ABC ARBITRAGE

18, rue du Quatre Septembre
75002 Paris - France

Contact - abc@abc-arbitrage.com
Internet - www.abc-arbitrage.com

Table of contents

Note to the readers

As of March 25, 2025, the audit procedures carried out by the financial auditors are in progress.

Consolidated balance sheet - Assets

In thousand euros	Note	Dec 31, 2024 IFRS	Dec 31, 2023 IFRS
Intangible assets	3.1	118	204
Right-of-use assets	3.1	3,439	4,079
Property and equipment	3.1	1,279	1,349
Non-current financial assets	3.2	405	376
Deferred tax assets		177	109
Non-current assets		**5,418**	**6,118**
Financial assets at fair value through profit or loss	3.3/3.4	151,661	147,733
Other accounts receivable	3.5	11,497	9,043
Current tax assets		58	-
Cash and cash equivalents		9,731	9,217
Current assets		**172,946**	**165,993**
Total Assets		**178,364**	**172,110**

Consolidated balance sheet - Liabilities

In thousand euros	Note	Dec 31, 2024 IFRS	Dec 31, 2023 IFRS
Paid-up share capital		954	954
Additional paid-in capital		41,441	41,441
Retained earnings		106,764	108,431
Interim dividend		(11,874)	(11,898)
Net income		26,845	16,481
Equity attributable to equity holders	3.6	**164,129**	**155,409**
Provisions	3.7	-	-
Lease liability > 1 year	3.8	2,505	3,555
Non-current liabilities		**2,505**	**3,555**
Financial liabilities at fair value through profit or loss	3.3	1	1
Other liabilities Lease liability < 1 year	3.8	1,540	1,286
Other liabilities	3.5	10,188	6,427
Taxes payable		-	5,433
Current liabilities		**11,730**	**13,146**
Total Equity and Liabilities		**178,364**	**172,110**

Consolidated statement of income

In thousand euros	Note	Dec 31, 2024 IFRS	Dec 31, 2023 IFRS
Net gain/loss on financial instruments at fair value through profit or loss	**4.1**	29,367	20,603
Investments service fees	**4.2**	21,442	18,313
Other revenues	**4.3**	676	898
Other purchases and external expenses	**4.4**	(7,505)	(7,466)
Taxes and duties		(590)	(635)
Payroll costs	**4.5**	(20,309)	(13,324)
Depreciation and amortisation expenses		(1,973)	(1,918)
Operating income		**21,107**	**16,471**
Cost of risk	**4.6**	-	-
Interest expense		(70)	(66)
Income before tax		**21,037**	**16,404**
Current taxes	**4.7**	5,667	-
Deferred taxes	**4.7**	141	77
Net income		**26,845**	**16,481**
Attributable to equity holders		*26,845*	*16,481*
Attributable to minority interests		*-*	*-*

Number of ordinary shares	*59,608,879*	*59,608,879*
Average number of ordinary shares on the market (weighted average)	*59,334,729*	*59,282,636*
Number of ordinary shares to determine the income diluted per share	*59,700,450*	*59,541,993*
Earnings per ordinary share in euros	*0.45*	*0.28*
Diluted earnings per ordinary share in euros	*0.45*	*0.28*

Statement of comprehensive income

In thousand euros	Note	Dec 31, 2024 IFRS	Dec 31, 2023 IFRS
Net income		**26,845**	**16,481**
Change in foreign exchange		-	-
Income tax		-	-
Total Other Comprehensive Income		-	-
Net income and Other comprehensive income		**26,845**	**16,481**
Attributable to equity holders		*26,845*	*16,481*
Attributable to minority interests		*-*	*-*

Statement of changes in equity

In thousand euros	Paid-up share capital	Equity instruments and related reserves	Elimination of treasury shares	Retained earnings and net income	Total equity attributable to equity holders	Total consolidated equity
As of Dec. 31, 2022	**954**	**41,441**	**(3,126)**	**122,387**	**161,655**	**161,655**
Issue of shares	-	-	-	-	-	**-**
Elimination of treasury shares	-	-	2,338	-	2,338	**2,338**
Dividends on 2022 net income	-	-	-	(12,470)	(12,470)	**(12,470)**
Interim dividend 2023	-	-	-	(11,898)	(11,898)	**(11,898)**
Share-based payments	-	-	-	(697)	(697)	**(697)**
Net income 2023	-	-	-	16,481	16,481	**16,481**
As of Dec 31, 2023	**954**	**41,441**	**(788)**	**113,803**	**155,409**	**155,409**
Issue of shares	-	-	-	-	-	**-**
Elimination of treasury shares	-	-	(529)	-	(529)	**(529)**
Dividends on 2023 net income	-	-	-	(5,911)	(5,911)	**(5,911)**
Interim dividend 2024	-	-	-	(11,874)	(11,874)	**(11,874)**
Share-based payments	-	-	-	190	190	**190**
Net income 2024	-	-	-	26,845	26,845	**26,845**
As of Dec 31, 2024	**954**	**41,441**	**(1,318)**	**123,053**	**164,130**	**164,129**

Cash flow statement

In thousand euros	Dec 31, 2024 IFRS	Dec 31, 2023 IFRS
Net income	26,845	16,481
Net allocations to provisions	-	-
Net allocations to depreciation and amortisation	811	797
Depreciation and amortisation expense	1,232	1,188
Change in deferred taxes	(141)	(77)
Share-based payments expense - IFRS2	479	250
Net cash provided by operations before change in working capital	**29,226**	**18,639**
Change in working capital	**(8,111)**	**1,342**
Net cash provided by operating activities	**21,115**	**19,981**
Net cash for investing activities	**(1,204)**	**(1,133)**
Change in debt related to leasing activities - IFRS 16	(796)	(861)
Interest expense on debt related to leasing activities - IFRS 16	(70)	(66)
Net cash provided by capital transactions	-	-
Dividends paid	(17,785)	(24,368)
Share-based payments income	1,903	3,157
Share-based payments expense	(2,649)	(1,719)
Net cash for financing activities	**(19,396)**	**(23,857)**
Net change in cash and cash equivalents	**514**	**(5,010)**
Cash and cash equivalents, beginning of period	*9,217*	*14,226*
Cash and cash equivalents, end of period	*9,731*	*9,217*

1. Accounting principles and policies

The financial year covers the period from January 1 to December 31, 2024. The annual consolidated financial statements are presented in euros.

The consolidated financial statements were approved by the Board of Directors on March 20, 2025, and certified by the two statutory auditors: BM&A and Deloitte & Associés.

The consolidated financial statements of the *ABC arbitrage* Group (hereinafter the "Group") have been prepared in accordance with the IFRS (International Financial Reporting Standards) framework issued by the IASB (International Accounting Standards Board) as adopted in the European Union as of December 31, 2024.

The standards and interpretations mandatorily applicable from January 1, 2024, have no significant impact on the Group's consolidated financial statements as of December 31, 2024.

Amended IFRS Accounting Standards in Force for the Current Financial Year:

For the current financial year, the Group has applied a number of amendments to IFRS accounting standards issued by the IASB.

Regarding the introduction of new standards and interpretations adopted by the IASB and mandatorily effective from January 1, 2024, their adoption has had no significant impact on the disclosures or amounts presented in these financial statements.

Below is the list of amended IFRS accounting standards in force for the relevant period:

- Amendments to IAS 1:
    - *Classification of liabilities as current or non-current liabilities;*
    - *Classification of liabilities as current or non-current liabilities – Deferral of the effective date;*
    - *Non-current liabilities with covenants;*
- Amendments to IAS 7 and IFRS 7: *Supplier finance arrangements;*
- Amendment to IFRS 16: *Lease liability arising from a sale and leaseback transaction.*

New Amended IFRS Accounting Standards Issued but not yet effective:

As of the authorization date of these financial statements, the Group has not applied the following new amended IFRS accounting standards, which have been published but are not yet effective[1]:

- Amendments to IAS 1: *Lack of convertibility;*
- Amendments to IFRS 9 and IFRS 7: *Classification and measurement of financial instruments;*
- IFRS 18: *Presentation and disclosures in financial statements;*

The Group and its activities do not appear to be affected by these amendments, and therefore, no significant impact is expected upon their entry into force.

The financial statements are presented in euros, which is the functional currency of the Group's entities.

The preparation of the financial statements may require the Group to make estimates and assumptions that could impact the amounts of assets and liabilities as well as those of income and expenses. The underlying estimates and assumptions are based on past experience and other factors deemed reasonable given the circumstances. They serve as

[1] As of today, these standards have not yet been adopted by the European Union.

a basis for the judgment exercised in determining the carrying amounts of assets and liabilities, which cannot be directly derived from other sources.

In preparing the consolidated financial statements, *ABC arbitrage* has considered the impact of climate change, particularly in the context of the information required in the "*Voluntarily Provided Non-Financial Information*" section of the Annual Financial Report. This consideration has not had a material impact on the judgments and estimates made by the Group.

The final amounts reported in the Group's future financial statements may differ from the values currently estimated. These estimates and assumptions are continuously reviewed.

As the Group's activities are neither seasonal nor cyclical, the financial year's results are not influenced in this respect. The external market conditions encountered are inherently random. They are presented in the management report to provide context for the results achieved in each financial year.

The Group follows an industrial approach, focusing exclusively on the design of quantitative and systematic models that exploit market inefficiencies to help eliminate them and, at its own scale, contribute to market liquidity and efficiency.
Its primary objective is to deliver profitability each year within a defined risk framework while investing the necessary resources to ensure sustainable growth.

Summary of Key Events:

The market parameters observed during the 2024 financial year follow similar patterns to those seen in 2023. However, a subtle increase in volatility and trading volumes was observed in the second half of the year, enabling the Group to make the most of its historical strategies. The Group thus continues to face both low volatility and a slowdown in M&A activity but has nonetheless managed to leverage its investments to deliver an encouraging result, highlighting structural progress. This partly explains the increase in the "*Current Activity Income*" recorded. Furthermore, the average rise in interest rates, along with investments aimed at optimising deposits, had a positive impact on the remuneration of the "*Cash Collateral*" required for the Group's activities (see *§3.4. Guarantees granted*).

1.1. Fixed assets

1.1.1. Intangible assets and property and equipment

Intangible and tangible fixed assets acquired are recorded on the balance sheet at their acquisition cost, and depreciation is calculated using the straight-line method based on their estimated useful life.

The depreciation periods generally applied by the company are as follows:

- *Intangible assets: 1 to 5 years*;
- *IT equipment: 3 to 5 years*;
- *Furniture and fixtures: 5 to 10 years*.

Depreciation expenses are recorded under the "*Depreciation, Amortization, and Provisions*" line item in the income statement.

1.1.2. Right of use

IFRS 16, which relates to lease contracts, requires the lessee to recognize on its balance sheet:

- An asset representing the right-of-use of the leased asset; and
- A liability representing the obligation to make lease payments.

Thus, a depreciation expense for the asset must be presented separately from the interest expense related to the liability in the income statement.

Leases with a term of less than one year and pure service contracts are not subject to adjustments.

1.2. Fair value of financial instruments

The positions taken (*hereinafter referred to as "Exposure(s)" or "Position(s)"*) involve either equities or equity derivatives, such as warrants, guaranteed value certificates, or convertible bonds, as well as dematerialised digital assets (*"Digital Assets"*), derivatives such as futures, options, exchange-traded funds (*"ETFs"*), currency exposures, and investment fund units. This asset universe (*hereinafter referred to as "Financial Instruments"*) is, for the most part, traded on active markets, which may be regulated or unregulated. A set of related Exposures constitutes a quantitative model (*hereinafter referred to as "Quantitative Model"*).

A Quantitative Model aims to take advantage of an unjustified price difference between multiple Financial Instruments. The Group considers "*unjustified*" only those differences that can be objectively measured through a mathematical or statistical process, without any guarantee of eventual convergence.

Positions may be held with a custodian, in the form of a receivable or liability towards a counterparty, or in a synthetic format (*e.g., CFDs, swaps*).

The Group holds only Financial Instruments for trading purposes, which must therefore be classified under the IFRS category "*Fair Value Through Profit or Loss*".

The fair value hierarchy consists of the following levels:

- *Level 1:* Unadjusted quoted prices in active markets for identical assets or liabilities;
- *Level 2:* Data other than quoted prices included in Level 1 that are observable for the asset or liability, either directly *(i.e., prices)* or indirectly *(i.e., data derived from prices)*;
- *Level 3:* Data related to the asset or liability that are not based on observable market data *(i.e., unobservable inputs).*

Financial assets and liabilities classified as "Fair Value Through Profit or Loss" are measured and recognised using the trade date accounting principle. At initial recognition, they are recorded at fair value and subsequently re-measured at fair value at each valuation date.
To value its portfolio of financial instruments, an entity must use the assumptions that market participants would apply when determining the price of the asset or liability, considering that these participants act in their best economic interest.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market, or in the most advantageous market if no principal market exists, at the valuation date under current market conditions (*i.e., the "exit price"*), whether that price is directly observable or estimated using another valuation technique.
IFRS 13 also specifies that fair value must incorporate all risk components considered by market participants.

In applying IFRS 13 and considering the economic reality of trading Financial Instruments, the "*Exit Price*" used to value the financial instrument portfolio is a price that reflects both bid and ask prices (*i.e., the midpoint of the Bid/Ask spread, to obtain a Mid Price*). This price is determined at the last hour of common continuous trading for the securities within a Quantitative Model or within the shortest possible time interval.

In the absence of an active market, fair value will be determined using valuation techniques.

A financial instrument is considered to be quoted in an active market if prices are readily and regularly available from an exchange, a broker, a deal maker, an industry sector, a pricing service, or a regulatory agency, and if these prices represent actual transactions occurring regularly in the market under normal competitive conditions.

In accordance with IAS 32, cash and securities receivables and cash and securities liabilities for each market counterparty are offset, provided they are related, fungible, certain, liquid, and due. The decision to offset aims to provide a more accurate representation of the Group's financial position and assets. It does not impact the financial result.

Financial assets and liabilities held for trading purposes are therefore measured at their fair value at the reporting date and recorded on the balance sheet under "*Financial assets or liabilities at fair value through profit or loss*". Changes in fair value are recognised in the income statement under "*Net gains or losses on financial instruments measured at fair value through profit or loss*".

The Group derecognizes a financial asset or liability when the contractual rights to the cash flows related to the asset or liability expire, or when the Group transfers the contractual rights to receive the cash flows related to the asset or liability while also transferring substantially all the risks and rewards associated with the ownership of the financial asset.

1.3. Portfolio revenue

Equity income is recognised as it is received. Tax credits and any related tax refunds associated with the income are included in portfolio income.

1.4. Dividend income

Income from equity investments is recognised upon detachment.

1.5. Share-based payment

The Group has granted employees stock subscription or purchase options and performance shares. Upon the exercise of these rights, *ABC arbitrage* issues new shares through a capital increase or sells previously repurchased shares to its employees.

IFRS 2, which governs share-based payments, requires the recognition of a personnel expense equal to the fair value of the services provided by employees in exchange for the equity instruments they are to receive.

1.6. Provisions

A provision is recognised when the Group has a legal or constructive obligation resulting from a past event, which is likely to require an outflow of resources embodying economic benefits to settle the obligation, and when the amount of the obligation can be reliably estimated.
When the risk materializes or the expense occurs, the previously recognised provision, if it does not represent a net increase in assets, cannot be maintained as such and must be deducted from the recognised expense. However, if the actual expense is lower than the provision and the remaining balance is no longer required, the excess provision is then recognised as income and classified under the same category as the original provision expense.

1.7. Corporate income tax

The income tax expense corresponds to the current tax adjusted for the deferred tax of the consolidated entities. Deferred taxes are calculated on all temporary differences of a fiscal nature or related to consolidation adjustments. Deferred tax assets and liabilities are calculated using the liability method, applying enacted or substantially enacted tax rates that will be in effect when the temporary differences reverse. They are not subject to discounting.

The recoverability of deferred tax assets is reviewed regularly and may lead to the derecognition of previously recognised deferred tax assets if necessary.

1.8. Income from investment services fees

In applying IFRS 15, which sets out the principles for recognizing revenue from contractual relationships, the different types of revenue within the Group are as follows:

- Intragroup billing of commissions due by *Quartys* to portfolio managers for the right to use strategies and their implementation.

Additionally, the Group generates commission revenue from investment fund management and other mandates, for which fees are invoiced and categorised as follows:

- Management fees, calculated monthly based on assets under management and then invoiced and recognised quarterly;
- Performance fees, calculated monthly on the excess performance beyond the historical high watermark, then invoiced and recognised annually or upon redemption.

1.9. Financial statement presentation

1.9.1. *<u>Consolidation principles</u>*

The amendment to IFRS 10 "*Consolidated Financial Statements*", endorsed by Regulation (EU) No. 1174/2013, established the definition of an *"investment entity*" and introduced an exception to the consolidation principles for certain subsidiaries of entities meeting this definition, requiring them to measure their investments at fair value through profit or loss instead of consolidating them.

A parent company must determine whether it qualifies as an "investment entity", meaning an entity that, obtains funds from one or more investors to provide them with investment management services; commits to its investors that its business purpose is to invest funds solely to generate returns in the form of capital appreciation and/or investment income; and evaluates and measures the performance of substantially all of its investments on a fair value basis.
The amendment to IFRS 10 and IAS 28, endorsed by Regulation (EU) No. 2016/1703, clarified that only subsidiaries that operate as an extension of the parent *investment entity*'s business activities and are not themselves *investment entities* must be fully consolidated. Thus, all subsidiaries that qualify as *investment entities* must be measured at fair value.
The application of these standards qualifies *ABC arbitrage* as an "*investment entity*", which impacts the accounting treatment of its holdings as follows:

- Investments in *Quartys* and *ABCA Funds Ireland* are presented as financial assets at fair value through profit or loss, as both entities qualify as *investment entities* based on their activities.;
- Investments in *ABC arbitrage Asset Management* and *ABC arbitrage Asset Management Asia*, the Group's asset management companies, remain fully consolidated, as they provide services related to the Group's investment activities without themselves qualifying as *investment entities*.

1.9.2. *Earnings per share*

Diluted earnings per share correspond to the net income for the year, attributable to the Group, divided by the number of shares as of December 31, 2024, adjusted for the maximum estimated impact of the conversion of dilutive instruments into ordinary shares.

1.10. Alternative performance indicators

The Group monitors the following alternative performance indicators, which are not directly defined by IFRS standards. These indicators provide additional relevant information for shareholders in analyzing the contribution of the Group's two main areas of expertise (*investment entities* and *asset management companies*) to the Group's results, performance, financial position, and potential future revenues.

These indicators are also used internally for performance analysis. Since they are not defined by IFRS, they are not directly comparable to similarly named indicators used by other companies. Furthermore, they are not intended to replace or take precedence over IFRS indicators as presented in the financial statements.

Return on Equity (ROE) or **Net Return** Percentage measures the financial profitability of shareholders' equity. Net return is calculated using the following formula:

ROE% = 100 x (Net income / Closing shareholders' equity)

Gross Return Percentage measures the profitability level of invested funds and capital. Gross return is calculated using the following formula:

Gross Return% = 100 x (Operating income from core business / Closing shareholders' equity)

ROE and Gross Return are key indicators representing the profitability of the investment activity monitored by the Group.

The **Group's Client Assets** – also referred to as Assets Under Management (AUM) – represent the total value of financial assets managed by the Group's asset management companies. They correspond to the maximum capital available to finance client-held positions.
This indicator, which is not directly linked to the financial statements, serves as a forward-looking measure of the management fees the Group is expected to receive.

2. Consolidation scope and principles

The companies *ABC arbitrage*, *ABC arbitrage Asset Management*, and *ABC arbitrage Asset Management Asia* are consolidated using the full consolidation method.

Company	Country	Ownership as of Dec 31, 2024	Ownership as of Dec 31, 2023	Consolidation method
ABC arbitrage	France	Parent company	Parent company	**Fully consolidated**
ABC arbitrage Asset Management	France	100.0%	100.0%	
ABC arbitrage Asset Management Asia	Singapore	100.0%	100.0%	

The companies *ABC arbitrage Asset Management* and *ABC arbitrage Asset Management Asia* are the Group's asset management companies.
The Group's investment in *Quartys*[2] and the sub-funds of *ABCA Funds Ireland* is presented as financial assets at fair value through profit or loss.

The percentage of interest is presented as follows:

Company	Country	Ownership as of Dec 31, 2024	Ownership as of Dec 31, 2023	Consolidation method
Quartys Limited	Ireland	100.0%	100.0%	**Fair value based on net asset value**
ABCA Opportunities Fund	Ireland	79.3%	68.9%	
ABCA Reversion Fund	Ireland	0.3%	26.3%	

The company Quartys engages in the trading of financial instruments.

ABCA Funds Ireland is a Qualified Alternative Investment Fund under Irish law, established in 2011. As of December 31, 2024, its total assets amount to 153.5 million, consisting of two funds:

- *ABCA Opportunities Fund* with 90.9 million euros in assets under management.
- *ABCA Reversion Fund* with 62.6 million euros in assets under management.

[2] *Given the exception to the consolidation principles established by IFRS 10 "Consolidated Financial Statements", as outlined in note §1.9.1. Consolidation Principles.*

3. Notes to the balance sheet

3.1. Intangible assets and property and equipment

Gross Value

In thousand euros	Gross values as of Dec 31, 2023	Acquisitions	Retirements & Disposals	Gross values as of Dec 31, 2024
Concessions and similar rights	538	134	(228)	**444**
Equipments, fixtures and fittings	1,467	32	-	**1,499**
Office and computer equipments, furnitures	5,723	490	(170)	**6,043**
Total gross value	**7,728**	**656**	**(399)**	**7,986**

Amortisation and depreciation

In thousand euros	Amortisations Dec 31, 2023	Increase	Decrease	Amortisations Dec 31, 2024
Concessions and similar rights	(334)	(221)	228	**(326)**
Equipments, fixtures and fittings	(1,393)	(25)	-	**(1,418)**
Office and computer equipments, furnitures	(4,448)	(566)	169	**(4,846)**
Total amortisations	**(6,175)**	**(811)**	**397**	**(6,590)**

Net Value

In thousand euros	Net values as of Dec 31, 2023	Increase	Decrease	Net values as of Dec 31, 2024
Concessions and similar rights	204	(86)	-	**118**
Equipments, fixtures and fittings	74	8	-	**82**
Office and computer equipments, furnitures	1,275	(76)	(2)	**1,197**
Total net value	**1,553**	**(155)**	**(2)**	**1,396**

Fixed assets are depreciated using the straight-line method over their expected useful life. Depreciation expenses are recorded under the "*Depreciation, Amortization, and Provisions*" line item in the income statement.

Right of use - IFRS 16

In thousand euros	Value ROU as of Dec 31, 2023	Increase	Decrease	Value ROU as of Dec 31, 2024
Right-of-use assets - IFRS 16 - Gross value	6,183	913	(547)	**6,549**
Right-of-use assets - IFRS 16 - Amortisations	(2,104)	368	(1,374)	**(3,109)**
Total net value	**4,079**	**1,281**	**(1,921)**	**3,439**

Fixed assets are depreciated using the straight-line method over their expected useful life. Depreciation expenses are recorded under the "*Depreciation, Amortization, and Provisions*" line item in the income statement.

The application of IFRS 16 results in the recognition of right-of-use assets on the balance sheet for lease contracts entered into by the Group. As of December 31, 2024, these primarily consist of occupied office premises. The corresponding liabilities are recorded as long-term and short-term financial debt, depending on their maturity.
As a reminder, *ABC arbitrage* signed a new commercial lease as a tenant in early 2022 for the premises located at 18 rue du *Quatre Septembre, 75002 Paris*, with a fixed term of six years, effective from January 1, 2022.

As such, an asset corresponding to the IFRS 16 right-of-use was recognised at the end of 2021 for 5.2 million euros, with a corresponding lease liability[3].

Following the rent increase, in accordance with its indexation benchmark, an additional asset of 274 thousand euros was recognised. The depreciation expense for the right-of-use asset amounted to 1,003 thousand euros for the 2024 financial year.

3.2. Other non-current financial assets

As of December 31, 2024, this item consists of 405 thousand euros in deposits and guarantees paid.

3.3. Financial assets and liabilities at fair value through profit or loss

As of December 31, 2024, the breakdown of financial instruments held as assets or liabilities by the Group, measured at fair value according to the fair value hierarchy as described in note §1.2. *Financial Instruments at Fair Value Through Profit or Loss*, is as follows:

In thousand euros	Level 1	Level 2	Level 3	Dec 31, 2024
Financial assets at fair value through profit and loss	3	151,658	-	**151,661**
Financial liabilities at fair value through profit and loss	(1)	-	-	**(1)**
Net Assets/Liabilities at fair value through profit and loss	**1**	**151,658**	**-**	**151,659**

As of December 31, 2024, financial assets at fair value through profit or loss classified as Level 2 include investments in *Quartys* and the sub-funds of *ABCA Funds Ireland*, which are not fully consolidated under IFRS 10, as specified in note *§1.9.1. Consolidation Principles*, but are instead measured at fair value through profit or loss. These assets are classified as Level 2 because their values are not directly observable in an active market. However, their net asset value (NAV) consists of exposures to Level 1 financial instruments listed on active markets, whose values are directly observable.

No transfers occurred between different levels of the fair value hierarchy during the 2024 financial year. Additionally, long and short positions in Financial Instruments are detailed in note *§5. Risk Factors*.

Cash balances earn interest at a variable rate indexed to market reference rates, which can be either positive or negative.

For reference, as of December 31, 2023, the classification was as follows:

In thousand euros	Level 1	Level 2	Level 3	Dec 31, 2023
Financial assets at fair value through profit and loss	3	147,730	-	**147,733**
Financial liabilities at fair value through profit and loss	(1)	-	-	**(1)**
Net Assets/Liabilities at fair value through profit and loss	**2**	**147,730**	**-**	**147,732**

3.4. Guarantees granted

The vast majority of the assets recorded under "*Financial assets at fair value through profit or loss*" are pledged or mortgaged in favor of counterparties, as explained in note *§5.2. Credit and Counterparty Risks*.

[3] *The discount rate used to assess the lease liability is 1.03%.*

3.5. Other receivables and payables

The maturities of receivables and liabilities are presented in note *§5.3. Liquidity Risk*. Their breakdown is as follows:

Other receivables			Other payables		
In thousand euros	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	
Trade receivables	9,648	7,557	(359)	(828)	Trade payables
Deferred revenues	1,127	758	(294)	(13)	Deferred expenses
Accrued income	-	2	(282)	(314)	Accrued expenses
Taxes and payroll receivables	723	726	(9,254)	(5,271)	Taxes and payroll payables
Total	**11,497**	**9,043**	**(10,188)**	**(6,427)**	

Receivables primarily consist of accrued invoices for management fees recognised in the second half of the year. Tax receivables mainly comprise tax credits and VAT refunds, pending reimbursement.

Tax and social liabilities primarily relate to bonuses, profit-sharing, and incentive payments due to the Group's employees, amounting to 7 million euros, as well as liabilities to social security organizations.

Suppliers are generally paid within thirty days, end of month.

3.6. Consolidated equity

3.6.1. Share-based payment ABC 2022 and Springboard 2025

Performance share plans alive

Plan name	Business plan	Acquisition date	Acquisition period	Number of shares	Effective acquisition	Shares to be granted	Shares definitively granted
APE-3.2/2021	ABC 2022	11/06/2021	3	25,000	2024	-	17,440
APE-3.3/2021*	ABC 2022	11/06/2021	4	25,000	2025	25,000	18,219
APE-3.1/2022*	ABC 2022	10/06/2022	3	110,000	2025	95,000	57,908
APE 3.1/2023	Springb. 2025	09/06/2023	3	102,000	2026	87,000	Pending
APV 4.1/2023	Springb. 2025	09/06/2023	2	17,171	2024	-	11,943
APE 3.1/2024	Springb. 2025	07/06/2024	3	145,000	2027	145,000	Pending
APE 3.2/2024	Springb. 2025	07/06/2024	3	700,000	2027	700,000	Pending
Total				**1,124,171**		**1,052,000**	**105,510**

** Based on actual net income for that period and given the continuing presence requirement, the number of stock options which should be definitively granted by the end of the second semester of 2025.*

Stock options subscription plans alive

Plan name	Business plan	Acquisition date	Acquisition period	Number of options	Exercise start period	Expiration date	Exercise adjusted price	Options to be granted	Remaining options
SO 1.1/2024	Springb. 2025	07/06/2024	5	3,200,000	2029	30/06/2032	7.0000	3,200,000	Pending
Total				**3,200,000**				**3,200,000**	**-**

For all plans:

The allocated quantities will be zero if annual results are below 15 million euros, then will increase progressively according to a linear curve. For example, under the APE-3.1/2023 plan, if annual results amount to 20 million euros over the entire period, 33% of capital-based benefits would be definitively granted. If annual results reach 25 million euros over the same period, 67% of capital-based benefits would be definitively granted.

The expense related to the granted plans is recognised over the vesting period. This expense, which is offset in equity, is calculated based on the total value of the plan, as determined on the grant date by the Board of Directors.

In accordance with IFRS 2, an expense of 562 thousand euros, including 84 thousand euros in employer contributions, has been recognised for the 2024 financial year, based on the estimated number of probable shares across the various aforementioned programs. As a reminder, 306 thousand euros was recognised in 2023, and 240 thousand euros in 2022. This expense is related to the progress of existing programs, taking into account the achieved results, along with the new plans introduced in June 2024.

The realised loss on share buybacks used during the 2024 financial year amounted to 240 thousand euros, compared to 878 thousand euros in 2023 and 2,809 thousand euros in 2022.

3.6.2. Distribution dividend in 2023

The combined general meeting held on June 7, 2024, decided not to distribute any remaining balance for the 2023 financial year. Given the two payments of 0.10 euro per share each, made in October and December 2023, along with an interim dividend of 0.10 euro per share paid in April 2024, the total distributions for the 2023 financial year amount to 0.30 euro per share.

3.6.3. Distribution of share premium

The Board of Directors, in its meeting on September 19, 2024, decided to distribute two (*2*) interim dividends of 0.10 euro per share each, offered exclusively in cash. The ex-dividend dates were October 9 and December 3, 2024, with corresponding payment dates on October 11 and December 5, 2024. The total amount of these two distributions, based on the number of *ABC arbitrage* shares eligible for payment, amounts to 11.9 million euros.

As of December 31, 2024, the share capital amounts to 953,742 euros, divided into 59,608,879 shares with a nominal value of 0.016 euro, fully paid up. As a reminder, the share capital as of December 31, 2023, remained unchanged.

3.6.4. Treasury stock

During the 2024 financial year, as part of the liquidity contract signed with Kepler Cheuvreux, *ABC arbitrage* sold 239,957 shares at an average price of 4.55 euros and repurchased 241,074 shares at an average price of 4,29 euros.
For information, the treasury stock held outside the liquidity contract as of December 31, 2023, amounting to 68,603 shares, was fully used to cover share-based payments during the 2024 financial year.
Additionally, 415,267 shares were purchased to cover 29,383 shares for performance share allocations, and 223,551 shares for the exercise of reserved offers[4].

As of December 31, 2024, the company holds a total of 304,991 treasury shares[5] with a gross value of 1,318 thousand euros, compared to 141,541 treasury shares with a gross value of 788 thousand euros as of December 31, 2023.
In accordance with IFRS standards, *ABC arbitrage* shares held by the Group are deducted from consolidated equity.

[4] *Subscription of profit-sharing and/or incentive schemes in ABC arbitrage shares by the Group's employees.*
[5] *Including the liquidity contract signed with Kepler Cheuvreux.*

3.7. Provisions

Provisions for risks and charges were nil as of December 31, 2024, as well as December 31, 2023. The activities conducted by *ABC arbitrage* Group companies have a broad international scope, either directly or indirectly, on behalf of third parties. As a result, each subsidiary is exposed to uncertainties, as well as changes in taxation and regulations in countries outside its jurisdiction. The Group monitors these risks—particularly those related to transfer pricing, withholding tax, transaction taxes, and duties—and regularly assesses them at fair value, in compliance with applicable accounting standards.

The company *Quartys* has been subject to a review by the Swiss Federal Tax Administration (AFC) regarding its requests for reimbursement of withholding tax[6] for the years 2016 to 2019, extended through 2024. In a decision issued on August 29, 2024, the AFC intends to deny reimbursement requests amounting to 7.6 million Swiss francs, approximately 8.1 million euros.
The company formally contested the decision with the tax authorities on September 30, 2024, providing its observations on the matter, thereby initiating the litigation phase. Exchanges with the tax administration will continue through responses to observations before progressing to various appeals. As of today, discussions are still ongoing, and the outcome remains uncertain. Beyond its own assessment, the company has relied on the opinions of its legal and tax advisors. In accordance with the applicable regulations, the company maintains its conclusion that no provision for tax risk is required.

3.8. Liabilities representing the lease payment obligation - IFRS 16

In thousand euros	Dec 31, 2024	Dec 31, 2023
Lease liabilities less than 1 year	(2,505)	(3,555)
Lease liabilities more than 1 year	(1,540)	(1,286)
Total	**(4,045)**	**(4,841)**

Lease liabilities primarily consist of obligations related to the Paris office premises, as presented in *§3.1. Intangible and Tangible Fixed Assets*. As a reminder, a new lease agreement with a fixed term of six (6) years was signed in 2022. The discount rate used to assess the lease liability is 1.03%.

4. Notes to the statement of income

4.1. Net gains on financial instruments at fair value through profit or loss

The "*Net gains on financial instruments measured at fair value through profit or loss*" amounted to 29,367 thousand euros as of December 31, 2024, compared to 20,603 thousand euros as of December 31, 2023.

The "*Net gains on financial instruments measured at fair value through profit or loss*" include all income, expenses, and charges directly related to the trading activity of Financial Instruments held for trading purposes, primarily comprising net fair value gains and losses from *Quartys* and the sub-funds of *ABCA Funds Ireland*, integrated in accordance with IFRS 10. These net fair value gains include:

- Dividends and dividend compensation payments;
- Capital gains and losses on disposals of financial instruments at fair value through profit or loss;
- Market value fluctuations of held or owed financial instruments;

[6] *Also referred to as "Withholding Tax" - WHT.*

- Interest income and expenses;
- Carrying costs or borrowing costs related to financial instruments;
- Foreign exchange differences;
- Any other income or expense directly related to transactions;
- General operating, administrative, and overhead expenses.

The company *Quartys* has been subject to a review of its withholding tax refund requests submitted to the Swiss Federal Tax Administration for the years 2016 to 2019, extended through 2024. As stated in *§3.7. Provisions for Risks and Charges*, the Group monitors the various mentioned risks and, beyond its own assessment, has relied on the opinions of its legal and tax advisors. The company maintains its conclusion that no provision for tax risk is required, as the risk is considered less likely than probable.
However, given the elapsed time, the difficulty in recovering these amounts in the near future, and the recent increase in interest rates, which has a non-negligible impact, the Group, in accordance with IFRS 13, has discounted the amount of the unrecovered receivable, amounting to 8.1 million euros over six years, to reflect its fair value as of December 31, 2024. This resulted in an impact of -0.35 million euros on the income statement for the year, directly included in the "*Net gains on financial instruments measured at fair value through profit or loss*" line item. This adjustment adds to the impairment of -1.35 million euros recognised as of December 31, 2023, in *Quartys'* accounts, bringing the total impairment to -1.70 million euros to date.

4.2. Investment services fees

Management fees amount to 21,443 thousand euros as of December 31, 2024, compared to 18,313 thousand euros as of December 31, 2023, and are broken down as follows:

In thousand euros	Dec 31, 2024 IFRS	Dec 31, 2023 IFRS
Rights of use and implementation of strategies	18,030	13,936
Asset management fees from internal capital*	1,083	1,057
Performance fees from internal capital*	381	384
Income from capital entrusted by Group entities	**19,493**	**15,378**
Asset management fees from external capital	1,771	2,373
Performance fees from external capital	177	563
Income from capital entrusted by external investors to the Group**	**1,949**	**2,935**
Income from management fees and similar income	**21,442**	**18,313**

** Commissions arising from the investment of Group entities within the ABCA Funds Ireland structure.*

*** Capital collected within the framework of collective management or management mandates.*

Management fees include the services billed by the Group's asset management companies to *Quartys*, *ABCA Funds Ireland*, and the investment management mandate, as detailed in note *§1.8. Commission income from investment services.*

4.3. Other revenues

Other operating income amounts to 673 thousand euros as of December 31, 2024, compared to 898 thousand euros as of December 31, 2023, primarily consisting of income from subleasing office space, standard administrative services, and the impact of positive interest rates on cash held in administrative accounts.

4.4. Other purchases and external expenses

Purchases and external expenses amount to 7,505 thousand euros as of December 31, 2024, compared to 7,466 thousand euros as of December 31, 2023, and are broken down as follows:

In thousand euros	Dec 31, 2024	Dec 31, 2023
Market access related fees	4,850	4,647
Miscellaneous costs (*incl. communication, quotation, sponsoring*)	972	1,160
Consulting fees and related (*incl. lawyers, administrative*)	406	356
Premises costs*	351	420
Other costs related to personnel or representation expenses	926	882
Total	**7,505**	**7,466**

** Related to the leases inferior to one year in the subsidiaries, with the indirect costs such as cleaning, maintenance, repairs*

4.5. Payroll costs

The average headcount of the Group for the 2024 financial year was 112 employees, compared to 105 in 2023.

Fixed and variable salaries, including gross profit-sharing and incentive schemes, corporate mandates, and director remuneration, amount to 14.9 million euros as of December 31, 2024, compared to 10.2 million euros as of December 31, 2023.

Related social security contributions amount to 5 million euros as of December 31, 2024, compared to 2.9 million euros as of December 31, 2023.

For informational purposes, given the performance level achieved in the 2024 financial year, the provisioned bonus amount, related to the aforementioned variable compensation, stands at 5.1 million euros for the period, including social security contributions, compared to 1 million euros for the 2023 financial year.

In parallel, other indirect personnel costs amount to 0.6 million euros as of December 31, 2024, compared to 0.2 million euros as of December 31, 2023. For example, these costs primarily include: Contributions to the Social and Economic Committee (CSE), Meal vouchers, Inter-company childcare expenses, Occupational health services, Depreciation expenses on right-of-use assets (in accordance with IFRS 16) for employee housing at *ABC arbitrage Asset Management Asia*, etc.

The Group does not offer any post-employment benefits[7], and other long-term benefits are classified as "*defined contribution*" plans, carrying no future commitments, as the employer's obligation is limited to the regular payment of contributions.

4.6. Cost of risk

The cost of risk as of December 31, 2024, is nil, as it was on December 31, 2023.

4.7. Corporate income tax

The balance of this item is positive at the end of the 2024 financial year due to a reversal of provisions. Indeed, a tax provision of 5.7 millions euros had been set aside in June 2021. The risk was extinguished on December 31, 2024. This extinction results in an exceptional accounting reversal, which directly improves the net income for the 2024 financial year.

The difference between the actual tax rate recorded in the consolidated financial statements -27.61% and the theoretical tax expense, calculated by applying the applicable rate to the consolidated pre-tax result, highlights the following impacts:

	Dec 31, 2024	Dec 31, 2023
Theoretical taxation rate	25.00%	25.00%
Impact of permanent differences	-26.43%	0.31%
Impact of tax credit	0.00%	0.00%
Impact of IFRS 10 presentation	-34.97%	-31.40%
Impact of temporary differences	8.80%	5.63%
Effective tax rate	**-27.61%**	**-0.47%**

ABC arbitrage is the parent company of a tax consolidation group formed with *ABC arbitrage Asset Management* since January 1, 2004.

The tax consolidation group has adopted an agreement in which tax expenses are borne by both the parent and subsidiary companies as if there were no tax consolidation. As a result, this tax expense is calculated based on each entity's own taxable income, after deducting all carryforward losses from previous years.

[7] *Examples: supplementary retirement benefits or coverage of certain medical expenses.*

Tax savings achieved by the group through these losses are retained by the parent company and considered an immediate gain for the financial year.
As a precaution, given the uncertainty of future visibility, deferred tax assets on recognised tax losses are not recorded.

5. Risk factors

The Group is exposed to various financial and non-financial risks, including market risks, credit and counterparty risks, liquidity risks, operational risks, and other risks.

ABC arbitrage has outlined and communicated a general risk management framework to its subsidiaries, within which each subsidiary's board of directors develops its own policy.
The Group monitors the implementation and effectiveness of controls within its subsidiaries with the support of executive directors and the market risk control and internal control functions.

The Group employs leverage as part of its financing agreements with counterparties, allowing it to take on larger exposures than if it were acting alone.

Individually, these exposures carry a risk of capital loss. The maximum loss on long equity exposures is limited to the fair value of these positions. The maximum loss on long exposures in futures contracts is limited to the notional value of the contracts. The maximum loss on short exposures, whether in equities or futures contracts, is theoretically unlimited.

The exposures recorded under "*Financial assets at fair value through profit or loss*" and "*Financial liabilities at fair value through profit or loss*" are detailed as follows:

Net position of assets

In thousand euros	Long exposures	Short exposures	Net Assets
Non-derivatives financial instruments	956,934	(434,740)	522,193
Listed derivatives	6,104	(54,484)	(48,380)
Unlisted derivatives	543,812	(1,029,730)	(485,917)
Financial assets at fair value through profit or loss	72,270	-	72,270
Total financial instruments	**1,579,120**	**(1,518,954)**	**60,166**
Cash and margin accounts	107,415	(599,929)	(492,514)
Listed currencies derivatives	69,516	-	69,516
Unlisted currencies derivatives	569,093	(54,602)	514,492
Total cash and currencies related	**746,025**	**(654,530)**	**91,494**
Financial assets at fair value through profit or loss		**Dec 31, 2024**	**151,661**
Financial assets at fair value through profit or loss		**Dec 31, 2023**	**147,733**

Net position of liabilities

In thousand euros	Long exposures	Short exposures	Net Liabilities
Non-derivatives financial instruments	-	-	-
Listed derivatives	-	-	-
Unlisted derivatives	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-
Total financial instruments	**-**	**-**	**-**
Cash and margin accounts	-	(1)	(1)
Listed currencies derivatives	-	-	-
Unlisted currencies derivatives	-	-	-
Total cash and currencies related	**-**	**(1)**	**(1)**
Financial liabilities at fair value through profit or loss		**Dec 31, 2024**	**(1)**
Financial liabilities at fair value through profit or loss		**Dec 31, 2023**	**(1)**

Net position of assets and liabilities

In thousand euros	Long exposures	Short exposures	Net Assets/Liab.
Non-derivatives financial instruments	956,934	(434,740)	522,193
Listed derivatives	6,104	(54,484)	(48,380)
Unlisted derivatives	543,812	(1,029,730)	(485,917)
Financial assets and liabilities at fair value through profit or loss	72,270	-	72,270
Total financial instruments	**1,579,120**	**(1,518,954)**	**60,166**
Cash and margin accounts	107,415	(599,930)	(492,515)
Listed currencies derivatives	69,516	-	69,516
Unlisted currencies derivatives	569,093	(54,602)	514,492
Total cash and currencies related	**746,025**	**(654,532)**	**91,493**
Financial assets & liabilities at fair value through profit or loss		**Dec 31, 2024**	**151,659**
Financial assets & liabilities at fair value through profit or loss		**Dec 31, 2023**	**147,732**

N.B : Long and short exposures indicate that the Group has taken a position benefiting from an increase or decrease, respectively, in the price of financial instruments.

The geographical breakdown of exposures as of December 31, 2024, is as follows:

Geographical area	Dec 31, 2024	Dec 31, 2023
Europe	45%	41%
North america	39%	44%
Asia	6%	8%
Others	9%	7%
Total	**55%**	**59%**

This geographical breakdown is determined based on the absolute value of exposures at the reporting date, categorised by trading venue, which are then grouped by geographical region.

5.1. Market risk

Market risk is the risk that the fair value or future cash flows of positions fluctuate due to increases or decreases in the prices of financial instruments and includes, in particular, price risk, interest rate risk, and foreign exchange risk.

Equity risk

Equity risk, or price risk, primarily arises from the uncertainty surrounding the future prices of financial instruments held. It represents the potential loss the Group could incur due to possible price movements in its exposures to financial instruments.

The risk is never linked to an unfavorable evolution of financial markets, such as the occurrence of a market crash, but rather to the realization of an adverse event related to the initiated transaction. By nature, risks associated with "*Quantitative Models*" are independent of one another.
The risk is therefore mitigated through diversification, as the Group spreads its exposure across the largest possible number of transactions and financial instrument types, as well as multiple geographical regions.

The risk is never linked to an unfavorable evolution of financial markets, such as the occurrence of a market crash, but rather to the realization of an adverse event related to the initiated transaction. By nature, risks associated with "*Quantitative Models*" are independent of one another. The risk is therefore managed through pooling, as the Group diversifies across the largest possible number of transactions and financial instrument types, as well as multiple geographical regions.

As of December 31, 2024, the aggregated VaR of the Group's exposures amounts to 3 million euros, the same as on December 31, 2023. The calculation parameters used are a 99% confidence level, a 1-year historical model, and a 1-day holding period.

Interest rate risk

Interest rate risk corresponds to the variation in the price or valuation of a financial instrument resulting from a change in interest rates.

In most "*Quantitative Models*", the amount of the long position is equal to the amount of the short position. In such cases, the risk is generally negligible. When a specific position carries a significant interest rate risk, it is systematically hedged. As a result, no sensitivity analysis is presented.

Foreign exchange risk

The Group's exposures may be denominated in currencies other than the euro. As a result, currency fluctuations relative to the reference currency can have either a positive or negative impact on their value.

Foreign exchange risk is systematically hedged by buying or selling the relevant currency or through exposure to the currency. The only remaining risk is a second-order effect: the profit generated in a particular currency may fluctuate if it is not converted into euros. The Group regularly converts its profits into euros, thus maintaining only a minimal exposure to foreign exchange risk.

As of December 31, 2024, a 2% appreciation of the euro against all currencies, with all other variables remaining constant, would have resulted in an increase in net assets of 41 thousand euros. Conversely, a 2% depreciation of the euro against all currencies would have had the opposite effect, all else being equal.

5.2. Credit and counterparty risk

This is the risk that a counterparty, whose financial situation deteriorates, may be unable to fulfill a contractual obligation to the Group by making a payment or delivering a specified quantity of securities.

For its market operations, the Group primarily acts as a client of "*Brokers*", credit institutions, and investment firms, collectively referred to as "*Counterparties*".
All these institutions are subject to specific regulatory oversight by the authorities in their respective countries to ensure their solvency.

The financial instruments traded by the Group are on active markets, most of which are regulated, with settlement generally carried out through a Clearing House.
The risk of broker default is therefore considered minimal, as the Clearing House guarantees the settlement of the transaction. Financial instruments are not delivered to counterparties until the broker has made or received the payment.
Counterparties, when settling transactions on financial instruments, act as custodians, creditors or debtors, or as counterparties for synthetic products (e.g., *CFDs, Swaps*) for the Group. Generally, the positions held with a custodian are very limited. Almost all of the Group's assets are pledged or collateralised in favor of the counterparties (hereinafter referred to as "*Collateral*"), which may use them for their own account under the principle of reutilization. In accordance with regulations, they are required to return the "*reutilised*" assets or equivalent assets upon first request.

The risks associated with the use of a Counterparty are as follows:

- Interruption or termination of services provided by the Counterparty, which reserves the right to modify or discontinue the services it offers;
- Increase in custody costs for positions charged by the Counterparty;
- Non-return of assets used by the Counterparty due to market events;
- Non-payment of amounts owed by the Counterparty in the event of default;
- Misvaluation of the debt and/or assets pledged as collateral.

The Group manages counterparty risk by implementing standardised contractual agreements — such as netting and collateral agreements — and by conducting rigorous daily monitoring of counterparties' credit ratings. Additionally, the Group follows a prudent approach by maintaining multiple banking relationships to diversify risk while continuously weighing the cost benefits of volume concentration.

The maximum exposure to credit risk is stated in the net amounts of financial instruments presented in note *§5. Risk Factors.*

5.3. Liquidity risk

This is the risk that the Group's assets may not be readily convertible into liquidity quickly enough to meet its commitments or that such conversion can only be achieved under materially adverse conditions.

The Group's exposures, which primarily consist of financial instruments listed on active and mostly regulated markets, exhibit very high liquidity. As a result, the Group's main commitments primarily involve providing the necessary collateral to support these exposures. Additionally, the volume of possible exposures is contractually limited by the assets transferred as collateral.

As of December 31, 2024, the liquidity schedule is as follows:

In thousand euros	Less than 1 month	Between 1 to 3 months	Between 3 to 12 months	More than 12 months	Total
Financial assets at fair value through profit and loss*	3	144,461	-	7,196	**151,661**
Other receivables	469	10,550	478	-	**11,497**
Current tax assets	58	-	-	-	**58**
Cash and cash equivalents	9,731	-	-	-	**9,731**
Total current assets	**10,260**	**155,012**	**478**	**7,196**	**172,946**
Financial liabilities at fair value through profit and loss	(1)	-	-	-	**(1)**
Lease liability < 1 year	-	-	(1,540)	-	**(1,540)**
Other liabilities	(399)	(2,503)	(7,286)	-	**(10,188)**
Current tax liabilities	-	-	-	-	**-**
Total current liabilities	**(400)**	**(2,503)**	**(8,826)**	**-**	**(11,730)**
Total net current Assets & Liabilities	9,860	152,508	(8,348)	7,196	161,217

** Financial assets at fair value through profit and loss classified between one and three months are equity participations in Quartys subsidiary and sub-fund ABCA Funds Ireland, that are presented at fair value following the IFRS 10 reglementation (Cf. note §1.9.1. Consolidation principles), since value of these participations are not recoverable below one month for the parent company ABC arbitrage. However, net assets of these companies are essentially constituted with expositions to level 1 financial instruments listed on active markets, with a liquidity clearly below one month.*

5.4. Operational risk

This refers to the risk of internal failure, which may be caused by material or human errors. Examples of such failures, though not exhaustive, include an IT security breach exposing the company to cybersecurity risks or an unintended exposure being taken.

For the 2024 financial year, losses related to operational incidents represent 1.06% of profits, compared to 0.25% in the 2023 financial year.

This risk is managed proactively through position-taking governed by written procedures and rigorous internal controls. However, it is not an absolute safeguard, and constant vigilance is required, as this risk is inherently structural to the Group's activities.

5.5. Other risks

Compliance risk, including legal risk

Compliance risk refers to the failure to identify and/or properly adhere to the applicable regulations governing the Group's activities. This may result in operational disruptions, financial losses, or sanctions of a judicial, disciplinary, or administrative nature, among others.
A permanent monitoring system is in place within the Group's legal and tax team.

Conflict of interest risk

The risk of conflicts of interest refers to the risk of facing situations where the interests of a client or a Group company may conflict with those of another client, a Group company, or one of its employees.

To prevent conflicts of interest, the Group has implemented:

- An internal conflict-of-interest management policy, which includes guidelines that employees must follow to identify, prevent, and manage conflicts of interest;
- Strict procedures and rules governing order processing, ensuring the primacy of client interests. The Group's asset management companies strictly adhere to financial market regulations and prohibit any infringement on the equal treatment of orders. In particular, orders transmitted to the market are pre-allocated and time-stamped.

Transactions between Group companies are conducted under normal market conditions.

6. Complementary information

6.1. Related party transactions

As of December 31, 2024, the figures related to *Aubépar Industries* are not significant. Regarding the information related to *Quartys*[8], please refer to the following notes:

- The mention of holdings in these respective companies in *§3.3. Financial assets and liabilities at fair value through profit or loss;*
- Their net gains at fair value through profit or loss in *§4.1. Net gains on financial instruments measured at fair value through profit or loss;*
- The investment services invoiced to them by the Group's asset management companies in *§4.2. Fees from investment services;*
- The breakdown of holdings in these companies within the liquidity schedule in *§5.3. Liquidity risks.*

6.2. Post-closing events

No post-closing events are to be reported.

6.3. Fees paid to the Statutory Auditors

	BM&A				Deloitte & Associés			
In euros excluding VAT	2024	2023	2024	2023	2024	2023	2024	2023
Certification and limited half-yearly examination of the individual and consolidated financial statements and any additiona reports	**41,245**	39,850	**42%**	42%	**60,294**	55,357	**58%**	58%
Other services provided to fully consolidated subsidiaries *	**31,050**	29,000	**43%**	43%	**39,738**	38,394	**57%**	57%
Other audit-related work	**-**	-	**-%**	-%	**-**	-	**-%**	-%
Total	**72,295**	**68,850**	**42%**	**42%**	**100,032**	**93,751**	**58%**	**58%**

** Without ABC arbitrage Asset Management Asia whose 2024 accounts have been audited by the company Crowe Horwath First Trust (audit fees of 17 thousand euros).*

[8] *Including its holdings in ABCA Funds Ireland*