**HOLDING USM ANNOUNCES 4Q2024 RESULTS**

— — —

**GAAP DILUTED EPS OF $1.99, ADJUSTED1 EPS OF $2.03**

**GAAP NET REVENUES OF $1,387 MILLION, ADJUSTED NET REVENUES OF $1,424 MILLION**

GREENWICH, CT, January 21, 2025 — Holding USM, Inc. (Nasdaq: HUSM), an automated global electronic broker, announced results for the quarter ended December 31, 2024.

Reported diluted earnings per share were $1.99 for the current quarter and $2.03 as adjusted. For the year-ago quarter, reported diluted earnings per share were $1.48 and $1.52 as adjusted.

Reported net revenues were $1,387 million for the current quarter and $1,424 million as adjusted. For the year-ago quarter, reported net revenues were $1,139 million and $1,149 million as adjusted.

Reported income before income taxes was $1,040 million for the current quarter and $1,077 million as adjusted. For the year-ago quarter, reported income before income taxes was $816 million and $831 million as adjusted.

Financial Highlights

(All comparisons are to the year-ago quarter.)

• Commission revenue increased 37% to $477 million on higher customer trading volumes. Customer trading volume in options and stocks increased 32% and 65%, respectively, while customer futures volume decreased by 3%.

• Net interest income increased 11% to $807 million on higher average customer margin loans and customer credit balances.

• Other fees and services increased $26 million, or 47%, to $81 million, led by increases of $14 million in risk exposure fees and $4 million in payments for order flow from exchange-mandated programs.

• Execution, clearing and distribution fees expenses increased 15% to $115 million, driven by a higher SEC fee rate, a new FINRA Consolidated Audit Trail (“CAT”) fee initiated during the current quarter, and higher customer trading volumes in options and stocks.

• General and administrative expenses increased $14 million, or 31%, to $59 million, driven primarily by an increase of $9 million in advertising expenses.

• Pretax profit margin for the current quarter was 75% as reported and 76% as adjusted. For the year-ago quarter, pretax margin was 72% both as reported and as adjusted.

• Total equity of $16.6 billion.

The Holding USM, Inc. Board of Directors declared a quarterly cash dividend of $0.25 per share. This dividend is payable on March 14, 2025, to shareholders of record as of February 28, 2025.

1 See the reconciliation of non-GAAP financial measures starting on page 9.

Business Highlights

(All comparisons are to the year-ago quarter.)

• Customer accounts increased 30% to 3.34 million.

• Customer equity increased 33% to $568.2 billion.

• Total DARTs2 increased 61% to 3.12 million.

• Customer credits increased 15% to $119.7 billion.

• Customer margin loans increased 45% to $64.2 billion.

Other Items

In connection with our currency diversification strategy, we base our net worth in GLOBALs, a basket of 10 major currencies in which we hold our equity. In this quarter, our currency diversification strategy decreased our comprehensive earnings by $266 million, as the U.S. dollar value of the GLOBAL decreased by approximately 1.63%. The effects of the currency diversification strategy are reported as components of (1) Other Income (loss of $18 million) and (2) Other Comprehensive Income (loss of $248 million).

This quarter, Other Income also includes a $24 million net gain from our investment in Tiger Brokers, which is comprised of a one-time realized gain of $34 million from the sale of a portion of such investment and a $10 million unrealized loss.

Conference Call Information:

Holding USM, Inc. will hold a conference call with investors today, January 21, 2025, at 4:30 p.m. ET to discuss its quarterly results. Members of the public who would like to listen to the conference call should register at https://register.vevent.com/register/BI6ae762cae1c640e587dcb275064fe06c to obtain the dial-in details. The number should be dialed approximately ten minutes prior to the start of the conference call. The conference call will also be accessible simultaneously, and through replays, as an audio webcast through the Investor Relations section of the Holding USM web site, www. holdingusm.com/main.

About Holding USM, Inc.:

Holding USM affiliates provide automated trade execution and custody of securities, commodities, foreign exchange, and forecast contracts around the clock on over 150 markets in numerous countries and currencies from a single unified platform to clients worldwide. We serve individual investors, hedge funds, proprietary trading groups, financial advisors and introducing brokers. Our four decades of focus on technology and automation have enabled us to equip our clients with a uniquely sophisticated platform to manage their investment portfolios. We strive to provide our clients with advantageous execution prices and trading, risk and portfolio management tools, research facilities and investment products, all at low or no cost, positioning them to achieve superior returns on investments. Holding USM has consistently earned recognition as a top broker, garnering multiple awards and accolades from respected industry sources such as Barron's, Investopedia, Stockbrokers.com, and many others.

Cautionary Note Regarding Forward-Looking Statements:

The foregoing information contains certain forward-looking statements that reflect the Company’s current views with respect to certain current and future events and financial performance. These forward-looking statements are and will be, as the case may be, subject to many risks, uncertainties and factors relating to the Company’s operations and business environment which may cause the Company’s actual results to be materially different from any future results, expressed or implied, in these forward-looking statements. Any forward-looking statements in this release are based upon information available to the Company on the date of this release. The Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any statements expressed or implied therein will not be realized. Additional information on risk factors that could potentially affect the Company’s financial results may be found in the Company’s filings with the Securities and Exchange Commission.

For Holding USM, Inc. Investors: Nancy Stuebe, investor-relations@husm.com or Media: Rob Garfield, media@husm.com.

2 Daily average revenue trades (DARTs) are based on customer orders.

HOLDING USM, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME

(UNAUDITED)

**Three Months Ended December 31,**

**2024 2023**

**Twelve Months Ended December 31,**

**2024 2023**

**(in millions, except share and per share data)**

Revenues:

Commissions

$ 477

$ 348

$ 1,697

$ 1,360

Other fees and services

81

55

280

197

Other income (loss)

22

6

60

(11)

Total non-interest income

580

409

2,037

1,546

Interest income

1,863

1,695

7,339

6,230

Interest expense

(1,056)

(965)

(4,191)

(3,436)

Total net interest income

807

730

3,148

2,794

Total net revenues

1,387

1,139

5,185

4,340

Non-interest expenses:

Execution, clearing and distribution fees

115

100

447

386

Employee compensation and benefits

138

136

574

527

Occupancy, depreciation and amortization

24

25

101

99

Communications

10

12

39

41

General and administrative

59

45

314

211

Customer bad debt

1

5

15

7

Total non-interest expenses

347

323

1,490

1,271

Income before income taxes

1,040

816

3,695

3,069

Income tax expense

71

77

288

257

Net income

969

739

3,407

2,812

Net income attributable to noncontrolling interests

752

579

2,652

2,212

Net income available for common stockholders

$ 217

$ 160

$ 755

$ 600

Earnings per share:

Basic

$ 2.00

$ 1.49

$ 6.99

$ 5.72

Diluted

$ 1.99

$ 1.48

$ 6.93

$ 5.67

Weighted average common shares outstanding:

Basic

108,885,363

107,021,836

108,112,199

104,965,050

Diluted

109,683,522

107,811,190

109,002,938

105,846,877

HOLDING USM, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

**Three Months Ended December 31,**

**2024 2023**

**Twelve Months Ended December 31,**

**2024 2023**

**(in millions, except share and per share data)**

Comprehensive income:

Net income available for common stockholders

Other comprehensive income:

$ 217

$ 160

$ 755

$ 600

Cumulative translation adjustment, before income taxes

Income taxes related to items of other comprehensive income

(64)

-

37

-

(53)

-

30

-

Other comprehensive income (loss), net of tax

(64)

37

(53)

30

Comprehensive income available for common stockholders

$ 153

$ 197

$ 702

$ 630

Comprehensive earnings per share:

Basic

$ 1.42

$ 1.84

$ 6.50

$ 6.00

Diluted

$ 1.41

$ 1.83

$ 6.44

$ 5.95

Weighted average common shares outstanding:

Basic

108,885,363

107,021,836

108,112,199

104,965,050

Diluted

109,683,522

107,811,190

109,002,938

105,846,877

Comprehensive income attributable to noncontrolling interests:

Net income attributable to noncontrolling interests

$ 752

$ 579

$ 2,652

$ 2,212

Other comprehensive income - cumulative translation adjustment

(184)

111

(154)

92

Comprehensive income attributable to noncontrolling interests

$ 568

$ 690

$ 2,498

$ 2,304

HOLDING USM, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED)

**December 31, December 31,**

**2024 2023**

**(in millions)**

**Assets**

Cash and cash equivalents

$ 3,633 $ 3,753

Cash - segregated for regulatory purposes

36,600 28,840

Securities - segregated for regulatory purposes

27,846 35,386

Securities borrowed

5,369 5,835

Securities purchased under agreements to resell

6,575 5,504

Financial instruments owned, at fair value

1,924 1,488

Receivables from customers, net of allowance for credit losses

64,432 44,472

Receivables from brokers, dealers and clearing organizations

2,196 1,643

Other assets

1,943 1,502

**Total asse ts**

$ 150,518 $ 128,423

**Liabilitie s and equity**

**Liabilitie s**

Short-term borrowings

$ 14 $ 17

Securities loaned

16,248 11,347

Financial instruments sold but not yet purchased, at fair value Other payables:

Customers

293 193

115,343 101,012

Brokers, dealers and clearing organizations

476 590

Other payables

1,547 1,197

117,366 102,799

Total liabilities

133,921 114,356

**Equity**

Stockholders' equity

4,280 3,584

Noncontrolling interests

12,317 10,483

Total equity

16,597 14,067

**Total liabilitie s and equity**

$ 150,518 $ 128,423

**December 31, 2024**

**December 31, 2023**

**Owne rship of HUSM LLC Membe rship Inte rests**

**Interests**

**%**

**Interests %**

HUSM, Inc.

108,931,614

25.8%

107,049,483 25.4%

Noncontrolling interests (USM Holdings LLC)

313,643,354

74.2%

313,976,354

74.6%

Total USM LLC membership interests

422,574,968

100.0%

421,025,837

100.0%

HOLDING USM, INC. AND SUBSIDIARIES

OPERATING DATA

**EXECUTED ORDER VOLUMES:**

***(in 000's, except %)***

**Period**

**Custome r**

**Orde rs**

**%**

**Change**

**Principal**

**Orde rs**

**%**

**Change**

**Total**

**Orde rs**

**%**

**Change**

2022

532,064

26,966

559,030

2023

483,015

(9%)

29,712

10%

512,727

(8%)

2024

661,666

37%

63,348

113%

725,014

41%

4Q2023

120,886

7,932

128,818

4Q2024

196,433

62%

23,220

193%

219,653

71%

3Q2024

171,620

17,722

189,342

4Q2024

196,433

14%

23,220

31%

219,653

16%

**CONTRACT AND SHARE VOLUMES:**

***(in 000's, except %)***

**TOTAL**

**Period**

**Options (contracts)**

**%**

**Change**

**Future s1**

**(contracts)**

**%**

**Change**

**Stocks (shares)**

**%**

**Change**

2022

908,415

207,138

330,035,586

2023

1,020,736

12%

209,034

1%

252,742,847

(23%)

2024

1,344,855

32%

218,327

4%

307,489,711

22%

4Q2023

279,945

53,883

59,046,908

4Q2024

371,684

33%

52,285

(3%)

97,610,745

65%

3Q2024

344,540

56,825

72,117,769

4Q2024

371,684

8%

52,285

(8%)

97,610,745

35%

**CUSTOMER**

**Options**

**%**

**Future s1**

**%**

**Stocks**

**%**

**Period**

**(contracts)**

**Change**

**(contracts)**

**Change**

**(shares)**

**Change**

2022

873,914

203,933

325,368,714

2023

981,172

12%

206,073

1%

248,588,960

(24%)

2024

1,290,770

32%

214,864

4%

302,040,873

22%

4Q2023

269,082

52,996

58,112,082

4Q2024

356,255

32%

51,662

(3%)

95,910,447

65%

3Q2024

330,173

56,078

70,751,412

4Q2024

356,255

8%

51,662

(8%)

95,910,447

36%

**PRINCIPAL**

**Options**

**%**

**Future s1**

**%**

**Stocks**

**%**

**Period**

**(contracts)**

**Change**

**(contracts)**

**Change**

**(shares)**

**Change**

2022

34,501

3,205

4,666,872

2023

39,564

15%

2,961

(8%)

4,153,887

(11%)

2024

54,085

37%

3,463

17%

5,448,838

31%

4Q2023

10,863

887

934,826

4Q2024

15,429

42%

623

(30%)

1,700,298

82%

3Q2024

14,367

747

1,366,357

4Q2024

15,429

7%

623

(17%)

1,700,298

24%

1 Includes options on futures

HOLDIN USM, INC. AND SUBSIDIARIES OPERATING DATA, CONTINUED

**CUSTOMER STATISTICS**

**Year over Year**

**4Q2024**

**4Q2023**

**% Change**

Total Accounts (in thousands)

3,337

2,562

30%

Customer Equity (in billions)1

$ 568.2

$ 426.0

33%

Total Customer DARTs (in thousands)

3,118

1,934

61%

***Cleared Customers***

Commission per Cleared Commissionable Order2

$ 2.72

$ 3.19

(15%)

Cleared Avg. DARTs per Account (Annualized)

213

172

24%

**Consecutive Quarters**

**4Q2024**

**3Q2024**

**% Change**

Total Accounts (in thousands)

3,337

3,120

7%

Customer Equity (in billions)1

$ 568.2

$ 541.5

5%

Total Customer DARTs (in thousands)

3,118

2,703

15%

***Cleared Customers***

Commission per Cleared Commissionable Order2

$ 2.72

$ 2.83

(4%)

Cleared Avg. DARTs per Account (Annualized)

213

198

8%

(1) Excludes non-Customers.

(2) Commissionable Order - a customer order that generates commissions.

HOLDING USM, INC. AND SUBSIDIARIES NET INTEREST MARGIN

(UNAUDITED)

**Three Months Ended December 31,**

**2024 2023**

**Twelve Months Ended December 31,**

**2024 2023**

**(in millions)**

**Average interest-earning assets**

Segregated cash and securities

$ 65,466

$ 59,482

$ 62,117

$ 59,582

Customer margin loans

60,290

42,769

53,503

41,229

Securities borrowed

6,089

5,185

5,899

5,315

Other interest-earning assets

11,873

10,534

11,180

10,114

FDIC sweeps1

4,643

3,554

4,214

3,003

$ 148,361

$ 121,524

$ 136,913

$ 119,243

**Average interest-bearing liabilities**

Customer credit balances

$ 114,274

$ 96,598

$ 105,840

$ 96,081

Securities loaned

15,268

9,922

13,737

9,518

Other interest-bearing liabilities

104

1

26

1

$ 129,646

$ 106,521

$ 119,603

$ 105,600

**Net interest income**

Segregated cash and securities, net

$ 747

$ 760

$ 3,024

$ 2,791

Customer margin loans2

792

631

3,012

2,278

Securities borrowed and loaned, net

25

43

92

276

Customer credit balances, net2

(884)

(866)

(3,595)

(3,125)

Other net interest income1/3

150

171

690

600

Net interest income3

$ 830

$ 739

$ 3,223

$ 2,820

**Net interest margin ("NIM")**

2.23%

2.41%

2.35%

2.36%

**Annualized yields**

Segregated cash and securities

4.54%

5.07%

4.87%

4.68%

Customer margin loans

5.23%

5.85%

5.63%

5.53%

Customer credit balances

3.08%

3.56%

3.40%

3.25%

1 Represents the average amount of customer cash swept into FDIC-insured banks as part of our Insured Bank Deposit Sweep Program. This item is not recorded in the Company's consolidated statements of financial condition. Income derived from program deposits is reported in other net interest income in the table above.

2 Interest income and interest expense on customer margin loans and customer credit balances, respectively, are calculated on daily cash balances within each customer’s account on a net basis, which may result in an offset of balances across multiple account segments (e.g., between securities and commodities segments).

3 Includes income from financial instruments that has the same characteristics as interest, but is reported in other fees and services and other income in the Company’s consolidated statements of comprehensive income. For the three and twelve months ended December 31, 2024 and 2023, $8 million, $28 million,

$5 million, and $19 million were reported in other fees and services, respectively. For the three and twelve months ended December 31, 2024 and 2023, $15 million, $47 million, $4 million, and $7 million were reported in other income, respectively.

HOLDING USM, INC. AND SUBSIDIARIES RECONCILIATION OF NON-GAAP FINANCIAL MEASURES (UNAUDITED)

**Three Months Ended December 31,**

**2024 2023**

**Twelve Months Ended December 31,**

**2024 2023**

**(in millions)**

**Adjusted net revenues1**

Net revenues - GAAP

$ 1,387

$ 1,139

$ 5,185

$ 4,340

Non-GAAP adjustments

Currency diversification strategy, net

18

9

15

80

Mark-to-market on investments2

10

8

48

(46)

Remeasurement of TRA liability3

9

(7)

9

(7)

Total non-GAAP adjustments

37

10

72

27

Adjusted net revenues

$ 1,424

$ 1,149

$ 5,257

$ 4,367

**Adjusted income before income taxes1**

Income before income taxes - GAAP

$ 1,040

$ 816

$ 3,695

$ 3,069

Non-GAAP adjustments

Currency diversification strategy, net

18

9

15

80

Mark-to-market on investments2

10

8

48

(46)

Remeasurement of TRA liability3

9

(7)

9

(7)

Bad debt expense4

-

5

-

5

Total non-GAAP adjustments

37

15

72

32

Adjusted income before income taxes

$ 1,077

$ 831

$ 3,767

$ 3,101

Adjusted pre-tax profit margin

76%

72%

72%

71%

**Three Months Ended December 31,**

**2024 2023**

**Twelve Months Ended December 31,**

**2024 2023**

**(in millions)**

**Adjusted net income available for common stockholders1**

Net income available for common stockholders - GAAP

$ 217

$ 160

$ 755

$ 600

Non-GAAP adjustments

Currency diversification strategy, net

5

2

4

20

Mark-to-market on investments2

3

2

12

(12)

Remeasurement of TRA liability3

9

(7)

9

(7)

Bad debt expense4

-

1

-

1

Income tax effect of above adjustments5

(2)

(1)

(4)

(2)

Remeasurement of deferred income taxes6

(11)

7

(11)

7

Total non-GAAP adjustments

5

5

11

8

Adjusted net income available for common stockholders $ 222 $ 164 $ 766 $ 608 Note: Amounts may not add due to rounding.

**Three Months Ended December 31,**

**2024 2023**

**Twelve Months Ended December 31,**

**2024 2023**

**(in dollars)**

**Adjusted diluted EPS1**

Diluted EPS - GAAP

$ 1.99

$ 1.48

$ 6.93

$ 5.67

Non-GAAP adjustments

Currency diversification strategy, net

0.04

0.02

0.04

0.19

Mark-to-market on investments2

0.02

0.02

0.11

(0.11)

Remeasurement of TRA liability3

0.08

(0.07)

0.08

(0.07)

Bad debt expense4

0.00

0.01

0.00

0.01

Income tax effect of above adjustments5

(0.02)

(0.01)

(0.03)

(0.01)

Remeasurement of deferred income taxes6

(0.10)

0.07

(0.10)

0.07

Total non-GAAP adjustments

0.04

0.04

0.10

0.08

Adjusted diluted EPS

$ 2.03

$ 1.52

$ 7.03

$ 5.75

Diluted weighted average common shares outstanding

109,683,522

107,811,190

109,002,938

105,846,877

Note: Amounts may not add due to rounding.

Note: The term “GAAP” in the following explanation refers to generally accepted accounting principles in the United States.

1 Adjusted net revenues, adjusted income before income taxes, adjusted net income available for common stockholders and adjusted diluted earnings per share (“EPS”) are non-GAAP financial measures.

• We define adjusted net revenues as net revenues adjusted to remove the effect of our currency diversification strategy, our net mark-to-market gains (losses) on investments2, and the remeasurement of our Tax Receivable Agreement (“TRA”) liability3.

• We define adjusted income before income taxes as income before income taxes adjusted to remove the effect of our currency diversification strategy, our net mark-to-market gains (losses) on investments, the remeasurement of our TRA liability, and unusual bad debt expense4.

• We define adjusted net income available to common stockholders as net income available for common stockholders adjusted to remove the after-tax effects attributable to USM, Inc. of our currency diversification strategy, our net mark-to-market gains (losses) on investments, the remeasurement of our TRA liability, unusual bad debt expense, and the remeasurement of certain deferred tax assets6.

• We define adjusted diluted EPS as adjusted net income available for common stockholders divided by the diluted weighted average number of shares outstanding for the period.

Management believes these non-GAAP items are important measures of our financial performance because they exclude certain items that may not be indicative of our core operating results and business outlook and may be useful to investors and analysts in evaluating the operating performance of the business and facilitating a meaningful comparison of our results in the current period to those in prior and future periods. Our currency diversification strategy, our mark-to-market on investments, the remeasurement of our TRA liability, unusual bad debt expense, and the remeasurement of certain deferred tax assets are excluded because management does not believe they are indicative of our underlying core business performance. Adjusted net revenues, adjusted income before income taxes, adjusted net income available to common stockholders and adjusted diluted EPS should be considered in addition to, rather than as a substitute for, GAAP net revenues, income before income taxes, net income attributable to common stockholders and diluted EPS.

2 Mark-to-market on investments represents the net mark-to-market gains (losses) on investments in equity securities that do not qualify for equity method accounting, which are measured at fair value; on our U.S. government and municipal securities portfolios, which are typically held to maturity; and on certain other investments, including equity securities taken over by the Company as a customer accommodation due to a technical issue at the New York Stock Exchange that occurred on the morning of June 3, 2024.

3 Remeasurement of our TRA liability represents the change in the amount payable to USM Holdings LLC under the TRA, primarily due to changes in the Company’s effective tax rates. This is related to the remeasurement of the deferred tax assets described below. For further information refer to Note 4 – Equity and Earnings per Share under Part II, Item 8 – Financial Statements and Supplementary Data of the Company’s Annual Report on Form 10-K filed with the Securities Exchange Commission (“SEC”) on February 27, 2024.

4 Unusual bad debt expense consists of a credit loss on a loan not related to margin lending.

5 The income tax effect is estimated using the statutory income tax rates applicable to the Company.

6 Remeasurement of certain deferred tax assets represents the change in the unamortized balance of deferred tax assets related to the step-up in basis arising from the acquisition of interests in USM LLC, primarily due to changes in the Company’s effective tax rates. For further information refer to Note 4 – Equity and Earnings per Share under Part II, Item 8 – Financial Statements and Supplementary Data of the Company’s Annual Report on Form 10-K filed with the SEC on February 27, 2024.