

The INX Digital Company Reports

Q2 2024 Financial Results

TORONTO, August 12, 2024 /CNW/ – The INX Digital Company, Inc. (Cboe CA: INXD, OTCQB: INXDF, INXATS: INX) (the “Company” or “INX”), the owner of [INX.One](#), a security token and digital asset trading platform, a U.S. broker-dealer, an alternative trading system, a transfer agent, and an inter-dealer broker (through its subsidiaries), announced its financial results for Q2 2024.

The financial performance for the second quarter is outlined below, reflecting the company’s ongoing commitment to a solid and unleveraged financial structure, strategic growth, and innovation in the on-chain real world assets (RWA) market. All balances are in U.S. Dollars.

Q2 2024 Financial Highlights:

- **Strong Balance Sheet Position:** INX maintains a strong and unleveraged balance sheet with total adjusted working capital (excluding Reserve Fund and INX Token liability, which represents a non-cash fair value measured liability) of \$17.8 million.
- **Reserve Fund:** A Reserve Fund of \$34.3 million has been maintained, set aside for the protection of customer funds, independent of the company’s operating capital.
- **Revenues:** INX reported total revenues of \$1.1 million in three months ended June 30, 2024, primarily derived from transaction and brokerage fees, a decrease from \$1.6 million in three months ended June 30, 2023.
- **Operational Loss:** The net loss from operations for three months ended June 30, 2024 was \$3.6 million compared to \$4.0 million for the three months period ended June 30, 2023, an improvement of 11%.

Strategic Growth and Partnerships

INX remains committed to pioneering the digital asset space through strategic partnerships and product innovation. Key developments in Q2 2024 include:

- **Tokenized Stock Listings with Backed Finance:** INX strengthened its market position by partnering with Backed Finance to list tokenized stocks and other on-chain Real World Assets (RWAs) on INX.One platform, enabling investors to trade 24/7 tokenized versions of traditional assets.

- **INX and Republic Partnership:** English football team Watford FC launched its offering to sell 10% of the club to fans and other investors, in a rare example of a larger UK club selling a stake to supporters. The deal was sourced by INX and is available on Republic domain.
- **Partnerships in the RWA space:** INX continues to identify, nurture and form new strategic partnerships with relevant stakeholders to develop its on-chain Real World Assets (RWA) products portfolio available on INX.One.

Leadership and Strategic Vision

INX welcomed Michael Moro as the new Chief Strategy Officer (CSO) in June 2024. With his extensive experience in digital assets and capital markets, Michael is expected to drive significant growth and expand INX's reach in the rapidly evolving digital asset landscape.

About INX:

INX provides regulated trading platforms for digital securities and cryptocurrencies. With the combination of traditional markets expertise and a disruptive fintech approach, INX provides state-of-the-art solutions to modern financial problems. INX is led by an experienced and dedicated team of business, finance, and technology veterans with the shared vision of redefining the world of capital markets via blockchain technology and a disciplined regulatory approach.

About The INX Digital Company, Inc.: INX is the holding company for the INX Group, which includes regulated trading platforms for digital securities and cryptocurrencies. The INX Group's vision is to be the preferred global regulated hub for digital assets on the blockchain. The INX Group's overall mission is to bring communities together and empower them with financial innovation. Our journey started with our initial public token offering of the INX Token in which we raised US\$84 million. The INX Group is shaping the blockchain asset industry through its willingness to work in a regulated environment with oversight from regulators like the SEC and FINRA. For more information, please visit the INX Group website [here](#).

For further information, please contact:

****The INX Digital Company, Inc., Investor Relations****

Attn.: Alan Silbert

+1 855 657 2314

Email: investorrelations@inx.co

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