholders' equity information for the periods indicated.

| (Unaudited) (in millions, except for share and per share amounts) | December 31, 2023 | September 30, 2023 |
|---|--------------------------|---------------------------|
| Summary asset information: | | |
| Cash and cash equivalents | \$ 1,157.6 | \$ 1,108.3 |
| Cash, securities and other assets segregated under federal and other regulations | \$ 2,774.6 | \$ 2,426.3 |
| Securities purchased under agreements to resell | \$ 3,799.8 | \$ 2,979.5 |
| Securities borrowed | \$ 994.5 | \$ 1,129.1 |
| Deposits with and receivables from broker-dealers, clearing organizations and counterparties, net | \$ 7,474.1 | \$ 7,443.8 |
| Receivables from clients, net and notes receivable, net | \$ 830.9 | \$ 688.3 |
| Financial instruments owned, at fair value | \$ 5,064.4 | \$ 5,044.8 |
| Physical commodities inventory, net | \$ 518.4 | \$ 537.3 |
| Property and equipment, net | \$ 127.0 | \$ 123.5 |
| Operating right of use assets | \$ 137.9 | \$ 122.1 |
| Goodwill and intangible assets, net | \$ 80.5 | \$ 82.4 |
| Other | \$ 285.1 | \$ 253.3 |
| Summary liability and stockholders' equity information: | | |
| Accounts payable and other accrued liabilities | \$ 496.3 | \$ 579.3 |
| Operating lease liabilities | \$ 169.3 | \$ 149.3 |
| Payables to clients | \$ 10,048.6 | \$ 9,976.0 |
| Payables to broker-dealers, clearing organizations and counterparties | \$ 541.5 | \$ 442.4 |
| Payables to lenders under loans | \$ 418.5 | \$ 341.0 |
| Senior secured borrowings, net | \$ 342.9 | \$ 342.1 |
| Securities sold under agreements to repurchase | \$ 6,054.2 | \$ 4,526.6 |
| Securities loaned | \$ 942.7 | \$ 1,117.3 |
| Financial instruments sold, not yet purchased, at fair value | \$ 2,748.0 | \$ 3,085.6 |
| Stockholders' equity | \$ 1,482.8 | \$ 1,379.1 |
| Common stock outstanding - shares | 31,494,180 | 31,194,867 |
| Net asset value per share | \$ 47.08 | \$ 44.21 |

The Company calculates ROE on stated book value based on net income divided by average stockholders' equity. For the calculation of ROE on tangible book value, the amount of goodwill and intangibles, net is excluded from stockholders' equity.

Conference Call & Web Cast

A conference call to discuss the Company's financial results will be held tomorrow, Wednesday, February 7, 2024 at 9:00 a.m. Eastern time. The call may also include discussion of Company developments, and forward-looking and other material information about business and financial matters. A live webcast of the conference call as well as additional information to review during the call will be made available in PDF form on-line on the Company's corporate web site at <https://www.stonex.com>. Participants can also access the call via <https://register.vevent.com/register/BIEfdedd755d004fc3ab1dcd78839f84ef> approximately ten minutes prior to the start time. Participants may preregister for the conference call here.

For those who cannot access the live broadcast, a replay of the call will be available at <https://www.stonex.com>.

About StoneX Group Inc.

StoneX Group Inc., through its subsidiaries, operates a global financial services network that connects companies, organizations, traders and investors to the global market ecosystem through a unique blend of digital platforms, end-to-end clearing and execution services, high touch service and deep expertise. The Company strives to be the one trusted partner to its clients, providing its network, product and services to allow them to pursue trading opportunities, manage their market risks, make investments and improve their business performance. A Fortune-500 company headquartered in New York City and listed on the Nasdaq Global Select Market (NASDAQ:SNEX), StoneX Group Inc. and its more than 4,000 employees serve more than 54,000 commercial, institutional, and payments clients, and more than 400,000 retail accounts, from more than 40 offices spread across five continents. Further information on the Company is available at www.stonex.com.

Forward Looking Statements

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, such as those pertaining to the Company's financial condition, results of operations, business strategy and financial needs. All statements other than statements of current or historical fact contained in this press release are forward-looking statements. The words "believe," "expect," "anticipate," "should," "plan," "will," "may," "could," "intend," "estimate," "predict," "potential," "continue" or the negative of these terms and similar expressions, as they relate to StoneX Group Inc., are intended to identify forward-looking statements.

These forward-looking statements are largely based on current expectations and projections about future events and financial trends that may affect the financial condition, results of operations, business strategy and financial needs of the Company. They can be affected by inaccurate assumptions, including the risks, uncertainties and assumptions described in the filings made by StoneX Group Inc. with the SEC, including those risks set forth under the heading "Risk Factors" in the Company's most recent Annual Report on Form 10-K and, to the extent applicable, subsequent Quarterly Reports on Form 10-Q and other filings made time to time with the SEC. In light of these risks, uncertainties and assumptions, the forward-looking statements in this press release may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. When you consider these forward-looking statements, you should keep in mind these risk factors and other cautionary statements in this press release.

These forward-looking statements speak only as of the date of this press release. StoneX Group Inc. undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

StoneX Group Inc.

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