UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For fiscal year ended December 31, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _ to _.

Commission File Number 001-10932

WisdomTree, Inc.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**13-3487784** (IRS Employer Identification No.)
250 West 34th Street **3rd Floor** **New York, New York** (Address of principal executive offices)	**10119** (Zip Code)

212-801-2080
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	WT	The New York Stock Exchange
Preferred Stock Purchase Rights		The New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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 ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At June 30, 2024, the aggregate market value of the registrant’s Common Stock held by non-affiliates (computed by reference to the closing sale price of such shares on The New York Stock Exchange on June 28, 2024) was $1,374,040,458. At February 24, 2025, there were 147,047,857 shares of the registrant’s Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

The information required by Part III of this Report, to the extent not set forth herein, is incorporated herein by reference from the registrant’s definitive proxy statement relating to the Annual Meeting of Stockholders to be held in 2025, which definitive proxy statement shall be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year to which this Report relates.

WISDOMTREE, INC.

Form 10-K
For the Fiscal Year Ended December 31, 2024
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Unless otherwise indicated, references to “the Company,” “we,” “us,” “our” and “WisdomTree” mean WisdomTree, Inc. and its subsidiaries.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K, or Report, contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue" or the negative of these terms or other comparable terminology. These statements are only predictions. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect our results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed in the section entitled "Risk Factors" and elsewhere in this Report. If one or more of these or other risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. No forward-looking statement is a guarantee of future performance. You should read this Report and the documents that we reference in this Report and have filed with the U.S. Securities and Exchange Commission, or the SEC, as exhibits to this Report, completely and with the understanding that our actual future results may be materially different from any future results expressed or implied by these forward-looking statements.

In particular, forward-looking statements in this Report may include statements about:

- anticipated trends, conditions and investor sentiment in the global markets and exchange-traded products, or ETPs;
- anticipated levels of inflows into and outflows out of our ETPs;
- our ability to deliver favorable rates of return to investors;
- competition in our business;
- whether we will experience future growth;
- our ability to develop new products and services and their potential for success;
- our ability to maintain current vendors or find new vendors to provide services to us at favorable costs;
- our ability to successfully implement our strategy relating to digital assets and blockchain-enabled financial services, including WisdomTree Prime and WisdomTree Connect, and achieve its objectives;
- our ability to successfully operate and expand our business in non-U.S. markets;
- the effect of laws and regulations that apply to our business; and
- actions of activist stockholders.

The forward-looking statements in this Report represent our views as of the date of this Report. We anticipate that subsequent events and developments may cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. Therefore, these forward-looking statements do not represent our views as of any date other than the date of this Report.

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PART I

ITEM 1. BUSINESS

Our Company

We are a global financial innovator, offering a diverse suite of ETPs, models, solutions and products leveraging blockchain technology. Our offerings empower investors to shape their financial future and equip financial professionals to grow their businesses. Leveraging the latest financial infrastructure, we create products that emphasize access, transparency and provide an enhanced user experience. Building on our heritage of innovation, we have introduced next-generation digital products and services, including blockchain-enabled mutual funds (“Digital Funds”), tokenized assets and our blockchain-native digital wallet, WisdomTree Prime®, which is currently available in 45 U.S. states, covering approximately 80% of the U.S. population. Our institutional platform, WisdomTree Connect™, further expands access to our tokenized assets.

As of December 31, 2024, we managed approximately $109.8 billion in assets under management, or AUM. Our ETPs span a broad range of strategies including equities, fixed income, commodities, leveraged-and-inverse, currency, alternatives and cryptocurrency exposures. We have launched many first-to-market products and pioneered a unique alternative-weighting approach called “Modern Alpha” that combines the outperformance potential of active management with the cost effective benefits of passive management.

Our products are distributed across all major asset management industry channels, including banks, brokerage firms, registered investment advisers, institutional investors, private wealth managers and online brokers, primarily through our dedicated sales team. We believe technology is transforming how financial advisors conduct business, and through our Advisor and Portfolio Solutions programs we offer technology-enabled and research-driven solutions. These include portfolio construction, asset allocation, practice management services and digital tools to help advisors address technology challenges and scale their businesses.

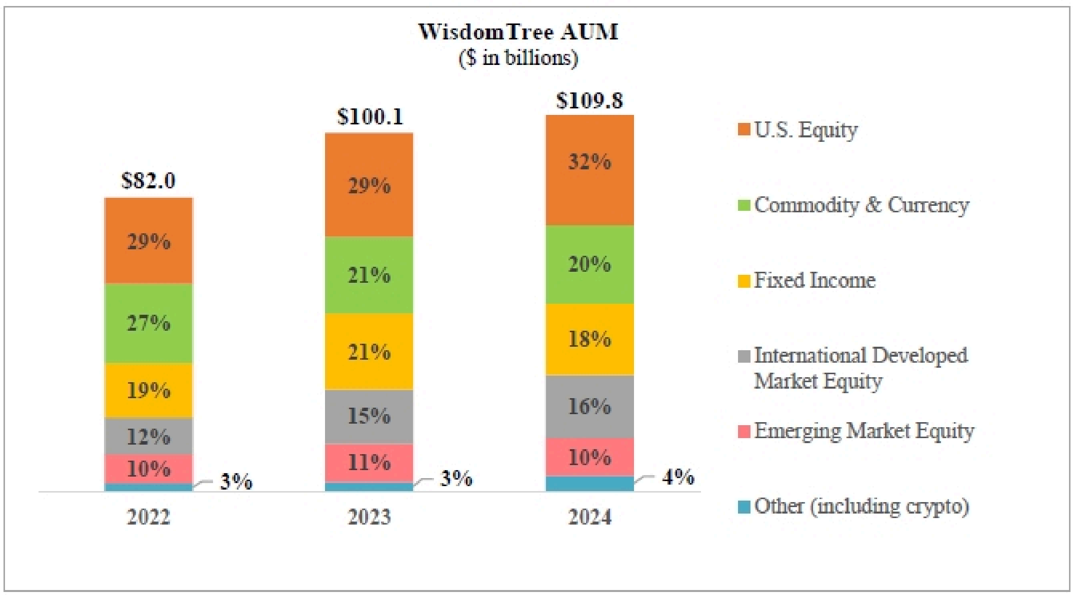
As pioneers in blockchain-enabled financial services, we view the tokenization of real-world assets to be the next phase in the evolution of our industry. Through our digital assets strategy, we are committed to “responsible DeFi,” aligning with regulatory standards to foster growth in this rapidly evolving space. We believe that expanding into digital assets and blockchain-enabled finance not only complements our core competencies but will diversify our revenue streams and further contribute to our growth.

We were incorporated under the laws of the state of Delaware on September 19, 1985 as Financial Data Systems, Inc. and were ultimately renamed WisdomTree, Inc. on November 7, 2022.

Assets Under Management

WisdomTree ETPs

We offer ETPs covering equity, fixed income, commodities, leveraged-and-inverse, currency, alternatives and cryptocurrency. The chart below sets forth the asset mix of our ETPs at December 31, 2022, 2023 and 2024:

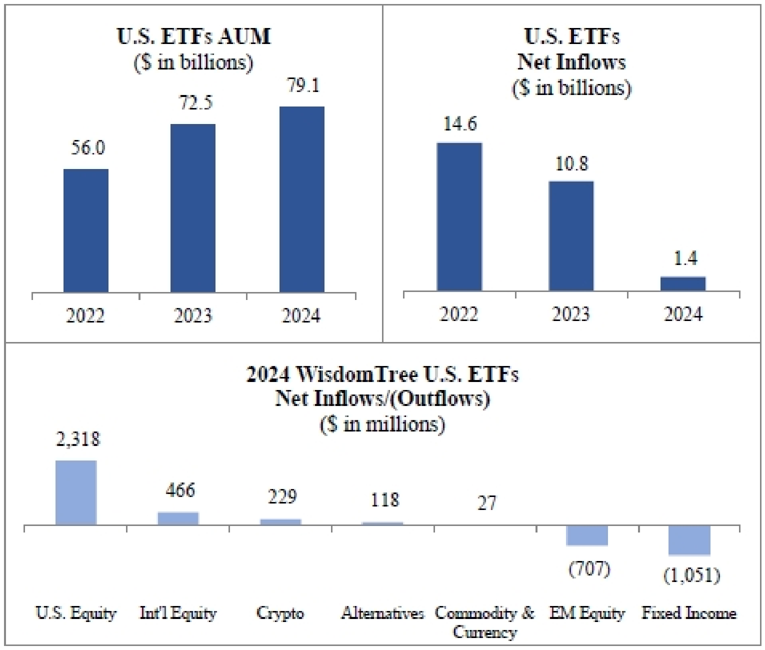


Our Operating and Financial Results

We operate as an ETP sponsor and asset manager, providing investment advisory services globally through our subsidiaries in the U.S. and Europe.

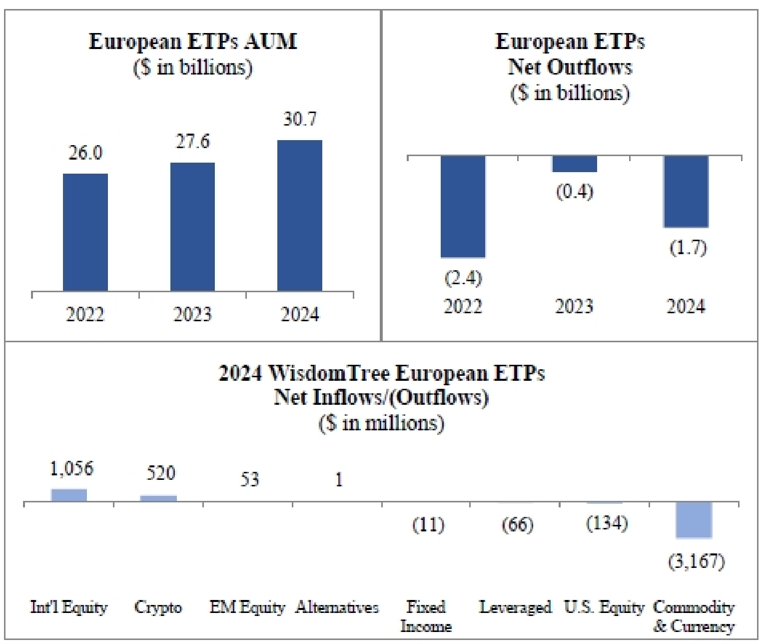
U.S. Listed ETFs

The AUM of our U.S. listed exchange traded funds, or U.S. listed ETFs, increased from $72.5 billion at December 31, 2023 to $79.1 billion at December 31, 2024 due to market appreciation and net inflows.



European Listed ETPs

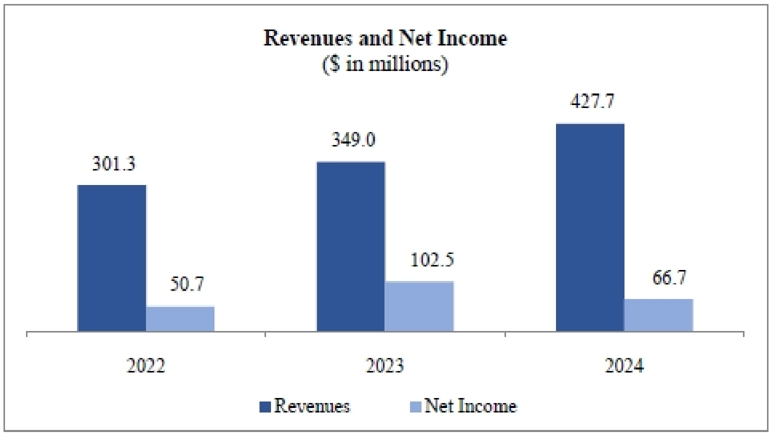
The AUM of our European listed (including internationally cross-listed) ETPs, or European listed ETPs, increased from $27.6 billion at December 31, 2023 to $30.7 billion at December 31, 2024, due to market appreciation, partly offset by net outflows.



Consolidated Operating Results

The following table sets forth our revenues and net income for the last three years.

- *Revenues* – We recorded operating revenues of $427.7 million during the year ended December 31, 2024, up 22.5% from the year ended December 31, 2023 due to higher average AUM and higher other revenues attributable to our European listed ETPs. In addition, operating revenues during the year ended December 31, 2024 include $4.3 million of other revenue related to legal and other expenses expected to be covered by insurance that were incurred in connection with a settlement with the SEC regarding certain statements about the ESG screening process for three ETFs advised by WisdomTree Asset Management, Inc. (the "SEC ESG Settlement").
- *Expenses* – Total operating expenses increased 11.1% from the year ended December 31, 2023 to $290.4 million primarily due to higher incentive and stock-based compensation expense and increased headcount, fund management and administration costs, marketing expenses, sales and business development expenses, third-party distribution fees, as well as higher depreciation and amortization. Operating expenses during the year ended December 31, 2024 also includes $4.3 million of legal and other related expenses expected to be covered by insurance that were incurred in connection with the SEC ESG Settlement. These increases were partly offset by lower contractual gold payments associated with the termination of our deferred consideration—gold payments obligation on May 10, 2023.
- *Other Income/(Expenses)* – Other income/(expenses) includes interest income and interest expense, gains and losses on revaluation/termination of deferred consideration—gold payments, impairments and other losses and gains. See "Other Income/(Expenses)" in Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information.



- *Net income* – We reported net income of $102.5 million and $66.7 million during the years ended December 31, 2023 and 2024, respectively.

See "Non-GAAP Financial Measures" included in Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information.

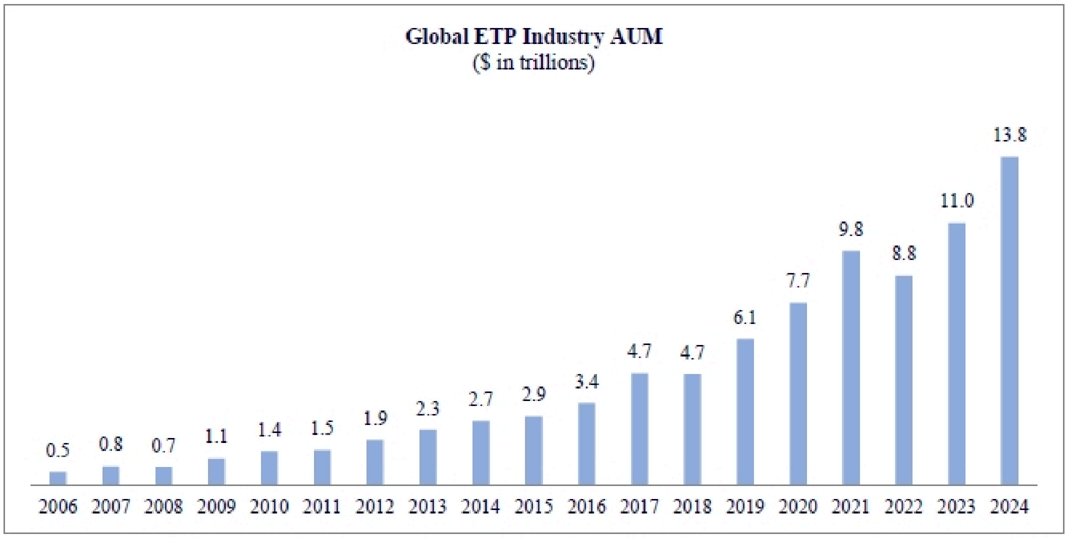
Seasonality

We believe seasonal fluctuations in the asset management industry are common, however such trends are generally masked by global market events and market volatility in general. Therefore, period-to-period comparisons of our or the industry's flows and operating results may not be meaningful or indicative of results in future periods.

Our Industry – ETPs

We believe ETPs have been one of the most innovative investment products to emerge in the last two decades in the asset management industry. As of December 31, 2024, aggregate AUM of ETPs globally was $13.8 trillion.

The chart below reflects the AUM of the global ETP industry since 2006:



Source: Morningstar

As of December 31, 2024, we were the 15th largest ETP sponsor globally based on AUM.

GLOBAL RANKING		
Rank	**ETP Sponsor**	**AUM ($ in billions)**
1	iShares	4,235
2	Vanguard	3,200
3	State Street	1,609
4	Invesco	751
5	Charles Schwab	395
6	Amundi	278
7	Xtrackers	270
8	Nomura	242
9	JPMorgan	220
10	First Trust	181
11	Dimensional	168
12	UBS	119
13	Nikko AM	111
14	VanEck	110
15	WisdomTree	110
16	Fidelity	107
17	Daiwa	105
18	BMO	95
19	Global X	88
20	ProFunds/ProShares	78

Source: Morningstar

Exchange traded funds, or ETFs, while similar to mutual funds in many respects, attract a wide array of investors who value their unique benefits, including:

- ***Transparency.*** ETFs disclose the composition of their underlying portfolios on a daily basis, unlike mutual funds, which typically disclose their holdings every 90 days.
- ***Intraday trading, hedging strategies and complex orders***. Like stocks, ETFs and other exchange-traded products can be bought and sold on exchanges throughout the trading day at market prices. ETFs update the indicative values of their underlying portfolios every 15 seconds. As publicly-traded securities, ETF shares can be purchased on margin and sold short, enabling the use of hedging strategies, and traded using limit orders, allowing investors to specify the price points at which they are willing to trade.
- ***Tax efficiency.*** In the U.S., whenever a mutual fund or ETF realizes a capital gain that is not balanced by a realized loss, it must distribute the capital gain to its shareholders. These gains are taxable to all shareholders, even those who reinvest the gain distributions in additional shares of the fund. However, most ETFs typically redeem their shares through "in-kind" redemptions in which low-cost securities are transferred out of the ETF in exchange for fund shares in a non-taxable transaction. By using this process, ETFs can avoid the transaction fees and tax impact incurred by mutual funds that sell securities to generate cash to pay out redemptions.
- ***Uniform pricing.*** From a cost perspective, ETFs are one of the most equitable investment products on the market. Investors in a U.S. listed ETF pay identical advisory fees regardless of the investors' size, structure or sophistication. Unlike mutual funds, U.S. listed ETFs generally do not have different share classes or different expense structures for retail and institutional clients and ETFs typically are not sold with sales loads or 12b-1 fees. In many cases, ETFs offer lower expense ratios than comparable mutual funds.

ETFs are used in various ways by a range of investors with varying strategies and objectives, from conservative to speculative uses including:

- ***Low-cost index investing.*** ETFs provide exposure to a variety of broad-based indexes across equities, fixed income, commodities and other asset classes and strategies, and can be used as both long-term portfolio holdings or short-term trading tools. ETFs offer an efficient and less costly method by which to gain exposure to indexes as compared to individual stock ownership.
- ***Improved access to specific asset classes.*** Investors often use ETFs to gain access to specific market sectors or regions around the world or a particular asset, such as physical gold or crypto, by investing in an ETF that holds a portfolio of securities in that sector, region or asset rather than gaining exposure by purchasing individual securities, physical commodities or currencies.
- ***Asset allocation.*** Investors seeking to invest in various asset classes to develop an asset allocation model in a cost-effective manner can do so easily with ETFs, which offer broad exposure to various asset classes in a single security.
- ***Protective hedging.*** Investors seeking to protect their portfolios may use ETFs as a hedge against unexpected declines in prices of securities arising from market movements and changes in currency and interest rates.
- ***Income generation.*** Investors seeking to obtain income from their portfolios may buy fixed income ETFs that typically distribute monthly income or dividend-paying ETFs that encompass a basket of dividend-paying stocks rather than buying individual stocks.
- ***Speculative investing.*** Investors with a specific directional opinion about a market sector may choose to buy or sell (long or short) an ETF covering or leveraging that market sector.
- ***Arbitrage.*** Sophisticated investors may use ETFs to exploit perceived value differences between the ETF and the value of the ETF's underlying portfolio of securities.
- ***Diversification.*** By definition, ETFs represent a basket of securities and each fund may contain hundreds or even thousands of different individual securities. The "instant diversification" of ETFs provides investors with broad exposure to an asset class, market sector or geography.

The ETF sector of the asset management industry remains highly favored among investors. According to Morningstar, from January 1, 2022 through December 31, 2024, equity ETFs have generated positive inflows of approximately $2.0 trillion, while long-term equity mutual funds have generated outflows of approximately ($1.6) trillion. In addition, ETF fixed income flows are benefiting from a broader range of investors gravitating toward fixed income products in the ETF structure. We believe this trend is due to the inherent benefits of ETFs – transparency, liquidity and tax efficiency.

We anticipate our growth, along with that of the industry, will continue to be driven by the following factors:

- ***Increased investor awareness.*** ETPs have been gaining market share from mutual funds as investors become more aware of their key advantages – transparency, liquidity, tax efficiency and generally lower fees. We expect this shift in inflows from traditional mutual funds to ETPs to continue as investors become more informed about these benefits.
- ***Transition to fee-based models.*** Financial advisors are increasingly adopting a fee-based approach, where they charge clients based on AUM rather than earning commissions on transactions. Since ETFs typically offer lower expense ratios than mutual funds, we believe this transition will further support ETF industry growth.
- ***Innovative products.*** ETPs now cover nearly every asset class, from equities to fixed income to commodities and cryptocurrencies. Significant potential remains for innovation in areas such as thematic, liquid alternative and cryptocurrency strategies and expanding ETP access to investors who might otherwise use hedge funds, separate accounts, single-stock investments, futures or direct investment in commodity markets.
- ***Evolving demographics.*** As the "baby boomer" generation continues to retire, we anticipate increased demand for diverse investment solutions focused on income generation and principal protection, with more investors seeking guidance from financial advisors. Advisors are likely to allocate a greater share of clients' portfolios to ETPs, given their typically lower expense ratios, alignment with fee-based models, and ability to enhance multi-asset allocation across varied market sectors. We believe ETFs are well-suited to meet the needs of this significant investor group. Additionally, with many younger investors and advisors showing a preference for ETPs, we expect generational wealth transfers to further drive growth in the ETP industry.
- ***International expansion.*** While the U.S. currently represents the majority of ETP assets, the same growth factors are emerging globally, suggesting continued international expansion for ETPs.

Our Industry – Digital Assets

We believe that digital assets, tokenization and blockchain technology will drive innovation across financial services, transforming investments, savings, payments and operations. The digital assets industry has gained significant momentum among market participants, including asset management and fintech firms, banks, broker-dealers and investors. We anticipate that blockchain technology will enhance product structures and execution in financial services, with benefits including:

- ***Transparency.*** Blockchains' distributed ledger technology provide a shared, immutable record of transactions for network participants, potentially improving transparency, regulatory reporting, and oversight.
- ***Economic benefits.*** Automation and streamlined processes may reduce operational, transactional and infrastructure costs.
- ***Process efficiency.*** Blockchain technology enables near-instant settlement, real-time auditability, and fewer intermediaries, cutting down on errors, delays and counterparty risks.
- ***New products and markets.*** Blockchain technology supports fractionalized ownership and tokenized economies, offering secure and scalable alternatives to traditional finance.
- ***Programmable features.*** Smart contracts are programmable and can be designed to enforce governance principles, compliance requirements, data privacy protections and system incentives. They also can facilitate customer identification (e.g., KYC/AML protocols) compliance by enforcing access controls and transaction restrictions.
- ***Scalability.*** Blockchain technology supports interoperability across public and private networks which expands global transaction reach and resilience.

The laws and regulatory frameworks for digital assets and blockchain technology are expanding in scope and complexity, accompanied by increased scrutiny of digital asset activities. This includes litigation and regulatory actions, a rise in cybersecurity incidents with asset loss, and insolvency proceedings often related to inadequate risk management, speculative practices or fraud. In addition, the new U.S. administration and Congress may propose new laws and regulations related to digital assets. As a financial innovator bridging traditional and blockchain-enabled finance, we embrace what we refer to as "responsible DeFi" for our digital asset offerings, aligning with regulatory principles in this dynamic space. We are committed to providing trusted, innovative products and services through proactive engagement and collaboration with regulators.

Global competition in the digital assets industry is intensifying, with players ranging from established financial incumbents to early-stage financial technology providers. Varying regulatory and compliance standards across jurisdictions may impact a company's competitive positioning. We aim to excel in the digital assets space by offering innovative products, delivering strong after-fee performance, embracing regulation, forming strategic partnerships, promoting thought leadership and building brand recognition. Our focus remains on delivering the best structures and execution through digital assets and blockchain technology, supported by our experienced team.

Our Competitive Strengths

- ***Well-positioned in growing markets.*** We believe ETPs are set to grow faster than the broader asset management industry, giving us an edge over legacy mutual fund providers. We also expect our early entry into digital assets will reinforce our role as an innovator and leader in blockchain-enabled financial services.
- ***Experienced and innovative leadership.*** Our seasoned team brings deep expertise across ETPs, fund operations, regulatory compliance, marketing and product development. We are continuing to expand our global digital assets team to develop new investment products, indexes and blockchain-enabled solutions. Whether through ETPs, digital assets or decentralized finance, we are committed to delivering innovative, trusted products and services in collaboration with regulators. We believe our team has consistently capitalized on market opportunities, building a competitive ETP sponsor despite significant competitive, regulatory and operational challenges.
- ***Strong performance.*** We create our own indexes, most of which weight companies in our equity ETFs by a measure of fundamental value and are rebalanced annually. By contrast, traditional indexes are market capitalization weighted and tend to track the momentum of the market. We also offer actively managed ETFs and ETFs that track third-party indexes. In evaluating the performance of our U.S. listed equity, fixed income and alternative ETFs against actively managed and index based mutual funds and ETFs, over 80% of our U.S. listed AUM covered by Morningstar were in the top quartile of peer performance on the 3-year timeframe and over 65% of our U.S. listed AUM covered by Morningstar were in the top two quartiles of peer performance on the 10-year timeframe. In addition, approximately 59% were rated 4- or 5-star by Morningstar.
- ***Differentiated product set, powered by innovation and performance.*** Our product suite spans traditional and high growth asset classes including equity, fixed income, commodity, leveraged-and-inverse, currency, alternative strategies and cryptocurrency, across both passive and actively managed funds. We are pioneering next-generation digital offerings, such as Digital Funds and tokenized assets. Key innovations include:
  - **WisdomTree Prime Mobile App:** Our blockchain-native digital wallet serves as a direct-to-consumer channel, currently available in 45 states (or 80% of the U.S. population), positioning us as an early mover and industry leader in blockchain-enabled financial services. The frequent release of new features and product updates enhance the application's product offering;
  - **WisdomTree Connect:** This platform offers businesses and institutional users direct access to our Digital Funds using their own self-hosted wallet or a third-party custodial wallet service. In the future, we believe that the WisdomTree Connect platform will also enable additional distribution capabilities through potential business-to-business-to-consumer (B2B2C) opportunities;
  - **Real-World Asset Tokenization:** We offer tokenized physical assets like gold and U.S. dollars, as well as a suite of 13 Digital Funds offering asset allocation, fixed income and equity exposures using a blockchain integrated recordkeeping system on networks such as Stellar or Ethereum; and
  - **First-to-Market ETF Offerings:** We have been the first to introduce groundbreaking ETFs, including the first currency-hedged international equity ETFs in the U.S., the first gold and oil ETPs in Europe and the first smart beta corporate bond suite. Other market firsts include the first ETF to add bitcoin futures exposure, multifactor ETFs with dynamic currency hedging as a factor, a 90/60 balanced ETF and the emerging markets small-cap equity ETF, as well as one of the first spot bitcoin ETFs in the U.S.

  Our product development strategy utilizes our Modern Alpha approach, which combines the outperformance potential of active management with the cost-effective benefits of passive management, delivering products optimized for performance. Self-indexing is a core part of this strategy, providing competitive advantages such as reduced third-party index licensing fees for higher profitability, effective market positioning and research content, speed to market, and a unique value proposition in our proprietary WisdomTree indexes. This distinctive approach allows us to lead with innovative products that are built to perform.
- ***Extensive marketing, research and sales efforts.*** We have made substantial investments to build the WisdomTree brand and promote our products through targeted online, television and social media advertising, as well as through public relations. Approximately 39% of our team is dedicated to marketing, research and sales. Our sales professionals serve as the primary contacts for financial advisors, independent advisory firms and institutional investors in our ETPs, supported by value-added insights from our research and marketing teams. By aligning advisor relationships with marketing and targeted research and products that resonate with market sentiment, we believe we stand out from competitors.

- ***Efficient business model with lower risk profile.*** Our investments in digital tools, data and core capabilities in product development, marketing, research and sales support an efficient business model. We outsource to third parties those services that are not our core competencies or may be resource or risk intensive, such as portfolio management and fund accounting operations of our products. Additionally, our licensing costs are moderated since we create our own indexes for most of our ETFs, further enhancing operational efficiency.

Our Growth Strategies

With $109.8 billion in AUM as of December 31, 2024, WisdomTree is a global financial innovator, offering a diverse suite of ETPs, model portfolios and blockchain-enabled financial solutions. Our strategic growth initiatives seek to scale our core offerings, expand market reach and enhance client engagement, focusing on four key areas:

- ***Scaling ETP AUM and Diversifying Revenue Streams:*** We continue to strengthen our position as a leader in the ETP industry by expanding our product lineup and increasing advisor engagement. In 2024, we grew both our advisor base and the number of ETPs held per advisor, reinforcing our market leadership through innovative, first-to-market strategies that blend active and passive management for cost-effective performance. We are committed to expanding our ETP offerings to meet evolving investor needs while also broadening our revenue base beyond traditional expense ratios, enhancing financial resilience. In 2024, we generated $32.4 million in other revenue, underscoring our success in diversifying income streams. We aim to build on this momentum by further deepening client engagement, expanding our solutions and being an early mover in tokenization.

- ***Leadership in Digital Assets and Tokenization:*** We are pioneering the next evolution of finance through tokenization, driven by a nascent secular shift towards tokenized assets that we believe is reshaping the financial industry. Our blockchain-native digital wallet, WisdomTree Prime, provides direct-to-consumer access to digital assets, including bitcoin, ether, tokenized gold, U.S. dollar tokens and 13 Digital Funds, while also enabling spending functionality through a co-branded debit card. WisdomTree Connect supports institutional clients by offering direct access to our Digital Funds via self-hosted or third-party custodial wallets. With regulatory approvals expanding and market adoption accelerating, we believe that we are well-positioned to capitalize on the transformative potential of tokenized assets.

- ***Strengthening Model Portfolios and Advisor Solutions:*** Our ability to deliver strong model performance and asset growth enables us to navigate rigorous selection processes at some of the leading wealth management firms in the United States. Through our Portfolio Solutions program, we are pursuing registered investment advisors and independent broker-dealers offering customization services with the goal of managing a majority of each firm's assets. We aim to increase the number of advisors utilizing our model portfolios, expand the number of accounts per advisor and grow assets per account. Our Portfolio Solutions program offers financial advisors with scalable frameworks for model portfolio delivery through three key offerings:

  - **Portfolio Consultations:** For advisor-built portfolios, we offer personalized, in-depth evaluations of model portfolios, including analyses of portfolio composition, stress testing and assessments of holdings and overlaps, to enhance performance and risk management.

  - **Chief Investment Office (CIO)-Managed Model Portfolios:** For outsourced portfolios, financial advisors can gain access to our CIO-Managed Model Portfolios, which cater to a wide array of client investment goals. Advisors can implement these models directly, via model marketplaces or on third-party platforms.

  - **Shared CIO:** Advisors collaborate with our models investment team to co-manage portfolios for their clients, with options for advisors to delegate trading, rebalancing and tax optimization tasks leveraging third-party service providers or platforms, providing flexibility and strategic alignment.

  Our model portfolios are accessible across a number of platforms including Merrill Lynch, LPL Financial, UBS, Charles Schwab, Envestnet, Adhesion and others. In 2024, the number of advisors utilizing at least one of our models surpassed 2,500, reflecting steady progress as we build deeper relationships, improve asset retention and create more stable, higher-quality revenue streams with significant growth potential.

- ***Strategic Innovation and Capital Deployment:*** Innovation has always been a cornerstone of our success. We are integrating artificial intelligence (AI) into certain aspects of our daily workflows to drive scalability and efficiency, while continuing to assess its broader applications over time. Additionally, we continue to take a proactive approach to capital deployment. We have repurchased over $100.0 million of our common stock over the past four years. Looking ahead, we will continue to evaluate additional stock buybacks, as well as potential strategic acquisitions and partnerships that align with our long-term vision.

We believe our disciplined execution and our growth strategies position us for continued success in 2025 and beyond. By expanding our revenue streams, leading in blockchain-enabled finance, deepening advisor relationships, leveraging technology and effectively deploying capital, we are driving sustainable growth and creating long-term value for stockholders.

Human Capital Resources

We operate in the highly competitive asset management industry, where attracting, retaining and motivating skilled employees across operations, product development, research, technology, sales and marketing is critical to our success. Our ability to recruit and retain talent depends on our culture, career development opportunities and competitive compensation and benefits. We foster a sense of community and purpose, encouraging an inclusive workplace where every voice is heard.

Employee Profile

As of December 31, 2024, we had 313 full-time employees globally, with 201 in the U.S. and 112 in Europe. We consider our relations with employees to be good.

Inclusion and Engagement

We believe engaging employees fosters innovation and drives commitment and productivity. We communicate frequently and transparently with our employees, including through an annual global virtual offsite, frequent town halls and weekly firmwide updates. Feedback is gathered individually and through surveys and employees are encouraged to participate in volunteer and charitable events. In 2024, our "Team Alpha" Awards celebrated key achievements and recognized exemplary teamwork for the fifth consecutive year.

We recognize that a diverse set of perspectives is critical to innovation and have built a global workforce inclusive of gender, race, ethnicity, religion, age, disability and more. We prioritize fairness and equality through inclusive policies and practices. Our global, employee-led Diversity, Equity and Inclusion (DEI) Council, established in 2021, oversees initiatives like neurodiversity training, implicit bias workshops, inclusive feedback training and financial literacy programs. The DEI Council also promotes awareness days and months across the firm in recognition of Black history, women's history, pride, mental health and men's health, among others.

Our global employee-led Women's Initiative Network (WIN) was launched in 2019 and supports career and leadership development through global events, seminars, roundtable forums, charitable giving initiatives, and a mentorship program that connects WIN members of all genders with firm leaders to help them achieve their career development goals. WIN initiatives have fostered firm-wide connectivity and increased internal and external visibility for female employees.

The success of our employee inclusion and engagement efforts is demonstrated by our 93.8% employee retention rate in 2024. We also achieved overall positive results from our 2024 global employee engagement survey, with a 99% participation rate. Additionally, in the U.S., we were named a "2024 Best Places to Work in Money Management" by *Pensions & Investments* for the fifth consecutive year and ranked second within the category for managers with 100-499 employees. In the U.K., we were also named Best Workplace for medium-sized companies for the fifth consecutive year and a 2024 Best Workplace for Women by *Great Place to Work*.

Wellness, Health and Safety

The wellbeing of our employees is a primary focus. We are continuously evolving and refining how we work best to achieve individual, team and Company goals. We embrace a "Work Smart" philosophy that transcends physical work settings, with a focus on optimizing productivity, efficiency and effectiveness of our work. Time in the office generally is not prescribed, and team leaders are empowered to determine how their teams work best, based on their roles, with employees remaining accountable for achieving individual, team and Company outcomes.

To foster employee wellbeing and a healthy work-life balance, we offer numerous wellness programs including yoga, meditation and mental health resources. Our U.S. employees also enjoy "wellness days," which are additional scheduled office closures around major market holidays for employees to collectively disconnect and rejuvenate. Employees also receive stipends for remote work expenses and robust technology support.

In keeping with "Work Smart," we maintain an office footprint globally that aligns with the number of employees expected to collaborate in person on any given day, while providing a space for employees to work and socialize. Our offices are located in buildings with robust security procedures, fire safety and sanitation and health practices.

Compliance, Training and Development

We are committed to complying with all applicable laws, rules and regulations and each employee is responsible for understanding and adhering to the standards and restrictions they impose. All new employees attend a compliance training session with a compliance officer during onboarding, and thereafter, employees are required to attend firmwide annual compliance training and to complete compliance certifications annually and in some instances, quarterly. We also conduct mandatory cybersecurity training and other training programs as required by law.

Employee development is prioritized with role-specific training, small group meetings with senior leaders, departmental webinars, continuing education support, leadership development courses and individual and team coaching. We also hold regular town halls to share business developments, employee news and job openings, as well as to provide opportunities for employees to hone their presentation skills by sharing department updates.

Compensation and Benefits

We are committed to attracting, retaining and rewarding our employees through a competitive compensation program that aligns employee and stockholder interests. Our incentive compensation program rewards both individual and Company performance, incorporating quantitative metrics and qualitative results that incentivize growth. We believe a key to our success is our entrepreneurial culture, where employees think and act like owners. Equity awards are an important component of our compensation strategy, reinforcing this ownership mindset and further aligning employee incentives with stockholder value. We also offer a wide array of benefits including generous healthcare coverage, paid vacation (unlimited in the U.S.), parental, sabbatical and sick leave, life and travel insurance, short- and long-term disability benefits, educational assistance and, in the U.S., a 401(k) plan with a matching contribution of up to 50% of eligible employee contributions.

Our Product Categories

U.S. Equity

We offer equity products that provide access to the securities of large, mid and small-cap companies located in the U.S., as well as particular market sectors and styles. Our U.S. Equity products generally track our own indexes and quantitative active strategies. Total AUM of our U.S. Equity products was $35.4 billion at December 31, 2024.

Commodity & Currency

We offer products in Europe with exposure to gold and other precious metals and commodities such as silver and platinum, oil and energy, agriculture and broad basket commodities. Our currency products provide investors with exposure to developed and emerging markets currencies, as well as exposures to foreign currencies relative to the U.S. dollar. Total AUM of our Commodity & Currency products was $21.9 billion at December 31, 2024.

Fixed Income

Our Fixed Income products seek to enhance income potential within the fixed income universe. We offer a suite of bond products based on either leading fixed income benchmarks we license from third parties or active strategies. We also launched the industry's first smart beta corporate bond suite and first floating rate U.S. Treasury product. Other product offerings include those that seek to track a yield-enhanced index of U.S. investment grade bonds and international fixed income products which are denominated in either local or U.S. currencies. Total AUM of our Fixed Income products was $20.0 billion at December 31, 2024.

International Developed Market Equity

Our International Developed Market Equity products offer a variety of strategies including currency hedged and dynamic currency hedged products, exposures to large, mid and small-cap companies in these markets and multifactor strategies. Total AUM of our International Developed Market Equity products was $17.6 billion at December 31, 2024.

Emerging Market Equity

Our Emerging Market Equity products provide access to exposure of large, mid and small-cap companies located in Taiwan, China, India, Russia, South Africa, South Korea and other emerging markets regions. These products also track our own indexes or quantitative active strategies. Total AUM of our Emerging Market Equity products was $10.5 billion at December 31, 2024.

Leveraged & Inverse

We offer leveraged products which seek to achieve a return that is a multiple of the performance of the underlying index and inverse products that seek to deliver the opposite of the performance in the index or benchmark they track. Strategies span across equity, commodity, government bond and currency exposures. Total AUM of our Leveraged & Inverse products was $1.9 billion at December 31, 2024.

Cryptocurrency

Our cryptocurrency ETPs provide investors with a simple, secure and cost-efficient way to gain exposure to the price of cryptocurrencies, while utilizing the best of traditional financial infrastructure and product structuring. We offer exposures to bitcoin, ether, crypto asset baskets and other cryptocurrency exposures. Total AUM of our cryptocurrency products was $1.9 billion at December 31, 2024.

Alternatives

Our Alternative products include the industry's first managed futures strategy ETF, a collateralized put write strategy ETF, a global target range strategy ETF, and an alternative high income ETF focused on publicly traded alternative solutions to private credit. We also intend to explore additional alternative strategy products in the future. Total AUM of our Alternative products was $0.5 billion at December 31, 2024.

Our Sales, Marketing and Research Efforts

Sales

We distribute our ETPs across major asset management channels, including banks, brokerage firms, registered investment advisers, institutional investors, private wealth managers, and online brokers. Our primary focus is on financial and investment advisers who act as intermediaries, rather than directly targeting retail clients. We do not pay commissions or offer 12b-1 fees to financial advisors for recommending our products.

Our Advisor and Portfolio Solutions programs support financial advisors and independent broker-dealers with customized portfolio and asset allocation services, research-driven and technology-enabled tools and strategic guidance to grow and scale their businesses. These solutions are designed to help financial advisors meet their clients' needs efficiently while aligning with our investment strategies.

Senior and academic advisors, including Professor Jeremy Siegel, Senior Economist to WisdomTree, enhance our outreach by participating as keynote speakers at industry and company-hosted events. Our sales professionals provide consultative, value-added services to deepen relationships and expand our network of financial advisors.

As of December 31, 2024, our global sales team included 53 professionals. Additionally, we partner with third parties to market our products in Latin America and Israel. We work with select brokerage firms and independent broker-dealers to offer commission-free trading for certain ETPs in exchange for a share of advisory fee revenues. We believe these arrangements extend our distribution capabilities cost-effectively, and we continue to explore similar opportunities.

Marketing

Our marketing efforts are focused on the following objectives: increase our global brand awareness, leverage a robust data-driven digital sales experience to generate new clients and drive inflows to our products and model portfolios and retain existing clients, with a focus on cross-selling additional WisdomTree ETPs. We also anticipate launching marketing campaigns to drive awareness and user adoption for WisdomTree Prime and WisdomTree Connect and to position ourselves to become a leader in asset tokenization and blockchain-enabled funds. We pursue these objectives utilizing the following strategies:

- ***Targeted advertising.*** We create highly targeted multi-media advertising campaigns limited to established core financial media. For example, our television advertising to promote our ETPs runs exclusively on the cable networks CNBC and Fox Business. It is anticipated that television advertising also will be utilized to promote WisdomTree Prime. Also, our digital advertising runs on many investing and ETF-specific web-sites, such as www.etftrends.com and www.etfdb.com, using targeted dynamic and personalized ad messaging. We also utilize non-linear TV advertising that leverages the same targeted segments of users who use streaming devices. In Europe, we filter the targeting of promotions by both region and language, focusing heavily on professional investors.
- ***Media relations.*** We have a full-time global corporate communications and public relations team that has established relationships with major financial and digital assets media outlets. We utilize these relationships to help increase global awareness of WisdomTree ETPs, the ETP industry in general in the U.S. and Europe and our digital assets efforts. Several members of our management team and multiple members of our research team are frequent market commentators and conference panelists.
- ***Database Messaging Strategy.*** We maintain a database of financial advisors and regularly market to them through multi-channel messaging (email, display, site) triggered by user interest and predictive analytics. These communications include research presentations, ETP-specific and educational events and market commentary from Professor Jeremy Siegel, Senior Economist to WisdomTree. For WisdomTree Prime, we also engage a retail user database with targeted messages across email, in-app notifications and push notifications based on user behavior or predictive analytics. Additionally, we share updates on product launches and provide financial education to our retail database through a monthly newsletter.
- ***Social media.*** We have implemented a social media strategy that allows us to connect directly with financial advisors and investors by offering timely access to our research material and more general market commentary. Our social media strategy allows us to continually enhance our brand reputation of expertise and thought leadership in the ETP industry. For example, we have an established presence on LinkedIn, X, Instagram, Reddit and YouTube, and our blog content is syndicated across multiple business-oriented websites. We have several employee influencer programs where employee thought leaders are approved to post specific content on their LinkedIn and X accounts. We also leverage the strength and reach of our existing brand, in addition to utilizing a highly focused "test, learn, iterate" paid and social media marketing strategy, to drive awareness and user adoption for WisdomTree Prime.

- ***Sales support.*** We create comprehensive materials to support our ETP sales process, including white papers, research reports, webinars, blogs, podcasts, videos and performance data for our products. Our marketing automation system connects directly to our database of financial advisors to provide our sales team with additional insights about their clients. We also have agreements with several third parties to help distribute our thought leadership materials and deliver high quality leads to the sales team.

We will continue to evolve our marketing and communication efforts in response to changes in the ETP industry, market conditions, marketing trends and our evolving strategy around digital assets.

Research and Chief Investment Office

Our research team and Chief Investment Office serve four core functions: product development and oversight, investment research, model portfolio management, and sales support across equities, fixed income, alternatives, crypto, and asset allocation portfolios. In its index and active product development and oversight role, the team designs investment methodologies and manages the maintenance of both index-based and active strategies. The team conducts in-depth investment research on these strategies and markets, while also managing a suite of model portfolios that integrate WisdomTree and third-party products for various platforms, including WisdomTree Prime.

Our research is academic in nature and aims to support our products with white papers on the strategies underlying our indexes and ETPs, insights on market trends, and analyses of investment approaches that drive long-term performance. This content is distributed via our sales professionals, our website and blog, targeted emails to financial advisors, and through financial media and social media channels.

Additionally, the team supports sales efforts by serving as market experts during client meetings and providing custom analysis on portfolio holdings. We also collaborate with senior advisers, including Professor Jeremy Siegel, on product development ideas, model strategies and market commentaries.

Product Development

We are focused on driving continued growth through innovative product development, including through our Modern Alpha approach and our digital assets offerings. Modern Alpha combines the outperformance potential of active management with the benefits of passive management to offer investors cost-effective products that are built to perform.

Due to our proprietary index development capabilities and a strategic focus on product development, we have demonstrated an ability to launch innovative and differentiated ETPs. Building on our heritage of innovation, we are also developing next-generation digital products and structures, including Digital Funds and tokenized assets. When developing new products, we seek to position ourselves as first to market, offering improvement in structure or strategy relative to an incumbent product or offering some other key distinction relative to an incumbent product. In short, we want to add choice in the market and seek to introduce thoughtful investment solutions. Lastly, when launching new products, we seek to expand and diversify our overall product line.

Competition

The asset management industry is highly competitive, with significant competition across product offerings, fees, brand recognition and service quality. We face direct competition from other ETP sponsors and mutual fund companies, and indirect competition from larger financial institutions, including banks, insurance companies and diversified investment firms with broader distribution channels, resources and diversified revenue streams. Many of our larger competitors have extensive sales organizations and can attract clients through retail bank networks, broker-dealer networks and other channels not available to us.

ETPs now span nearly every asset class, from equities and fixed income to commodities and cryptocurrencies. As the market matures, existing and new players are introducing ETPs that often resemble our strategies. However, we believe that significant opportunities for innovation remain, particularly in cryptocurrency, thematic and alternative strategies. Our approach emphasizes being an early entrant in emerging asset classes, which can provide a significant advantage. For example, our early launches in asset classes such as fundamental weighting and currency hedging, and commodities (including gold), certain fixed income, and thematic categories, have positioned us to maintain our standing as one of the leaders of the ETP industry.

Price competition spans both commoditized products, such as traditional, market cap-weighted index exposures and more specialized categories, such as factor-based or thematic exposures. Fee reductions by competitors have been a persistent trend, with some larger firms able to offer lower fees or even use products as loss leaders due to other revenue sources. New entrants also often seek to compete by offering lower-fee ETPs. Currently, funds with fees of 20 basis points or less account for approximately 73% of net flows globally over the past three years, though these funds represent only approximately 32% of global revenues.

Being a first mover or one of the first providers of ETPs in a particular asset class can be a significant advantage, as the first ETP in a category to attract scale in AUM and trading liquidity is generally viewed as the most attractive product. We believe that our self-indexing model, along with our newer active ETFs, allows us to introduce proprietary products that face limited direct competition and are positioned to generate alpha versus traditional benchmarks. As investors grow more comfortable with ETP structures, we expect a stronger focus on after-fee performance rather than merely on low-cost market access. While we have selectively reduced fees on certain products that have yet to achieve scale—and may do so selectively in the future—our strategy focuses on launching new products in the same category with differentiated exposure at lower fees, rather than reducing fees on well-established products with substantial AUM, performance histories and liquidity. We generally consider our product pricing to be well-positioned within the competitive landscape.

Beyond traditional ETPs, we are diversifying into blockchain technology and digital assets. WisdomTree Prime, our blockchain-native digital wallet, provides access to digital assets such as bitcoin, ether, tokenized gold, U.S. dollar tokens and 13 Digital Funds, including a government money market fund and asset allocation products. These tokenized products are designed to be recorded or transferred on multiple public and permissioned blockchains, enabling interoperability between blockchains and expanding client access. WisdomTree Connect offers businesses and institutional clients direct access to our Digital Funds through their own self-hosted wallet or a third-party custodial wallet service. As one of the first to launch a spot bitcoin ETF in the United States, we continue to establish our leadership in digital assets. With increasing competition from both established financial firms and fintech startups in digital assets, we are focused on “responsible DeFi,” ensuring that our products meet regulatory standards while delivering transparency, choice and inclusivity. We believe this expansion into digital assets complements our core competencies in a holistic manner, will diversify our revenue streams and contribute further to our growth.

Our competitive success will largely depend on our ability to offer innovative products, including through both traditional ETPs and digital asset exposures, as well as broader blockchain-enabled finance, including savings and payments. Key factors include maintaining strong internal controls and risk management infrastructure to foster customer trust, generating robust after-fee performance and track records, embracing regulatory standards and building distribution relationships. Additionally, we focus on promoting thought leadership and a distinctive solutions program, strengthening our brand, and attracting and retaining talented sales professionals and employees.

Regulatory Framework of the ETP Industry and Digital Assets Business

ETPs

Not all ETPs are ETFs. ETFs are a distinct type of security with features that are different than other ETPs. ETFs are open-end investment companies or unit investment trusts regulated in the U.S. by the Investment Company Act of 1940, as amended, or the Investment Company Act. This regulatory structure is designed to provide investor protection within a pooled investment product. For example, the Investment Company Act requires that at least 40% of the Trustees for each ETF must not be affiliated persons of the fund’s investment manager, or Independent Trustees. If the ETF seeks to rely on certain rules under the Investment Company Act, a majority of the Trustees for that ETF must be Independent Trustees. ETFs generally operate under regulations that allow them to operate within the ETF structure, while ETFs also operate under regulations that prohibit affiliated transactions, are subject to standard pricing and valuation rules and have mandated compliance programs. ETPs can take a number of forms in addition to ETFs, including exchange-traded notes, grantor trusts or limited partnerships. In the U.S. market, a key factor differentiating ETFs, grantor trusts and limited partnerships from exchange-traded notes is that the former hold assets underlying the ETP. Exchange traded notes, on the other hand, are debt instruments issued by the exchange-traded note sponsor. Also, each of these structures has implications for taxes, liquidity, tracking error and credit risk.

Digital Assets

As we continue to build out our digital assets business, we believe it is necessary and important to do so in compliance with applicable laws and regulations. As a result, we are actively engaged with a variety of U.S. federal and state regulators (e.g., the SEC, FINRA, New York Department of Financial Services (NYDFS) and other state regulators) to secure, as necessary, or maintain the appropriate regulatory, registration and/or licensing approvals for various business initiatives and operations, including but not limited to: a New York state-chartered limited purpose trust company; money services and money transmitter business; limited purpose broker-dealer; transfer agent; investment adviser; and investment funds. As we seek to expand globally, similar approvals and/or reliance on exemptions will be required in applicable foreign markets, which also may involve approvals specific to a digital assets or related business. As we secure the appropriate regulatory, registration and/or licensing approvals, or otherwise rely on, seek or confirm exemptions therefrom, in connection with our digital assets business, we are and will be subject to a myriad of complex and evolving global policy frameworks and associated regulatory requirements that we need to comply with, or otherwise be exempt from, to ensure that our digital assets products and services are successfully brought to different markets in a compliant manner. We remain committed to being a trusted provider of innovative products and services guided by proactive engagement and regulatory collaboration.

U.S. Regulation

All aspects of our business are subject to various federal and state laws and regulations. These laws and regulations are primarily intended to protect the end user, which may include retail and institutional customers, investment advisory clients and shareholders of registered investment companies. These laws generally grant supervisory agencies broad administrative powers, including the power to limit or restrict the conduct of our business and to impose fines, sanctions or other penalties for failure to comply with these laws and regulations. Further, such laws and regulations provide the basis for examination, inquiry, investigation, enforcement action and/or litigation which could materially affect our business.

We are primarily subject to the following laws and regulations, among others. The costs of complying with such laws and regulations have increased and will continue to contribute to the costs of doing business:

- ***The Investment Advisers Act of 1940 (Investment Advisers Act).*** The SEC is the federal agency generally responsible for administering the U.S. federal securities laws. WisdomTree Asset Management, Inc., or WTAM, and WisdomTree Digital Management, Inc., or WT Digital Management, two of our subsidiaries, are registered as investment advisers under the Investment Advisers Act and, as such, are regulated by the SEC. The Investment Advisers Act requires registered investment advisers to comply with numerous obligations, including, among others, recordkeeping requirements, fiduciary duties, operational procedures, and registration, reporting and disclosure obligations.

- ***The Investment Company Act of 1940 (Investment Company Act).*** All of our Digital Funds and U.S. listed ETFs are registered with the SEC pursuant to the Investment Company Act. These products must comply with the applicable requirements of the Investment Company Act and other regulations, such as those related to publicly offering and listing shares, as well as requirements of Rule 6c-11, or the ETF Rule, including, among others, requirements relating to operations, fees charged, sales, accounting, recordkeeping, disclosure, transparency and governance. In addition, the SEC continues to take an active approach in its rulemaking activity by finalizing and proposing new rules and/or rule amendments under the Investment Company Act that will impact current and future Digital Fund and ETF operations and/or investments.

- ***Broker-Dealer Regulations.*** WisdomTree Securities, Inc., or WT Securities, is a FINRA member firm. As a limited purpose broker-dealer, WT Securities is operating as a mutual fund retailer for the Digital Funds offered through WisdomTree Prime. This business is separate from other WisdomTree subsidiaries operating as Digital Fund and ETF sponsors in the U.S. which are not required to be registered with the SEC as broker-dealers under the Securities Exchange Act of 1934, as amended, or Exchange Act. However, many of our employees, including all of our salespersons, are licensed with FINRA and are registered either as associated persons of WT Securities or the distributor of the WisdomTree Digital Funds and U.S. listed ETFs and, as such, are subject to FINRA rules that relate to licensing, continuing education requirements and sales practices. FINRA rules also apply to our fund marketing and sales material.

- ***Federal Money Services Business and State Money Transmission Laws.*** WisdomTree Digital Movement, Inc. is a money services business registered with the Financial Crimes Enforcement Network, or FinCEN, and a state licensed money transmitter operating a platform for the purchase, sale and exchange of digital assets, while also providing blockchain-enabled digital wallet services through WisdomTree Prime to facilitate such activity. Navigating state regulations across the U.S. provides compliance challenges and significant costs as regulations and expectations differ between states, with different states seeking to achieve different objectives with their regulations, from consumer protection to preventing money laundering. In addition, licensure requirements are quickly evolving (including regulators not permitting certain activities related to digital assets pursuant to such licenses), with the associated timeframes for licensure increasing and licensure being further complicated by recent market events and bankruptcies of firms in the digital assets space.

- ***Internal Revenue Code.*** WisdomTree Trust, WisdomTree Digital Trust and the WisdomTree Bitcoin Fund each have their own respective requirements they must satisfy to qualify for pass-through tax treatment under the Internal Revenue Code.

- ***U.S. Commodity Futures Trading Commission (CFTC) and National Futures Association (NFA).*** Regulations adopted by the CFTC have required WTAM to become a member of the NFA and register as a commodity pool operator for a select number of our ETFs.

- ***Products Exchange Listing Requirements.*** Each WisdomTree U.S. listed ETF is listed on a secondary market (each, an Exchange), including NYSE Arca, the NASDAQ Market and the Cboe Exchange, and accordingly is subject to the listing requirements of these Exchanges. Any new WisdomTree U.S. listed ETF will seek listing on an Exchange and also will need to meet continued Exchange listing requirements, which generally align with requirements of the ETF Rule. However, the SEC or an Exchange may ultimately determine not to allow the issuance of potential new WisdomTree U.S. listed ETFs or may require strategy or operational modifications as part of the registration and/or listing process.

- ***Corporate Exchange Listing Requirements.*** In addition, our common stock is listed on the New York Stock Exchange and we are therefore also subject to its rules including corporate governance listing standards, as well as federal and state securities laws.

- ***FINRA Rules.*** FINRA rules and guidance may affect how WisdomTree U.S. listed ETFs are sold by member firms. We currently do not offer so-called leveraged ETFs in the U.S., which may include within their holdings derivative instruments such as options, futures or swaps to obtain leveraged exposures. FINRA guidance, the recently effective SEC Rule 18f-4, or the Derivatives Rule, and/or other future rules or regulations may influence how member firms effect sales of certain WisdomTree U.S. listed ETFs, such as our currency ETFs, or how such ETFs operate, which also use some forms of derivatives, including forward currency contracts and swaps, our international hedged equity ETFs, which use currency forwards, and our rising rates bond ETFs and alternative strategy ETFs, which use futures or options.
- ***Section 17A of the Exchange Act.*** WisdomTree Transfers, Inc., or WT Transfers, is a transfer agent registered with the SEC. As a transfer agent, WT Transfers provides transfer agency and registrar services for the Digital Funds offered through WisdomTree Prime. WT Transfers' transfer agency and registrar services are subject to Section 17A of the Exchange Act and applicable rules promulgated thereunder.

International Regulation

Our operations outside the U.S. are subject to the laws and regulations of various non-U.S. jurisdictions and non-U.S. regulatory agencies and bodies. As we have expanded our international presence, a number of our subsidiaries and international operations have become subject to regulatory systems, in various jurisdictions, comparable to those covering our operations in the U.S. Regulators in these non-U.S. jurisdictions may have broad authority with respect to the regulation of financial services including, among other things, the authority to grant or cancel required licenses or registrations.

Jersey-Domiciled Issuers (Managed by WisdomTree Management Jersey Limited)

One of our subsidiaries, WisdomTree Management Jersey Limited, or ManJer, is a Jersey based management company providing investment and other management services to several Jersey-domiciled issuers, or ManJer Issuers, of exchange-traded commodities, or ETCs, each of which was established as a special purpose vehicle to issue exchange-traded securities. All ETCs are listed and marketed across the European Union, or EU, under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended), or the Prospectus Regulation. Since January 4, 2021, the Central Bank of Ireland, or Central Bank, approves all ETC Base Prospectuses (with the exception of WisdomTree Issuer X Limited's prospectus which is approved by the Swedish Financial Supervisory Authority) as meeting the requirements imposed under EU law pursuant to the Prospectus Regulation. Such approval relates only to those securities to be admitted to trading on a regulated market for the purpose of Markets in Financial Instruments Directive (recast) – Directive 2014/65/EU of the European Parliament and the Council, or MiFID II, and/or which are to be offered to the public in any European Economic Area, or EEA, Member State. All ETC prospectuses are also approved by the Financial Conduct Authority, or FCA, as U.K. Listing Authority, as competent authority pursuant to the U.K. version of Regulation (EU) No 2017/1129 of the European Parliament and the Council of 14 June 2017 on the form and content of such prospectuses and repealing Directive 2003/71/EC which is part of U.K. law by virtue of the European Union (Withdrawal) Act 2018, or the U.K. Prospectus Regulation. Each prospectus (except WisdomTree Issuer X Limited's prospectus) is prepared, and a copy is sent to the Jersey Financial Services Commission, or JFSC, in accordance with the Collective Investment Funds (Certified Funds – Prospectuses) (Jersey) Order 2012. Each ManJer Issuer (other than WisdomTree Issuer X Limited) has obtained a certificate under the Collective Investment Funds (Jersey) Law 1988 (as amended), to enable it to undertake its functions in relation to its ETCs. At the request of the relevant ManJer Issuer, the Central Bank has notified the approval of the Base Prospectus in accordance with the Prospectus Regulation to other EU listing authorities, including Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, the Netherlands, Norway, Poland, Spain and Sweden, by providing them with certificates of approval attesting that the Base Prospectus has been prepared in accordance with the Prospectus Regulation. Each issuer may request the Central Bank to provide competent authorities in other EEA Member States with such certificates for the purposes of making a public offer in such Member States and/or for admission to trading of all or any securities on a regulated market. WisdomTree Issuer X Limited's program for the issuance of WisdomTree digital securities does not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988 (as amended) as it satisfies the requirements of Article 2 of the Collective Investments Funds (Restriction of Scope) (Jersey) Order 2000. A copy of WisdomTree Issuer X Limited's prospectus has been delivered to the Registrar of Companies in Jersey in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, and the Registrar has consented to its circulation. The JFSC has consented under Article 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of the WisdomTree digital securities by WisdomTree Issuer X Limited. The prospectus of WisdomTree Issuer X Limited is also recognized by the Swiss Prospectus Office.

The ManJer Issuers are primarily subject to the following legislation and regulatory requirements:

- ***The Companies (Jersey) Law 1991.*** Each ManJer Issuer is incorporated as a public limited liability company under the Companies (Jersey) Law 1991. Therefore, the ManJer Issuers are required to comply with various obligations under this law including, but not limited to, convening general meetings, keeping proper books and records and filing financial statements.

- ***The Foreign Account Tax Compliance Act, or FATCA***, a U.S. federal law that was passed as part of the Hiring Incentives to Restore Employment (HIRE) Act, generally requires that foreign financial institutions and certain other non-financial foreign entities report on the foreign assets held by their U.S. account holders or be subject to withholding on withholdable payments. The HIRE Act also contained legislation requiring U.S. persons to report, depending on the value, their foreign financial accounts and foreign assets. ETCs benefit from the so called "listing exemption" and Jersey local authorities have determined that for companies which can benefit from such exemption the filing of a nil report is optional.
- ***The Common Reporting Standards, or CRS***, were developed by the Organization for Economic Cooperation and Development and is a global reporting standard for the automatic exchange of information. The ManJer Issuers need to conduct FATCA style due diligence and annual local reporting in relation to financial accounts held directly and indirectly by residents of those jurisdictions with which the Foreign Financial Institutions (FFIs) jurisdiction of residence has signed an Intergovernmental Agreement (IGA) to implement the CRS. Unlike FATCA, there is no clear listing exemption available under the CRS so the ManJer Issuers are required to conduct full due diligence to identify such accounts and report on them on an annual basis to their local tax authorities, at least in respect of the certificated interests and primary market issuances. However, Jersey tax authorities have applied less onerous reporting obligations to interests such as ETCs that are regularly traded on an established securities market and are held through CREST, the U.K. based central securities depository.
- ***The Collective Investment Funds (Jersey) Law 1988.*** Each ManJer Issuer (other than WisdomTree Issuer X Limited) is a collective investment fund and therefore required to comply with the obligations under the Collective Investment Funds (Jersey) Law 1988 and the Code of Practice for Certified Funds.
- ***The Prospectus Regulation.*** The Base Prospectus of each ManJer Issuer has been drafted, and any offer of ETCs in any EEA Member State that has implemented the Prospectus Regulation is made in compliance with the Prospectus Regulation and any relevant implementing measure in such Member States.
- ***Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, known as the European Market Infrastructure Regulation ("EMIR").*** EMIR, which became effective on August 16, 2012, provides for certain over-the-counter, or OTC, derivative contracts to be submitted to central clearing and imposes margin posting and other risk mitigation techniques, reporting and record keeping requirements. The clearing obligations under EMIR are still under discussion, and currently there are no mandatory clearing obligations in relation to equity, FX or commodity derivatives. The clearing obligation only applies to EU-based financial counterparties (defined as those authorized under MiFID, CRR, AIFMD, UCITS or insurance regulations) or those non-financial entities that have a rolling three-month notional exposure above a certain amount (between €1 and €3 billion, depending on asset class), which means that the ManJer Issuers are not directly subject to these obligations, but could indirectly be subject to them by virtue of their interaction with EU-based financial counterparties. In terms of reporting obligations, being non-EU entities, the ManJer Issuers are only indirectly subject to such obligations when they interact with their EU-based financial counterparties. Each ManJer Issuer has adhered to the 2013 EMIR Portfolio Reconciliation, Dispute Resolution and Disclosure Protocol published by the International Swaps and Derivatives Association, Inc.
- ***Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (the "Regulation") and Directive 2014/57/EU of the European Parliament and of the Council on criminal sanctions for market abuse (the "Directive" and, together with the Regulation, "MAD").*** Obligations imposed on the relevant ManJer Issuer and distributor under MAD, which became effective on July 3, 2016, include the requirement to publish inside information in a public and timely manner, to prepare and maintain a list of insiders and to refrain from market manipulation.
- ***Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 ("BMR").*** Supervised EU entities which issue financial instruments that reference a benchmark are required to comply with applicable obligations as set out under the BMR. The BMR was published on June 30, 2016 and the majority of the provisions became effective on January 1, 2018. The ManJer Issuers are non-EU entities and as a result, BMR application is very limited, although in some circumstances a few residual obligations could be deemed to be applicable because the ETCs are marketed across Europe.
- ***Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products ("PRIIPS").*** PRIIPs became effective on January 1, 2018 and applies to investment product manufacturers and distributors. Under PRIIPs, manufacturers need to provide a key information document (KIDs) to investors. The intention of KIDs is to improve transparency for investors on the products and enhance investor protection. The product manufacturer is responsible for drafting the KID and for its content. All ETCs are currently subject to PRIIPs and KIDs have been produced since January 1, 2018.

- ***MiFID II.*** MiFID II covers a wide range of areas that affect the relevant issuer and distributor, such as product governance, a definition of complex products which captures all physical and synthetic ETCs and the production of a European MiFID template, or an EMT, to facilitate the dissemination of relevant information to the markets and distributors in relation to each financial product.
- ***Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012. ("SFTR").*** Counterparties to securities financing transactions must report the transaction to trade repositories. The SFTR introduces a reporting requirement for transactions, and a disclosure requirement to investors with a requirement for prior consent. It also designates that financial instruments used for re-hypothecation are transferred to an account in the name of the other counterparty. Since the ManJer Issuers are based in non-EU jurisdictions, obligations are only indirectly applicable to them, but a certain level of interaction with EU counterparties is required to comply with some of these requirements.

WisdomTree Issuer X Limited is also primarily subject to the following legislation and regulatory requirements:

- ***The Control of Borrowing (Jersey) Order 1958.*** WisdomTree Issuer X Limited is required to comply with the obligations under the Control of Borrowing (Jersey) Order 1958 in respect of its issue of the WisdomTree digital securities.
- ***The Companies (General Provisions) (Jersey) Order 2002.*** WisdomTree Issuer X Limited is required to comply with the obligations under the Companies (General Provisions) (Jersey) Order 2002 in respect of its circulation of the WisdomTree digital securities prospectus.

Irish-Domiciled Issuer of UCITS ETFs (Managed by WisdomTree Management Limited)

The investment management industry in Ireland is subject to both Irish domestic law and EU law. The Central Bank of Ireland, or the Central Bank, is responsible for the authorization and supervision of collective investment schemes, or CIS, in Ireland. CIS's are also commonly known as funds/schemes. There are two main categories of funds authorized by the Central Bank, Undertakings for Collective Investment in Transferable Securities (UCITS) and funds that are not UCITS known as alternative investment funds. ETFs form part of the Irish and European regulatory frameworks that govern UCITS, with ETFs having been the subject of specific consideration at the European level which is then repeated and/or interpreted by Irish regulators and the Central Bank in regulations and related guidance issued by the Central Bank.

One of our subsidiaries, WisdomTree Management Limited, is an Ireland based management company authorized in Ireland providing collective portfolio management services to WisdomTree Issuer ICAV, or WTICAV, and WisdomTree UCITS ETFs. The WisdomTree UCITS ETFs, or Sub-Funds, are issued by WTICAV. WTICAV, a non-consolidated third party, is an Irish-collective-asset-management vehicle, or ICAV, organized in Ireland and is authorized as a UCITS by the Central Bank. All UCITS have their basis in EU legislation and once authorized in one EEA Member State, may be marketed throughout the EU, without further authorization. This is described as an EU passport. WisdomTree Management Limited registered with the FCA as an Authorised Schedule 5 – operator of a temporary recognized scheme, and under the Temporary Marketing Permissions Regime, the WisdomTree UCITS ETFs continue to be available to U.K. investors.

WTICAV is established and operated as an ICAV with segregated liability between its Sub-Funds. The Sub-Funds are segregated portfolios, each with their own investment objective and policies and assets. Each Sub-Fund has a separate approval from the Central Bank, and each is structured as an ETF. Each Sub-Fund tracks a different index. The index must comply with regulatory criteria that govern, among others, the eligibility and diversification of its constituents, and the availability of information on the index such as the frequency of calculation of the index, the index's transparency, its methodology and frequency of calculation. Each Sub-Fund has shares admitted to trading on the London Stock Exchange and, typically, on various European stock exchanges, and accordingly, is subject to the listing requirements of those exchanges.

WTICAV is primarily subject to the following legislation and regulatory requirements:

- ***European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) ("UCITS Regulations").*** The UCITS Regulations, which transpose Council Directive 2009/65/EC, Commission Directive 2010/43/EC and Commission Directive 2010/44/EC into Irish law, became effective on July 1, 2011. UCITS established in Ireland are authorized under the UCITS Regulations.
- ***Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 ("Central Bank UCITS Regulations").*** The Central Bank UCITS Regulations were adopted in May 2019 and, together with the UCITS Regulations, any guidance produced by the Central Bank, and the Central Bank forms, form the basis for all the requirements that the Central Bank imposes on UCITS, UCITS management companies and depositaries of UCITS.
- ***Central Bank Guidance.*** The Central Bank also has produced guidance that provides direction on issues relating to the funds industry, certain of which set forth conditions not contained in the UCITS Regulations or the Central Bank Regulations with which UCITS must conform.

- ***The Irish Collective Asset-Management Vehicle Act 2015 ("ICAV Act").*** WTICAV is registered as an ICAV under the ICAV Act. Therefore, WTICAV is required to comply with various obligations under the ICAV Act such as, but not limited to, keeping proper books and records. The segregation of liability between Sub-funds means there cannot be, as a matter of Irish law, cross-contamination of liability between Sub-funds. Therefore, the insolvency of one Sub-fund cannot affect another Sub-fund.
- ***EMIR.*** EMIR provides for OTC derivative contracts to be submitted to central clearing and imposes, inter alia, margin posting and other risk mitigation techniques, reporting and record keeping requirements. WTICAV uses OTC derivatives instruments to hedge the currency risk of some of its sub-funds, which are subject to EMIR. WTICAV has adhered to the 2013 EMIR Portfolio Reconciliation, Dispute Resolution and Disclosure Protocol published by the International Swaps and Derivatives Association, Inc. The Central Bank has been designated as the competent authority for EMIR.
- ***BMR.*** The BMR is directly applicable law across the EU and applies to certain "administrators," "contributors" and "users" of benchmarks with the aim of reducing the risk of benchmark manipulation and promoting confidence in their integrity and that of the financial markets which they support. Since WTICAV issues financial instruments that reference a benchmark, it will be required to comply with applicable obligations as set out under the BMR. In addition, non-EU administrators of benchmarks are required to satisfy a number of requirements to enable the benchmarks they provide to be used in the EU. To ensure investor protection, the BMR provides equivalence, recognition and endorsement conditions under which third country benchmarks may be used by supervised entities in the EU. Since we control the provision of benchmarks, we are required to comply with applicable obligations within the timeframes set out under the BMR.
- ***Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products ("PRIIPS").*** As above, WisdomTree's ETCs have been subject to PRIIPS since January 1, 2018. On January 1, 2023, PRIIPS also began to apply to UCITS. WTICAV has been producing and publishing these KIDs for share classes of the Sub-funds of the ICAV since January 1, 2023.
- ***Regulation on Disclosures (EU/2019/2088) ("SFDR") and the EU Taxonomy Regulation (2020/852) ("EU Taxonomy").*** SFDR requires WisdomTree Management Limited, as a UCITS management company, to disclose in a consistent and harmonized manner how environmental, social and governance, or ESG, factors are adopted in its decision-making process. SFDR also requires certain pre-contractual and periodic disclosure requirements for in scope WTICAV Sub-funds, such as UCITS financial products. Level 1 of SFDR requirements applied from March 1, 2021 and Level 2 of the SFDR requirements applied from January 1, 2023. The EU Taxonomy Regulation amends the disclosure requirements in place under SFDR. The EU Taxonomy disclosures for the economically sustainable objectives of climate change mitigation and climate change adaptation were applicable from January 1, 2022, while the requirement for disclosures for the remaining objectives applied from January 1, 2023. The WTICAV Prospectus, as well as supplements and product pages of the WTICAV Sub-funds in scope of SFDR and EU Taxonomy, have been updated to reflect the respective regulatory requirements.
- ***Regulation (EU) 2019/1156 on the cross-border distribution framework ("CBDF").*** The CBDF amend the UCITS Directive to increase the harmonization of cross-border marketing between both (a) the UCITS regime and (b) different practices adopted by EU member states and came into effect on August 2, 2021. The CBDF eliminated the need for WTICAV to have local paying agents within EU member states the Sub-funds passported into, but introduced rules around marketing communications, pre-marketing notifications and the discontinuation of marketing.
- ***Regulatory technical standards on settlement discipline ("CSDR").*** CSDR introduced measures to prevent settlement failures, with settlement failures resulting in penalty charges applied by the Central Securities Depositaries to failing parties. Since most WTICAV sub-funds employ physical replication using equities and bonds, trades in these equities that take place within the EU come into scope of CSDR. This regulation came into force on February 1, 2022.

Irish-Domiciled Issuer (Managed by WisdomTree Multi Asset Management Limited)

One of our subsidiaries, WisdomTree Multi Asset Management Limited, is a Jersey based management company providing investment and other management services to WisdomTree Multi Asset Issuer PLC, or WMAI, in respect of the ETPs issued by WMAI. WisdomTree Multi Asset Management Limited operates under the Schedule 2 businesses (Schedule 2 of the Proceeds of Crime (Jersey) Law 1999), must adhere to Jersey AML/CFT/CPF regulations, and is supervised for compliance by the JFSC. WMAI, a non-consolidated third party, is a public limited company incorporated in the laws of Ireland. It was established as a special purpose vehicle for the purposes of issuing collateralized exchange-traded securities, or ETP Securities, under the Collateralized ETP Securities Programme described in its Base Prospectus. WMAI is a 'qualifying company' within the meaning of section 110 of the Taxes Consolidation Act 1997 (as amended), of Ireland. WMAI is not authorized or regulated by the Central Bank by virtue of issuing ETPs.

The Central Bank, as competent authority under the Prospectus Regulation, has approved the Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Regulation. Such approval relates only to ETP Securities which are to be admitted to trading on a regulated market for the purpose of MiFID II and/or which are to be offered to the public in any EEA Member State. The Base Prospectus also has been approved by the FCA as competent authority pursuant to the U.K. version of Regulation (EU) No 2017/1129 of the European Parliament and the Council of 14 June 2017 on the form and content of such prospectuses and repealing Directive 2003/71/EC which is part of U.K. law by virtue of the U.K. Prospectus Regulation.

At the request of WMAI, the Central Bank has notified the approval of the Base Prospectus in accordance with the Prospectus Regulation to the Commissione Nazionale per le Societá e la Borsa (the Italian financial supervisory authority), the Bundesanstalt für Finanzdienstleistungsaufsicht (the German Federal Financial Supervisory Authority), the Financial Market Authority of Austria, the Commission de Surveillance du Secteur Financier (the financial regulator in Luxembourg), the Finanstilsynet (the Norwegian financial supervisory authority), the Autorité des Services et Marchés Financiers (the Belgian Financial Services and Markets Authority), the Finanstilsynet (the Danish Financial Supervisory Authority), the Finanssivalvonta (the Finnish Financial Supervisory Authority), the Autorité des Marchés Financiers (the French Authority for the Financial Markets), the Autoriteit Financiële Markten (the Netherlands Authority for the Financial Markets), the Komisja Nadzoru Finansowego (the Polish Financial Supervisory Authority), the Comisión Nacional del Mercado de Valores (the Securities Market Commission in Spain) and Finansinspektionen (the Swedish Financial Supervisory Authority) by providing them, *inter alia*, with certificates of approval attesting that the Base Prospectus has been prepared in accordance with the Prospectus Regulation. WMAI may request the Central Bank to provide competent authorities in other EEA Member States with such certificates whether for the purposes of making a public offer in such Member States or for admission to trading of all or any ETP Securities on a regulated market therein or both.

WMAI is primarily subject to the following legislation and regulatory requirements:

- ***The Companies Act.*** WMAI is incorporated as a public limited liability company under the Companies Act. Therefore, WMAI is required to comply with various obligations under the Companies Act such as, but not limited to, convening general meetings, keeping proper books and records and filing financial statements.
- ***The Prospectus Regulation.*** The Base Prospectus has been drafted, and any offer of ETP Securities in any EEA Member State that has implemented the Prospectus Regulation is made in compliance with the Prospectus Regulation and any relevant implementing measure in such Member States.
- ***EMIR.*** WMAI hedges its payment obligations in respect of the ETP Securities by entering into swap transactions with swap providers, which are subject to EMIR. The Central Bank has been designated as the competent authority for EMIR and, to assess compliance with EMIR, requests that WMAI submits annually an EMIR Regulatory Return.
- ***BMR.*** Since WMAI issues financial instruments that reference a benchmark, it also will be required to comply with applicable obligations within the timeframes set out under the BMR.
- ***MAD.*** MAD has a direct effect in Ireland and strengthens the legal framework underpinning the function of detecting, sanctioning and deterring market abuse. Broadly, MAD applies to any financial instrument admitted to, or for which a request for admission has been made to, trading on a regulated market in at least one member state of the EU or in an EEA Member State. Obligations imposed on WMAI under MAD include the requirement to publish inside information in a public and timely manner, to draw up and maintain a list of insiders and to refrain from market manipulation.
- ***CSDR.*** As above, CSDR introduced measures to prevent settlement failures, with settlement failures resulting in penalty charges applied by the Central Securities Depositaries to failing parties.

Intellectual Property

We regard our name, WisdomTree, as material to our business. We have registered the WisdomTree name and logo design, Modern Alpha and the WisdomTree Prime name and logo design as service marks with the U.S. Patent and Trademark Office. The WisdomTree name and logo design and Modern Alpha are also registered as service marks in various foreign jurisdictions.

Many of our index-based equity ETFs are based on our own indexes and we do not license them from, nor do we pay licensing fees to, third parties for these indexes. We do, however, license third-party indexes for certain of our fixed income, currency, equity and alternative ETFs.

On March 6, 2012, the U.S. Patent and Trademark Office issued to us our patent on Financial Instrument Selection and Weighting System and Method, which is embodied in our dividend weighted equity indexes. We currently do not rely upon our patent for a competitive advantage.

Available Information

Company Website and Public Filings

Our website is located at https://www.wisdomtree.com, and our investor relations website is located at https://ir.wisdomtree.com. We make available, free of charge through our investor relations website, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and amendments to those reports, filed or furnished pursuant to Sections 13(a) or Section 15(d) of the Exchange Act as soon as reasonably practicable after they have been electronically filed with, or furnished to, the SEC. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding the Company at www.sec.gov.

We webcast our earnings calls and certain events we participate in or host with members of the investment community on our investor relations website. Additionally, we provide notifications of news or announcements regarding our financial performance, SEC filings, investor events and press and earnings releases on our investor relations website. Further corporate governance information, including board committee charters and our code of business conduct and ethics, is also available on our investor relations website under the heading “Governance.” The contents of our websites are not incorporated by reference into this Annual Report on Form 10-K or in any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only.

ITEM 1A. RISK FACTORS

Any investment in our common stock involves a high degree of risk. You should carefully consider the specific risk factors described below in addition to the other information contained in this Report before making a decision to invest in our common stock. If any of these risks actually occur, our business, operating results, financial condition and prospects could be harmed. This could cause the trading price of our common stock to decline and a loss of all or part of your investment. Certain statements below are forward-looking statements. See the section entitled “Cautionary Note Regarding Forward-Looking Statements.”

Summary of Risk Factors

Our business faces various risks that could impact our ability to achieve objectives, as well as adversely affect our financial condition, results of operations, cash flow, and overall prospects. These risks, detailed below, include but are not limited to:

Market Risks	● Impact on AUM from declining prices and volatile market conditions ● Fluctuations in the composition and mix of AUM and impact on financial results ● Market disruptions may undermine investor confidence in ETPs
Concentration Risks	● Dependence on a limited number of products generating substantial revenue ● Exposure to declining commodity prices and domestic/foreign market conditions ● Risk of investor withdrawals
Third-Party Provider Risks	● Reliance on third-party vendors for critical administrative, custody and portfolio management services ● Insufficient internal controls or failures by third-party vendors ● Counterparty risks related to European products ● Inadequacies in risk management policies and procedures
Competition and Distribution Risks	● Intense competition in the asset management industry ● Dependence on third-party distribution channels
Performance and Investment Risks	● Limited track record for many of our ETPs
Operational Risks	● Increased risks and resource demands related to our European business ● Risk of operational failures, particularly with European crypto basket ETPs ● Risks associated with strategic transactions ● Exposure to catastrophic and unpredictable events
Technology Risks	● Limitations, failures or breaches of our or third-party technology systems, including artificial intelligence
Human Capital Risks	● Challenges in retaining or recruiting key personnel
Expense and Cash Management Risks	● Significant fluctuations in expenses
Legal and Regulatory Risks	● Costs and complexities of complying with evolving regulations ● Legal proceedings requiring substantial management attention ● Risks of intellectual property infringement claims or failure to protect trademarks and intellectual property rights
Digital Assets Risks	● Risks tied to our digital assets business, including competition, product development, outsourced services, cybersecurity, blockchain infrastructure and technology, regulatory compliance, anti-money laundering and other related risks
Other Company Risks	● Potential actions by activist stockholders ● Risks of change in control resulting in the termination of investment management agreements ● Challenges securing approval for advisory agreements and fees ● Reputational risk
Risks Related to Common Stock and Convertible Notes	● Volatility in the market price of common stock ● Negative commentary or downgrades by equity analysts ● Challenges in raising funds for convertible note settlements or repurchases ● Risks tied to conditional conversion features of convertible notes ● Impact of future issuances of common stock or equity-linked securities ● Anti-takeover provisions in corporate governance documents ● Stockholder rights plan terms and conditions ● Failure to pay dividends or repurchase common stock

Market Risks

Declining prices of securities, gold and other precious metals and other commodities and changes in interest rates and general market conditions can adversely affect our business by reducing the market value of the assets we manage or causing WisdomTree ETP investors to sell their fund shares and trigger redemptions.

We are subject to risks arising from declining prices of securities, gold and other precious metals and other commodities, which may result in a decrease in demand for investment products, a higher redemption rate and/or a decline in AUM. The financial markets are highly volatile and prices for financial assets may increase or decrease for many reasons, including general economic conditions, trade uncertainties, rising or falling interest rates, the strengthening or weakening of the U.S. dollar, events such as a pandemic or war, geopolitical conflicts, political events, acts of terrorism and other matters beyond our control. A significant portion of our revenues is derived from advisory fees earned on our AUM, in both the international and U.S. markets. As a result, our business can be expected to generate lower revenues in declining market environments or general economic downturns. Such adverse conditions would likely cause the value of our AUM to decrease, which would result in lower advisory fees, or cause investors in the WisdomTree ETPs to sell their shares in favor of investments they perceive to offer greater opportunity or lower risk, thus triggering redemptions that would also result in decreased AUM and lower fees.

Fluctuations in the amount and mix of our AUM may negatively impact revenues and operating margins.

The level of our revenues depends on the amount and mix of our AUM. Our revenues are derived primarily from advisory fees based on a percentage of the value of our AUM and vary with the nature of the ETPs, which have different fee levels. Fluctuations in the amount and mix of our AUM may be attributable in part to market conditions outside of our control that have had, and in the future could have, a negative impact on our revenues and operating margins.

Abnormally wide bid/ask spreads and market disruptions that halt or disrupt trading or create extreme volatility could undermine investor confidence in the ETP investment structure and limit investor acceptance of ETPs.

ETPs trade on exchanges in market transactions that generally approximate the value of the referenced assets or underlying portfolio of securities held by the particular ETP. Trading involves risks including the potential lack of an active market for fund shares, abnormally wide bid/ask spreads (the difference between the prices at which shares of an ETP can be bought and sold) that can exist for a variety of reasons, and losses from trading. These risks can be exacerbated during periods when there is low demand for an ETP, the markets in the underlying investments are closed, market conditions are extremely volatile or trading is disrupted. This could result in limited growth or a reduction in the overall ETP market and could slow our revenue growth or even lead to a decline in revenues.

Concentration Risks

We derive a substantial portion of our revenues from a limited number of products and, as a result, our operating results are particularly exposed to investor sentiment toward investing in the products' strategies and our ability to maintain the AUM of these products, as well as the performance of these products.

At December 31, 2024, 55% of our AUM was concentrated in ten of our WisdomTree ETPs with approximately 21% in three of our domestic equity ETFs, 15% in the WisdomTree Floating Rate Treasury Fund, or USFR, 10% in three of our precious metal products, 6% in two of our international developed market equity ETPs and 3% in one of our emerging markets ETFs. As a result, our operating results are particularly exposed to the performance of these funds and our ability to maintain the AUM of these funds, as well as investor sentiment toward investing in the funds' strategies. If the AUM in these funds were to decline, either because of declining market values or net outflows from these funds, our revenues would be adversely affected.

Declining commodity prices, and gold prices in particular, including as a result of changes in demand for commodities and gold as an investment, could materially and adversely affect our business.

At December 31, 2024, approximately 13% of our AUM were in ETPs backed by gold and approximately 9% were in ETPs backed by other commodities. Precious metals such as gold are often viewed as "safe haven" assets as they tend to attract demand during periods of economic and geopolitical uncertainty. Accommodative monetary policies are also favorable as the opportunity cost of forgoing investment in interest-bearing assets is low. Market conditions that are not conducive to investment in precious metals, such as a rising interest rate environment, may lead to declining prices that are linked to our ETPs and thereby adversely affect our AUM and revenues. We cannot provide any assurance that our products backed by precious metals will benefit from favorable market conditions. In addition, changes in long-term demand cycles for commodities generally and cyclicality in demand for commodities as an investment asset, could reduce demand for certain of our products, limit our ability to successfully launch new products and also may lead to redemptions by existing investors.

Also, a portion of the advisory fee revenues we receive on our ETPs backed by gold are paid in gold ounces. While we may readily sell the gold that we earn under these advisory contracts, we still may maintain a position. We currently do not enter into arrangements to hedge against fluctuations in the price of gold and any hedging we may undertake in the future may not be cost-effective or sufficient to hedge against this gold exposure.

A significant portion of our AUM is held in products with exposure to U.S. and international developed markets, and we therefore have exposure to domestic and foreign market conditions and are subject to currency exchange rate risks.

At December 31, 2024, approximately 32% and 16% of our AUM was held in products with exposure to the U.S. and international developed markets, respectively. Therefore, the success of our business is closely tied to various conditions in these markets which may be affected by domestic and foreign political, social and economic uncertainties, monetary policies conducted in these regions and other factors.

In addition, fluctuations in foreign currency exchange rates could reduce the revenues we earn from certain foreign invested products. This occurs because an increase in the value of the U.S. dollar relative to non-U.S. currencies may result in a decrease in the dollar value of the AUM in these products, which, in turn, would result in lower revenues. Furthermore, investors may perceive certain foreign invested products, as well as certain of our currency and fixed income products to be a less attractive investment opportunity when the value of the U.S. dollar rises relative to non-U.S. currencies, which could have the effect of reducing investments in these products, thus reducing revenues. Our products exposed to the U.S. market may benefit from a rising U.S. dollar, but we can provide no assurance that this will be the case. Also, a weakening U.S. dollar relative to the euro or yen may make less attractive our international hedged equity products, as unhedged alternatives would benefit from the appreciation of the foreign currency or currencies while our products would not, which could result in redemptions in our funds.

Withdrawals or broad changes in investments in our ETPs by investors with significant positions may negatively impact revenues and operating margins.

We have had in the past, and may have in the future, investors who maintain significant positions in one or more of our ETPs. If such an investor were to broadly change or withdraw its investments in our ETPs because of a change to its investment strategy, market conditions or any other reason, it may significantly change the amount and mix of our AUM, which may negatively affect our revenues and operating margins.

Third-Party Service Provider Risks

We primarily depend on Mellon Investments Corporation, Newton Investment Management North America, LLC and Voya Investment Management Co., LLC to provide portfolio management services, The Bank of New York Mellon to provide us with critical administrative services to operate our business and our U.S. listed ETFs, and other third parties to provide many other critical services to operate our business and our U.S. listed ETFs. The failure of key vendors to adequately provide such services could materially affect our operating business and harm investors in our products.

We outsource to third-party vendors to provide us with many services that are critical to operating our business, including Mellon Investments Corporation, Newton Investment Management North America, LLC and Voya Investment Management Co., LLC as sub-advisers providing portfolio management services, and The Bank of New York Mellon, or BNY Mellon, to provide custody services, fund accounting, administration, transfer agency and securities lending services. We also rely on third-party providers to license indexes to certain of our U.S. listed ETFs, perform index calculation services for our indexes and a third-party distributor for our products. The failure of any of these key vendors to provide us and our products with these services could lead to operational issues and result in financial loss to us and investors in our products.

We depend on HSBC and JP Morgan to provide us with critical physical custody services for precious metals that back our ETCs. The failure of HSBC and JP Morgan to adequately safeguard the physical assets could materially adversely affect our business and harm investors in our products.

We depend on HSBC and JP Morgan to provide us with critical physical custody services for precious metals that back our ETCs. Such products that are backed by physical metal are subject to risks associated with the custody of physical assets, including the risk that access to the metal held in the secure facilities managed by HSBC and JP Morgan could be restricted by a pandemic (such as the COVID-19 pandemic), natural events (such as an earthquake) or human actions (such as a terrorist attack). In addition, there is a risk that the physical metal could be lost, stolen, damaged or restricted. The failure of HSBC and JP Morgan to successfully provide us with these services could result in financial loss to us and investors in our products and our recovery of any losses from a custodian, sub-custodian or insurer may be inadequate.

We depend on Swissquote Bank Ltd and Coinbase Custody Trust LLC to provide us with critical custody services for digital currencies that back WisdomTree digital assets. The failure of Swissquote and/or Coinbase to adequately safeguard these digital assets could materially adversely affect our business and harm investors in this product.

We depend on Swissquote Bank Ltd and Coinbase Custody Trust LLC to provide us with critical custody services for digital currencies that back WisdomTree digital assets. Products that are backed by digital currencies are subject to the risks associated with the custody of digital assets, including the risk that the digital currencies or the blockchain infrastructure could be impacted by hacks or other malicious actions. WisdomTree Issuer X Limited is reliant on the security procedures and infrastructure of the custodian to safeguard the underlying digital currency cryptographic keys. There is no guarantee that the arrangements of the custodian will fully protect from loss of assets. Damage to the infrastructure or loss of these assets may render the digital currency inaccessible and adversely impact the value of an investment in digital assets. The digital currencies may also be exposed to the Internet briefly before reaching the secure accounts of the custodian. There are additional risks involved with an investment backed by digital currencies such as changes to the protocol (such as forks) which could damage the reputation of digital assets or result in losses for investors. The risks associated with digital currencies and the failure of the custodian to safeguard the underlying assets could result in financial loss to us and investors in our products and our recovery of any losses from a custodian may be inadequate. The custodians perform additional services to crypto ETPs that may derive additional revenue by delegating a part of our assets to validate transactions on the relevant blockchain (“staking”). There are certain operational and technological risks associated with staking such as penalties due to bad validator behavior. Operational and technical errors in the context of staking could damage the reputation of digital assets or result in losses for investors.

We depend on Apex Financial Services (Alternative Funds) Limited in respect of the products issued by our Jersey-domiciled issuers, or ManJer Issuers, of ETCs (except WisdomTree Issuer X Limited), JTC Trust Company Jersey in respect of products issued by WisdomTree Issuer X Limited, APEX IFS Limited in respect of the products issued by WMAI and State Street Fund Services (Ireland) Limited in respect of the WisdomTree UCITS ETFs to provide us with critical administrative services to those products. The failure of any of those providers to adequately provide such services could materially affect our operating business and harm investors in those products.

We depend on Apex Financial Services (Alternative Funds) Limited in respect of the products issued by the ManJer Issuers (except WisdomTree Issuer X Limited), JTC Trust Company Jersey in respect of products issued by WisdomTree Issuer X Limited, APEX IFS Limited in respect of the products issued by WMAI and State Street Fund Services (Ireland) Limited in respect of the WisdomTree UCITS ETFs, to provide fund accounting, administration and, transfer agency services, as well as custody services in the case of the WisdomTree UCITS ETFs. The failure of any service provider to successfully provide these services could result in financial loss to the products, us and investors in those products. In addition, because each of the service providers provides a multitude of important services, changing these vendor relationships would be challenging. It might require us to devote a significant portion of management's time to negotiate a similar relationship with other vendors or have these services provided by multiple vendors, which would require us to coordinate the transfer of these functions to another vendor or vendors.

The WisdomTree UCITS ETFs primarily depend on either of Assenagon Asset Management S.A. or Irish Life Investment Managers Limited to provide portfolio management services and other third parties to provide many critical services to operate the WisdomTree UCITS ETFs. The failure of key vendors to adequately provide such services could materially affect our operating business and harm investors in the WisdomTree UCITS ETFs.

The WisdomTree UCITS ETFs depend on third-party vendors to provide many services that are critical to operating our business, including Assenagon Asset Management S.A. and Irish Life Investment Managers Limited as investment managers that provide us with portfolio management services and third-party providers of index calculation services. The failure of any of these key vendors to provide the WisdomTree UCITS ETFs with these services could lead to operational issues and result in financial loss to us and investors in the WisdomTree UCITS ETFs.

Failure of third-party vendors to maintain sufficient internal controls could adversely affect us.

If a third-party vendor fails to develop and maintain sufficient internal control processes or adequate data privacy controls and security systems, such failure could adversely affect us. For example, in the past, we were notified of a deficiency in the internal controls of a third-party vendor of software we utilize in our accounting processes. We identified sufficient mitigating controls to alleviate the deficiency and do not believe the third-party's deficiency had a material impact on our operations or financial reporting. Any internal control failures that may arise in the future could adversely affect us if not sufficiently mitigated.

The products issued by our European business are subject to counterparty risks.

The products issued by our European business depend on the services of counterparties, custodians and other agents and are therefore subject to a variety of counterparty risks, which are detailed above. Products issued by WMAI, certain WisdomTree UCITS ETFs and certain products issued by the ManJer Issuers are backed by swap, derivative or similar arrangements, which are subject to risks associated with the creditworthiness of their counterparties, including the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the relevant arrangement (whether or not bona fide) or because of a credit, liquidity, regulatory, tax or operational problem. Any deterioration of the credit or downgrade in the credit rating of a counterparty, or the custodian holding the collateral, could cause the associated products to trade at a discount to the value of the underlying assets.

The terms of contracts with counterparties are generally complex, often customized and often not subject to regulatory oversight. A voluntary or involuntary default by a counterparty may occur at any time without notice. In the event of any default by, or the insolvency of, any counterparty, the relevant products may be exposed to the under-segregation of assets, fraud or other factors that may result in the recovery of less than all of the property of our issuers that was held in custody or safekeeping in the case of physically backed products or the recovery of property that is insufficient in value to cover all amounts payable to holders of the applicable products upon their redemption.

The impact of market stress or counterparty financial condition may not be accurately foreseen or evaluated and, as a result, we may not take sufficient action to reduce counterparty risks effectively. Any losses due to a counterparty's failure to perform its contractual obligations will be borne by the relevant product issuer and there could be a substantial delay in recovering assets due from counterparties or it may not be possible to do so at all. Defaults by, or even rumors or questions about, the solvency of counterparties may increase operational risks or transaction costs, which may negatively affect the investment performance of the relevant products and have a material adverse effect on our business and operations.

Our risk management policies and procedures, and those of our third-party vendors upon which we rely, may not be fully effective in identifying or mitigating risk exposure, including employee misconduct. If our policies and procedures do not adequately protect us from exposure to these risks, we may incur losses that would adversely affect our financial condition, reputation and market share.

We have developed risk management policies and procedures and we continue to refine them as we conduct our business. Many of our procedures involve oversight of third-party vendors that provide us with critical services such as portfolio management, custody, fund accounting and administration, and index calculation as further described in "Third-Party Provider Risks" above. However, our policies and procedures to identify, monitor and manage risks may not be fully effective in mitigating our risk exposure. Deficiencies in the risk management policies and procedures, internal systems and controls of our third-party vendors may adversely affect our systems and controls. Moreover, we are subject to the risks of errors and misconduct by our employees, including fraud and non-compliance with policies. These risks are difficult to detect in advance and deter, and could harm our business, results of operations or financial condition. Although we maintain insurance and use other traditional risk-shifting tools, such as third-party indemnification, to manage certain exposures, they are subject to terms such as deductibles, coinsurance, limits and policy exclusions, as well as risk of counterparty denial of coverage, default or insolvency. If our policies and procedures do not adequately protect us from exposure and our exposure is not adequately covered by insurance or other risk-shifting tools, we may incur losses that would adversely affect our financial condition and could cause a reduction in our revenues as investors in our products shift their investments to the products of our competitors.

Competition and Distribution Risks

The asset management business is intensely competitive, and we may experience pressures on our pricing and market share, which could reduce revenues and profit margins.

The asset management industry is intensely competitive, with significant challenges across product offerings, fees, brand recognition and service quality. We face direct competition from other ETP sponsors and mutual fund companies, as well as indirect competition from larger financial institutions, including banks, insurance companies and diversified investment firms with broader distribution channels, greater resources and multiple revenue streams. Many of these larger competitors operate extensive sales networks and attract clients through retail bank and broker-dealer channels, which may not be as accessible to us.

The adoption of Rule 6c-11, known as the ETF Rule, has further intensified competition by removing the need for exemptive relief filings to issue ETFs, reducing barriers to entry in the ETP space. We anticipate that more firms, including both new entrants and established asset managers, will continue to enter and expand within the ETP market. Additionally, the introduction of non-transparent active ETFs—which are not required to disclose holdings daily—may allow traditional mutual fund sponsors to compete more effectively against ETFs by preserving their proprietary strategies.

Price competition spans both commoditized offerings, such as traditional, market cap-weighted index products, and more specialized categories, like factor-based or thematic ETPs. In recent years, larger firms have trended toward fee reductions, offering some products at lower prices or as loss leaders, supported by alternative revenue sources. New entrants often seek to differentiate themselves by offering low-fee ETPs; as a result, funds priced at 20 basis points or less have captured approximately 80% of global net flows over the past three years. This fee compression trend continues, with many of our competitors well-positioned to benefit.

Some of our competitors maintain a larger market share, a broader product range and greater financial resources. Certain financial institutions also operate in more favorable regulatory environments and/or have proprietary products, revenue sources and distribution channels, which may provide competitive advantages, including in pricing ETPs as loss leaders. Further industry consolidation may also heighten competitive pressures.

Given these evolving industry dynamics, we have experienced—and may continue to experience—pricing and market share pressures, which could reduce our revenues and profit margins.

We rely on third-party distribution channels to sell our products, and increased competition, a failure to maintain business relationships and other factors could adversely impact our business.

We rely on various third-party distribution channels, including registered investment advisers, wirehouse and institutional channels to sell our products. Increasing competition, a failure to maintain business relationships and other factors could impair our distribution capabilities and increase the cost of conducting business. In addition, several of the largest custodial platforms and online brokerage firms eliminated trading commissions for ETFs. Any inability to access and successfully sell our products through our distribution channels could have a negative effect on our AUM levels and adversely impact our business.

Performance and Investment Risks

Many of our ETPs have a limited track record and poor investment performance could cause our revenues to decline.

Many of our ETPs have a limited track record upon which an evaluation of their investment performance can be made. Certain investors limit their investments to ETPs with track records of ten years or more. Furthermore, as part of our strategy, we continuously evaluate our product offerings to ensure that all our funds are useful, compelling and differentiated investment offerings, to align our overall product line more competitively in the current ETP landscape and to reallocate our resources to areas of greater client interest. As a result, we may further adjust our product offerings, which may result in closing some of our ETPs, changing their investment objective or offering new funds. The investment performance of our products is important to our success. While strong investment performance could stimulate sales of our ETPs, poor investment performance, on an absolute basis or as compared to third-party benchmarks or competitive products, could lead to a decrease in sales or stimulate redemptions, thereby lowering AUM and reducing our revenues. Our Modern Alpha strategies are designed to provide the potential for better risk-adjusted investment returns over full market cycles and are best suited for investors with a longer-term investment horizon. However, the investment approach of our equity products may not perform well during certain shorter periods of time during different points in the economic cycle.

Operational Risks

Our European business subjects us to increased operational, regulatory, financial and other risks.

We face increased operational, regulatory, financial, compliance, reputational and foreign exchange rate risks as a result of conducting our business internationally. The failure of our compliance and internal control systems to properly mitigate such additional risks, or of our infrastructure to support our European business, could result in operational failures and regulatory fines or sanctions. If our European products and operations experience any negative consequences or are perceived negatively in non-U.S. markets, it may also harm our reputation in other markets, including the U.S. market.

We have pursued, and may continue to pursue, acquisitions and other strategic transactions. Any strategic transactions that we are a party to will result in increased demands on our management and other resources, may be significant in size relative to our assets and operations, result in significant changes in our business and materially and adversely affect our stock price. If we were unable to manage our strategic initiatives, it could have a material adverse effect on our business.

We have pursued, and may continue to pursue, acquisitions and other strategic transactions. These initiatives have placed increased demands on our management and other resources and may continue to do so in the future. We may not be able to manage our operations effectively or achieve our desired objectives on a timely or profitable basis. To do so may require, among other things:

- continuing to retain, motivate and manage our existing employees and/or attract and integrate new employees;
- developing and enhancing our operational, financial, accounting, reporting and other internal systems and controls on a timely basis; and
- maintaining and expanding support functions, including human resources, information technology, legal and corporate communications.

If we are unable to manage these initiatives effectively, there could be a material adverse effect on our ability to maintain or increase revenues and profitability.

Managing strategic initiatives may require continued investment in personnel, information technology infrastructure and marketing activities, as well as further development and implementation of financial, operational and compliance systems and controls. We may not be successful in implementing all of the processes that are necessary. Unless such initiatives result in an increase in our revenues that is at least proportionate to the increase in the costs associated with implementing them, our future profitability will be adversely affected.

In addition, future strategic transactions could involve issuing significant equity or debt, which may dilute stockholders or require substantial borrowings. Such transactions may result in changes in our board and/or management team, constitute a change of control of our Company, lead to significant changes in our product offering, business operations and earning and risk profiles, and/or result in a decline in the price of our common stock.

Our ability to complete such transactions depends upon a number of factors that are not entirely within our control, including our ability to identify suitable merger or acquisition candidates, negotiate favorable terms, conclude satisfactory agreements and secure necessary financing. Our failure to successfully execute or integrate these transactions could materially and adversely affect our business, results of operations and financial condition.

We instruct trades and perform other operational processes in respect of crypto basket ETPs that we have launched in Europe. Operational failures could materially affect our business and harm investors in these products.

We have launched products in Europe that are indexed to baskets of cryptocurrencies or that may allow for staking. We have outsourced the administrator, transfer agent and custodial functions for these products. While we typically outsource portfolio management services to third-party sub-advisers for our products, in this case, we instead act as determination agent and place buy and sell orders directly with a broker to rebalance these crypto basket ETPs in line with the indices. These rebalances typically occur quarterly. Expanding trading volumes may increase the risk of trading errors. The failure of any of our vendors to provide us and our products with the outsourced services and our failure to correctly place trade orders could lead to operational issues and result in financial loss to us and/or investors in our products. For products through which we derive additional revenue by staking, we operationally delegate the relevant assets to validators in our role as determination agent. Operational errors in the process could materially affect our business and harm investors in these products. In addition, staking features, such as lock-up periods, staking reward payout periods and reward amounts, are not necessarily fixed over time and can cause liquidity risk or delay the standard settlement period. This may cause redemptions to be delayed and may result in a financial loss to investors.

Catastrophic and unpredictable events could have a material adverse effect on our business.

A terrorist attack, war, power failure, cyber-attack, natural disaster, pandemic event or other catastrophic or unpredictable event could adversely affect our revenues, expenses and operating results by: interrupting our normal business operations; inflicting employee casualties, including loss of our key employees; requiring substantial expenditures and expenses to repair, replace and restore normal business operations; and reducing investor confidence. We have a disaster recovery plan to address certain contingencies, but this plan may not be sufficient in responding or ameliorating the effects of all disaster scenarios. Similarly, these types of events could also affect the ability of the third-party vendors that we rely upon to conduct our business, including parties that provide us with sub-advisory portfolio management services, custodial, fund accounting and administration services or index calculation services, to continue to provide these necessary services to us, even though they may also have disaster recovery plans to address these contingencies. In addition, a failure of the stock exchanges on which our products trade to function properly could cause a material disruption to our business. If we or our third-party vendors are unable to respond adequately or in a timely manner, these failures may result in a loss of revenues and/or increased expenses, either of which would have a material adverse effect on our operating results.

Technology Risks

Any significant limitation or failure of our technology systems, or of our third-party vendors' technology systems, or any security breach of our information and cyber security infrastructure, software applications, technology or other systems that are critical to our operations could interrupt or damage our operations and result in material financial loss, regulatory violations, reputational harm or legal liability.

We are dependent upon the effectiveness of our own, and our vendors', information security policies, procedures and capabilities to protect the technology systems used to operate our business (including emerging technologies, such as artificial intelligence (AI) programs), to protect the data that reside on or are transmitted through them and to maintain adequate internal controls. Information security risks for us and our third-party vendors have increased significantly in recent years, in part because of the proliferation of new technologies, including AI, the ubiquity of internet connections, and the increased sophistication and activities of threat actors. Although we and our third-party vendors take protective measures to secure information, our and our vendors' technology systems have experienced cybersecurity threats and may still be vulnerable to unauthorized access, computer viruses or other events that could result in inaccuracies in our information or system disruptions or failures, which could materially interrupt or damage our operations. These risks have increased with the launch of the WisdomTree Prime mobile application and may continue to increase in the future as the mobile application's availability expands. In addition, technology is subject to rapid change and we cannot guarantee that our competitors may not implement more advanced technology platforms for their products, which could affect our business. Any inaccuracies, delays, system failures or breaches, or advancements in technology, and the cost necessary to address them, could subject us to client dissatisfaction and losses or result in material financial loss, regulatory violations, reputational harm or legal liability, which, in turn, could cause a decline in our earnings or stock price.

A failure to effectively manage the development and use of AI, combined with an evolving regulatory environment, could have an adverse effect on our growth, reputation or business.

We use AI, including machine learning, in our business and expect to continue to expand our AI capabilities, including through generative AI. AI methods are complex and rapidly evolving, and their introduction into new or existing processes may result in new or enhanced governmental or regulatory scrutiny, intellectual property or other litigation, data protection and confidentiality concerns, information security risks, social or ethical challenges, competitive harm or other complications. For example, datasets used to develop and test AI models, the content generated by AI systems, or AI-driven decision-making processes may be found to be insufficient, biased or harmful, or lead to adverse business decisions or operating errors. AI technologies, including generative AI, may also produce content that appears credible but is factually inaccurate or flawed or legally problematic, increasing regulatory, reputational and legal risks. In addition, intellectual property ownership and licensing rights, including copyright, surrounding AI technologies remain uncertain, as U.S. courts and regulatory bodies have yet to address key issues. Furthermore, AI-related regulations are evolving globally, with emerging frameworks such as the EU AI Act and increasing scrutiny from U.S. regulators, including the Federal Trade Commission and SEC. Efforts to incorporate AI technologies responsibly require continued investment in operational controls and procedures, development and implementation of appropriate protections and safeguards for data use, including with respect to data leakage, and compliance with evolving regulatory requirements. Any failure to successfully integrate AI technologies, respond to client or market demands or effectively manage AI-related risks could harm our growth and reputation, adversely impact product offerings, client interactions or business initiatives, and expose us to legal and regulatory liabilities and additional costs, including regulatory fines or sanctions, which may cause our AUM, revenues and earnings to decline.

Human Capital Risks

Our ability to operate effectively could be impaired if we fail to retain or recruit key personnel.

The success of our business is highly dependent on our ability to attract, retain and motivate skilled employees across operations, product development, research, technology, sales and marketing. Our U.S. employees generally may voluntarily terminate their employment at any time. The market for these individuals is extremely competitive and is likely to become more so as additional investment management firms enter the ETP industry and as the digital assets market continues to develop. Our compensation methods may not enable us to recruit and retain required personnel. For example, price volatility in our common stock may impact our ability to effectively use equity grants as an employee compensation incentive. Also, we may need to increase compensation levels, which would decrease our net income or increase our losses. If we are unable to retain and attract key personnel, it could have an adverse effect on our business, our results of operations and financial condition.

Expense and Cash Management Risks

Our expenses are subject to fluctuations that could materially affect our operating results.

Our results of operations are impacted by the magnitude of our expenses and may fluctuate as a result of inflation, as well as discretionary spending, including additional headcount, accruals for incentive compensation, marketing, advertising, sales and other expenses we incur in our operations. As we continue to invest in our digital assets business, related expenses may exceed initial expectations in both the near and long term. Accordingly, fluctuations in our expenses could materially affect our operating results and may vary from quarter to quarter.

Legal and Regulatory Risks

Compliance with extensive, complex and changing regulation imposes significant financial and strategic costs on our business, and non-compliance could result in fines and penalties.

We are subject to extensive regulation of our business and operations. Two of our U.S. subsidiaries, WTAM and WT Digital Management, are registered investment advisers and are subject to oversight by the SEC pursuant to its regulatory authority under the Investment Advisers Act. We also must comply with certain requirements under the Investment Company Act with respect to the WisdomTree U.S. listed ETFs for which WTAM acts as investment adviser and with respect to our Digital Funds for which WT Digital Management acts as an investment adviser. WTAM is also a member of the NFA and registered as a commodity pool operator for certain of our ETFs. As a commodity pool operator, we are subject to oversight by the NFA and the CFTC pursuant to regulatory authority under the Commodity Exchange Act. In addition, the content and use of our marketing and sales materials and the conduct of our sales force in the U.S. regarding our U.S. listed ETFs and Digital Funds are subject to the regulatory authority of FINRA. The SEC also has recently adopted rule amendments that are designed to modernize sales and marketing materials and, as a result, could impact our marketing materials. We are also subject to foreign laws and regulatory authorities with respect to operational aspects of our products that invest in securities of issuers in foreign countries, in the marketing, offer and/or sales of our products in foreign jurisdictions and in our offering of investment products domiciled outside of the U.S., such as our ETPs issued by the ManJer Issuers, UCITS ETFs and ETPs issued by WMAI.

Each of the regulatory bodies with jurisdiction over us has regulatory powers over many aspects of our business, including the authority to grant, and, in specific circumstances to cancel, permissions to carry on particular businesses. Our ETPs' and Digital Funds' failure to comply with applicable laws or regulations has in the past, and could in the future, result in fines, censure, suspensions of personnel or other sanctions, including revocation of our registration as an investment adviser. For example, in August 2024, WTAM received a Wells Notice from the Staff of the SEC advising WTAM that the Staff had made a preliminary determination to recommend that the SEC file an enforcement action against WTAM alleging violations of certain provisions of the U.S. federal securities laws relating to three exchange-traded series of WisdomTree Trust managed by WTAM that pursued ESG-focused strategies. In October 2024, without admitting or denying the SEC's allegations, WTAM agreed to resolve the matter by consenting to the entry of an order by the SEC, in which WTAM agreed to cease and desist from committing or causing any violations and any future violations of Sections 206(2) and 206(4) of the Investment Advisers Act, Rules 206(4)-7 and 206(4)-8 thereunder, and Section 34(b) of the Investment Company Act, and to pay a civil money penalty of $4.0 million. See Note 14 to our Consolidated Financial Statements for additional information.

Even if a sanction imposed against us, our personnel or our ETPs or Digital Funds is small in monetary amount, the adverse publicity arising from the imposition of sanctions against us, our personnel or our ETPs or Digital Funds by regulators could harm our reputation and thus result in redemptions from our products and impede our ability to retain and attract investors in WisdomTree ETPs and Digital Funds, all of which may reduce our revenues.

We face the risk of significant intervention by regulatory authorities, including extended investigation activity, adoption of costly or restrictive new regulations and judicial or administrative proceedings that may result in substantial penalties. Among other things, we have been and could be fined or be prohibited from engaging in some of our business activities. The requirements imposed by our regulators are designed to ensure the integrity of the financial markets and to protect investors in our products and our advisory clients and are not designed to protect our stockholders. Consequently, these regulations often serve to limit our activities, including through investor protection and market conduct requirements.

The regulatory environment in which we operate also is subject to modifications and further regulation. Concerns have been raised at various times about ETFs' possible contribution to market volatility as well as the disclosure requirements applicable to certain types of more complex ETFs. In addition, the SEC approved a broad set of rules regarding data reporting and fund liquidity, fund valuation and funds' use of derivatives, which impose additional expense and require additional administrative services and requirements, among other matters, to comply with these rules. New laws or regulations, or changes in the enforcement of existing laws or regulations, applicable to us or investors in our products also may adversely affect our business, and our ability to function in this environment will depend on our ability to constantly monitor and react to these changes. Compliance with new laws and regulations may result in increased compliance costs and expenses.

Specific regulatory changes also may have a direct impact on our revenues. In addition to regulatory scrutiny and potential fines and sanctions, regulators continue to examine different aspects of the asset management industry. New regulations, revised regulatory or judicial interpretations, revised viewpoints, outcomes of lawsuits against other fund complexes or growth in our ETP and Digital Fund assets and/or profitability related to the annual approval process for investment advisory agreements may result in the reduction of fees under these agreements, which would mean a reduction in our revenues or otherwise may lead to an increase in costs or expenses.

Our operations outside the U.S. are subject to the laws and regulations of various non-U.S. jurisdictions and non-U.S. regulatory agencies and bodies. As we have expanded our international presence, a number of our subsidiaries and international operations have become subject to regulatory systems in various jurisdictions, comparable to those covering our operations in the U.S. Regulators in these non-U.S. jurisdictions may have broad authority with respect to the regulation of financial services including, among other things, the authority to grant or cancel required licenses or registrations.

From time to time, we may be involved in legal proceedings that could require significant management time and attention, possibly resulting in significant expense or in an unfavorable outcome, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

From time to time, we may be subject to litigation. In any litigation in which we are involved, we may be forced to incur costs and expenses to defend ourselves or to pay a settlement or judgment or comply with any injunctions in connection therewith if there is an unfavorable outcome. The expense of defending litigation may be significant. The amount of time to resolve lawsuits is unpredictable and defending ourselves may divert management's attention from the day-to-day operations of our business, which could adversely affect our business, results of operations, financial condition and cash flows. In addition, an unfavorable outcome in any such litigation, including actual and potential claims by investors in our WisdomTree WTI Crude Oil 3x Daily Leveraged ETP totaling approximately €27.4 million ($28.5 million), could have a material adverse effect on our business, results of operations, financial condition and cash flows. See Note 14 to our Consolidated Financial Statements for additional information.

We may from time to time be subject to claims of infringement of third-party intellectual property rights, which could harm our business.

Third parties may assert against us alleged patent, copyright, trademark or other intellectual property rights to intellectual property that is important to our business. Any claims that our products or processes infringe the intellectual property rights of others, regardless of the merit or resolution of such claims, could cause us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management from our business. As a result of such intellectual property infringement claims, we could be required or otherwise decide that it is appropriate to:

- pay third-party infringement claims;
- discontinue selling the particular funds subject to infringement claims;
- discontinue using the processes subject to infringement claims;
- develop other intellectual property or products not subject to infringement claims, which could be time-consuming and costly or may not be possible; or
- license the intellectual property from the third party claiming infringement, which license may not be available on commercially reasonable terms.

The occurrence of any of the foregoing could result in unexpected expenses, reduce our revenues and adversely affect our business and financial results.

We have been issued trademark and other intellectual property rights but may not be able to enforce or protect such intellectual property rights, which may harm our business.

Although we have trademarks, including the marks WisdomTree®, WisdomTree Prime® and Modern Alpha®, and other intellectual property rights that are registered in the U.S. and certain other countries, including a patent relating to our index methodology and the operation of our ETFs, our ability to enforce such intellectual property rights is subject to general litigation risks. If we cannot successfully enforce our intellectual property rights, we may lose the value of our brand and business reputation. If we seek to enforce our rights, we could be subject to litigation, including challenges to our registered intellectual property rights and claims that our intellectual property rights are invalid or are otherwise not enforceable in jurisdictions where our intellectual property rights are not registered. Furthermore, our assertion of intellectual property rights could result in the other party seeking to assert alleged intellectual property rights of its own or assert other claims against us, which could harm our business. If we are not ultimately successful in defending ourselves against these claims in litigation, we may be subject to the risks described in the immediately preceding risk factor entitled "We may from time to time be subject to claims of infringement of third-party intellectual property rights, which could harm our business." Additionally, unauthorized third parties may attempt to misuse our trademarks or brand identity, including through impersonation schemes or fraudulent activities in certain jurisdictions. While we take steps to address such misuse, our ability to prevent or mitigate these activities may be limited, and such fraudulent actions could harm our business, reputation, or customer relationships.

Digital Assets Risks

As we expand our digital assets product offerings and services beyond our existing ETP business, we believe the risks associated with our digital assets business include, but are not limited to, the following:

Competition risks

Competition in the digital assets industry on a global basis is increasing, ranging from large, established financial incumbents to smaller, early-stage financial technology providers and companies. There are jurisdictions with more stringent and robust regulatory and compliance requirements than others which could impact a company's ability to compete in the digital assets industry. Our ability to successfully compete will depend largely on offering innovative products through digital asset exposures (and more broadly in blockchain-enabled finance, including savings and payments), having strong internal controls and risk management infrastructure to enable customer trust, embracing regulation, developing strategic partnerships with participants in the digital assets ecosystem and broader financial services ecosystem, promoting thought leadership and consumer education or awareness, building upon our brand and attracting and retaining talented employees. Failure to do so could negatively impact the success of our digital assets business.

New product risks

We have and may continue to spend substantial time and resources developing our digital assets product offerings and services. If these products and services are not successful, or their implementation or launches are delayed, including in connection with our inability to obtain new product regulatory approvals, we may not be able to offset their costs, which could have an adverse effect on our business, reputation, financial condition and operating results.

Our digital assets business subjects us to risks similar to those associated with any new product offerings, including, but not limited to, our ability to accurately anticipate market demand and adoption, technical issues with the operation of the products, and legal and regulatory risks as discussed herein. Substantial risks and uncertainties are associated with the introduction of new products and services, including rapid technological change in the industry, significant and ongoing investments required to bring new products and services to market in a timely manner at competitive prices, protection of intellectual property and other confidential information, the competition for employees with the necessary expertise and experience, and producing sales and other materials that fully and accurately describe the product or service and its underlying risks and that are compliant with applicable regulations. New products or services may fail to operate or perform as expected and may not produce anticipated efficiencies, savings or benefits. Our failure to manage these risks and uncertainties also exposes us to enhanced risk of operational lapses and third-party claims, which may result in the recognition of financial statement liabilities.

Failure to successfully manage these risks in the development and implementation of our digital assets business could have a material adverse effect on our business, reputation, financial condition and operating results.

Third-party service provider risks

We rely on third-party service providers in connection with different facets of our digital assets business, including but not limited to custodial arrangements, blockchain and wallet infrastructure, banking relationships, cloud computing, payment platforms and processors, data infrastructure, customer support, compliance support and product development, including mobile application development, all of which are critical to the success of our digital assets business. In addition, we have partnered with a financial institution to provide co-branded debit cards to retail customers. The loss of, or interruption of service from, a critical third-party service provider could adversely impact our digital assets business, operating results and financial condition. We may incur significant costs to resolve any such disruptions in service. In addition, such third-party service providers may be subject to financial, legal, regulatory and labor issues, data security and cybersecurity incidents, denial-of-service attacks, sabotage, privacy breaches or violations, fraud and other misconduct, which could directly or indirectly have an impact on our digital assets products and services. If any third-party service provider fails to adequately or appropriately render services or fails to meet its contractual requirements, including compliance with applicable laws and regulations, we could be subject to regulatory enforcement actions and claims from third parties, including our customers, and suffer economic and reputational harm that could have an adverse effect on our digital assets business, operating results and financial condition.

Cybersecurity risks

The use of various technologies is vital to our digital assets business and will become more prevalent, which will make us more susceptible to operational and data security risks resulting from a breach in cybersecurity, including cyberattacks. A breach in cybersecurity, intentional or unintentional, may have an adverse impact on our digital assets business in many ways, including but not limited to, the loss or destruction of proprietary information, theft or corruption of data, denial-of-service attacks on websites or network resources, and the unauthorized release or misuse of confidential information.

Regulatory risks

The digital assets industry is rapidly evolving at an unprecedented rate. There is a high degree of regulatory uncertainty associated with the digital assets industry, which means that the products and services our digital assets business provides or may provide in the future could subject us to enhanced regulatory scrutiny or otherwise materially impact the quality or nature of such products or services. Recent changes in the U.S. administration, Congress and U.S. federal agencies may result in significant regulatory and policy developments relating to digital assets, including those that may affect our operating environment in substantial and unpredictable ways by changing the costs of doing business, the scope of permissible activities and competitive factors in the digital assets industry. The effect of any future legal or regulatory change or interpretation both domestically and internationally is unknown and such change could be substantial and adverse to our digital assets business.

In addition, we are actively engaged with a variety of U.S. federal and state regulators (e.g., the SEC, FINRA, NYDFS and other state regulators) to secure, as necessary, or maintain the appropriate regulatory, registration and/or licensing approvals for various business initiatives and operations, including but not limited to: a New York state-chartered limited purpose trust company; money services and money transmitter business; limited purpose broker-dealer; transfer agent; investment adviser; and investment funds. For example, we are licensed as a money transmitter or the equivalent in many U.S. states and the District of Columbia, but we may be unable to obtain such licenses in all U.S. states or may experience significant delays, and this could have an adverse effect on our digital assets business. As we seek to expand globally, similar approvals and/or reliance on exemptions will be required in applicable foreign markets, which also may involve approvals specific to a digital assets or related business. As we secure the appropriate regulatory, registration and/or licensing approvals, or otherwise rely on, seek or confirm exemptions therefrom, in connection with our digital assets business, we are and will be subject to a myriad of complex and evolving global policy frameworks and associated regulatory requirements that we need to comply with, or otherwise be exempt from, to ensure our digital assets products and services are successfully brought to different markets in a compliant manner. Failure to secure and/or comply with any such approvals and exemptions could result in, among other things, revocation of required licenses or registrations, loss of approved status, private litigation, administrative enforcement actions, sanctions, civil and criminal liability, and constraints on our ability to continue to operate our digital assets business, and have an adverse effect on our digital assets business.

Blockchain infrastructure risks

The consensus or governance mechanisms of blockchain networks are subject to change and malfunctions and may not receive adequate adoption from users and miners, which could negatively impact the blockchain network’s ability to scale and improve programmability, transparency, auditability and security. In addition, blockchain networks face significant challenges in connection with the volume, speed, security and cost of transactions, and their efforts to increase or enhance such characteristics of the blockchain network may not be successful or adversely affect other characteristics of the blockchain network. If the digital asset awards for verifying and confirming transactions on a blockchain network are not sufficiently high to incentivize miners, miners may cease to verify and confirm such transactions or otherwise demand higher fees, which could negatively affect the value of a digital asset.

Blockchain technology risks

Blockchain technology is a relatively new, untested technology and rapidly evolving field that operates as a distributed ledger. Blockchain systems could be vulnerable to fraud, particularly if a significant minority of participants colluded to defraud the rest. Access to a given blockchain requires an individualized key, which if compromised, could result in loss due to theft, destruction or inaccessibility. There is little regulation of blockchain technology other than the intrinsic public nature of the blockchain system. Any future regulatory developments could affect the viability and expansion of our use of blockchain technology. There are currently a number of competing blockchain platforms with competing intellectual property claims. The uncertainty inherent in these competing technologies could cause companies to use alternatives to blockchain. In addition, blockchain networks may undergo technological developments, such as the Ethereum blockchain's change in September 2022 from proof-of-work mining to a blockchain based on proof-of-stake validation and the implementation of EIP-4844 in March 2024, which enhances data availability and reduces costs for rollups. These technological advancements may introduce new risks, including potential vulnerabilities in consensus mechanisms and data propagation challenges. Segments of the mining community were against the proof-of-stake validation change, which was complex and involved a merger of the then existing Ethereum blockchain with the new Ethereum blockchain, which could potentially lead to greater centralization. Further, certain miners and other users resisted adoption of the new Ethereum blockchain and it is possible that the two Ethereum blockchains (among potentially others) will endure and compete going forward, which may also slow or impede transactions. The risks associated with blockchain technology may not fully emerge until the technology is more widely adopted, which could adversely impact our digital assets business.

Fork risks

Blockchain software is generally open-source. Any user can download the software, modify it and then propose that the blockchain network adopt the modification. When a modification is introduced and a substantial majority of users consent to the modification, the change is implemented and the blockchain network remains uninterrupted. However, if less than a substantial majority of users consent to the proposed modification, and the blockchain consensus mechanism, such as that used by Ethereum, allows for the modification to nonetheless be implemented by some users and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a "fork" (i.e., "split") of the blockchain network (and the blockchain), with one version running the pre-modified software and the other running the modified software. The effect of such a fork would be the existence of two (or more) versions of the blockchain network running in parallel, but with each version's native asset lacking interchangeability. Additionally, a fork could be introduced by an unintentional, unanticipated software flaw in the multiple versions of otherwise compatible software users run. If a fork occurs, the original blockchain and the forked blockchain could potentially compete with each other for users and other participants, leading to a loss of these for the original blockchain. A fork could adversely affect our digital assets business.

Anti-Money Laundering ("AML") risks

The decentralized infrastructure and anonymous or pseudonymous nature of digital assets could facilitate and create the opportunity for money laundering and terrorist financing activities, thereby circumventing certain anti-money laundering and counter terrorist financing laws and regulations designed to prevent financial crimes which could negatively impact our digital assets business. In addition, certain aspects of our digital assets business will have significantly greater anti-money laundering risk, including risk of fines or sanctions, than our historical ETP business due to the greater number of potential customers, which may also include customers considered to be higher risk and/or customer types considered to be higher risk, for which anti-money laundering and related obligations will apply.

Data privacy risks

In connection with the products or services offered by our digital assets business, we may collect, store, process, or transmit nonpublic information (including personally identifiable information and sensitive personally identifiable information) of a customer or consumer to a significantly greater extent than in our historical ETP business. Any change or failure to comply with data privacy laws or regulations related to the collection, processing, use and storage of such nonpublic information could materially affect our digital assets business and overall financial health.

Other risks

The risk of loss in purchasing, selling, trading, using or holding digital assets can be substantial. The price and liquidity of digital assets may be subject to high degrees of volatility resulting in large deviations or fluctuations from normalized levels. There is also heightened custodial risk due to the unique safekeeping attributes associated with public and private keys of digital assets.

Other Company Risks

Responding to actions of activist stockholders against us has been costly and the possibility that activist stockholders may wage proxy contests or contested solicitations or seek representation on our Board of Directors in the future may be disruptive and cause uncertainty about the strategic direction of our business.

Activist stockholders may from time to time attempt to effect changes in our strategic direction, and in furtherance thereof, may seek changes in how the Company is governed. Our Board of Directors and management strive to maintain constructive, ongoing communications with our stockholders and welcome their views and opinions with the goal of enhancing value for all stockholders. However, an activist campaign that seeks to replace or remove members of our Board of Directors or changes in our strategic direction could have an adverse effect on us because:

- responding to actions by activist stockholders is costly and may be disruptive, time-consuming and divert the attention of our Board of Directors and senior management from the pursuit of business strategies, which could adversely affect our results of operations and financial condition;

- perceived uncertainties about our future direction as a result of changes to the composition of our Board of Directors, or senior management team, including our Chief Executive Officer, or changes to our stockholder base may lead to the perception of a change in the direction of the business, instability or lack of continuity, which may be exploited by our competitors, may result in the loss of potential business opportunities and may make it more difficult to attract and retain qualified personnel and business partners;
- these types of actions could cause significant fluctuations in our stock price based on temporary or speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business; and
- if individuals are elected to our Board of Directors with a specific agenda, it may adversely affect our ability to effectively implement our business strategy and to create additional value for our stockholders.

A change of control of our Company would automatically terminate our investment management agreements relating to the WisdomTree U.S. listed ETFs and Digital Funds, unless the Board of Trustees of the WisdomTree Trust, WisdomTree Digital Trust and shareholders of each voted to continue the agreements. A change in control could occur if a third party were to acquire a controlling interest in our Company.

Under the Investment Company Act, an investment management agreement with a fund must provide for its automatic termination in the event of its assignment. The fund's board must vote to continue such an agreement following any such assignment and the shareholders of the WisdomTree Trust and WisdomTree Digital Trust must approve the assignment. The cost of obtaining such shareholder approval can be significant and ordinarily would be borne by us. Similarly, under the Investment Advisers Act, a client's investment management agreement may not be "assigned" by the investment adviser without the client's consent.

An investment management agreement is considered under both acts to be assigned to another party when a controlling block of the adviser's securities is transferred. Under both acts, there is a presumption that a stockholder beneficially owning 25% or more of an adviser's voting stock controls the adviser and conversely a stockholder beneficially owning less than 25% is presumed not to control the adviser. In our case, an assignment of our investment management agreements may occur if a third party were to acquire a controlling interest in our Company. We cannot be certain that the Trustees of the WisdomTree Trust and WisdomTree Digital Trust would consent to assignments of our investment management agreements or approve new agreements with us if a change of control occurs. And even if such approval were obtained, approval from the shareholders of the WisdomTree Trust and WisdomTree Digital Trust would be required to be obtained; such approval could not be guaranteed and even if obtained, likely would result in significant expense. This restriction may discourage potential purchasers from acquiring a controlling interest in our Company.

Our revenues could be adversely affected if the Independent Trustees of the WisdomTree Trust or WisdomTree Digital Trust, as applicable, do not approve the continuation of our advisory agreements or determine that the advisory fees we receive from the WisdomTree U.S. listed ETFs or Digital Funds should be reduced.

Our revenues are derived primarily from investment advisory agreements with related parties. Our advisory agreements with the WisdomTree Trust and WisdomTree Digital Trust, and the fees we collect from the WisdomTree U.S. listed ETFs and Digital Funds are subject to review and approval by the Independent Trustees of the WisdomTree Trust and WisdomTree Digital Trust, as applicable. The advisory agreements are subject to initial review and approval. After the initial two-year term of the agreement for each ETF or Digital Fund, the continuation of such agreement must be reviewed and approved at least annually by a majority of the Independent Trustees. In determining whether to approve the agreements, the Independent Trustees consider factors such as the nature and quality of the services provided by us, the fees charged by us and the costs and profits realized by us in connection with such services, as well as any ancillary or "fall-out" benefits from such services, the extent to which economies of scale are shared with the WisdomTree U.S. listed ETFs or Digital Funds, and the level of fees paid by other similar funds. Our revenues would be adversely affected if the Independent Trustees do not approve the continuation of our advisory agreements or determines that the advisory fees we charge to any particular fund are too high, resulting in a reduction of our fees.

Damage to our reputation could adversely affect our business.

We believe we have developed a strong brand and a reputation for innovative, thoughtful products, favorable long-term investment performance and excellent client services. The WisdomTree name and brand is a valuable asset and any damage to it could hamper our ability to maintain and grow our AUM and attract and retain employees, thereby having a material adverse effect on our revenues. Risks to our reputation may range from regulatory issues to unsubstantiated accusations. Managing such matters may be expensive, time-consuming and difficult.

Risks Relating to our Common Stock and Convertible Notes

The market price of our common stock has been fluctuating significantly and may continue to do so, and you could lose all or part of your investment.

The market price of our common stock has been fluctuating significantly and may continue to do so, depending upon many factors, some of which may be beyond our control, including:

- actions of activist stockholders against us, which have been costly and may be disruptive and may cause uncertainty about the strategic direction of our business;
- decreases in our AUM;
- variations in our quarterly operating results;
- differences between our actual financial operating results and those expected by investors and analysts;
- publication of research reports about us or the investment management industry;
- changes in expectations concerning our future financial performance and the future performance of the ETP industry and the asset management industry in general, including financial estimates and recommendations by securities analysts;
- our strategic moves and those of our competitors, such as acquisitions or consolidations;
- changes in the regulatory framework of the ETP industry and the asset management industry in general and regulatory action, including action by the SEC to lessen the regulatory requirements or shorten the process under the Investment Company Act to become an ETP sponsor;
- the level of demand for our stock, including the amount of short interest in our stock;
- changes in general economic or market conditions; and
- realization of any other of the risks described elsewhere in this section.

In addition, stock markets in general have experienced volatility that has often been unrelated to the operating performance of a particular company. These broad market fluctuations may adversely affect the trading price of our common stock. Furthermore, in the past, market fluctuations and price declines in a company's stock have led to securities class action litigations or other derivative stockholder lawsuits. If such a suit were to arise, it could cause substantial costs to us and divert our resources regardless of the outcome.

If equity research analysts issue unfavorable commentary or downgrade our common stock, the price of our common stock could decline.

The trading market for our common stock relies in part on the research and reports that equity research analysts publish about us and our business. We do not control the opinions of these analysts. The price and trading volume of our common stock could decline if one or more equity analysts issue unfavorable commentary or downgrade our common stock or cease publishing reports about us or our business.

We may not have the ability to raise the funds necessary to settle conversions of the Convertible Notes, repurchase the Convertible Notes upon a fundamental change, or refinance our Convertible Notes upon maturity.

We currently have outstanding $150.0 million in aggregate principal amount of 3.25% Convertible Senior Notes due 2026, $25.8 million in aggregate principal amount of 5.75% Convertible Senior Notes due 2028 and $345.0 million in aggregate principal amount of 3.25% Convertible Senior Notes due 2029, which we collectively refer to as the Convertible Notes. Holders of the Convertible Notes have the right to require us to repurchase their notes upon the occurrence of certain change of control transactions or liquidation, dissolution or common stock delisting events (each, a "fundamental change"), at a repurchase price equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest, if any, as described in the respective indentures between us and the trustee. In addition, upon conversion of the Convertible Notes, we will be required to make cash payments in respect of the notes being converted as described in the indentures. However, we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of notes surrendered therefor or notes being converted. In addition, our ability to repurchase the notes or to pay cash upon conversions of the notes may be limited by law, regulatory authority or agreements governing our future indebtedness. Our failure to refinance our convertible notes upon maturity, repurchase notes at a time when the repurchase is required by the applicable indenture or to pay any cash payable on future conversions of the notes as required by the applicable indenture would constitute a default under such indenture.

The conditional conversion feature of the Convertible Notes, if triggered, may adversely affect our financial condition and liquidity.

The conditional conversion feature of the Convertible Notes, if triggered, will entitle holders to convert the notes at any time during specified periods at their option, as described in the indentures. If one or more holders elect to convert their notes, we would be required to settle any converted principal through the payment of cash, which could adversely affect our liquidity.

Future issuances of our common stock or equity-linked securities could lower our stock price and dilute the interests of existing stockholders.

We may issue additional shares of our common stock or equity-linked securities in the future, either in connection with an acquisition or for other business reasons. The issuance of a substantial amount of common stock or equity-linked securities could have the effect of substantially diluting the interests of our current stockholders. In addition, the sale of a substantial amount of common stock or equity-linked securities in the public market, either in the initial issuance or in a subsequent resale by the target company in an acquisition which received such common stock as consideration or by investors who acquired such common stock in a private placement, could have a material adverse effect on the market price of our common stock.

Provisions in our certificate of incorporation and by-laws may prevent or delay an acquisition of our Company, which could decrease the market value of our common stock.

Provisions of Delaware law, our certificate of incorporation and our by-laws may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable. These provisions may also prevent or delay attempts by stockholders to replace or remove our current management or members of our Board of Directors. These provisions include:

- limitations on the removal of directors;
- advance notice requirements for stockholder proposals and nominations;
- the inability of stockholders to act by written consent or to call special meetings;
- the ability of our Board of Directors to make, alter or repeal our by-laws; and
- the authority of our Board of Directors to issue preferred stock with such terms as our Board of Directors may determine.

In addition, we are subject to the provisions of Section 203 of the Delaware General Corporation Law, which limits business combination transactions with stockholders of 15% or more of our outstanding voting stock that our Board of Directors has not approved. These provisions and other similar provisions make it more difficult for stockholders or potential acquirers to acquire us without negotiation. These provisions may apply even if some stockholders may consider the transaction beneficial to them.

As a result, these provisions could limit the price that investors are willing to pay in the future for shares of our common stock. These provisions might also discourage a potential acquisition proposal or tender offer, even if the acquisition proposal or tender offer is at a premium over the then current market price for our common stock.

Our stockholder rights plan, or "poison pill," includes terms and conditions that could discourage a takeover or other transaction that stockholders may consider favorable.

Our Stockholder Rights Agreement, dated March 17, 2023 and subsequently amended on May 4, 2023, May 10, 2023, March 18, 2024, March 25, 2024 and April 30, 2024 (as amended, the "Stockholder Rights Agreement"), by and between the Company and Continental Stock Transfer & Trust Company, as Rights Agent, was adopted by our Board of Directors and ratified by our stockholders in response to stockholder activism concerns. The Stockholder Rights Agreement is intended to protect the Company and its stockholders from efforts by a single stockholder or group of stockholders to obtain control of the Company without paying a control premium through a number of recognized stockholder protections. Generally, the Stockholder Rights Agreement works by causing substantial dilution to any person or group (other than specified exempt persons) that acquires 10% (or 20% in the case of passive stockholders) or more of our shares of common stock without the approval of the Board of Directors (such person or group, an "Acquiring Person") through the issuance of "Rights" to stockholders of record as of, and subsequent to, the close of business on March 28, 2023, which Rights entitle the registered holders thereof (other than the Acquiring Person) to receive additional shares of our common stock upon exercise of such Rights. As a result, the overall effect of the Stockholder Rights Agreement may be to render more difficult or discourage a merger, tender or exchange offer or other business combination involving our Company that is not approved by the Board of Directors even if the offer may be considered beneficial by some stockholders. The Rights will expire at the close of business on March 17, 2025, unless previously redeemed or exchanged by the Company. See Note 19 to our Consolidated Financial Statements for additional information.

The payment of dividends to our stockholders and our ability to repurchase our common stock is subject to the discretion of our Board of Directors and may be limited by our financial condition and any applicable laws.

Any determination as to the payment of dividends or stock repurchases, as well as the level of such dividends or repurchases, will depend on, among other things, general economic and business conditions, our level of AUM, our strategic plans, our financial results and condition, limitations associated with new credit facilities or other agreements that could limit the amount of dividends we are permitted to pay or the stock we may repurchase, and any applicable laws, including the Inflation Reduction Act, which includes an excise tax that would impose a 1% surcharge on stock repurchases. If, as a consequence of these various limitations and restrictions, we are unable to generate sufficient income from our business, we may need to reduce or eliminate the payment of dividends on our common stock or cease repurchasing our common stock. Any change in our stock repurchases or the level of our dividends or the suspension of the payment thereof could adversely affect our stock price.

In addition, our Board of Directors is authorized, without stockholder approval, to issue preferred stock with such terms as our Board of Directors may, in its discretion, determine. Our Board of Directors could, therefore, issue preferred stock with dividend rights superior to that of the common stock, which could also limit the payment of dividends on the common stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

We have no unresolved comments from the SEC staff relating to our periodic or current reports filed with the SEC pursuant to the Exchange Act.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management and Strategy

Under the oversight of our Board of Directors, we have implemented and maintain cybersecurity risk management policies and procedures that include processes for the identification, assessment and treatment through mitigation, transfer, avoidance and/or acceptance of cybersecurity risks.

Our cybersecurity risk management policies and procedures are informed by industry standards, and they are designed to address cybersecurity risks identified by external auditors and assessors, threat intelligence providers, internal stakeholders, vulnerability management programs and security management programs. Our team of information technology and cybersecurity professionals, led by our Chief Information Officer, or CIO, manages and maintains remediation strategies for identified cybersecurity risks and regularly reports on such risks to senior management, including our Governance Committee as described below.

Our cybersecurity risk management program is designed to be aligned with our business strategy. It shares common methodologies, reporting channels and governance processes that apply to other areas of enterprise risk, including legal, compliance, strategic, operational and financial risk. Key elements of our cybersecurity risk management program include:

- periodic risk assessments designed to help identify cybersecurity risks to our critical systems, information, products, services and our broader enterprise information technology environment;
- a security and infrastructure team principally responsible for managing our cybersecurity risk assessment processes, our security controls and our response to cybersecurity incidents;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security controls;
- employee training and awareness programs that include periodic and ongoing assessments in an effort to drive adoption and awareness of cybersecurity processes and controls;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- processes to evaluate cybersecurity risks posed by critical third-party vendors, including through the use of security questionnaires.

Additionally, as a public company, we are subject to Sarbanes-Oxley (SOX) requirements and must undergo independent audits of Information Technology General Controls (ITGC) in support of Internal Control over Financial Reporting (ICFR). These audits assess key information security and cybersecurity risks in the environment that may affect the confidentiality, integrity and availability of financial reporting systems and data. If any control deficiencies that represent material cybersecurity risks were identified, those would be reported to the Audit Committee, and the results of these evaluations would be considered in the overall audit opinion for the Company.

Governance Related to Cybersecurity Risks

Our cybersecurity risk management program and related operations and processes are directed by our CIO. Currently, the CIO role is held by an individual who has been in the role for over nine years, has over 23 years of cybersecurity, information technology and systems engineering experience, and has advanced training in the field of technology.

The CIO is a member of our Governance Committee and regularly reports on cybersecurity risk management to other members of the Governance Committee comprised of the Company’s senior executive officers. The Governance Committee oversees the prioritization and escalation of risks from cybersecurity threats and is responsible for strategy, operations, financial management, information technology, compliance, legal, administration and corporate governance. The members of the Governance Committee collectively possess experience in these areas, including cybersecurity and risk management.

The Audit Committee oversees our management of cybersecurity risks. Pursuant to the Audit Committee charter, the Audit Committee is responsible for discussing cybersecurity-related risks with management and the steps management has taken to monitor and control such risks, including our risk assessment and risk management policies. The CIO regularly reports to the Audit Committee on our cybersecurity risks, and the chair of the Audit Committee reports on these discussions with the full Board of Directors. In addition, the CIO provides periodic reports to our Board of Directors.

While we have not, as of the date of this Report, experienced a cybersecurity incident that materially affected or is reasonably likely to materially affect our Company, including our business strategy, results of operations or financial condition, there can be no guarantee that we will not experience such an incident in the future. For information regarding cybersecurity risks that may materially affect our Company, see "Item 1A. Risk Factors" included in this Report.

ITEM 2. PROPERTIES

Our principal executive office is located at 250 West 34th Street, 3rd Floor, New York, New York, pursuant to a license agreement that expires in April 2027, with the option to extend until April 2028. This reduced footprint, as compared to our prior headquarters, better aligns with the number of employees expected to collaborate in person on any given day, in line with our "Work Smart" philosophy described in *Business – Human Capital Resources*. We believe that this space is sufficient to meet our needs until the expiration of the license agreement.

ITEM 3. LEGAL PROCEEDINGS

We may be subject to reviews, inspections and investigations by federal regulators including, but not limited to, the SEC, Commodity Futures Trading Commission (CFTC), National Futures Association (NFA), Financial Industry Regulatory Authority (FINRA), state and foreign regulators, as well as legal proceedings arising in the ordinary course of business. See Note 14 to our Consolidated Financial Statements for additional information regarding (1) a $4.0 million civil money penalty in connection with the SEC ESG Settlement and (2) actual and potential claims brought by investors in our WisdomTree WTI Crude Oil 3x Daily Leveraged ETP totaling approximately €27.4 million ($28.5 million), including an appealed claim for total damages of €7.8 million ($8.2 million).

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common stock is traded on the New York Stock Exchange under the symbol "WT." As of December 31, 2024, there were 28 holders of record of shares of our common stock and we believe there were approximately 45,000 beneficial owners of our common stock.

In November 2014, we commenced a quarterly cash dividend and intend to continue to pay regular dividends to our stockholders. Any determination as to the payment of dividends, as well as the level of such dividends, will depend on, among other things, general economic and business conditions, our level of AUM, our strategic plans, our financial results and condition, limitations associated with new credit facilities or other agreements that could limit the amount of dividends we are permitted to pay, and any applicable laws.

Issuer Purchases of Equity Securities

The following table provides information with respect to purchases made by or on behalf of the Company or any "affiliated purchaser" of shares of our common stock as part of publicly announced plans or programs.

On February 24, 2025, our Board of Directors approved an increase of $129.2 million to our share repurchase program, bringing the total authorization to $150.0 million, and extended the program's term for three years through April 27, 2028. Prior to this approval, as of December 31, 2024, approximately $33.5 million remained available under the program for future purchases, and no shares were repurchased during the three months ended December 31, 2024.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in thousands)
October 1, 2024 to October 31, 2024	—	$ —	—	
November 1, 2024 to November 30, 2024	—	$ —	—	
December 1, 2024 to December 31, 2024	—	$ —	—	
Total	—	$ —	—	$ 33,536

In addition, on August 13, 2024, we repurchased all of our then-outstanding Series A Non-Voting Convertible Preferred Stock (the “Series A Preferred Stock”), which was convertible into 14,750,000 shares of our common stock, from ETFS Capital Limited, or ETFS Capital, for aggregate cash consideration of approximately $143.8 million. See Note 11 to our Consolidated Financial Statements for additional information.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read together with our consolidated financial statements and the related notes and the other financial information included elsewhere in this Report. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below. For a more complete description of the risks noted above and other risks that could cause our actual results to materially differ from our current expectations, please see Item 1A. "Risk Factors" of this Report. We assume no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

Introduction

We are a global financial innovator, offering a diverse suite of ETPs, models, solutions and products leveraging blockchain technology. Our offerings empower investors to shape their financial future and equip financial professionals to grow their businesses. Leveraging the latest financial infrastructure, we create products that emphasize access, transparency and provide an enhanced user experience. Building on our heritage of innovation, we have introduced next-generation digital products and services, including Digital Funds, tokenized assets, and our blockchain-native digital wallet, WisdomTree Prime, which is currently available in 45 U.S. states, covering approximately 80% of the U.S. population. Our institutional platform, WisdomTree Connect, further expands access to our products.

As of December 31, 2024, we managed approximately $109.8 billion in AUM. Our ETPs span a broad range of strategies including equities, fixed income, commodities, leveraged-and-inverse, currency, alternatives and cryptocurrency exposures. We have launched many first-to-market products and pioneered a unique alternative-weighting approach called "Modern Alpha" that combines the outperformance potential of active management with the cost effective benefits of passive management.

Our products are distributed across all major asset management industry channels, including banks, brokerage firms, registered investment advisers, institutional investors, private wealth managers and online brokers, primarily through our dedicated sales team. We believe technology is transforming how financial advisors conduct business, and through our Advisor and Portfolio Solutions programs we offer technology-enabled and research-driven solutions. These include portfolio construction, asset allocation, practice management services and digital tools to help advisors address technology challenges and scale their businesses.

As pioneers in tokenization and blockchain technology, we view this as the next phase in the evolution in financial services. Through our digital assets strategy, we are committed to "responsible DeFi," aligning with regulatory standards to foster growth in this rapidly evolving space. We believe that expanding into digital assets and blockchain-enabled finance complements not only complements our core competencies, but will diversify our revenue streams and further contribute to our growth.

Executive Summary

Our business continues to build positive momentum as we advance our long-term strategic initiatives. We closed 2024 with AUM of $109.8 billion, a year-over-year increase of 9.6%, a testament to the resilience of our business model and the strength of our product offering. Through disciplined execution and strategic management, we achieved record revenues and continued expanding our operating margins. For the year ended December 31, 2024, our revenues and operating income increased 22.5% and 56.9%, respectively, compared to the prior year, supported by scale efficiencies and effective cost control, delivering 700 basis points of operating margin expansion. This growth, along with recent strategic actions such as the retirement of our gold royalty obligation in 2023 and our repurchase of the Series A Preferred Stock from ETFS Capital in 2024, has meaningfully enhanced earnings per share.

Our models strategy, offered through our Portfolio Solutions program, remains a strong growth driver, with our model portfolios accessible across a number of platforms. This program provides advisors with customized evaluations, a suite of off-the-shelf models, and Shared CIO services, where advisors collaborate with our models investment team to co-manage portfolios for their clients, with options for advisors to delegate trading, rebalancing, and tax optimization tasks leveraging third-party service providers or platforms, providing flexibility and strategic alignment. We continue to expand our reach with new clients and deepen partnerships with platforms such as Merrill Lynch, LPL Financial, UBS, Charles Schwab, Envestnet, Adhesion and others. The number of advisors utilizing at least one of our models surpassed 2,500, reflecting steady progress as we build deeper relationships, improve asset retention and create more stable, higher-quality revenue streams with significant growth potential.

Beyond traditional ETPs, we are diversifying into blockchain and digital assets. Our blockchain-native wallet, WisdomTree Prime, provides direct-to-consumer access to digital assets, including bitcoin, ether, tokenized gold, U.S. dollar tokens and 13 Digital Funds, while also enabling spending functionality through a co-branded debit card. WisdomTree Connect supports institutional clients by offering direct access to our Digital Funds via self-hosted wallet or third-party custodial wallets. Our focus on "responsible DeFi," ensures our offerings meet regulatory standards while delivering transparency, choice, and inclusivity. This expansion into digital assets complements our core strengths, will diversify our revenue streams and contribute further to our growth.

We remain committed to our long-term growth strategy, anticipating that organic inflows and AUM growth will continue to drive margin expansion and performance. Additionally, we believe our investments in digital assets are positioned to deliver further value for our stockholders over time.

Additional business highlights include the following:

- We achieved strong product performance with over 80% of our U.S. listed AUM covered by Morningstar in the top quartile of peer performance on the 3-year timeframe and over 65% of our U.S. listed AUM covered by Morningstar in the top two quartiles of peer performance on the 10-year timeframe. In addition, approximately 59% of our U.S. listed AUM is rated 4- or 5-star by Morningstar (less than 5% in 1-and 2-star funds).
- We launched 14 new European listed ETPs and two new U.S. listed ETPs spanning all our major product categories.
- We celebrated the 10-year anniversary of WisdomTree in Europe. Since entering the region, we have been delivering differentiated and value-add solutions to European investors through a comprehensive range of ETPs.
- With respect to our digital assets business: in March 2024, we were granted a charter from the New York State Department of Financial Services to operate as a limited purpose trust company under the New York Banking Law; in September 2024, we launched WisdomTree Connect, a platform that offers businesses and institutional users direct access to our Digital Funds using their own self-hosted wallet or a third-party custodial wallet service; and in October 2024, WisdomTree Prime users became able to select the WisdomTree Government Money Market Digital Fund (WTGXX) as a spending source for their WisdomTree Prime Visa Debit Card.
- In August 2024, we completed a private offering of $345.0 million in aggregate principal amount of our 3.25% Convertible Senior Notes due 2029 and concurrently repurchased (i) $104.2 million aggregate principal amount of our 5.75% Convertible Senior Notes due 2028, (ii) approximately 5.7 million shares of our common stock in open market transactions and (iii) all 14,750 shares of Series A Preferred Stock (equivalent to 14.75 million shares of our common stock) from ETFS Capital. These transactions were accretive to earnings per share.
- In the U.S., we were named a “2024 Best Places to Work in Money Management” by *Pensions & Investments* for the fifth consecutive year and ranked second within the category for managers with 100-499 employees. In the U.K., we were also named Best Workplace for medium-sized companies for the fifth consecutive year and a 2024 Best Workplace for Women by *Great Place to Work*.
- We were named “Best Leveraged & Inverse ETF Issuers ($1bn+)” at the ETF Express European ETF Awards and “Best ETF Provider” at the Diaman Quant Awards in Italy. Our European business also won “Best ETF Issuer” at the Online Money Awards, marking the third consecutive year of winning the award.

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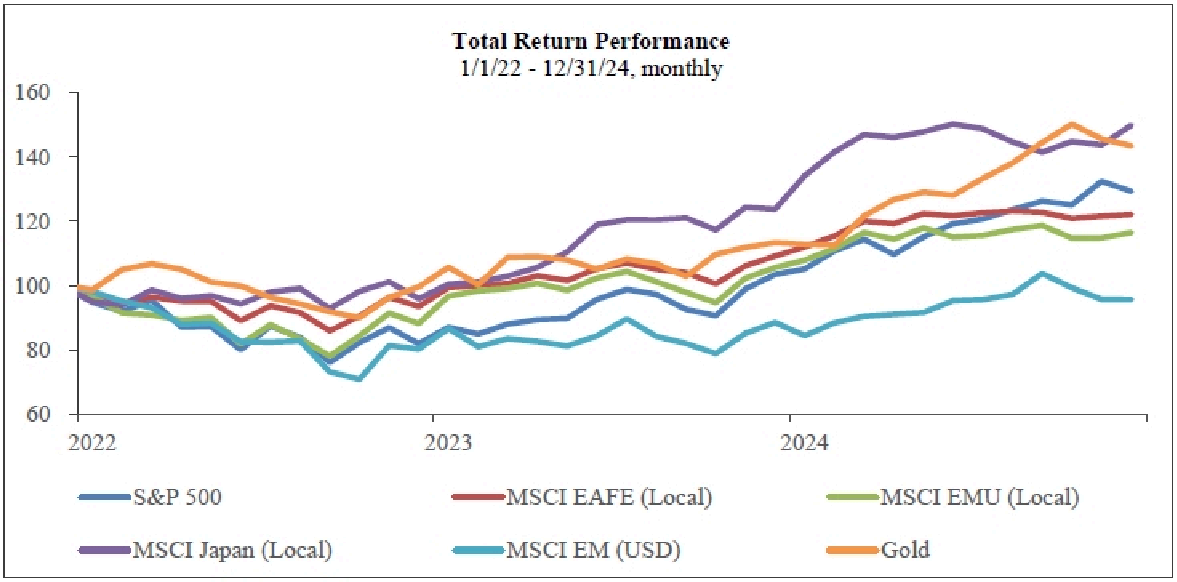
Market Environment

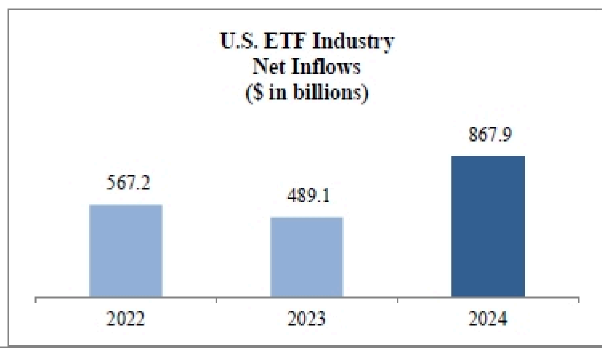
The following chart reflects the annual returns of the broad-based equity indexes and gold prices over the last three years.

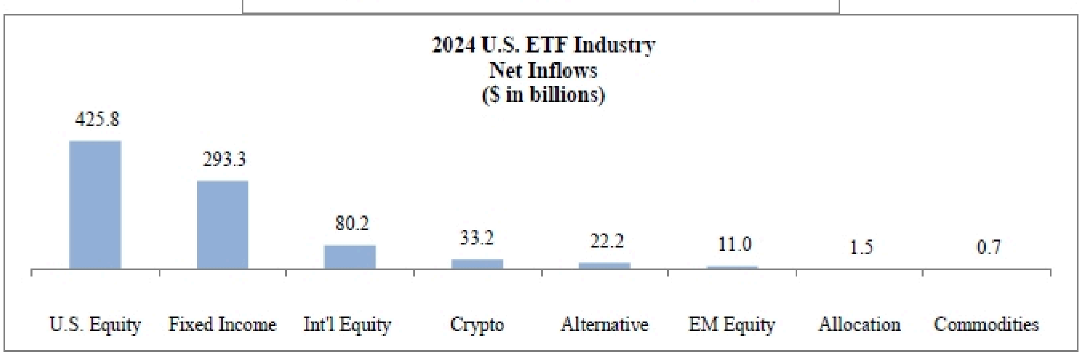


Source: FactSet

U.S. Listed ETF Industry Flows

U.S. listed ETF net flows for the year ended December 31, 2024 were $867.9 billion. U.S. equity and fixed income gathered the majority of those flows.

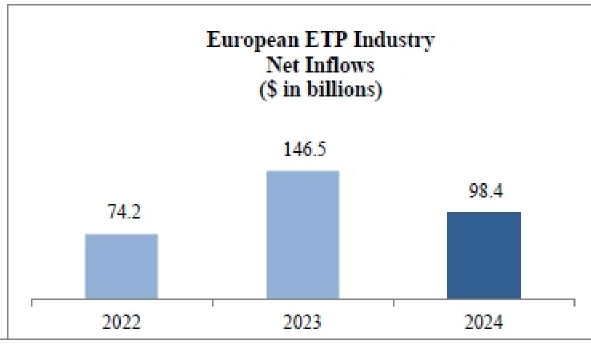


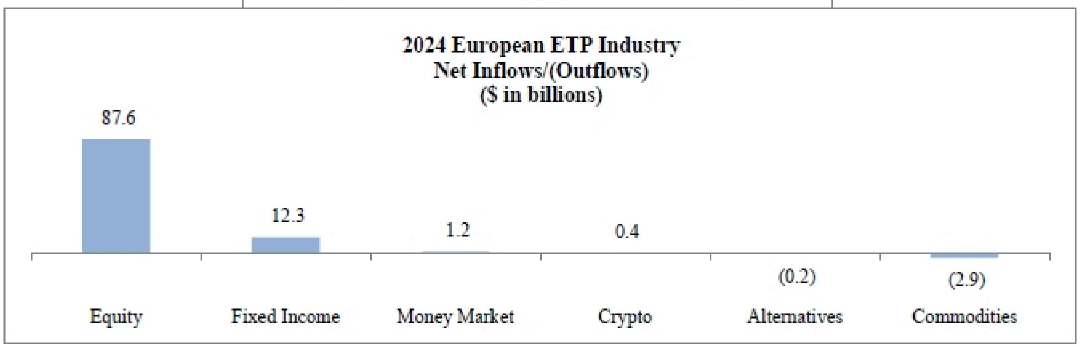


Source: Morningstar

European Listed ETP Industry Flows

European listed ETP net flows were $98.4 billion for the year ended December 31, 2024. Equities and fixed income gathered the majority of those flows.





Source: Morningstar

Industry Developments

Asset Management – Consolidation

In the recent past, a number of acquisitions in the asset management industry have either been announced or completed. These trends have accelerated, as fee compression, cost pressures and increased regulations have weighed on the industry, highlighting the importance of scale and operating efficiency to compete in today's market. We have significant opportunities ahead in both ETPs and the Portfolio Solutions business and as an early mover in digital assets and blockchain-enabled financial services, which positions us well for success to grow in this competitive landscape.

Components of Operating Revenue

Advisory fees

A significant portion of our revenues is comprised of advisory fees we earn from our ETPs. These advisory fees are calculated based on a percentage of the ETPs' average daily net assets. As of the date of this Report, our weighted average fee rates by product category are as follows:

Commodity & Currency:	35bps	Leveraged & Inverse:	81bps
International Developed Market Equity:	49bps	Fixed Income:	16bps
U.S. Equity:	30bps	Alternatives:	50bps
Emerging Market Equity:	61bps	Cryptocurrency:	32bps

We determine the appropriate advisory fee to charge for our ETPs based on the cost of operating each ETP considering the types of securities the ETPs will hold, fees third-party service providers will charge us for operating the ETPs and our competitors' fees for similar ETPs. From time to time, we implement voluntary waivers of a portion of our advisory fee. In addition, we earn a fee based on daily aggregate AUM of our ETPs in exchange for bearing certain fund expenses.

Our advisory fee revenues may fluctuate based on general stock market trends, which include market value appreciation or depreciation, currency fluctuations against the U.S. dollar, increased competition and level of inflows or outflows from our ETPs.

Other revenues

Other revenues include rebates from swap providers to our European listed ETPs, creation/redemption fees earned on our European non-UCITS products and fees from licensing our indexes and index data to third parties.

Components of Operating Expenses

Our operating expenses consist primarily of costs related to selling, operating and marketing our ETPs as well as the infrastructure needed to run our business.

Compensation and benefits

Employee compensation and benefits expenses are expensed when incurred and include salaries, incentive compensation, and related benefit costs. To attract and retain qualified personnel, we must maintain competitive employee compensation and benefit plans and amounts we pay may be affected by inflation. Virtually all of our employees receive incentive compensation which is variable and will fluctuate taking into consideration our operating and financial results, as well as individual performance and discretion.

Also included in compensation and benefits are costs related to equity awards granted to our employees. Our executive management and Board of Directors strongly believe that equity awards are an important part of our employees' overall compensation package and that incentivizing our employees with equity in the Company aligns the interests of our employees with that of our stockholders. We use the fair value method in recording compensation expense for equity-based awards. Under the fair value method, compensation expense is measured at the grant date based on the estimated fair value of the award and is recognized as an expense over the vesting period.

Fund management and administration

Fund management and administration expenses are expensed when incurred and are comprised of the following costs we pay third-party service providers to operate our ETPs and Digital Funds:

- portfolio management of our ETPs (sub-advisory);
- fund accounting and administration;
- custodial and storage services;
- market making;
- transfer agency;
- accounting and tax services;
- printing and mailing of shareholder materials;
- index calculation;
- indicative values;
- distribution fees;
- legal and compliance services;
- exchange listing fees;
- trustee fees and expenses;
- preparation of regulatory reports and filings;
- insurance;
- certain local income taxes; and
- other administrative services.

We are not responsible for extraordinary expenses, taxes and certain other expenses related to the funds.

We depend on a number of parties to provide critical administrative, custody and portfolio management services to our ETPs. The fees we pay our sub-advisers generally are the higher of the fixed minimums per fund, which range from $25,000 to $180,000 per year, or the percentage fee, which ranges between 0.01% and 0.20% per annum of average daily AUM at various breakpoint levels depending on the nature of the ETP. In addition, we pay certain costs based on transactions in our ETPs or based on inflow levels.

The fees we pay for accounting, tax, transfer agency, index calculation, indicative values and exchange listing are based on the number of ETPs we have. The remaining fees are based on a combination of both AUM and number of funds, or as incurred.

Marketing and advertising

Marketing and advertising expenses are recorded when incurred and include the following:

- advertising and product promotion campaigns that are initiated to promote our existing and new ETPs as well as brand awareness;
- marketing campaigns to attract WisdomTree Prime and WisdomTree Connect users;

- development and maintenance of our website; and
- creation and preparation of marketing materials.

Our discretionary advertising comprises the largest portion of this expense. In addition, we may incur expenditures in certain periods to attract inflows, the benefit of which may or may not be recognized from increases to our AUM in future periods. However, due to the discretionary nature of some of these costs, they can generally be reduced if there were a decline in the markets.

Sales and business development

Sales and business development expenses are recorded when incurred and include the following:

- travel and entertainment or conference related expenses for our sales force;
- market data services for our research team;
- sales related software tools;
- voluntary payment of certain costs associated with the creation or redemption of ETP shares, as we may elect from time to time; and
- legal and other advisory fees associated with the development of new funds or business initiatives.

Contractual gold payments

Contractual gold payments expense represented an obligation requiring us to pay 9,500 ounces of gold annually from the advisory fee income we earned for managing physically backed gold ETPs. Our obligation to continue making these payments was terminated on May 10, 2023. See Note 9 to our Consolidated Financial Statements for additional information.

Professional fees

Professional fees are expensed when incurred and consist of fees we pay to corporate advisers including accountants, tax advisers, legal counsel, investment bankers, human resources or other consultants. Professional fees also include expenses we pay third-party service providers related to WisdomTree Prime and expenses incurred in response to an activist campaign. These expenses fluctuate based on our needs or requirements at the time. Certain of these costs are at our discretion and can fluctuate year to year.

Occupancy, communications and equipment

Occupancy, communications and equipment expense includes costs for our corporate headquarters in New York City as well as office related costs in our other locations.

Depreciation and amortization

Depreciation and amortization expense results from amortization of internally-developed software as well as depreciation on fixed assets, which are depreciated/amortized over three to five years.

Third-party distribution fees

Third-party distribution fees, which are expensed as incurred, include payments made to enable our products and models to be included on certain third-party platforms in exchange for commission-free trading or other preferential access. These expenses also include payments to our third-party marketing agents in Latin America and Israel.

Other

Other expenses consist primarily of insurance premiums, general office related expenses, securities license fees for our sales force, public company related expenses, corporate related travel and entertainment and Board of Director fees, including stock-based compensation related to equity awards we granted to our directors.

Components of Other Income/(Expenses) of a Recurring Nature

Interest expense

We recognize interest expense using the effective interest method which includes the amortization of discounts, premiums and issuance costs.

Revaluation/termination of deferred consideration–gold payments

Deferred consideration arose in connection with our acquisition of the European exchange-traded commodity, currency and leveraged-and-inverse business of ETFS Capital Limited, or the ETFS Acquisition, and was remeasured each reporting period using forward-looking gold prices observed on the CMX exchange, a selected discount rate and perpetual growth rate. This obligation was terminated on May 10, 2023 for approximately $137.0 million. See Note 9 to our Consolidated Financial Statements for additional information.

Interest income

Interest income, which is recognized on an accrual basis, arises from investing our corporate cash into interest-bearing financial instruments.

Other gains/(losses), net

Included herein are gains and losses arising from our financial instruments owned and investments, the sale of gold earned from advisory fees paid by physically-backed gold ETPs, foreign exchange and other miscellaneous items. Also included are losses arising from the release of tax-related indemnification assets upon the expiration of the statute of limitations, for which an equal and offsetting benefit is recognized in income tax expense.

Income Taxes

Our income tax expense consists of taxes due to federal, various state and local and certain foreign authorities.

Expense Guidance for the Year Ending December 31, 2025

Compensation to Revenue Ratio

Our compensation to revenue ratio for the year ending December 31, 2025 is currently estimated to range from 28% to 30% and takes into consideration planned hires as well as year-end compensation adjustments and the annualization of hires made during 2024. The range also considers variability in incentive compensation with drivers including the magnitude of our flows, revenue and operating income growth, margin expansion and our stock price performance in relation to our peers. A range is provided in consideration of uncertain market conditions.

Discretionary Spending

Discretionary spending includes marketing, sales, professional fees, occupancy and equipment, depreciation and amortization and other expenses. We currently estimate our discretionary spending for the year ending December 31, 2025 to range from $68.0 million to $72.0 million.

Not included in the guidance above are any potential non-recurring expenses we may incur in response to a potential proxy contest. Such expenses could be material to our results of operations for the year ending December 31, 2025.

Gross Margin

We define gross margin as total operating revenues less fund management and administration expenses. Gross margin percentage is calculated as gross margin divided by total operating revenues. For the year ending December 31, 2025, we currently estimate that our gross margin percentage will be 81.0% to 82.0% taking into consideration current AUM and revenue levels, changes in service providers and anticipated fund launches. If AUM increases, we would anticipate further gross margin expansion.

Third-Party Distribution Expense

We currently estimate third-party distribution expense to be approximately $11.0 million to $12.0 million for the year ending December 31, 2025, which is dependent upon the AUM growth on our respective platforms.

Interest Expense

We currently estimate our interest expense for the year ending December 31, 2025 to be $22.0 million, which is inclusive of approximately $2.0 million of interest cost we are required to impute under U.S. GAAP related to our interest-free financing of the shares of Series C Non-Voting Convertible Preferred Stock (the "Series C Preferred Stock") we repurchased from Gold Bullion Holdings (Jersey) Limited ("GBH"), a subsidiary of the World Gold Council, in November 2023.

Interest Income

We currently estimate our interest income for the year ending December 31, 2025 to be $7.0 million, based upon the magnitude of our forecasted interest earning assets.

Income Tax Expense

We currently estimate that our consolidated normalized effective tax rate will be approximately 24.0% to 25.0% for the year ending December 31, 2025, taking into consideration the current distribution of profits among our U.S. and European businesses.

This estimated rate may change and is dependent upon our actual taxable income earned in relation to our forecasts as well as any other items which may arise that are not currently forecasted. Such items may include, but are not limited to, increases or decreases in valuation allowances and any stock-based compensation windfalls or shortfalls. Additional corporate tax legislation could also impact our normalized effective tax rate.

Weighted Average Diluted Shares

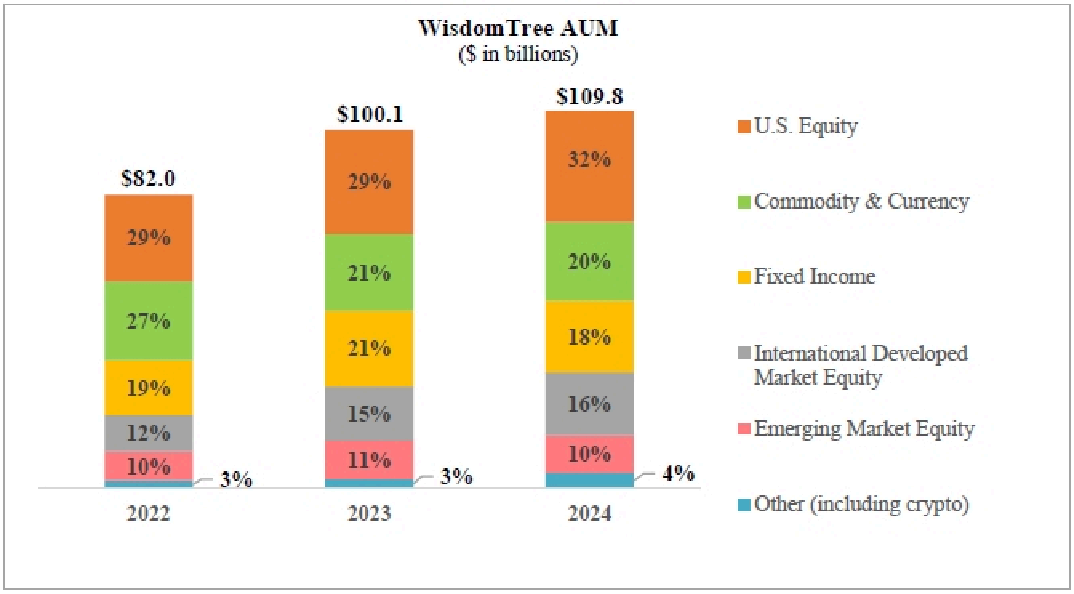
We currently estimate our weighted average diluted shares to be between 149.0 million and 150.0 million during the year ending December 31, 2025. This guidance does not take into consideration any variability in shares associated with our Convertible Notes. While our Convertible Notes require principal to be paid in cash, our diluted shares would need to be increased for any incremental shares associated with an exercise of the conversion option if our stock price exceeds the applicable conversion price of our Convertible Notes of $9.54 per share for the 5.75% Convertible Senior Notes due 2028, $11.04 per share for the 3.25% Convertible Senior Notes due 2026 and $11.82 per share for the 3.25% Convertible Senior Notes due 2029.

Factors that May Impact our Future Financial Results

Our AUM is well diversified across the commodity, U.S. equity, international developed markets and emerging markets sectors. As a result, our operating results are particularly exposed to investor sentiment toward investing in these products' strategies and our ability to maintain AUM of these products, as well as the performance of these products.

Our revenues are also highly correlated to the level and relative mix of our AUM, as well as the fee rate associated with our ETPs. Changes in product mix have led to a decline in our average advisory fee, which for the years ended December 31, 2022, 2023 and 2024 were 0.38%, 0.36% and 0.36%, respectively.

The chart below sets forth the asset mix of our ETPs at December 31, 2022, 2023 and 2024:



Key Operating Statistics

The following table presents key operating statistics that serve as indicators for the performance of our business:

	Year Ended December 31,		
	2024	2023	2022
GLOBAL ETPs (in millions)			
Beginning of period assets	$ 100,124	$ 81,993	$ 77,479
(Outflows)/Inflows	(348)	10,397	12,180
Market appreciation/(depreciation)	10,003	7,734	(7,666)
End of period assets	$ 109,779	$ 100,124	$ 81,993
Average assets during the period	$ 108,417	$ 92,867	$ 76,969
Average advisory fee during the period	0.36%	0.36%	0.38%
Number of ETPs—end of the period	353	337	339
US LISTED ETFs (in millions)			
Beginning of period assets	$ 72,486	$ 55,973	$ 48,210
Inflows	1,399	10,795	14,572
Market appreciation/(depreciation)	5,210	5,718	(6,809)
End of period assets	$ 79,095	$ 72,486	$ 55,973
Average assets during the period	$ 78,588	$ 64,988	$ 49,723
Number of ETPs—end of the period	78	76	79
EUROPEAN LISTED ETPs (in millions)			
Beginning of period assets	$ 27,638	$ 26,020	$ 29,269
Outflows	(1,747)	(398)	(2,392)
Market appreciation/(depreciation)	4,793	2,016	(857)
End of period assets	$ 30,684	$ 27,638	$ 26,020
Average assets during the period	$ 29,829	$ 27,879	$ 27,246
Number of ETPs—end of the period	275	261	260
PRODUCT CATEGORIES (in millions)			
U.S. Equity			
Beginning of period assets	$ 29,156	$ 24,112	$ 23,860
Inflows	2,184	1,616	3,345
Market appreciation/(depreciation)	4,074	3,428	(3,093)
End of period assets	$ 35,414	$ 29,156	$ 24,112
Average assets during the period	$ 32,596	$ 25,721	$ 22,881
Commodity & Currency			
Beginning of period assets	$ 21,336	$ 22,097	$ 24,599
Outflows	(3,140)	(1,774)	(2,911)
Market appreciation	3,710	1,013	409
End of period assets	$ 21,906	$ 21,336	$ 22,097
Average assets during the period	$ 22,070	$ 22,843	$ 23,406
Fixed Income			
Beginning of period assets	$ 21,197	$ 15,273	$ 4,356
(Outflows)/inflows	(1,062)	5,939	11,299
Market depreciation	(92)	(15)	(382)
End of period assets	$ 20,043	$ 21,197	$ 15,273
Average assets during the period	$ 20,973	$ 19,804	$ 9,039

	Year Ended December 31, 2024	2023	2022
International Developed Market Equity			
Beginning of period assets	$ 15,103	$ 10,195	$ 11,894
Inflows	1,522	2,852	101
Market appreciation/(depreciation)	977	2,056	(1,800)
End of period assets	$ 17,602	$ 15,103	$ 10,195
Average assets during the period	$ 17,963	$ 12,824	$ 10,568
Emerging Market Equity			
Beginning of period assets	$ 10,726	$ 8,116	$ 10,375
(Outflows)/inflows	(654)	1,678	27
Market appreciation/(depreciation)	396	932	(2,286)
End of period assets	$ 10,468	$ 10,726	$ 8,116
Average assets during the period	$ 11,460	$ 9,287	$ 8,843
Leveraged & Inverse			
Beginning of period assets	$ 1,815	$ 1,754	$ 1,777
(Outflows)/inflows	(66)	(5)	192
Market appreciation/(depreciation)	175	66	(215)
End of period assets	$ 1,924	$ 1,815	$ 1,754
Average assets during the period	$ 1,923	$ 1,813	$ 1,704
Cryptocurrency			
Beginning of period assets	$ 414	$ 136	$ 357
Inflows	749	50	36
Market appreciation/(depreciation)	749	228	(257)
End of period assets	$ 1,912	$ 414	$ 136
Average assets during the period	$ 997	$ 247	$ 230
Alternatives			
Beginning of period assets	$ 377	$ 310	$ 261
Inflows	119	41	91
Market appreciation/(depreciation)	14	26	(42)
End of period assets	$ 510	$ 377	$ 310
Average assets during the period	$ 435	$ 328	$ 298
Headcount	313	303	273

Note: Previously issued statistics may be restated due to fund closures and trade adjustments

Source: WisdomTree

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Selected Operating and Financial Information

	Year Ended December 31, 2024	Year Ended December 31, 2023	Change	Percent Change
AUM (in millions)				
Average AUM	$ 108,417	$ 92,867	$ 15,550	16.7%
Operating Revenues (in thousands)				
Advisory fees	$ 395,362	$ 333,227	$ 62,135	18.6%
Other revenues	32,375	15,808	16,567	104.8%
Total revenues	$ 427,737	$ 349,035	$ 78,702	22.5%

Operating Revenues

Advisory fees

Advisory fee revenues increased 18.6% from $333.2 million during the year ended December 31, 2023 to $395.4 million during the year ended December 31, 2024 due to higher average AUM. Our average advisory fee remained 0.36%, unchanged from the year ended December 31, 2023.

Other revenues

Other revenues increased 104.8% from $15.8 million during the year ended December 31, 2023 to $32.4 million during the year ended December 31, 2024 due to higher other revenues attributable to our European listed ETPs and $4.3 million of other revenues related to legal and other related expenses incurred in connection with the SEC ESG Settlement that are expected to be covered by insurance.

Operating Expenses

(in thousands)	Year Ended December 31, 2024	Year Ended December 31, 2023	Change	Percent Change
Compensation and benefits	$ 121,281	$ 109,532	$ 11,749	10.7%
Fund management and administration	83,963	71,348	12,615	17.7%
Marketing and advertising	20,532	17,256	3,276	19.0%
Sales and business development	14,817	13,584	1,233	9.1%
Contractual gold payments	—	6,069	(6,069)	n/a
Professional fees	21,098	18,969	2,129	11.2%
Occupancy, communications and equipment	5,344	4,684	660	14.1%
Depreciation and amortization	1,752	872	880	100.9%
Third-party distribution fees	11,138	9,377	1,761	18.8%
Other	10,519	9,852	667	6.8%
Total operating expenses	$ 290,444	$ 261,543	$ 28,901	11.1%

As a Percent of Revenues:	Year Ended December 31, 2024	2023
Compensation and benefits	28.4%	31.6%
Fund management and administration	19.6%	20.4%
Marketing and advertising	4.8%	4.9%
Sales and business development	3.5%	3.9%
Contractual gold payments	—	1.7%
Professional fees	4.9%	5.4%
Occupancy, communications and equipment	1.2%	1.3%
Depreciation and amortization	0.4%	0.2%
Third-party distribution fees	2.6%	2.7%
Other	2.5%	2.8%
Total operating expenses	67.9%	74.9%

Compensation and benefits

Compensation and benefits expense increased 10.7% from $109.5 million during the year ended December 31, 2023 to $121.3 million during the year ended December 31, 2024 due to higher stock-based compensation, incentive compensation and headcount. Headcount was 303 and 313 at December 31, 2023 and 2024, respectively.

Fund management and administration

Fund management and administration expense increased 17.7% from $71.3 million during the year ended December 31, 2023 to $84.0 million during the year ended December 31, 2024 primarily due to higher average AUM. We had 76 U.S. listed ETFs and 261 European listed ETPs at December 31, 2023 compared to 78 U.S. listed ETFs and 275 European listed ETPs at December 31, 2024.

Marketing and advertising

Marketing and advertising expense increased 19.0% from $17.3 million during the year ended December 31, 2023 to $20.5 million during the year ended December 31, 2024 primarily resulting from higher spending related to our U.S. listed and digital products.

Sales and business development

Sales and business development expense increased 9.1% from $13.6 million during the year ended December 31, 2023 to $14.8 million during the year ended December 31, 2024 primarily resulting from increases in travel and events spending.

Contractual gold payments

There was no contractual gold payments expense recognized during the year ended December 31, 2024 due to the termination of our deferred consideration—gold payments obligation on May 10, 2023. See Note 9 to our Consolidated Financial Statements for additional information.

Professional fees

Professional fees increased 11.2% from $19.0 million during the year ended December 31, 2023 to $21.1 million during the year ended December 31, 2024 due to $4.3 million of legal and other related expenses expected to be covered by insurance that were incurred in connection with the SEC ESG Settlement, partly offset by lower expenses incurred in response to an activist campaign.

Occupancy, communications and equipment

Occupancy, communications and equipment expense increased 14.1% from $4.7 million during the year ended December 31, 2023 to $5.3 million during the year ended December 31, 2024 due to the increased cost of renewed office leases.

Depreciation and amortization

Depreciation and amortization expense increased 100.9% from $0.9 million during the year ended December 31, 2023 to $1.8 million during the year ended December 31, 2024 due to higher amortization of software development costs.

Third-party distribution fees

Third-party distribution fees increased 18.8% from $9.4 million during the year ended December 31, 2023 to $11.1 million during the year ended December 31, 2024 primarily due to growth in AUM across our various platforms, as well as new platform relationships that expanded our distribution reach.

Other

Other expenses increased 6.8% from $9.9 million during the year ended December 31, 2023 to $10.5 million during the year ended December 31, 2024 primarily due to higher insurance and travel-related expenses.

Other Income/(Expenses)

(in thousands)	Year Ended December 31, 2024	Year Ended December 31, 2023	Change	Percent Change
Interest expense	$ (18,911)	$ (15,242)	$ (3,669)	24.1%
Gain on revaluation/termination of deferred consideration—gold payments	—	61,953	(61,953)	n/a
Interest income	6,778	4,099	2,679	65.4%
Impairments	—	(7,942)	7,942	n/a
Loss on extinguishment of convertible notes	(30,632)	(9,721)	(20,911)	215.1%
Other gains/(losses), net	874	(1,631)	2,505	(153.6%)
Total other income/(expenses), net	$ (41,891)	$ 31,516	$ (73,407)	(232.9%)

As a Percent of Revenues:	Year Ended December 31, 2024	Year Ended December 31, 2023
Interest expense	(4.4%)	(4.4%)
Gain on revaluation/termination of deferred consideration—gold payments	—	17.8%
Interest income	1.6%	1.2%
Impairments	—	(2.3%)
Loss on extinguishment of convertible notes	(7.2%)	(2.8%)
Other gains/(losses), net	0.2%	(0.5%)
Total other income/(expenses), net	(9.8%)	9.0%

Interest expense

Interest expense increased 24.1% from $15.2 million during the year ended December 31, 2023 to $18.9 million during the year ended December 31, 2024 due to a higher level of debt outstanding, partly offset by a lower average interest rate.

Our effective interest rate on our outstanding Convertible Notes during the years ended December 31, 2023 and 2024 was 4.9% and 4.5%, respectively.

Gain on revaluation/termination of deferred consideration

No gains or losses on revaluation/termination of deferred consideration—gold payments were recognized during the year ended December 31, 2024, as this obligation was terminated on May 10, 2023 for approximately $137.0 million. See Note 9 to our Consolidated Financial Statements for additional information.

Interest income

Interest income increased 65.4% from $4.1 million during the year ended December 31, 2023 to $6.8 million during the year ended December 31, 2024 due to a higher level of interest-bearing assets.

Impairments

No impairments were recognized during the year ended December 31, 2024, while during the year ended December 31, 2023, we recognized a non-cash impairment charge of $7.9 million primarily related to our investment in Securrency, Inc. upon the sale of Securrency, Inc. to an unrelated third party. (See Notes 7 and 26 to our Consolidated Financial Statements).

Other losses, net

Other gains/(losses), net were ($1.6) million and $0.9 million during the years ended December 31, 2023 and 2024, respectively. The current year includes a $4.0 million civil money penalty in connection with the SEC ESG Settlement. Also included are net gains of $4.9 million and net losses of $1.1 million on our financial instruments owned and our investments, respectively. Gains and losses also generally arise from the sale of gold earned from advisory fees paid by our physically-backed gold ETPs, foreign exchange fluctuations and other miscellaneous items.

Income Taxes

Our effective income tax rate for 2024 was 30.1%, resulting in an income tax expense of $28.7 million. Our tax rate differs from the federal statutory rate of 21.0% primarily due to a non-deductible loss on extinguishment of convertible notes, a non-deductible civil money penalty of $4.0 million in connection with the SEC ESG Settlement and non-deductible executive compensation. These items were partly offset by a lower tax rate on foreign earnings.

Our effective income tax rate for 2023 was 13.8%, resulting in income tax expense of $16.5 million. The effective tax rate differs from the federal statutory rate of 21% primarily due to a non-taxable gain on revaluation/termination of deferred consideration, a reduction in unrecognized tax benefits associated with the release of a tax-related indemnification asset and a lower tax rate on foreign earnings. These items were partly offset by a non-deductible loss on extinguishment of our 4.25% Convertible Senior Notes due 2023 during the first quarter of 2023, an increase in the deferred tax asset valuation allowance on losses recognized on our investments and non-deductible executive compensation.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

Selected Operating and Financial Information

	Year Ended December 31,			
	2023	2022	Change	Percent Change
AUM (in millions)				
Average AUM	$ 92,867	$ 76,969	$ 15,898	20.7%
Operating Revenues (in thousands)				
Advisory fees	$ 333,227	$ 293,632	$ 39,595	13.5%
Other revenues	15,808	7,713	8,095	105.0%
Total revenues	$ 349,035	$ 301,345	$ 47,690	15.8%

Operating Revenues

Advisory fees

Advisory fee revenues increased 13.5% from $293.6 million during the year ended December 31, 2022 to $333.2 million during the year ended December 31, 2023 as higher average AUM was partially offset by a decline in our average advisory fee. Our average advisory fee declined from 0.38% during the year ended December 31, 2022 to 0.36% during the year ended December 31, 2023.

Other revenues

Other revenues increased 105.0% from $7.7 million during the year ended December 31, 2022 to $15.8 million during the year ended December 31, 2023 primarily due to higher other revenues attributable to our European listed ETPs.

Operating Expenses

	Year Ended December 31,			
(in thousands)	2023	2022	Change	Percent Change
Compensation and benefits	$ 109,532	$ 97,897	$ 11,635	11.9%
Fund management and administration	71,348	64,761	6,587	10.2%
Marketing and advertising	17,256	15,302	1,954	12.8%
Sales and business development	13,584	11,871	1,713	14.4%
Contractual gold payments	6,069	17,108	(11,039)	(64.5%)
Professional fees	18,969	13,800	5,169	37.5%
Occupancy, communications and equipment	4,684	3,898	786	20.2%
Depreciation and amortization	872	262	610	232.8%
Third-party distribution fees	9,377	7,656	1,721	22.5%
Other	9,852	8,705	1,147	13.2%
Total operating expenses	$ 261,543	$ 241,260	$ 20,283	8.4%

As a Percent of Revenues:	Year Ended December 31, 2023	2022
Compensation and benefits	31.6%	32.5%
Fund management and administration	20.4%	21.5%
Marketing and advertising	4.9%	5.1%
Sales and business development	3.9%	3.9%
Contractual gold payments	1.7%	5.7%
Professional fees	5.4%	4.6%
Occupancy, communications and equipment	1.3%	1.3%
Depreciation and amortization	0.2%	0.1%
Third-party distribution fees	2.7%	2.5%
Other	2.8%	2.9%
Total operating expenses	74.9%	80.1%

Compensation and benefits

Compensation and benefits expense increased 11.9% from $97.9 million during the year ended December 31, 2022 to $109.5 million during the year ended December 31, 2023 due to higher stock-based compensation and headcount. Headcount was 273 and 303 at December 31, 2022 and 2023, respectively.

Fund management and administration

Fund management and administration expense increased 10.2% from $64.8 million during the year ended December 31, 2022 to $71.3 million during the year ended December 31, 2023 primarily due to higher average AUM and inflows. We had 79 U.S. listed ETFs and 260 European listed ETPs at December 31, 2022 compared to 76 U.S. listed ETFs and 261 European listed ETPs at December 31, 2023.

Marketing and advertising

Marketing and advertising expense increased 12.8% from $15.3 million during the year ended December 31, 2022 to $17.3 million during the year ended December 31, 2023 primarily resulting from higher spending related to our U.S. listed products.

Sales and business development

Sales and business development expense increased 14.4% from $11.9 million during the year ended December 31, 2022 to $13.6 million during the year ended December 31, 2023 primarily resulting from increases in travel and events spending.

Contractual gold payments

Contractual gold payments expense decreased 64.5% from $17.1 million during the year ended December 31, 2022 to $6.1 million during the year ended December 31, 2023 due to the termination of our deferred consideration—gold payments obligation on May 10, 2023. See Note 9 to our Consolidated Financial Statements for additional information.

Professional fees

Professional fees increased 37.5% from $13.8 million during the year ended December 31, 2022 to $19.0 million during the year ended December 31, 2023 due to higher expenses related to our digital assets business, as well as expenses incurred to terminate our deferred consideration—gold payments obligation and higher expenses related to an activist campaign.

Occupancy, communications and equipment

Occupancy, communications and equipment expense increased 20.2% from $3.9 million during the year ended December 31, 2022 to $4.7 million during the year ended December 31, 2023 as our New York office lease became effective in May 2022.

Depreciation and amortization

Depreciation and amortization expense increased 232.8% from $0.3 million during the year ended December 31, 2022 to $0.9 million during the year ended December 31, 2023 due to amortization of software development costs.

Third-party distribution fees

Third-party distribution fees increased 22.5% from $7.7 million during the year ended December 31, 2022 to $9.4 million during the year ended December 31, 2023 primarily due to AUM growth we are experiencing in Latin America.

Other

Other expenses increased 13.2% from $8.7 million during the year ended December 31, 2022 to $9.9 million during the year ended December 31, 2023 primarily due to higher travel, public relations and Board of Directors expenses.

Other Income/(Expenses)

(in thousands)	Year Ended December 31, 2023	Year Ended December 31, 2022	Change	Percent Change
Interest expense	$ (15,242)	$ (14,935)	$ (307)	2.1%
Gain on revaluation/termination of deferred consideration—gold payments	61,953	27,765	34,188	123.1%
Interest income	4,099	3,320	779	23.5%
Impairments	(7,942)	—	(7,942)	n/a
Loss on extinguishment of convertible notes	(9,721)	—	(9,721)	n/a
Other losses, net	(1,631)	(36,285)	34,654	95.5%
Total other income/(expenses), net	$ 31,516	$ (20,135)	$ 51,651	256.5%

As a Percent of Revenues:	Year Ended December 31, 2023	Year Ended December 31, 2022
Interest expense	(4.4%)	(5.0%)
Gain on revaluation/termination of deferred consideration—gold payments	17.8%	9.2%
Interest income	1.2%	1.1%
Impairments	(2.3%)	—
Loss on extinguishment of convertible notes	(2.8%)	—
Other losses, net	(0.5%)	(12.0%)
Total other income/(expenses), net	9.0%	(6.7%)

Interest expense

Interest expense was essentially unchanged during the year ended December 31, 2023.

Our effective interest rate on our outstanding convertible notes during the years ended December 31, 2022 and 2023 was 4.6% and 4.9%, respectively.

Gain on revaluation/termination of deferred consideration

We recognized a gain on revaluation/termination of deferred consideration—gold payments of $27.8 million and $62.0 million during the years ended December 31, 2022 and 2023, respectively. This obligation was terminated on May 10, 2023 for approximately $137.0 million. See Note 9 to our Consolidated Financial Statements for additional information.

Interest income

Interest income increased 23.5% from $3.3 million during the year ended December 31, 2022 to $4.1 million during the year ended December 31, 2023 due to rising interest rates, partially offset by a decrease in our interest-bearing assets.

Impairments

During the year ended December 31, 2023, we recognized a non-cash impairment charge of $7.9 million primarily related to our investment in Securrency, Inc. upon the sale of Securrency, Inc. to an unrelated third party. (See Notes 7, 8, 13 and 26 to our Consolidated Financial Statements).

Other losses, net

Other losses, net were $36.3 million and $1.6 million during the years ended December 31, 2022 and 2023, respectively. This includes a charge of $19.9 million and $1.4 million during the years ended December 31, 2022 and 2023, respectively, arising from the release of a tax-related indemnification asset upon the expiration of the statute of limitations. An equal and offsetting benefit has been recognized in income tax expense. During the years ended December 31, 2022 and 2023, we also recognized losses on our financial instruments owned and investments of $16.9 million and $0.7 million, respectively. Gains and losses also generally arise from the sale of gold earned from advisory fees paid by our physically-backed gold ETPs, foreign exchange fluctuations and other miscellaneous items.

Income Taxes

Our effective income tax rate for 2023 was 13.8%, resulting in income tax expense of $16.5 million. The effective tax rate differs from the federal statutory rate of 21% primarily due to a non-taxable gain on revaluation/termination of deferred consideration, a reduction in unrecognized tax benefits associated with the release of the tax-related indemnification asset described above and a lower tax rate on foreign earnings. These items were partly offset by a non-deductible loss on extinguishment of our 4.25% Convertible Senior Notes due 2023 during the first quarter of 2023, an increase in the deferred tax asset valuation allowance on losses recognized on our investments and non-deductible executive compensation.

Our effective income tax rate for the year ended December 31, 2022 was negative 26.9%, resulting in an income tax benefit of $10.7 million. Our tax rate differs from the federal statutory rate of 21% primarily due to a $19.9 million reduction in unrecognized tax benefits associated with the release of the tax-related indemnification asset described above, a reduction in the valuation allowance on foreign net operating losses, a non-taxable gain on revaluation of deferred consideration and a lower tax rate on foreign earnings. These items were partly offset by an increase in the deferred tax asset valuation allowance on losses recognized on financial instruments owned.

Quarterly Results

The following tables set forth our unaudited consolidated quarterly statement of operations data, both in dollar amounts and as a percentage of total revenues, and our unaudited consolidated quarterly operating data for the quarters in 2024 and 2023. In our opinion, this unaudited information has been prepared on substantially the same basis as the consolidated financial statements appearing elsewhere in this Report and includes all adjustments (consisting of normal recurring adjustments) necessary for a fair statement of the unaudited consolidated quarterly data. The unaudited consolidated quarterly data should be read together with the consolidated financial statements and related notes included elsewhere in this Report. The results for any quarter are not necessarily indicative of results for any future period, and you should not rely on them as such.

(in thousands, except per share amounts)	Q4/24	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23	Q2/23	Q1/23
Operating Revenues:								
Advisory fees	$ 102,264	$ 101,659	$ 98,938	$ 92,501	$ 86,988	$ 86,598	$ 82,004	$ 77,637
Other revenues	8,433	11,509	8,096	4,337	3,856	3,825	3,720	4,407
Total revenues	110,697	113,168	107,034	96,838	90,844	90,423	85,724	82,044
Operating Expenses:								
Compensation and benefits	30,032	29,405	30,790	31,054	27,860	27,955	26,319	27,398
Fund management and administration	22,858	21,004	20,139	19,962	18,445	18,023	17,727	17,153
Marketing and advertising	6,117	4,897	5,110	4,408	4,951	3,833	4,465	4,007
Sales and business development	4,101	3,465	3,640	3,611	3,881	3,383	3,326	2,994
Contractual gold payments	—	—	—	—	—	—	1,583	4,486
Professional fees	4,559	6,315	6,594	3,630	3,201	3,719	8,334	3,715
Occupancy, communications and equipment	1,423	1,397	1,314	1,210	1,208	1,203	1,172	1,101
Depreciation and amortization	504	447	418	383	335	307	121	109
Third-party distribution fees	3,161	2,983	2,687	2,307	2,549	2,694	1,881	2,253
Other	2,902	2,463	2,831	2,323	2,379	2,601	2,615	2,257
Total operating expenses	75,657	72,376	73,523	68,888	64,809	63,718	67,543	65,473
Operating income	35,040	40,792	33,511	27,950	26,035	26,705	18,181	16,571
Other Income/(Expenses):								
Interest expense	(5,616)	(5,027)	(4,140)	(4,128)	(3,758)	(3,461)	(4,021)	(4,002)
Gain on revaluation/termination of deferred consideration	—	—	—	—	—	—	41,361	20,592
Interest income	2,147	1,795	1,438	1,398	1,225	791	1,000	1,083
Impairments	—	—	—	—	(339)	(2,703)	—	(4,900)
Loss on extinguishment of convertible notes	—	(30,632)	—	—	—	—	—	(9,721)
Other gains and losses, net	2,627	(3,062)	(1,283)	2,592	1,602	(2,512)	1,286	(2,007)
Income before income taxes	34,198	3,866	29,526	27,812	24,765	18,820	57,807	17,616
Income tax expense	6,890	8,351	7,767	5,701	5,688	5,836	3,555	1,383
Net income/(loss)	$ 27,308	$ (4,485)	$ 21,759	$ 22,111	$ 19,077	$ 12,984	$ 54,252	$ 16,233
Earnings/(loss) per share—basic	$ 0.19	$ (0.13)	$ 0.13	$ 0.14	$ 0.16	$ 0.07	$ 0.32	$ 0.10
Earnings/(loss) per share—diluted	$ 0.18	$ (0.13)	$ 0.13	$ 0.13	$ 0.16	$ 0.07	$ 0.32	$ 0.10
Dividends per common share	$ 0.03	$ 0.03	$ 0.03	$ 0.03	$ 0.03	$ 0.03	$ 0.03	$ 0.03

	Q4/24	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23	Q2/23	Q1/23
Percent of Total Revenues								
Operating Revenues								
Advisory fees	92.4%	89.8%	92.4%	95.5%	95.8%	95.8%	95.7%	94.6%
Other revenues	7.6%	10.2%	7.6%	4.5%	4.2%	4.2%	4.3%	5.4%
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Operating Expenses								
Compensation and benefits	27.1%	26.0%	28.8%	32.1%	30.6%	31.0%	30.7%	33.5%
Fund management and administration	20.6%	18.6%	18.8%	20.6%	20.3%	20.0%	20.7%	20.9%
Marketing and advertising	5.5%	4.3%	4.8%	4.6%	5.5%	4.2%	5.2%	4.9%
Sales and business development	3.7%	3.1%	3.4%	3.7%	4.3%	3.7%	3.9%	3.6%
Contractual gold payments	—	—	—	—	—	n/a	1.8%	5.5%
Professional fees	4.1%	5.6%	6.2%	3.7%	3.5%	4.1%	9.7%	4.5%
Occupancy, communications and equipment	1.3%	1.2%	1.2%	1.2%	1.3%	1.3%	1.4%	1.3%
Depreciation and amortization	0.5%	0.4%	0.4%	0.4%	0.4%	0.3%	0.1%	0.1%
Third-party distribution fees	2.9%	2.6%	2.5%	2.4%	2.8%	3.0%	2.2%	2.7%
Other	2.6%	2.2%	2.6%	2.4%	2.6%	2.9%	3.1%	2.8%
Total operating expenses	68.3%	64.0%	68.7%	71.1%	71.3%	70.5%	78.8%	79.8%
Operating income	31.7%	36.0%	31.3%	28.9%	28.7%	29.5%	21.2%	20.2%
Other Income/(Expenses)								
Interest expense	(5.1%)	(4.4%)	(3.8%)	(4.2%)	(4.1%)	(3.8%)	(4.7%)	(4.9%)
Gain on revaluation/termination of deferred consideration	—	—	—	—	—	—	48.2%	25.1%
Interest income	1.9%	1.6%	1.3%	1.4%	1.3%	0.9%	1.2%	1.3%
Impairments	—	—	—	—	(0.4%)	(3.0%)	—	(6.0%)
Loss on extinguishment of convertible notes	—	(27.1%)	—	—	—	—	—	(11.8%)
Other gains and losses, net	2.4%	(2.7%)	(1.2%)	2.7%	1.8%	(2.8%)	1.5%	(2.4%)
Income before income taxes	30.9%	3.4%	27.6%	28.7%	27.3%	20.9%	67.4%	21.5%
Income tax expense	6.2%	7.4%	7.3%	5.9%	6.3%	6.5%	4.1%	1.7%
Net income/(loss)	24.7%	(4.0%)	20.3%	22.8%	21.0%	14.4%	63.3%	19.8%

	Q4/24	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23	Q2/23	Q1/23
Operating Statistics								
GLOBAL ETPs (in millions)								
Beginning of period assets	$ 112,577	$ 109,686	$ 107,230	$ 100,124	$ 93,735	$ 93,666	$ 90,740	$ 81,993
(Outflows)/inflows	(281)	(2,395)	340	1,988	(255)	1,983	2,328	6,341
Market (depreciation)/appreciation	(2,517)	5,286	2,116	5,118	6,644	(1,914)	598	2,406
End of period assets	$ 109,779	$ 112,577	$ 109,686	$ 107,230	$ 100,124	$ 93,735	$ 93,666	$ 90,740
Average assets during the period	$ 112,349	$ 110,369	$ 108,479	$ 102,461	$ 96,641	$ 95,743	$ 91,578	$ 87,508
Average advisory fee during the period	0.36%	0.37%	0.37%	0.36%	0.36%	0.36%	0.36%	0.36%
Number of ETPs—end of the period	353	352	350	338	337	344	344	341
U.S. LISTED ETFs (in millions)								
Beginning of period assets	$ 81,267	$ 79,722	$ 78,087	$ 72,486	$ 68,018	$ 65,903	$ 61,283	$ 55,973
(Outflows)/inflows	(40)	(1,650)	1,106	1,983	(67)	3,601	3,249	4,012
Market (depreciation)/appreciation	(2,132)	3,195	529	3,618	4,535	(1,486)	1,371	1,298
End of period assets	$ 79,095	$ 81,267	$ 79,722	$ 78,087	$ 72,486	$ 68,018	$ 65,903	$ 61,283
Average assets during the period	$ 80,661	$ 80,335	$ 78,523	$ 74,831	$ 69,801	$ 68,008	$ 62,712	$ 59,430
Number of ETFs—end of the period	78	78	78	77	76	80	80	80
EUROPEAN LISTED ETPs (in millions)								
Beginning of period assets	$ 31,310	$ 29,964	$ 29,143	$ 27,638	$ 25,717	$ 27,763	$ 29,457	$ 26,020
(Outflows)/inflows	(241)	(745)	(766)	5	(188)	(1,618)	(921)	2,329
Market (depreciation)/appreciation	(385)	2,091	1,587	1,500	2,109	(428)	(773)	1,108
End of period assets	$ 30,684	$ 31,310	$ 29,964	$ 29,143	$ 27,638	$ 25,717	$ 27,763	$ 29,457
Average assets during the period	$ 31,688	$ 30,034	$ 29,956	$ 27,630	$ 26,840	$ 27,735	$ 28,866	$ 28,078
Number of ETPs—end of the period	275	274	272	261	261	264	264	261
PRODUCT CATEGORIES								
U.S. Equity								
Beginning of period assets	$ 34,643	$ 31,834	$ 31,670	$ 29,156	$ 25,643	$ 26,001	$ 24,534	$ 24,112
Inflows/(outflows)	1,099	328	221	536	487	864	414	(149)
Market (depreciation)/appreciation	(328)	2,481	(57)	1,978	3,026	(1,222)	1,053	571
End of period assets	$ 35,414	$ 34,643	$ 31,834	$ 31,670	$ 29,156	$ 25,643	$ 26,001	$ 24,534
Average assets during the period	$ 35,714	$ 33,175	$ 31,339	$ 30,154	$ 26,928	$ 26,501	$ 24,732	$ 24,725
Commodity & Currency								
Beginning of period assets	$ 23,034	$ 21,987	$ 21,944	$ 21,336	$ 20,466	$ 22,384	$ 24,924	$ 22,097
(Outflows)/inflows	(440)	(741)	(1,499)	(460)	(449)	(1,815)	(1,513)	2,003
Market (depreciation)/appreciation	(688)	1,788	1,542	1,068	1,319	(103)	(1,027)	824
End of period assets	$ 21,906	$ 23,034	$ 21,987	$ 21,944	$ 21,336	$ 20,466	$ 22,384	$ 24,924
Average assets during the period	$ 22,989	$ 22,016	$ 22,437	$ 20,837	$ 21,254	$ 22,278	$ 24,033	$ 23,807
Fixed Income								
Beginning of period assets	$ 20,767	$ 21,430	$ 21,218	$ 21,197	$ 21,797	$ 20,215	$ 18,708	$ 15,273
(Outflows)/inflows	(387)	(897)	236	(14)	(715)	1,670	1,471	3,513
Market (depreciation)/appreciation	(337)	234	(24)	35	115	(88)	36	(78)
End of period assets	$ 20,043	$ 20,767	$ 21,430	$ 21,218	$ 21,197	$ 21,797	$ 20,215	$ 18,708
Average assets during the period	$ 20,398	$ 21,135	$ 21,277	$ 21,082	$ 21,889	$ 20,965	$ 19,185	$ 17,176
International Developed Market Equity								
Beginning of period assets	$ 18,075	$ 19,385	$ 18,103	$ 15,103	$ 13,902	$ 13,423	$ 11,433	$ 10,195
Inflows/(outflows)	63	(1,391)	1,253	1,597	9	799	1,594	450
Market (depreciation)/appreciation	(536)	81	29	1,403	1,192	(320)	396	788
End of period assets	$ 17,602	$ 18,075	$ 19,385	$ 18,103	$ 15,103	$ 13,902	$ 13,423	$ 11,433
Average assets during the period	$ 17,716	$ 18,636	$ 18,809	$ 16,691	$ 14,267	$ 13,873	$ 12,276	$ 10,879

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	Q4/24	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23	Q2/23	Q1/23
Emerging Market Equity								
Beginning of period assets	$ 12,452	$ 11,875	$ 11,189	$ 10,726	$ 9,569	$ 9,191	$ 8,811	$ 8,116
(Outflows)/inflows	(908)	(20)	57	217	412	451	329	486
Market (depreciation)/appreciation	(1,076)	597	629	246	745	(73)	51	209
End of period assets	$ 10,468	$ 12,452	$ 11,875	$ 11,189	$ 10,726	$ 9,569	$ 9,191	$ 8,811
Average assets during the period	$ 11,407	$ 12,083	$ 11,448	$ 10,900	$ 9,833	$ 9,652	$ 8,998	$ 8,666
Leveraged & Inverse								
Beginning of period assets	$ 2,082	$ 1,922	$ 1,828	$ 1,815	$ 1,781	$ 1,864	$ 1,785	$ 1,754
(Outflows)/inflows	(69)	71	(18)	(50)	(59)	(1)	12	43
Market (depreciation)/appreciation	(89)	89	112	63	93	(82)	67	(12)
End of period assets	$ 1,924	$ 2,082	$ 1,922	$ 1,828	$ 1,815	$ 1,781	$ 1,864	$ 1,785
Average assets during the period	$ 2,032	$ 1,962	$ 1,905	$ 1,792	$ 1,803	$ 1,894	$ 1,798	$ 1,757
Cryptocurrency								
Beginning of period assets	$ 1,054	$ 838	$ 874	$ 414	$ 243	$ 248	$ 239	$ 136
Inflows/(outflows)	315	201	75	158	28	10	(1)	13
Market appreciation/(depreciation)	543	15	(111)	302	143	(15)	10	90
End of period assets	$ 1,912	$ 1,054	$ 838	$ 874	$ 414	$ 243	$ 248	$ 239
Average assets during the period	$ 1,599	$ 917	$ 856	$ 614	$ 325	$ 238	$ 236	$ 190
Alternatives								
Beginning of period assets	$ 470	$ 415	$ 404	$ 377	$ 334	$ 340	$ 306	$ 310
Inflows/(outflows)	46	54	15	4	32	5	22	(18)
Market (depreciation)/appreciation	(6)	1	(4)	23	11	(11)	12	14
End of period assets	$ 510	$ 470	$ 415	$ 404	$ 377	$ 334	$ 340	$ 306
Average assets during the period	$ 494	$ 445	$ 408	$ 391	$ 342	$ 342	$ 320	$ 308
Headcount	313	314	304	300	303	299	291	279

Note: Previously issued statistics may be restated due to fund closures and trade adjustments

Source: WisdomTree

Non-GAAP Financial Measurements

In an effort to provide additional information regarding our results as determined by GAAP, we also disclose certain non-GAAP information which we believe provides useful and meaningful information. Our management reviews these non-GAAP financial measurements when evaluating our financial performance and results of operations; therefore, we believe it is useful to provide information with respect to these non-GAAP measurements so as to share this perspective of management. Non-GAAP measurements do not have any standardized meaning, do not replace nor are superior to GAAP financial measurements and are unlikely to be comparable to similar measures presented by other companies. These non-GAAP financial measurements should be considered in the context with our GAAP results. The non-GAAP financial measurements contained in this Report include:

Adjusted Net Income and Diluted Earnings per Share.

We disclose adjusted net income and diluted earnings per share as non-GAAP financial measurements in order to report our results exclusive of items that are non-recurring or not core to our operating business. We believe presenting these non-GAAP financial measurements provides investors with a consistent way to analyze our performance. These non-GAAP financial measurements exclude the following:

- *Unrealized gains or losses on revaluation/termination of deferred consideration—gold payments:* Deferred consideration—gold payments was an obligation we assumed in connection with the ETFS Acquisition that was carried at fair value. This item represented the present value of an obligation to pay fixed ounces of gold into perpetuity and is measured using forward-looking gold prices. Changes in the forward-looking price of gold and changes in the discount rate used to compute the present value of the annual payment obligations have had a material impact on the carrying value of the deferred consideration and our reported financial results. We exclude this item when calculating our non-GAAP financial measurements as it was not core to our operating business. The item was not adjusted for income taxes as the obligation was assumed by a wholly-owned subsidiary of ours that is based in Jersey, a jurisdiction where we are subject to a zero percent tax rate. During the second quarter of 2023, we terminated this obligation for aggregate consideration totaling approximately $137.0 million.
- *Gains or losses on financial instruments owned:* We account for our financial instruments owned as trading securities, which requires these instruments to be measured at fair value with gains and losses reported in net income. We exclude these items when calculating our non-GAAP financial measurements as the gains and losses introduce volatility in earnings and are not core to our operating business.

- *Tax windfalls and shortfalls upon vesting and stock-based compensation awards:* GAAP requires the recognition of tax windfalls and shortfalls within income tax expense. These items arise upon the vesting of stock-based compensation awards and the magnitude is directly correlated to the number of awards vesting as well as the difference between the price of our stock on the date the award was granted and the date the award vested. We exclude these items when calculating our non-GAAP financial measurements as they introduce volatility in earnings and are not core to our operating business.
- *Imputed interest on our payable to GBH:* During the fourth quarter of 2023, we repurchased our Series C Preferred Stock, which was convertible into approximately 13.1 million shares of our common stock, from GBH for aggregate cash consideration of approximately $84.4 million. Under the terms of the transaction, we paid GBH $40.0 million on the closing date, with the remainder of the purchase price payable in equal, interest-free installments on the first, second and third anniversaries of the closing date. Under U.S. GAAP, the obligation is recorded at its present value utilizing a market rate of interest on the closing date of 7.0% and the corresponding discount is amortized as interest expense pursuant to the effective interest method of accounting over the life of the obligation. We exclude this item when calculating our non-GAAP financial measurements as recognition of interest expense is non-cash and contrary to the stated terms of our obligation.
- *Other items:* Losses on extinguishment of convertible notes, a civil money penalty in connection with the SEC ESG Settlement, gains and losses recognized on our investments, changes in deferred tax asset valuation allowance, expenses incurred in response to an activist campaign, impairments, remeasurement of contingent consideration payable to us from the sale of our former Canadian ETF business and litigation expenses associated with certain provisions of our Stockholder Rights Agreement, dated as of March 17, 2023, as amended, are excluded when calculating our non-GAAP financial measurements.

	Years Ended December 31,		
Adjusted Net Income and Diluted Earnings per Share:	**2024**	**2023**	**2022**
Net income, as reported	$ 66,693	$ 102,546	$ 50,684
Add back: Loss on extinguishment of convertible notes, net of income taxes	29,410	9,623	—
Add back: Civil money penalty in connection with SEC ESG Settlement	4,000	—	—
Add back: Expenses incurred in response to an activist campaign, net of income taxes	3,760	4,452	3,376
(Deduct)/add back: (Gains)/Losses on financial instruments owned, at fair value, net of income taxes	(3,671)	392	12,505
Add back: Imputed interest on payable to GBH, net of income taxes	1,996	224	—
(Deduct)/add back: (Decrease)/increase in deferred tax valuation allowance on financial instruments owned and investments	(903)	2,113	4,729
Add back: Unrealized loss recognized on our investments, net of income taxes	858	607	290
Deduct: Tax windfalls upon vesting and exercise of stock-based compensation awards	(764)	(176)	(541)
Deduct: Gain on revaluation/termination of deferred consideration	—	(61,953)	(27,765)
Add back: Impairments, net of income taxes	—	6,013	—
Deduct: Gain recognized from the sale of Canadian ETF business, including remeasurement of contingent consideration	—	(1,477)	—
Add back: Litigation expenses associated with certain provisions of the Stockholder Rights Agreement, net of income taxes	—	367	—
Deduct: Decrease in deferred tax valuation allowance on net operating losses of a European subsidiary	—	—	(1,609)
Adjusted net income	$ 101,379	$ 62,731	$ 41,669
Deduct: Income distributed to participating securities	(1,406)	(2,770)	(2,186)
Deduct: Undistributed income allocable to participating securities	(5,069)	(5,868)	(2,509)
Adjusted net income available to common stockholders	$ 94,904	$ 54,093	$ 36,974
Weighted average diluted shares, excluding participating securities (See Note 21 to our Consolidated Financial Statements)	149,253	147,827	143,295
Adjusted earnings per share—diluted	$ 0.64	$ 0.37	$ 0.26

During the years ended December 31, 2024 and 2023, we recognized a loss of $13.2 million (which includes an excise tax of $1.8 million) and a gain of $8.0 million, respectively, related to the repurchase of the Series A Preferred Stock and the Series C Preferred Stock. These items are excluded from net income, but are required to be added to net income to arrive at income available to common stockholders in the calculation of earnings per share under U.S. GAAP.

Liquidity and Capital Resources

The following table summarizes key data regarding our liquidity, capital resources and use of capital to fund our operations:

Balance Sheet Data (in thousands):	December 31, 2024	December 31, 2023
Cash and cash equivalents	$ 181,191	$ 129,305
Financial instruments owned, at fair value	85,439	58,722
Accounts receivable	44,866	35,473
Securities held-to-maturity	206	230
Total: Liquid assets	311,702	223,730
Less: Total current liabilities	(109,197)	(103,216)
Less: Other assets—seed capital (WisdomTree Digital Funds)	(20,866)	(18,308)
Less: Regulatory capital requirements	(39,423)	(29,156)
Total: Available liquidity	$ 142,216	$ 73,050

	Year Ended December 31,		
Cash Flow Data (in thousands):	2024	2023	2022
Operating cash flows	$ 113,461	$ 85,600	$ 55,087
Investing cash flows	(23,875)	82,049	(37,657)
Financing cash flows	(36,000)	(171,636)	(22,780)
Foreign exchange rate effect	(1,700)	1,191	(3,258)
Increase/(decrease) in cash and cash equivalents	$ 51,886	$ (2,796)	$ (8,608)

Liquidity

We consider our available liquidity to be our liquid assets, less our current liabilities, seed capital in WisdomTree Digital Funds and regulatory capital requirements of certain of our subsidiaries. Liquid assets consist of cash and cash equivalents, financial instruments owned, at fair value, accounts receivable and securities held-to-maturity. Our financial instruments owned, at fair value are highly liquid investments. Accounts receivable are current assets and primarily represent receivables from advisory fees we earn from our ETPs. Our current liabilities consist primarily of payments owed to vendors and third parties in the normal course of business, deferred consideration and accrued incentive compensation for employees.

Cash and cash equivalents increased $51.9 million during the year ended December 31, 2024 due to $345.0 million of proceeds from the issuance of the 3.25% Convertible Senior Notes due 2029, $113.5 million of net cash provided by operating activities and $48.1 million of proceeds from the sale of financial instruments owned, at fair value. These increases were partially offset by $143.8 million used to repurchase the Series A Preferred Stock, $132.7 million to repurchase a portion of our 5.75% Convertible Senior Notes due 2028, $69.4 million used to purchase financial instruments owned, at fair value, $62.9 million used to repurchase our common stock, $19.0 million used to pay dividends, $14.8 million paid to GBH, $7.7 million used to pay convertible notes issuance costs, $2.3 million used to pay for software development and $2.1 million used in other activities.

Cash and cash equivalents decreased $2.8 million during the year ended December 31, 2023 due to $184.3 million used to repurchase and settle our 4.25% Convertible Senior Notes due 2023, $57.4 million used to purchase financial instruments owned, at fair value, $50.0 million used to terminate our deferred consideration—gold payments obligation, $40.0 million used to repurchase our Series C Preferred Stock, $20.1 million used to pay dividends on our common stock, $11.2 million used to purchase investments, $3.6 million used to repurchase our common stock, $3.5 million used to pay issuance costs in respect of our 5.75% Convertible Senior Notes due 2028, $2.1 million used for software development and $1.2 million used in other activities. These decreases were partly offset by $130.0 million of proceeds from the issuance of the 5.75% Convertible Senior Notes due 2028, $123.6 million of proceeds from the sale of financial instruments owned, at fair value, $85.6 million of net cash provided by operating activities, $28.8 million of proceeds from the exit from our investment in Securrency, Inc. in connection with the sale of Securrency, Inc. to an unaffiliated third party, $1.5 million from receipt of contingent consideration related to the sale of our Canadian ETF business, and $1.1 million from other activities.

Cash and cash equivalents decreased $8.6 million during the year ended December 31, 2022 due to $55.1 million of net cash provided by operating activities and $52.1 million of proceeds from the sale of financial instruments owned, at fair value. These increases were partly offset by $67.7 million used to purchase financial instruments owned, at fair value, $21.9 million used to purchase investments, $19.4 million used to pay dividends, $3.4 million used to repurchase our common stock and $3.4 million from other activities.

Convertible Notes

We have the following convertible notes outstanding as of December 31, 2024:

- $150.0 million in aggregate principal amount of 3.25% Convertible Senior Notes due 2026 (the "2026 Notes");
- $25.8 million in aggregate principal amount of 5.75% Convertible Senior Notes due 2028 (the "2028 Notes"); and
- $345.0 million in aggregate principal amount of 3.25% Convertible Senior Notes due 2029 (the "2029 Notes").

Each class of notes were issued pursuant to indentures dated as of the issuance dates between us and U.S. Bank Trust Company, National Association, as trustee (either initially or as successor to U.S. Bank National Association, the "Trustee"), in private offerings to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended.

In connection with the issuance of the 2029 Notes, we repurchased $104.2 million in aggregate principal amount of 2028 Notes. As a result of this repurchase, we recognized a loss on extinguishment of approximately $30.6 million during the year ended December 31, 2024.

As of December 31, 2024, we had an aggregate principal amount of $520.8 million outstanding of the 2026 Notes, the 2028 Notes and the 2029 Notes (collectively, the "Convertible Notes").

Key terms of the Convertible Notes are as follows:

	2026 Notes	2028 Notes	2029 Notes
Principal outstanding	$150.0	$25.8	$345.0
Issuance date	June 14, 2021	February 14, 2023	August 13, 2024
Maturity date (unless earlier converted, repurchased or redeemed)	June 15, 2026	August 15, 2028	August 15, 2029
Interest rate	3.25%	5.75%	3.25%
Initial conversion price	$11.04	$9.54	$11.82
Initial conversion rate	90.5797	104.8658	84.5934
Redemption price	$14.35	$12.40	$15.37

- *Interest rate:* Payable semiannually in arrears on February 15 and August 15 of each year for the 2029 Notes and the 2028 Notes and on June 15 and December 15 of each year for the 2026 Notes.
- *Conversion price:* Convertible at an initial conversion rate into shares of our common stock, per $1,000 principal amount of notes (equivalent to an initial conversion price set forth in the table above), subject to adjustment.
- *Conversion:* Holders may convert at their option at any time prior to the close of business on the business day immediately preceding May 15, 2029 and May 15, 2028 for the 2029 Notes and the 2028 Notes, respectively, and March 15, 2026 for the 2026 Notes, only under the following circumstances: (i) if the last reported sale price of our common stock for at least 20 trading days during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price for the respective Convertible Notes on each applicable trading day; (ii) during the five business day period after any ten consecutive trading day period (the "measurement period") in which the trading price per $1,000 principal amount of the Convertible Notes for each trading day of the measurement period was less than 98% of the product of the last reported sales price of our common stock and the conversion rate on each such trading day; (iii) upon a notice of redemption delivered by us in accordance with the terms of the indentures but only with respect to the Convertible Notes called (or deemed called) for redemption; or (iv) upon the occurrence of specified corporate events. On or after May 15, 2029 and May 15, 2028 in respect of the 2029 Notes and the 2028 Notes, respectively, and March 15, 2026 in respect of the 2026 Notes, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their Convertible Notes at any time, regardless of the foregoing circumstances.
- *Cash settlement of principal amount:* Upon conversion, we will pay cash up to the aggregate principal amount of the Convertible Notes to be converted. At our election, we will also settle the conversion obligation in excess of the aggregate principal amount of the Convertible Notes being converted in either cash, shares of our common stock or a combination of cash and shares of common stock.
- *Redemption price:* We may redeem for cash all or any portion of the Convertible Notes, at our option, on or after August 20, 2026 and August 20, 2025 in respect of the 2029 Notes and the 2028 Notes, respectively, and June 20, 2023 in respect of the 2026 Notes and on or prior to the 55th scheduled trading day immediately preceding the maturity date, if the last reported sale price of our common stock has been at least 130% of the conversion price for the respective Convertible Notes then in effect for at least 20 trading days, including the trading day immediately preceding the date on which we provide notice of redemption, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which we provide notice of redemption, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding the redemption date. No sinking fund is provided for the Convertible Notes.

- *Limited investor put rights:* Holders of the Convertible Notes have the right to require us to repurchase for cash all or a portion of their notes at 100% of their principal amount, plus any accrued and unpaid interest, upon the occurrence of certain change of control transactions or liquidation, dissolution or common stock delisting events.
- *Conversion rate increase in certain customary circumstances:* In certain circumstances, conversions in connection with a “make-whole fundamental change” (as defined in the indentures) or conversions of Convertible Notes called (or deemed called) for redemption may result in an increase to the conversion rate, provided that the conversion rate will not exceed 103.6269 shares, 167.7853 shares and 144.9275 shares of our common stock per $1,000 principal amount of the 2029 Notes, the 2028 Notes and the 2026 Notes, respectively (the equivalent of 61,826,817 shares of our common stock based on the aggregate principal amount of Convertible Notes outstanding), subject to adjustment.
- *Seniority and Security:* The Convertible Notes rank equal in right of payment and are our senior unsecured obligations.

The indentures contain customary terms and covenants, including that upon certain events of default occurring and continuing, either the Trustee or the respective holders of not less than 25% in aggregate principal amount of the respective series of Convertible Notes outstanding may declare the entire principal amount of all such respective Convertible Notes to be repurchased, plus any accrued special interest, if any, to be immediately due and payable.

Capital Resources

Our principal source of financing is our operating cash flow. We believe that current cash flows generated by our operating activities and existing cash balances should be sufficient for us to fund our operations for the foreseeable future.

Our ability to satisfy our contractual obligations as they arise are discussed in the section titled “Contractual Obligations” below.

Use of Capital

Our business does not require us to maintain a significant cash position. However, certain of our subsidiaries are required to maintain a minimum level of regulatory capital, which at December 31, 2024 was approximately $39.4 million in the aggregate. Notwithstanding these regulatory capital requirements, we expect that our main uses of cash will be to fund the ongoing operations of our business. We also maintain a capital return program which includes a $0.03 per share quarterly cash dividend and authority to purchase our common stock through April 27, 2025, including purchases to offset future equity grants made under our equity plans and purchases made in open market or privately negotiated transactions.

During the year ended December 31, 2024, we repurchased 6,800,301 shares of our common stock under the repurchase program for an aggregate cost of $62.9 million. Currently, $150.0 million remains under this program for future purchases. In addition, on August 13, 2024, we repurchased all of our then-outstanding Series A Preferred Stock, which was convertible into 14,750,000 shares of our common stock, from ETFS Capital for aggregate cash consideration of approximately $143.8 million. See Note 11 to our Consolidated Financial Statements for additional information.

Contractual Obligations

Convertible Notes

We currently have $520.8 million in aggregate principal amount of Convertible Notes outstanding, of which $150.0 million, $25.8 million and $345.0 million are scheduled to mature on June 15, 2026, August 15, 2028 and August 15, 2029, in respect of the 2026 Notes, the 2028 Notes and the 2029 Notes, respectively, unless earlier converted, repurchased or redeemed. Conditional conversions or a requirement to repurchase the Convertible Notes upon the occurrence of a fundamental change may accelerate payment.

The Convertible Notes require cash settlement of up to the principal amount, while settlement of the conversion obligation in excess of the aggregate principal amount may be satisfied in either cash, shares of our common stock or a combination of cash and shares of our common stock. We may settle and/or refinance these obligations when due

See the section titled “Issuance of Convertible Notes” above for additional information.

Deferred Consideration–Gold Payments

On May 10, 2023, we entered into and closed on a Sale, Purchase and Assignment Deed to terminate our obligations relating to the contractual gold payments. Pursuant to that agreement, we paid consideration totaling $136.9 million, including an aggregate of $50.0 million in cash and the issuance of 13,087 shares of Series C Preferred Stock (valued at $86.9 million, based on the closing price of our common stock on May 9, 2023 of $6.64 per share), which was convertible into 13,087,000 shares of our common stock. The Series C Preferred Stock was subsequently repurchased on November 20, 2023 as described in “Payable to GBH” below. See Note 12 to our Consolidated Financial Statements for additional information.

Payable to GBH

On November 20, 2023, we repurchased our Series C Preferred Stock from GBH for aggregate cash consideration of approximately $84.4 million. Under the terms of the transaction, we paid GBH $54.8 million to date, with the remainder of the purchase price payable in equal, interest-free installments on the second and third anniversaries of the closing date. The implied price per share was $6.02 when considering the interest-free financing element of the transaction.

Operating Leases

Total future minimum lease payments with respect to our operating lease liabilities were $1.0 million at December 31, 2024. Cash flows generated by our operating activities and existing cash balances should be sufficient to satisfy the future minimum lease payments. See Note 13 to our Consolidated Financial Statements for additional information.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet financing or other arrangements and have neither created nor are party to any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt or operating our business.

Critical Accounting Policies and Estimates

Goodwill and Intangible Assets

Goodwill is the excess of the purchase price over the fair values of the identifiable net assets at the acquisition date. We test goodwill for impairment at least annually and at the time of a triggering event requiring re-evaluation, if one were to occur. Goodwill is considered impaired when the estimated fair value of the reporting unit that was allocated the goodwill is less than its carrying value. If the estimated fair value of such reporting unit is less than its carrying value, goodwill impairment is recognized based on that difference, not to exceed the carrying amount of goodwill. A reporting unit is an operating segment or a component of an operating segment provided that the component constitutes a business for which discrete financial information is available and management regularly reviews the operating results of that component.

Goodwill is allocated to our U.S. business and European business components. For impairment testing purposes, these components are aggregated as a single reporting unit as they fall under the same operating segment and have similar economic characteristics.

Goodwill is assessed for impairment annually on November 30th. When performing our goodwill impairment test, we consider a qualitative assessment, when appropriate, and the market approach and its market capitalization when determining the fair value of the reporting unit. The results of our most recent analysis indicated no impairment based upon a quantitative assessment.

Indefinite-lived intangible assets are tested for impairment at least annually and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Indefinite-lived intangible assets are impaired if their estimated fair value is less than their carrying value. We may rely on a qualitative assessment when performing our intangible asset impairment test. Otherwise, the impairment evaluation is performed at the lowest level of reasonably identifiable cash flows independent of other assets. The annual impairment testing date for our intangible assets is November 30th. The results of our most recent analysis identified no indicators of impairment to be recognized based upon a quantitative assessment (discounted cash flow analysis) which relied upon significant unobservable inputs including projected revenue growth rates of 3.0% and a weighted average cost of capital of 10.3%.

Investments

We account for equity investments that do not have a readily determinable fair value under the measurement alternative prescribed within Accounting Standards Codification Topic 321, *Investments – Equity Securities*, to the extent such investments are not subject to consolidation or the equity method. Under the measurement alternative, these financial instruments are carried at cost, less any impairment (assessed quarterly), plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. In addition, income is recognized when dividends are received only to the extent they are distributed from net accumulated earnings of the investee. Otherwise, such distributions are considered returns of investment and are recorded as a reduction of the cost of the investment. See Note 7 to our Consolidated Financial Statements for information.

Investments in debt instruments are accounted for at fair value, with changes in fair value reported in other income/(expenses).

Revenue Recognition

We earn a significant portion of our revenues in the form of advisory fees from our ETPs and recognize this revenue over time, as the performance obligation is satisfied. Advisory fees are based on a percentage of the ETPs' average daily net assets. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which we have a right to invoice.

Other revenues are earned from swap providers associated with certain of our European listed ETPs, the nature of which are based on a percentage of the ETPs' average daily net assets. We also earn transaction-based income on flows associated with certain European listed ETPs. There is no significant judgment in calculating amounts due, which are invoiced monthly or quarterly in arrears and are not subject to any potential reversal. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which we have a right to invoice.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The following information, together with information included in other parts of this Management's Discussion and Analysis of Financial Condition and Results of Operations, describes key aspects of our market risk.

Market Risk

Market risk to us generally represents the risk of changes in the value of our ETPs that results from fluctuations in securities or commodity prices, foreign currency exchange rates against the U.S. dollar, and interest rates. Nearly all our revenues are derived from advisory agreements for the WisdomTree ETPs. Under these agreements, the advisory fee we receive is based on the average market value of the assets in the WisdomTree ETP portfolios we manage.

Fluctuations in the value of the ETPs are common and are generated by numerous factors such as market volatility, the global economy, inflation, changes in investor strategies and sentiment, availability of alternative investment vehicles, domestic and foreign government regulations, emerging markets developments and others. Accordingly, changes in any one or a combination of these factors may reduce the value of investment securities and, in turn, the underlying AUM on which our revenues are earned. These declines may cause investors to withdraw funds from our ETPs in favor of investments that they perceive as offering greater opportunity or lower risk, thereby compounding the impact on our revenues. We believe challenging and volatile market conditions will continue to be present in the foreseeable future.

Interest Rate Risk

We invest our corporate cash in short-term interest earning assets, primarily in federal agency debt instruments, WisdomTree fixed income ETFs, U.S. treasuries, corporate bonds, money market instruments at a commercial bank and other financial instruments which totaled $109.2 million and $134.0 million as of December 31, 2023 and 2024, respectively. During the years ended December 31, 2023 and 2024, we recognized losses on these financial instruments of $0.5 million and $4.9 million, respectively, and any losses recognized in the future may be material to our operating results. We do not anticipate that changes in interest rates will have a material impact on our financial condition or cash flows.

In addition, our Convertible Notes bear interest at fixed rates of 3.25% for the 2026 Notes and the 2029 Notes and 5.75% for the 2028 Notes, respectively. Therefore, we have no direct financial statement risk associated with changes in interest rates. However, the fair value of the Convertible Notes changes primarily when the market price of our common stock fluctuates or interest rates change.

Exchange Rate Risk

We are subject to currency translation exposure on the results of our non-U.S. operations, primarily in the U.K. and Europe. Foreign currency translation risk is the risk that exchange rate gains or losses arise from translating foreign entities' statements of earnings and balance sheets from functional currency to our reporting currency (the U.S. dollar) for consolidation purposes. The advisory fees earned on our European listed ETPs are predominantly in U.S. dollars (and also paid in gold ounces, as described below); however, expenses for corporate overhead are generally incurred in British pounds. Currently, we do not enter into derivative financial instruments aimed at offsetting certain exposures in the statement of operations or the balance sheet but may seek to do so in the future.

Exchange rate risk associated with the euro is not considered to be significant.

Commodity and Cryptocurrency Price Risk

Fluctuations in the prices of commodities and cryptocurrencies that are linked to certain of our ETPs could have a material adverse effect on our AUM and revenues. In addition, a portion of the advisory fee revenues we receive on our ETPs backed by gold, other precious metals and cryptocurrencies are paid in the underlying metal or cryptocurrency. While we readily sell the gold, precious metals and cryptocurrencies that we earn under these advisory contracts, we still may maintain a position. We currently do not enter into arrangements to hedge against fluctuations in the price of these commodities and cryptocurrencies and any hedging we may undertake in the future may not be cost-effective or sufficient to hedge against this exposure.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The report of the independent registered public accounting firm and financial statements listed in the accompanying index are included in Item 15 of this Report. See Index to our Consolidated Financial Statements on page F-1 of this Report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of December 31, 2024, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(b) promulgated under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2024, our disclosure controls and procedures were effective at a reasonable assurance level in ensuring that material information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules, regulations and forms of the SEC, including ensuring that such material information is accumulated by and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

During the quarter ended December 31, 2024, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Report of Management on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. In order to evaluate the effectiveness of internal control over financial reporting, management has conducted an assessment, including testing, using the criteria in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework) (the COSO criteria). Our system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Based on the assessment, management has concluded that the Company maintained effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2024 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report, which is included herein.

ITEM 9B. OTHER INFORMATION

10b5-1 Trading Arrangements

During the three months ended December 31, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by Item 401 of Regulation S-K regarding directors and officers will be contained in our definitive proxy statement to be filed pursuant to Regulation 14A for our 2025 Annual Meeting of Stockholders, expected to be filed within 120 days of our fiscal year end, or in an amendment to this Form 10-K, and is incorporated herein by reference.

The information required by Item 405 of Regulation S-K will be contained in our definitive proxy statement or in an amendment to this Form 10-K and is incorporated herein by reference.

We have adopted a Code of Business Conduct and Ethics that applies to all of our directors, officers and employees, including our principal executive officer and principal financial and accounting officer. The Code of Business Conduct and Ethics is posted on our website at https://ir.wisdomtree.com/corporate-governance/governance-documents.

We will post any amendments to, or waivers from, a provision of the Code of Business Conduct and Ethics by posting such information on our website, at the address and location specified above.

We have adopted an insider trading policy that governs the purchase, sale and/or other transactions of our securities by our directors, officers and employees. A copy of our insider trading policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K. In addition, with regard to our Company trading in its own securities, it is our policy to comply with the federal securities laws and the applicable exchange listing requirements.

The information required by Item 407(c)(3), (d)(4) and (d)(5) of Regulation S-K will be contained in our definitive proxy statement or in an amendment to this Form 10-K and is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 402 and Item 407(e)(4) and (e)(5) of Regulation S-K will be contained in our definitive proxy statement or in an amendment to this Form 10-K and is incorporated herein by reference (excluding the information required by Item 402(v) of Regulation S-K relating to pay versus performance).

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by Item 201(d) and Item 403 of Regulation S-K will be contained in our definitive proxy statement or in an amendment to this Form 10-K and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by Item 404 and Item 407(a) of Regulation S-K will be contained in our definitive proxy statement or in an amendment to this Form 10-K and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Our independent public accounting firm is Ernst & Young LLP, NewYork, New York, PCAOB Auditor ID 42.

The information required by Item 9(e) of Schedule 14A will be contained in our definitive proxy statement or in an amendment to this Form 10-K and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS; FINANCIAL STATEMENT SCHEDULES

(a). The following are filed as part of this Report:

1. *Consolidated Financial Statements*: The consolidated financial statements and reports of independent registered public accounting firm required by this item are included beginning on page F-1.
2. *Financial Statement Schedules*: None.

All other schedules are omitted because they are not applicable or not required, or because the required information is shown either in the consolidated financial statements or in the notes thereto.

(b). Exhibits: The list of exhibits in the Exhibit Index immediately preceding the exhibits to this Report is incorporated herein by reference in response to this item.

ITEM 16. FORM 10-K SUMMARY

None.

WISDOMTREE, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of WisdomTree, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of WisdomTree, Inc. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, changes in stockholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

Company's disclosure of additional measures of segment profit or loss

In Note 27 to the consolidated financial statements, the Company has elected to disclose adjusted operating income and adjusted operating income margin as additional segment profit or loss measures as permitted pursuant to ASC 280 and that the U.S. Securities and Exchange Commission (SEC) defines as a non-GAAP measure. Accordingly, we express no opinion on whether the additional segment profit or loss measures comply with SEC Regulation S-K, Item 10(e) and Regulation G, Item 101.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 26, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

	ETFS Indefinite-Lived Intangible Assets – Assessment of Carrying Value
Description of the Matter	At December 31, 2024, the Company held indefinite-lived intangible assets related to the right to manage assets under management through customary advisory agreements, which have no expiration date, in connection with the ETFS acquisition, with an aggregate carrying value of $601,247,000. As described in Notes 2 and 24 to the consolidated financial statements, these assets were assessed for impairment based upon a quantitative test. Indefinite-lived intangible assets are impaired if their estimated fair values are less than their carrying values. The Company determined the fair value of its ETFS intangible assets using an income approach (discounted cash flow analysis) with significant unobservable inputs that included the weighted average cost of capital and projected revenue growth rates.

Auditing the Company’s quantitative impairment assessment for its ETFS indefinite-lived intangible assets was complex due to the significant unobservable inputs required in determining fair value. In particular, the fair value estimate of the ETFS indefinite-lived intangible assets was sensitive to the significant unobservable inputs described above which are affected by future economic and market conditions and thus require significant judgment.

How we Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company’s indefinite-lived intangible asset impairment assessment process. This included controls around management’s review of the significant unobservable inputs described above and the completeness and accuracy of the inputs to the valuation model.

To test the Company’s quantitative impairment assessment of ETFS indefinite-lived intangible assets, our audit procedures included, among others, evaluating the Company’s selection of its fair value methodology, testing the significant unobservable inputs used in the valuation model, evaluating the clerical accuracy of the valuation model and testing the completeness and accuracy of the underlying data used by the Company to determine fair value. For example, we agreed certain inputs used to calculate the weighted average cost of capital to market data. We compared the projected revenue growth rates to the Company's historical results and to those of other guideline public companies in the same industry. In addition, we assessed the accuracy of the Company's historical projections by comparing them to actual operating results. We involved our valuation specialists to assist in our evaluation of the Company’s valuation model, the weighted average cost of capital used by the Company and the comparability of the guideline public companies selected by the Company and to calculate an independent estimate of the indefinite-lived intangible assets which we compared to the Company’s fair value estimate. Additionally, we performed sensitivity analyses of certain significant unobservable inputs described above to evaluate the changes in the fair value of ETFS indefinite-lived intangible assets that would result from reasonably expected changes in the significant assumptions.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2010.

New York, New York
February 26, 2025

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of WisdomTree, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited WisdomTree, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, WisdomTree, Inc. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2024 consolidated financial statements of the Company and our report dated February 26, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

New York, New York
February 26, 2025

WisdomTree, Inc. and Subsidiaries

Consolidated Balance Sheets
(In Thousands, Except Per Share Amounts)

	December 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash, cash equivalents and restricted cash (including $11,282 and $5,007 invested in WisdomTree Government Money Market Digital Fund at December 31, 2024 and 2023, respectively)	$ 181,191	$ 129,305
Financial instruments owned, at fair value (including $78,540 and $47,559 invested in WisdomTree products at December 31, 2024 and 2023, respectively)	85,439	58,722
Accounts receivable (including $34,959 and $28,511 due from related parties at December 31, 2024 and 2023, respectively)	44,866	35,473
Prepaid expenses	5,340	5,258
Other current assets	1,542	1,036
Total current assets	318,378	229,794
Fixed assets, net	336	427
Securities held-to-maturity	206	230
Deferred tax assets, net	11,656	11,057
Investments (Note 7)	8,922	9,684
Right of use assets—operating leases (Note13)	880	563
Goodwill (Note 24)	86,841	86,841
Intangible assets, net (Note 24)	605,896	605,082
Other noncurrent assets	425	459
Total assets	$ 1,033,540	$ 944,137
Liabilities and stockholders' equity		
Liabilities		
Current liabilities:		
Fund management and administration payable	$ 31,135	$ 30,085
Compensation and benefits payable	39,701	38,111
Payable to Gold Bullion Holdings (Jersey) Limited ("GBH") (Note 12)	14,804	14,804
Income taxes payable	724	3,866
Operating lease liabilities (Note 13)	709	578
Accounts payable and other liabilities	22,124	15,772
Total current liabilities	109,197	103,216
Convertible notes (Note 10)	512,033	274,888
Payable to GBH (Note 12)	12,159	24,328
Operating lease liabilities (Note 13)	171	—
Total liabilities	633,560	402,432
Preferred stock—Series A Non-Voting Convertible, par value $0.01; Zero and 14.750 shares authorized, issued and outstanding at December 31, 2024 and 2023, respectively; redemption value of $0 and $96,869 at December 31, 2024 and 2023, respectively) (Note 11)	—	132,569
Contingencies (Note 14)		
Stockholders' equity		
Preferred stock, par value $0.01; 2,000 shares authorized:	—	—
Common stock, par value $0.01; 400,000 shares authorized; issued and outstanding: 146,102 and 150,330 at December 31, 2024 and 2023, respectively	1,461	1,503
Additional paid-in capital	270,303	312,440
Accumulated other comprehensive loss	(1,607)	(548)
Retained earnings	129,823	95,741
Total stockholders' equity	399,980	409,136
Total liabilities and stockholders' equity	$ 1,033,540	$ 944,137

The accompanying notes are an integral part of these consolidated financial statements

WisdomTree, Inc. and Subsidiaries

Consolidated Statements of Operations
(In Thousands, Except Per Share Amounts)

	Year Ended December 31,		
	2024	2023	2022
Operating Revenues:			
Advisory fees	$ 395,362	$ 333,227	$ 293,632
Other revenues	32,375	15,808	7,713
Total revenues	427,737	349,035	301,345
Operating Expenses:			
Compensation and benefits	121,281	109,532	97,897
Fund management and administration	83,963	71,348	64,761
Marketing and advertising	20,532	17,256	15,302
Sales and business development	14,817	13,584	11,871
Contractual gold payments (Note 9)	—	6,069	17,108
Professional fees	21,098	18,969	13,800
Occupancy, communications and equipment	5,344	4,684	3,898
Depreciation and amortization	1,752	872	262
Third-party distribution fees	11,138	9,377	7,656
Other	10,519	9,852	8,705
Total operating expenses	290,444	261,543	241,260
Operating income	137,293	87,492	60,085
Other Income/(Expenses):			
Interest expense	(18,911)	(15,242)	(14,935)
Gain on revaluation/termination of deferred consideration—gold payments (Note 9)	—	61,953	27,765
Interest income	6,778	4,099	3,320
Impairments (Note 26)	—	(7,942)	—
Loss on extinguishment of debt (Note 10)	(30,632)	(9,721)	—
Other gains/(losses), net	874	(1,631)	(36,285)
Income before income taxes	95,402	119,008	39,950
Income tax expense/(benefit)	28,709	16,462	(10,734)
Net income	$ 66,693	$ 102,546	$ 50,684
Earnings per share—basic	$ 0.34	$ 0.66	$ 0.31
Earnings per share—diluted	$ 0.33	$ 0.64	$ 0.31
Weighted-average common shares—basic	144,630	144,707	143,020
Weighted-average common shares—diluted	158,844	170,413	158,914
Cash dividends declared per common share	$ 0.12	$ 0.12	$ 0.12

The accompanying notes are an integral part of these consolidated financial statements

WisdomTree, Inc. and Subsidiaries

Consolidated Statements of Comprehensive Income
(In Thousands)

	Year Ended December 31,		
	2024	2023	2022
Net income	$ 66,693	$ 102,546	$ 50,684
Other comprehensive (loss)/income			
Foreign currency translation adjustment, net of income taxes	(1,059)	872	(2,102)
Other comprehensive (loss)/income	(1,059)	872	(2,102)
Comprehensive income	$ 65,634	$ 103,418	$ 48,582

The accompanying notes are an integral part of these consolidated financial statements

WisdomTree, Inc. and Subsidiaries

Consolidated Statements of Changes in Stockholders' Equity
(In Thousands)

	Series C Preferred Stock		Common Stock					
	Shares Issued	Par Value	Shares Issued	Par Value	Additional Paid-In Capital	Accumulated Other Comprehensive Income/(Loss)	(Accumulated Deficit)/Retained Earnings	Total
Balance—January 1, 2022	—	—	145,107	$ 1,451	$ 289,736	$ 682	$ (22,445)	$ 269,424
Restricted stock issued and vesting of restricted stock units, net	—	—	2,003	20	(20)	—	—	—
Shares repurchased	—	—	(593)	(6)	(3,412)	—	—	(3,418)
Stock-based compensation	—	—	—	—	10,385	—	—	10,385
Other comprehensive loss	—	—	—	—	—	(2,102)	—	(2,102)
Dividends	—	—	—	—	(4,842)	—	(14,520)	(19,362)
Net income	—	—	—	—	—	—	50,684	50,684
Balance—December 31, 2022	—	—	146,517	$ 1,465	$ 291,847	$ (1,420)	$ 13,719	$ 305,611
Restricted stock issued and vesting of restricted stock units, net	—	—	3,412	34	(34)	—	—	—
Shares issued in connection with convertible notes that matured on June 15, 2023 (Note 10)	—	—	1,037	10	35	—	—	45
Shares issued in connection with termination of the deferred consideration—gold payments obligation, net of issuance costs (Note 9)	13	—	—	—	86,801	—	—	86,801
Shares repurchased that were issued in connection with termination of the deferred consideration—gold payments obligation, net of issuance costs (Notes 12 and 23)	(13)	—	—	—	(78,835)	—	—	(78,835)
Shares repurchased	—	—	(636)	(6)	(3,564)	—	—	(3,570)
Stock-based compensation	—	—	—	—	16,190	—	—	16,190
Other comprehensive income	—	—	—	—	—	872	—	872
Dividends	—	—	—	—	—	—	(20,524)	(20,524)
Net income	—	—	—	—	—	—	102,546	102,546
Balance—December 31, 2023	—	—	150,330	$ 1,503	$ 312,440	$ (548)	$ 95,741	$ 409,136
Restricted stock issued and vesting of restricted stock units, net	—	—	2,572	26	(26)	—	—	—
Shares repurchased	—	—	(6,800)	(68)	(62,802)	—	—	(62,870)
Stock-based compensation	—	—	—	—	20,691	—	—	20,691
Repurchase of Series A Preferred Stock (Note 11)	—	—	—	—	—	—	(11,375)	(11,375)
Excise taxes – Stock repurchases	—	—	—	—	—	—	(1,868)	(1,868)
Other comprehensive loss	—	—	—	—	—	(1,059)	—	(1,059)
Dividends	—	—	—	—	—	—	(19,368)	(19,368)
Net income	—	—	—	—	—	—	66,693	66,693
Balance—December 31, 2024	—	—	146,102	$ 1,461	$ 270,303	$ (1,607)	$ 129,823	$ 399,980

The accompanying notes are an integral part of these consolidated financial statements

WisdomTree, Inc. and Subsidiaries

Consolidated Statements of Cash Flows
(In Thousands)

	Year Ended December 31,		
	2024	2023	2022
Cash flows from operating activities:			
Net income	$ 66,693	$ 102,546	$ 50,684
Adjustments to reconcile net income to net cash provided by operating activities:			
Advisory fees received in gold and other precious metals	(53,452)	(49,400)	(57,290)
Loss on extinguishment of debt	30,632	9,721	—
Stock-based compensation	20,691	16,190	10,385
(Gains)/losses on financial instruments owned, at fair value	(4,851)	517	16,516
Imputed interest on payable to GBH	2,635	297	—
Amortization of issuance costs—convertible notes	1,893	1,817	2,592
Depreciation and amortization	1,752	872	262
Amortization of right of use asset	1,304	1,285	963
Losses on investments	1,135	242	—
Deferred income taxes	(398)	(481)	(1,296)
Gain on revaluation of deferred consideration—gold payments	—	(61,953)	(27,765)
Impairments	—	7,942	—
Contractual gold payments	—	6,069	17,108
Other	—	—	(1,984)
Changes in operating assets and liabilities:			
Accounts receivable	(9,036)	(6,212)	(720)
Prepaid expenses	(107)	(518)	(808)
Gold and other precious metals	52,640	42,150	41,847
Other assets	(247)	281	(309)
Fund management and administration payable	1,290	5,837	3,723
Compensation and benefits payable	1,937	1,209	4,485
Income taxes payable	(3,126)	2,260	(2,308)
Operating lease liabilities	(1,320)	(1,284)	(965)
Accounts payable and other liabilities	3,396	6,213	(33)
Net cash provided by operating activities	113,461	85,600	55,087
Cash flows from investing activities:			
Purchase of financial instruments owned, at fair value	(69,439)	(57,364)	(67,734)
Cash paid—software development	(2,336)	(2,149)	—
Purchase of investments	(674)	(11,228)	(21,863)
Purchase of fixed assets	(141)	(113)	(220)
Cash paid—acquisition of Securrency Transfers, Inc. (net of cash acquired)	—	(985)	—
Proceeds from the sale of financial instruments owned, at fair value	48,126	123,564	52,115
Proceeds from exiting investments	565	28,818	—
Proceeds from held-to-maturity securities maturing or called prior to maturity	24	29	45
Proceeds from receipt of contingent consideration related to the sale of Canadian ETF business	—	1,477	—
Net cash (used in)/provided by investing activities	(23,875)	82,049	(37,657)
Cash flows from financing activities:			
Repurchase of Series A Preferred Stock	(143,812)	—	—
Repurchase and maturity of convertible notes	(132,713)	(184,272)	—
Shares repurchased	(62,870)	(3,570)	(3,418)
Dividends paid	(19,002)	(20,144)	(19,362)
Cash paid to GBH	(14,804)	—	—
Issuance costs—convertible notes	(7,667)	(3,548)	—
Repurchase costs—Series A Preferred Stock	(132)	—	—
Proceeds from the issuance of convertible notes (Note 10)	345,000	130,000	—
Termination of deferred consideration—gold payments	—	(50,005)	—
Repurchase of Series C Preferred Stock	—	(40,000)	—
Issuance costs—Series C Preferred Stock	—	(97)	—
Net cash used in financing activities	(36,000)	(171,636)	(22,780)
(Decrease)/increase in cash flow due to changes in foreign exchange rate	(1,700)	1,191	(3,258)
Net increase/(decrease) in cash and cash equivalents	51,886	(2,796)	(8,608)
Cash, cash equivalents and restricted cash—beginning of year	129,305	132,101	140,709
Cash, cash equivalents and restricted cash—end of year	$ 181,191	$ 129,305	$ 132,101

	Year Ended December 31,		
	2024	2023	2022
Supplemental disclosure of cash flow information:			
Cash paid for income taxes	$ 32,218	$ 16,156	$ 12,500
Cash paid for interest	$ 12,350	$ 10,709	$ 12,313

NON-CASH ACTIVITIES

On May 10, 2023, the Company issued 13.087 shares of Series C Non-Voting Convertible Preferred Stock (the “Series C Preferred Stock”) (valued at $86,898) in connection with the termination of its deferred consideration—gold payments obligation. Those shares were subsequently repurchased on November 20, 2023 for aggregate consideration of approximately $84,411, with $40,000 paid on the closing date and the remainder of the purchase price payable in equal annual installments on the first, second and third anniversaries of the closing date, with no requirement to pay interest. See Notes 11 and 12 for additional information.

On June 15, 2023, the Company issued 1,037 shares of common stock (as the conversion option was in the money) in connection with the maturity of $60,000 aggregate principal amount of 4.25% Convertible Senior Notes due 2023.

The accompanying notes are an integral part of these consolidated financial statements

WisdomTree, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
(In Thousands, Except Share and Per Share Amounts)

1. Organization and Description of Business

WisdomTree, Inc., through its global subsidiaries (collectively, "WisdomTree" or the "Company"), is a global financial innovator, offering a diverse suite of exchange-traded products ("ETPs"), models, solutions and products leveraging blockchain technology. Building on its heritage of innovation, the Company has introduced next-generation digital products and services, including blockchain-enabled mutual funds ("Digital Funds") and tokenized assets, as well as its blockchain-native digital wallet, WisdomTree Prime, and institutional platform, WisdomTree Connect. The Company has the following wholly-owned operating subsidiaries:

- *WisdomTree Asset Management, Inc.* ("WTAM") is a New York based investment adviser registered with the SEC, providing investment advisory and other management services to the WisdomTree Trust ("WTT") and WisdomTree exchange-traded funds ("ETFs"). The WisdomTree ETFs are issued in the U.S. by WTT. WTT is a non-consolidated Delaware statutory trust registered with the SEC as an open-end management investment company. The Company has licensed to WTT the use of certain of its own indexes on an exclusive basis for the WisdomTree ETFs in the U.S.
- *WisdomTree Management Jersey Limited* ("ManJer") is a Jersey based management company providing management services to seven issuers (the "ManJer Issuers") in respect of the ETPs issued and listed by the ManJer Issuers covering commodity, currency, cryptocurrency and leveraged-and-inverse strategies.
- *WisdomTree Multi Asset Management Limited* ("WTMAML") is a Jersey based management company providing management services to WisdomTree Multi Asset Issuer PLC ("WMAI") in respect of the ETPs issued by WMAI. WMAI is a non-consolidated public limited company domiciled in Ireland.
- *WisdomTree Management Limited* ("WML") is an Ireland based management company providing management services to WisdomTree Issuer ICAV ("WTICAV") in respect of the WisdomTree UCITS ETFs issued by WTICAV. WTICAV is a non-consolidated public limited company domiciled in Ireland.
- *WisdomTree UK Limited* ("WTUK") is a U.K. based company registered with the Financial Conduct Authority currently providing distribution and support services to ManJer, WTMAML and WML.
- *WisdomTree Europe Limited* is a U.K. based company which is the legacy distributor of the WMAI ETPs and WisdomTree UCITS ETFs. These services are now provided directly by WTUK. WisdomTree Europe Limited is no longer regulated and does not provide any regulated services.
- *WisdomTree Ireland Limited* ("WT Ireland") is an Ireland based company authorized by the Central Bank of Ireland providing distribution services to ManJer, WTMAML and WML.
- *WisdomTree Digital Commodity Services, LLC* is a New York based company that serves as the sponsor of the WisdomTree Bitcoin Fund, which is currently effective with the SEC. The WisdomTree Bitcoin Fund is an exchange-traded fund that issues common shares of beneficial interest and is listed on the Cboe BZX Exchange, Inc. The WisdomTree Bitcoin Fund provides exposure to the spot price of bitcoin.
- *WisdomTree Digital Management, Inc.* ("WT Digital Management") is a New York based investment adviser registered with the SEC, providing investment advisory and other management services to the WisdomTree Digital Trust ("WTDT") and WisdomTree Digital Funds. The WisdomTree Digital Funds are issued in the U.S. by WTDT. WTDT is a non-consolidated Delaware statutory trust registered with the SEC as an open-end management investment company. Each Digital Fund uses a blockchain-integrated recordkeeping system to maintain a record of its shares on one or more blockchains (e.g., Stellar or Ethereum), but does not directly or indirectly invest in any assets that rely on blockchain technology, such as cryptocurrencies.
- *WisdomTree Digital Movement, Inc.* ("WT Digital Movement") is a New York based company operating as a money services business registered with the Financial Crimes Enforcement Network. WT Digital Movement has obtained and is seeking additional state money transmitter licenses to operate a platform for the purchase, sale and exchange of tokenized assets, while also providing blockchain-native digital wallet services through WisdomTree Prime to facilitate such activity.
- *WisdomTree Securities, Inc.* is a New York based limited purpose broker-dealer (i.e., mutual fund retailer) registered with the SEC and FINRA, facilitating transactions in WisdomTree Digital Funds.

- *WisdomTree Transfers, Inc.* is a New York based transfer agent registered with the SEC, providing transfer agency and registrar services for the Digital Funds. The transfer agent uses a blockchain-integrated recordkeeping system for the ownership of WisdomTree Digital Fund shares.
- *WisdomTree Digital Trust Company, LLC* is a New York based limited liability trust company that has been formed to operate as a limited purpose trust company under New York Banking Law and is licensed to engage in virtual currency business activity by the New York State Department of Financial Services.

2. Significant Accounting Policies

Basis of Presentation

These consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles (“GAAP”) and in the opinion of management reflect all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of the financial statements. The consolidated financial statements include the accounts of the Company’s wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Consolidation

The Company consolidates entities in which it has a controlling financial interest. The Company determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity (“VOE”) or a variable interest entity (“VIE”). The usual condition for a controlling financial interest in a VOE is ownership of a majority voting interest. If the Company has a majority voting interest in a VOE, the entity is consolidated. The Company has a controlling financial interest in a VIE when the Company has a variable interest that provides it with (i) the power to direct the activities of the VIE that most significantly impact the VIE’s economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The Company reassesses its evaluation of whether an entity is a VOE or VIE when certain reconsideration events occur.

Segment and Geographic Information

The Company, through its subsidiaries in the U.S. and Europe, is a global financial innovator, offering a diverse suite of ETPs, models, solutions and products leveraging blockchain technology. The Company conducts business as a single operating segment as an ETP sponsor and asset manager, which is based upon the Company’s current organizational and management structure, as well as information used by the Company’s Chief Executive Officer (the chief operating decision maker, or CODM) to allocate resources and other factors.

Foreign Currency Translation

Assets and liabilities of subsidiaries whose functional currency is not the U.S. dollar are translated based on the end of period exchange rates from local currency to U.S. dollars. Results of operations are translated at the average exchange rates in effect during the period. The impact of the foreign currency translation adjustment is included in the Consolidated Statements of Comprehensive Income as a component of other comprehensive (loss)/income.

Use of Estimates

The preparation of the Company’s consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the balance sheet dates and the reported amounts of revenues and expenses for the periods presented. Actual results could differ materially from those estimates.

Revenue Recognition

The Company earns a significant portion of its revenues in the form of advisory fees from its ETPs and recognizes this revenue over time, as the performance obligation is satisfied. Advisory fees are based on a percentage of the ETPs’ average daily net assets. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which the Company has a right to invoice.

Other revenues are earned from swap providers associated with certain of the Company’s European listed ETPs, the nature of which are based on a percentage of the ETPs’ average daily net assets. The Company also earns transaction-based income on flows associated with certain European listed ETPs. There is no significant judgment in calculating amounts due, which are invoiced monthly or quarterly in arrears and are not subject to any potential reversal. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which the Company has a right to invoice.

Contractual Gold Payments

Contractual gold payments were measured and paid monthly based upon the average daily spot price of gold. The Company’s obligation to continue making these payments terminated on May 10, 2023.

Marketing and Advertising

Marketing and advertising costs, including media advertising and production costs, are expensed when incurred.

Depreciation and Amortization

Depreciation and amortization is provided for using the straight-line method over the estimated useful lives of the related assets as follows:

Equipment	3 to 5 years
Internally-developed software	3 years

The assets listed above are recorded at cost less accumulated depreciation and amortization.

Stock-Based Awards

Accounting for stock-based compensation requires the measurement and recognition of compensation expense for all equity awards based on estimated fair values. Stock-based compensation is measured based on the grant-date fair value of the award and is amortized over the relevant service period. Forfeitures are recognized when they occur.

Third-Party Distribution Fees

The Company pays a percentage of its advisory fee revenues based on incremental growth in assets under management ("AUM"), subject to caps or minimums, to marketing agents to sell WisdomTree ETPs and for including WisdomTree ETPs on third-party customer platforms and recognizes these expenses as incurred.

Cash, Cash Equivalents and Restricted Cash

The Company considers all highly liquid investments with an original maturity of 90 days or less at the time of purchase to be classified as cash equivalents. The Company maintains deposits with financial institutions in an amount that is in excess of federally insured limits. Restricted cash is required to be maintained in a separate account with withdrawal and usage restrictions.

Accounts Receivable

Accounts receivable are customer and other obligations due under normal trade terms. The Company measures credit losses, if any, by applying historical loss rates, adjusted for current conditions and reasonable and supportable forecasts to amounts outstanding using the aging method.

Impairment of Long-Lived Assets

The Company performs a review for the impairment of long-lived assets when events or changes in circumstances indicate that the estimated undiscounted future cash flows expected to be generated by the assets are less than their carrying amounts or when other events occur which may indicate that the carrying amount of an asset may not be recoverable.

Financial Instruments Owned and Financial Instruments Sold, but Not yet Purchased (at Fair Value)

Financial instruments owned and financial instruments sold, but not yet purchased are financial instruments classified as either trading or available-for-sale ("AFS"). These financial instruments are recorded on their trade date and are measured at fair value. All equity instruments that have readily determinable fair values are classified by the Company as trading. Debt instruments are classified based primarily on the Company's intent to hold or sell the instrument. Changes in the fair value of debt instruments classified as trading and AFS are reported in other income/(expenses) and other comprehensive income, respectively, in the period the change occurs. Debt instruments classified as AFS are assessed for impairment on a quarterly basis and an estimate for credit loss is provided when the fair value of the AFS debt instrument is below its amortized cost basis. Credit-related impairments are recognized in earnings with a corresponding adjustment to the instrument's amortized cost basis if the Company intends to sell the impaired AFS debt instrument or it is more likely than not the Company will be required to sell the instrument before recovering its amortized cost basis. Other credit-related impairments are recognized as an allowance with a corresponding adjustment to earnings. Impairments resulting from noncredit-related factors are recognized in other comprehensive income. Amounts recorded in other comprehensive income are reclassified into earnings upon sale of the AFS debt instrument using the specific identification method.

Securities Held-to-Maturity

The Company accounts for certain of its securities as held-to-maturity on a trade date basis, which are recorded at amortized cost. For held-to-maturity securities, the Company has the intent and ability to hold these securities to maturity and it is not more-likely-than-not that the Company will be required to sell these securities before recovery of their amortized cost bases, which may be maturity. Held-to-maturity securities are placed on non-accrual status when the Company is in receipt of information indicating collection of interest is doubtful. Cash received on held-to-maturity securities placed on non-accrual status is recognized on a cash basis as interest income if and when received.

The Company reviews its portfolio of held-to-maturity securities for impairment on a quarterly basis, recognizing an allowance, if any, by applying an estimated loss rate after consideration for the nature of collateral securing the financial asset as well as potential future changes in collateral values and historical loss information for financial assets secured with similar collateral.

Investments in pass-through government-sponsored enterprises (“GSEs”) are determined to have an estimated loss rate of zero due to an implicit U.S. government guarantee.

Investments

The Company accounts for equity investments that do not have a readily determinable fair value under the measurement alternative prescribed in Accounting Standards Codification (“ASC”) Topic 321, *Investments – Equity Securities* (“ASC 321”), to the extent such investments are not subject to consolidation or the equity method. Under the measurement alternative, these financial instruments are carried at cost, less any impairment (assessed quarterly), plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. In addition, income is recognized when dividends are received only to the extent they are distributed from net accumulated earnings of the investee. Otherwise, such distributions are considered returns of investment and are recorded as a reduction of the cost of the investment.

Investments in debt instruments are accounted for at fair value, with changes in fair value reported in other income/(expenses).

Goodwill

Goodwill is the excess of the purchase price over the fair values of the identifiable net assets at the acquisition date. The Company tests goodwill for impairment at least annually and at the time of a triggering event requiring re-evaluation, if one were to occur. Goodwill is considered impaired when the estimated fair value of the reporting unit that was allocated the goodwill is less than its carrying value. If the estimated fair value of such reporting unit is less than its carrying value, goodwill impairment is recognized based on that difference, not to exceed the carrying amount of goodwill. A reporting unit is an operating segment or a component of an operating segment provided that the component constitutes a business for which discrete financial information is available and management regularly reviews the operating results of that component.

Goodwill is allocated to the Company’s U.S. business and European business components. For impairment testing purposes, these components are aggregated as a single reporting unit as they fall under the same operating segment and have similar economic characteristics.

Goodwill is assessed for impairment annually on November 30th. When performing its goodwill impairment test, the Company considers a qualitative assessment, when appropriate, and a quantitative assessment using the market approach and its market capitalization when determining the fair value of the reporting unit.

Intangible Assets

Indefinite-lived intangible assets are tested for impairment at least annually and are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Indefinite-lived intangible assets are impaired if their estimated fair values are less than their carrying values.

Finite-lived intangible assets, if any, are amortized over their estimated useful life, which is the period over which the assets are expected to contribute directly or indirectly to the future cash flows of the Company. These intangible assets are tested for impairment at the time of a triggering event, if one were to occur. Finite-lived intangible assets may be impaired when the estimated undiscounted future cash flows generated from the assets are less than their carrying amounts.

The Company may rely on a qualitative assessment when performing its intangible asset impairment test. Otherwise, the impairment evaluation is performed at the lowest level of reasonably identifiable cash flows independent of other assets. The annual impairment testing date for all of the Company’s intangible assets is November 30th.

Software Development Costs

Software development costs incurred after the preliminary project stage is complete are capitalized if it is probable that the project will be completed and the software will be used as intended. Capitalized costs consist of employee compensation costs and fees paid to third parties who are directly involved in the application development efforts and are included in intangible assets, net in the Consolidated Balance Sheets. Such costs are amortized over the estimated useful life of the software on a straight-line basis and are included in depreciation and amortization in the Consolidated Statements of Operations. Once the application development stage is complete, additional costs are expensed as incurred.

Leases

The Company accounts for its lease obligations in accordance with ASC Topic 842, *Leases* (“ASC 842”), which requires the recognition of both (i) a lease liability equal to the present value of the remaining lease payments and (ii) an offsetting right-of-use asset. The remaining lease payments are discounted using the rate implicit in the lease, if known, or otherwise the Company’s incremental borrowing rate. After lease commencement, right-of-use assets are assessed for impairment and otherwise are amortized over the remaining lease term on a straight-line basis. These recognition requirements are not applied to short-term leases which are those with a lease term of 12 months or less. Instead, lease payments associated with short-term leases are recognized as an expense on a straight-line basis over the lease term.

ASC 842 also provides a practical expedient which allows for consideration in a contract to be accounted for as a single lease component rather than allocated between lease and non-lease components. The Company has elected to apply this practical expedient to all lease contracts, where applicable.

Deferred Consideration—Gold Payments

Deferred consideration—gold payments represented the present value of an obligation to pay gold to a third party into perpetuity and was measured using forward-looking gold prices observed on the CMX exchange, a selected discount rate and perpetual growth rate (Note 9). Changes in the fair value and settlement of this obligation were reported as gain on revaluation/termination of deferred consideration—gold payments in the Consolidated Statements of Operations.

Convertible Notes

Convertible notes are carried at amortized cost, net of issuance costs. The Company accounts for convertible instruments as a single liability (applicable to the convertible notes) or equity with no separate accounting for embedded conversion features unless the conversion feature meets the criteria for accounting under the substantial premium model or does not qualify for a derivative scope exception. Interest expense is recognized using the effective interest method and includes amortization of issuance costs over the life of the debt.

Contingencies

The Company may be subject to reviews, inspections and investigations by regulatory authorities as well as legal proceedings arising in the ordinary course of business. The Company evaluates the likelihood of an unfavorable outcome of all legal or regulatory proceedings to which it is a party and accrues a loss contingency when the loss is probable and reasonably estimable.

Contingent Payments

The Company recognizes a gain on contingent payments when the contingency is resolved and the gain is realized.

Earnings per Share

Basic earnings per share (“EPS”) is computed by dividing net income available to common stockholders by the weighted-average number of common shares outstanding for the period. Net income available to common stockholders represents net income of the Company reduced by an allocation of earnings to participating securities, as well as the loss related to the repurchase of the Series A non-voting convertible preferred stock and excise tax on stock repurchases. The Series A non-voting convertible preferred stock and Series C non-voting convertible preferred stock (Notes 9 and 11) and unvested share-based payment awards that contained non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) were participating securities while they were outstanding and were included in the computation of EPS pursuant to the two-class method. Share-based payment awards that do not contain such rights are not deemed participating securities and are included in diluted shares outstanding (if dilutive).

Diluted EPS is calculated under the treasury stock method and the two-class method. The calculation that results in the lowest diluted EPS amount for the common stock is reported in the Company’s consolidated financial statements. The treasury stock method includes the dilutive effect of potential common shares including unvested stock-based awards, the Series A non-voting convertible preferred stock, the Series C non-voting convertible preferred stock and the convertible notes, if any. Potential common shares associated with the Series A non-voting convertible preferred stock, the Series C non-voting convertible preferred stock and the convertible notes were computed under the if-converted method. Potential common shares associated with the conversion option embedded in the convertible notes are dilutive when the Company’s average stock price exceeds the conversion price.

Income Taxes

The Company accounts for income taxes using the liability method, which requires the determination of deferred tax assets and liabilities based on the differences between the financial and tax bases of assets and liabilities using the enacted tax rates in effect for the year in which differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance if, based on the weight of available evidence, it is more-likely-than-not that some portion or all the deferred tax assets will not be realized.

Tax positions are evaluated utilizing a two-step process. The Company first determines whether any of its tax positions are more-likely-than-not to be sustained upon examination, based solely on the technical merits of the position. Once it is determined that a position meets this recognition threshold, the position is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. The Company records interest expense and penalties related to tax expenses as income tax expense.

The Global Intangible Low-Taxed Income ("GILTI") provisions of the Tax Reform Act requires the Company to include in its U.S. income tax return foreign subsidiary earnings in excess of an allowable return on the foreign subsidiary's tangible assets. An accounting policy election is available to either account for the tax effects of GILTI in the period that is subject to such taxes or to provide deferred taxes for book and tax basis differences that upon reversal may be subject to such taxes. The Company accounts for the tax effects of these provisions in the period that is subject to such tax.

Non-income based taxes are recorded as part of other liabilities and other expenses. Excise taxes on stock repurchases are accounted for as a direct cost of the share repurchase transaction and reported as a reduction of stockholders' equity.

Recently Adopted Accounting Pronouncements

On December 14, 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-09, *Improvements to Income Tax Disclosures*, which establishes new income tax disclosure requirements in addition to modifying and eliminating certain existing requirements. Under the new guidance, entities must consistently categorize and provide greater disaggregation of information in the rate reconciliation. They must also further disaggregate income taxes paid. The standard is intended to benefit stockholders by providing more detailed income tax disclosures that would be useful in making capital allocation decisions. The guidance applies to all entities subject to income taxes and is effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted. The Company adopted this standard on a prospective basis for the year ended December 31, 2024. See Note 22 for additional information.

On January 1, 2024, the Company adopted ASU 2023-07, *Segment Reporting—Improvements to Reportable Segment Disclosures*, which requires public entities to provide disclosures of significant segment expenses and other segment items. The guidance requires public entities to provide in interim periods all disclosures about a reportable segment's profit or loss and assets that are currently required annually and also applies to public entities with a single reportable segment. Entities are permitted to disclose more than one measure of a segment's profit or loss if such measures are used by the CODM to allocate resources and assess performance, as long as at least one of those measures is determined in a way that is most consistent with the measurement principles used to measure the corresponding amounts in the consolidated financial statements. The guidance is applied retrospectively to all periods presented in financial statements, unless it is impracticable, and is effective for fiscal years beginning after December 15, 2023, and for interim periods beginning after December 15, 2024. See Note 26 for additional information.

On January 1, 2024, the Company early adopted ASU 2023-08, *Accounting for and Disclosure of Crypto Assets*, which contains final guidance requiring all entities to measure certain crypto assets at fair value each reporting period and to reflect changes from remeasurement in net income. Entities are required to present crypto assets measured at fair value separately from other intangible assets on the balance sheet and present changes from the remeasurement of crypto assets separately from changes in the carrying amounts of other intangible assets in the income statement. Entities are required to provide interim and annual disclosures about the types of crypto assets they hold and any changes in their holdings of crypto assets. The guidance is effective for fiscal years beginning after December 15, 2024, including interim periods within those fiscal years. The adoption of this standard did not have a material impact on the Company's financial statements.

3. Cash, Cash Equivalents and Restricted Cash

Of the total cash, cash equivalents and restricted cash of $181,191 and $129,305 at December 31, 2024 and 2023, respectively, $155,871 and $116,895 were held at three financial institutions. At December 31, 2024 and 2023, cash equivalents were approximately $48,336 and $50,226, respectively.

Certain of the Company's subsidiaries are required to maintain a minimum level of regulatory capital, generally satisfied by cash on hand, which was $39,423 and $29,156 at December 31, 2024 and 2023, respectively. Of these amounts, $13,403 and $2,130, at December 31, 2024 and 2023, respectively, was restricted cash, which is required to be maintained in a separate account with withdrawal and usage restrictions in compliance with regulatory obligations.

4. Fair Value Measurements

The fair value of financial instruments is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., “the exit price”) in an orderly transaction between market participants at the measurement date. ASC 820, *Fair Value Measurement*, establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1 – Quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 – Instruments whose significant drivers are unobservable.

The availability of observable inputs can vary from product to product and is affected by a wide variety of factors, including, for example, the type of product, whether the product is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by management in determining fair value is greatest for instruments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The tables below summarize the categorization of the Company’s assets and liabilities measured at fair value. During the years ended December 31, 2023 and 2022, there were no transfers between Levels 2 and 3.

	December 31, 2024			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Recurring fair value measurements:				
Cash equivalents	$ 48,336	$ 48,336	$ —	$ —
Financial instruments owned, at fair value:				
ETFs	62,907	62,907	—	—
Pass-through GSEs	6,898	—	6,898	—
Other assets—seed capital (WisdomTree Digital Funds):				
U.S. treasuries	5,251	—	5,251	—
Equities	8,478	8,478	—	—
Fixed income	1,905	1,019	886	—
Other investments	687	—	—	687
Total	$ 134,462	$ 120,740	$ 13,035	$ 687
Non-recurring fair value measurements:				
Fnality International Limited—Series B-1 Preference Shares[1]	$ 8,288	$ —	$ —	$ 8,288

[1] Fair value determined on June 17, 2024. Not included above are prospective changes in value due to fluctuations in the British pound to U.S. dollar exchange rate.

	December 31, 2023			
	Total	Level 1	Level 2	Level 3
Assets:				
Recurring fair value measurements:				
Cash equivalents	$ 50,226	$ 50,226	$ —	$ —
Financial instruments owned, at fair value:				
ETFs	35,181	35,181	—	—
Pass-through GSEs	10,240	—	10,240	—
Other assets—seed capital (WisdomTree Digital Funds):				
U.S. treasuries	5,007	—	5,007	—
Equities	6,337	6,337	—	—
Fixed income	1,957	1,008	949	—
Total	$ 108,948	$ 92,752	$ 16,196	$ —
Non-recurring fair value measurements:				
Fnality International Limited—Series B-1 Preference Shares(1)	9,684	—	—	9,684
Other investments(2)	—	—	—	—
Total	$ 9,684	$ —	$ —	$ 9,684

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(1) Fair value determined on October 31, 2023

(2) Fair value determined on September 30, 2023

Recurring Fair Value Measurements - Methodology

Cash Equivalents (Note 3) – These financial assets represent cash invested in highly liquid investments with original maturities of less than 90 days. These investments are valued at par, which approximates fair value, and are classified as Level 1 in the fair value hierarchy.

Financial instruments owned (Note 5) – Financial instruments owned are investments in ETFs, pass-through GSEs, U.S. treasuries, equities and fixed income. ETFs and equities are generally traded in active, quoted and highly liquid markets and are therefore classified as Level 1 in the fair value hierarchy. Pricing of U.S. treasuries, pass-through GSEs and fixed income includes consideration given to date of issuance, collateral characteristics and market assumptions related to yields, credit risk and timing of prepayments and may be classified as either Level 1 or Level 2.

Fair Value Measurements classified as Level 3 – The following table presents a reconciliation of beginning and ending balances of recurring fair value measurements classified as Level 3:

These instruments consist of the following:

	Years Ended December 31, 2024	Years Ended December 31, 2023
Other Investments:		
Beginning balance	$ —	$ —
Purchases	674	—
Net unrealized gains[1]	13	—
Ending balance	$ 687	$ —
Investments in Convertible Notes:		
Beginning balance	$ —	$ 21,421
Purchases	—	11,228
Settlements	—	(28,818)
Conversions[2]	—	(9,684)
Net realized gains[3]	—	5,853
Ending balance	$ —	$ —
Deferred Consideration (Note 9):		
Beginning balance	$ —	$ 200,290
Net realized losses[4]	—	6,069
Net unrealized gains[5]	—	(61,953)
Settlements	—	(144,406)
Ending balance	$ —	$ —

(1) Recorded in impairments and other gains/(losses), net in the Consolidated Statements of Operations.

(2) The Fnality convertible notes converted into Series B-1 Preference Shares on October 31, 2023 (Note 7).

(3) Recorded in impairments and other gains/(losses), net in the Consolidated Statements of Operations.

(4) Recorded as contractual gold payments expense in the Consolidated Statements of Operations.

(5) Recorded as gain on revaluation/termination of deferred consideration—gold payments in the Consolidated Statements of Operations.

5. Financial instruments owned

These instruments consist of the following:

	December 31, 2024	December 31, 2023
Financial instruments owned:		
Trading securities	$ 69,805	$ 45,421
Other assets—seed capital (WisdomTree Digital Funds)	15,634	13,301
Total	$ 85,439	$ 58,722

The Company recognized net trading gains/(losses) on financial instruments owned that were still held at the reporting dates of $1,773 and ($536) during the years ended December 31, 2024 and 2023, respectively, which were recorded in other gains/(losses), net, in the Consolidated Statements of Operations.

6. Securities Held-to-Maturity

The following table is a summary of the Company’s securities held-to-maturity:

	December 31, 2024	December 31, 2023
Debt instruments: Pass-through GSEs (amortized cost)	$ 206	$ 230

During the years ended December 31, 2024 and 2023, the Company received proceeds of $24 and $29, respectively, from held-to-maturity securities maturing or being called prior to maturity.

The following table summarizes unrealized losses and fair value (classified as Level 2 within the fair value hierarchy) of securities held-to-maturity:

	December 31, 2024	December 31, 2023
Cost/amortized cost	$ 206	$ 230
Gross unrealized losses	(19)	(15)
Fair value	$ 187	$ 215

An allowance for credit losses was not provided on the Company's held-to-maturity securities as all securities are investments in pass-through GSEs which are determined to have an estimated loss rate of zero due to an implicit U.S. government guarantee.

The following table sets forth the maturity profile of the securities held-to-maturity; however, these securities may be called prior to maturity date:

	December 31, 2024	December 31, 2023
Due within one year	$ —	$ —
Due one year through five years	—	—
Due five years through ten years	18	22
Due over ten years	188	208
Total	$ 206	$ 230

7. Investments

The following table sets forth the Company's investments:

	December 31, 2024		December 31, 2023	
	Carrying Value	Cost	Carrying Value	Cost
Fnality International Limited—Series B-1 Preference Shares	8,235	8,091	9,684	8,091
Other investments	687	674	—	250
Total	$ 8,922	$ 8,765	$ 9,684	$ 8,341

Fnality International Limited

The Company owns approximately 5.4% (or 4.7% on a fully-diluted basis) of capital stock of Fnality International Limited ("Fnality"), a company incorporated in England and Wales and focused on creating a peer-to-peer digital wholesale settlement ecosystem comprised of a consortium of financial institutions, offering real time cross-border payments from a single pool of liquidity. The Company's ownership interest is represented by 2,340,378 Series B-1 Preference Shares, resulting from the conversion of its investment of £6,000 ($8,091) in convertible notes upon Fnality's qualified equity financing which occurred in October 2023. The Series B-1 Preference Shares carry a 1.0x liquidation preference, are convertible into ordinary shares at the option of the Company and contain various rights and protections.

This investment is accounted for under the measurement alternative prescribed in ASC 321, as it does not have a readily determinable fair value and is otherwise not subject to the equity method of accounting. The investment is assessed for impairment and similar observable transactions on a quarterly basis. This investment was re-measured to fair value upon the conversion of Fnality's Series B-2 Preference Shares held by other investors into Series B-1 Preference Shares, which occurred in June 2024. Fair value was determined using the backsolve method, a valuation approach that determines the value of shares for companies with complex capital structures based upon the price paid for shares recently issued. Fair value was allocated across the capital structure using the Black-Scholes option pricing model. The table below presents the inputs used in the backsolve valuation approach (classified as Level 3 in the fair value hierarchy):

	Inputs	
	June 17, 2024	December 31, 2023
Expected volatility	60%	60%
Time to exit (in years)	4.35	5.00
Probability that Series B-2 Preference Shares convert into Series B-1 Preference Shares	N/A	75%

Net unrealized (losses)/gains recognized on this investment were ($1,449) and $1,534 during the years ended December 31, 2024 and 2023, respectively, inclusive of changes in the British pound to U.S. dollar exchange rate. These results are recorded in other gains/(losses), net on the Consolidated Statements of Operations.

There was no impairment recognized on this investment during the year ended December 31, 2024 based upon a qualitative assessment.

Securrency, Inc.

Exit from Investment

On December 7, 2023, the Company received proceeds of $28,818 relating to the exit from its investment in Securrency, Inc. ("Securrency"), a developer of institutional-grade blockchain-based financial and regulatory technology, in connection with the sale of Securrency to an unaffiliated third party. This resulted in a net impairment charge of $7,630 and additional losses of $1,777, recorded in other gains/(losses), net, recognized during the year ended December 31, 2023. During the year ended December 31, 2024, the Company received additional proceeds of $465.

Other Investments

On October 2, 2024, the Company purchased an investment of $674. During the year ended December 31, 2024, the Company recognized a gain of $13, recorded in other gains/(losses), net on the Consolidated Statements of Operations. During the year ended December 31, 2023, the Company recognized an impairment of $312 on its other investments.

Additionally, during the year ended December 31, 2024, the Company received proceeds of $100 from its former investment in AdvisorEngine Inc.

8. Fixed Assets, net

The following table summarizes fixed assets:

	December 31,	
	2024	2023
Equipment	$ 1,069	$ 1,097
Less: accumulated depreciation	(733)	(670)
Total	$ 336	$ 427

9. Deferred Consideration—gold payments

Deferred consideration—gold payments represented an obligation the Company assumed in connection with its acquisition of the European exchange-traded commodity, currency and leveraged-and-inverse business of ETFS Capital Limited ("ETFS Capital") which occurred on April 11, 2018 ("ETFS Acquisition"). The obligation was for fixed payments to ETFS Capital of physical gold bullion equating to 9,500 ounces of gold per year through March 31, 2058 and then subsequently reduced to 6,333 ounces of gold per year continuing into perpetuity ("contractual gold payments"). ETFS Capital continued to pass through the payments to other parties to meet its payment obligations under prior royalty agreements, including to Gold Bullion Holdings (Jersey) Limited ("GBH"), a subsidiary of the World Gold Council ("WGC"), Graham Tuckwell ("GT"), and Rodber Investments Limited ("RIL"), an entity controlled by GT, who is also the Chairman of ETFS Capital.

On May 10, 2023, the Company terminated its contractual gold payments obligation for aggregate consideration totaling $136,903 pursuant to a Sale, Purchase and Assignment Deed (the "SPA Agreement") with WisdomTree International Holdings Ltd, Electra Target HoldCo Limited, ETFS Capital, WGC, GBH, GT and RIL. Under the terms of the transaction, GBH received approximately $4,371 in cash and 13,087 shares of Series C Non-Voting Convertible Preferred Stock of the Company, $0.01 par value per share (the "Series C Preferred Stock"), convertible into 13,087,000 shares of the Company's common stock (see Note 12 for additional information), and RIL received approximately $45,634 in cash.

On November 20, 2023, the Company repurchased the 13,087 shares of Series C Preferred Stock issued to GBH for aggregate consideration of $84,411, $40,000 of which was paid on the closing date, with the remaining $44,411 payable in equal, interest-free installments on the first, second and third anniversaries of the closing date. See Note 12 for additional information.

During the years ended December 31, 2024, 2023 and 2022, the Company recognized the following in respect of deferred consideration:

	Years Ended December 31,		
	2024	2023	2022
Contractual gold payments	$ —	$ 6,069	$ 17,108
Contractual gold payments—gold ounces paid	—	3,167	9,500
Gain on revaluation/termination of deferred consideration—gold payments[(1)]	$ —	$ 61,953	$ 27,765

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(1) Gains on revaluation/termination of deferred consideration—gold payments resulted from a decrease in spot gold prices, a decrease in the forward-looking price of gold, a decrease in the perpetual growth rate and an increase in the discount rate used to compute the present value of the annual payment obligations.

10. Convertible Notes

The Company has the following convertible notes outstanding as of December 31, 2024:

- $150,000 in aggregate principal amount of 3.25% Convertible Senior Notes due 2026 (the “2026 Notes”);
- $25,845 in aggregate principal amount of 5.75% Convertible Senior Notes due 2028 (the “2028 Notes”); and
- $345,000 in aggregate principal amount of 3.25% Convertible Senior Notes due 2029 (the “2029 Notes”).

Each class of notes were issued pursuant to indentures dated as of the issuance dates between the Company and U.S Bank Trust Company, National Association, as trustee (either initially or as successor to U.S. Bank National Association, the “Trustee”), in private offerings to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended.

In connection with the issuance of the 2029 Notes, the Company repurchased $104,155 in aggregate principal amount of the 2028 Notes. As a result of this repurchase, the Company recognized a loss on extinguishment of $30,632 during the year ended December 31, 2024.

As of December 31, 2024, the Company had an aggregate principal amount of $520,845 outstanding of the 2026 Notes, the 2028 Notes and the 2029 Notes (collectively, the “Convertible Notes”).

Key terms of the Convertible Notes are as follows:

	2026 Notes	2028 Notes	2029 Notes
Principal outstanding	$150,000	$25,845	$345,000
Issuance date	June 14, 2021	February 14, 2023	August 13, 2024
Maturity date (unless earlier converted, repurchased or redeemed)	June 15, 2026	August 15, 2028	August 15, 2029
Interest rate	3.25%	5.75%	3.25%
Initial conversion price	$11.04	$9.54	$11.82
Initial conversion rate	90.5797	104.8658	84.5934
Redemption price	$14.35	$12.40	$15.37

- *Interest rate:* Payable semiannually in arrears on February 15 and August 15 of each year for the 2029 Notes and the 2028 Notes and on June 15 and December 15 of each year for the 2026 Notes.
- *Conversion price:* Convertible at an initial conversion rate into shares of the Company’s common stock, per $1,000 principal amount of notes (equivalent to an initial conversion price set forth in the table above), subject to adjustment.

- *Conversion:* Holders may convert at their option at any time prior to the close of business on the business day immediately preceding May 15, 2029 and May 15, 2028 for the 2029 Notes and the 2028 Notes, respectively, and March 15, 2026 for the 2026 Notes, only under the following circumstances: (i) if the last reported sale price of the Company's common stock for at least 20 trading days during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price for the respective Convertible Notes on each applicable trading day; (ii) during the five business day period after any ten consecutive trading day period (the "measurement period") in which the trading price per $1,000 principal amount of the Convertible Notes for each trading day of the measurement period was less than 98% of the product of the last reported sales price of the Company's common stock and the conversion rate on each such trading day; (iii) upon a notice of redemption delivered by the Company in accordance with the terms of the indentures but only with respect to the Convertible Notes called (or deemed called) for redemption; or (iv) upon the occurrence of specified corporate events. On or after May 15, 2029 and May 15, 2028 in respect of the 2029 Notes and the 2028 Notes, respectively, and March 15, 2026 in respect of the 2026 Notes, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their Convertible Notes at any time, regardless of the foregoing circumstances.
- *Cash settlement of principal amount:* Upon conversion, the Company will pay cash up to the aggregate principal amount of the Convertible Notes to be converted. At its election, the Company will also settle the conversion obligation in excess of the aggregate principal amount of the Convertible Notes being converted in either cash, shares of its common stock or a combination of cash and shares of its common stock.
- *Redemption price:* The Company may redeem for cash all or any portion of the Convertible Notes, at its option, on or after August 20, 2026 and August 20, 2025 in respect of the 2029 Notes and the 2028 Notes, respectively, and June 20, 2023 in respect of the 2026 Notes and on or prior to the 55th scheduled trading day immediately preceding the maturity date, if the last reported sale price of the Company's common stock has been at least 130% of the conversion price for the respective Convertible Notes then in effect for at least 20 trading days, including the trading day immediately preceding the date on which the Company provides notice of redemption, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding the redemption date. No sinking fund is provided for the Convertible Notes.
- *Limited investor put rights:* Holders of the Convertible Notes have the right to require the Company to repurchase for cash all or a portion of their notes at 100% of their principal amount, plus any accrued and unpaid interest, upon the occurrence of certain change of control transactions or liquidation, dissolution or common stock delisting events.
- *Conversion rate increase in certain customary circumstances:* In certain circumstances, conversions in connection with a "make-whole fundamental change" (as defined in the indentures) or conversions of Convertible Notes called (or deemed called) for redemption may result in an increase to the conversion rate, provided that the conversion rate will not exceed 103.6269 shares, 167.7853 shares and 144.9275 shares of the Company's common stock per $1,000 principal amount of the 2029 Notes, the 2028 Notes and the 2026 Notes, respectively (the equivalent of 61,826,817 shares of the Company's common stock based on the aggregate principal amount of Convertible Notes outstanding), subject to adjustment.
- *Seniority and Security:* The Convertible Notes rank equal in right of payment and are the Company's senior unsecured obligations.

The indentures contain customary terms and covenants, including that upon certain events of default occurring and continuing, either the Trustee or the respective holders of not less than 25% in aggregate principal amount of the respective series of Convertible Notes outstanding may declare the entire principal amount of all such respective Convertible Notes to be repurchased, plus any accrued special interest, if any, to be immediately due and payable.

The following table provides a summary of the Convertible Notes at December 31, 2024 and December 31, 2023:

	December, 2024				December 31, 2023		
	2026 Notes	2028 Notes	2029 Notes	Total	2026 Notes	2028 Notes	Total
Principal amount	$ 150,000	$ 25,845	$ 345,000	$ 520,845	$ 150,000	$ 130,000	$ 280,000
Less: Unamortized issuance costs	(1,263)	(466)	(7,083)	(8,812)	(2,125)	(2,987)	(5,112)
Carrying amount	$ 148,737	$ 25,379	$ 337,917	$ 512,033	$ 147,875	$ 127,013	$ 274,888
Effective interest rate(1)	3.83%	6.25%	3.70%	3.86%	6.25%	3.83%	4.96%

(1) Includes amortization of the issuance costs and premium.

Interest expense on the Convertible Notes during the years ended December 31, 2024, 2023, and 2022 was $16,275, $14,945 and $14,935 respectively. Interest payable of $5,107 and $3,041 at December 31, 2024 and 2023, respectively, is included in accounts payable and other liabilities on the Consolidated Balance Sheets.

The fair value of the Convertible Notes (classified as Level 2 in the fair value hierarchy) was $571,031 and $281,897 at December 31, 2024 and 2023, respectively. The if-converted value of the 2028 Notes was $28,446 at December 31, 2024. The if-converted value of the 2026 Notes and the 2029 Notes did not exceed the principal amount at December 31, 2024. The if-converted value of the Convertible Notes did not exceed the principal amount at December 31, 2023.

11. Series A Preferred Stock

On August 13, 2024, the Company repurchased all of its then-outstanding Series A Non-Voting Convertible Preferred Stock (the "Series A Preferred Stock"), which was convertible into 14,750,000 shares of the Company's common stock from ETFS Capital for aggregate cash consideration of $143,812 (or $9.75 per share). These shares were previously issued in April 2018, in connection with the completion of the ETFS Acquisition and were carried at $132,750, which was based on the closing price of the Company's common stock on April 10, 2018 of $9.00 per share, the trading day prior to the closing of the transaction.

Under U.S. GAAP, the premium paid on repurchase represents a return similar to a dividend to the preferred stockholder and is required to be recorded to retained earnings along with the related transaction costs. During the year ended December 31, 2024, the Company recorded a $11,375 reduction to retained earnings in connection with this repurchase.

The following is a summary of the Series A Preferred Stock balance:

	December 31, 2024	December 31, 2023
Issuance of Series A Preferred Stock	$ —	$ 132,750
Less: Issuance costs	—	(181)
Series A Preferred Stock—carrying value	$ —	$ 132,569
Cash dividends declared per share (quarterly)	$ —	$ 0.03

The Company previously classified the Series A Preferred Stock as temporary equity which is required for redeemable instruments for which redemption triggers are outside of the issuer's control. ETFS Capital had the right to redeem all the Series A Preferred Stock specified to be converted during the period of time specified in the Series A Certificate of Designations in the event that: (a) the number of shares of the Company's common stock authorized by its certificate of incorporation was insufficient to permit the Company to convert all of the Series A Preferred Stock requested by ETFS Capital to be converted; or (b) ETFS Capital did not, upon completion of a change of control of the Company, receive the same amount per share of Series A Preferred Stock as it would have received had each outstanding share of Series A Preferred Stock been converted into common stock immediately prior to the change of control. However, the Company would not have been obligated to make any such redemption payments to the extent such payments would have been a breach of any covenant or obligation the Company owed to any of its secured creditors or is otherwise prohibited by applicable law.

Any such redemption would have been at a price per share of Series A Preferred Stock equal to the dollar volume-weighted average price for a share of common stock for the 30-trading day period ending on the date of such attempted conversion or change of control, as applicable, multiplied by 1,000. Such redemption payment would have been made in one payment no later than 10 business days following the last day of the Company's first fiscal quarter that began on a date following the date ETFS Capital exercised such redemption right. The redemption value of the Series A Preferred Stock was $96,869 at December 31, 2023.

12. Payable to Gold Bullion Holdings (Jersey) Limited ("GBH")

On November 20, 2023, the Company repurchased all of its then-outstanding Series C Preferred Stock, which was convertible into 13,087,000 shares of the Company's common stock, from GBH, a subsidiary of WGC, for aggregate cash consideration of approximately $84,411. Under the terms of the transaction, the Company paid GBH $40,000 on the closing date, with the remainder of the purchase price payable in equal, interest-free installments on the first, second and third anniversaries of the closing date. The implied price per share was $6.02 when considering the interest-free financing element of the transaction. The investor rights agreement that the Company and GBH entered into in May 2023 in connection with the issuance of the Series C Preferred Stock, which provided GBH with certain rights and obligations with respect to the shares, including registration rights, was terminated in this transaction.

Under U.S. GAAP, the obligation was recorded at its present value utilizing a market rate of interest on the closing date of 7.0% and the corresponding discount is being amortized as interest expense pursuant to the effective interest method of accounting over the life of the obligation. The aggregate consideration payable was valued at $38,835 on the closing date and the carrying value of this obligation is as follows:

	December 31, 2024
Current:	$ 14,804
Long-term	12,159
Total	$ 26,963

Interest expense recognized during the years ended December 31, 2024 and 2023 was $2,636 and $297, respectively, and is included as a component of total interest expense recognized on the Statements of Operations.

13. Leases

The Company has entered into operating leases for its office facilities (including its corporate headquarters) and equipment. The Company has no finance leases. The following table provides additional information regarding the Company's leases:

	Years Ended December 31,	
	2024	2023
Lease cost:		
Operating lease cost	$ 1,304	$ 1,285
Short-term lease cost	258	191
Total lease cost	$ 1,562	$ 1,476
Other information:		
Cash paid for amounts included in the measurement of operating liabilities (operating leases)	$ 1,320	$ 1,284
Right-of-use assets obtained in exchange for new operating lease liabilities	n/a	n/a
Weighted-average remaining lease term (in years)—operating leases	0.9	0.4
Weighted-average discount rate—operating leases	8.5%	5.9%

None of the Company's leases include variable payments, residual value guarantees or any restrictions or covenants relating to the Company's ability to pay dividends or incur additional financing obligations.

The following table discloses future minimum lease payments at December 31, 2024 with respect to the Company's operating lease liabilities:

2025	$ 769
2026	186
2027 and thereafter	—
Total future minimum lease payments (undiscounted)	$ 955

The following table reconciles the future minimum lease payments (disclosed above) at December 31, 2024 to the operating lease liabilities recognized in the Company's Consolidated Balance Sheets:

Amounts recognized in the Company's Consolidated Balance Sheets	
Lease liability—short term	$ 709
Lease liability—long term	171
Subtotal	880
Difference between undiscounted and discounted cash flows	75
Total future minimum lease payments (undiscounted)	$ 955

14. Contingencies

The Company may be subject to reviews, inspections and investigations by regulatory authorities as well as legal proceedings arising in the ordinary course of business.

SEC ESG Settlement

On August 5, 2024, WTAM received a Wells Notice from the Staff of the SEC advising WTAM that the Staff had made a preliminary determination to recommend that the SEC file an enforcement action against WTAM alleging violations of certain provisions of the U.S. federal securities laws relating to three exchange-traded series of WisdomTree Trust managed by WTAM that pursued ESG-focused strategies (collectively, the "Funds"). The Funds, which were launched in March 2020 and were liquidated in February 2024, collectively had monthly average cumulative assets under management of approximately $119 million throughout their lifetime as ESG-named funds.

In October 2024, without admitting or denying the SEC's allegations, WTAM agreed to resolve the matter by consenting to the entry of an order by the SEC, in which WTAM agreed to cease and desist from committing or causing any violations and any future violations of Sections 206(2) and 206(4) of the Investment Advisers Act of 1940, as amended, Rules 206(4)-7 and 206(4)-8 thereunder, and Section 34(b) of the Investment Company Act of 1940, as amended, and to pay a civil money penalty of $4,000 (the "SEC ESG Settlement"). This amount has been reported in other gains/(losses), net on the Consolidated Statements of Operations during the year ended December 31, 2024.

Excluding the penalty, the Company expects that all legal and other related expenses incurred by WTAM in connection with the matter will be covered by insurance, less a $1,000 deductible. These expected covered expenses totaled $4,306 during the year ended December 31, 2024 and have been reported in other revenue on the Consolidated Statements of Operations.

Closure of the WisdomTree WTI Crude Oil 3x Daily Leveraged ETP

Between December 2020 and December 2024, WMAI, WTMAML, WTUK and/or WT Ireland were served with eight separate writs of summons to appear before the Courts of Milan, Udine or Turin, Italy by investors seeking damages resulting from the closure of the WisdomTree WTI Crude Oil 3x Daily Leveraged ETP ("3OIL") in March 2020. The product was dependent on the receipt of payments from a swap provider to satisfy payment obligations to the investors. Due to an extreme adverse move in oil futures relative to the oil futures' closing price, the swap contract underlying 3OIL was terminated by the swap provider, which resulted in the compulsory redemption of 3OIL, all in accordance with the prospectus.

Since February 2022, six of the eight actions have been resolved in the Company's favor, of which three are subject to appeal. Total damages sought by all investors related to the two remaining open claims and the three claims subject to appeal were approximately €19,030 ($19,820) at December 31, 2024. This amount includes two claims resolved in the Company's favor – one of which has been appealed (total damages of €7,830 ($8,160)) and the other remains subject to appeal (total damages of €8,592 ($8,951)).

Additionally, in July 2023, WT Ireland received a letter from counsel on behalf of additional investors seeking damages of up to approximately €8,350 ($8,700) resulting from the closure of 3OIL. The claim is in its preliminary stages and a writ of summons has not been served.

The Company continues to assess the open and appealed claims with its external counsel. The Company expects that losses, if any, arising from these claims will be covered under its insurance policies, less a $500 deductible. An accrual has not been made with respect to these matters at December 31, 2024 and December 31, 2023.

15. Variable Interest Entities

VIEs are entities with any of the following characteristics: (i) the entity does not have enough equity to finance its activities without additional financial support; (ii) the equity holders, as a group, lack the characteristics of a controlling financial interest; or (iii) the entity is structured with non-substantive voting rights.

Consolidation of a VIE is required for the party deemed to be the primary beneficiary, if any. The primary beneficiary is the party who has both (a) the power to direct the activities of a VIE that most significantly impact the entity's economic performance and (b) an obligation to absorb losses of the entity or a right to receive benefits from the entity that could potentially be significant to the entity. The Company is not the primary beneficiary of any entities in which it has a variable interest as it does not have the power to direct the activities that most significantly impact the entities' economic performance. Such power is conveyed through the entities' boards of directors and the Company does not have control over the boards.

The following table presents information about the Company's variable interests in non-consolidated VIEs:

	December 31, 2024	December 31, 2023
Carrying Amount—Assets:		
Fnality International Limited—Series B-1 Preference Shares (Note 7)	8,235	9,684
Other investments	687	—
Total	$ 8,922	$ 9,684
Maximum exposure to loss	$ 8,922	$ 9,684

16. Revenues from Contracts with Customers

The following table presents the Company's total revenues from contracts with customers:

	Years Ended December 31,		
	2024	2023	2022
Revenues from contracts with customers:			
Advisory fees	$ 395,362	$ 333,227	$ 293,632
Other	32,375	15,808	7,713
Total operating revenues	$ 427,737	$ 349,035	$ 301,345

The Company recognizes revenues from contracts with customers when the performance obligation is satisfied, which is when the promised services are transferred to the customer. A service is considered to be transferred when the customer obtains control, which is represented by the transfer of rights with regard to the service. Transfer of control happens either over time or at a point in time. When a performance obligation is satisfied over time, an entity is required to select a single method of measuring progress for each performance obligation that depicts the entity's performance in transferring control of services to the customer.

A significant portion of the Company's revenues from contracts with customers is derived primarily from investment advisory agreements with related parties (Note 17). These advisory fees are recognized over time, are earned from the Company's ETPs and are calculated based on a percentage of the ETPs' average daily net assets. There is no significant judgment in calculating amounts due which are invoiced monthly in arrears and are not subject to any potential reversal. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which the Company has a right to invoice.

There are no contract assets or liabilities that arise in connection with the recognition of advisory fee revenue. In addition, there are no costs incurred to obtain or fulfill the contracts with customers, all of which are investment advisory agreements with related parties.

Other revenues include revenues the Company earns from swap providers associated with certain of the Company's European listed ETPs, the nature of which are based on a percentage of the ETPs' average daily net assets. The Company also earns transaction-based income on flows associated with certain European listed ETPs. There is no significant judgment in calculating amounts due, which are invoiced monthly or quarterly in arrears and are not subject to any potential reversal. Progress is measured using the practical expedient under the output method resulting in the recognition of revenue in the amount for which the Company has a right to invoice.

Geographic Distribution of Revenues

The following table presents the Company's total revenues geographically as determined by where the respective management companies reside:

	Years Ended December 31,		
	2024	2023	2022
Revenues from contracts with customers:			
United States	$ 284,527	$ 220,117	$ 184,036
Jersey	120,932	113,325	103,692
Ireland	22,278	15,593	13,617
Total operating revenues	$ 427,737	$ 349,035	$ 301,345

17. Related Party Transactions

Investment Advisory Agreements

The Company's revenues are derived primarily from investment advisory agreements with related parties. Under these agreements, the Company has licensed to related parties the use of certain of its own indexes for the U.S. WisdomTree ETFs, WisdomTree Digital Funds and WisdomTree UCITS ETFs. The relevant boards of trustees or boards of directors (including certain officers of the Company) of each of the related parties is primarily responsible for overseeing the management and affairs of the entities for the benefit of their respective stakeholders and have contracted with the Company to provide for general management and administration services. The Company is also responsible for certain expenses of the related parties, including the cost of transfer agency, custody, fund administration and accounting, legal, audit, and other non-distribution services, excluding extraordinary expenses, taxes and certain other expenses, which are included in fund management and administration in the Consolidated Statements of Operations. In exchange, the Company receives fees based on a percentage of the ETPs' and the Digital Funds' average daily net assets. A majority of the independent members of the respective board of trustees or board of directors are required to initially and annually (after the first two years) approve the advisory agreements of the U.S. WisdomTree ETFs and the WisdomTree Digital Funds and these agreements may be terminated by such board of trustees or board of directors upon notice.

The following table summarizes accounts receivable from related parties which are included as a component of accounts receivable in the Consolidated Balance Sheets:

	December 31, 2024	December 31, 2023
Receivable from WTT	$ 24,672	$ 21,226
Receivable from ManJer Issuers	5,155	4,411
Receivable from WMAI and WTICAV	5,132	2,874
Total	$ 34,959	$ 28,511

The allowance for credit losses on accounts receivable from related parties is insignificant when applying historical loss rates, adjusted for current conditions and supportable forecasts, to the amounts outstanding in the table above. Amounts outstanding are all invoiced in arrears, are less than 30 days aged and are collected shortly after the applicable reporting period.

The following table summarizes revenues from advisory services provided to related parties:

	Years Ended December 31, 2024	2023	2022
Advisory services provided to WTT	$ 278,230	$ 218,834	$ 183,409
Advisory services provided to ManJer Issuers	94,854	98,800	96,606
Advisory services provided to WMAI and WTICAV	22,278	15,593	13,617
Total	$ 395,362	$ 333,227	$ 293,632

Pursuant to a license agreement between WisdomTree, Inc. ("WTI") and WML to provide indices for a number of the sub-funds of WTICAV, WTI earned revenue amounting to €1,867 ($2,010), €1,044 ($1,128) and €642 ($671) for the years ended December 31, 2024, 2023 and 2022, respectively, which has been eliminated in consolidation. No other revenue was earned by WTI from providing indices for use in the European Union during 2024, 2023 or 2022.

Investments in WisdomTree Products

The Company also has investments in certain WisdomTree products of $89,822 and $52,566 at December 31, 2024 and 2023, respectively. This includes $20,866 and $18,308, respectively, of seed investments in certain consolidated affiliated Digital Funds advised by WT Digital Management, referred to herein as "other assets–seed capital." The Company also has invested an additional $6,050 in the WisdomTree Government Money Market Digital Fund at December 31, 2024.

Net unrealized and realized gains and losses related to trading WisdomTree products during the years ended December 31, 2024, 2023 and 2022 were $1,232, $1,294 and ($107), respectively, which are recorded in other gains/(losses), net on the Consolidated Statements of Operations.

Deferred Consideration—Gold Payments – Termination

On May 10, 2023, the Company terminated its contractual gold payments obligation to ETFS Capital, which included the payment of $45,634 to an entity controlled by GT, a stockholder of the Company. See Note 9 for additional information.

18. Stock-Based Awards

On July 15, 2022, the Company's stockholders approved the 2022 Equity Plan under which the Company may issue up to 16,000,000 shares of common stock (less one share for every share granted under the 2016 Equity Plan since March 31, 2022 and inclusive of shares available under the 2016 Equity Plan as of March 31, 2022) in the form of stock options and other stock-based awards.

The Company grants equity awards to employees and directors, which include restricted stock awards ("RSAs"), restricted stock units ("RSUs"), including deferred RSUs to non-employee directors, performance-based restricted stock units ("PRSUs") and stock options. Certain awards described below are subject to acceleration under certain conditions.

Stock options: Generally issued for terms of ten years and may vest after at least one year of service and have an exercise price equal to the Company's stock price on the grant date. The Company estimates the fair value of stock options (when granted) using the Black-Scholes option pricing model.

RSAs/RSUs:	Awards are valued based on the Company's stock price on grant date and generally vest ratably, on an annual basis, over three years. For non-employee directors, such awards generally vest on the one-year anniversary of the grant date.
Deferred RSUs:	Awards are valued based on the Company's stock price on grant date and generally vest on the one-year anniversary of the grant date. The awards are issued pursuant to the Company's Non-Employee Director Deferred Compensation Program and are settled based on timing elected by the recipient in advance.
PRSUs:	These awards cliff vest three years from the grant date and contain a market condition whereby the number of PRSUs ultimately vesting is tied to how the Company's total shareholder return ("TSR") compares to a peer group of other publicly traded asset managers over the three-year period. A Monte Carlo simulation is used to value these awards.

The number of PRSUs vesting ranges from 0% to 200% of the target number of PRSUs granted, as follows:

- If the relative TSR is below the 25th percentile, then 0% of the target number of PRSUs granted will vest;
- If the relative TSR is at the 25th percentile, then 50% of the target number of PRSUs granted will vest;
- If the relative TSR is above the 25th percentile, then linear scaling is applied such that the percent of the target number of PRSUs vesting is 100% at the 50th percentile and capped at 200% of the target number of PRSUs granted for performance at the 85th percentile; and
- If the Company's TSR is negative, the target number of PRSUs vesting is capped at 100% regardless of the relative TSR percentile.

During the years ended December 31, 2024, 2023 and 2022, total stock-based compensation expense was $20,691, $16,190 and $10,385, respectively, and the related tax benefit recognized on the Consolidated Statements of Operations was $5,032, $3,919 and $2,371, respectively.

The actual tax benefit realized for the tax deductions for share-based compensation was $2,884, $1,820 and $1,548 during the years ended December 31, 2024, 2023 and 2022, respectively.

A summary of unrecognized stock-based compensation expense and average remaining vesting period is as follows:

	December 31, 2024	
	Unrecognized Stock-Based Compensation	Weighted-Average Remaining Vesting Period (Years)
Employees and directors	$ 18,106	0.78

Stock Options

There was no option activity during the years ended December 31, 2024 and 2023 and there were no options outstanding as of December 31, 2024 and 2023.

RSAs, RSUs and PRSUs

The aggregate fair value of RSAs, RSUs and PRSUs that vested during the years ended December 31, 2024, 2023 and 2022 was $19,891, $10,158 and $9,466, respectively. A summary of activity is as follows:

	RSA		RSU		PRSU[1]	
	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value
Unvested Balance at January 1, 2022	3,036,905	$ 5.20	54,990	$ 4.93	550,686	$ 5.73
Granted	2,170,432	5.71	116,247	5.18	319,838[2]	6.80
Vested	(1,621,201)	5.31	(27,894)	5.10	(202,336)	6.24
Forfeited	(195,054)	5.43	(1,380)	5.73	—	—
Unvested Balance at December 31, 2022	3,391,082	$ 5.46	141,963	$ 5.09	668,188	$ 6.09
Granted	3,363,501	5.63	152,265	6.24	576,240[2]	6.49
Vested	(1,629,925)	5.28	(72,461)	5.66	(108,113)	3.11
Forfeited	(114,436)	5.55	(34,385)	5.70	—	—
Stock dividends accrued	—	—	2,762	6.24	37,777	6.49
Unvested Balance at December 31, 2023	5,010,222	$ 5.63	190,144	$ 5.70	1,174,092	$ 6.58
Granted	2,135,016	7.18	117,112	8.08	474,056[2]	8.62
Vested	(2,210,103)	5.64	(37,422)	5.58	(253,744)	6.49
Forfeited	(108,091)	6.10	(3,089)	6.16	—	—
Stock dividends accrued	—	—	1,339	8.08	12,156	8.62
Unvested Balance at December 31, 2024	4,827,044	$ 6.31	268,084[3]	$ 6.75	1,406,560	$ 7.28

(1) Represents the target number of PRSUs granted and outstanding. The number of PRSUs that ultimately vest ranges from 0% to 200% of this amount. During the years ended December 31, 2024, 2023 and 2022, 200%, 77% and 0%, respectively, of the target number of PRSUs previously granted and vesting in such years ultimately vested, inclusive of shares attributable the reinvestment of dividend equivalents during the period between grant date and vesting date.

(2) A Monte Carlo simulation was used to value these awards using the following assumptions for the Company and the peer group: (i) beginning 90-day average stock prices; (ii) valuation date stock prices; (iii) correlation coefficients based upon the price data used to calculate the historical volatilities; and (iv) the following additional assumptions:

	Granted in 2024	Granted in 2023	Granted in 2022
Historical stock price volatility (low)	28%	37%	33%
Historical stock price volatility (high)	38%	56%	57%
Historical stock price volatility (average)	34%	47%	44%
Risk free interest rate	4.08%	3.80%	1.28%
Expected dividend yield	0.00%	0.00%	0.00%

(3) Includes 103,512 deferred RSUs that have vested.

19. Stockholder Rights Plan

On March 17, 2023, the Board of Directors of the Company adopted a stockholder rights plan, as set forth in the Stockholder Rights Agreement, dated March 17, 2023, between the Company and Continental Stock Transfer & Trust Company, as Rights Agent, as amended by Amendment No. 1 thereto, dated May 4, 2023 ("Amendment No. 1"), Amendment No. 2 thereto, dated May 10, 2023 ("Amendment No. 2"), Amendment No. 3 thereto, dated March 18, 2024 ("Amendment No. 3"), Amendment No. 4 thereto, dated March 25, 2024 ("Amendment No. 4"), and Amendment No. 5 thereto, dated April 30, 2024 ("Amendment No. 5") (as amended, the "Stockholder Rights Agreement"). At the Company's 2024 annual meeting of stockholders held on June 12, 2024, the Company's stockholders ratified the adoption by the Board of Directors of the extension of the Stockholder Rights Agreement.

On March 18, 2024, the Company entered into Amendment No. 3, which extended the Stockholder Rights Agreement, such that the Rights will now expire on the close of business on March 17, 2025. Amendment No. 3 also changed the definition of "Exercise Price" in the Stockholder Rights Agreement from \$32.00 to \$45.00 per Unit (as defined below) to account for the difference in share price between when the Stockholder Rights Agreement was originally adopted and when it was extended.

Pursuant to the terms of the Stockholder Rights Agreement, the Board of Directors declared a dividend distribution of (i) one Right (as defined below) for each outstanding share of common stock, par value \$0.01 per share, of the Company's common stock and (ii) 1,000 Rights for each outstanding share of the Company's Series A Preferred Stock, to stockholders of record as of the close of business on March 28, 2023 (the "Record Date"). In addition, one Right will automatically attach to each share of common stock and 1,000 Rights will automatically attach to each share of Series A Preferred Stock, in each case, issued between the Record Date and the earlier of the Distribution Date (as defined below) and the expiration date of the Rights. Each "Right" entitles the registered holder thereof to purchase from the Company a unit consisting of one ten-thousandth of a share (a "Unit") of Series B Junior Participating Cumulative Preferred Stock, par value \$0.01 per share, of the Company (the "Series B Preferred Stock") at a cash exercise price of \$45.00 per Unit (the "Exercise Price"), subject to adjustment, under certain conditions specified in the Stockholder Rights Agreement and summarized below.

Initially, the Rights are not exercisable and are attached to and trade with all shares of common stock and Series A Preferred Stock outstanding as of, and issued subsequent to, the Record Date. The Rights will separate from the common stock and Series A Preferred Stock and will become exercisable upon the earlier of (i) the close of business on the tenth calendar day following the first public announcement that a person or group of affiliated or associated persons (an "Acquiring Person") has acquired beneficial ownership of 10% (or 20% in the case of passive stockholders or "13G Investors," as defined in the Stockholder Rights Agreement) or more of the outstanding shares of common stock, other than as a result of repurchases of stock by the Company or certain inadvertent actions by a stockholder (the date of such announcement being referred to as the "Stock Acquisition Date"), or (ii) the close of business on the tenth business day (or such later day as the Board of Directors may determine) following the commencement of a tender offer or exchange offer that could result upon its consummation in a person or group becoming an Acquiring Person (the earlier of such dates being herein referred to as the "Distribution Date"). A person or group who beneficially owned 10% or more (or 20% or more in the case of 13G Investors) of the Company's outstanding common stock prior to the first public announcement by the Company of the adoption of the Stockholder Rights Agreement will not trigger the Stockholder Rights Agreement so long as they do not acquire beneficial ownership of any additional shares of common stock at a time when they still beneficially own 10% or more (or 20% or more in the case of 13G Investors) of such common stock, subject to certain exceptions as set forth in the Stockholder Rights Agreement.

For purposes of the Stockholder Rights Agreement, beneficial ownership is defined to include ownership of securities that are subject to a derivative transaction and acquired derivative securities. Swaps dealers unassociated with any control intent or intent to evade the purposes of the Stockholder Rights Agreement are excepted from such imputed beneficial ownership. Pursuant to Amendment No. 1, beneficial ownership did not include the right to vote pursuant to any agreement, arrangement or understanding with respect to voting on the proposal to approve and ratify the Stockholder Rights Agreement presented to the Company's stockholders at the Company's 2023 annual meeting of stockholders. Pursuant to Amendment No. 2, the parties to the SPA Agreement are not deemed to be "Acquiring Persons" solely by virtue of, or as a result of, the parties' entry into the SPA Agreement, the issuance of the Series C Preferred Stock to GBH, and the performance or consummation of any of the other transactions contemplated by the SPA Agreement, among other conditions, under the terms and conditions set forth in Amendment No. 2. Pursuant to Amendment No. 4, beneficial ownership excludes the right to vote pursuant to any agreement, arrangement or understanding with respect to voting (i) arising solely from a revocable proxy or consent given in response to a public proxy or consent solicitation, or exempt solicitation, made pursuant to a written proxy or consent solicitation statement filed with the SEC and that is not also then reportable on Schedule 13D under the Exchange Act, or (ii) on a proposal to approve and ratify the Stockholder Rights Agreement (as amended from time to time), including any amendment thereto or extension thereof, presented to the Company's stockholders at any annual or special meeting of the Company's stockholders (including any adjournments or postponements thereof). Pursuant to Amendment No. 5, the Stockholder Rights Agreement was amended to (a) remove language stating that (i) the Company has the "exclusive" power and authority to administer the Stockholder Rights Agreement and (ii) all actions, calculations, interpretations and determinations necessary or advisable for the administration of the Stockholder Rights Agreement done or made by the Board of Directors of the Company in good faith are final, conclusive and binding on all parties, and (b) provide that nothing in the Stockholder Rights Agreement shall be deemed to limit or eliminate the fiduciary duties of the Board of Directors under applicable law.

In the event that a Stock Acquisition Date occurs, proper provision will be made so that each holder of a Right (other than an Acquiring Person or its associates or affiliates, whose Rights shall become null and void) will thereafter have the right to receive upon exercise, in lieu of a number of shares of Series B Preferred Stock, that number of shares of common stock of the Company (or, in certain circumstances, including if there are insufficient shares of common stock to permit the exercise in full of the Rights, Units of Series B Preferred Stock, other securities, cash or property, or any combination of the foregoing) having a market value of two times the Exercise Price of the Right (such right being referred to as the "Subscription Right"). In the event that, at any time following the Stock Acquisition Date, (i) the Company consolidates with, or merges with and into, any other person, and the Company is not the continuing or surviving corporation, (ii) any person consolidates with the Company, or merges with and into the Company and the Company is the continuing or surviving corporation of such merger and, in connection with such merger, all or part of the shares of common stock are changed into or exchanged for stock or other securities of any other person or cash or any other property, or (iii) 50% or more of the Company's assets or earning power is sold, mortgaged or otherwise transferred, each holder of a Right (other than an Acquiring Person or its associates or affiliates, whose Rights shall become null and void) will thereafter have the right to receive, upon exercise, common stock of the acquiring company having a market value equal to two times the Exercise Price of the Right (such right being referred to as the "Merger Right"). The holder of a Right will continue to have the Merger Right whether or not such holder has exercised the Subscription Right. Rights that are or were beneficially owned by an Acquiring Person may (under certain circumstances specified in the Stockholder Rights Agreement) become null and void.

The Rights may be redeemed in whole, but not in part, at a price of $0.01 per Right (payable in cash, common stock or other consideration deemed appropriate by the Board of Directors) by the Board of Directors only until the earlier of (i) the time at which any person becomes an Acquiring Person or (ii) the expiration date of the Stockholder Rights Agreement. Immediately upon the action of the Board of Directors ordering redemption of the Rights, the Rights will terminate and thereafter the only right of the holders of Rights will be to receive the redemption price.

The Stockholder Rights Agreement may be amended by the Board of Directors in its sole discretion at any time prior to the time at which any person becomes an Acquiring Person. After such time the Board of Directors may, subject to certain limitations set forth in the Stockholder Rights Agreement, amend the Stockholder Rights Agreement only to cure any ambiguity, defect or inconsistency, to shorten or lengthen any time period, or to make changes that do not adversely affect the interests of Rights holders (excluding the interests of an Acquiring Person or its associates or affiliates).

Until a Right is exercised, the holder will have no rights as a stockholder of the Company (beyond those as an existing stockholder), including the right to vote or to receive dividends. While the distribution of the Rights will not be taxable to stockholders or to the Company, stockholders may, depending upon the circumstances, recognize taxable income in the event that the Rights become exercisable for shares of common stock, other securities of the Company, other consideration or for common stock of an acquiring company.

The Stockholder Rights Agreement provides the holders of the common stock with the ability to exempt an offer to acquire, or engage in another business combination transaction involving, the Company that is deemed a "Qualifying Offer" (as defined in the Stockholder Rights Agreement) from the terms of the Stockholder Rights Agreement. A Qualifying Offer is, in summary, an offer determined by a majority of the independent members of the Board to have specific characteristics that are generally intended to preclude offers that are coercive, abusive or highly contingent. Among those characteristics are that it be: (i) a fully financed all-cash tender offer or an exchange offer offering shares of common stock of the offeror, or a combination thereof, for any and all of the common stock; and (ii) an offer that is otherwise in the best interests of the Company's stockholders. The Stockholder Rights Agreement provides additional characteristics necessary for an acquisition offer to be deemed a "Qualifying Offer," including if the consideration offered in a proposed transaction is stock of the acquiror.

Pursuant to the Stockholder Rights Agreement, if the Company receives a Qualifying Offer and the Board of Directors has not redeemed the outstanding Rights or exempted such Qualifying Offer from the terms of the Stockholder Rights Agreement or called a special meeting of stockholders (the "Special Meeting") for the purpose of voting on whether to exempt such Qualifying Offer from the terms of the Stockholder Rights Agreement, in each case by the end of the 90 business day period following the commencement of such Qualifying Offer, provided such offer remains a Qualifying Offer during such period, the holders of 10% of the common stock may request that the Board call a Special Meeting to vote on a resolution authorizing the exemption of the Qualifying Offer from the terms of the Stockholder Rights Agreement. If such a Special Meeting is not held by the 90th business day following the receipt of such a request from stockholders to call a Special Meeting, the Qualifying Offer will be deemed exempt from the terms of the Stockholder Rights Agreement on the 10th business day thereafter.

20. Employee Benefit Plans

The Company has a 401(k) savings plan covering all eligible employees in which the Company can make discretionary contributions from its profits. The amounts included in the table below are recorded in compensation expense in the Consolidated Statements of Operations.

A summary of discretionary contributions made by the Company is as follows:

Years Ended December 31,		
2024	2023	2022
$ 1,610	$ 1,450	$ 1,342

21. Earnings Per Share

The following tables set forth reconciliations of the basic and diluted earnings per share computations for the periods presented:

Basic Earnings per Share	Years Ended December 31, 2024	2023	2022
Net income	$ 66,693	$ 102,546	$ 50,684
Less: Loss on repurchase of Series A Preferred Stock	(13,243)	—	—
Less: Income distributed to participating securities	(1,406)	(2,770)	(2,186)
Less: Undistributed income allocable to participating securities	(2,183)	(12,680)	(3,528)
Add: Gain on repurchase of Series C Preferred Stock	—	7,966	—
Net income available to common stockholders—Basic EPS	$ 49,861	$ 95,062	$ 44,970
Weighted average common shares (in thousands)	144,630	144,707	143,020
Basic earnings per share	$ 0.34	$ 0.66	$ 0.31

Diluted Earnings per Share	Years Ended December 31, 2024	2023	2022
Net income available to common stockholders	$ 49,861	$ 95,062	$ 44,970
Add back: Undistributed income allocable to participating securities	2,183	12,680	3,528
Less: Reallocation of undistributed income allocable to participating securities considered potentially dilutive	(2,120)	(12,449)	(3,522)
Net income available to common stockholders—Diluted EPS	$ 49,924	$ 95,293	$ 44,976
Weighted Average Diluted Shares (in thousands):			
Weighted average common shares	144,630	144,707	143,020
Dilutive effect of common stock equivalents, excluding participating securities	4,623	3,120	275
Weighted average diluted shares, excluding participating securities (in thousands)	149,253	147,827	143,295
Diluted earnings per share	$ 0.33	$ 0.64	$ 0.31

Diluted earnings per share presented above is calculated using the two-class method as this method results in the lowest diluted earnings per share amount for common stock. During the years ended December 31, 2024 and 2023, the Company recognized a loss of $13,243 (which includes an excise tax of $1,868) and a gain of $7,966, respectively, related to the repurchase of the Series A Preferred Stock and the Series C Preferred Stock. These items are excluded from net income but are required to be added to net income to arrive at income available to common stockholders in the calculation of earnings per share.

There were no antidilutive non-participating common stock equivalents during the years ended December 31, 2024 and 2023. Total antidilutive non-participating common stock equivalents were 405 during the year ended December 31, 2022 (shares herein are reported in thousands).

There were no potential common shares associated with the conversion option embedded in the Convertible Notes included in weighted average diluted shares for the years ended December 31, 2024, 2023 and 2022 as the Company's average stock price was lower than the conversion price.

The following table reconciles weighted average diluted shares as reported on the Company's Consolidated Statements of Operations for the years ended December 31, 2024, 2023 and 2022, which are determined pursuant to the treasury stock method, to the weighted average diluted shares used to calculate diluted earnings per share as disclosed in the table above:

Reconciliation of Weighted Average Diluted Shares (in thousands)	**Years Ended December 31, 2024**	**2023**	**2022**
Weighted average diluted shares as disclosed on the Consolidated Statements of Operations	158,844	170,413	158,914
Less: Participating securities:			
Weighted average shares of common stock issuable upon conversion of the Series A Preferred Stock (Note 11)	(9,068)	(14,750)	(14,750)
Weighted average shares of common stock issuable upon conversion of the Series C Preferred Stock (Note 12)	—	(6,992)	—
Potentially dilutive restricted stock awards	(523)	(844)	(869)
Weighted average diluted shares used to calculate diluted earnings/(loss) per share as disclosed in the table above	149,253	147,827	143,295

22. Income Taxes

Income before Income Tax Expense – Domestic and Foreign

The U.S. and foreign components of income before income tax expense for the years ended December 31, 2024, 2023 and 2022 are as follows:

	Year Ended December 31, 2024	**2023**	**2022**
U.S.	$ 27,638	$ 4,652	$ (4,067)
Foreign	67,764	114,356	44,017
Total	$ 95,402	$ 119,008	$ 39,950

Income Tax Expense/(Benefit) – By Jurisdiction

The components of current and deferred income tax expense included in the Consolidated Statement of Operations for years ended December 31, 2024, 2023 and 2022 are as follows:

	Years Ended December 31, 2024	**2023**	**2022**
Current:			
Federal	$ 13,377	$ 6,957	$ 4,685
State and local	3,547	1,883	1,415
Foreign	12,183	8,103	(15,538)
	$ 29,107	$ 16,943	$ (9,438)
Deferred:			
Federal	$ (581)	$ (494)	$ (6)
State and local	(120)	(102)	(1)
Foreign	303	115	(1,289)
	(398)	(481)	(1,296)
Income tax expense/(benefit)	$ 28,709	$ 16,462	$ (10,734)

Reconciliation of Statutory Federal Income Tax Rate to the Effective Income Tax Rate

Below is a tabular rate reconciliation pursuant to the disclosure requirements of ASU 2023-09 for the year ended December 31, 2024:

	Year Ended December 31, 2024	
	Amount	Percent
U.S. federal statutory income tax	$ 20,034	21.0%
State and local income taxes, net of federal benefit[1]	909	1.0%
Foreign tax effects:		
Jersey, Channel Islands:		
Statutory tax rate difference	(3,456)	(3.6%)
United Kingdom:		
Statutory tax rate difference	1,822	1.9%
Other	(96)	(0.1%)
Ireland:		
Statutory tax rate difference	(351)	(0.4%)
Other	75	0.1%
Other Foreign Jurisdictions	226	0.2%
Changes in valuation allowances	290	0.3%
Non-taxable or non-deductible items		
Loss on debt extinguishment	6,219	6.5%
Civil money penalty relating to SEC ESG Settlement	972	1.0%
Executive compensation	901	1.0%
Stock-based compensation tax shortfalls	409	0.4%
Other adjustments	755	0.8%
Income tax expense	$ 28,709	30.1%

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(1) State and local taxes in New York and California comprise the majority of this category.

Below is a reconciliation of the statutory federal income tax expense and the Company's total income tax expense for the years ended December 31, 2023 and 2022:

	Years Ended December 31,	
	2023	2022
U.S. federal statutory income tax	$ 24,992	$ 8,386
Gain on revaluation/termination of deferred consideration[1]	(13,007)	(5,842)
Non-deductible loss on extinguishment of convertible notes	2,263	—
Foreign operations	(1,868)	(2,919)
Non-deductible executive compensation	1,833	789
Decrease in unrecognized tax benefits, net	(1,386)	(19,871)
Change in valuation allowance – Capital losses	1,340	4,761
Expiration of capital losses	796	—
Stock-based compensation tax shortfalls	373	507
Change in tax-related indemnification assets, net	291	4,173
Change in foreign net operating losses ("NOLs")	174	—
State income tax rate, net of federal benefit	153	(134)
Change in valuation allowance—Foreign NOLs and interest carryforwards	—	(1,609)
GILTI	—	499
Other differences, net	508	526
Income tax expense/(benefit)	$ 16,462	$ (10,734)

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(1) The gain on revaluation of deferred consideration is not adjusted for income taxes as the obligation was assumed by a wholly-owned subsidiary that is based in Jersey, a jurisdiction where the Company is subject to a zero percent tax rate.

Income Tax Payments

Disclosed below is a summary of income taxes paid by jurisdiction pursuant to the disclosure requirements of ASU 2023-09 for the year ended December 31, 2024:

	Year Ended December 31, 2024
United States - Federal	$ 16,139
United States - State and local	4,005
United Kingdom	11,485
Other	589
	$ 32,218

Disclosed below is a summary of income taxes paid by jurisdiction for the years ended December 31, 2023 and 2022:

	Years Ended December 31,	
	2023	2022
Federal	$ 4,824	$ 6,424
State and local	1,457	1,431
Foreign	9,875	4,645
	$ 16,156	$ 12,500

Deferred Tax Assets

A summary of the components of the Company's deferred tax assets at December 31, 2024 and 2023 is as follows:

	2024	2023
Deferred tax assets:		
Capital losses	$ 21,984	$ 22,489
Accrued expenses	6,465	6,000
Stock-based compensation	2,843	2,468
NOLs—Foreign	1,024	1,502
Goodwill and intangible assets	705	895
Foreign currency translation adjustment	427	146
Software capitalization	199	—
Operating lease liabilities	95	96
NOLs—U.S.	—	127
Unrealized losses	—	335
Other	332	401
Deferred tax assets	34,073	34,459
Deferred tax liabilities:		
Fixed assets and prepaid assets	246	296
Right of use assets—operating leases	95	96
Unremitted earnings—European subsidiaries	92	186
Unrealized gains	76	—
Deferred tax liabilities	509	578
Total deferred tax assets less deferred tax liabilities	33,564	33,881
Less: Valuation allowance	(21,908)	(22,824)
Deferred tax assets, net	$ 11,656	$ 11,057

Net Operating and Capital Losses – U.S.

The Company's tax effected capital losses at December 31, 2024 were $21,984. These capital losses expire between the years 2025 and 2028. During the years ended December 31, 2024 and 2023, tax effected capital losses in the amount of $0 and $3,278 expired, respectively.

Net Operating Losses – Europe

One of the Company's European subsidiaries generated NOLs outside the U.S. These tax effected NOLs, all of which are carried forward indefinitely, were $1,024 at December 31, 2024.

Valuation Allowance

The Company's valuation allowance has been established on its net capital losses (net of unrealized gains), as it is more-likely-than-not that these deferred tax assets will not be realized.

Income Tax Examinations

The Company is subject to U.S. federal income tax as well as income tax of multiple state, local and certain foreign jurisdictions.

As of December 31, 2024, with few exceptions, the Company was no longer subject to income tax examinations by any taxing authority for the years before 2020.

Uncertain Tax Positions

During the year ended December 31, 2023, $1,353 of unrecognized tax benefits lapsed due to the statute of limitations. There were no unrecognized tax benefits at December 31, 2024 and 2023.

Undistributed Earnings of Foreign Subsidiaries

ASC 740-30 Income Taxes provides guidance that U.S. companies do not need to recognize tax effects on foreign earnings that are indefinitely reinvested. The Company repatriates earnings of its foreign subsidiaries and therefore has recognized a deferred tax liability of $92 and $186 at December 31, 2024 and 2023, respectively.

23. Shares Repurchased

On February 22, 2022, the Company's Board of Directors approved an increase of $85,709 to the Company's share repurchase program to $100,000 and extended the term for three years through April 27, 2025. On February 24, 2025, the Company's Board of Directors approved another increase of $129,158 to the repurchase program, bringing the total authorization to $150,000, and extended the program's term for another three years through April 27, 2028. Included under the Company's share repurchase program are purchases to offset future equity grants made under the Company's equity plans and purchases made in open market or privately negotiated transactions. This authority may be exercised from time to time, subject to regulatory considerations. The timing and actual number of shares repurchased will depend on a variety of factors including price, corporate and regulatory requirements, market conditions and other corporate liquidity requirements and priorities. The repurchase program may be suspended or terminated at any time without prior notice. Shares repurchased under this program are returned to the status of authorized and unissued on the Company's books and records.

During the years ended December 31, 2024, 2023 and 2022, the Company repurchased 6,800,301, 635,653 and 593,261 shares of its common stock, respectively, under this program for an aggregate cost of $62,870, $3,570 and $3,418, respectively. Shares repurchased under this program were returned to the status of authorized and unissued on the Company's books and records.

As of December 31, 2024, $33,536 remained under this program for future purchases.

In addition, as further described in Note 11, in August 2024, the Company repurchased all of its then-outstanding Series A Non-Voting Convertible Preferred Stock, which was convertible into 14,750,000 shares of the Company's common stock from ETFS Capital for aggregate cash consideration of $143,812 (or $9.75 per share).

24. Goodwill and Intangible Assets

Goodwill

The table below sets forth goodwill which is tested annually for impairment on November 30th:

	Total
Balance at January 1, 2024	$ 86,841
Changes	—
Balance at December 31, 2024	$ 86,841

Goodwill was tested for impairment on November 30, 2024. The quantitative impairment test was performed using a market approach, whereby the market capitalization of the Company (a single reporting unit) was compared to its carrying value. The market capitalization was derived from the Company's publicly traded stock price plus a reasonable control premium. The fair value of the reporting unit exceeded its carrying value and therefore no impairment was recognized.

Of the total goodwill of $86,841 at December 31, 2024, $85,042 is not deductible for tax purposes as the acquisitions that gave rise to the goodwill were structured as stock acquisitions. The remainder of the goodwill is deductible for U.S. tax purposes.

Intangible Assets

The table below sets forth the Company's intangible assets which are tested annually for impairment on November 30th:

	Balance at December 31, 2024		
Item	Gross Asset	Accumulated Amortization	Net Asset
ETFS acquisition	$ 601,247	$ —	$ 601,247
Software development	6,855	(2,206)	4,649
Balance at December 31, 2024	$ 608,102	$ (2,206)	$ 605,896

	Balance at December 31, 2023		
Item	Gross Asset	Accumulated Amortization	Net Asset
ETFS acquisition	$ 601,247	$ —	$ 601,247
Software development	4,519	(684)	3,835
Balance at December 31, 2023	$ 605,766	$ (684)	$ 605,082

ETFS Acquisition (Indefinite-Lived)

In connection with the ETFS Acquisition, which was completed on April 11, 2018, the Company identified intangible assets valued at $601,247 related to the right to manage AUM through customary advisory agreements. These intangible assets were determined to have indefinite useful lives and are not deductible for tax purposes.

The Company performed its indefinite-lived intangible asset impairment test related to these customary advisory agreements on November 30, 2024. The results of this analysis identified no indicators of impairment to be recognized based upon a quantitative assessment (discounted cash flow analysis) which relied upon significant unobservable inputs including a projected revenue growth rate of 3% and a weighted average cost of capital of 10.3%.

Software Development (Finite-Lived)

Internally-developed software is amortized over a useful life of three years. During the years ended December 31, 2024, 2023 and 2022, the Company recognized amortization expense on internally-developed software of $1,522, $634 and $50, respectively.

As of December 31, 2024, expected amortization expense for the unamortized finite-lived intangible assets for the next five years and thereafter is as follows:

2025	$ 2,219
2026	1,653
2027	764
2028	13
2029	—
Total expected amortization expense	$ 4,649

The weighted-average remaining useful life of the finite-lived intangible assets is 2.3 years.

25. Contingent Payments

The Company recognized a gain of $0 and $1,477 during the years ended December 31, 2024 and 2023, respectively, from remeasuring contingent payments arising from the sale of its former Canadian ETF business to their realizable value. These gains were recorded in other gains/(losses), net.

26. Impairments

The following table summarizes impairments recognized by the Company:

	Years Ended December 31, 2024	2023	2022
Securrency (Note 7)	$ —	$ 7,630	$ —
Other investments (Note 7)	—	312	—
Total	$ —	$ 7,942	$ —

27. Segment Information

The Company, through its subsidiaries in the U.S. and Europe, is a global financial innovator, offering a diverse suite of ETPs, models, solutions and products leveraging blockchain technology. The Company conducts business as a single operating segment as an ETP sponsor and asset manager, which is based upon the Company's current organizational and management structure, as well as information used by the CODM to allocate resources and assess performance and other factors. The accounting policies of the segment are the same as those described in Note 2.

The key measures of segment profit or loss that the CODM uses to allocate resources and assess performance are the Company's consolidated net income, as reported on the Consolidated Statements of Operations, as well as adjusted operating income and adjusted operating income margin, which are exclusive of items that are non-recurring or not core to the Company's operating business.

The table below discloses these key measures and is inclusive of a reconciliation of the Company's operating income and operating income margin as computed under U.S. GAAP to the Company's Non-GAAP adjusted operating income and adjusted operating income margin utilized by the CODM:

	2024	2023	2022
Net income	$ 66,693	$ 102,546	$ 50,684
Adjusted Operating Income Margin			
Operating revenues	$ 427,737	$ 349,035	$ 301,345
Less: Legal expenses expected to be covered by insurance	(4,306)	—	—
Operating revenues, as adjusted	$ 423,431	$ 349,035	$ 301,345
Operating income	$ 137,293	$ 87,492	$ 60,085
Add back: Expenses incurred in response to an activist campaign	4,966	5,880	4,459
Adjusted operating income	$ 142,259	$ 93,372	$ 64,544
Operating income margin	32.1%	25.1%	19.9%
Adjusted operating income margin	33.6%	26.8%	21.4%

Expenses incurred in response to an activist campaign for the years ended December 31, 2024, 2023 and 2022 include $4,857, $5,734 and $4,187, respectively, of professional fees, and $109, $146 and $272, respectively, of other expenses.

All expense categories on the Consolidated Statements of Operations are significant and there are no other significant segment expenses that would require disclosure. Assets provided to the CODM are consistent with those reported on the Consolidated Balance Sheets with particular emphasis on the Company's available liquidity, including its cash, cash equivalents and restricted cash, financial instruments owned, accounts receivable and securities held-to-maturity, reduced by current liabilities, seed capital and regulatory capital requirements.

There are no intra-entity sales or transfers and no significant expense categories regularly provided to the CODM beyond those disclosed in the Consolidated Statements of Operations. The CODM manages the business using consolidated expense information, adjusted for items that are non-recurring or not core to the Company's operating business as disclosed in the table above, as well as regularly provided budgeted or forecasted expense information for the single operating segment.

Information related to the Company's products and services and geographical distribution of revenues is disclosed in Note 16.

28. Subsequent Events

The Company evaluated subsequent events through the date of issuance of the consolidated financial statements. There were no events requiring disclosure.

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EXHIBIT INDEX

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Registrant's Registration Statement on Form 10 filed with the SEC on March 31, 2011)
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation (Name Change) (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K filed with the SEC on November 7, 2022)
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation (Declassification of Board of Directors) (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K filed with the SEC on July 20, 2022)
3.4	Certificate of Amendment to the Amended and Restated Certificate of Incorporation (Increase in Authorized Shares) (incorporated by reference to Exhibit 3.2 of the Registrant's Current Report on Form 8-K filed with the SEC on July 20, 2022)
3.5	Certificate of Designations of Series A Non-Voting Convertible Preferred Stock of the Registrant (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K filed with the SEC on April 13, 2018)
3.6	Certificate of Elimination of Series A Non-Voting Convertible Preferred Stock of the Registrant (incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K filed with the SEC on August 13, 2024)
3.7	Certificate of Designations of Series B Junior Participating Cumulative Preferred Stock of the Registrant (incorporated by reference to Exhibit 3.1 of the Registrant's Registration Statement on Form 8-A filed with the SEC on March 20, 2023)
3.8	Fifth Amended and Restated Bylaws (incorporated by reference to Exhibit 3.7 of the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 2, 2024)
4.1	Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.1 of the Registrant's Registration Statement on Form 10 filed with the SEC on March 31, 2011)
4.2	Amended and Restated Stockholders Agreement among the Registrant and certain investors dated December 21, 2006 (incorporated by reference to Exhibit 4.2 of the Registrant's Registration Statement on Form 10 filed with the SEC on March 31, 2011)
4.3	Securities Purchase Agreement among the Registrant and certain investors dated December 21, 2006 (incorporated by reference to Exhibit 4.3 of the Registrant's Registration Statement on Form 10 filed with the SEC on March 31, 2011)
4.4	Securities Purchase Agreement among the Registrant and certain investors dated October 15, 2009 (incorporated by reference to Exhibit 4.4 of the Registrant's Registration Statement on Form 10 filed with the SEC on March 31, 2011)
4.5	Third Amended and Restated Registration Rights Agreement dated October 15, 2009 (incorporated by reference to Exhibit 4.5 of the Registrant's Registration Statement on Form 10 filed with the SEC on March 31, 2011)
4.6	Indenture, dated as of June 14, 2021, by and between the Registrant and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on June 14, 2021)
4.7	Form of Global Note, representing the Registrant's 3.25% Convertible Senior Notes due 2026 (incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K filed with the SEC on June 14, 2021)
4.8	Indenture, dated as of February 14, 2023, by and between the Registrant and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on February 14, 2023)
4.9	Form of Global Note, representing the Registrant's 5.75% Convertible Senior Notes due 2028 (incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K filed with the SEC on February 14, 2023)
4.10	Indenture, dated as of August 13, 2024, by and between the Registrant and U.S. Bank Trust Company, National Association, as Trustee (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on August 13, 2024)
4.11	Form of Global Note, representing the Registrant's 3.25% Convertible Senior Notes due 2029 (incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K filed with the SEC on August 13, 2024)
4.12	Stockholder Rights Agreement, dated March 17, 2023, between the Registrant and Continental Stock Transfer & Trust Company, as Rights Agent (incorporated by reference to Exhibit 4.1 of the Registrant's Registration Statement on Form 8-A filed with the SEC on March 20, 2023)

Exhibit Number	Description
4.13	Amendment No. 1 to Stockholder Rights Agreement, dated as of May 4, 2023, between the Registrant and Continental Stock Transfer & Trust Company, as Rights Agent (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on May 5, 2023)
4.14	Amendment No. 2 to Stockholder Rights Agreement, dated as of May 10, 2023, between the Registrant and Continental Stock Transfer & Trust Company, as Rights Agent (incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K filed with the SEC on May 10, 2023)
4.15	Amendment No. 3 to Stockholder Rights Agreement, dated as of March 18, 2024, between the Registrant and Continental Stock Transfer & Trust Company, as Rights Agent (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on March 18, 2024)
4.16	Amendment No. 4 to Stockholder Rights Agreement, dated as of March 25, 2024, between the Registrant and Continental Stock Transfer & Trust Company, as Rights Agent (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on March 29, 2024)
4.17	Amendment No. 5 to Stockholder Rights Agreement, dated as of April 30, 2024, between the Registrant and Continental Stock Transfer & Trust Company, as Rights Agent (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the SEC on April 30, 2024)
10.1	Representative Form of Advisory Agreement between WisdomTree Asset Management, Inc. and WisdomTree Trust (incorporated by reference to Exhibit 10.1 of the Registrant's Registration Statement on Form 10 filed with the SEC on March 31, 2011)
10.2	Form of Proprietary Rights and Confidentiality Agreement (incorporated by reference to Exhibit 10.34 of the Registrant's Registration Statement on Form 10 filed with the SEC on March 31, 2011)
10.3	Form of Indemnification Agreement for Officers and Directors (incorporated by reference to Exhibit 10.35 of the Registrant's Amendment to Registration Statement on Form 10 filed with the SEC on May 26, 2011)
10.4	Amended and Restated License Agreement between the Registrant and WisdomTree Trust dated March 1, 2012 (incorporated by reference to Exhibit 10.2 of the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 14, 2012)
10.5	WisdomTree Investments, Inc. 2016 Equity Plan (incorporated by reference to Exhibit 10.1 of the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 9, 2016)
10.6	Form of Employment Agreement for Executive Officers dated December 22, 2016 (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K filed with the SEC on December 23, 2016)
10.7(a)	Appendix A to Employment Agreement between the Registrant and Jonathan Steinberg, dated December 22, 2016 (incorporated by reference to Exhibit 10.1(A) of the Registrant's Current Report on Form 8-K filed with the SEC on December 23, 2016)
10.7(b)	Appendix A to Employment Agreement between the Registrant and Peter M. Ziemba, dated December 22, 2016 (incorporated by reference to Exhibit 10.1(E) of the Registrant's Current Report on Form 8-K filed with the SEC on December 23, 2016)
10.8	Form of Amendment, dated May 5, 2017, to Form of Employment Agreement for Executive Officers, dated December 22, 2016 (incorporated by reference to Exhibit 10.1 of the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 8, 2017)
10.9	Employment Agreement between the Registrant and R. Jarrett Lilien, dated November 27, 2017 (incorporated by reference to Exhibit 10.19 of the Registrant's Annual Report on Form 10-K filed with the SEC on March 1, 2018)
10.10	Employment Agreement between the Registrant and Marci Frankenthaler, dated November 5, 2020 (incorporated by reference to Exhibit 10.1 of the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 6, 2020)
10.11	Form of Amendment, dated April 21, 2023, to Employment Agreements between the Registrant and each of Jonathan Steinberg, Peter M. Ziemba, R. Jarrett Lilien and Marci Frankenthaler (incorporated by reference to Exhibit 10.2 of the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 9, 2023)
10.12	Share Sale Agreement among the Registrant, WisdomTree International and ETFS Capital dated November 13, 2017 (incorporated by reference to Exhibit 4.6 of the Registrant's Annual Report on Form 10-K filed with the SEC on March 1, 2018)
10.13	Waiver and Variation Agreement, dated April 11, 2018, by and among the Registrant, WisdomTree International and ETFS Capital (incorporated by reference to Exhibit 10.2 of the Registrant's Current Report on Form 8-K filed with the SEC on April 13, 2018)

Exhibit Number	Description
10.14	Employment Agreement between the Registrant and Alexis Marinof, dated June 8, 2017 (incorporated by reference to Exhibit 10.21 of Amendment No. 1 to the Registrant's Annual Report on Form 10-K on Form 10-K/A filed with the SEC on April 30, 2021)
10.15	Amendment to Employment Agreement between the Registrant and Alexis Marinof, dated July 20, 2017 (incorporated by reference to Exhibit 10.22 of Amendment No. 1 to the Registrant's Annual Report on Form 10-K on Form 10-K/A filed with the SEC on April 30, 2021)
10.16	Amendment to Employment Agreement between the Registrant and Alexis Marinof, dated April 21, 2023 (incorporated by reference to Exhibit 10.1 of the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 9, 2023)
10.17	WisdomTree Investments, Inc. 2022 Equity Plan (incorporated by reference to Exhibit 99.1 of the Registrant's Registration Statement on Form S-8 filed with the SEC on July 25, 2022)
10.18	Form of Restricted Stock Agreement for Non-Employee Directors (2022 Equity Plan) (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 4, 2022)
10.19	Form of Restricted Stock Unit Award Agreement (Deferred) for Non-Employee Directors (2022 Equity Plan) (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 4, 2022)
10.20	Non-Employee Director Deferred Compensation Program (incorporated by reference to Exhibit 10.26 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 28, 2023)
10.21	Form of Restricted Stock Agreement for Executive Officers applicable to grants after January 1, 2023 and prior to January 1, 2024 (2022 Equity Plan) (incorporated by reference to Exhibit 10.23 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 28, 2023)
10.22	Form of Performance-Based Restricted Stock Unit Award Agreement for U.S. Executive Officers applicable to grants after January 1, 2023 (2022 Equity Plan) (incorporated by reference to Exhibit 10.24 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 28, 2023)
10.23	Form of Performance-Based Restricted Stock Unit Award Agreement for U.K. Executive Officers applicable to grants after January 1, 2023 (2022 Equity Plan) (incorporated by reference to Exhibit 10.25 to the Registrant's Annual Report on Form 10-K filed with the SEC on February 28, 2023)
10.24	WisdomTree, Inc. Executive Severance Plan (incorporated by reference to Exhibit 10.3 of the Registrant's Quarterly Report on Form 10-Q, filed with the SEC on May 9, 2023)
10.25	Form of Employee Confidentiality, Assignment and Restrictive Covenant Agreement executed by participants of the WisdomTree, Inc. Executive Severance Plan (incorporated by reference to Exhibit 10.4 of the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 9, 2023)
10.26	Form of Restricted Stock Agreement for Executive Officers applicable to grants after January 1, 2024 (2022 Equity Plan)(incorporated by reference to Exhibit 10.31 of the Registrant's Annual Report on Form 10-K filed with the SEC on February 23, 2024)
19.1(1)	Statement of Company Policy on Insider Trading and Disclosure
21.1(1)	Subsidiaries of the Registrant
23.1(1)	Consent of Ernst & Young LLP, independent registered public accounting firm
31.1(1)	Rule 13a-14(a) / 15d-14(a) Certification
31.2(1)	Rule 13a-14(a) / 15d-14(a) Certification
32.1(2)	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97	Amended and Restated Compensation Clawback Policy (incorporated by reference to Exhibit 97 of the Registrant's Annual Report on Form 10-K filed with the SEC on February 23, 2024)
101	Financial Statements from the Annual Report on Form 10-K of the Company are attached to this report, formatted in XBRL pursuant to Rule 405 of Regulation S-T: (i) Consolidated Balance Sheets at December 31, 2024 and December 31, 2023; (ii) Consolidated Statements of Operations for the years ended December 31, 2024, December 31, 2023 and December 31, 2022; (iii) Consolidated Statements of Comprehensive Income/(Loss) for the years ended December 31, 2024, December 31, 2023 and December 31, 2022; (iv) Consolidated Statements of Changes in Stockholders' Equity for the years ended December 31, 2024, December 31, 2023 and December 31, 2022; (v) Consolidated Statements of Cash Flows for the years ended December 31, 2024, December 31, 2023 and December 31, 2022 and (vi) Notes to the Consolidated Financial Statements.

Exhibit Number	Description
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104 (1)	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101.*)

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* Schedules and exhibits to these Exhibits have been omitted in accordance with Item 601 of Regulation S-K. The Company agrees to furnish supplementally a copy of all omitted schedules and exhibits to the Securities and Exchange Commission or its staff upon request.

(1) Filed herewith.

(2) Furnished herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

WISDOMTREE, INC.

By: /s/ Jonathan Steinberg
Jonathan Steinberg
Chief Executive Officer and Director

February 26, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated below on the 26th day of February, 2025.

Signature	Title
/s/ Jonathan Steinberg **Jonathan Steinberg**	Chief Executive Officer and Director (Principal Executive Officer)
/s/ Bryan Edmiston **Bryan Edmiston**	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
/s/ Smita Conjeevaram **Smita Conjeevaram**	Non-Executive Chair of the Board
/s/ Lynn S. Blake **Lynn S. Blake**	Director
/s/ Anthony Bossone **Anthony Bossone**	Director
/s/ Rilla Delorier **Rilla Delorier**	Director
/s/ Daniela Mielke **Daniela Mielke**	Director
/s/ Shamla Naidoo **Shamla Naidoo**	Director
/s/ Win Neuger **Win Neuger**	Director
/s/ Tonia Pankopf **Tonia Pankopf**	Director

Exhibit 19.1

Adopted by the Board of Directors on April 24, 2024

WISDOMTREE, INC.
STATEMENT OF COMPANY POLICY ON
INSIDER TRADING AND DISCLOSURE

This memorandum sets forth the policy of WisdomTree, Inc. and its subsidiaries (collectively, the "Company") regarding trading in the Company's securities as described below and the disclosure of information concerning the Company. This Statement of Company Policy on Insider Trading and Disclosure (this "Insider Trading Policy") is designed to prevent the misuse of material nonpublic information, insider trading in securities or the appearance of impropriety, to satisfy the Company's obligation to reasonably supervise the activities of Company personnel, and to help Company personnel avoid the severe consequences associated with violations of insider trading laws. **It is your obligation to review, understand and comply with this Insider Trading Policy and applicable laws**. Our Board of Directors has approved this Insider Trading Policy. Please contact the Company's Trade Clearance Officer (Marci Frankenthaler at (917) 267-3787 or mfrankenthaler@wisdomtree.com) or Assistant Trade Clearance Officer (Peter Ziemba at (917) 267-3747 or pziemba@wisdomtree.com) if you have any questions regarding the policy.

PART I. OVERVIEW

A. To Whom does this Insider Trading Policy Apply?

This Insider Trading Policy is applicable to the Company's directors, executive officers and employees, including anyone employed by or acting as a director of any of the Company's subsidiaries, and also applies to consultants of the Company who in the ordinary course of the performance of their duties have access to material nonpublic information regarding the Company. We refer to each of these individuals in this Insider Trading Policy as an "Insider." This Insider Trading Policy continues to apply following the termination of any Insider's service to or employment with the Company until any material, nonpublic information possessed by such individual has become public or is no longer material.

The same restrictions that apply to Insiders also apply to the following persons (collectively, these persons and entities are referred to as "Affiliated Persons"):

- your "Family Members." "Family Members" are (a) your spouse, domestic partner, significant other, children, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws who reside in the same household as you, (b) your children or your spouse's children who do not reside in the same household as you but are financially dependent on you, (c) any of your other family members who do not reside in your household but whose transactions are directed by you, and (d) any other individual over whose account you have control and to whose financial support you materially contribute. Materially contributing to financial support would include, for example, paying an individual's rent but not just a phone bill;

- all trusts, family partnerships and other types of entities formed for your benefit or for the benefit of a member of your family and over which you have the ability to influence or direct investment decisions concerning securities;

- all persons who execute trades on your behalf; and

- all investment funds, trusts, retirement plans, partnerships, corporations and other types of entities over which you have the ability to influence or direct investment decisions concerning securities; provided, however, that the Trading Procedures (defined below) do not apply to any such entity that engages in the investment of securities in the ordinary course of its business (e.g., an investment fund or partnership) if the entity has established its own insider trading controls and procedures in compliance with applicable securities laws and it (or an affiliated entity) has represented to the Company that its affiliated entities: (a) engage in the investment of securities in the ordinary course of their respective businesses; (b) have established insider trading controls and procedures in compliance with securities laws; and (c) are aware the securities laws prohibit any person or entity who has material nonpublic information concerning the Company from purchasing or selling securities of the Company or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell securities.

Insiders are responsible for ensuring compliance with this Insider Trading Policy by all of their Affiliated Persons. Unless the context otherwise requires, references to “you” or “Insiders” in this Insider Trading Policy refer collectively to Insiders and their Affiliated Persons.

In addition, all Insiders must comply with the Company’s Special Trading Procedures (“Trading Procedures”) set forth in Part II below, which supplement and are deemed a part of this Insider Trading Policy. Generally, the Trading Procedures establish trading windows outside of which Insiders are prohibited from trading in the Company’s securities. In addition, (i) directors, (ii) executive officers subject to Section 16 of the Securities Exchange Act of 1934, as amended (“Exchange Act”), and (iii) certain designated employees and consultants of the Company who in the ordinary course of the performance of their duties have access to material nonpublic information regarding the Company, together with their respective Affiliated Persons, also require the pre-clearance of all transactions in the Company’s securities. Each of these individuals in this Insider Trading Policy and in the Trading Procedures is referred to as a “Covered Person.” Insiders who are not directors or executive officers will be notified in writing via email if they are a Covered Person. In addition, all employees of the Company and its subsidiaries who are participants in the Company’s 401(k) Plan (“401(k) Plan Participants”) and seek to trade in the Company’s securities through an approved self-directed brokerage account in the Company’s 401(k) Plan also require the pre-clearance of all such transactions in the Company’s securities.

B. What is Prohibited by this Insider Trading Policy?

You and your Affiliated Persons are prohibited from engaging in insider trading and from trading in securities in violation of this Insider Trading Policy. “Insider trading” is (1) trading (buying or selling) the securities of a company whether for your account or for the account of another, while in the possession of material nonpublic information (see definition below) about that company or (2) disclosing material nonpublic information about a company to others who may trade on the basis of that information. Insider trading can result in criminal prosecution, jail time, significant fines and public embarrassment for you and the Company.

Prohibition on Trading in Company Securities

When you are in possession of material nonpublic information about the Company, whether positive or negative, you are prohibited from the following activities:

- trading (whether for your account of for the account of another) in the Company's securities, which includes common stock, options to purchase common stock, any other type of securities that the Company may issue (such as preferred stock, convertible debentures, warrants, and exchange-traded options), and any derivative securities, that provide the economic equivalent of ownership of any of the Company's securities or an opportunity, direct or indirect, to profit from any change in the value of the Company's securities, except for trades made pursuant to plans approved by the Trade Clearance Officer in accordance with this Insider Trading Policy that are intended to comply with Rule 10b5-1 under the Exchange Act;

- having others trade for you in the Company's securities;

- giving trading advice of any kind about the Company except that you should, when appropriate, advise others not to trade if doing so might violate the law or this Insider Trading Policy; and

- disclosing the material, nonpublic information about the Company to anyone else who might then trade, or recommending to anyone that they purchase or sell the Company's securities when an Insider is aware of material, nonpublic information (these practices are known as "*tipping*").

As noted above, these prohibitions also apply to your Affiliated Persons.

This Insider Trading Policy does <u>not</u> apply to (1) an exercise of an employee stock option when payment of the exercise price is made in cash or (2) the withholding by the Company of shares of stock upon vesting of restricted stock or upon settlement of restricted stock units to satisfy applicable tax withholding requirements if (a) such withholding is required by the applicable plan or award agreement, (b) is done as a matter of Company policy or (c) the election to exercise such tax withholding right was made by the Insider in compliance with the Trading Procedures.

However, the policy <u>does</u> apply to the use of outstanding Company securities to pay part or all of the exercise price of a stock option, any sale of stock as part of a broker-assisted cashless exercise of an option, and any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

Prohibition on Tipping

Providing material nonpublic information about the Company to another person who may trade or advise others to trade on the basis of that information is known as "tipping" and is illegal. You are prohibited from providing material nonpublic information about the Company to a friend, relative or anyone else who might buy or sell a security or other financial instrument on the basis of that information, whether or not you intend to or actually do realize a profit (or any other benefit) from such tipping. Additionally, you are prohibited from recommending to any person that such person engage in or refrain from engaging in any transaction involving the Company's securities, or otherwise give trading advice concerning the Company's securities, if you are in possession of material nonpublic information about the Company.

Duration of Trading Prohibitions

These trading prohibitions continue whenever and for as long as you know or are in possession of material nonpublic information. Remember, anyone scrutinizing your transactions will be doing so after the fact, with the benefit of hindsight. As a practical matter, before engaging in any transaction, you should carefully consider even the appearance of improper insider trading and how enforcement authorities and others might view the transaction in hindsight.

This Insider Trading Policy applies to you and your Affiliated Persons for as long as you are associated with the Company. If you leave the Company for any reason, this Insider Trading Policy, including, if applicable, the Trading Procedures described in Part II, will continue to apply to you and your Affiliated Persons until the later of: (1) the first trading day following the public release of earnings for the fiscal quarter in which you leave the Company or (2) the first trading day after any material nonpublic information known to you has become public or is no longer material.

C. What is Material Nonpublic Information?

This Insider Trading Policy prohibits you from trading in a company's securities if you are in possession of information about the company that is both "*material*" and "*nonpublic*." If you have a question whether certain information you are aware of is material or has been made public, you should consult with the Trade Clearance Officer.

Material Information

Information about the Company is "material" if it could reasonably be expected to affect the investment decisions of a stockholder or potential investor or if disclosure of the information could reasonably be expected to significantly alter the total mix of information in the marketplace about the Company.

In simple terms, material information is any type of information that could reasonably be expected to affect the market price of the Company's securities. Both positive and negative information may be material. While it is not possible to identify all information that would be deemed "material," the following items are examples of the types of information that could be material:

- projections of future earnings or losses, or other earnings guidance;
- quarterly financial results that are known but have not been publicly disclosed;
- potential restatements of the Company's financial statements, changes in auditors or auditor notification that the Company may no longer rely on an auditor's audit report;
- pending or proposed corporate mergers, acquisitions, tender offers, joint ventures or dispositions of significant assets;
- changes in senior management or members of our Board of Directors;
- significant actual or threatened litigation or governmental investigations or major developments in such matters;
- cybersecurity risks and incidents, including the discovery of significant vulnerabilities or breaches;
- significant developments regarding products, customers, suppliers, orders, contracts or financing sources (e.g., the acquisition or loss of a contract);

- changes in dividend policy, declarations of stock splits, or proposed securities offerings or other financings;
- potential defaults under any credit agreements or indentures or potential material liquidity issues; and
- bankruptcies or receiverships.

The above items will not always be material. For example, some new products or contracts may clearly be material while others may not be. No "bright-line" standard or list of items can adequately address the range of situations that may arise; information and events should be carefully considered in terms of their materiality to the Company.

"Nonpublic" Information

Material information is "nonpublic" if it has not been disseminated in a manner making it available to investors generally.

To demonstrate that information is public, one must be able to point to some fact that establishes that the information has become publicly available, such as the filing of a report with the Securities and Exchange Commission (the "SEC"), the distribution of a press release, the publication of the information on our website or posting on the Company's official social media channels if those are regular ways we communicate with investors, or by other means that are reasonably designed to provide broad public access. Before a person with material nonpublic information can trade, the market must have adequate time to absorb the information that has been disclosed. For the purposes of this Insider Trading Policy, information will be considered public when the market opens for trading on the **second** full trading day following the Company's public release of the information.

For example, if the Company publicly discloses material nonpublic information of which an Insider is aware before trading begins on a Friday, the first time an Insider can buy or sell Company securities is the opening of the market on Monday. However, if the Company announces this material information after trading begins on that Friday, the first time that an Insider can buy or sell Company securities is the opening of the market on Tuesday.

D. Are there any Restrictions on the Use of Electronic Bulletin Boards, Chat Rooms, Social Media, Websites or Similar Forums?

While the Company encourages its stockholders and potential investors to obtain as much information as possible about the Company, the Company believes that information should come from its publicly-filed SEC reports, press releases and external website or from a designated Company spokesperson, rather than from speculation or unauthorized disclosures by the Company's directors, officers or employees. For this reason, the Company has designated certain members of management to respond to inquiries regarding the Company's business and prospects. This centralization of communication is designed to ensure that the information the Company discloses is accurate and considered in light of previous disclosures. Formal announcements are generally reviewed by management and legal counsel before they are made public. Any communications that do not go through this review process create an increased risk to the Company, as well as to the individual responsible for the communication, of civil and criminal liability.

Inappropriate communications disseminated on the Internet, whether through electronic bulletin boards, chat rooms, social media, websites and similar forums may pose an inherently greater risk due to the size of the audience they can reach. These forums have the potential to move a stock price significantly, and very rapidly – yet the information disseminated through these forums often is unreliable, and in some cases, may be deliberately false. The SEC has investigated and prosecuted a number of fraudulent schemes involving these forums. An Insider may encounter information about the Company on the Internet that they believe is harmful or inaccurate, or other information that they believe is true or beneficial for the Company. Although an Insider may have a natural tendency to deny or confirm such information on these forums, any sort of response, even if it presents accurate information, could be considered improper disclosure and could result in legal liability to an Insider and/or to the Company.

The Company is committed to preventing inadvertent disclosures of material nonpublic information, preventing unwitting participation in Internet-based securities fraud, and avoiding the appearance of impropriety by persons associated with the Company. Accordingly, this Insider Trading Policy prohibits an Insider from discussing material nonpublic information about the Company with anyone, including other employees, except as required in the performance of the Insider's duties. Insiders should not under any circumstances provide information or discuss matters involving the Company with the news media, any broker-dealer, analyst, investment banker, investment advisor, institutional investment manager, investment company or stockholder, even if an Insider is contacted directly by such persons, without express prior authorization. This restriction applies whether or not Insiders identify as being associated with the Company. Insiders should refer all such contact or inquiries to Marci Frankenthaler, Chief Legal Officer, at (917) 267-3787 or mfrankenthaler@wisdomtree.com.

This Insider Trading Policy also prohibits Insiders from making any comments or postings about the Company on any electronic bulletin boards, chat rooms, social media, websites or similar forums, or responding to comments or postings about the Company's business made by others. This restriction applies whether or not an Insider identifies as being associated with the Company.

E. What are the Penalties for Insider Trading and Noncompliance with this Insider Trading Policy?

Both the SEC and the national securities exchanges, through the Financial Industry Regulatory Authority ("FINRA"), investigate and are very effective at detecting insider trading. The U.S. government pursues insider trading violations vigorously, successfully prosecuting, for example, trading by employees in foreign accounts, trading by family members and friends of insiders, and trading involving only a small number of shares.

The penalties for violating rules against insider trading can be severe and include:

- forfeiture of any profit gained or loss avoided by the trading;
- payment of the loss suffered by the persons who, contemporaneously with the purchase or sale of securities that are the subject of a violation, have purchased or sold securities of the same class;

- payment of criminal penalties of up to $5,000,000;
- payment of civil penalties of up to three times the profit made or loss avoided; and
- imprisonment for up to 20 years.

The Company and/or the supervisors of the person engaged in insider trading may also be required to pay civil penalties or fines of $2 million or more, up to three times the profit made or loss avoided, as well as criminal penalties of up to $25,000,000, and could under some circumstances be subject to private lawsuits.

Violation of this Insider Trading Policy or any federal or state insider trading laws may subject you to disciplinary action by the Company, including termination of your employment or other relationship with the Company. The Company reserves the right to determine, in its own discretion and on the basis of the information available to it, whether this Insider Trading Policy has been violated. The Company may determine that specific conduct violates this Insider Trading Policy whether or not it also violates the law. It is not necessary for the Company to await the filing or conclusion of a civil or criminal action against an alleged violator before taking disciplinary action.

F. Does the Company have any Other Policies Regarding Confidential Information?

The Company also has strict policies relating to safeguarding the confidentiality of its internal, proprietary information. These policies include procedures regarding identifying, marking and safeguarding confidential information and employee confidentiality agreements. Insiders should comply with these policies at all times.

G. How Are Violations of this Insider Trading Policy Reported?

If you have a question about this Insider Trading Policy, including whether certain information you are aware of is material or has been made public, you should consult with the Trade Clearance Officer. If you violate this Insider Trading Policy or any federal or state laws governing insider trading, or know of any such violation by any director or employee of the Company, you should report the violation immediately to the Trade Clearance Officer. However, if the conduct in question involves the Trade Clearance Officer, if the Insider has reported such conduct to the Trade Clearance Officer and does not believe that they have dealt with it properly, or if the Insider does not feel comfortable discussing the matter with such person, the Insider may raise the matter with the Assistant Trade Clearance Officer.

H. Is This Insider Trading Policy Subject to Modification?

The Company may at any time change this Insider Trading Policy or adopt such other policies or procedures which it considers appropriate to carry out the purposes of its policies regarding insider trading and the disclosure of Company information. Notice of any such change will be delivered to all Insiders by regular or electronic mail (or other delivery option used by the Company) by the Company. All Insiders will be deemed to have received, be bound by and agree to revisions of this Insider Trading Policy when such revisions have been delivered, unless an Insider objects to any revision in a written statement received by the Trade Clearance Officer within two (2) business days of such delivery.

PART II. TRADING PROCEDURES

A. SPECIAL TRADING RESTRICTIONS

Please see Part I of this Insider Trading Policy for a description of prohibited activities applicable to all Insiders. **In particular, no Insider may buy or sell securities of the Company if such Insider is in possession of material nonpublic information about the Company, unless the trade has been effected in compliance with a pre-approved Rule 10b5-1 Plan. This prohibition applies even if the transaction would occur during a trading window in accordance with these Trading Procedures and, if applicable, the Insider receives pre-clearance.**

Please also see Part I of this Insider Trading Policy for a discussion of what constitutes “insider trading” as well as “material” and “nonpublic” information. Any Insiders who are unsure whether the information that they possess is material or nonpublic should consult the Trade Clearance Officer identified below for guidance.

In addition to needing to comply with the restrictions on trading in Company securities set forth above, Insiders and their Affiliated Persons are subject to the following special trading restrictions:

1. No Trading Except During Trading Windows.

The announcement of the Company’s quarterly financial results almost always has the potential to have a material effect on the market for the Company’s securities. Although an Insider may not know the financial results prior to public announcement, if an Insider engages in a trade before the financial results are disclosed to the public, such trades may give an appearance of impropriety that could subject the Insider and the Company to a charge of insider trading. Therefore, subject to limited exceptions described herein, Insiders may trade in Company securities only during four quarterly trading windows. Unless otherwise advised, the four trading windows consist of the periods that begin when the market opens for trading on the **<u>second</u>** full trading day following the Company’s issuance of a press release (or other method of broad public dissemination) announcing its quarterly or annual earnings and end at the close of business on the 16th day before the end of the then-current quarter. For the purposes of the foregoing, a full trading day means an entire calendar day in which a session of regular trading hours on the New York Stock Exchange (NYSE) or Nasdaq between 9:30 a.m. and 4:00 p.m. Eastern Time (or such earlier close time as has been set by exchange rules) has occurred. Insiders may be allowed to trade outside of a trading window only (a) pursuant to a pre-approved Rule 10b5-1 Plan as described in Section C of these Trading Procedures or (b) if granted a waiver in accordance with the procedure for granting waivers described in Section D of these Trading Procedures.

Of course, if an Insider has material nonpublic information about the Company during one of these trading windows, the Insider may not trade in the Company’s securities.

In addition to trading only during trading windows, the Company’s (i) directors, (ii) executive officers subject to Section 16 of the Exchange Act, and (iii) certain designated employees and consultants of the Company who in the ordinary course of the performance of their duties have access to material nonpublic information regarding the Company, together with their Affiliated Persons, must obtain pre-clearance of trades from the Trade Clearance Officer in accordance with the procedures set forth in Section B below. We refer to each of these individuals in these Trading Procedures as a “Covered Person.” Insiders who are not directors or executive officers will be notified in writing via email if they are a Covered Person. In addition, all employees of the Company and its subsidiaries who are participants in the Company’s 401(k) Plan (“401(k) Plan Participants”) and seek to trade Company securities through an approved self-directed brokerage account in the Company’s 401(k) Plan also must obtain pre-clearance of all such transactions from the Trade Clearance Officer in accordance with the procedures set forth in Section B below.

2. All Trades by Employees in the Company's Securities Must be Made Only Through the Employee's Fidelity Brokerage Account (subject to certain exceptions).

Any transactions by employees of the Company and its subsidiaries in Company securities must be executed only through a Fidelity brokerage account that is linked to the employee's WisdomTree Fidelity equity awards/stock plan account ("Linked Fidelity Brokerage Account"). This means that, subject to the exception below for 401(k) Participants, purchases and sales of Company securities must be made in a Linked Fidelity Brokerage Account, and any employees who hold Company securities in non-Linked Fidelity Brokerage Accounts must transfer any holdings of Company securities into a Linked Fidelity Brokerage Account prior to effecting any sale of those securities.

Exception for Self-Directed Brokerage Account in 401(k) Plan. Transactions in Company securities by 401(k) Plan Participants must be executed only through an approved self-directed brokerage account in the Company's 401(k) Plan, but only if such transaction has been approved in advance by the Trade Clearance Officer in accordance with the procedures set forth in Section A.3., below.

3. All Trades by Covered Persons and 401(k) Plan Participants Through an Approved Self-Directed Brokerage Account in the Company's 401(k) Plan Must be Pre-Cleared by the Trade Clearance Officer.

No (i) Covered Person or (ii) 401(k) Plan Participant who seeks to trade Company securities through an approved self-directed brokerage account in the Company's 401(k) Plan may trade in Company securities unless the trade has been approved in advance by the Trade Clearance Officer in accordance with the procedures set forth below. The Company has designated Marci Frankenthaler, Chief Legal Officer, as its insider trading compliance officer (the "Trade Clearance Officer"). The Trade Clearance Officer will review and either approve or prohibit all such proposed trades by Covered Persons and 401(k) Plan Participants in accordance with the procedures set forth in Section B below. The Trade Clearance Officer may consult with the Company's other officers and/or outside legal counsel and will receive approval for their own trades from the Assistant Trade Clearance Officer (Peter M. Ziemba, Chief Administrative Officer). If a Covered Person or 401(k) Plan Participant is unable to contact the Trade Clearance Officer, or if they do not feel the matter can be discussed with the Trade Clearance Officer, the Covered Person or 401(k) Plan Participant may contact the Assistant Trade Clearance Officer, who shall be the alternate Trade Clearance Officer (the Trade Clearance Officer and the alternate Trade Clearance Officer are collectively referred to as the "Trade Clearance Officer" in these Trading Procedures).

4. Special Closed Trading Periods.

The Trade Clearance Officer may designate, from time to time, a "Special Closed Window" during what would be a permitted trading window. During a Special Closed Window, designated Insiders (which could be all Insiders or a subset of them) may not trade in the Company's securities. The Trade Clearance Officer may also impose a Special Closed Window on Insiders or a subset of them to prohibit trading in the securities of other companies, including specified peers or competitors of the Company.

The imposition of a Special Closed Window will not be announced to the Company generally, should not be communicated to any other person, and may itself be considered under this Insider Trading Policy to be material nonpublic information about the Company.

5. **Prohibited Transactions.**

- **No Short Sales**. No Insider may at any time sell any securities of the Company that are not owned by such Insider at the time of the sale (a "short sale"), except for a short sale covered by an option exercise that same day.

- **No Pledges of Company securities**. No Insider may pledge Company securities as collateral for a loan (or modify an existing pledge).

- **No Purchases or Sales of Derivative Securities or Hedging Transactions**. No Insider may buy or sell puts, calls, other derivative securities of the Company or any derivative securities that provide the economic equivalent of ownership of any of the Company's securities or an opportunity, direct or indirect, to profit from any change in the value of the Company's securities or engage in any other hedging transaction with respect to the Company's securities, at any time.

- **No Company Securities May Be Held in a Margin Account Without Pre-Approval**. No Insider may hold the Company's securities in a margin account unless approved by the Audit Committee of the Board of Directors. Any such request submitted by an Insider will be considered by the Audit Committee on a case-by-case basis and, if permitted, shall be subject to all of the other restrictions on trading in the Company's securities set forth in these Trading Procedures.

- **Gifts and Other Distributions in Kind Subject to Same Restrictions as All Other Securities Trades**. No Insider may give, donate or make any other transfer of Company securities without consideration when the Insider is not permitted to trade unless the donee agrees not to sell the shares until the Insider is permitted to sell. In addition to charitable donations or gifts to family members, friends, trusts or others, this prohibition applies to distributions to limited partners by limited partnerships that are subject to this Insider Trading Policy.

- **No Purchases or Sales of Company Securities through Managed Accounts**. If an Insider has a managed account (where another person has been given discretion or authority to trade without the Insider's approval), they must instruct the broker or advisor not to trade in Company securities on the Insider's behalf at any time. In addition, the Insider must provide to the Trade Clearance Officer written confirmation from the brokerage firm that it acknowledges receipt of the trading restriction imposed on the managed account.

B. PRE-CLEARANCE PROCEDURES FOR COVERED PERSONS AND 401(k) PLAN PARTICIPANTS WHO SEEK TO TRADE COMPANY SECURITIES THROUGH AN APPROVED SELF-DIRECTED BROKERAGE ACCOUNT IN THE COMPANY'S 401(k) PLAN)

No Covered Person or 401(k) Plan Participant who seeks to trade through an approved self-directed brokerage account in the Company's 401(k) Plan may trade in Company securities, even during an open trading window, unless the trade has been approved by the Trade Clearance Officer in accordance with the procedures described below. In reviewing trading requests, the Trade Clearance Officer may consult with our other officers and/or outside legal counsel and will seek approval of their own trades from the Assistant Trade Clearance Officer.

1. **Procedures.** No Covered Person or 401(k) Plan Participant who seeks to trade through an approved self-directed brokerage account in the Company's 401(k) Plan may trade in Company securities unless:

- The Covered Person or 401(k) Plan Participant has notified the Trade Clearance Officer prior to the intended trade date of the amount and nature of the proposed trade(s) by submitting a Stock Transaction Request Form attached to this Insider Trading Policy either through MyComplianceOffice (MCO) (employees) or via scanned email attachment (directors and consultants) to the Trade Clearance Officer;

- The Covered Person or 401(k) Plan Participant has certified to the Trade Clearance Officer in writing prior to the proposed trade(s) that they are not in possession of material nonpublic information concerning the Company;

- The Insider has informed the Trade Clearance Officer, using the Stock Transaction Request Form, whether, to the Insider's best knowledge, (a) the Insider has (or is deemed to have) engaged in any opposite way transactions within the previous six months that were not exempt from Section 16(b) of the Exchange Act and (b) if the transaction involves a sale by an "affiliate" of the Company or of "restricted securities" (as such terms are defined under Rule 144 under the Securities Act of 1933, as amended ("Rule 144")), whether the transaction meets all of the applicable conditions of Rule 144; and

- The Trade Clearance Officer or their designee has approved the trade(s) and has certified their approval in writing via email or via MCO.

The Trade Clearance Officer does not assume responsibility for, and approval by the Trade Clearance Officer does not protect the Covered Person or 401(k) Plan Participant from, the consequences of prohibited insider trading.

2. **Additional Information.**

Covered Persons or 401(k) Plan Participants shall provide to the Trade Clearance Officer any documentation the Trade Clearance Officer reasonably requires in furtherance of the foregoing procedures. Any failure to provide such information will be grounds for the Trade Clearance Officer to deny approval of the trade request.

3. **Notification of Brokers of Insider Status.**

Insiders who are required to file reports under Section 16 of the Exchange Act shall inform their brokers that (a) the Insider is subject to Section 16; (b) the broker shall confirm that any trade by the Insider or any of their affiliates has been precleared by the Company; and (c) the broker is to provide transaction information noted in Section B.6 below to the Insider and/or Trade Clearance Officer on the day of a trade.

4. No Obligation to Approve Trades.

The foregoing approval procedures do not in any way obligate the Trade Clearance Officer to approve any trade requested by a Covered Person or 401(k) Plan Participant. The Trade Clearance Officer may reject any trading request or rescind an approved trade request at their sole discretion. From time to time, an event may occur that is material to the Company and is known by only a limited number of directors, employees and/or consultants. The Trade Clearance Officer may decline a request by a Covered Person or 401(k) Plan Participant to preclear a proposed trade, or rescind an approved trade request, based on the existence of a material nonpublic development – even if the Covered Person or 401(k) Plan Participant is not aware of that material nonpublic development. If any Covered Person or 401(k) Plan Participant engages in a trade before a material nonpublic development is disclosed to the public or resolved, the Covered Person or 401(k) Plan Participant and the Company might be exposed to a charge of insider trading that could be costly and difficult to refute even if the Insider was unaware of the development. So long as the event remains material and nonpublic, the Trade Clearance Officer may decide not to approve any transactions in the Company's securities. If a Covered Person or 401(k) Plan Participant requests clearance to trade in the Company's securities during the pendency of such an event, the Trade Clearance Officer may reject the trading request, or rescind an approved trade request, without disclosing the reason. Any rescission of an approved trade request will be communicated to the Covered Person by the Trade Clearance Officer in writing via email or via MCO.

5. Completion of Trades.

After receiving written clearance from the Trade Clearance Officer to engage in a trade, a Covered Person or 401(k) Plan Participant must complete the proposed trade within two (2) trading days or make a new trading request. Even if a Covered Person or 401(k) Plan Participant has received clearance, the Covered Person or 401(k) Plan Participant may not engage in a trade if (i) such clearance has been rescinded by the Trade Clearance Officer, (ii) the Covered Person or 401(k) Plan Participant has otherwise received notice that the trading window has closed or (iii) the Covered Person or 401(k) Plan Participant has or acquires material nonpublic information.

6. Post-Trade Reporting.

The details of any transactions in the Company's securities (including transactions effected pursuant to a Rule 10b5-1 Plan) by a Covered Person (or an Affiliated Person) or a 401(k) Plan Participant must be reported to the Trade Clearance Officer in writing via email by the Covered Person or 401(k) Plan Participant or their brokerage firm on the same day in which a trade order is placed or such a transaction otherwise is entered into. The report shall include the date of the transaction, quantity of shares, the price and the name of the broker-dealer that effected the transaction. This reporting requirement may be satisfied by providing (or having the broker of the Covered Person or 401(k) Plan Participant provide) a trade order confirmation to the Trade Clearance Officer if the Trade Clearance Officer receives such information by the required date. This requirement is in addition to any required notification that the Company receives from the broker who completes the trade. Compliance by directors and executive officers with this provision is imperative given the requirement of Section 16 of the Exchange Act that these persons generally report changes in ownership of Company securities within two (2) business days. The sanctions for noncompliance with this reporting deadline include mandatory disclosure in the Company's proxy statement for the next annual meeting of stockholders, as well as possible civil or criminal sanctions for chronic or egregious violators.

C. EXEMPTIONS

1. Pre-Approved Rule 10b5-1 Plan by Covered Persons.

Transactions made pursuant to an approved Rule 10b5-1 Plan (as defined below) will not be subject to the Company's trading windows or pre-clearance procedures, and Covered Persons are not required to complete a Stock Transaction Request Form for such transactions. Rule 10b5-1 of the Exchange Act provides an affirmative defense from insider trading liability under the federal securities laws for trading plans, arrangements or instructions that meet specified requirements. A trading plan, arrangement or instruction that meets the requirements of the SEC's Rule 10b5-1 (a "Rule 10b5-1 Plan") enables Covered Persons to trade in Company securities outside of the Company's trading windows, even when in possession of material nonpublic information. If a Covered Person intends to trade pursuant to a Rule 10b5-1 Plan, such plan, arrangement or instruction must:

- satisfy the requirements of Rule 10b5-1;
- be documented in writing;
- be established during a trading window when such Covered Person does not possess material nonpublic information; and
- be pre-approved by the Trade Clearance Officer.

Prior to approving a Rule 10b5-1 Plan, the Trade Clearance Officer may require that the plan, arrangement or instruction exclude or include certain provisions (e.g., cooling off period, minimum number of trades requirement, limited term) that ensure compliance with SEC regulations and practices the Trade Clearance Officer deems to be in the best interests of the Company.

Any proposed deviation from the specifications of an approved Rule 10b5-1 Plan (including, without limitation, the amount, price or timing of a purchase or sale) must be reported immediately to, and be approved by, the Trade Clearance Officer. **All transactions pursuant to a Rule 10b5-1 Plan must be timely reported in accordance with the procedures set forth above.**

The Trade Clearance Officer may refuse to approve a Rule 10b5-1 Plan as they deem appropriate including, without limitation, if they determine that such plan does not satisfy the requirements of Rule 10b5-1. The Trade Clearance Officer may consult with the Company's legal counsel before approving a Rule 10b5-1 Plan. If the Trade Clearance Officer does not approve an Insider's Rule 10b5-1 Plan, such Covered Person must adhere to the trading windows and pre-clearance procedures set forth above until such time as a Rule 10b5-1 Plan is approved.

Any modification or termination of a Covered Person's Rule 10b5-1 Plan previously approved by the Trade Clearance Officer (other than the natural expiration of such plan) requires a new approval by the Trade Clearance Officer. The Trade Clearance Officer may require as a condition to such approval that the modification or termination occur during a trading window and that the Covered Person not be aware of material nonpublic information.

2. Employee Benefit Plans.

Exercise of Stock Options. The trading prohibitions and restrictions set forth in these Trading Procedures do not apply to the exercise of an option to purchase securities of the Company when payment of the exercise price is made in cash. However, the exercise is subject to the current reporting requirements of Section 16 of the Exchange Act and, therefore, Covered Persons must comply with the post-trade reporting requirements described in Section B above for any such transaction. In addition, the securities acquired upon the exercise of an option to purchase Company securities are subject to all of the requirements of these Trading Procedures and this Insider Trading Policy. Moreover, these Trading Procedures apply to the use of outstanding Company securities to pay part or all of the exercise price of an option, any net option exercise, any exercise of a stock appreciation right, share withholding and, any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

Tax Withholding on Restricted Stock. The trading prohibitions and restrictions set forth in these Trading Procedures do not apply to the withholding by the Company of shares of stock upon vesting of restricted stock or upon settlement of restricted stock units to satisfy tax withholding requirements if (a) withholding is required by the applicable plan or award agreement, (b) is done as a matter of Company policy or (c) the election to exercise such tax withholding right was made by the Insider in compliance with these Trading Procedures.

D. WAIVERS

A waiver of any provision of this Insider Trading Policy or these Trading Procedures in a specific instance may be authorized in writing by the Trade Clearance Officer or their designee, and any such waiver shall be reported to the Company's Board of Directors.

PART III. ACKNOWLEDGMENT

The Insider Trading Policy and the Trading Procedures will be delivered to all current Insiders and to all new Insiders at the start of their employment or relationship with the Company. Upon first receiving a copy of the Insider Trading Policy and the Trading Procedures, each Insider must acknowledge through MCO (the Company's employee monitoring system) or email, as applicable, that they have received a copy and agree to comply with the terms of the Insider Trading Policy and the Trading Procedures included therein.

This acknowledgment will constitute consent for the Company to impose sanctions for violation of the Insider Trading Policy or the Trading Procedures, and to issue any necessary stop-transfer orders to the Company's transfer agent to ensure compliance.

Insiders will be required upon the Company's request to re-acknowledge and agree to comply with the Insider Trading Policy and the Trading Procedures (including any amendments or modifications). For such purpose, an Insider will be deemed to have acknowledged and agreed to comply with the Insider Trading Policy and the Trading Procedures, as amended from time to time, when copies of such items have been delivered to the Insider by regular or electronic mail (or other delivery option used by the Company, including, without limitation, through MCO) by the Trade Clearance Officer or their designee, unless the Insider objects in a written statement received by the Trade Clearance Officer within two (2) business days of such delivery.

Failure to observe the Insider Trading Policy and the Trading Procedures could lead to significant legal problems, and could have other serious consequences, including termination of employment or service with the Company. Questions regarding the Insider Trading Policy and the Trading Procedures are encouraged and may be directed to the Trade Clearance Officer or Assistant Trade Clearance Officer.

Exhibit 21.1

Subsidiaries of the Registrant

Name of Subsidiary	Jurisdiction of Incorporation
WisdomTree Asset Management, Inc.	Delaware
WisdomTree International Group, Inc.	Delaware
WisdomTree Digital Commodity Services, LLC	Delaware
WisdomTree Digital Holdings, Inc.	Delaware
WisdomTree Digital Management, Inc.	Delaware
WisdomTree Securities, Inc.	Delaware
WisdomTree Digital Movement, Inc.	Delaware
WisdomTree Transfers, Inc.	Delaware
WisdomTree Digital Trust Company, LLC	New York
WisdomTree International Holdings Ltd	United Kingdom
WisdomTree UK Limited	United Kingdom
WisdomTree Europe Ltd	United Kingdom
WisdomTree Management Limited	Ireland
WisdomTree Ireland Limited	Ireland
WisdomTree Europe Holdings Limited	Jersey
Electra Target HoldCo Limited	Jersey
WisdomTree Holdings (Jersey) Limited	Jersey
WisdomTree Management Jersey Limited	Jersey
WisdomTree Multi Asset Management Limited	Jersey
WisdomTree Metal Securities Limited	Jersey
WisdomTree Commodity Securities Limited	Jersey
WisdomTree Hedged Commodity Securities Limited	Jersey
WisdomTree Foreign Exchange Limited	Jersey
WisdomTree Hedged Metal Securities Limited	Jersey
WisdomTree Issuer X Limited	Jersey
Gold Bullion Securities Limited	Jersey

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-212128 and 333-266321) pertaining to the equity plans of WisdomTree, Inc. filed with the Securities and Exchange Commission on June 20, 2016 and July 25, 2022 of our reports dated February 26, 2025, with respect to the consolidated financial statements of WisdomTree, Inc. and Subsidiaries and the effectiveness of internal control over financial reporting of WisdomTree, Inc. and Subsidiaries included in this Annual Report (Form 10-K) for the year ended December 31, 2024.

/s/ Ernst & Young LLP

New York, New York
February 26, 2025

Exhibit 31.1

Certification

I, Jonathan Steinberg, certify that:

1. I have reviewed this annual report on Form 10-K of WisdomTree, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s Board of Directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

By: /s/ Jonathan Steinberg
Jonathan Steinberg
Chief Executive Officer
(Principal Executive Officer)

Date: February 26, 2025

Exhibit 31.2

Certification

I, Bryan Edmiston, certify that:

1. I have reviewed this annual report on Form 10-K of WisdomTree, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Bryan Edmiston
Bryan Edmiston
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Date: February 26, 2025

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of WisdomTree, Inc. (the "Company") on Form 10-K for the period ended December 31, 2024 as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), we, Jonathan Steinberg, Chief Executive Officer of the Company, and Bryan Edmiston, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to our knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being furnished and not filed, and shall not be incorporated into any documents for any purpose, under the Securities Exchange Act of 1934, as amended. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

By: /s/ Jonathan Steinberg
Jonathan Steinberg
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Bryan Edmiston
Bryan Edmiston
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

February 26, 2025