

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 10-Q**

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

For the quarterly period ended August 31, 2025  
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 1-05721

**Jefferies Financial Group Inc.**  
(Exact name of registrant as specified in its charter)

**New York**  
(State or other jurisdiction of  
incorporation or organization)  
  
**520 Madison Avenue, New York, New York**  
(Address of principal executive offices)

**13-2615557**  
(I.R.S. Employer  
Identification No.)  
  
**10022**  
(Zip Code)

Registrant's telephone number, including area code: (212) 284-2300

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

| <u>Title of each class</u>             | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|----------------------------------------|--------------------------|--------------------------------------------------|
| Common Shares, par value \$1 per share | JEF                      | New York Stock Exchange                          |
| 4.850% Senior Notes Due 2027           | JEF 27A                  | New York Stock Exchange                          |
| 5.875% Senior Notes Due 2028           | JEF 28                   | New York Stock Exchange                          |
| 2.750% Senior Notes Due 2032           | JEF 32A                  | New York Stock Exchange                          |
| 6.200% Senior Notes Due 2034           | JEF 34                   | New York Stock Exchange                          |

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, smaller reporting company, or an emerging growth company. See the 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 | <input checked="" type="checkbox"/> | Accelerated filer         | <input type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/>            | Smaller reporting company | <input type="checkbox"/> |
|                         |                                     | Emerging growth company   | <input type="checkbox"/> |

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of each of the issuer's classes of common stock at September 29, 2025 was 206,280,296.

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August 31, 2025

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## PART I. FINANCIAL INFORMATION

### Item 1. Financial Statements.

#### Consolidated Statements of Financial Condition (Unaudited)

|                                                                                                                                                                                                       | August 31,<br>2025   | November 30,<br>2024 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| <i>\$ in thousands, except share and per share amounts</i>                                                                                                                                            |                      |                      |
| <b>Assets</b>                                                                                                                                                                                         |                      |                      |
| Cash and cash equivalents                                                                                                                                                                             | \$ 11,458,472        | \$ 12,153,414        |
| Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations (includes \$120,414 of securities at fair value at November 30, 2024)   | 1,111,620            | 1,132,612            |
| Financial instruments owned, at fair value (includes securities pledged of \$18,135,984 and \$18,441,751)                                                                                             | 26,117,064           | 24,138,274           |
| Investments in and loans to related parties                                                                                                                                                           | 1,458,250            | 1,385,658            |
| Securities borrowed                                                                                                                                                                                   | 8,175,141            | 7,213,421            |
| Securities purchased under agreements to resell                                                                                                                                                       | 7,917,487            | 6,179,653            |
| Securities received as collateral, at fair value                                                                                                                                                      | 54,155               | 185,588              |
| Receivables:                                                                                                                                                                                          |                      |                      |
| Brokers, dealers and clearing organizations                                                                                                                                                           | 2,878,285            | 2,666,591            |
| Customers                                                                                                                                                                                             | 3,028,443            | 2,494,717            |
| Fees, interest and other                                                                                                                                                                              | 720,912              | 663,536              |
| Premises and equipment                                                                                                                                                                                | 1,255,000            | 1,194,720            |
| Goodwill                                                                                                                                                                                              | 1,840,432            | 1,827,938            |
| Assets held for sale                                                                                                                                                                                  | —                    | 51,885               |
| Other assets (includes assets pledged of \$545,419 and \$429,347)                                                                                                                                     | 3,304,448            | 3,072,302            |
| <b>Total assets</b>                                                                                                                                                                                   | <b>\$ 69,319,709</b> | <b>\$ 64,360,309</b> |
| <b>Liabilities and Equity</b>                                                                                                                                                                         |                      |                      |
| Short-term borrowings                                                                                                                                                                                 | \$ 1,231,328         | \$ 443,160           |
| Financial instruments sold, not yet purchased, at fair value                                                                                                                                          | 12,356,852           | 11,007,328           |
| Securities loaned                                                                                                                                                                                     | 2,498,013            | 2,540,861            |
| Securities sold under agreements to repurchase                                                                                                                                                        | 12,090,567           | 12,337,935           |
| Other secured financings (includes \$611,903 and \$24,848 at fair value)                                                                                                                              | 2,683,269            | 2,183,000            |
| Obligation to return securities received as collateral, at fair value                                                                                                                                 | 54,155               | 185,588              |
| Payables:                                                                                                                                                                                             |                      |                      |
| Brokers, dealers and clearing organizations                                                                                                                                                           | 3,680,047            | 3,686,367            |
| Customers                                                                                                                                                                                             | 4,448,494            | 4,073,975            |
| Lease liabilities                                                                                                                                                                                     | 603,445              | 635,306              |
| Accrued expenses and other liabilities                                                                                                                                                                | 3,158,589            | 3,510,831            |
| Long-term debt (includes \$3,564,534 and \$2,351,346 at fair value)                                                                                                                                   | 16,013,634           | 13,530,565           |
| <b>Total liabilities</b>                                                                                                                                                                              | <b>58,818,393</b>    | <b>54,134,916</b>    |
| <b>Mezzanine Equity</b>                                                                                                                                                                               |                      |                      |
| Redeemable noncontrolling interests                                                                                                                                                                   | 406                  | 406                  |
| <b>Equity</b>                                                                                                                                                                                         |                      |                      |
| Preferred shares, par value of \$1 per share, authorized 70,000 shares; 55,125 shares issued and outstanding; liquidation preference of \$17,500 per share                                            | 55                   | 55                   |
| Common shares, par value \$1 per share, authorized 565,000,000 shares; 206,280,296 and 205,504,272 shares issued and outstanding, after deducting 114,837,774 and 115,613,798 shares held in treasury | 206,280              | 205,504              |
| Non-voting common shares, par value \$1 per share, authorized 35,000,000, shares; no shares issued and outstanding                                                                                    | —                    | —                    |
| Additional paid-in capital                                                                                                                                                                            | 2,145,409            | 2,104,199            |
| Accumulated other comprehensive loss                                                                                                                                                                  | (374,927)            | (423,131)            |
| Retained earnings                                                                                                                                                                                     | 8,461,907            | 8,270,145            |
| <b>Total Jefferies Financial Group Inc. shareholders' equity</b>                                                                                                                                      | <b>10,438,724</b>    | <b>10,156,772</b>    |
| Noncontrolling interests                                                                                                                                                                              | 62,186               | 68,215               |
| <b>Total equity</b>                                                                                                                                                                                   | <b>10,500,910</b>    | <b>10,224,987</b>    |
| <b>Total liabilities and equity</b>                                                                                                                                                                   | <b>\$ 69,319,709</b> | <b>\$ 64,360,309</b> |

See accompanying notes to consolidated financial statements.

**Consolidated Statements of Earnings (Unaudited)**

|                                                                                                                                                                                   | Three Months Ended August 31, |                   | Nine Months Ended August 31, |                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------|------------------------------|-------------------|
| <i>\$ in thousands, except per share amounts</i>                                                                                                                                  | 2025                          | 2024              | 2025                         | 2024              |
| <b>Revenues</b>                                                                                                                                                                   |                               |                   |                              |                   |
| Investment banking .....                                                                                                                                                          | \$ 1,088,197                  | \$ 927,094        | \$ 2,606,976                 | \$ 2,344,743      |
| Principal transactions .....                                                                                                                                                      | 486,893                       | 324,501           | 1,232,630                    | 1,381,432         |
| Commissions and other fees .....                                                                                                                                                  | 325,178                       | 270,643           | 966,711                      | 787,968           |
| Asset management fees and revenues .....                                                                                                                                          | 13,079                        | 11,986            | 118,563                      | 74,126            |
| Interest .....                                                                                                                                                                    | 846,894                       | 936,786           | 2,570,090                    | 2,636,002         |
| Other .....                                                                                                                                                                       | 147,433                       | 124,579           | 379,883                      | 439,556           |
| <b>Total revenues</b> .....                                                                                                                                                       | <b>2,907,674</b>              | <b>2,595,589</b>  | <b>7,874,853</b>             | <b>7,663,827</b>  |
| Interest expense .....                                                                                                                                                            | 860,242                       | 912,037           | 2,599,955                    | 2,585,627         |
| <b>Net revenues</b> .....                                                                                                                                                         | <b>2,047,432</b>              | <b>1,683,552</b>  | <b>5,274,898</b>             | <b>5,078,200</b>  |
| <b>Non-interest expenses</b>                                                                                                                                                      |                               |                   |                              |                   |
| Compensation and benefits .....                                                                                                                                                   | 1,083,510                     | 889,098           | 2,779,476                    | 2,677,962         |
| Brokerage and clearing fees .....                                                                                                                                                 | 121,164                       | 101,119           | 360,345                      | 321,325           |
| Underwriting costs .....                                                                                                                                                          | 20,332                        | 14,017            | 52,703                       | 51,053            |
| Technology and communications .....                                                                                                                                               | 157,171                       | 136,953           | 442,844                      | 409,703           |
| Occupancy and equipment rental .....                                                                                                                                              | 32,908                        | 30,078            | 93,818                       | 87,558            |
| Business development .....                                                                                                                                                        | 78,999                        | 68,152            | 231,360                      | 194,433           |
| Professional services .....                                                                                                                                                       | 73,329                        | 64,630            | 223,563                      | 217,967           |
| Depreciation and amortization .....                                                                                                                                               | 53,230                        | 45,977            | 136,471                      | 139,125           |
| Cost of sales .....                                                                                                                                                               | 34,430                        | 37,400            | 118,959                      | 109,533           |
| Other expenses .....                                                                                                                                                              | 60,544                        | 43,441            | 217,578                      | 168,858           |
| <b>Total non-interest expenses</b> .....                                                                                                                                          | <b>1,715,617</b>              | <b>1,430,865</b>  | <b>4,657,117</b>             | <b>4,377,517</b>  |
| Earnings from continuing operations before income taxes .....                                                                                                                     | 331,815                       | 252,687           | 617,781                      | 700,683           |
| Income tax expense .....                                                                                                                                                          | 89,311                        | 78,011            | 147,033                      | 207,077           |
| Net earnings from continuing operations .....                                                                                                                                     | 242,504                       | 174,676           | 470,748                      | 493,606           |
| Net earnings (losses) from discontinued operations (including gain on disposal of \$0, \$2,839, \$0, \$2,839), net of income tax benefit of \$0, \$9,145, \$0, and \$12,321 ..... | —                             | 6,363             | —                            | (1,488)           |
| <b>Net earnings</b> .....                                                                                                                                                         | <b>242,504</b>                | <b>181,039</b>    | <b>470,748</b>               | <b>492,118</b>    |
| Net losses attributable to noncontrolling interests .....                                                                                                                         | (10,041)                      | (6,874)           | (24,692)                     | (19,102)          |
| Preferred stock dividends .....                                                                                                                                                   | 28,559                        | 20,785            | 55,528                       | 48,501            |
| <b>Net earnings attributable to common shareholders</b> .....                                                                                                                     | <b>\$ 223,986</b>             | <b>\$ 167,128</b> | <b>\$ 439,912</b>            | <b>\$ 462,719</b> |
| <b>Earnings per common share</b>                                                                                                                                                  |                               |                   |                              |                   |
| Basic from continuing operations .....                                                                                                                                            | \$ 1.04                       | \$ 0.75           | \$ 2.05                      | \$ 2.12           |
| Diluted from continuing operations .....                                                                                                                                          | 1.01                          | 0.72              | 1.98                         | 2.06              |
| Basic .....                                                                                                                                                                       | 1.04                          | 0.78              | 2.05                         | 2.12              |
| Diluted .....                                                                                                                                                                     | 1.01                          | 0.75              | 1.98                         | 2.06              |
| <b>Weighted-average common shares outstanding</b> .....                                                                                                                           |                               |                   |                              |                   |
| Basic .....                                                                                                                                                                       | 215,293                       | 214,452           | 214,977                      | 218,106           |
| Diluted .....                                                                                                                                                                     | 222,715                       | 221,699           | 222,539                      | 224,180           |

See accompanying notes to consolidated financial statements.

# Consolidated Statements of Comprehensive Income (Unaudited)

|                                                                            | Three Months Ended<br>August 31, |                   | Nine Months Ended<br>August 31, |                   |
|----------------------------------------------------------------------------|----------------------------------|-------------------|---------------------------------|-------------------|
| <i>\$ in thousands</i>                                                     | 2025                             | 2024              | 2025                            | 2024              |
| <b>Net earnings</b> .....                                                  | <b>\$ 242,504</b>                | <b>\$ 181,039</b> | <b>\$ 470,748</b>               | <b>\$ 492,118</b> |
| Other comprehensive income (loss), net of tax:                             |                                  |                   |                                 |                   |
| Currency translation adjustments and other (1) .....                       | 8,551                            | 22,560            | 39,998                          | 18,443            |
| Changes in fair value related to instrument-specific credit risk (2) ..... | (43,882)                         | 17,783            | 7,945                           | 5,081             |
| Unrealized gains on available-for-sale-securities .....                    | 99                               | 426               | 261                             | 2,056             |
| <b>Total other comprehensive income (loss), net of tax (3)</b> .....       | <b>(35,232)</b>                  | <b>40,769</b>     | <b>48,204</b>                   | <b>25,580</b>     |
| Comprehensive income .....                                                 | 207,272                          | 221,808           | 518,952                         | 517,698           |
| Net losses attributable to noncontrolling interests .....                  | (10,041)                         | (6,874)           | (24,692)                        | (19,102)          |
| Preferred stock dividends .....                                            | 28,559                           | 20,785            | 55,528                          | 48,501            |
| <b>Comprehensive income attributable to common shareholders</b> .....      | <b>\$ 188,754</b>                | <b>\$ 207,897</b> | <b>\$ 488,116</b>               | <b>\$ 488,299</b> |

- (1) Includes income tax expense of \$4.5 million and \$14.6 million for the three and nine months ended August 31, 2025, respectively, and income tax expense of \$7.9 million and \$7.2 million for the three and nine months ended August 31, 2024.
- (2) Includes income tax benefit (expense) of \$15.1 million and \$(3.4) million for the three and nine months ended August 31, 2025, respectively, and income tax expense of \$6.1 million and \$1.0 million for the three and nine months ended August 31, 2024, respectively.
- (3) Includes unrealized gains (losses) related to currency translation adjustments attributable to noncontrolling interests of \$0.9 million and \$(1.0) million for the three and nine months ended August 31, 2024, respectively.

See accompanying notes to consolidated financial statements.

# Consolidated Statements of Changes in Equity (Unaudited)

| \$ in thousands, except par value and per share amounts                                            | Three Months Ended August 31, |                      | Nine Months Ended August 31, |                      |
|----------------------------------------------------------------------------------------------------|-------------------------------|----------------------|------------------------------|----------------------|
|                                                                                                    | 2025                          | 2024                 | 2025                         | 2024                 |
| <b>Preferred shares \$1 par value</b>                                                              |                               |                      |                              |                      |
| Balance, beginning of period                                                                       | \$ 55                         | \$ 42                | \$ 55                        | \$ 42                |
| Conversion of common shares to preferred shares                                                    | —                             | 13                   | —                            | 13                   |
| <b>Balance, end of period</b>                                                                      | <b>\$ 55</b>                  | <b>\$ 55</b>         | <b>\$ 55</b>                 | <b>\$ 55</b>         |
| <b>Common shares \$1 par value</b>                                                                 |                               |                      |                              |                      |
| Balance, beginning of period                                                                       | \$ 206,272                    | \$ 212,053           | \$ 205,504                   | \$ 210,627           |
| Purchase of common shares for treasury                                                             | (16)                          | (7)                  | (735)                        | (1,089)              |
| Conversion of common shares to preferred shares                                                    | —                             | (6,562)              | —                            | (6,562)              |
| Other                                                                                              | 24                            | 11                   | 1,511                        | 2,519                |
| <b>Balance, end of period</b>                                                                      | <b>\$ 206,280</b>             | <b>\$ 205,495</b>    | <b>\$ 206,280</b>            | <b>\$ 205,495</b>    |
| <b>Additional paid-in capital</b>                                                                  |                               |                      |                              |                      |
| Balance, beginning of period                                                                       | \$ 2,129,358                  | \$ 2,051,149         | \$ 2,104,199                 | \$ 2,044,859         |
| Share-based compensation expense                                                                   | 13,980                        | 13,377               | 67,810                       | 47,949               |
| Purchase of common shares for treasury                                                             | (902)                         | (325)                | (57,751)                     | (43,222)             |
| Dividend equivalents                                                                               | 6,138                         | 4,756                | 23,089                       | 14,436               |
| Conversion of common shares to preferred shares                                                    | —                             | 16,393               | —                            | 16,393               |
| Change in equity interest related to consolidated subsidiaries                                     | (4,710)                       | —                    | (5,833)                      | —                    |
| Other                                                                                              | 1,545                         | 877                  | 13,895                       | 5,812                |
| <b>Balance, end of period</b>                                                                      | <b>\$ 2,145,409</b>           | <b>\$ 2,086,227</b>  | <b>\$ 2,145,409</b>          | <b>\$ 2,086,227</b>  |
| <b>Accumulated other comprehensive loss, net of tax</b>                                            |                               |                      |                              |                      |
| Balance, beginning of period                                                                       | \$ (339,695)                  | \$ (410,734)         | \$ (423,131)                 | \$ (395,545)         |
| Other comprehensive income (loss), net of taxes                                                    | (35,232)                      | 40,769               | 48,204                       | 25,580               |
| <b>Balance, end of period</b>                                                                      | <b>\$ (374,927)</b>           | <b>\$ (369,965)</b>  | <b>\$ (374,927)</b>          | <b>\$ (369,965)</b>  |
| <b>Retained earnings</b>                                                                           |                               |                      |                              |                      |
| Balance, beginning of period                                                                       | \$ 8,309,035                  | \$ 8,022,546         | \$ 8,270,145                 | \$ 7,849,844         |
| Net earnings attributable to Jefferies Financial Group Inc.                                        | 252,545                       | 187,913              | 495,440                      | 511,222              |
| Dividends - common shares (\$0.40, \$0.35, \$1.20, \$0.95 per share)                               | (88,648)                      | (76,678)             | (270,603)                    | (213,581)            |
| Dividends - preferred shares                                                                       | (11,025)                      | (9,647)              | (33,075)                     | (22,247)             |
| Cumulative effect of change in accounting principle for current expected credit losses, net of tax | —                             | —                    | —                            | (644)                |
| Other                                                                                              | —                             | —                    | —                            | (460)                |
| <b>Balance, end of period</b>                                                                      | <b>\$ 8,461,907</b>           | <b>\$ 8,124,134</b>  | <b>\$ 8,461,907</b>          | <b>\$ 8,124,134</b>  |
| <b>Total Jefferies Financial Group Inc. shareholders' equity</b>                                   | <b>\$ 10,438,724</b>          | <b>\$ 10,045,946</b> | <b>\$ 10,438,724</b>         | <b>\$ 10,045,946</b> |
| <b>Noncontrolling interests</b>                                                                    |                               |                      |                              |                      |
| Balance, beginning of period                                                                       | \$ 77,149                     | \$ 77,130            | \$ 68,215                    | \$ 92,308            |
| Net losses attributable to noncontrolling interests                                                | (10,041)                      | (6,874)              | (24,692)                     | (19,102)             |
| Contributions                                                                                      | 1,455                         | 105                  | 18,909                       | 9,426                |
| Distributions                                                                                      | (10,464)                      | (1,876)              | (14,787)                     | (12,565)             |
| Change in equity interest related to consolidated subsidiaries                                     | 4,092                         | —                    | 14,548                       | —                    |
| Other                                                                                              | (5)                           | 930                  | (7)                          | (652)                |
| <b>Balance, end of period</b>                                                                      | <b>\$ 62,186</b>              | <b>\$ 69,415</b>     | <b>\$ 62,186</b>             | <b>\$ 69,415</b>     |
| <b>Total equity</b>                                                                                | <b>\$ 10,500,910</b>          | <b>\$ 10,115,361</b> | <b>\$ 10,500,910</b>         | <b>\$ 10,115,361</b> |

See accompanying notes to consolidated financial statements.

# Consolidated Statements of Cash Flows (Unaudited)

|                                                                                                     | Nine Months Ended August 31, |                    |
|-----------------------------------------------------------------------------------------------------|------------------------------|--------------------|
| \$ in thousands                                                                                     | 2025                         | 2024               |
| <b>Cash flows from operating activities:</b>                                                        |                              |                    |
| Net earnings                                                                                        | \$ 470,748                   | \$ 492,118         |
| <b>Adjustments to reconcile net earnings to net cash used in operating activities:</b>              |                              |                    |
| Depreciation and amortization                                                                       | 144,434                      | 141,584            |
| Share-based compensation                                                                            | 67,810                       | 47,949             |
| Net bad debt expense                                                                                | 16,931                       | 48,305             |
| Income on investments in and loans to related parties                                               | (54,270)                     | (62,187)           |
| Distributions received on investments in related parties                                            | 71,368                       | 36,048             |
| Gain on sale of subsidiaries and investments in related parties                                     | —                            | (58,452)           |
| Loss on assets held for sale                                                                        | 12,566                       | —                  |
| Other adjustments                                                                                   | 434,110                      | 208,693            |
| <b>Net change in assets and liabilities:</b>                                                        |                              |                    |
| Receivables:                                                                                        |                              |                    |
| Brokers, dealers and clearing organizations                                                         | (193,514)                    | (188,454)          |
| Customers                                                                                           | (533,734)                    | (356,045)          |
| Fees, interest and other                                                                            | (60,040)                     | (59,530)           |
| Securities borrowed                                                                                 | (945,232)                    | 158,071            |
| Financial instruments owned                                                                         | (1,712,385)                  | (2,145,820)        |
| Securities purchased under agreements to resell                                                     | (1,664,568)                  | (975,592)          |
| Other assets                                                                                        | (266,563)                    | (421,913)          |
| Payables:                                                                                           |                              |                    |
| Brokers, dealers and clearing organizations                                                         | (26,372)                     | 663,467            |
| Customers                                                                                           | 374,518                      | (62,089)           |
| Securities loaned                                                                                   | (62,979)                     | 691,548            |
| Financial instruments sold, not yet purchased                                                       | 1,260,915                    | 985,256            |
| Securities sold under agreements to repurchase                                                      | (312,049)                    | (1,387,996)        |
| Lease liabilities                                                                                   | (48,280)                     | (56,408)           |
| Accrued expenses and other liabilities                                                              | (432,723)                    | 451,355            |
| <b>Net cash used in operating activities from continuing operations</b>                             | <b>(3,459,309)</b>           | <b>(1,850,092)</b> |
| <b>Net cash used in operating activities from discontinued operations</b>                           | <b>—</b>                     | <b>(68,789)</b>    |
| <b>Cash flows from investing activities:</b>                                                        |                              |                    |
| Contributions to investments in and loans to related parties                                        | (466,338)                    | (108,484)          |
| Capital distributions from investments and repayments of loans from related parties                 | 379,193                      | 1,406              |
| Originations and purchases of automobile loans, notes and other receivables                         | —                            | (89,540)           |
| Principal collections of automobile loans, notes and other receivables                              | —                            | 83,268             |
| Net payments on premises and equipment                                                              | (151,425)                    | (180,654)          |
| Proceeds from assets held for sale                                                                  | 26,843                       | —                  |
| Proceeds from sales of subsidiary and investment in related parties, net of cash of operations sold | —                            | 610,843            |
| <b>Net cash (used in) provided by investing activities from continuing operations</b>               | <b>(211,727)</b>             | <b>316,839</b>     |

## Consolidated Statements of Cash Flows (Unaudited)

|                                                                                                   | Nine Months Ended August 31, |                      |
|---------------------------------------------------------------------------------------------------|------------------------------|----------------------|
| <i>\$ in thousands</i>                                                                            | 2025                         | 2024                 |
| <b>Cash flows from financing activities:</b>                                                      |                              |                      |
| Proceeds from short-term borrowings                                                               | \$ 7,170,583                 | \$ 3,826,758         |
| Payments on short-term borrowings                                                                 | (6,363,688)                  | (3,058,475)          |
| Proceeds from issuance of long-term debt, net of issuance costs                                   | 3,852,721                    | 4,646,993            |
| Repayment of long-term debt                                                                       | (1,758,422)                  | (1,763,572)          |
| Proceeds from conversion of common to preferred shares                                            | —                            | 9,844                |
| Purchase of common shares for treasury                                                            | (58,486)                     | (44,311)             |
| Dividends paid to common and preferred shareholders                                               | (280,589)                    | (221,392)            |
| Net proceeds from other secured financings                                                        | 497,768                      | 434,285              |
| Net change in bank overdrafts                                                                     | (22,050)                     | (33,795)             |
| Proceeds from contributions of noncontrolling interests                                           | 18,909                       | 9,426                |
| Payments on distributions to noncontrolling interests                                             | (8,084)                      | (12,565)             |
| Other                                                                                             | 9,573                        | 7,871                |
| <b>Net cash provided by financing activities from continuing operations</b>                       | <b>3,058,235</b>             | <b>3,801,067</b>     |
| <b>Net cash used in financing activities from discontinued operations</b>                         | <b>—</b>                     | <b>(170,631)</b>     |
| <b>Effect of exchange rate changes on cash, cash equivalents, and restricted cash</b>             | <b>17,281</b>                | <b>18,901</b>        |
| Change in cash, cash equivalents, and restricted cash reclassified from (to) assets held for sale | —                            | (13,224)             |
| Net (decrease) increase in cash, cash equivalents, and restricted cash                            | (595,520)                    | 2,047,295            |
| Cash, cash equivalents, and restricted cash at beginning of period                                | 13,165,612                   | 9,830,758            |
| <b>Cash, cash equivalents, and restricted cash at end of period</b>                               | <b>\$ 12,570,092</b>         | <b>\$ 11,864,829</b> |
| <b>Supplemental disclosures of cash flow information:</b>                                         |                              |                      |
| Cash paid during the period for:                                                                  |                              |                      |
| Interest                                                                                          | \$ 2,588,490                 | \$ 2,535,591         |
| Income taxes, net (1)                                                                             | 235,549                      | 167,796              |

(1) Includes the purchase of investment tax credits in the aggregate of \$149.7 million.

### Noncash investing activities:

During the nine months ended August 31, 2025, we donated land with a fair market value of \$5.7 million.

During the nine months ended August 31, 2025 and 2024, we had stock distributions of \$0.4 million and \$0.6 million, respectively, from our equity method investments.

### Noncash financing activities:

During the nine months ended August 31, 2025, we had declared distributions to noncontrolling interests of \$6.7 million.

Cash, cash equivalents and restricted cash by category in our Consolidated Statements of Financial Condition:

|                                                                                    | August 31,           | November 30,         |
|------------------------------------------------------------------------------------|----------------------|----------------------|
| <i>\$ in thousands</i>                                                             | 2025                 | 2024                 |
| Cash and cash equivalents                                                          | \$ 11,458,472        | \$ 12,153,414        |
| Cash on deposit for regulatory purposes with clearing and depository organizations | 1,111,620            | 1,012,198            |
| <b>Total cash, cash equivalents and restricted cash</b>                            | <b>\$ 12,570,092</b> | <b>\$ 13,165,612</b> |

See accompanying notes to consolidated financial statements.

## Notes to Consolidated Financial Statements

(Unaudited)

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## **Note 1. Organization and Basis of Presentation**

### **Organization**

Jefferies Financial Group Inc. is a U.S.-headquartered global full service, integrated investment banking and capital markets firm. The accompanying Consolidated Financial Statements represent the accounts of Jefferies Financial Group Inc. and subsidiaries (together, the “Company,” “we” or “us”). We, collectively with our consolidated subsidiaries and through our affiliates, deliver a broad range of financial services across investment banking, capital markets and asset management.

We operate in two reportable business segments: (1) Investment Banking and Capital Markets and (2) Asset Management. The Investment Banking and Capital Markets reportable business segment includes our capital markets activities and our investment banking business, which provides underwriting and financial advisory services to our clients. We operate in the Americas; Europe and the Middle East; and Asia-Pacific. Investment Banking and Capital Markets also includes our corporate lending joint venture (“Jefferies Finance LLC” or “Jefferies Finance”), our commercial real estate joint venture (“Berkadia Commercial Holding LLC” or “Berkadia”) and historically our automobile lending and servicing activities (sold in April 2024). The Asset Management reportable business segment provides alternative investment management services to investors in the U.S. and overseas and generates investment income from capital invested in and managed by us or our affiliated asset managers, and includes certain remaining businesses and assets of our legacy merchant banking portfolio.

During the fourth quarter of 2023, we acquired Stratos Group International (“Stratos”) (formerly FXCM Group, LLC, or “FXCM”) and OpNet S.p.A. (“OpNet,” formerly known as “Linkem”), investments in our legacy merchant banking portfolio which became consolidated subsidiaries. In April 2024, we finalized the sale of Foursight Capital LLC (“Foursight”). In February 2024, OpNet agreed to sell substantially all of its wholesale operating assets to Wind Tre S.p.A., a subsidiary of CK Hutchison Group Telecom Holdings Ltd. The sale closed in August 2024. Refer to Note 4, Business Acquisitions and Note 5, Assets Held for Sale and Discontinued Operations for further information.

### **Basis of Presentation**

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) and should be read in conjunction with our consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended November 30, 2024. Certain footnote disclosures included in our Annual Report on Form 10-K for the year ended November 30, 2024 have been condensed or omitted from the consolidated financial statements as they are not required for interim reporting under U.S. GAAP. The consolidated financial statements reflect all adjustments of a normal, recurring nature that are, in the opinion of management, necessary for the fair presentation of the results for the interim period. The results presented in our consolidated financial statements for interim periods are not necessarily indicative of the results for the entire year.

We have made a number of estimates and assumptions relating to the reporting of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period to prepare these consolidated financial statements in conformity with U.S. GAAP. The most important of these estimates and assumptions relate to fair value measurements, compensation and benefits, goodwill and intangible assets and the accounting for income taxes. Although these and other estimates and assumptions are based on the best available information, actual results could be materially different from these estimates.

### **Consolidation**

Our policy is to consolidate all entities that we control by ownership of a majority of the outstanding voting stock. In addition, we consolidate entities that meet the definition of a variable interest entity (“VIE”) for which we are the primary beneficiary. The primary beneficiary is the party who has the power to direct the activities of a VIE that most significantly impact the entity’s economic performance and who has 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. For consolidated entities that are less than wholly-owned, the third-party’s holding of equity interest is presented as Noncontrolling interests in our Consolidated Statements of Financial Condition and Consolidated Statements of Changes in Equity. The portion of net earnings attributable to the noncontrolling interests is presented as Net earnings (losses) attributable to noncontrolling interests in our Consolidated Statements of Earnings.

In situations in which we have significant influence, but not control, of an entity that does not qualify as a VIE, we apply either the equity method of accounting or fair value accounting pursuant to the fair value option election under U.S. GAAP, with our portion of net earnings or gains and losses recorded in Other revenues or Principal transactions revenues, respectively. We also have formed nonconsolidated investment vehicles with third-party investors that are typically organized as partnerships or limited liability companies and are carried at fair value. We act as general partner or managing member for these investment vehicles and have generally provided the third-party investors with termination or “kick-out” rights.

Intercompany accounts and transactions are eliminated in consolidation.

## **Note 2. Summary of Significant Accounting Policies**

For a detailed discussion about the Company’s significant accounting policies, refer to Note 2, Summary of Significant Accounting Policies in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2024.

During the three and nine months ended August 31, 2025, there were no significant changes made to the Company’s significant accounting policies.

### Note 3. Accounting Developments

#### Accounting Standards to be Adopted in Future Periods

**Segment Reporting.** In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-07 ("ASU 2023-07"), Improvements to Reportable Segment Disclosures. The guidance primarily will require enhanced disclosures about significant segment expenses. The amendments in ASU 2023-07 are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted, and are to be applied on a retrospective basis. We are evaluating the impact of the standard on our segment reporting disclosures and will implement these disclosures commencing with our fiscal year ending November 30, 2025.

**Income Taxes.** In December 2023, the FASB issued ASU No. 2023-09 ("ASU 2023-09"), Improvements to Income Tax Disclosures. The guidance is intended to improve income tax disclosure requirements by requiring (i) consistent categories and greater disaggregation of information in the rate reconciliation and (ii) the disaggregation of income taxes paid by jurisdiction. The guidance makes several other changes to the income tax disclosure requirements. The amendments in ASU 2023-09 are effective for fiscal years beginning after December 15, 2024, with early adoption permitted, and are required to be applied prospectively with the option of retrospective application. We are evaluating the impact of the standard on our income tax disclosures.

**Expenses.** In November 2024, the FASB issued ASU No. 2024-03 ("ASU 2024-03"), Disaggregation of Income Statement Expenses. The guidance primarily will require enhanced disclosures about certain types of expenses. The amendments in ASU 2024-03 are effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027 and may be applied either on a prospective or retrospective basis. We are evaluating the impact of the standard on our disclosures.

**Credit Losses.** In July 2025, the FASB issued ASU No. 2025-05 ("ASU 2025-05"), Financial Instruments—Credit Losses. The guidance provides an optional practical expedient when applying the guidance related to the estimation of expected credit losses for current accounts receivable and current contract assets resulting from transactions arising from contracts with customers. The amendments in ASU 2025-05 are effective for fiscal years beginning after December 15, 2025, and interim reporting periods, with early adoption permitted. We are evaluating the impact of the standard on our financial statements.

**Internal-Use Software.** In September 2025, the FASB issued ASU No. 2025-06 ("ASU 2025-06"), Intangibles—Goodwill and Other—Internal-Use Software. The guidance modernizes and clarifies the threshold for when an entity is required to start capitalizing software costs and is based on when (i) management has authorized and committed to funding the software project and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. The amendments in ASU 2025-06 are effective for fiscal years beginning after December 15, 2027, and interim reporting periods, with early adoption permitted. We are evaluating the impact of the standard on our disclosures.

**Derivatives and Hedging and Revenue from Contracts with Customers.** In September 2025, the FASB issued ASU No. 2025-07 ("ASU 2025-07"), Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606). The guidance refines the scope of Topic 815 to clarify which contracts are subject to derivative accounting. The guidance also provides clarification under Topic 606 for share-based payments from a customer in a revenue contract. The amendments in ASU 2025-07 are effective for fiscal years beginning after December 15, 2026, and interim reporting periods, with early adoption permitted. We are evaluating the impact of the standard on our disclosures.

### Note 4. Business Acquisitions

#### OpNet

We historically owned 47.4% of the common shares and 50.0% of the voting rights of OpNet, a fixed wireless broadband service provider in Italy, and various classes of convertible preferred stock issued by OpNet (the "preferred shares"). On November 30, 2023, we provided notice of our intent to convert certain classes of our preferred shares into common shares and, as a result, we obtained control of OpNet. Upon conversion on May 7, 2024, our ownership increased to 57.5% of the common shares and our voting rights increased to 72.5% of the aggregate voting rights of OpNet.

Upon obtaining control of OpNet on November 30, 2023, the assets and liabilities of OpNet have been included in our consolidated financial statements under the acquisition method of accounting. The initial consolidation of OpNet was accounted for under the acquisition method of accounting and we remeasured our previously existing interests at fair value and recognized a gain of \$115.8 million, representing the excess of the fair value of our previously existing interests over the carrying value of our investment of \$201.6 million.

The fair value of the previously existing interests was measured based on an estimate of what could be recognized in a sale transaction for wholesale net operating assets operating assets of OpNet, which have been classified as held for sale. The remaining identifiable assets and assumed liabilities of OpNet represented the assets and liabilities of Tessellis S.p.A. ("Tessellis"), a telecommunications company publicly listed on the Italian stock exchange. An enterprise value for Tessellis was estimated based on its market capitalization at November 30, 2023, which was then allocated to the identifiable assets, including intangible assets, liabilities, and noncontrolling interests of Tessellis using an income approach, which calculates the present value of the estimated economic benefit of future cash flows, in order to determine the fair value of the identified customer relationships and Tessellis trade name. Property and equipment and developed technology assets were valued using a replacement cost methodology. Critical estimates included future expected cash flows, including forecasted revenues and expenses, and applicable discount rates. Discount rates used to compute the present value of expected net cash flows were based upon estimated weighted average cost of capital. The initial allocation of the purchase price resulted in the recognition of goodwill relating to Tessellis of \$127.1 million. No consideration was transferred in connection with the consolidation.

The initial estimated purchase price allocation as of November 30, 2023 for Tessellis was revised during the first quarter of 2024 as new information was received and analyzed resulting in an increase in intangible assets of \$39.3 million, a decrease in property and equipment of \$12.3 million, and a decrease in goodwill of \$27.0 million.

In February 2024, OpNet agreed to sell substantially all of its wholesale operating assets to Wind Tre S.p.A., a subsidiary of CK Hutchison Group Telecom Holdings Ltd. The sale closed in August 2024 and we received net cash proceeds of \$322.8 million and recognized a pre-tax gain on sale of \$3.5 million. The sale of OpNet's operating assets did not include our interest in Tessellis.

During 2024, Tessellis executed various acquisitions and, as a result, recognized assets and liabilities of \$27.9 million and \$20.2 million, respectively, on the acquisition dates. Total assets primarily relate to goodwill, property and equipment, intangible assets, and short-term trade receivables. Total liabilities primarily relate to financial debt assumed and trade payables. The primary acquisition executed during 2024 was the acquisition of a 97.2% ownership interest in Go Internet S.p.A. ("Go Internet") for a total consideration of €4.2 million. During the second quarter of 2025, purchase price allocation adjustments were finalized.

#### **Note 5. Assets Held for Sale and Discontinued Operations**

##### *Foursight*

During the second quarter of 2024, we closed the sale of Foursight and recognized a gain on sale of \$24.2 million, which is included within Other revenues.

##### *OpNet*

In August 2024, we substantially sold all of OpNet's wholesale operating assets and recognized a pre-tax gain on sale of \$3.5 million. For the year ended November 30, 2024, the activities of OpNet's wholesale operations have been classified as discontinued operations and OpNet's results are presented in Net losses from discontinued operations, net of income tax benefit.

##### *Airplanes*

During 2024, we classified certain airplanes related to a sale leaseback transaction executed with a client by our subsidiary, Aircadia Leasing II LLC as held for sale. Effective with the designation of the airplanes as held for sale, we suspended recording depreciation on these assets. The airplanes are included within Assets held for sale on our Consolidated Statements of Financial Condition and had a carrying amount of \$51.9 million at November 30, 2024. During the second quarter of 2025, we agreed to sell the airplanes and we recognized a loss of \$12.8 million during the three months ended May 31, 2025. The sale closed in the third quarter of 2025.

Note 6. Fair Value Disclosures

| August 31, 2025 (1)                                                                                  |                      |                      |                   |                                                       |                      |
|------------------------------------------------------------------------------------------------------|----------------------|----------------------|-------------------|-------------------------------------------------------|----------------------|
| <i>\$ in thousands</i>                                                                               | Level 1              | Level 2              | Level 3           | Counterparty<br>and Cash<br>Collateral<br>Netting (2) | Total                |
| <b>Assets:</b>                                                                                       |                      |                      |                   |                                                       |                      |
| Financial instruments owned:                                                                         |                      |                      |                   |                                                       |                      |
| Corporate equity securities .....                                                                    | \$ 5,737,635         | \$ 205,768           | \$ 272,309        | \$ —                                                  | \$ 6,215,712         |
| Corporate debt securities .....                                                                      | —                    | 5,087,057            | 34,380            | —                                                     | 5,121,437            |
| Collateralized debt obligations and collateralized loan obligations .....                            | —                    | 612,592              | 52,309            | —                                                     | 664,901              |
| U.S. government and federal agency securities .....                                                  | 3,354,090            | 87,161               | —                 | —                                                     | 3,441,251            |
| Municipal securities .....                                                                           | —                    | 518,701              | —                 | —                                                     | 518,701              |
| Sovereign obligations .....                                                                          | 1,043,729            | 696,809              | —                 | —                                                     | 1,740,538            |
| Residential mortgage-backed securities .....                                                         | —                    | 1,442,778            | 7,978             | —                                                     | 1,450,756            |
| Commercial mortgage-backed securities .....                                                          | —                    | 83,421               | 506               | —                                                     | 83,927               |
| Other asset-backed securities .....                                                                  | —                    | 688,579              | 126,175           | —                                                     | 814,754              |
| Loans and other receivables .....                                                                    | —                    | 2,531,881            | 139,922           | —                                                     | 2,671,803            |
| Derivatives .....                                                                                    | 620                  | 4,516,818            | 7,787             | (2,792,740)                                           | 1,732,485            |
| Investments at fair value .....                                                                      | —                    | 7                    | 161,500           | —                                                     | 161,507              |
| <b>Total financial instruments owned, excluding Investments at fair value<br/>based on NAV .....</b> | <b>\$ 10,136,074</b> | <b>\$ 16,471,572</b> | <b>\$ 802,866</b> | <b>\$ (2,792,740)</b>                                 | <b>\$ 24,617,772</b> |
| Securities received as collateral .....                                                              | \$ 54,155            | \$ —                 | \$ —              | \$ —                                                  | \$ 54,155            |
| <b>Liabilities:</b>                                                                                  |                      |                      |                   |                                                       |                      |
| Financial instruments sold, not yet purchased:                                                       |                      |                      |                   |                                                       |                      |
| Corporate equity securities .....                                                                    | \$ 4,432,279         | \$ 43,021            | \$ 796            | \$ —                                                  | \$ 4,476,096         |
| Corporate debt securities .....                                                                      | —                    | 3,274,453            | 488               | —                                                     | 3,274,941            |
| U.S. government and federal agency securities .....                                                  | 1,788,871            | 30                   | —                 | —                                                     | 1,788,901            |
| Sovereign obligations .....                                                                          | 835,790              | 653,079              | —                 | —                                                     | 1,488,869            |
| Commercial mortgage-backed securities .....                                                          | —                    | 1                    | 1,188             | —                                                     | 1,189                |
| Loans .....                                                                                          | —                    | 71,614               | 1,966             | —                                                     | 73,580               |
| Derivatives .....                                                                                    | 189                  | 4,359,613            | 44,683            | (3,151,209)                                           | 1,253,276            |
| <b>Total financial instruments sold, not yet purchased .....</b>                                     | <b>\$ 7,057,129</b>  | <b>\$ 8,401,811</b>  | <b>\$ 49,121</b>  | <b>\$ (3,151,209)</b>                                 | <b>\$ 12,356,852</b> |
| Other secured financings .....                                                                       | \$ —                 | \$ 595,789           | \$ 16,114         | \$ —                                                  | \$ 611,903           |
| Obligation to return securities received as collateral .....                                         | 54,155               | —                    | —                 | —                                                     | 54,155               |
| Long-term debt .....                                                                                 | —                    | 2,493,370            | 1,071,164         | —                                                     | 3,564,534            |

(1) Excludes investments at fair value based on net asset value ("NAV") of \$1.50 billion at August 31, 2025 by level within the fair value hierarchy.

(2) Represents counterparty and cash collateral netting across the levels of the fair value hierarchy for positions with the same counterparty.

November 30, 2024 (1)

| <i>\$ in thousands</i>                                                                                               | Level 1             | Level 2              | Level 3           | Counterparty<br>and Cash<br>Collateral<br>Netting (2) | Total                |
|----------------------------------------------------------------------------------------------------------------------|---------------------|----------------------|-------------------|-------------------------------------------------------|----------------------|
| <b>Assets:</b>                                                                                                       |                     |                      |                   |                                                       |                      |
| Financial instruments owned:                                                                                         |                     |                      |                   |                                                       |                      |
| Corporate equity securities                                                                                          | \$ 5,238,058        | \$ 302,051           | \$ 239,364        | \$ —                                                  | \$ 5,779,473         |
| Corporate debt securities                                                                                            | —                   | 5,310,815            | 24,931            | —                                                     | 5,335,746            |
| Collateralized debt obligations and collateralized loan obligations                                                  | —                   | 1,029,662            | 63,976            | —                                                     | 1,093,638            |
| U.S. government and federal agency securities                                                                        | 3,583,139           | 160,227              | —                 | —                                                     | 3,743,366            |
| Municipal securities                                                                                                 | —                   | 320,507              | —                 | —                                                     | 320,507              |
| Sovereign obligations                                                                                                | 749,912             | 630,681              | 172               | —                                                     | 1,380,765            |
| Residential mortgage-backed securities                                                                               | —                   | 2,348,862            | 7,714             | —                                                     | 2,356,576            |
| Commercial mortgage-backed securities                                                                                | —                   | 146,752              | 477               | —                                                     | 147,229              |
| Other asset-backed securities                                                                                        | —                   | 110,687              | 103,214           | —                                                     | 213,901              |
| Loans and other receivables                                                                                          | —                   | 1,706,152            | 152,586           | —                                                     | 1,858,738            |
| Derivatives                                                                                                          | 146                 | 3,181,454            | 3,926             | (2,667,751)                                           | 517,775              |
| Investments at fair value                                                                                            | —                   | 6                    | 137,865           | —                                                     | 137,871              |
| <b>Total financial instruments owned, excluding Investments at fair value based on NAV</b>                           | <b>\$ 9,571,255</b> | <b>\$ 15,247,856</b> | <b>\$ 734,225</b> | <b>\$ (2,667,751)</b>                                 | <b>\$ 22,885,585</b> |
| Securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations | \$ 120,414          | \$ —                 | \$ —              | \$ —                                                  | \$ 120,414           |
| Securities received as collateral                                                                                    | 185,588             | —                    | —                 | —                                                     | 185,588              |
| <b>Liabilities:</b>                                                                                                  |                     |                      |                   |                                                       |                      |
| Financial instruments sold, not yet purchased:                                                                       |                     |                      |                   |                                                       |                      |
| Corporate equity securities                                                                                          | \$ 3,013,877        | \$ 73,240            | \$ 208            | \$ —                                                  | \$ 3,087,325         |
| Corporate debt securities                                                                                            | —                   | 3,105,010            | 165               | —                                                     | 3,105,175            |
| U.S. government and federal agency securities                                                                        | 2,904,379           | 26                   | —                 | —                                                     | 2,904,405            |
| Sovereign obligations                                                                                                | 667,647             | 422,124              | —                 | —                                                     | 1,089,771            |
| Commercial mortgage-backed securities                                                                                | —                   | —                    | 1,153             | —                                                     | 1,153                |
| Loans                                                                                                                | —                   | 92,321               | 16,864            | —                                                     | 109,185              |
| Derivatives                                                                                                          | 13                  | 3,477,802            | 26,212            | (2,793,713)                                           | 710,314              |
| <b>Total financial instruments sold, not yet purchased</b>                                                           | <b>\$ 6,585,916</b> | <b>\$ 7,170,523</b>  | <b>\$ 44,602</b>  | <b>\$ (2,793,713)</b>                                 | <b>\$ 11,007,328</b> |
| Other secured financings                                                                                             | \$ —                | \$ 9,964             | \$ 14,884         | \$ —                                                  | \$ 24,848            |
| Obligation to return securities received as collateral                                                               | 185,588             | —                    | —                 | —                                                     | 185,588              |
| Long-term debt                                                                                                       | —                   | 1,529,443            | 821,903           | —                                                     | 2,351,346            |

(1) Excludes investments at fair value based on NAV of \$1.25 billion at November 30, 2024 by level within the fair value hierarchy.

(2) Represents counterparty and cash collateral netting across the levels of the fair value hierarchy for positions with the same counterparty.

**Notes to Consolidated Financial Statements**  
(Unaudited)

There have been no significant changes in valuation techniques and inputs used in measuring our financial assets and liabilities that are accounted for at fair value on a recurring basis. Refer to our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2024.

*Investments at Fair Value*

Investments at fair value includes investments in hedge funds, private equity funds, credit funds, real estate funds and other funds, which are measured at the NAV of the funds, provided by the fund managers and are excluded from the fair value hierarchy. Investments at fair value also include direct equity investments in private companies, which are measured at fair value using valuation techniques involving quoted prices of or market data for comparable companies, similar company ratios and multiples (e.g., price/EBITDA, price/book value), discounted cash flow analyses and transaction prices observed for subsequent financing or capital issuance by the company. Direct equity investments in private companies are categorized within Level 2 or Level 3 of the fair value hierarchy.

Information about our investments in entities that have the characteristics of an investment company:

| August 31, 2025                       |                           |                                 |                                              |                                     |
|---------------------------------------|---------------------------|---------------------------------|----------------------------------------------|-------------------------------------|
| <i>\$ in thousands</i>                | <b>Fair Value<br/>(1)</b> | <b>Unfunded<br/>Commitments</b> | <b>Redemption<br/>Frequency</b>              | <b>Redemption<br/>Notice Period</b> |
| Hedge Funds (2) .....                 | \$ 704,965                | \$ —                            | Quarterly (49%)<br>Monthly (51%)             | 45 - 90 days<br>45 - 60 days        |
| Private Equity Funds (3) .....        | 71,189                    | 27,069                          | N/R (100%)                                   | N/R                                 |
| Credit Funds (4) .....                | 511,884                   | 23,856                          | Quarterly (60%)<br>Monthly (2%)<br>N/R (38%) | 90 days<br>30 days<br>N/R           |
| Real Estate and Other Funds (5) ..... | 211,254                   | 151,128                         | Quarterly (25%)<br>N/R (75%)                 | 90 days<br>N/R                      |
| <b>Total .....</b>                    | <b>\$1,499,292</b>        | <b>\$ 202,053</b>               |                                              |                                     |

| November 30, 2024                     |                           |                                 |                                              |                                     |
|---------------------------------------|---------------------------|---------------------------------|----------------------------------------------|-------------------------------------|
| <i>\$ in thousands</i>                | <b>Fair Value<br/>(1)</b> | <b>Unfunded<br/>Commitments</b> | <b>Redemption<br/>Frequency</b>              | <b>Redemption<br/>Notice Period</b> |
| Hedge Funds (2) .....                 | \$ 660,720                | \$ —                            | Quarterly (53%)<br>Monthly (47%)             | 45 - 90 days<br>45 - 60 days        |
| Private Equity Funds (3) .....        | 60,215                    | 30,530                          | N/R (100%)                                   | N/R                                 |
| Credit Funds (4) .....                | 430,429                   | 30,554                          | Quarterly (72%)<br>Monthly (3%)<br>N/R (25%) | 90 days<br>30 days<br>N/R           |
| Real Estate and Other Funds (5) ..... | 101,325                   | 232,696                         | N/R (100%)                                   | N/R                                 |
| <b>Total .....</b>                    | <b>\$ 1,252,689</b>       | <b>\$ 293,780</b>               |                                              |                                     |

N/R - Not redeemable

- (1) Where fair value is calculated based on NAV, fair value has been derived from each of the funds' capital statements.
- (2) Includes investments in hedge funds that invest, long and short, primarily in both public and private equity securities in domestic and international markets, commodities and multi-asset securities.
- (3) Includes investments in equity funds that invest in the equity of various U.S. and foreign private companies in a broad range of industries. These investments cannot be redeemed; instead, distributions are received through the liquidation of the underlying assets of the funds which are primarily expected to be liquidated in approximately one to nine years.
- (4) Primarily includes investments in funds that invest in:
  - distressed and special situations long/short credit strategies across sectors and asset types;
  - short-term trade receivables and payables that are expected to generally be outstanding between 90 to 120 days; and
  - distressed and event-driven opportunities across structured credit, opportunistic credit, and private credit.
- (5) Primarily includes investments in corporate real estate strategies focused on buying or building real estate businesses.

**Notes to Consolidated Financial Statements**  
(Unaudited)

**Level 3 Rollforwards**

Three Months Ended August 31, 2025

| \$ in thousands                                   | Balance at<br>May 31,<br>2025 | Total<br>gains/<br>losses<br>(realized<br>and<br>unrealized)<br>(1) | Purchases | Sales     | Settlements | Issuances | Net<br>transfers<br>into/<br>(out of)<br>Level 3 | Balance at<br>August 31,<br>2025 | For instruments still held at<br>August 31, 2025, changes in<br>unrealized gains (losses)<br>included in: |                                                |
|---------------------------------------------------|-------------------------------|---------------------------------------------------------------------|-----------|-----------|-------------|-----------|--------------------------------------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------|------------------------------------------------|
|                                                   |                               |                                                                     |           |           |             |           |                                                  |                                  | Earnings (1)                                                                                              | Other<br>comprehensive<br>income<br>(loss) (1) |
| Level 3 assets:                                   |                               |                                                                     |           |           |             |           |                                                  |                                  |                                                                                                           |                                                |
| Financial instruments owned:                      |                               |                                                                     |           |           |             |           |                                                  |                                  |                                                                                                           |                                                |
| Corporate equity securities .....                 | \$ 231,160                    | \$ 21,824                                                           | \$ 20,785 | \$(1,487) | \$ (788)    | \$ —      | \$ 815                                           | \$ 272,309                       | \$ 21,916                                                                                                 | \$ —                                           |
| Corporate debt securities .....                   | 44,682                        | 872                                                                 | 1,221     | (788)     | —           | —         | (11,607)                                         | 34,380                           | 860                                                                                                       | —                                              |
| CDOs and CLOs .....                               | 70,948                        | (3,654)                                                             | 20,718    | (17,731)  | (3,463)     | —         | (14,509)                                         | 52,309                           | (4,188)                                                                                                   | —                                              |
| RMBS .....                                        | 7,947                         | 46                                                                  | —         | —         | (15)        | —         | —                                                | 7,978                            | 50                                                                                                        | —                                              |
| CMBS .....                                        | 505                           | 1                                                                   | —         | —         | —           | —         | —                                                | 506                              | 1                                                                                                         | —                                              |
| Other ABS .....                                   | 153,681                       | (2,589)                                                             | 23,586    | (1,579)   | (2,888)     | —         | (44,036)                                         | 126,175                          | (732)                                                                                                     | —                                              |
| Loans and other receivables .....                 | 92,168                        | 3,213                                                               | 65,988    | (44,566)  | (16,129)    | —         | 39,248                                           | 139,922                          | 4,862                                                                                                     | —                                              |
| Investments at fair value .....                   | 153,379                       | 10,308                                                              | 1,000     | (2,446)   | (741)       | —         | —                                                | 161,500                          | 9,502                                                                                                     | —                                              |
| Level 3 liabilities:                              |                               |                                                                     |           |           |             |           |                                                  |                                  |                                                                                                           |                                                |
| Financial instruments sold, not yet<br>purchased: |                               |                                                                     |           |           |             |           |                                                  |                                  |                                                                                                           |                                                |
| Corporate equity securities .....                 | \$ 161                        | \$ (312)                                                            | \$ (1)    | \$ 426    | \$ —        | \$ —      | \$ 522                                           | \$ 796                           | \$ 309                                                                                                    | \$ —                                           |
| Corporate debt securities .....                   | 644                           | 126                                                                 | (119)     | —         | (270)       | —         | 107                                              | 488                              | (117)                                                                                                     | —                                              |
| CMBS .....                                        | 1,153                         | —                                                                   | —         | 35        | —           | —         | —                                                | 1,188                            | —                                                                                                         | —                                              |
| Loans .....                                       | 313                           | 1,691                                                               | —         | —         | —           | —         | (38)                                             | 1,966                            | (1,101)                                                                                                   | —                                              |
| Net derivatives (2) .....                         | 33,288                        | 9,477                                                               | (533)     | 719       | (748)       | —         | (5,307)                                          | 36,896                           | (9,313)                                                                                                   | —                                              |
| Other secured financings .....                    | 18,876                        | 143                                                                 | —         | —         | (2,905)     | —         | —                                                | 16,114                           | (255)                                                                                                     | —                                              |
| Long-term debt .....                              | 991,156                       | 54,332                                                              | —         | —         | (2,050)     | 29,155    | (1,429)                                          | 1,071,164                        | (7,342)                                                                                                   | (44,940)                                       |

Nine Months Ended August 31, 2025

| \$ in thousands                                | Balance at November 30, 2024 | Total gains/losses (realized and unrealized) (1) | Purchases   | Sales      | Settlements | Issuances | Net transfers into/ (out of) Level 3 | Balance at August 31, 2025 | For instruments still held at August 31, 2025, changes in unrealized gains (losses) included in: |                                       |  |
|------------------------------------------------|------------------------------|--------------------------------------------------|-------------|------------|-------------|-----------|--------------------------------------|----------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------|--|
|                                                |                              |                                                  |             |            |             |           |                                      |                            | Earnings (1)                                                                                     | Other comprehensive income (loss) (1) |  |
| <b>Assets:</b>                                 |                              |                                                  |             |            |             |           |                                      |                            |                                                                                                  |                                       |  |
| Financial instruments owned:                   |                              |                                                  |             |            |             |           |                                      |                            |                                                                                                  |                                       |  |
| Corporate equity securities .....              | \$ 239,364                   | \$ 31,303                                        | \$ 28,748   | \$ (8,940) | \$ 494      | \$ —      | \$ (18,660)                          | \$ 272,309                 | \$ 29,840                                                                                        | \$ —                                  |  |
| Corporate debt securities .....                | 24,931                       | 2,385                                            | 12,455      | (1,168)    | (2,197)     | —         | (2,026)                              | 34,380                     | 1,472                                                                                            | —                                     |  |
| CDOs and CLOs .....                            | 63,976                       | (14,474)                                         | 69,479      | (39,811)   | (10,013)    | —         | (16,848)                             | 52,309                     | (15,237)                                                                                         | —                                     |  |
| Sovereign obligations .....                    | 172                          | 2                                                | —           | (174)      | —           | —         | —                                    | —                          | —                                                                                                | —                                     |  |
| RMBS .....                                     | 7,714                        | 315                                              | —           | —          | (51)        | —         | —                                    | 7,978                      | 331                                                                                              | —                                     |  |
| CMBS .....                                     | 477                          | 29                                               | —           | —          | —           | —         | —                                    | 506                        | 29                                                                                               | —                                     |  |
| Other ABS .....                                | 103,214                      | (2,792)                                          | 60,151      | (31,920)   | (8,089)     | —         | 5,611                                | 126,175                    | (1,256)                                                                                          | —                                     |  |
| Loans and other receivables .....              | 152,586                      | (8,455)                                          | 213,419     | (196,921)  | (38,621)    | —         | 17,914                               | 139,922                    | 10,777                                                                                           | —                                     |  |
| Investments at fair value .....                | 137,865                      | 16,742                                           | 22,549      | (2,446)    | (3,210)     | —         | (10,000)                             | 161,500                    | 13,540                                                                                           | —                                     |  |
| <b>Liabilities:</b>                            |                              |                                                  |             |            |             |           |                                      |                            |                                                                                                  |                                       |  |
| Financial instruments sold, not yet purchased: |                              |                                                  |             |            |             |           |                                      |                            |                                                                                                  |                                       |  |
| Corporate equity securities .....              | \$ 208                       | \$ (864)                                         | \$ (72,161) | \$ 73,148  | \$ —        | \$ —      | \$ 465                               | \$ 796                     | \$ 999                                                                                           | \$ —                                  |  |
| Corporate debt securities .....                | 165                          | 60                                               | (280)       | 351        | 192         | —         | —                                    | 488                        | (90)                                                                                             | —                                     |  |
| CMBS .....                                     | 1,153                        | —                                                | —           | 105        | —           | —         | (70)                                 | 1,188                      | —                                                                                                | —                                     |  |
| Loans .....                                    | 16,864                       | (14,097)                                         | (875)       | 74         | —           | —         | —                                    | 1,966                      | (1,790)                                                                                          | —                                     |  |
| Net derivatives (2) .....                      | 22,286                       | (11,263)                                         | (533)       | 23,307     | (1,166)     | —         | 4,265                                | 36,896                     | 2,447                                                                                            | —                                     |  |
| Other secured financings .....                 | 14,884                       | 346                                              | —           | —          | (7,647)     | 8,531     | —                                    | 16,114                     | (1,366)                                                                                          | —                                     |  |
| Long-term debt .....                           | 821,903                      | 32,255                                           | —           | —          | (4,849)     | 247,279   | (25,424)                             | 1,071,164                  | (28,330)                                                                                         | (3,925)                               |  |

(1) Realized and unrealized gains/losses are primarily reported in Principal transactions revenues. Changes in instrument-specific credit risk related to structured notes within Long-term debt are presented net of tax in our Consolidated Statements of Comprehensive Income.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

*Analysis of Level 3 Assets and Liabilities for the Three Months Ended August 31, 2025*

Transfers of assets of \$64.4 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Loan and other receivables of \$43.5 million, CDOs and CLOs of \$12.6 million and Other ABS of \$6.7 million due to reduced pricing transparency.

Transfers of assets of \$94.5 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Other ABS of \$50.7 million, CDOs and CLOs of \$27.1 million, Corporate debt securities of \$12.3 million and Loans and other receivables of \$4.3 million due to greater pricing transparency supporting classification into Level 2.

Transfers of liabilities of \$16.0 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Structured notes within Long-term debt of \$13.1 million, partially offset by net derivatives transfers into Level 3 of \$2.4 million due to reduced market and pricing transparency.

Transfers of liabilities of \$22.2 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Structured notes within Long-term debt of \$14.5 million and Net derivatives of \$7.7 million due to greater pricing and market transparency.

Net gains on Level 3 assets were \$30.0 million and net losses on Level 3 liabilities were \$65.5 million for the three months ended August 31, 2025. Net gains on Level 3 assets were primarily due to increased market values across Corporate equity securities, Investments at fair value, Loans and other receivables and Other ABS, partially offset by decreased market values of CDOs and CLOs. Net losses on Level 3 liabilities were primarily due to increased valuations of structured notes within Long-term debt, certain derivatives and Loans.

*Analysis of Level 3 Assets and Liabilities for the Nine Months Ended August 31, 2025*

Transfers of assets of \$99.5 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Loan and other receivables of \$38.2 million, Corporate equity securities of \$32.2 million, CDOs and CLOs of \$18.6 million and Other ABS of \$10.0 million due to reduced pricing transparency.

Transfers of assets of \$123.5 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Corporate equity securities of \$50.8 million, CDOs and CLOs of \$35.4 million, Loans and other receivables of \$20.3 million, Investments at fair value of \$10.0 million, Other ABS of \$4.4 million and Corporate debt securities of \$2.5 million due to greater pricing transparency supporting classification into Level 2.

Transfers of liabilities of \$21.3 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Net derivatives of \$13.4 million and structured notes within Long-term debt of \$7.4 million due to reduced market and pricing transparency.

Transfers of liabilities of \$42.1 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Structured notes within Long-term debt of \$32.8 million and certain Derivatives of \$9.2 million due to greater pricing and market transparency.

Net gains on Level 3 assets were \$25.1 million and net losses on Level 3 liabilities were \$6.4 million for the nine months ended August 31, 2025. Net gains on Level 3 assets were primarily due to increased market values across Corporate equity securities and Investments at fair value, partially offset by decreased valuations of CDOs and CLOs and Loans and other receivables. Net losses on Level 3 liabilities were primarily due to increased valuations of structured notes within Long-term debt, partially offset by decreased market values of certain Derivatives and Loans.

**Notes to Consolidated Financial Statements**  
(Unaudited)

**Three Months Ended August 31, 2024**

| \$ in thousands                                | Balance at<br>May 31,<br>2024 | Total<br>gains/<br>losses<br>(realized<br>and<br>unrealized)<br>(1) | Purchases | Sales      | Settlements | Issuances | Net<br>transfers<br>into/<br>(out of)<br>Level 3 | Balance at<br>August 31,<br>2024 | For instruments still held at<br>August 31, 2024, changes in<br>unrealized gains (losses)<br>included in: |                                                |   |
|------------------------------------------------|-------------------------------|---------------------------------------------------------------------|-----------|------------|-------------|-----------|--------------------------------------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------|------------------------------------------------|---|
|                                                |                               |                                                                     |           |            |             |           |                                                  |                                  | Earnings (1)                                                                                              | Other<br>comprehensive<br>income<br>(loss) (1) |   |
|                                                |                               |                                                                     |           |            |             |           |                                                  |                                  |                                                                                                           |                                                |   |
| Assets:                                        |                               |                                                                     |           |            |             |           |                                                  |                                  |                                                                                                           |                                                |   |
| Financial instruments owned:                   |                               |                                                                     |           |            |             |           |                                                  |                                  |                                                                                                           |                                                |   |
| Corporate equity securities .....              | \$ 178,755                    | \$ 9,887                                                            | \$ 12,874 | \$ (1,035) | \$ (198)    | \$ —      | \$ 360                                           | \$ 200,643                       | \$ 10,184                                                                                                 | \$ —                                           | — |
| Corporate debt securities .....                | 38,717                        | 93                                                                  | —         | (1,753)    | —           | —         | (5,879)                                          | 31,178                           | 1,181                                                                                                     | —                                              | — |
| CDOs and CLOs .....                            | 68,626                        | 1,477                                                               | 17,704    | (1,147)    | (1,323)     | —         | (3,256)                                          | 82,081                           | 649                                                                                                       | —                                              | — |
| Sovereign obligations .....                    | —                             | —                                                                   | —         | —          | —           | —         | 106                                              | 106                              | —                                                                                                         | —                                              | — |
| RMBS .....                                     | 644                           | 24                                                                  | —         | —          | (12)        | —         | (32)                                             | 624                              | 34                                                                                                        | —                                              | — |
| CMBS .....                                     | 477                           | 15                                                                  | —         | —          | —           | —         | —                                                | 492                              | —                                                                                                         | —                                              | — |
| Other ABS .....                                | 168,736                       | (966)                                                               | 29,502    | (27,528)   | (3,608)     | —         | (20,733)                                         | 145,403                          | (1,988)                                                                                                   | —                                              | — |
| Loans and other receivables .....              | 92,546                        | (18,742)                                                            | 10,138    | (4,489)    | (2,258)     | —         | 9,929                                            | 87,124                           | (5,863)                                                                                                   | —                                              | — |
| Investments at fair value .....                | 138,057                       | 952                                                                 | 371       | —          | —           | —         | —                                                | 139,380                          | 952                                                                                                       | —                                              | — |
| Liabilities:                                   |                               |                                                                     |           |            |             |           |                                                  |                                  |                                                                                                           |                                                |   |
| Financial instruments sold, not yet purchased: |                               |                                                                     |           |            |             |           |                                                  |                                  |                                                                                                           |                                                |   |
| Corporate equity securities .....              | \$ 708                        | \$ 4                                                                | \$ —      | \$ 2,264   | \$ —        | \$ —      | \$ (6)                                           | \$ 2,970                         | \$ (4)                                                                                                    | \$ —                                           | — |
| Corporate debt securities .....                | 506                           | —                                                                   | (246)     | —          | —           | —         | —                                                | 260                              | —                                                                                                         | —                                              | — |
| CMBS .....                                     | 1,049                         | —                                                                   | —         | —          | 70          | —         | —                                                | 1,119                            | —                                                                                                         | —                                              | — |
| Loans .....                                    | 1,584                         | (1,000)                                                             | —         | 964        | 12          | —         | —                                                | 1,560                            | 1                                                                                                         | —                                              | — |
| Net derivatives (2) .....                      | 34,877                        | (7,588)                                                             | —         | —          | 734         | —         | 477                                              | 28,500                           | 4,363                                                                                                     | —                                              | — |
| Other secured financings .....                 | 3,965                         | —                                                                   | —         | —          | —           | —         | —                                                | 3,965                            | —                                                                                                         | —                                              | — |
| Long-term debt .....                           | 784,212                       | 25,080                                                              | —         | —          | —           | 542       | (20,688)                                         | 789,146                          | (37,145)                                                                                                  | 12,065                                         | — |

**Nine Months Ended August 31, 2024**

| \$ in thousands                                | Balance at<br>November 30,<br>2023 | Total<br>gains/<br>losses<br>(realized<br>and<br>unrealized)<br>(1) | Purchases | Sales      | Settlements | Issuances | Net<br>transfers<br>into/<br>(out of)<br>Level 3 | Balance at<br>August 31,<br>2024 | For instruments still held at<br>August 31, 2024, changes in<br>unrealized gains (losses)<br>included in: |                                                |
|------------------------------------------------|------------------------------------|---------------------------------------------------------------------|-----------|------------|-------------|-----------|--------------------------------------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------|------------------------------------------------|
|                                                |                                    |                                                                     |           |            |             |           |                                                  |                                  | Earnings (1)                                                                                              | Other<br>comprehensive<br>income<br>(loss) (1) |
| Assets:                                        |                                    |                                                                     |           |            |             |           |                                                  |                                  |                                                                                                           |                                                |
| Financial instruments owned:                   |                                    |                                                                     |           |            |             |           |                                                  |                                  |                                                                                                           |                                                |
| Corporate equity securities .....              | \$ 181,294                         | \$ (3,969)                                                          | \$ 28,576 | \$ (2,480) | \$ —        | \$ —      | \$ (2,778)                                       | \$ 200,643                       | \$ (3,179)                                                                                                | \$ —                                           |
| Corporate debt securities .....                | 26,112                             | 3,060                                                               | 14,894    | (6,735)    | (200)       | —         | (5,953)                                          | 31,178                           | 7,309                                                                                                     | —                                              |
| CDOs and CLOs .....                            | 64,862                             | 8,771                                                               | 41,690    | (22,797)   | (5,214)     | —         | (5,231)                                          | 82,081                           | 4,351                                                                                                     | —                                              |
| Sovereign obligations .....                    | —                                  | (16)                                                                | 11,147    | (11,025)   | —           | —         | —                                                | 106                              | 3                                                                                                         | —                                              |
| RMBS .....                                     | 20,871                             | (185)                                                               | —         | (5,374)    | (63)        | —         | (14,625)                                         | 624                              | 33                                                                                                        | —                                              |
| CMBS .....                                     | 508                                | (16)                                                                | —         | —          | —           | —         | —                                                | 492                              | (64)                                                                                                      | —                                              |
| Other ABS .....                                | 117,661                            | (7,724)                                                             | 94,754    | (68,622)   | (19,929)    | —         | 29,263                                           | 145,403                          | (5,778)                                                                                                   | —                                              |
| Loans and other receivables .....              | 130,101                            | (43,105)                                                            | 20,220    | (4,856)    | (19,523)    | —         | 4,287                                            | 87,124                           | (17,949)                                                                                                  | —                                              |
| Investments at fair value .....                | 130,835                            | (10,626)                                                            | 19,725    | —          | (547)       | —         | (7)                                              | 139,380                          | (10,626)                                                                                                  | —                                              |
| Liabilities:                                   |                                    |                                                                     |           |            |             |           |                                                  |                                  |                                                                                                           |                                                |
| Financial instruments sold, not yet purchased: |                                    |                                                                     |           |            |             |           |                                                  |                                  |                                                                                                           |                                                |
| Corporate equity securities                    | \$ 676                             | \$ 5                                                                | \$ —      | \$ 2,289   | \$ —        | \$ —      | \$ —                                             | \$ 2,970                         | \$ (5)                                                                                                    | \$ —                                           |
| Corporate debt securities .....                | 124                                | (23)                                                                | —         | —          | —           | —         | 159                                              | 260                              | 23                                                                                                        | —                                              |
| CMBS .....                                     | 840                                | —                                                                   | (245)     | —          | 525         | —         | (1)                                              | 1,119                            | (2)                                                                                                       | —                                              |
| Loans .....                                    | 1,521                              | 1,879                                                               | (180)     | 1,367      | 152         | —         | (3,179)                                          | 1,560                            | (26)                                                                                                      | —                                              |
| Net derivatives (2) .....                      | 50,955                             | (17,212)                                                            | (3,236)   | 2,471      | (9,504)     | —         | 5,026                                            | 28,500                           | 5,659                                                                                                     | —                                              |
| Other secured financings .....                 | 3,898                              | 4,482                                                               | —         | —          | (4,415)     | —         | —                                                | 3,965                            | (4,482)                                                                                                   | —                                              |
| Long-term debt .....                           | 744,597                            | 34,157                                                              | —         | —          | (2,109)     | 28,614    | (16,113)                                         | 789,146                          | (41,836)                                                                                                  | 7,679                                          |

(1) Realized and unrealized gains/losses are primarily reported in Principal transactions revenues. Changes in instrument-specific credit risk related to structured notes within Long-term debt are presented net of tax in our Consolidated Statements of Comprehensive Income.

(2) Net derivatives represent Financial instruments owned—Derivatives and Financial instruments sold, not yet purchased—Derivatives.

*Analysis of Level 3 Assets and Liabilities for the Three Months Ended August 31, 2024*

Transfers of assets of \$31.3 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Loan and other receivables of \$15.9 million, CDOs and CLOs of \$10.1 million and Other ABS of \$3.3 million due to reduced pricing transparency.

Transfers of assets of \$50.8 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Other ABS of \$24.0 million, CDOs and CLOs of \$13.4 million, Corporate debt securities of \$7.1 and Loans and other receivables of \$5.9 million due to greater pricing transparency supporting classification into Level 2.

Transfers of liabilities of \$18.8 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Structured notes within Long-term debt of \$9.6 million and Net derivatives of \$9.3 million due to reduced market and pricing transparency.

Transfers of liabilities of \$39.0 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Structured notes within Long-term debt of \$30.2 million and Net derivatives of \$8.8 million due to greater pricing and market transparency.

Net losses on Level 3 assets were \$7.3 million and net losses on Level 3 liabilities were \$16.5 million for the three months ended August 31, 2024. Net losses on Level 3 assets were primarily due to decreased market values across Loans and other receivables, partially offset by increased market values of Corporate equity securities and CDOs and CLOs. Net losses on Level 3 liabilities were primarily due to increased valuations of structured notes within Long-term debt, partially offset by decreased valuations of certain derivatives.

*Analysis of Level 3 Assets and Liabilities for the Nine Months Ended August 31, 2024*

Transfers of assets of \$61.0 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Other ABS of \$47.6 million and Loan and other receivables of \$11.3 million due to reduced pricing transparency.

Transfers of assets of \$56.0 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Other ABS of \$18.3 million, RMBS of \$14.6 million, Corporate debt securities of \$7.5 million, Loans and other receivables of \$7.0 million, CDOs and CLOs of \$5.2 million and Corporate equity securities of \$3.3 million due to greater pricing transparency supporting classification into Level 2.

Transfers of liabilities of \$39.4 million from Level 2 to Level 3 of the fair value hierarchy are primarily attributed to:

- Net derivatives of \$23.2 million and structured notes within Long-term debt of \$18.8 million due to reduced market and pricing transparency.

Transfers of liabilities of \$53.1 million from Level 3 to Level 2 of the fair value hierarchy are primarily attributed to:

- Structured notes within Long-term debt of \$34.9 million and Net derivatives of \$18.2 million due to greater pricing and market transparency.

Net losses on Level 3 assets were \$53.8 million and net losses on Level 3 liabilities were \$23.3 million for the nine months ended August 31, 2024. Net losses on Level 3 assets were primarily due to decreased market values across Loans and other receivables, Investments at fair value, Other ABS and Corporate equity securities, partially offset by increased valuations of CDOs and CLOs and Corporate debt securities. Net losses on Level 3 liabilities were primarily due to increased valuations of structured notes within Long-term debt and Other secured financings, partially offset by decreased valuations of certain derivatives.

**Significant Unobservable Inputs used in Level 3 Fair Value Measurements**

The tables below present information on the valuation techniques, significant unobservable inputs and their ranges for our financial assets and liabilities, subject to threshold levels related to the market value of the positions held, measured at fair value on a recurring basis with a significant Level 3 balance. The range of unobservable inputs could differ significantly across different firms given the range of products across different firms in the financial services sector. The inputs are not representative of the inputs that could have been used in the valuation of any one financial instrument (*i.e.*, the input used for valuing one financial instrument within a particular class of financial instruments may not be appropriate for valuing other financial instruments within that given class). Additionally, the ranges of inputs presented below should not be construed to represent uncertainty regarding the fair values of our financial instruments; rather, the range of inputs is reflective of the differences in the underlying characteristics of the financial instruments in each category.

For certain categories, we have provided a weighted average of the inputs allocated based on the fair values of the financial instruments comprising the category. We do not believe that the range or weighted average of the inputs is indicative of the reasonableness of uncertainty of our Level 3 fair values. The range and weighted average are driven by the individual financial instruments within each category and their relative distribution in the population. The disclosed inputs when compared to the inputs as disclosed in other periods should not be expected to necessarily be indicative of changes in our estimates of unobservable inputs for a particular financial instrument as the population of financial instruments comprising the category will vary from period to period based on purchases and sales of financial instruments during the period as well as transfers into and out of Level 3 each period.

**Notes to Consolidated Financial Statements**  
(Unaudited)

**August 31, 2025**

| <b>Financial Instruments Owned</b>                    | <b>Fair Value<br/>(in<br/>thousands)</b> | <b>Valuation<br/>Technique</b> | <b>Significant Unobservable Input(s)</b> | <b>Input / Range</b> | <b>Weighted<br/>Average</b> |
|-------------------------------------------------------|------------------------------------------|--------------------------------|------------------------------------------|----------------------|-----------------------------|
| <b>Corporate equity securities</b> .....              | \$ 272,309                               |                                |                                          |                      |                             |
| Non-exchange-traded securities                        |                                          | Market approach                | Price                                    | \$0 - \$486          | \$71                        |
|                                                       |                                          | Volatility<br>Benchmarking     | Volatility                               | 30% - 34%            | 33%                         |
| <b>Corporate debt securities</b> .....                | \$ 34,380                                | Market approach                | Price                                    | \$49 - \$119         | \$71                        |
|                                                       |                                          | Discounted cash<br>flows       | Discount rate/yield                      | 17% - 20%            | 18%                         |
| <b>CDOs and CLOs</b> .....                            | \$ 34,377                                | Discounted cash<br>flows       | Constant prepayment rate                 | 20%                  | —                           |
|                                                       |                                          |                                | Constant default rate                    | 2%                   | —                           |
|                                                       |                                          |                                | Loss severity                            | 30%                  | —                           |
|                                                       |                                          |                                | Discount rate/yield                      | 13% - 17%            | 16%                         |
|                                                       |                                          | Market approach                | Price                                    | \$98 - \$100         | \$99                        |
| <b>RMBS</b> .....                                     | \$ 7,978                                 | Discounted cash<br>flows       | Constant prepayment rate                 | 12%                  | —                           |
|                                                       |                                          |                                | Constant default rate                    | 0.3%                 | —                           |
|                                                       |                                          |                                | Loss severity                            | 20%                  | —                           |
|                                                       |                                          |                                | Discount rate/yield                      | 14%                  | —                           |
| <b>Other ABS</b> .....                                | \$ 122,633                               | Discounted cash<br>flows       | Discount rate/yield                      | 14% - 28%            | 16%                         |
|                                                       |                                          |                                | Cumulative loss rate                     | 13% - 15%            | 14%                         |
|                                                       |                                          |                                | Duration (years)                         | 0.6 - 1.2            | 1.1                         |
|                                                       |                                          | Market approach                | Price                                    | \$117 - \$135        | \$132                       |
|                                                       |                                          | Scenario analysis              | Estimated recovery percentage            | 79%                  | —                           |
| <b>Loans and other receivables</b> .....              | \$ 139,922                               | Market approach                | Price                                    | \$6 - \$117          | \$101                       |
|                                                       |                                          | Scenario analysis              | Estimated recovery percentage            | 8% - 256%            | 50%                         |
| <b>Derivatives</b> .....                              | \$ 4,323                                 |                                |                                          |                      |                             |
| Embedded options                                      |                                          | Market approach                | Basis points upfront                     | 0.0 - 0.4            | 0.4                         |
| Equity options                                        |                                          | Volatility<br>Benchmarking     | Volatility                               | 34%                  | —                           |
| <b>Investments at fair value</b> .....                | \$ 155,554                               |                                |                                          |                      |                             |
| Private equity securities                             |                                          | Market approach                | Price                                    | \$0 - \$10,956       | \$1,641                     |
|                                                       |                                          |                                | Discount rate/yield                      | 16% - 28%            | 28%                         |
|                                                       |                                          |                                | Estimated revenue                        | \$29,763,576         | —                           |
| <b>Financial Instruments Sold, Not Yet Purchased:</b> |                                          |                                |                                          |                      |                             |
| <b>Loans</b> .....                                    | \$ 1,966                                 | Market approach                | Price                                    | \$100                | —                           |
| <b>Derivatives</b> .....                              | \$ 44,683                                |                                |                                          |                      |                             |
| Equity options                                        |                                          | Volatility<br>benchmarking     | Volatility                               | 28% - 72%            | 61%                         |
| Embedded options                                      |                                          | Market approach                | Basis points upfront                     | 0.0 - 22.6           | 14.5                        |
| <b>Other secured financings</b> .....                 | \$ 16,114                                | Scenario analysis              | Estimated recovery percentage            | 76% - 100%           | 96%                         |
|                                                       |                                          | Market approach                | Price                                    | \$114 - \$118        | \$116                       |
| <b>Long-term debt</b> .....                           | \$ 1,071,164                             |                                |                                          |                      |                             |
| Structured notes                                      |                                          | Market approach                | Price                                    | \$70 - \$122         | \$102                       |

November 30, 2024

| Financial Instruments Owned                           | Fair Value<br>(in<br>thousands) | Valuation<br>Technique     | Significant Unobservable Input(s) | Input / Range | Weighted<br>Average |
|-------------------------------------------------------|---------------------------------|----------------------------|-----------------------------------|---------------|---------------------|
| <b>Corporate equity securities</b> .....              | \$ 239,364                      |                            |                                   |               |                     |
| Non-exchange-traded securities                        |                                 | Market approach            | Price                             | \$0 - \$486   | \$68                |
| <b>Corporate debt securities</b> .....                | \$ 24,931                       | Market approach            | Price                             | \$28 - \$105  | \$74                |
| <b>CDOs and CLOs</b> .....                            | \$ 53,388                       | Discounted cash<br>flows   | Constant prepayment rate          | 20%           | —                   |
|                                                       |                                 |                            | Constant default rate             | 2%            | —                   |
|                                                       |                                 |                            | Loss severity                     | 30%           | —                   |
|                                                       |                                 |                            | Discount rate/yield               | 14% - 32%     | 26%                 |
|                                                       |                                 | Market approach            | Price                             | \$70 - \$106  | \$94                |
| <b>RMBS</b> .....                                     | \$ 7,714                        | Discounted cash<br>flows   | Constant prepayment rate          | 20%           | —                   |
|                                                       |                                 |                            | Loss severity                     | 10%           | —                   |
|                                                       |                                 |                            | Discount rate/yield               | 12%           | —                   |
| <b>Other ABS</b> .....                                | \$ 98,172                       | Discounted cash<br>flows   | Discount rate/yield               | 19% - 30%     | 25%                 |
|                                                       |                                 |                            | Cumulative loss rate              | 17% - 34%     | 24%                 |
|                                                       |                                 |                            | Duration (years)                  | 0.9 - 1.0     | 0.9                 |
|                                                       |                                 | Market approach            | Price                             | \$106 - \$127 | \$121               |
|                                                       |                                 | Scenario analysis          | Estimated recovery percentage     | 92%           | —                   |
| <b>Loans and other receivables</b> .....              | \$ 152,586                      | Market approach            | Price                             | \$17 - \$106  | \$75                |
|                                                       |                                 | Scenario analysis          | Estimated recovery percentage     | 3% - 252%     | 50%                 |
| <b>Derivatives</b> .....                              | \$ 1,396                        |                            |                                   |               |                     |
| Embedded options                                      |                                 | Market approach            | Basis points upfront              | 0.3           | —                   |
| <b>Investments at fair value</b> .....                | \$ 132,769                      |                            |                                   |               |                     |
| Private equity securities                             |                                 | Market approach            | Price                             | \$1 - \$8,506 | \$501               |
|                                                       |                                 |                            | Discount rate/yield               | 28%           | —                   |
|                                                       |                                 |                            | Estimated revenue                 | \$29,908,372  | —                   |
| <b>Financial Instruments Sold, Not Yet Purchased:</b> |                                 |                            |                                   |               |                     |
| <b>Loans</b> .....                                    | \$ 16,864                       | Market approach            | Price                             | \$17 - \$100  | \$75                |
|                                                       |                                 | Scenario analysis          | Estimated recovery percentage     | 0% - 205%     | 50%                 |
| <b>Derivatives</b> .....                              | \$ 25,045                       |                            |                                   |               |                     |
| Equity options                                        |                                 | Volatility<br>benchmarking | Volatility                        | 28% - 102%    | 49%                 |
| Options                                               |                                 | Market approach            | Basis points upfront              | 8.0 - 22.3    | 14.9                |
| <b>Other secured financings</b> .....                 | \$ 14,884                       | Scenario analysis          | Estimated recovery percentage     | 60% - 100%    | 93%                 |
|                                                       |                                 | Market approach            | Price                             | \$117         | —                   |
| <b>Long-term debt</b> .....                           | \$ 821,903                      |                            |                                   |               |                     |
| Structured notes                                      |                                 | Market approach            | Price                             | \$61 - \$122  | \$96                |

The fair values of certain Level 3 assets and liabilities that were determined based on third-party pricing information, unadjusted past transaction prices or a percentage of the reported enterprise fair value are excluded from the above tables. At August 31, 2025 and November 30, 2024, asset exclusions consisted of \$31.4 million and \$23.9 million, respectively, primarily composed of CDOs and CLOs, Investments at fair value, certain derivatives, Other ABS and CMBS. At August 31, 2025 and November 30, 2024, liability exclusions consisted of \$2.5 million and \$2.7 million, respectively, primarily composed of CMBS, certain derivatives, corporate equity securities and corporate debt securities.

*Uncertainty of Fair Value Measurement from Use of Significant Unobservable Inputs*

For recurring fair value measurements categorized within Level 3 of the fair value hierarchy, the uncertainty of the fair value measurement due to the use of significant unobservable inputs and interrelationships between those unobservable inputs (if any) are described below:

- Non-exchange-traded securities, corporate debt securities, CDOs and CLOs, loans and other receivables, other ABS, private equity securities, certain derivatives, other secured financings and structured notes using a market approach valuation technique. A significant increase (decrease) in the price of the private equity securities, nonexchange-traded securities, corporate debt securities, CDOs and CLOs, other ABS, loans and other receivables, other secured financings and structured notes would result in a significantly higher (lower) fair value

measurement. A significant increase (decrease) in the revenue or revenue multiple related to private equity securities would result in a significantly higher (lower) fair value measurement. A significant increase (decrease) in the discount rate/security yield related to private equity securities would result in a significantly lower (higher) fair value measurement. Depending on whether we are a receiver or (payer) of basis points upfront, a significant increase in basis points would result in a significant increase (decrease) in the fair value measurement of options.

- Loans and other receivables, other ABS and other secured financings using a scenario analysis valuation technique. A significant increase (decrease) in the possible recovery rates underlying the financial instrument would result in a significantly higher (lower) fair value measurement for the financial instrument.
- CDOs and CLOs, corporate debt securities, RMBS and other ABS using a discounted cash flows valuation technique. A significant increase (decrease) in isolation in the constant default rate, loss severity or cumulative loss rate would result in a significantly lower (higher) fair value measurement. The impact of changes in the constant prepayment rate and duration would have differing impacts depending on the capital structure and type of security. A significant increase (decrease) in the discount rate/security yield would result in a significantly lower (higher) fair value measurement.
- Corporate equity securities and derivative equity options using volatility benchmarking. A significant increase (decrease) in volatility would result in a significantly higher (lower) fair value measurement.

#### **Fair Value Option Election**

For a description of our financial assets and liabilities for which we have elected the fair value option, refer to our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2024.

Fair value option gains (losses):

|                                                | Three Months Ended<br>August 31, |           | Nine Months Ended<br>August 31, |             |
|------------------------------------------------|----------------------------------|-----------|---------------------------------|-------------|
| <i>\$ in thousands</i>                         | 2025                             | 2024      | 2025                            | 2024        |
| <b>Financial instruments owned:</b>            |                                  |           |                                 |             |
| Loans and other receivables (1)                | \$ (62,934)                      | \$ (690)  | \$ (35,557)                     | \$ (39,664) |
| <b>Other secured financings:</b>               |                                  |           |                                 |             |
| Other changes in fair value (1)                | \$ (2,908)                       | \$ —      | \$ (4,566)                      | \$ (4,482)  |
| <b>Long-term debt:</b>                         |                                  |           |                                 |             |
| Changes in instrument-specific credit risk (2) | \$ (59,163)                      | \$ 23,779 | \$ 7,356                        | \$ 6,009    |
| Other changes in fair value (1)                | (58,429)                         | (84,266)  | (27,159)                        | (111,716)   |

- (1) Other changes in fair value are included in Principal transactions revenues.
- (2) Changes in fair value of structured notes related to instrument-specific credit risk are presented net of tax in our Consolidated Statements of Comprehensive Income.

Fair value option amounts by which contractual principal is greater than (less than) fair value:

| <i>\$ in thousands</i>                                                                      | August 31,<br>2025 | November 30,<br>2024 |
|---------------------------------------------------------------------------------------------|--------------------|----------------------|
| <b>Financial instruments owned:</b>                                                         |                    |                      |
| Loans and other receivables (1)                                                             | \$ 1,766,934       | \$ 1,603,512         |
| Loans and other receivables on nonaccrual status and/or 90 days or greater past due (1) (2) | 181,250            | 132,838              |
| <b>Long-term debt</b>                                                                       | <b>170,430</b>     | <b>131,107</b>       |
| <b>Other secured financings</b>                                                             | <b>(4,107)</b>     | <b>459</b>           |

- (1) Interest income is recognized separately from other changes in fair value and is included in Interest revenues.
- (2) Amounts include loans and other receivables 90 days or greater past due by which contractual principal exceeds fair value of \$64.0 million and \$48.8 million at August 31, 2025 and November 30, 2024, respectively.

The aggregate fair value of loans and other receivables on nonaccrual status and/or 90 days or greater past due was \$129.1 million and \$126.9 million at August 31, 2025 and November 30, 2024, respectively, which includes loans and other receivables 90 days or greater past due of \$94.3 million and \$120.0 million at August 31, 2025 and November 30, 2024, respectively.

#### **Assets Measured at Fair Value on a Non-recurring Basis**

Our shares in Monashee, an equity method investment, were measured at fair value on a nonrecurring basis during the nine months ended August 31, 2024 and are not included in the tables above. During the nine months ended August 31, 2024, we converted our shares in Monashee to a newly created class of nonmarketable preferred shares and remeasured our equity method investment to a fair value of \$21.9 million in connection with the nonmonetary exchange and the preferred shares are subsequently accounted for at cost pursuant to the measurement alternative.

#### **Financial Instruments Not Measured at Fair Value**

Certain of our financial instruments are not carried at fair value but are recorded at amounts that approximate fair value due to their liquid or short-term nature and generally negligible credit risk. These financial assets include Cash and cash equivalents and Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations and would generally be presented within Level 1 of the fair value hierarchy.

We have equity securities without readily determinable fair values, which we account for at cost, minus impairment, which are presented within Other assets and were \$21.9 million at both August 31, 2025 and November 30, 2024. There were no impairments and downward adjustments on these investments during the three and nine months ended August 31, 2025 and 2024.

## Note 7. Derivative Financial Instruments

Our derivative activities are recorded at fair value in Financial instruments owned and Financial instruments sold, not yet purchased, net of cash paid or received under credit support agreements and on a net counterparty basis when a legally enforceable right to offset exists under a master netting agreement. We enter into derivative transactions to satisfy the needs of our clients and to manage our own exposure to market and credit risks. In addition, we apply hedge accounting to: (1) interest rate swaps that have been designated as fair value hedges of the changes in fair value due to the benchmark interest rate for certain fixed rate senior long-term debt, and (2) forward foreign exchange contracts designated as hedges to offset the change in the value of certain net investments in foreign operations.

Derivatives are subject to various risks similar to other financial instruments, including market, credit and operational risk. The risks of derivatives should not be viewed in isolation, but rather should be considered on an aggregate basis along with our other trading-related activities. We manage the risks associated with derivatives on an aggregate basis along with the risks associated with proprietary trading as part of our firm wide risk management policies.

In connection with our derivative activities, we may enter into International Swaps and Derivatives Association, Inc. master netting agreements or similar agreements with counterparties.

| August 31, 2025 (1)                                                              |                     |                         |                     |                         |
|----------------------------------------------------------------------------------|---------------------|-------------------------|---------------------|-------------------------|
| \$ in thousands                                                                  | Assets              |                         | Liabilities         |                         |
|                                                                                  | Fair Value          | Number of Contracts (2) | Fair Value          | Number of Contracts (2) |
| <b>Derivatives designated as accounting hedges:</b>                              |                     |                         |                     |                         |
| <b>Interest rate contracts:</b>                                                  |                     |                         |                     |                         |
| Cleared OTC .....                                                                | \$ 57               | 1                       | \$ 1,131            | 3                       |
| <b>Foreign exchange contracts:</b>                                               |                     |                         |                     |                         |
| Bilateral OTC .....                                                              | 1,846               | 8                       | 61,729              | 4                       |
| <b>Total derivatives designated as accounting hedges .....</b>                   | <b>1,903</b>        |                         | <b>62,860</b>       |                         |
| <b>Derivatives not designated as accounting hedges:</b>                          |                     |                         |                     |                         |
| <b>Interest rate contracts:</b>                                                  |                     |                         |                     |                         |
| Exchange-traded .....                                                            | 562                 | 16,529                  | 113                 | 17,235                  |
| Cleared OTC .....                                                                | 508,861             | 7,592                   | 523,997             | 8,060                   |
| Bilateral OTC .....                                                              | 316,345             | 1,850                   | 630,797             | 744                     |
| <b>Foreign exchange contracts:</b>                                               |                     |                         |                     |                         |
| Exchange-traded .....                                                            | 215                 | 80                      | 76                  | 120                     |
| Bilateral OTC .....                                                              | 106,449             | 42,732                  | 84,671              | 13,109                  |
| <b>Equity contracts:</b>                                                         |                     |                         |                     |                         |
| Exchange-traded .....                                                            | 2,602,854           | 3,463,187               | 2,037,083           | 2,161,112               |
| Bilateral OTC .....                                                              | 918,891             | 44,140                  | 1,008,462           | 34,433                  |
| <b>Commodity contracts:</b>                                                      |                     |                         |                     |                         |
| Exchange-traded .....                                                            | 273                 | 622                     | 50                  | 530                     |
| Bilateral OTC .....                                                              | 4,606               | 11,850                  | 3,127               | 5,642                   |
| <b>Credit contracts:</b>                                                         |                     |                         |                     |                         |
| Cleared OTC .....                                                                | 1,721               | 51                      | 10,212              | 6                       |
| Bilateral OTC .....                                                              | 62,545              | 14                      | 43,037              | 19                      |
| <b>Total derivatives not designated as accounting hedges .....</b>               | <b>4,523,322</b>    |                         | <b>4,341,625</b>    |                         |
| <b>Total gross derivative assets/liabilities:</b>                                |                     |                         |                     |                         |
| Exchange-traded .....                                                            | 2,603,904           |                         | 2,037,322           |                         |
| Cleared OTC .....                                                                | 510,639             |                         | 535,340             |                         |
| Bilateral OTC .....                                                              | 1,410,682           |                         | 1,831,823           |                         |
| <b>Amounts offset in our Consolidated Statements of Financial Condition (3):</b> |                     |                         |                     |                         |
| Exchange-traded .....                                                            | (1,445,932)         |                         | (1,445,932)         |                         |
| Cleared OTC .....                                                                | (509,365)           |                         | (517,824)           |                         |
| Bilateral OTC .....                                                              | (837,443)           |                         | (1,187,453)         |                         |
| <b>Net amounts per Consolidated Statements of Financial Condition (4) .....</b>  | <b>\$ 1,732,485</b> |                         | <b>\$ 1,253,276</b> |                         |

- (1) Exchange-traded derivatives include derivatives executed on an organized exchange. Cleared OTC derivatives include derivatives executed bilaterally and subsequently novated to and cleared through central clearing counterparties. Bilateral OTC derivatives include derivatives executed and settled bilaterally without the use of an organized exchange or central clearing counterparty.
- (2) The number of exchange-traded contracts may include open futures contracts. The unsettled fair value of these futures contracts is included in Receivables from/Payables to brokers, dealers and clearing organizations.
- (3) Amounts netted include both netting by counterparty and for cash collateral paid or received.
- (4) We have not received or pledged additional collateral under master netting agreements and/or other credit support agreements that is eligible to be offset beyond what has been offset in our Consolidated Statements of Financial Condition.

**Notes to Consolidated Financial Statements**  
(Unaudited)

| November 30, 2024 (1)                                                            |                   |                         |                   |                         |
|----------------------------------------------------------------------------------|-------------------|-------------------------|-------------------|-------------------------|
|                                                                                  | Assets            |                         | Liabilities       |                         |
| <i>\$ in thousands</i>                                                           | Fair Value        | Number of Contracts (2) | Fair Value        | Number of Contracts (2) |
| <b>Derivatives designated as accounting hedges:</b>                              |                   |                         |                   |                         |
| <b>Interest rate contracts:</b>                                                  |                   |                         |                   |                         |
| Cleared OTC .....                                                                | \$ 3,396          | 3                       | \$ —              | —                       |
| <b>Foreign exchange contracts:</b>                                               |                   |                         |                   |                         |
| Bilateral OTC .....                                                              | 41,903            | 3                       | —                 | —                       |
| <b>Total derivatives designated as accounting hedges</b> .....                   | <b>45,299</b>     |                         | <b>—</b>          |                         |
| <b>Derivatives not designated as accounting hedges:</b>                          |                   |                         |                   |                         |
| <b>Interest rate contracts:</b>                                                  |                   |                         |                   |                         |
| Exchange-traded .....                                                            | 273               | 16,548                  | 13                | 32,984                  |
| Cleared OTC .....                                                                | 1,030,842         | 6,663                   | 1,030,671         | 6,891                   |
| Bilateral OTC .....                                                              | 365,678           | 1,096                   | 717,255           | 1,256                   |
| <b>Foreign exchange contracts:</b>                                               |                   |                         |                   |                         |
| Bilateral OTC .....                                                              | 132,240           | 57,786                  | 138,608           | 35,545                  |
| <b>Equity contracts:</b>                                                         |                   |                         |                   |                         |
| Exchange-traded .....                                                            | 682,327           | 1,777,822               | 521,889           | 1,574,498               |
| Bilateral OTC .....                                                              | 855,169           | 33,516                  | 1,024,129         | 20,587                  |
| <b>Commodity contracts:</b>                                                      |                   |                         |                   |                         |
| Exchange-traded .....                                                            | 22                | 806                     | 17                | 697                     |
| Bilateral OTC .....                                                              | 4,570             | 11,691                  | 1,381             | 5,180                   |
| <b>Credit contracts:</b>                                                         |                   |                         |                   |                         |
| Cleared OTC .....                                                                | 31,488            | 66                      | 38,711            | 32                      |
| Bilateral OTC .....                                                              | 37,618            | 16                      | 31,353            | 32                      |
| <b>Total derivatives not designated as accounting hedges</b> .....               | <b>3,140,227</b>  |                         | <b>3,504,027</b>  |                         |
| <b>Total gross derivative assets/liabilities:</b>                                |                   |                         |                   |                         |
| Exchange-traded .....                                                            | 682,622           |                         | 521,919           |                         |
| Cleared OTC .....                                                                | 1,065,726         |                         | 1,069,382         |                         |
| Bilateral OTC .....                                                              | 1,437,178         |                         | 1,912,726         |                         |
| <b>Amounts offset in our Consolidated Statements of Financial Condition (3):</b> |                   |                         |                   |                         |
| Exchange-traded .....                                                            | (476,364)         |                         | (476,364)         |                         |
| Cleared OTC .....                                                                | (1,058,995)       |                         | (1,066,232)       |                         |
| Bilateral OTC .....                                                              | (1,132,392)       |                         | (1,251,117)       |                         |
| <b>Net amounts per Consolidated Statements of Financial Condition (4)</b> .....  | <b>\$ 517,775</b> |                         | <b>\$ 710,314</b> |                         |

- (1) Exchange-traded derivatives include derivatives executed on an organized exchange. Cleared OTC derivatives include derivatives executed bilaterally and subsequently novated to and cleared through central clearing counterparties. Bilateral OTC derivatives include derivatives executed and settled bilaterally without the use of an organized exchange or central clearing counterparty.
- (2) The number of exchange-traded contracts may include open futures contracts. The unsettled fair value of these futures contracts is included in Receivables from/Payables to brokers, dealers and clearing organizations.
- (3) Amounts netted include both netting by counterparty and for cash collateral paid or received.
- (4) We have not received or pledged additional collateral under master netting agreements and/or other credit support agreements that is eligible to be offset beyond what has been offset in our Consolidated Statements of Financial Condition.

Gains (losses) recognized in Interest expense related to fair value hedges:

| <i>\$ in thousands</i>        | Three Months Ended August 31, |                    | Nine Months Ended August 31, |                    |
|-------------------------------|-------------------------------|--------------------|------------------------------|--------------------|
| <b>Gains (Losses)</b>         | <b>2025</b>                   | <b>2024</b>        | <b>2025</b>                  | <b>2024</b>        |
| Interest rate swaps (1) ..... | \$ 8,902                      | \$ 43,765          | \$ 2,859                     | \$ 12,954          |
| Long-term debt .....          | (21,388)                      | (61,068)           | (40,047)                     | (62,053)           |
| <b>Total</b> .....            | <b>\$ (12,486)</b>            | <b>\$ (17,303)</b> | <b>\$ (37,188)</b>           | <b>\$ (49,099)</b> |

- (1) Includes net settlements of \$12.3 million and \$36.4 million for the three and nine months ended August 31, 2025, respectively, and \$16.2 million and \$48.2 million for the three and nine months ended August 31, 2024, respectively.

Gains (losses) on our net investment hedges recognized in Currency translation and other adjustments, a component of Other comprehensive income (loss):

| <i>\$ in thousands</i>           | Three Months Ended August 31, |                    | Nine Months Ended August 31, |                    |
|----------------------------------|-------------------------------|--------------------|------------------------------|--------------------|
| <b>Gains (Losses)</b>            | <b>2025</b>                   | <b>2024</b>        | <b>2025</b>                  | <b>2024</b>        |
| Foreign exchange contracts ..... | \$ (3,238)                    | \$ (38,878)        | \$ (77,370)                  | \$ (47,686)        |
| <b>Total</b> .....               | <b>\$ (3,238)</b>             | <b>\$ (38,878)</b> | <b>\$ (77,370)</b>           | <b>\$ (47,686)</b> |

Unrealized and realized gains (losses) on derivative contracts recognized primarily in Principal transactions revenues, which are utilized in connection with our client activities and our economic risk management activities:

| <i>\$ in thousands</i>           | Three Months Ended August 31, |                   | Nine Months Ended August 31, |                    |
|----------------------------------|-------------------------------|-------------------|------------------------------|--------------------|
| <b>Gains (Losses)</b>            | <b>2025</b>                   | <b>2024</b>       | <b>2025</b>                  | <b>2024</b>        |
| Interest rate contracts .....    | \$ 242                        | \$ 72,271         | \$ (30,970)                  | \$ 107,103         |
| Foreign exchange contracts ..... | (15,402)                      | 15,760            | 1,309                        | 48,289             |
| Equity contracts .....           | 444,317                       | 72,741            | 1,762,483                    | (186,617)          |
| Commodity contracts .....        | 3,476                         | 6,270             | 16,932                       | 24,702             |
| Credit contracts .....           | (9,105)                       | (222)             | (7,401)                      | (13,592)           |
| <b>Total</b> .....               | <b>\$ 423,528</b>             | <b>\$ 166,820</b> | <b>\$ 1,742,353</b>          | <b>\$ (20,115)</b> |

The net gains (losses) on derivative contracts in the table above are one of a number of activities comprising our business activities and are before consideration of economic hedging transactions, which generally offset the net gains (losses) included above. We substantially mitigate our exposure to market risk on our cash instruments through derivative contracts, which generally provide offsetting revenues, and we manage the risk associated with these contracts in the context of our overall risk management framework.

**Notes to Consolidated Financial Statements**  
(Unaudited)

**OTC Derivatives**

Remaining contract maturities at August 31, 2025:

| OTC Derivative Assets (1) (2) (3)                                          |                   |                   |                      |                            |                   |
|----------------------------------------------------------------------------|-------------------|-------------------|----------------------|----------------------------|-------------------|
| <i>\$ in thousands</i>                                                     | 0 – 12 Months     | 1 – 5 Years       | Greater Than 5 Years | Cross-Maturity Netting (4) | Total             |
| Commodity swaps, options and forwards                                      | \$ 4,308          | \$ —              | \$ —                 | \$ —                       | \$ 4,308          |
| Equity options and forwards                                                | 297,427           | 7,350             | —                    | (220)                      | 304,557           |
| Credit default swaps                                                       | —                 | 24,840            | —                    | —                          | 24,840            |
| Total return swaps                                                         | 137,965           | 113,782           | —                    | (15,878)                   | 235,869           |
| Foreign currency forwards, swaps and options                               | 51,979            | 863               | —                    | (555)                      | 52,287            |
| Fixed income forwards                                                      | 39,641            | —                 | —                    | —                          | 39,641            |
| Interest rate swaps, options and forwards                                  | 53,565            | 157,406           | 28,366               | (16,967)                   | 222,370           |
| <b>Total</b>                                                               | <b>\$ 584,885</b> | <b>\$ 304,241</b> | <b>\$ 28,366</b>     | <b>\$ (33,620)</b>         | <b>883,872</b>    |
| Cross-product counterparty netting                                         |                   |                   |                      |                            | (35,717)          |
| <b>Total OTC derivative assets included in Financial instruments owned</b> |                   |                   |                      |                            | <b>\$ 848,155</b> |

| OTC Derivative Liabilities (1) (2) (3)                                                            |                   |                   |                      |                            |                    |
|---------------------------------------------------------------------------------------------------|-------------------|-------------------|----------------------|----------------------------|--------------------|
| <i>\$ in thousands</i>                                                                            | 0 – 12 Months     | 1 – 5 Years       | Greater Than 5 Years | Cross-Maturity Netting (4) | Total              |
| Commodity swaps, options and forwards                                                             | \$ 2,829          | \$ —              | \$ —                 | \$ —                       | \$ 2,829           |
| Equity options and forwards                                                                       | 104,168           | 323,381           | —                    | (220)                      | 427,329            |
| Credit default swaps                                                                              | 251               | 9,583             | —                    | —                          | 9,834              |
| Total return swaps                                                                                | 161,468           | 90,507            | 37                   | (15,878)                   | 236,134            |
| Foreign currency forwards, swaps and options                                                      | 90,526            | 420               | —                    | (555)                      | 90,391             |
| Fixed income forwards                                                                             | 5,839             | —                 | —                    | —                          | 5,839              |
| Interest rate swaps, options and forwards                                                         | 33,944            | 86,299            | 454,080              | (16,967)                   | 557,356            |
| <b>Total</b>                                                                                      | <b>\$ 399,025</b> | <b>\$ 510,190</b> | <b>\$ 454,117</b>    | <b>\$ (33,620)</b>         | <b>1,329,712</b>   |
| Cross-product counterparty netting                                                                |                   |                   |                      |                            | (35,717)           |
| <b>Total OTC derivative liabilities included in Financial instruments sold, not yet purchased</b> |                   |                   |                      |                            | <b>\$1,293,995</b> |

- (1) At August 31, 2025, we held net exchange-traded derivative assets and liabilities with a fair value of \$1.16 billion and \$591.4 million, respectively, which are not included in these tables.
- (2) OTC derivative assets and liabilities in the tables above are gross of collateral pledged. OTC derivative assets and liabilities are recorded net of collateral pledged in our Consolidated Statements of Financial Condition. At August 31, 2025, cash collateral received and pledged was \$273.6 million and \$632.1 million, respectively.
- (3) Derivative fair values include counterparty netting within product category.
- (4) Amounts represent the netting of receivable balances with payable balances for the same counterparty within product category across maturity categories.

OTC derivative assets at August 31, 2025:

| Counterparty credit quality (1): | <i>\$ in thousands</i> |
|----------------------------------|------------------------|
| A- or higher                     | \$ 156,293             |
| BBB- to BBB+                     | 44,065                 |
| BB+ or lower                     | 305,776                |
| Unrated                          | 342,021                |
| <b>Total</b>                     | <b>\$ 848,155</b>      |

- (1) We utilize internal credit ratings determined by our Risk Management department. Credit ratings determined by Risk Management use methodologies that produce ratings generally consistent with those produced by external rating agencies.

**Credit Related Derivative Contracts**

External credit ratings of the underlyings or referenced assets for our written credit related derivative contracts:

| August 31, 2025                |                  |                      |                |
|--------------------------------|------------------|----------------------|----------------|
| External Credit Rating         |                  |                      |                |
| <i>\$ in millions</i>          | Investment Grade | Non-investment Grade | Total Notional |
| <b>Credit protection sold:</b> |                  |                      |                |
| Index credit default swaps     | \$ 31.1          | \$ 364.1             | \$ 395.2       |

| November 30, 2024              |                  |                      |                |
|--------------------------------|------------------|----------------------|----------------|
| External Credit Rating         |                  |                      |                |
| <i>\$ in millions</i>          | Investment Grade | Non-investment Grade | Total Notional |
| <b>Credit protection sold:</b> |                  |                      |                |
| Index credit default swaps     | \$ 395.2         | \$ 553.4             | \$ 948.6       |

**Contingent Features**

Certain of our derivative instruments contain provisions that require our debt to maintain an investment grade credit rating from each of the major credit rating agencies. If our debt were to fall below investment grade, it would be in violation of these provisions and the counterparties to the derivative instruments could request immediate payment or demand immediate and ongoing full overnight collateralization on our derivative instruments in liability positions. The following table presents the aggregate fair value of all derivative instruments with such credit-risk-related contingent features that are in a liability position, the collateral amounts we have posted or received in the normal course of business and the potential collateral we would have been required to return and/or post additionally to our counterparties if the credit-risk-related contingent features underlying these agreements were triggered:

| <i>\$ in millions</i>                                                                                             | August 31, 2025 | November 30, 2024 |
|-------------------------------------------------------------------------------------------------------------------|-----------------|-------------------|
| Derivative instrument liabilities with credit-risk-related contingent features                                    | \$ 139.5        | \$ 102.3          |
| Collateral posted                                                                                                 | (87.9)          | (50.6)            |
| Collateral received                                                                                               | 285.8           | 296.1             |
| Return of and additional collateral required in the event of a credit rating downgrade below investment grade (1) | 337.4           | 347.8             |

- (1) These potential outflows include initial margin received from counterparties at the execution of the derivative contract. The initial margin will be returned if counterparties elect to terminate the contract after a downgrade.

**Note 8. Collateralized Transactions**

| August 31, 2025                               |                                 |                       |                                                                       |                    |
|-----------------------------------------------|---------------------------------|-----------------------|-----------------------------------------------------------------------|--------------------|
| <i>\$ in millions</i>                         | Securities Lending Arrangements | Repurchase Agreements | Obligation to Return Securities Received as Collateral, at Fair Value | Total              |
| <b>Collateral Pledged:</b>                    |                                 |                       |                                                                       |                    |
| Corporate equity securities                   | \$ 1,982.5                      | \$ 1,643.2            | \$ —                                                                  | \$ 3,625.7         |
| Corporate debt securities                     | 448.9                           | 3,252.0               | —                                                                     | 3,700.9            |
| Mortgage-backed and asset-backed securities   | —                               | 1,455.0               | —                                                                     | 1,455.0            |
| U.S. government and federal agency securities | 36.7                            | 8,764.4               | —                                                                     | 8,801.1            |
| Municipal securities                          | 1.1                             | 493.8                 | —                                                                     | 494.9              |
| Sovereign obligations                         | 28.8                            | 1,857.6               | 54.2                                                                  | 1,940.6            |
| Loans and other receivables                   | —                               | 545.7                 | —                                                                     | 545.7              |
| <b>Total</b>                                  | <b>\$ 2,498.0</b>               | <b>\$ 18,011.7</b>    | <b>\$ 54.2</b>                                                        | <b>\$ 20,563.9</b> |

| November 30, 2024                             |                                 |                       |                                                                       |                    |
|-----------------------------------------------|---------------------------------|-----------------------|-----------------------------------------------------------------------|--------------------|
| <i>\$ in millions</i>                         | Securities Lending Arrangements | Repurchase Agreements | Obligation to Return Securities Received as Collateral, at Fair Value | Total              |
| <b>Collateral Pledged:</b>                    |                                 |                       |                                                                       |                    |
| Corporate equity securities                   | \$ 2,059.8                      | \$ 1,394.2            | \$ 3.9                                                                | \$ 3,457.8         |
| Corporate debt securities                     | 416.4                           | 4,522.5               | —                                                                     | 4,938.9            |
| Mortgage-backed and asset-backed securities   | —                               | 2,384.8               | —                                                                     | 2,384.8            |
| U.S. government and federal agency securities | 30.9                            | 6,837.1               | —                                                                     | 6,868.0            |
| Municipal securities                          | —                               | 212.1                 | —                                                                     | 212.1              |
| Sovereign obligations                         | 33.7                            | 1,981.0               | 181.7                                                                 | 2,196.4            |
| Loans and other receivables                   | —                               | 757.4                 | —                                                                     | 757.4              |
| <b>Total</b>                                  | <b>\$ 2,540.9</b>               | <b>\$ 18,088.9</b>    | <b>\$ 185.6</b>                                                       | <b>\$ 20,815.4</b> |

| August 31, 2025                                                       |                          |                   |                   |                      |                   |
|-----------------------------------------------------------------------|--------------------------|-------------------|-------------------|----------------------|-------------------|
| <i>\$ in millions</i>                                                 | Overnight and Continuous | Up to 30 Days     | 31-90 Days        | Greater than 90 Days | Total             |
| Securities lending arrangements                                       | \$ 1,788.8               | \$ 70.8           | \$ 135.7          | \$ 502.7             | \$ 2,498.0        |
| Repurchase agreements                                                 | 2,083.7                  | 8,998.9           | 3,485.2           | 3,443.9              | 18,011.7          |
| Obligation to return securities received as collateral, at fair value | 54.2                     | —                 | —                 | —                    | 54.2              |
| <b>Total</b>                                                          | <b>\$ 3,926.7</b>        | <b>\$ 9,069.7</b> | <b>\$ 3,620.9</b> | <b>\$ 3,946.6</b>    | <b>\$20,563.9</b> |

| November 30, 2024                                                     |                          |                   |                   |                      |                   |
|-----------------------------------------------------------------------|--------------------------|-------------------|-------------------|----------------------|-------------------|
| <i>\$ in millions</i>                                                 | Overnight and Continuous | Up to 30 Days     | 31-90 Days        | Greater than 90 Days | Total             |
| Securities lending arrangements                                       | \$ 1,617.8               | \$ 154.3          | \$ 250.4          | \$ 518.4             | \$ 2,540.9        |
| Repurchase agreements                                                 | 2,258.1                  | 7,055.1           | 4,182.8           | 4,592.9              | 18,088.9          |
| Obligation to return securities received as collateral, at fair value | 185.6                    | —                 | —                 | —                    | 185.6             |
| <b>Total</b>                                                          | <b>\$ 4,061.5</b>        | <b>\$ 7,209.4</b> | <b>\$ 4,433.2</b> | <b>\$ 5,111.2</b>    | <b>\$20,815.4</b> |

We receive securities as collateral under resale agreements, securities borrowing transactions, customer margin loans, and in connection with securities-for-securities transactions in which we are the lender of securities. We also receive securities as initial margin on certain derivative transactions. In many instances, we are permitted by contract to rehypothecate the securities received as collateral. These securities may be used to secure repurchase agreements, enter into securities lending transactions, satisfy margin requirements on derivative transactions or cover short positions. At August 31, 2025 and November 30, 2024, the approximate fair value of securities received as collateral by us that may be sold or repledged was \$45.77 billion and \$37.63 billion, respectively. At August 31, 2025 and November 30, 2024, a substantial portion of the securities received by us had been sold or repledged.

**Securities Financing Agreements**

To manage our exposure to credit risk associated with securities financing transactions, we may enter into master netting agreements and collateral arrangements with counterparties. Generally, transactions are executed under standard industry agreements, including, but not limited to, master securities lending agreements (securities lending transactions) and master repurchase agreements (repurchase transactions).

| August 31, 2025                                                             |               |                                                           |                                                               |                                             |                          |                |
|-----------------------------------------------------------------------------|---------------|-----------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------|--------------------------|----------------|
| <i>\$ in millions</i>                                                       | Gross Amounts | Netting in Consolidated Statements of Financial Condition | Net Amounts in Consolidated Statements of Financial Condition | Additional Amounts Available for Setoff (1) | Available Collateral (2) | Net Amount (3) |
| <b>Assets:</b>                                                              |               |                                                           |                                                               |                                             |                          |                |
| Securities borrowing arrangements .....                                     | \$ 8,175.1    | \$ —                                                      | \$ 8,175.1                                                    | \$ (359.8)                                  | \$ (1,807.9)             | \$ 6,007.4     |
| Reverse repurchase agreements .....                                         | 13,838.6      | (5,921.1)                                                 | 7,917.5                                                       | (2,007.4)                                   | (5,809.4)                | 100.7          |
| Securities received as collateral, at fair value .....                      | 54.2          | —                                                         | 54.2                                                          | —                                           | (54.2)                   | —              |
| <b>Liabilities:</b>                                                         |               |                                                           |                                                               |                                             |                          |                |
| Securities lending arrangements .....                                       | \$ 2,498.0    | \$ —                                                      | \$ 2,498.0                                                    | \$ (359.8)                                  | \$ (2,088.4)             | \$ 49.8        |
| Repurchase agreements .....                                                 | 18,011.7      | (5,921.1)                                                 | 12,090.6                                                      | (2,007.4)                                   | (9,471.1)                | 612.1          |
| Obligation to return securities received as collateral, at fair value ..... | 54.2          | —                                                         | 54.2                                                          | —                                           | (54.2)                   | —              |

| November 30, 2024                                                           |               |                                                           |                                                               |                                             |                          |                |
|-----------------------------------------------------------------------------|---------------|-----------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------|--------------------------|----------------|
| <i>\$ in millions</i>                                                       | Gross Amounts | Netting in Consolidated Statements of Financial Condition | Net Amounts in Consolidated Statements of Financial Condition | Additional Amounts Available for Setoff (1) | Available Collateral (2) | Net Amount (4) |
| <b>Assets:</b>                                                              |               |                                                           |                                                               |                                             |                          |                |
| Securities borrowing arrangements .....                                     | \$ 7,213.4    | \$ —                                                      | \$ 7,213.4                                                    | \$ (325.4)                                  | \$ (1,537.3)             | \$ 5,350.7     |
| Reverse repurchase agreements .....                                         | 11,930.7      | (5,751.0)                                                 | 6,179.7                                                       | (1,475.9)                                   | (4,574.0)                | 129.8          |
| Securities received as collateral, at fair value .....                      | 185.6         | —                                                         | 185.6                                                         | —                                           | (185.6)                  | —              |
| <b>Liabilities:</b>                                                         |               |                                                           |                                                               |                                             |                          |                |
| Securities lending arrangements .....                                       | \$ 2,540.9    | \$ —                                                      | \$ 2,540.9                                                    | \$ (325.4)                                  | \$ (2,091.4)             | \$ 124.1       |
| Repurchase agreements .....                                                 | 18,088.9      | (5,751.0)                                                 | 12,337.9                                                      | (1,475.9)                                   | (10,274.6)               | 587.4          |
| Obligation to return securities received as collateral, at fair value ..... | 185.6         | —                                                         | 185.6                                                         | —                                           | (185.6)                  | —              |

- (1) Under master netting agreements with our counterparties, we have the legal right of offset with a counterparty, which incorporates all of the counterparty's outstanding rights and obligations under the arrangement. These balances reflect additional credit risk mitigation that is available by a counterparty in the event of a counterparty's default, but which are not netted in our Consolidated Statements of Financial Condition because other netting provisions of U.S. GAAP are not met.
- (2) Includes securities received or paid under collateral arrangements with counterparties that could be liquidated in the event of a counterparty default and thus offset against a counterparty's rights and obligations under the respective repurchase agreements or securities borrowing or lending arrangements.
- (3) Includes \$5.94 billion of securities borrowing arrangements, for which we have received securities collateral of \$5.77 billion, and \$520.0 million of repurchase agreements, for which we have pledged securities collateral of \$529.5 million, which are subject to master netting agreements, but we have not determined the agreements to be legally enforceable.
- (4) Includes \$5.31 billion of securities borrowing arrangements, for which we have received securities collateral of \$5.19 billion, and \$645.0 million of repurchase agreements, for which we have pledged securities collateral of \$656.9 million, which are subject to master netting agreements, but we have not determined the agreements to be legally enforceable.

**Cash and Securities Segregated and on Deposit for Regulatory Purposes or Deposited with Clearing and Depository Organizations**

Cash and securities segregated in accordance with regulatory regulations and deposited with clearing and depository organizations primarily consist of deposits in accordance with Rule 15c3-3 of the Securities Exchange Act of 1934, which subjects Jefferies LLC as a broker-dealer carrying customer accounts to requirements related to maintaining cash or qualified securities in segregated special reserve bank accounts for the exclusive benefit of its customers.

| <i>\$ in millions</i>                                                                                                               | <b>August 31,<br/>2025</b> | <b>November 30,<br/>2024</b> |
|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------|
| Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations ..... | \$ 1,111.6                 | \$ 1,132.6                   |

**Note 9. Securitization Activities**

We engage in securitization activities related to corporate loans, mortgage loans, consumer loans and mortgage-backed and other asset-backed securities. In our securitization transactions, we transfer these assets to special purpose entities ("SPEs") and act as the placement or structuring agent for the beneficial interests sold to investors by the SPE. A portion of our securitization transactions are the securitization of assets issued or guaranteed by U.S. government agencies. These SPEs generally meet the criteria of VIEs; however, we generally do not consolidate the SPEs as we are not considered the primary beneficiary for these SPEs. Refer to Note 10, Variable Interest Entities for further discussion on VIEs and our determination of the primary beneficiary.

We account for our securitization transactions as sales, provided we have relinquished control over the transferred assets. Transferred assets are carried at fair value with unrealized gains and losses reflected in Principal transactions revenues prior to the identification and isolation for securitization. Subsequently, revenues recognized upon securitization are reflected as net underwriting revenues. We generally receive cash proceeds in connection with the transfer of assets to an SPE. We may, however, have continuing involvement with the transferred assets, which is limited to retaining one or more tranches of the securitization (primarily senior and subordinated debt securities in the form of mortgage-backed and other-asset backed securities or CLOs). These securities are included in Financial instruments owned, at fair value and are generally initially categorized as Level 2 within the fair value hierarchy.

Securitizations that were accounted for as sales in which we had continuing involvement:

|                                                 | <b>Three Months Ended<br/>August 31,</b> |             | <b>Nine Months Ended<br/>August 31,</b> |             |
|-------------------------------------------------|------------------------------------------|-------------|-----------------------------------------|-------------|
| <i>\$ in millions</i>                           | <b>2025</b>                              | <b>2024</b> | <b>2025</b>                             | <b>2024</b> |
| Transferred assets .....                        | \$ 1,451.8                               | \$ 878.0    | \$ 4,085.3                              | \$ 3,446.7  |
| Proceeds on new securitizations .....           | 1,451.8                                  | 878.0       | 4,085.3                                 | 3,446.7     |
| Cash flows received on retained interests ..... | 6.7                                      | 9.5         | 18.1                                    | 28.8        |

We have no explicit or implicit arrangements to provide additional financial support to these SPEs, have no liabilities related to these SPEs and do not have any outstanding derivative contracts executed in connection with these securitization activities at August 31, 2025 and November 30, 2024.

Our retained interests in SPEs where we transferred assets and have continuing involvement and received sale accounting treatment:

| <i>\$ in millions</i>             | <b>August 31, 2025</b> |                           | <b>November 30, 2024</b> |                           |
|-----------------------------------|------------------------|---------------------------|--------------------------|---------------------------|
| <b>Securitization Type</b>        | <b>Total Assets</b>    | <b>Retained Interests</b> | <b>Total Assets</b>      | <b>Retained Interests</b> |
| U.S. government agency RMBS ..... | \$ 461.8               | \$ 12.6                   | \$ 3,956.8               | \$ 105.7                  |
| U.S. government agency CMBS ..... | 919.9                  | 24.9                      | 1,817.1                  | 91.8                      |
| CLOs .....                        | 10,238.3               | 48.4                      | 9,001.9                  | 37.2                      |
| Consumer and other loans .....    | 2,138.2                | 80.1                      | 1,424.4                  | 52.1                      |

Total assets represent the unpaid principal amount of assets in the SPEs in which we have continuing involvement and are presented solely to provide information regarding the size of the transactions and the size of the underlying assets supporting our retained interests and are not considered representative of the risk of potential loss. Assets retained in connection with a securitization transaction represent the fair value of the securities of one or more tranches issued by an SPE, including senior and subordinated tranches. Our risk of loss is limited to this fair value amount which is included in total Financial instruments owned in our Consolidated Statements of Financial Condition.

Although not obligated, in connection with secondary market-making activities we may make a market in the securities issued by these SPEs. In these market-making transactions, we buy these securities from and sell these securities to investors. Securities purchased through these market-making activities are not considered to be continuing involvement in these SPEs. To the extent we purchased securities through these market-making activities, and we are not deemed to be the primary beneficiary of the VIE, these securities are included in agency and non-agency mortgage-backed and asset-backed securitizations in the nonconsolidated VIEs section presented in Note 10, Variable Interest Entities.

**Note 10. Variable Interest Entities**

VIEs are entities in which equity investors lack the characteristics of a controlling financial interest. VIEs are consolidated by the primary beneficiary. The primary beneficiary is the party who has both (1) the power to direct the activities of a VIE that most significantly impact the entity's economic performance and (2) 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.

Our variable interests in VIEs include debt and equity interests, commitments, guarantees and certain fees. Our involvement with VIEs arises primarily from:

- Purchases of securities in connection with our trading and secondary market making activities;
- Retained interests held as a result of securitization activities;
- Acting as placement agent and/or underwriter in connection with client-sponsored securitizations;
- Financing of agency and non-agency mortgage-backed and other asset-backed securities;
- Acting as servicer for a fee to automobile loan financing vehicles;

**Notes to Consolidated Financial Statements**  
(Unaudited)

- Warehouse funding arrangements for client-sponsored consumer and mortgage loan vehicles and CLOs through participation agreements, forward sale agreements, reverse repurchase agreements, and revolving loan and note commitments; and
- Loans to, investments in and fees from various investment vehicles.

We determine whether we are the primary beneficiary of a VIE upon our initial involvement with the VIE and we reassess whether we are the primary beneficiary of a VIE on an ongoing basis. Our determination of whether we are the primary beneficiary of a VIE is based upon the facts and circumstances for each VIE and requires judgment. Our considerations in determining the VIE's most significant activities and whether we have power to direct those activities include, but are not limited to, the VIE's purpose and design and the risks passed through to investors, the voting interests of the VIE, management, service and/or other agreements of the VIE, involvement in the VIE's initial design and the existence of explicit or implicit financial guarantees. In situations where we have determined that the power over the VIE's significant activities is shared, we assess whether we are the party with the power over the most significant activities. If we are the party with the power over the most significant activities, we meet the "power" criteria of the primary beneficiary. If we do not have the power over the most significant activities or we determine that decisions require consent of each sharing party, we do not meet the "power" criteria of the primary beneficiary.

We assess our variable interests in a VIE both individually and in aggregate to determine whether we have an obligation to absorb losses of or a right to receive benefits from the VIE that could potentially be significant to the VIE. The determination of whether our variable interest is significant to the VIE requires judgment. In determining the significance of our variable interest, we consider the terms, characteristics and size of the variable interests, the design and characteristics of the VIE, our involvement in the VIE and our market-making activities related to the variable interests.

**Consolidated VIEs:**

| August 31, 2025 (1)                                 |           |                                |                 |
|-----------------------------------------------------|-----------|--------------------------------|-----------------|
|                                                     |           | Secured<br>Funding<br>Vehicles | Other           |
| \$ in millions                                      |           |                                |                 |
| Cash                                                | \$        | —                              | \$ 2.1          |
| Financial instruments owned                         |           | —                              | 64.5            |
| Securities purchased under agreements to resell (2) |           | 3,196.0                        | —               |
| Receivables from brokers (3)                        |           | —                              | 22.2            |
| Other receivables                                   |           | 1.7                            | 3.0             |
| Other assets (4)                                    |           | —                              | 87.6            |
| <b>Total assets</b>                                 | <b>\$</b> | <b>3,197.7</b>                 | <b>\$ 179.4</b> |
| Financial instruments sold, not yet purchased       | \$        | —                              | 6.5             |
| Other secured financings (5)                        |           | 3,195.8                        | 25.7            |
| Other liabilities (6)                               |           | 6.2                            | 28.9            |
| Long-term debt                                      |           | —                              | 70.1            |
| <b>Total liabilities</b>                            | <b>\$</b> | <b>3,202.0</b>                 | <b>\$ 131.2</b> |

| November 30, 2024 (1)                               |           |                                |                 |
|-----------------------------------------------------|-----------|--------------------------------|-----------------|
|                                                     |           | Secured<br>Funding<br>Vehicles | Other           |
| \$ in millions                                      |           |                                |                 |
| Cash                                                | \$        | —                              | \$ 1.6          |
| Financial instruments owned                         |           | —                              | 40.0            |
| Securities purchased under agreements to resell (2) |           | 2,829.7                        | —               |
| Receivables from brokers (3)                        |           | —                              | 23.5            |
| Other receivables                                   |           | —                              | 3.0             |
| Other assets (4)                                    |           | —                              | 90.3            |
| <b>Total assets</b>                                 | <b>\$</b> | <b>2,829.7</b>                 | <b>\$ 158.4</b> |
| Financial instruments sold, not yet purchased       | \$        | —                              | 7.6             |
| Other secured financings (5)                        |           | 2,823.0                        | 26.1            |
| Other liabilities (6)                               |           | 6.7                            | 23.1            |
| Long-term debt                                      |           | —                              | 70.1            |
| <b>Total liabilities</b>                            | <b>\$</b> | <b>2,829.7</b>                 | <b>\$ 126.9</b> |

- (1) Assets and liabilities are presented prior to consolidation and thus a portion of these assets and liabilities are eliminated in consolidation.
- (2) Securities purchased under agreements to resell primarily represent amounts due under collateralized transactions from related consolidated entities, which are all eliminated in consolidation.
- (3) \$0.5 million and \$1.5 million of receivables from brokers at August 31, 2025 and November 30, 2024, respectively, are with related consolidated entities, which are eliminated in consolidation.
- (4) \$3.3 million and \$3.4 million of the other assets at August 31, 2025 and November 30, 2024, respectively, represent intercompany receivables with related consolidated entities, which are eliminated in consolidation.
- (5) \$713.5 million and \$719.0 million of the other secured financings at August 31, 2025 and November 30, 2024, respectively, are with related consolidated entities and are eliminated in consolidation.
- (6) \$27.6 million and \$22.0 million of the other liabilities amounts at August 31, 2025 and November 30, 2024, respectively, are with related consolidated entities, which are eliminated in consolidation.

**Secured Funding Vehicles.** We are the primary beneficiary of asset-backed financing vehicles to which we sell agency and non-agency residential and commercial mortgage loans, and asset-backed securities pursuant to the terms of a master repurchase agreement. Our variable interests in these vehicles consist of our collateral margin maintenance obligations under the master repurchase agreement, which we manage, and retained interests in securities issued. The assets of these VIEs consist of reverse repurchase agreements, which are available for the benefit of the vehicle's debt holders. In addition, we also from time to time securitize other financial instruments and own variable interests in the securitization vehicles to the extent that we consolidate such vehicles.

**Other.** We are the primary beneficiary of certain investment vehicles that we manage for external investors and certain investment vehicles set up for the benefit of our employees as well as investment vehicles managed by third parties where we have a controlling financial interest. The assets of these VIEs consist primarily of equity securities and broker receivables. Our variable interests in these vehicles consist of equity securities, management and performance fees and revenue share. The creditors of these VIEs do not have recourse to our general credit and each such VIE's assets are not available to satisfy any other debt.

We are the primary beneficiary of a real estate syndication entity that develops multi-family residential property and manages the property. The assets of the VIE consist primarily of real estate and its liabilities primarily consist of accrued expenses and long-term debt secured by the real estate property. Our variable interest in the VIE primarily consists of our limited liability company interest, a sponsor promote and development and asset management fees for managing the project.

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We are the primary beneficiary of special purpose vehicles that hold risk retention notes issued as part of unsecured loan asset-backed transactions. Our variable interest in the VIEs primarily consists of our ownership of certificates issued by the VIEs.

**Nonconsolidated VIEs**

| August 31, 2025                             |                   |                |                          |                    |
|---------------------------------------------|-------------------|----------------|--------------------------|--------------------|
| \$ in millions                              | Carrying Amount   |                | Maximum Exposure to Loss | VIE Assets         |
|                                             | Assets            | Liabilities    |                          |                    |
| CLOs .....                                  | \$ 716.9          | \$ 41.3        | \$ 7,295.8               | \$ 15,893.2        |
| Asset-backed vehicles .....                 | 987.4             | —              | 1,249.7                  | 4,917.3            |
| Related party private equity vehicles ..... | 3.9               | —              | 15.0                     | 51.0               |
| Other investment vehicles .....             | 1,468.4           | —              | 1,850.2                  | 28,117.2           |
| <b>Total .....</b>                          | <b>\$ 3,176.6</b> | <b>\$ 41.3</b> | <b>\$ 10,410.7</b>       | <b>\$ 48,978.7</b> |

| November 30, 2024                           |                   |                |                          |                    |
|---------------------------------------------|-------------------|----------------|--------------------------|--------------------|
| \$ in millions                              | Carrying Amount   |                | Maximum Exposure to Loss | VIE Assets         |
|                                             | Assets            | Liabilities    |                          |                    |
| CLOs .....                                  | \$ 951.8          | \$ 26.5        | \$ 6,511.1               | \$ 14,872.4        |
| Asset-backed vehicles .....                 | 827.4             | —              | 946.3                    | 4,266.7            |
| Related party private equity vehicles ..... | 3.7               | —              | 14.0                     | 34.4               |
| Other investment vehicles .....             | 1,107.8           | —              | 1,365.8                  | 19,064.1           |
| <b>Total .....</b>                          | <b>\$ 2,890.7</b> | <b>\$ 26.5</b> | <b>\$ 8,837.2</b>        | <b>\$ 38,237.6</b> |

Our maximum exposure to loss often differs from the carrying value of the variable interests. The maximum exposure to loss is dependent on the nature of our variable interests in the VIEs and is limited to the notional amounts of certain loan and equity commitments and guarantees. Our maximum exposure to loss does not include the offsetting benefit of any financial instruments that may be utilized to hedge the risks associated with our variable interests and is not reduced by the amount of collateral held as part of a transaction with a VIE.

**Collateralized Loan Obligations.** Assets collateralizing the CLOs include bank loans, participation interests, sub-investment grade and senior secured U.S. loans, and senior secured Euro-denominated corporate leveraged loans and bonds. We underwrite securities issued in CLO transactions on behalf of sponsors and provide advisory services to the sponsors. We may also sell corporate loans to the CLOs. Our variable interests in connection with CLOs where we have been involved in providing underwriting and/or advisory services consist of the following:

- Forward sale agreements whereby we commit to sell, at a fixed price, corporate loans and ownership interests in an entity holding such corporate loans to CLOs;
- Warehouse funding arrangements in the form of:
  - Participation interests in corporate loans held by CLOs and commitments to fund such participation interests;
  - Reverse repurchase agreements with collateral margin maintenance obligations and commitments to fund such reverse repurchase agreements; and
  - Senior and subordinated notes issued in connection with CLO warehousing activities.
- Trading positions in securities issued in CLO transactions; and
- Investments in variable funding notes issued by CLOs.

**Asset-Backed Vehicles.** We provide financing and lending related services to certain client-sponsored VIEs in the form of revolving funding note agreements, revolving credit facilities, forward purchase agreements and reverse repurchase agreements. We also may transfer originated corporate loans to certain VIEs and hold subordinated interests issued by the vehicle. The underlying assets, which are collateralizing the vehicles, are primarily composed of unsecured consumer loans, mortgage loans and corporate loans. In addition, we may provide structuring and advisory services and act as an underwriter or placement agent for securities issued by the vehicles. We do not control the activities of these entities.

**Related Party Private Equity Vehicles.** We have committed to invest in private equity funds, which are in the process of being fully liquidated (the “JCP Funds”, including JCP Fund V (refer to Note 11, Investments for further information)), managed by Jefferies Capital Partners, LLC (the “JCP Manager”). Additionally, we have committed to invest in the general partners of the JCP Funds (the “JCP General Partners”) and the JCP Manager. Our variable interests in the JCP Funds, JCP General Partners and JCP Manager (collectively, the “JCP Entities”) consist of equity interests that, in total, provide us with limited and general partner investment returns of the JCP Funds, a portion of the carried interest earned by the JCP General Partners and a portion of the management fees earned by the JCP Manager. At both August 31, 2025 and November 30, 2024, our total equity commitment in the JCP Entities was \$133.0 million, of which \$123.2 million had been funded. The carrying value of our equity investments in the JCP Entities was \$3.3 million and \$3.2 million at August 31, 2025 and November 30, 2024, respectively. Our exposure to loss is limited to the total of our carrying value and unfunded equity commitment. The assets of the JCP Entities primarily consist of private equity and equity related investments. At both August 31, 2025 and November 30, 2024, we had also committed to invest \$1.0 million, of which \$0.6 million was funded in a private equity fund managed by us for the benefit of our employees. The carrying value of our equity was \$0.6 million and \$0.5 million at August 31, 2025 and November 30, 2024, respectively.

**Other Investment Vehicles.** At August 31, 2025 and November 30, 2024, we had equity commitments to invest \$1.77 billion and \$1.43 billion, respectively, in various other investment vehicles, of which \$1.39 billion and \$1.17 billion was funded, respectively. The carrying value of our equity investments was \$1.47 billion and \$1.11 billion at August 31, 2025 and November 30, 2024, respectively. Our exposure to loss is limited to the total of our carrying value and unfunded equity commitment. These investment vehicles have assets primarily consisting of private and public equity investments, debt instruments, trade and insurance claims and various oil and gas assets.

**Mortgage-Backed and Other Asset-Backed Secured Funding Vehicles.** In connection with our secondary trading and market-making activities, we buy and sell agency and non-agency mortgage-backed securities and other asset-backed securities, which are issued by third-party securitization SPEs and are generally considered variable interests in VIEs. Securities issued by securitization SPEs are backed by residential mortgage loans, U.S. agency collateralized mortgage obligations, commercial mortgage loans, CDOs and CLOs and other consumer loans, such as installment receivables, automobile loans and student loans. These securities are accounted for at fair value and included in Financial instruments owned. We have no other involvement with the related SPEs and therefore do not consolidate these entities.

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We also engage in underwriting, placement and structuring activities for third-party-sponsored securitization trusts generally through agency (Fannie Mae, Federal Home Loan Mortgage Corporation ("Freddie Mac") or Ginnie Mae) or non-agency-sponsored SPEs and may purchase loans or mortgage-backed securities from third-parties that are subsequently transferred into the securitization trusts. The securitizations are backed by residential and commercial mortgage, home equity and automobile loans. We do not consolidate agency-sponsored securitizations as we do not have the power to direct the activities of the SPEs that most significantly impact their economic performance. Further, we are not the servicer of non-agency-sponsored securitizations and therefore do not have power to direct the most significant activities of the SPEs and accordingly, do not consolidate these entities. We may retain unsold senior and/or subordinated interests at the time of securitization in the form of securities issued by the SPEs.

At August 31, 2025 and November 30, 2024, we held \$1.16 billion and \$1.84 billion of agency mortgage-backed securities, respectively, and \$189.8 million and \$201.1 million of non-agency mortgage-backed and other asset-backed securities, respectively, as a result of our secondary trading and market-making activities, and underwriting, placement and structuring activities. Our maximum exposure to loss on these securities is limited to the carrying value of our investments in these securities. These mortgage-backed and other asset-backed secured funding vehicles discussed are not included in the above table containing information about our variable interests in nonconsolidated VIEs.

**Note 11. Investments**

Investments for which we exercise significant influence over the investee are accounted for under the equity method of accounting with our shares of the investees' earnings recognized in Other revenues. Equity method investments, including any loans to the investees, are reported within Investments in and loans to related parties.

| <i>\$ in millions</i>                             | August 31,<br>2025 | November 30,<br>2024 |
|---------------------------------------------------|--------------------|----------------------|
| Total Investments in and loans to related parties | \$ 1,458.3         | \$ 1,385.7           |

| <i>\$ in millions</i>                                            | Three Months Ended<br>August 31, |         | Nine Months Ended<br>August 31, |         |
|------------------------------------------------------------------|----------------------------------|---------|---------------------------------|---------|
|                                                                  | 2025                             | 2024    | 2025                            | 2024    |
| Total equity method pickup earnings recognized in Other revenues | \$ 39.1                          | \$ 25.0 | \$ 54.3                         | \$ 62.2 |

The following presents summarized financial information about our significant equity method investees. For certain investees, we receive financial information on a lag and the summarized information provided for these investees is based on the latest financial information available as of August 31, 2025, November 30, 2024 and August 31, 2024.

**Jefferies Finance**

Jefferies Finance, our 50/50 joint venture with Massachusetts Mutual Life Insurance Company ("MassMutual") structures, underwrites and syndicates primarily senior secured loans to corporate borrowers; and manages proprietary and third-party investments in both broadly syndicated and direct lending loans. In connection with its Leveraged Finance business, loans are originated primarily through our investment banking efforts and Jefferies Finance typically syndicates to third-party investors substantially all of its arranged volume through us. The Asset Management business is a multi-strategy private credit platform

that manages proprietary and third-party capital across commingled funds, funds-of-one, separately managed accounts, business development companies, CLOs and levered balance sheet funds. Broadly syndicated loan investments are sourced through transactions arranged by Jefferies Finance and third-party arrangers and managed through its subsidiary, Apex Credit Partners LLC. Direct lending investments are primarily sourced through us. Jefferies Finance and its subsidiaries that are involved in investment management are registered investment advisers with the SEC.

At August 31, 2025, we and MassMutual each had equity commitments to Jefferies Finance of \$750.0 million, for a combined total commitment of \$1.5 billion. The equity commitment is reduced quarterly based on our share of any undistributed earnings from Jefferies Finance and the commitment is increased only to the extent the share of such earnings are distributed. At August 31, 2025, our unfunded commitment to Jefferies Finance was \$15.4 million. The investment commitment is scheduled to expire on March 1, 2026 with automatic one year extensions absent a 60 day termination notice by either party.

Jefferies Finance has executed a Secured Revolving Credit Facility with us and MassMutual, to be funded equally, to support loan underwritings by Jefferies Finance, which bears interest based on the interest rates of the related Jefferies Finance underwritten loans and is secured by the underlying loans funded by the proceeds of the facility. The total Secured Revolving Credit Facility is a committed amount of \$500.0 million at August 31, 2025. Advances are shared equally between us and MassMutual. The facility is scheduled to mature on March 1, 2026 with automatic one year extensions absent a 60 day termination notice by either party. At August 31, 2025, our \$250.0 million commitment was undrawn.

Activity related to the facility:

| <i>\$ in millions</i>    | Three Months Ended<br>August 31, |        | Nine Months Ended<br>August 31, |        |
|--------------------------|----------------------------------|--------|---------------------------------|--------|
|                          | 2025                             | 2024   | 2025                            | 2024   |
| Unfunded commitment fees | \$ 0.3                           | \$ 0.3 | \$ 0.9                          | \$ 0.9 |

Selected financial information for Jefferies Finance:

| <i>\$ in millions</i>  | August 31,<br>2025 | November 30,<br>2024 |
|------------------------|--------------------|----------------------|
| Total assets           | \$ 7,239.5         | \$ 5,762.6           |
| Total liabilities      | 5,867.5            | 4,415.6              |
| Total mezzanine equity | 14.3               | 14.4                 |

| <i>\$ in millions</i>        | August 31,<br>2025 | November 30,<br>2024 |
|------------------------------|--------------------|----------------------|
| Our total investment balance | \$ 678.8           | \$ 666.3             |

| <i>\$ in millions</i>                | Three Months Ended<br>August 31, |         | Nine Months Ended<br>August 31, |         |
|--------------------------------------|----------------------------------|---------|---------------------------------|---------|
|                                      | 2025                             | 2024    | 2025                            | 2024    |
| Net earnings attributable to members | \$ 27.0                          | \$ 28.8 | \$ 25.4                         | \$ 68.1 |

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Activity related to our other transactions with Jefferies Finance:

| \$ in millions                                 | Three Months Ended<br>August 31, |         | Nine Months Ended<br>August 31, |          |
|------------------------------------------------|----------------------------------|---------|---------------------------------|----------|
|                                                | 2025                             | 2024    | 2025                            | 2024     |
| Origination and syndication fee revenues (1)   | \$ 73.3                          | \$ 72.9 | \$ 191.9                        | \$ 200.2 |
| Origination fee expenses (1)                   | 18.3                             | 16.2    | 50.7                            | 40.8     |
| CLO placement and structuring fee revenues (2) | 0.8                              | 0.8     | 2.3                             | 1.1      |
| Placement and referral fees (3)                | 6.1                              | 2.4     | 16.1                            | 3.3      |
| Asset management fee revenues (4)              | —                                | —       | 7.5                             | —        |
| Underwriting fees (5)                          | 0.5                              | —       | 0.5                             | —        |
| Service fee revenues (6)                       | 24.0                             | 15.3    | 101.0                           | 81.0     |

- (1) We engage in the origination and syndication of loans underwritten by Jefferies Finance. In connection with such services, we earned fees, which are recognized in Investment banking revenues. In addition, we paid fees to Jefferies Finance in respect of certain loans originated by Jefferies Finance, which are recognized as Business development expenses.
- (2) We act as a placement and/or structuring agent for CLOs managed by Jefferies Finance, for which we recognized fees and are included in Investment banking revenues.
- (3) We receive fees from Jefferies Finance, which are recognized in Commissions and other fees, in connection with placement and referral activities.
- (4) Under a fee and revenue sharing agreement with Jefferies Finance, we receive fees which are included in Asset management fees and revenues.
- (5) We act as an underwriter in connection with term loans issued by Jefferies Finance.
- (6) Under a service agreement, we charge Jefferies Finance for various administrative services provided.

Additional balances with Jefferies Finance as reported in our Consolidated Statements of Financial Condition.

| \$ in millions                                                   | August 31,<br>2025 | November 30,<br>2024 |
|------------------------------------------------------------------|--------------------|----------------------|
| <b>Assets</b>                                                    |                    |                      |
| Financial instruments owned, at fair value (1)                   | \$ 4.6             | \$ —                 |
| Other assets (2)                                                 | 5.3                | 1.9                  |
| <b>Liabilities</b>                                               |                    |                      |
| Financial instruments sold, not yet purchased, at fair value (1) | \$ 0.4             | \$ —                 |
| <b>Payables:</b>                                                 |                    |                      |
| Brokers, dealers and clearing organizations (3)                  | 15.7               | —                    |
| Customers (4)                                                    | 2.2                | 13.7                 |

- (1) In connection with our capital markets activities, from time to time we make a market in long-term debt securities of Jefferies Finance (i.e., we buy and sell debt securities issued by Jefferies Finance).
- (2) Receivable from Jefferies Finance pending settlement.
- (3) Cash collateral, net, received from Jefferies Finance on OTC foreign currency trading.
- (4) Payable to Jefferies Finance in connection with loans originated by Jefferies Finance to borrowers who are investment banking clients of ours. We have also entered into an agreement to indemnify Jefferies Finance with respect to any foreign currency exposure on these loans.

**Berkadia**

Berkadia is a commercial real estate finance and investment sales joint venture that was formed by us and Berkshire Hathaway Inc. We are entitled to receive 45.0% of the profits of Berkadia. Berkadia originates commercial and multifamily real estate loans that are sold to U.S. government agencies or other investors with Berkadia retaining the servicing rights. Berkadia also provides advisory services in connection with sales of multifamily assets. Berkadia is a servicer of commercial real estate loans in the U.S., performing primary, master and special servicing functions for U.S. government agency programs and financial services companies.

Commercial paper issued by Berkadia is supported by a \$1.50 billion surety policy issued by a Berkshire Hathaway insurance subsidiary, for which we receive a surety fee, and a corporate guaranty, and we have agreed to reimburse Berkshire Hathaway for one-half of any losses incurred thereunder. At August 31, 2025, the aggregate amount of commercial paper outstanding was \$1.47 billion.

Selected financial information for Berkadia:

| \$ in millions                | August 31,<br>2025 | November 30,<br>2024 |
|-------------------------------|--------------------|----------------------|
| Total assets                  | \$ 5,579.9         | \$ 4,963.2           |
| Total liabilities             | 4,247.2            | 3,515.6              |
| Total noncontrolling interest | 390.5              | 502.1                |

| \$ in millions               | August 31,<br>2025 | November 30,<br>2024 |
|------------------------------|--------------------|----------------------|
| Our total investment balance | \$ 427.1           | \$ 427.7             |

| \$ in millions                       | Three Months Ended<br>August 31, |         | Nine Months Ended<br>August 31, |          |
|--------------------------------------|----------------------------------|---------|---------------------------------|----------|
|                                      | 2025                             | 2024    | 2025                            | 2024     |
| Net earnings attributable to members | \$ 70.9                          | \$ 41.4 | \$ 152.9                        | \$ 119.6 |
| \$ in millions                       | Three Months Ended<br>August 31, |         | Nine Months Ended<br>August 31, |          |
|                                      | 2025                             | 2024    | 2025                            | 2024     |
| Distributions                        | \$ 42.3                          | \$ 28.0 | \$ 69.3                         | \$ 34.7  |

At August 31, 2025 and November 30, 2024, we had commitments to purchase \$13.7 million and \$21.8 million, respectively, of agency CMBS from Berkadia.

Revenues from other transactions with Berkadia for the nine months ending August 31, 2025 were \$0.1 million. Revenues and expenses from other transactions with Berkadia for the nine months ended August 31, 2024 were \$0.3 million and \$0.4 million, respectively.

**Real Estate Investments**

Our real estate equity method investments primarily consist of our equity interests in Brooklyn Renaissance Plaza and Hotel and 54 Madison. Brooklyn Renaissance Plaza is composed of a hotel, office building complex and parking garage located in Brooklyn, New York. We have a 25.4% equity interest in the hotel and a 61.3% equity interest in the office building and garage. Although we have a majority interest in the office building and garage, we do not have control, but only have the ability to exercise significant influence on this investment. We are amortizing our basis difference between the estimated fair value and the underlying book value of Brooklyn Renaissance office building and garage over the respective useful lives (weighted average life of 39 years).

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We own a 48.1% equity interest in 54 Madison, a fund that most recently owned an interest in one real estate project and the fund is in the process of being liquidated.

Selected financial information for our significant real estate investments:

| <i>\$ in millions</i>   | August 31,<br>2025 | November 30,<br>2024 |
|-------------------------|--------------------|----------------------|
| Total assets .....      | \$ 313.4           | \$ 326.0             |
| Total liabilities ..... | 473.3              | 484.7                |

|                                    | August 31,<br>2025 | November 30,<br>2024 |
|------------------------------------|--------------------|----------------------|
| Our total investment balance ..... | \$ 98.2            | \$ 97.8              |

| <i>\$ in millions</i>       | Three Months Ended<br>August 31, |        | Nine Months Ended<br>August 31, |        |
|-----------------------------|----------------------------------|--------|---------------------------------|--------|
|                             | 2025                             | 2024   | 2025                            | 2024   |
| Net earnings (losses) ..... | \$ 0.4                           | \$ 2.9 | \$ 1.7                          | \$ 3.0 |

| <i>\$ in millions</i>                                            | Three Months Ended<br>August 31, |      | Nine Months Ended<br>August 31, |      |
|------------------------------------------------------------------|----------------------------------|------|---------------------------------|------|
|                                                                  | 2025                             | 2024 | 2025                            | 2024 |
| Distributions we received from Brooklyn Renaissance Office ..... | \$ —                             | \$ — | \$ 1.2                          | \$ — |

### JCP Fund V

We have limited partnership interests of 11% and 50% in Jefferies Capital Partners V L.P. and Jefferies SBI USA Fund L.P. (together, "JCP Fund V"), respectively, which are private equity funds managed by a team led by our President and which are in the process of being fully liquidated. The amount of our investments in JCP Fund V included in Financial instruments owned, at fair value was \$3.3 million and \$2.9 million at August 31, 2025 and November 30, 2024, respectively. We account for these investments at fair value based on the NAV of the funds provided by the fund managers. The following summarizes the results from these investments which are included in Principal transactions revenues:

| <i>\$ in millions</i>                                       | Three Months Ended<br>August 31, |          | Nine Months Ended<br>August 31, |          |
|-------------------------------------------------------------|----------------------------------|----------|---------------------------------|----------|
|                                                             | 2025                             | 2024     | 2025                            | 2024     |
| Net gains (losses) from our investments in JCP Fund V ..... | \$ 0.6                           | \$ (0.1) | \$ 0.4                          | \$ (0.3) |

At both August 31, 2025 and November 30, 2024, we were committed to invest equity of up to \$85.0 million in JCP Fund V. At both August 31, 2025 and November 30, 2024, our unfunded commitment relating to JCP Fund V was \$8.7 million. We do not expect any further capital to be called by JCP Fund V.

The following is a summary of the Net change in net assets resulting from operations for 100.0% of JCP Fund V, in which we owned effectively 35.1% at August 31, 2025 of the combined equity interests:

| <i>\$ in millions</i>                                                     | Three Months Ended |                   |                      |                  |                   |                      |
|---------------------------------------------------------------------------|--------------------|-------------------|----------------------|------------------|-------------------|----------------------|
|                                                                           | June 30,<br>2025   | March 31,<br>2025 | December 31,<br>2024 | June 30,<br>2024 | March 31,<br>2024 | December 31,<br>2023 |
| Net increase (decrease) in net assets resulting from operations (1) ..... | \$ 1.7             | \$ 0.1            | \$ (0.6)             | \$ (0.3)         | \$ 0.1            | \$ (0.9)             |

- (1) Financial information for JCP Fund V within our results of operations for the three and nine months ended August 31, 2025 and 2024 is included based on the periods presented.

### Hildene

In July 2024, we invested \$25.0 million in the Class A Common Equity Units of Hildene Insurance Holdings, LLC ("Hildene Insurance"), an investment fund with insurance exposures. On March 1, 2025, we made an additional investment of \$75.0 million in Hildene Insurance, which resulted in an increase of our effective ownership from 8.83% to 23.5%. The investment is accounted for under the equity method with a carrying amount of \$108.0 million and \$27.5 million at August 31, 2025 and November 30, 2024, respectively.

Selected financial information for Hildene Insurance:

| <i>\$ in millions</i>       | June 30,<br>2025 (1) | September 30,<br>2024 (1) |
|-----------------------------|----------------------|---------------------------|
| Total assets .....          | \$ 466.3             | \$ 304.2                  |
| Total liabilities .....     | 0.7                  | 0.2                       |
| Total members' equity ..... | 465.6                | 304.0                     |

| <i>\$ in millions</i>                                           | Three Months Ended (1) |                   |                      |
|-----------------------------------------------------------------|------------------------|-------------------|----------------------|
|                                                                 | June 30,<br>2025       | March 31,<br>2025 | December 31,<br>2024 |
| Net increase in members' equity resulting from operations ..... | \$ 44.9                | \$ 27.5           | \$ 8.4               |

- (1) Financial information for Hildene Insurance Holdings, LLC included in our financial position at August 31, 2025 and November 30, 2024 is based on the dates presented, and in our results of operations for the three and nine months ended August 31, 2025 is based on the periods presented.

### ApiJect

We own shares that represent a 33.6% economic interest in ApiJect at both August 31, 2025 and at November 30, 2024, which are accounted for at fair value by electing the fair value option available under U.S. GAAP, and are included within corporate equity securities in Financial instruments owned, at fair value. At both August 31, 2025 and November 30, 2024, the total fair value of our total equity investment in common shares of ApiJect was \$116.1 million, which is classified within Level 3 of the fair value hierarchy.

Additionally, we own warrants to purchase up to 950,000 shares of common stock at any time or from time to time on or before April 15, 2032, and we have a right to 1.125% of ApiJect's future revenues.

We also have a term loan agreement with a principal of ApiJect for \$23.3 million, which matures on October 31, 2025. The loan is accounted for at amortized cost and is reported within Other assets. The loan has a fair value of \$23.3 million at both August 31, 2025 and November 30, 2024, which would be classified as Level 3 in the fair value hierarchy.

### Aircadia

In December 2023, Aircadia Leasing II LLC ("Aircadia"), a wholly owned subsidiary, purchased airplanes from one of our clients and simultaneously entered into a lease with the seller to lease the airplanes for a term of 42 months. The transaction was accounted for as a sale leaseback and the airplanes were recorded within Premises and equipment at \$57.7 million.

| <i>\$ in millions</i>        | Three Months Ended<br>August 31, |        | Nine Months Ended<br>August 31, |         |
|------------------------------|----------------------------------|--------|---------------------------------|---------|
|                              | 2025                             | 2024   | 2025                            | 2024    |
| Operating lease income ..... | \$ —                             | \$ 5.6 | \$ 6.9                          | \$ 15.0 |

**Notes to Consolidated Financial Statements**  
(Unaudited)

Also in December 2023, we provided a loan to the seller for \$30.0 million, which was paid off on April 1, 2025. The loan was accounted for at amortized cost and included within Investments in and loans to related parties. We recognized interest income of \$1.0 million on the loan during the nine months ended August 31, 2025, and \$0.8 million and \$2.2 million during the three and nine months ended August 31, 2024, respectively. We also hold preferred shares in the seller, which are accounted for at fair value in Financial instruments owned with a fair value of \$43.7 million and \$37.1 million at August 31, 2025 and November 30, 2024, respectively, and are classified within Level 3 of the fair value hierarchy.

In September 2024, we provided a €15.0 million loan, maturing in November 2025, to an individual related to the seller, secured by a privately owned aircraft and guaranteed by the individual. We recognized interest income of \$0.5 million and \$1.5 million for the three months and nine months ended August 31, 2025, respectively.

During 2024, we classified the airplanes related to the sale leaseback transaction as held for sale. Effective with the designation of the airplanes as held for sale, we suspended recording depreciation on these assets. The airplanes were included within Assets held for sale on our Consolidated Statements of Financial Condition and had a carrying amount of \$51.9 million at November 30, 2024. During the second quarter of 2025, we agreed to sell the airplanes and we recognized a loss of \$12.8 million during the three months ended May 31, 2025. The sale closed in the third quarter of 2025.

**Note 12. Credit Losses on Financial Assets Measured at Amortized Cost**

*Secured Financing Receivables.* In evaluating secured financing receivables (reverse repurchases agreements, securities borrowing arrangements, and margin loans), the underlying collateral maintenance provisions are taken into consideration. The underlying contractual collateral maintenance for significantly all of our secured financing receivables requires that the counterparty continually adjust the collateralization amount, securing the credit exposure on these contracts. Collateralization levels for our secured financing receivables are initially established based upon the counterparty, the type of acceptable collateral that is monitored daily and adjusted to mitigate the potential of any credit losses. Credit losses are not recognized for secured financing receivables where the underlying collateral's fair value is equal to or exceeds the asset's amortized cost basis. In cases where the collateral's fair value does not equal or exceed the amortized cost basis, the allowance for credit losses, if any, is limited to the difference between the fair value of the collateral at the reporting date and the amortized cost basis of the financial assets.

*Broker Receivables.* Our receivables from brokers, dealers, and clearing organizations include deposits of cash with exchange clearing organizations to meet margin requirements, amounts due from clearing organizations for daily variation settlements, securities failed-to-deliver or receive and receivables and payables for fees and commissions. These receivables generally do not give rise to material credit risk and have a remote probability of default either because of their short-term nature or due to the credit protection framework inherent in the design and operations of brokers, dealers and clearing organizations. As such, generally, no allowance for credit losses is held against these receivables.

*Investment Banking Fee Receivables.* Our allowance for credit losses on our investment banking fee receivables uses a provisioning matrix based on the shared risk characteristics and historical loss experience for such receivables. In some instances, we may adjust the allowance calculated based on the provision matrix to incorporate a specific allowance based on the unique credit risk profile of a receivable. The provisioning matrix is periodically updated to reflect changes in the underlying portfolio's credit characteristics and most recent historical loss data.

Allowance for credit losses for investment banking receivables:

|                           | Three Months Ended<br>August 31, |                 | Nine Months Ended<br>August 31, |                 |
|---------------------------|----------------------------------|-----------------|---------------------------------|-----------------|
| <i>\$ in thousands</i>    | 2025                             | 2024            | 2025                            | 2024            |
| Beginning balance         | \$ 2,315                         | \$ 2,868        | \$ 5,277                        | \$ 6,306        |
| Bad debt expense          | 2,156                            | 1,059           | 4,974                           | 3,146           |
| Charge-offs               | —                                | (1)             | (3,076)                         | (2,720)         |
| Recoveries collected      | (1,274)                          | (197)           | (3,978)                         | (3,003)         |
| <b>Ending balance (1)</b> | <b>\$ 3,197</b>                  | <b>\$ 3,729</b> | <b>\$ 3,197</b>                 | <b>\$ 3,729</b> |

- (1) Substantially all of the allowance for doubtful accounts relate to mergers and acquisitions and restructuring fee receivables, which include recoverable expense receivables.

*Other Financial Assets.* For all other financial assets measured at amortized cost, we estimate expected credit losses over the financial assets' life as of the reporting date based on relevant information about past events, current conditions, and reasonable and supportable forecasts. During the nine months ended August 31, 2024, we recognized bad debt expense of \$26.2 million related to receivables associated with our asset management arrangements with Weiss Multi-Strategy Advisers.

**Note 13. Goodwill and Intangible Assets**

*Goodwill*

|                                            | Nine Months Ended August 31, 2025               |                     |                     |
|--------------------------------------------|-------------------------------------------------|---------------------|---------------------|
|                                            | Investment<br>Banking and<br>Capital<br>Markets | Asset<br>Management | Total               |
| <i>\$ in thousands</i>                     |                                                 |                     |                     |
| Balance, at beginning of period            | \$ 1,533,013                                    | \$ 294,925          | \$ 1,827,938        |
| Currency translation and other adjustments | 4,866                                           | 11,389              | 16,255              |
| Measurement period adjustments (1)         | —                                               | 1,802               | 1,802               |
| Write-off related to disposals             | —                                               | (5,563)             | (5,563)             |
| <b>Balance, at end of period</b>           | <b>\$ 1,537,879</b>                             | <b>\$ 302,553</b>   | <b>\$ 1,840,432</b> |

- (1) Relates to a measurement period adjustment recorded during the second quarter of 2025 attributable to the Go Internet acquisition. Refer to Note 4, Business Acquisitions for further discussion.

|                                                | Nine Months Ended August 31, 2024               |                     |                     |
|------------------------------------------------|-------------------------------------------------|---------------------|---------------------|
|                                                | Investment<br>Banking and<br>Capital<br>Markets | Asset<br>Management | Total               |
| <i>\$ in thousands</i>                         |                                                 |                     |                     |
| Balance, at beginning of period                | \$ 1,532,172                                    | \$ 315,684          | \$ 1,847,856        |
| Currency translation and other adjustments     | 3,335                                           | 1,535               | 4,870               |
| Measurement period adjustments (1)             | —                                               | (28,346)            | (28,346)            |
| Goodwill relating to acquisitions by Tessellis | —                                               | 8,578               | 8,578               |
| <b>Balance, at end of period</b>               | <b>\$ 1,535,507</b>                             | <b>\$ 297,451</b>   | <b>\$ 1,832,958</b> |

- (1) Includes a \$27.0 million measurement period adjustment recorded during the first quarter of 2024 related to the OpNet acquisition. Refer to Note 4, Business Acquisitions for further discussion.

Carrying values of goodwill by reporting unit:

| <i>\$ in millions</i>                | August 31,<br>2025 | November 30,<br>2024 |
|--------------------------------------|--------------------|----------------------|
| Investment banking .....             | \$ 702.9           | \$ 700.7             |
| Equities and wealth management ..... | 256.2              | 255.4                |
| Fixed income .....                   | 578.7              | 576.9                |
| Asset management .....               | 143.0              | 143.0                |
| Other investments .....              | 159.6              | 151.9                |
| <b>Total .....</b>                   | <b>\$ 1,840.4</b>  | <b>\$ 1,827.9</b>    |

### Goodwill Impairment Testing

The quantitative goodwill impairment test is performed at the level of the reporting unit. A reporting unit is an operating segment or one level below an operating segment. The fair value of each reporting unit is compared with its carrying value, including goodwill and allocated intangible assets. If the fair value is in excess of the carrying value, the goodwill for the reporting unit is considered not to be impaired. If the fair value is less than the carrying value, then an impairment loss is recognized for the amount by which the carrying value of the reporting unit exceeds the reporting unit's fair value. Allocated tangible equity plus allocated goodwill and intangible assets are used for the carrying amount of each reporting unit.

We test goodwill allocated to our Investment Banking, Equities, Fixed Income and Asset Management reporting units annually on August 1 and test goodwill allocated to other individual investments annually on November 30. Our annual goodwill impairment testing at August 1, 2025 did not indicate any goodwill impairment in any of our Investment Banking, Equities and Fixed Income reporting units, which are part of our Investment Banking and Capital Markets reportable segment and did not indicate any goodwill impairment in our Asset Management reporting unit. The results of our assessment indicated that each of these reporting units had a fair value in excess of their carrying amounts based on current projections.

Estimating the fair value of a reporting unit requires management judgment. Estimated fair values for our reporting units were determined using methodologies that include a market valuation method that incorporated price-to-earnings and price-to-book multiples of comparable public companies and/or projected cash flows. Under the market valuation approach, the key assumptions are the selected multiples and our internally developed projections of future profitability, growth and return on equity for each reporting unit. The weight assigned to the multiples requires judgment in qualitatively and quantitatively evaluating the size, profitability and the nature of the business activities of the reporting units as compared to the comparable publicly-traded companies. In addition, as the fair values determined under the market valuation approach represent a noncontrolling interest, we applied a control premium to arrive at the estimated fair value of each reporting unit on a controlling basis. We engaged an independent valuation specialist to assist us in our valuation process at August 1.

### Intangible Assets

| August 31, 2025                                                                       |                   |                    |                             |                           | Weighted<br>Average<br>Remaining<br>Lives<br>(Years) |
|---------------------------------------------------------------------------------------|-------------------|--------------------|-----------------------------|---------------------------|------------------------------------------------------|
| <i>\$ in thousands</i>                                                                | Gross<br>Cost     | Assets<br>Acquired | Accumulated<br>Amortization | Net<br>Carrying<br>Amount |                                                      |
| Customer relationships .....                                                          | \$ 166,958        | \$ 622             | \$ (114,341)                | \$ 53,239                 | 5.1                                                  |
| Trademarks and trade names .....                                                      | 161,280           | —                  | (54,358)                    | 106,922                   | 20.9                                                 |
| Exchange and clearing organization<br>membership interests and<br>registrations ..... | 8,781             | —                  | —                           | 8,781                     | N/A                                                  |
| Other .....                                                                           | 87,469            | 99                 | (44,202)                    | 43,366                    | 3.6                                                  |
| <b>Total .....</b>                                                                    | <b>\$ 424,488</b> | <b>\$ 721</b>      | <b>\$ (212,901)</b>         | <b>\$ 212,308</b>         |                                                      |

| November 30, 2024                                                                  |                  |                           |                      |                             |                           | Weighted<br>Average<br>Remaining<br>Lives<br>(Years) |
|------------------------------------------------------------------------------------|------------------|---------------------------|----------------------|-----------------------------|---------------------------|------------------------------------------------------|
| <i>\$ in thousands</i>                                                             | Gross<br>Cost    | Assets<br>Acquired<br>(1) | Impairment<br>Losses | Accumulated<br>Amortization | Net<br>Carrying<br>Amount |                                                      |
| Customer relationships                                                             | \$ 136,049       | \$ 26,450                 | \$ —                 | \$ (104,539)                | \$ 57,960                 | 5.6                                                  |
| Trademarks and trade<br>names                                                      | 146,032          | 8,533                     | —                    | (45,412)                    | 109,153                   | 21.4                                                 |
| Exchange and clearing<br>organization<br>membership interests<br>and registrations | 8,715            | —                         | (10)                 | —                           | 8,705                     | N/A                                                  |
| Other                                                                              | 50,930           | 26,316                    | —                    | (26,693)                    | 50,553                    | 3.9                                                  |
| <b>Total</b>                                                                       | <b>\$341,726</b> | <b>\$ 61,299</b>          | <b>\$ (10)</b>       | <b>\$ (176,644)</b>         | <b>\$226,371</b>          |                                                      |

(1) Includes a \$39.3 million measurement period adjustment recorded during the first quarter of 2024 related to the OpNet acquisition. Refer to Note 4, Business Acquisitions for further information.

At August 1, 2025 we performed our annual impairment testing of intangible assets with an indefinite useful life consisting of exchange and clearing organization membership interests and registrations. We utilized quantitative assessments of membership interests and registrations that have available quoted sales prices as well as certain other membership interests and registrations that have declined in utilization and qualitative assessments were performed on the remainder of our indefinite-life intangible assets. With regard to our qualitative assessments of the remaining indefinite life intangible assets, based on our assessments of market conditions, the utilization of the assets and the replacement costs associated with the assets, we have concluded that it is not more likely than not that the intangible assets are impaired.

### Amortization Expense

For finite life intangible assets, we recognized aggregate amortization expense of \$8.6 million and \$25.0 million for the three and nine months ended August 31, 2025, respectively, and \$8.2 million and \$22.3 million for the three and nine months ended August 31, 2024, respectively. These expenses are included in Depreciation and amortization.

Estimated future amortization expense for the next five fiscal years (in thousands):

|                                     |    |        |
|-------------------------------------|----|--------|
| Remainder of fiscal year 2025 ..... | \$ | 12,953 |
| Year ending November 30, 2026 ..... |    | 33,652 |
| Year ending November 30, 2027 ..... |    | 29,988 |
| Year ending November 30, 2028 ..... |    | 28,672 |
| Year ending November 30, 2029 ..... |    | 16,280 |

Note 14. Revenues from Contracts with Customers

|                                                          | Three Months Ended<br>August 31, |                     | Nine Months Ended<br>August 31, |                     |
|----------------------------------------------------------|----------------------------------|---------------------|---------------------------------|---------------------|
| <i>\$ in thousands</i>                                   | 2025                             | 2024                | 2025                            | 2024                |
| <b>Revenues from contracts with customers:</b>           |                                  |                     |                                 |                     |
| Investment banking .....                                 | \$ 1,086,307                     | \$ 925,635          | \$ 2,597,559                    | \$ 2,343,284        |
| Commissions and other fees .....                         | 319,784                          | 270,643             | 951,933                         | 787,968             |
| Asset management fees .....                              | 8,236                            | 7,189               | 61,539                          | 43,539              |
| Real estate revenues .....                               | 16,621                           | 4,038               | 43,913                          | 10,727              |
| Internet connection and broadband revenues (1) .....     | 56,598                           | 61,268              | 171,069                         | 183,537             |
| Other contracts with customers .....                     | 16,616                           | 15,140              | 49,515                          | 43,890              |
| <b>Total revenue from contracts with customers .....</b> | <b>1,504,162</b>                 | <b>1,283,913</b>    | <b>3,875,528</b>                | <b>3,412,945</b>    |
| <b>Other sources of revenue:</b>                         |                                  |                     |                                 |                     |
| Principal transactions .....                             | 486,893                          | 324,501             | 1,232,630                       | 1,381,432           |
| Revenues from strategic affiliates .....                 | 11,933                           | 6,256               | 76,582                          | 32,046              |
| Interest .....                                           | 846,894                          | 936,786             | 2,570,090                       | 2,636,002           |
| Other (1) .....                                          | 57,792                           | 44,133              | 120,023                         | 201,402             |
| <b>Total revenues .....</b>                              | <b>\$ 2,907,674</b>              | <b>\$ 2,595,589</b> | <b>\$ 7,874,853</b>             | <b>\$ 7,663,827</b> |

(1) There was an immaterial correction associated with classification of certain revenue as revenue from contracts with customers, which resulted in decreases of \$61.3 million and \$183.5 million in other revenue and increases of \$61.3 million and \$183.5 million in internet connection and broadband revenues for the three and nine months ended August 31, 2024, respectively.

Disaggregation of Revenue

| Three Months Ended August 31, 2025      |                                              |                     |                     |  |
|-----------------------------------------|----------------------------------------------|---------------------|---------------------|--|
| <i>\$ in thousands</i>                  | Investment<br>Banking and<br>Capital Markets | Asset<br>Management | Total               |  |
| <b>Major business activity:</b>         |                                              |                     |                     |  |
| Investment banking - Advisory .....     | \$ 655,578                                   | \$ —                | \$ 655,578          |  |
| Investment banking - Underwriting ..... | 430,730                                      | —                   | 430,730             |  |
| Equities (1) .....                      | 318,319                                      | —                   | 318,319             |  |
| Fixed income (1) .....                  | 1,464                                        | —                   | 1,464               |  |
| Asset management .....                  | —                                            | 8,236               | 8,236               |  |
| Other investments .....                 | —                                            | 89,835              | 89,835              |  |
| <b>Total .....</b>                      | <b>\$ 1,406,091</b>                          | <b>\$ 98,071</b>    | <b>\$ 1,504,162</b> |  |
| <b>Primary geographic region:</b>       |                                              |                     |                     |  |
| Americas .....                          | \$ 1,038,469                                 | \$ 39,591           | \$ 1,078,060        |  |
| Europe and the Middle East .....        | 252,336                                      | 57,591              | 309,927             |  |
| Asia-Pacific .....                      | 115,286                                      | 889                 | 116,175             |  |
| <b>Total .....</b>                      | <b>\$ 1,406,091</b>                          | <b>\$ 98,071</b>    | <b>\$ 1,504,162</b> |  |

| Three Months Ended August 31, 2024      |                                              |                  |                     |               |                     |
|-----------------------------------------|----------------------------------------------|------------------|---------------------|---------------|---------------------|
| <i>\$ in thousands</i>                  | Investment<br>Banking and<br>Capital Markets |                  | Asset<br>Management |               | Total               |
| <b>Major business activity:</b>         |                                              |                  |                     |               |                     |
| Investment banking - Advisory .....     | \$                                           | 592,462          | \$                  | —             | \$ 592,462          |
| Investment banking - Underwriting ..... |                                              | 333,173          |                     | —             | 333,173             |
| Equities (1) .....                      |                                              | 267,697          |                     | —             | 267,697             |
| Fixed income (1) .....                  |                                              | 2,486            |                     | —             | 2,486               |
| Asset management .....                  |                                              | —                |                     | 7,189         | 7,189               |
| Other investments (2) .....             |                                              | —                |                     | 80,906        | 80,906              |
| <b>Total .....</b>                      | <b>\$</b>                                    | <b>1,195,818</b> | <b>\$</b>           | <b>88,095</b> | <b>\$ 1,283,913</b> |
| <b>Primary geographic region:</b>       |                                              |                  |                     |               |                     |
| Americas .....                          | \$                                           | 885,377          | \$                  | 24,858        | \$ 910,235          |
| Europe and the Middle East (2) .....    |                                              | 223,570          |                     | 62,308        | 285,878             |
| Asia-Pacific .....                      |                                              | 86,871           |                     | 929           | 87,800              |
| <b>Total .....</b>                      | <b>\$</b>                                    | <b>1,195,818</b> | <b>\$</b>           | <b>88,095</b> | <b>\$ 1,283,913</b> |

| Nine Months Ended August 31, 2025       |                                              |                  |                     |                |                     |
|-----------------------------------------|----------------------------------------------|------------------|---------------------|----------------|---------------------|
| <i>\$ in thousands</i>                  | Investment<br>Banking and<br>Capital Markets |                  | Asset<br>Management |                | Total               |
| <b>Major business activity:</b>         |                                              |                  |                     |                |                     |
| Investment banking - Advisory .....     | \$                                           | 1,511,218        | \$                  | —              | \$ 1,511,218        |
| Investment banking - Underwriting ..... |                                              | 1,086,341        |                     | —              | 1,086,341           |
| Equities (1) .....                      |                                              | 946,549          |                     | —              | 946,549             |
| Fixed income (1) .....                  |                                              | 5,384            |                     | —              | 5,384               |
| Asset management .....                  |                                              | —                |                     | 61,539         | 61,539              |
| Other investments .....                 |                                              | —                |                     | 264,497        | 264,497             |
| <b>Total .....</b>                      | <b>\$</b>                                    | <b>3,549,492</b> | <b>\$</b>           | <b>326,036</b> | <b>\$ 3,875,528</b> |
| <b>Primary geographic region:</b>       |                                              |                  |                     |                |                     |
| Americas .....                          | \$                                           | 2,575,418        | \$                  | 149,184        | \$ 2,724,602        |
| Europe and the Middle East .....        |                                              | 663,986          |                     | 174,079        | 838,065             |
| Asia-Pacific .....                      |                                              | 310,088          |                     | 2,773          | 312,861             |
| <b>Total .....</b>                      | <b>\$</b>                                    | <b>3,549,492</b> | <b>\$</b>           | <b>326,036</b> | <b>\$ 3,875,528</b> |

| Nine Months Ended August 31, 2024       |                                              |                     |           |                  |
|-----------------------------------------|----------------------------------------------|---------------------|-----------|------------------|
| <i>\$ in thousands</i>                  | Investment<br>Banking and<br>Capital Markets | Asset<br>Management | Total     |                  |
| <b>Major business activity:</b>         |                                              |                     |           |                  |
| Investment banking - Advisory .....     | \$ 1,214,927                                 | \$ —                | \$        | 1,214,927        |
| Investment banking - Underwriting ..... | 1,128,356                                    | —                   |           | 1,128,356        |
| Equities (1) .....                      | 779,462                                      | —                   |           | 779,462          |
| Fixed income (1) .....                  | 7,036                                        | —                   |           | 7,036            |
| Asset management .....                  | —                                            | 43,539              |           | 43,539           |
| Other investments (2) .....             | —                                            | 239,625             |           | 239,625          |
| <b>Total .....</b>                      | <b>\$ 3,129,781</b>                          | <b>\$ 283,164</b>   | <b>\$</b> | <b>3,412,945</b> |
| <b>Primary geographic region:</b>       |                                              |                     |           |                  |
| Americas .....                          | \$ 2,351,130                                 | \$ 93,626           | \$        | 2,444,756        |
| Europe and the Middle East (2) .....    | 518,916                                      | 186,729             |           | 705,645          |
| Asia-Pacific .....                      | 259,735                                      | 2,809               |           | 262,544          |
| <b>Total .....</b>                      | <b>\$ 3,129,781</b>                          | <b>\$ 283,164</b>   | <b>\$</b> | <b>3,412,945</b> |

- (1) Revenues from contracts with customers associated with the equities and fixed income businesses primarily represent commissions and other fee revenue.
- (2) There was an immaterial correction associated with classification of certain revenue as revenue from contracts with customers, which resulted in increases of \$61.3 million and \$183.5 million in Other Investments within major business activities and increases of \$61.3 million and \$183.5 million in Europe and the Middle East under primary geographic regions for the three and nine months ended August 31, 2024, respectively.

*Information on Remaining Performance Obligations and Revenue Recognized from Past Performance*

We do not disclose information about remaining performance obligations pertaining to contracts that have an original expected duration of one year or less. The transaction price allocated to remaining unsatisfied or partially unsatisfied performance obligations with an original expected duration exceeding one year was not material at August 31, 2025. Investment banking advisory fees that are contingent upon completion of a specific milestone and fees associated with certain distribution services are also excluded as the fees are considered variable and not included in the transaction price.

During the three and nine months ended August 31, 2025, we recognized \$36.1 million and \$83.8 million, respectively, compared with \$39.2 million and \$39.7 million during the three and nine months ended August 31, 2024, respectively, of revenue related to performance obligations satisfied (or partially satisfied) in previous periods, mainly due to resolving uncertainties in variable consideration that was constrained in prior periods. In addition, three and nine months ended August 31, 2025, we recognized \$8.5 million and \$24.0 million, respectively, compared with \$8.6 million and \$23.8 million during the three and nine months ended August 31, 2024, respectively, of revenues primarily associated with distribution services, a portion of which relates to prior periods.

*Contract Balances*

The timing of our revenue recognition may differ from the timing of payment by our customers. We record a receivable when revenue is recognized prior to payment and we have an unconditional right to payment. Alternatively, when payment precedes the provision of the related services, we record deferred revenue until the performance obligations are satisfied.

Our deferred revenue primarily relates to retainer and milestone fees received in investment banking advisory engagements where the performance obligation has not yet been satisfied. Deferred revenue at August 31, 2025 and November 30, 2024 was \$84.8 million and \$79.1 million, respectively, which is recorded in Accrued expenses and other liabilities. During the three and nine months ended August 31, 2025, we recognized revenues of \$44.8 million and \$52.8 million, respectively, compared with \$35.0 million and \$33.2 million for the three and nine months ended August 31, 2024, respectively, that were recorded as deferred revenue at the beginning of the periods.

We had receivables related to revenues from contracts with customers of \$324.4 million and \$275.9 million at August 31, 2025 and November 30, 2024, respectively.

*Contract Costs*

We capitalize costs to fulfill contracts associated with investment banking advisory engagements where the revenue is recognized at a point in time and the costs are determined to be recoverable. Capitalized costs to fulfill a contract are recognized at the point in time that the related revenue is recognized.

At August 31, 2025 and November 30, 2024, capitalized costs to fulfill a contract were \$7.7 million and \$5.8 million, respectively, which are recorded in Receivables – Fees, interest and other. During the three and nine months ended August 31, 2025, we recognized expenses of \$1.3 million and \$1.9 million, compared with \$1.2 million and \$1.9 million during the three and nine months ended August 31, 2024, related to costs to fulfill a contract that were capitalized as of the beginning of the period. There were no significant impairment charges recognized in relation to these capitalized costs during the three and nine months ended August 31, 2025 and August 31, 2024.

**Note 15. Compensation Plans**

For a description of Restricted Stock, Restricted Stock Units, the Senior Executive Compensation Plan and other compensation plans refer to Note 15. Compensation Plans in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2024.

At August 31, 2025, there were approximately 2.2 million shares of restricted stock outstanding with future service required, 4.5 million RSUs outstanding with future service required (including target RSUs that may be issued under the senior executive compensation plan), 9.7 million RSUs outstanding with no future service required, and 5.1 million stock options outstanding. The maximum potential increase to common shares outstanding resulting from these outstanding awards is 19.3 million at August 31, 2025.

In December 2024, the Compensation Committee of our Board of Directors granted RSUs and performance stock units (“PSUs”) to each of our senior executives as follows:

| <i>\$ in millions</i>                 | <b>Grant Terms</b>         |
|---------------------------------------|----------------------------|
| <b>RSUs</b>                           |                            |
| Aggregate grant date fair value ..... | \$18.0                     |
| Vesting period .....                  | 3-year cliff               |
| <b>PSUs</b>                           |                            |
| Aggregate target fair value .....     | \$18.0                     |
| Service period .....                  | 3 years                    |
| Performance period .....              | Fiscal 2024 to Fiscal 2026 |
| Performance target (1) .....          | 10% ROTE                   |
| Performance range (2) .....           | 7.5% - 15% ROTE            |

- (1) ROTE is defined as return on tangible equity measured over three years.
- (2) Performance below an ROTE of 7.5% results in forfeiture of all PSUs. An ROTE of 15% or greater results in earning 150% of target PSUs and between 7.5% to 15%, the level of earning PSUs is linearly interpolated.

In addition, we sponsor non-share-based compensation plans. Non-share-based compensation plans sponsored by us include a profit sharing plan and other forms of restricted cash awards. Restricted cash awards are subject to ratable vesting terms with service requirements. These awards are amortized as compensation expense over the relevant service period, which is generally considered to start at the beginning of the annual compensation year.

## Notes to Consolidated Financial Statements

(Unaudited)

Components of total compensation cost associated with certain of our compensation plans:

|                                | Three Months Ended<br>August 31, |                 | Nine Months Ended<br>August 31, |                 |
|--------------------------------|----------------------------------|-----------------|---------------------------------|-----------------|
| <i>\$ in millions</i>          | 2025                             | 2024            | 2025                            | 2024            |
| Restricted cash awards         | \$ 126.3                         | \$ 103.7        | \$ 372.9                        | \$ 315.8        |
| Restricted stock and RSUs (1)  | 14.0                             | 13.4            | 67.8                            | 47.9            |
| Profit sharing plan            | 2.2                              | 2.1             | 11.4                            | 11.2            |
| <b>Total compensation cost</b> | <b>\$ 142.5</b>                  | <b>\$ 119.2</b> | <b>\$ 452.1</b>                 | <b>\$ 374.9</b> |

(1) Total compensation cost associated with restricted stock and RSUs includes the amortization of sign-on, retention and senior executive awards, less forfeitures and clawbacks.

Remaining unamortized amounts related to certain compensation plans at August 31, 2025:

| <i>\$ in millions</i>         | Remaining<br>Unamortized<br>Amounts | Weighted Average<br>Vesting Period<br>(in Years) |
|-------------------------------|-------------------------------------|--------------------------------------------------|
| Non-vested share-based awards | \$ 112.3                            | 2.5                                              |
| Restricted cash awards (1)    | 977.4                               | 2.6                                              |
| <b>Total</b>                  | <b>\$ 1,089.7</b>                   |                                                  |

(1) The remaining unamortized amount is included within Other assets.

## Note 16. Borrowings

### Short-Term Borrowings

| <i>\$ in thousands</i>                 | August 31,<br>2025  | November 30,<br>2024 |
|----------------------------------------|---------------------|----------------------|
| Bank loans and other credit facilities | \$ 532,232          | \$ 443,160           |
| Fixed rate callable note               | 699,096             | —                    |
| <b>Total short-term borrowings (1)</b> | <b>\$ 1,231,328</b> | <b>\$ 443,160</b>    |

(1) Short-term borrowings mature in one year or less and are recorded at cost, which is a reasonable approximation of their fair values due to their liquid and short-term nature.

At August 31, 2025 and November 30, 2024, the weighted average interest rate on bank loans outstanding is 5.18% and 6.25% per annum, respectively.

Our borrowings include credit facilities that contain certain covenants that, among other things, require us to maintain a specified level of tangible net worth, require a minimum regulatory net capital requirement for our U.S. broker-dealer, Jefferies LLC, and impose certain restrictions on the future indebtedness of certain of our subsidiaries that are borrowers. Interest is based on rates at spreads over the federal funds rate or other adjusted rates, as defined in the various credit agreements, or at a rate as agreed between the bank and us in reference to the bank's cost of funding. At August 31, 2025, we were in compliance with all covenants under these credit facilities.

**Notes to Consolidated Financial Statements**  
(Unaudited)

**Long-Term Debt**

| <i>\$ in thousands</i>                           | <b>Maturity (Fiscal Years)</b> | <b>August 31, 2025</b> | <b>November 30, 2024</b> |
|--------------------------------------------------|--------------------------------|------------------------|--------------------------|
| <b>Parent Co. unsecured borrowings</b>           |                                |                        |                          |
| Fixed rate                                       | 2025                           | \$ —                   | \$ 519,738               |
|                                                  | 2026                           | 1,330,604              | 818,819                  |
|                                                  | 2027                           | 1,144,352              | 587,631                  |
|                                                  | 2028                           | 1,099,206              | 1,031,076                |
|                                                  | 2029                           | 643,614                | 742,427                  |
|                                                  | 2030 and Later                 | 5,804,542              | 4,561,814                |
| Variable rate                                    | 2026                           | 45,608                 | 41,230                   |
|                                                  | 2027                           | 350,000                | 570,432                  |
|                                                  | 2029                           | 1,312                  | 1,311                    |
|                                                  | 2030 and Later                 | 71,920                 | 850,273                  |
| Structured notes (1)                             | 2025                           | 59,372                 | 157,638                  |
|                                                  | 2026                           | 128,932                | 114,308                  |
|                                                  | 2027                           | 99,231                 | 97,758                   |
|                                                  | 2028                           | 168,411                | 77,781                   |
|                                                  | 2029                           | 203,443                | 316,139                  |
|                                                  | 2030 and Later                 | 2,317,735              | 1,587,721                |
| <b>Total Parent Co. unsecured borrowings (2)</b> |                                | <b>13,468,282</b>      | <b>12,076,096</b>        |
| <b>Subsidiaries secured borrowings</b>           |                                |                        |                          |
| Fixed rate (3)                                   | 2025                           | 159,099                | 160,384                  |
|                                                  | 2026                           | 26,255                 | 42,643                   |
|                                                  | 2027                           | 625,215                | 13,077                   |
|                                                  | 2028                           | 714,562                | 35,135                   |
|                                                  | 2029                           | 161,710                | 104,912                  |
| Variable rate                                    | 2026                           | 525,000                | 792,400                  |
|                                                  | 2027                           | 274,356                | 274,026                  |
| <b>Total Subsidiaries secured borrowings</b>     |                                | <b>2,486,197</b>       | <b>1,422,577</b>         |
| <b>Subsidiaries unsecured borrowings</b>         |                                |                        |                          |
| Fixed rate                                       | 2029                           | 4,048                  | 4,310                    |
|                                                  | 2030 and Later                 | 1,542                  | 1,347                    |
| Variable rate                                    | 2026                           | —                      | 26,235                   |
|                                                  | 2027                           | 53,565                 | —                        |
| <b>Total Subsidiaries unsecured borrowings</b>   |                                | <b>59,155</b>          | <b>31,892</b>            |
| <b>Total long-term debt (4)</b>                  |                                | <b>\$ 16,013,634</b>   | <b>\$ 13,530,565</b>     |
| <b>Fair value</b>                                |                                | <b>\$ 16,220,465</b>   | <b>\$ 13,734,421</b>     |
| <b>Weighted-average interest rate (5)</b>        |                                | <b>5.47 %</b>          | <b>5.30 %</b>            |
| <b>Interest rate range (5)</b>                   |                                | <b>0.00% - 7.52%</b>   | <b>0.00% - 7.66%</b>     |

- (1) Structured notes have various interest rate payment terms and are accounted for at fair value, with changes in fair value resulting from non-credit components recognized in Principal transactions revenues. The structured notes are classified as Level 2 or Level 3 in the fair value hierarchy. All of our long-term debt with exception of certain of the structured notes would be classified as Level 2 in the fair value hierarchy.
- (2) Carrying values of certain borrowings, totaling \$2.67 billion and \$2.04 billion for August 31, 2025 and November 30, 2024, respectively, include cumulative hedging adjustments of \$153.5 million and \$193.7 million at August 31, 2025 and November 30, 2024, respectively, associated with interest rate swaps based on designation as fair value hedges. Refer to Note 7, Derivative Financial Instruments for further information.
- (3) Includes \$65.5 million maturing on August 31, 2025 which has subsequently been extended.
- (4) Carrying values include unamortized discounts and premiums, valuation adjustments and debt issuance costs. At August 31, 2025 and November 30, 2024, our borrowings under several credit facilities classified within Long-term debt amounted to \$1.20 billion and \$775.3 million, respectively. Interest on these credit facilities is based on an adjusted Secured Overnight Financing Rate ("SOFR") plus a spread or other adjusted rates, as defined in the various credit agreements. Additionally, certain of our borrowings are under agreements containing covenants that, among other things, require us to maintain specified levels of tangible net worth and liquidity amounts, certain credit and rating levels and impose certain restrictions on future indebtedness of and require specified levels of regulated capital and cash reserves for certain of our subsidiaries. At August 31, 2025, we were in compliance with all covenants under these credit agreements.
- (5) Interest rates exclude structured notes.

During the nine months ended August 31, 2025, long-term debt increased by \$2.48 billion to \$16.01 billion at August 31, 2025 primarily due to proceeds of \$350.0 million from the drawdown of an unsecured credit facility, \$1.00 billion from the issuances of unsecured senior notes, \$527.2 million from net issuances of structured notes, \$1.01 billion from increased subsidiaries borrowings and \$326.4 million from currency losses on foreign currency borrowings. These increases were partially offset by repayments of \$775.4 million on unsecured senior notes.

## **Note 17. Total Equity**

### ***Common Stock***

At August 31, 2025 and November 30, 2024, we had 565,000,000 authorized shares of voting common stock with a par value of \$1.00 per share. At August 31, 2025 and November 30, 2024, we had outstanding 206,280,296 and 205,504,272 common shares outstanding, respectively.

The Board of Directors has authorized the repurchase of common stock up to \$250.0 million under a share repurchase program. Treasury stock repurchases during the three and nine months ended August 31, 2025 represent repurchases of common stock for net-share tax withholding under our equity compensation plan.

### ***Non-Voting Convertible Preferred Shares***

On April 27, 2023, we established Series B Non-Voting Convertible Preferred Shares with a par value of \$1.00 per share ("Series B Preferred Stock") and designated 70,000 shares as Series B Preferred Stock. The Series B Preferred Stock has a liquidation preference of \$17,500 per share and rank senior to our voting common stock upon dissolution, liquidation or winding up of Jefferies Financial Group Inc. Each share of Series B Preferred Stock is automatically convertible into 500 shares of non-voting common stock, subject to certain anti-dilution adjustments, three years after issuance. The Series B Preferred Stock participates in cash dividends and distributions alongside our voting common stock on an as-converted basis.

Additionally, on April 27, 2023, we entered into an Exchange Agreement with Sumitomo Mitsui Banking Corporation ("SMBC"), which entitles SMBC to exchange shares of our voting common stock for shares of the Series B Preferred Stock at a rate of 500 shares of voting common stock for one share of Series B Preferred Stock. The Exchange Agreement is limited to 55,125 shares of Preferred Stock and SMBC will pay \$1.50 per share of voting common stock so exchanged. As of November 30, 2024, SMBC had cumulatively exchanged approximately 27.6 million shares of voting common stock for 55,125 shares of Series B Preferred Stock. Following this exchange, SMBC increased its ownership of our common stock on an as-converted basis and fully-diluted, as-converted basis. As a result, the CEO of Sumitomo Mitsui Financial Group, Inc. was elected and now serves on our Board of Directors. On September 19, 2024, SMBC purchased 9.2 million shares of our common stock. At August 31, 2025, SMBC owns approximately 15.7% of our common stock on an as-converted basis and 14.5% on a fully-diluted, as-converted basis. Refer to Note 22, Related Party Transactions for further information regarding transactions with SMBC.

On September 19, 2025, our Board of Directors established Series B-1 Non-Voting Convertible Preferred Shares with a par value of \$1.00 per share ("Series B-1 Preferred Stock") and designated 17,500 shares as Series B-1 Preferred Stock. The Series B-1 Preferred Stock has a liquidation preference of \$500 per share and ranks senior to our voting common stock and equal to the

Series B Preferred Stock upon dissolution, liquidation or winding up of Jefferies Financial Group Inc. Each share of Series B-1 Preferred Stock is automatically convertible into 500 shares of non-voting common stock as soon as such non-voting common stock exists, subject to certain anti-dilution adjustments. The Series B-1 Preferred Stock also participates in cash dividends and distributions alongside our voting common stock on an as-converted basis.

Additionally, on September 19, 2025, we entered into an amended and restated Exchange Agreement (the "Amended and Restated Exchange Agreement") with SMBC, which entitles SMBC to exchange shares of our voting common stock for shares of the Series B-1 Preferred Stock at a rate of 500 shares of voting common stock for one share of Series B-1 Preferred Stock. The Amended and Restated Exchange Agreement is limited to 17,500 shares of Series B-1 Preferred Stock. Under the Amended and Restated Exchange Agreement, SMBC is permitted to increase its economic ownership in the Company to up to 20% on an as-converted and fully diluted basis, while continuing to own less than 5% of a voting interest in the Company.

**Earnings Per Common Share**

Basic and diluted earnings per common share amounts were calculated by dividing net earnings by the weighted-average number of common shares outstanding. The numerators and denominators used to calculate basic and diluted earnings per common share are as follows:

|                                                                                                                                        | Three Months Ended<br>August 31, |                   | Nine Months Ended<br>August 31, |                   |
|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-------------------|---------------------------------|-------------------|
| <i>In thousands, except per share amounts</i>                                                                                          | 2025                             | 2024              | 2025                            | 2024              |
| <b>Numerator for earnings per common share from continuing operations:</b>                                                             |                                  |                   |                                 |                   |
| Net earnings from continuing operations                                                                                                | \$ 242,504                       | \$ 174,676        | \$ 470,748                      | \$ 493,606        |
| Less: Net losses attributable to noncontrolling interests                                                                              | (10,041)                         | (6,304)           | (24,692)                        | (16,541)          |
| Allocation of earnings to participating securities (1)                                                                                 | (28,559)                         | (20,785)          | (55,528)                        | (48,501)          |
| <b>Net earnings from continuing operations attributable to common shareholders for basic earnings per share</b>                        | <b>\$ 223,986</b>                | <b>\$ 160,195</b> | <b>\$ 439,912</b>               | <b>\$ 461,646</b> |
| <b>Net earnings from continuing operations attributable to common shareholders for diluted earnings per share</b>                      | <b>\$ 223,986</b>                | <b>\$ 160,195</b> | <b>\$ 439,912</b>               | <b>\$ 461,646</b> |
| <b>Numerator for earnings per common share from discontinued operations:</b>                                                           |                                  |                   |                                 |                   |
| Net earnings (losses) from discontinued operations, net of taxes                                                                       | —                                | 6,363             | —                               | (1,488)           |
| Less: Net losses attributable to noncontrolling interests                                                                              | —                                | (570)             | —                               | (2,561)           |
| <b>Net earnings (losses) from discontinued operations attributable to common shareholders for basic and diluted earnings per share</b> | <b>\$ —</b>                      | <b>\$ 6,933</b>   | <b>\$ —</b>                     | <b>\$ 1,073</b>   |
| <b>Net earnings attributable to common shareholders for basic earnings per share</b>                                                   | <b>\$ 223,986</b>                | <b>\$ 167,128</b> | <b>\$ 439,912</b>               | <b>\$ 462,719</b> |
| <b>Net earnings attributable to common shareholders for diluted earnings per share</b>                                                 | <b>\$ 223,986</b>                | <b>\$ 167,128</b> | <b>\$ 439,912</b>               | <b>\$ 462,719</b> |
| <b>Denominator for earnings per common share:</b>                                                                                      |                                  |                   |                                 |                   |
| Weighted average common shares outstanding                                                                                             | 206,272                          | 206,418           | 206,191                         | 209,997           |
| Weighted average shares of restricted stock outstanding with future service required                                                   | (2,224)                          | (2,305)           | (2,259)                         | (2,346)           |
| Weighted average RSUs outstanding with no future service required                                                                      | 11,245                           | 10,339            | 11,045                          | 10,455            |
| <b>Weighted average basic common shares</b>                                                                                            | <b>215,293</b>                   | <b>214,452</b>    | <b>214,977</b>                  | <b>218,106</b>    |
| Stock options and other share-based awards                                                                                             | 4,643                            | 4,189             | 4,915                           | 3,369             |
| Senior executive compensation plan RSU awards                                                                                          | 2,779                            | 3,058             | 2,647                           | 2,705             |
| <b>Weighted average diluted common shares (2)</b>                                                                                      | <b>222,715</b>                   | <b>221,699</b>    | <b>222,539</b>                  | <b>224,180</b>    |
| <b>Earnings per common share:</b>                                                                                                      |                                  |                   |                                 |                   |
| Basic from continuing operations                                                                                                       | \$ 1.04                          | \$ 0.75           | \$ 2.05                         | \$ 2.12           |
| Basic from discontinued operations                                                                                                     | —                                | 0.03              | —                               | —                 |
| <b>Basic</b>                                                                                                                           | <b>\$ 1.04</b>                   | <b>\$ 0.78</b>    | <b>\$ 2.05</b>                  | <b>\$ 2.12</b>    |
| Diluted from continuing operations                                                                                                     | \$ 1.01                          | \$ 0.72           | \$ 1.98                         | \$ 2.06           |
| Diluted from discontinued operations                                                                                                   | —                                | 0.03              | —                               | —                 |
| <b>Diluted</b>                                                                                                                         | <b>\$ 1.01</b>                   | <b>\$ 0.75</b>    | <b>\$ 1.98</b>                  | <b>\$ 2.06</b>    |

- (1) Represents dividends declared during the period on participating securities plus an allocation of undistributed earnings to participating securities. Net losses are not allocated to participating securities. Participating securities represent certain preferred stock, restricted stock and RSUs for which requisite service has not yet been rendered and amounted to weighted average shares of 27.6 million for both the three and nine months ended August 31, 2025, respectively, compared with 26.3 million and 22.9 million for the three and nine months ended August 31, 2024, respectively. Undistributed earnings are allocated to participating securities based upon their right to share in earnings if all earnings for the period had been distributed.
- (2) Certain securities have been excluded as they would be antidilutive. However, these securities could potentially dilute earnings per share in the future. Antidilutive shares at August 31, 2025 and was 13.4% of the weighted average common shares outstanding for both the three and nine months ended August 31, 2025.

## Dividends

| Nine Months Ended August 31, 2025 |                   |                   |                         |
|-----------------------------------|-------------------|-------------------|-------------------------|
| Declaration Date                  | Record Date       | Payment Date      | Per Common Share Amount |
| January 8, 2025                   | February 14, 2025 | February 27, 2025 | \$0.40                  |
| March 26, 2025                    | May 19, 2025      | May 29, 2025      | \$0.40                  |
| June 25, 2025                     | August 18, 2025   | August 29, 2025   | \$0.40                  |

| Nine Months Ended August 31, 2024 |                   |                   |                         |
|-----------------------------------|-------------------|-------------------|-------------------------|
| Declaration Date                  | Record Date       | Payment Date      | Per Common Share Amount |
| January 8, 2024                   | February 16, 2024 | February 27, 2024 | \$0.30                  |
| March 27, 2024                    | May 20, 2024      | May 30, 2024      | \$0.30                  |
| June 26, 2024                     | August 19, 2024   | August 30, 2024   | \$0.35                  |

On January 8, 2025, the Board of Directors increased our quarterly dividend from \$0.35 to \$0.40 per common share. On September 29, 2025, the Board of Directors declared a dividend of \$0.40 per common share to be paid on November 26, 2025 to common shareholders of record at November 17, 2025.

During the three and nine months ended August 31, 2025, we paid cash dividends of \$11.0 million and \$33.1 million, compared to \$9.6 million and \$22.2 million for the three and nine months ended August 31, 2024, respectively, to the Series B Preferred stockholder. The payment of dividends is subject to the discretion of our Board of Directors and depends upon general business conditions and other factors that our Board of Directors may deem to be relevant.

## Accumulated Other Comprehensive Income (Loss)

|                                                                  | August 31,<br>2025  | November 30,<br>2024 |
|------------------------------------------------------------------|---------------------|----------------------|
| <i>\$ in thousands</i>                                           |                     |                      |
| Net unrealized losses on available-for-sale securities           | \$ (2,145)          | \$ (2,406)           |
| Net currency translation adjustments and other                   | (134,748)           | (173,841)            |
| Net unrealized losses related to instrument-specific credit risk | (198,719)           | (206,664)            |
| Net minimum pension liability                                    | (39,315)            | (40,220)             |
| <b>Total accumulated other comprehensive loss, net of tax</b>    | <b>\$ (374,927)</b> | <b>\$ (423,131)</b>  |

Amounts reclassified out of accumulated other comprehensive income (loss) to net earnings:

|                                                                           | Three Months Ended<br>August 31, |              | Nine Months Ended<br>August 31, |                 |
|---------------------------------------------------------------------------|----------------------------------|--------------|---------------------------------|-----------------|
| <i>\$ in thousands</i>                                                    | 2025                             | 2024         | 2025                            | 2024            |
| Net unrealized gains on instrument-specific credit risk at fair value (1) | \$ 2,304                         | \$ 150       | \$ 9,962                        | \$ 2,783        |
| Amortization of defined benefit pension plan actuarial losses (2)         | (124)                            | (67)         | (950)                           | (247)           |
| <b>Total reclassifications for the period, net of tax</b>                 | <b>\$ 2,180</b>                  | <b>\$ 83</b> | <b>\$ 9,012</b>                 | <b>\$ 2,536</b> |

- The amounts include income tax expense of \$0.8 million and \$3.4 million for the three and nine months ended August 31, 2025, respectively, compared with income tax expense of \$0.1 million and \$1.0 million for the three and nine months ended August 31, 2024, respectively, which were reclassified to Principal transactions revenues.
- The amounts include income tax benefit of \$0.3 million for nine months ended August 31, 2025, compared with an income tax benefit of \$0.1 million for the nine months ended August 31, 2024, which were reclassified to Compensation and benefits expenses.

## Note 18. Income Taxes

At August 31, 2025 and November 30, 2024, our total gross unrecognized tax benefits were \$324.1 million and \$346.4 million, respectively.

At August 31, 2025 and November 30, 2024, we had interest accrued of \$186.8 million and \$176.6 million, respectively, included in Accrued expenses and other liabilities.

The total amount of unrecognized tax benefits that, if recognized, would favorably affect the effective tax rate was \$256.1 million and \$273.8 million (net of Federal benefit) at August 31, 2025 and November 30, 2024, respectively.

We recognize interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

We are currently under examination by a number of taxing jurisdictions. Though we do not expect that resolution of these examinations will have a material effect on our consolidated financial position, they may have a material impact on our consolidated results of operations for the period in which resolution occurs.

Earliest tax years that remain subject to examination in the major tax jurisdictions in which we operate:

| Jurisdiction   | Tax Year |
|----------------|----------|
| United States  | 2021     |
| New York State | 2001     |
| New York City  | 2006     |
| United Kingdom | 2022     |
| Germany        | 2019     |
| Hong Kong      | 2019     |
| India          | 2010     |

|                       | Three Months Ended<br>August 31, |         | Nine Months Ended<br>August 31, |          |
|-----------------------|----------------------------------|---------|---------------------------------|----------|
| <i>\$ in millions</i> | 2025                             | 2024    | 2025                            | 2024     |
| Income tax expense    | \$ 89.3                          | \$ 78.0 | \$ 147.0                        | \$ 207.1 |
| Effective tax rate    | 26.9 %                           | 30.9 %  | 23.8 %                          | 29.6 %   |

## Note 19. Commitments, Contingencies and Guarantees

### Commitments

|                                    | Expected Maturity Date (Fiscal Years) |                   |                     |                     |                      |                    |
|------------------------------------|---------------------------------------|-------------------|---------------------|---------------------|----------------------|--------------------|
| <i>\$ in millions</i>              | 2025                                  | 2026              | 2027<br>and<br>2028 | 2029<br>and<br>2030 | 2031<br>and<br>Later | Maximum<br>Payout  |
| Equity commitments (1)             | \$ 19.5                               | \$ 26.7           | \$ 100.2            | \$ 0.1              | \$ 151.5             | \$ 298.0           |
| Loan commitments (1)               | 1.9                                   | 340.5             | 9.0                 | 3.3                 | 4.3                  | 359.0              |
| Loan purchase commitments (2)      | 2,870.0                               | —                 | —                   | —                   | —                    | 2,870.0            |
| Forward starting reverse repos (3) | 3,834.4                               | —                 | —                   | —                   | —                    | 3,834.4            |
| Forward starting repos (3)         | 2,312.5                               | —                 | —                   | —                   | —                    | 2,312.5            |
| Other unfunded commitments (1)     | 70.4                                  | 1,397.8           | 1,217.7             | 8.9                 | 16.5                 | 2,711.3            |
| <b>Total commitments</b>           | <b>\$ 9,108.7</b>                     | <b>\$ 1,765.0</b> | <b>\$ 1,326.9</b>   | <b>\$ 12.3</b>      | <b>\$ 172.3</b>      | <b>\$ 12,385.2</b> |

- Equity, loan and other unfunded commitments are presented by contractual maturity date. The amounts, however, are available on demand.
- Loan purchase commitments consist of unfunded commitments to acquire secondary market loans. For the population of loans to be acquired under the loan purchase commitments, at August 31, 2025, Jefferies had also entered into back-to-back committed sale contracts aggregating to \$2.73 billion.
- At August 31, 2025, all of the of the forward starting securities purchased under agreements to resell and all of the forward starting securities sold under agreements to repurchase settled within three business days.

**Equity Commitments.** Includes commitments to invest in our joint venture, Jefferies Finance, asset management funds and in Jefferies Capital Partners, LLC, a manager of private equity funds, which consists of a team led by our President and a director. At August 31, 2025, our outstanding commitments relating to Jefferies Capital Partners, LLC and its private equity funds were \$9.8 million.

Additionally, at August 31, 2025, we had other outstanding equity commitments to invest up to \$232.1 million with strategic affiliates and \$40.7 million to various other investments.

**Loan Commitments.** From time to time, we make commitments to extend credit to clients and to strategic affiliates. These commitments and any related drawdowns of these facilities typically have fixed maturity dates and are contingent on certain representations, warranties and contractual conditions applicable to the borrower. At August 31, 2025, we had outstanding loan commitments of \$99.4 million to clients and \$9.6 million to a strategic affiliate.

Loan commitments outstanding at August 31, 2025 also include our portion of the outstanding secured revolving credit facility provided to Jefferies Finance, to support loan underwritings by Jefferies Finance.

**Underwriting Commitments.** In connection with investment banking activities, we may from time to time provide underwriting commitments to our clients in connection with capital raising transactions.

**Forward Starting Reverse Repos and Repos.** We enter into commitments to take possession of securities with agreements to resell on a forward starting basis and to sell securities with agreements to repurchase on a forward starting basis that are primarily secured by U.S. government and agency securities.

**Other Unfunded Commitments.** Other unfunded commitments include obligations in the form of revolving notes, warehouse financings and debt securities to provide financing to asset-backed and CLO vehicles. Upon advancing funds, drawn amounts are collateralized by the assets of an entity. Other unfunded commitments also include written put options to certain bondholders of an equity method investee.

## Guarantees

**Derivative Contracts.** As a dealer, we make markets and trade in a variety of derivative instruments. Certain derivative contracts that we have entered into meet the accounting definition of a guarantee under U.S. GAAP, including credit default swaps, written foreign currency options and written equity put options. On certain of these contracts, such as written interest rate caps and foreign currency options, the maximum payout cannot be quantified since the increase in interest or foreign exchange rates are not contractually limited by the terms of the contract. As such, we have disclosed notional values as a measure of our maximum potential payout under these contracts.

Notional amounts associated with our derivative contracts meeting the definition of a guarantee under U.S. GAAP at August 31, 2025:

| Expected Maturity Date (Fiscal Years)             |                   |                    |                    |                   |                                |
|---------------------------------------------------|-------------------|--------------------|--------------------|-------------------|--------------------------------|
| <i>\$ in millions</i>                             | 2025              | 2026               | 2027 and<br>2028   | 2029 and<br>2030  | Notional/<br>Maximum<br>Payout |
| <b>Guarantee Type:</b>                            |                   |                    |                    |                   |                                |
| Derivative contracts—<br>non-credit related ..... | \$ 8,100.5        | \$ 17,983.3        | \$ 18,839.6        | \$ 1,615.0        | \$ 46,538.4                    |
| <b>Total derivative contracts .....</b>           | <b>\$ 8,100.5</b> | <b>\$ 17,983.3</b> | <b>\$ 18,839.6</b> | <b>\$ 1,615.0</b> | <b>\$ 46,538.4</b>             |

The derivative contracts deemed to meet the definition of a guarantee under U.S. GAAP are before consideration of hedging transactions and only reflect a partial or “one-sided” component of any risk exposure. Written equity options and written credit default swaps are often executed in a strategy that is in tandem with long cash instruments (e.g., equity and debt securities). We substantially mitigate our exposure to market risk on these contracts through hedges, such as other derivative contracts and/or cash instruments, and we manage the risk associated with these contracts in the context of our overall risk management framework. We believe notional amounts overstate our expected payout and that fair value of these contracts is a more relevant measure of our obligations. At August 31, 2025, the fair value of derivative contracts meeting the definition of a guarantee is approximately \$382.4 million.

**HomeFed.** For real estate development projects, we are generally required to obtain infrastructure improvement bonds at the beginning of construction work and warranty bonds upon completion of such improvements. These bonds are issued by surety companies to guarantee a municipality satisfactory completion of a project. As the planned area is developed and the municipality accepts the improvements, the bonds are released. At August 31, 2025, the aggregate amount of infrastructure improvement bonds outstanding was \$68.2 million.

**Standby Letters of Credit.** At August 31, 2025, we provided guarantees to certain counterparties in the form of standby letters of credit in the amount of \$345.6 million, with a weighted average maturity of less than one year. Standby letters of credit commit us to make payment to the beneficiary if the guaranteed party fails to fulfill its obligation under a contractual arrangement with that beneficiary. Since commitments associated with these collateral instruments may expire unused, the amount shown does not necessarily reflect the actual future cash funding requirement.

**Other Guarantees.** We are members of various exchanges and clearing houses. In the normal course of business, we provide guarantees to securities clearing houses and exchanges. These guarantees generally are required under the standard membership agreements, such that members are required to guarantee the performance of other members. Additionally, if a member becomes unable to satisfy its obligations to the clearing house, other members would be required to meet these shortfalls. To mitigate these performance risks, the exchanges and clearing houses often require members to post collateral. Our obligations under such guarantees could exceed the collateral amounts posted. Our maximum potential liability under these arrangements cannot be quantified; however, the potential for us to be required to make payments under such guarantees is deemed remote. Accordingly, no liability has been recognized for these arrangements. Additionally, we provide certain indemnifications in connection with third-party clearing and execution arrangements whereby a third-party may clear and settle transactions on behalf of our clients. These indemnifications generally have standard contractual terms and are entered into in the ordinary course of business. Our obligations in respect of such transactions are secured by the assets in our client's account, as well as any proceeds received from the transactions cleared and settled on behalf of our client. However, we believe that it is unlikely we would have to make any material payments under these arrangements and no material liabilities related to these indemnifications have been recognized.

## **Note 20. Regulatory Requirements**

### **Net Capital**

Jefferies LLC is a broker-dealer registered with the SEC and a member firm of the Financial Industry Regulatory Authority ("FINRA") and is subject to the SEC Uniform Net Capital Rule ("Rule 15c3-1"), which requires the maintenance of minimum net capital, and has elected to calculate minimum capital requirements using the alternative method permitted by Rule 15c3-1 in calculating net capital. Jefferies LLC, as a dually-registered U.S. broker-dealer and futures commission merchant ("FCM"), is also subject to Regulation 1.17 of the Commodity Futures Trading Commission ("CFTC") under the Commodity Exchange Act ("CEA"), which sets forth minimum financial requirements. The minimum net capital requirement in determining excess net capital for a dually registered U.S. broker-dealer and FCM is equal to the greater of the requirement under SEA Rule 15c3-1 or CFTC Regulation 1.17. Accordingly, FINRA is the designated examining authority for Jefferies LLC and the National Futures Association ("NFA") is the designated self-regulatory organization ("DSRO") for Jefferies LLC as an FCM.

Jefferies Financial Services, Inc. ("JFSI") is registered with the SEC as a Security-Based Swap Dealer ("SBS Dealer") and an OTC Derivatives Dealer ("OTCDD") subject to the SEC's SBS dealer regulatory rules and the SEC's net capital requirements pursuant to Rule 18a-1. JFSI is also registered as a swap dealer with the CFTC and is subject to the CFTC's regulatory capital requirements pursuant to the minimum financial requirements for swap dealers under CFTC Regulation 23.101. Additionally, as a registered member firm, JFSI is subject to the net capital requirements of the NFA. Accordingly, the SEC is the designated examining authority for JFSI in its capacity as an SBS Dealer and OTCDD, while the NFA is the DSRO for JFSI, as a CFTC registered swap dealer.

Certain non-U.S. subsidiaries are subject to capital adequacy requirements as prescribed by the regulatory authorities in their respective jurisdictions. This includes Jefferies International Limited which is subject to the regulatory supervision and requirements of the Financial Conduct Authority ("FCA") in the U.K. Jefferies International Limited's own funds requirement represents the highest of the permanent minimum capital requirement, fixed overheads requirement and k-factor requirements set out in the Investment Firms Prudential Regime ("IFPR") under the FCA's MIFIDPRU sourcebook.

At August 31, 2025, Jefferies LLC's and JFSI's net capital and excess net capital were as follows:

| <i>\$ in thousands</i> | <b>Net Capital</b> | <b>Excess Net Capital</b> |
|------------------------|--------------------|---------------------------|
| Jefferies LLC          | \$ 2,204,515       | \$ 2,061,318              |
| JFSI - SEC             | 310,701            | 290,345                   |
| JFSI - CFTC            | 310,701            | 283,646                   |

In addition, the equivalent capital requirement for Jefferies International Limited, on a consolidated basis, is a total capital of \$2.02 billion and an excess capital of \$1.15 billion at August 31, 2025.

At August 31, 2025, Jefferies LLC, JFSI and JIL are in compliance with their applicable requirements.

The regulatory capital requirements referred to above may restrict our ability to withdraw capital from our regulated subsidiaries.

### **Customer Protection and Segregation Requirement**

As a registered broker dealer that clears and carries customer accounts, Jefferies LLC is subject to the customer protection provisions under SEC Rule 15c3-3 and is required to compute a reserve formula requirement for customer accounts and deposit cash or qualified securities into a special reserve bank account for the exclusive benefit of customers. At August 31, 2025, Jefferies LLC had \$875.6 million in cash and qualified U.S. Government securities on deposit in special reserve bank accounts for the exclusive benefit of customers.

As a registered broker dealer that clears and carries proprietary accounts of brokers or dealers (commonly referred to as "PAB"), Jefferies LLC is also required to compute a reserve requirement for PABs pursuant to SEC Rule 15c3-3. At August 31, 2025, Jefferies LLC had \$437.8 million in cash and qualified U.S. Government securities in special reserve bank accounts for the exclusive benefit of PABs.

The qualified securities meeting the 15c3-3 customer and PAB requirements are included in Cash and securities segregated and Securities purchased under agreements to resell.

## Note 21. Segment Reporting

We operate in two reportable business segments: (1) Investment Banking and Capital Markets and (2) Asset Management. The Investment Banking and Capital Markets reportable business segment includes our capital markets activities and our investment banking business, which provides underwriting and financial advisory services to our clients. We operate in the Americas; Europe and the Middle East; and Asia-Pacific. Investment Banking and Capital Markets also includes our corporate lending joint venture Jefferies Finance, our commercial real estate joint venture Berkadia and historically our automobile lending and servicing activities. The Asset Management reportable business segment provides alternative investment management services to investors in the U.S. and overseas and generates investment income from capital invested in and managed by us or our affiliated asset managers, and includes certain remaining businesses and assets of our legacy merchant banking portfolio.

Our reportable business segment information is prepared using the following methodologies:

- Net revenues and non-interest expenses directly associated with each reportable business segment are included in determining earnings from continuing operations before income taxes.
- Net revenues and non-interest expenses not directly associated with specific reportable business segments are allocated based on the most relevant measures applicable, including each reportable business segment's net revenues, headcount and other factors.
- Reportable business segment assets include an allocation of indirect corporate assets that have been fully allocated to our reportable business segments, generally based on each reportable business segment's capital utilization.

Net revenues presented for our Investment Banking and Capital Markets reportable segment include allocations of interest income and interest expense as we assess the profitability of these businesses inclusive of the net interest revenue or expense associated with the respective activities, including the net interest cost of allocated long-term debt, which is a function of the mix of each business's associated assets and liabilities and the related funding costs.

|                                                             | Three Months Ended<br>August 31, |            | Nine Months Ended<br>August 31, |            |
|-------------------------------------------------------------|----------------------------------|------------|---------------------------------|------------|
| <i>\$ in millions</i>                                       | 2025                             | 2024       | 2025                            | 2024       |
| <b>Investment Banking and Capital Markets:</b>              |                                  |            |                                 |            |
| Net revenues                                                | \$ 1,858.7                       | \$ 1,620.1 | \$ 4,728.2                      | \$ 4,565.8 |
| Non-interest expenses                                       | 1,522.4                          | 1,251.6    | 4,036.6                         | 3,791.0    |
| Earnings from continuing operations before income taxes     | 336.3                            | 368.5      | 691.6                           | 774.8      |
| <b>Asset Management:</b>                                    |                                  |            |                                 |            |
| Net revenues                                                | 176.9                            | 59.0       | 523.2                           | 488.9      |
| Non-interest expenses                                       | 193.2                            | 179.3      | 620.5                           | 586.5      |
| Losses from continuing operations before income taxes       | (16.3)                           | (120.3)    | (97.3)                          | (97.6)     |
| <b>Total of Reportable Business Segments:</b>               |                                  |            |                                 |            |
| Net revenues                                                | 2,035.6                          | 1,679.1    | 5,251.4                         | 5,054.7    |
| Non-interest expenses                                       | 1,715.6                          | 1,430.9    | 4,657.1                         | 4,377.5    |
| Earnings from continuing operations before income taxes     | 320.0                            | 248.2      | 594.3                           | 677.2      |
| <b>Reconciliation to consolidated amounts:</b>              |                                  |            |                                 |            |
| Net revenues                                                | 11.8                             | 4.5        | 23.5                            | 23.5       |
| Earnings from continuing operations before income taxes (1) | 11.8                             | 4.5        | 23.5                            | 23.5       |
| <b>Total:</b>                                               |                                  |            |                                 |            |
| Net revenues                                                | 2,047.4                          | 1,683.6    | 5,274.9                         | 5,078.2    |
| Non-interest expenses                                       | 1,715.6                          | 1,430.9    | 4,657.1                         | 4,377.5    |
| Earnings from continuing operations before income taxes     | \$ 331.8                         | \$ 252.7   | \$ 617.8                        | \$ 700.7   |

- (1) Management does not consider debt valuation adjustments on derivative contracts, gains and losses on investments held in deferred compensation plans, foreign currency transaction gains or losses or certain other corporate income and expense items in assessing the financial performance of operating businesses. Collectively, these items are included in the reconciliation of reportable business segment amounts to consolidated amounts.

|                                        | August 31,         |           | November 30,    |  |
|----------------------------------------|--------------------|-----------|-----------------|--|
| <i>\$ in millions</i>                  | 2025               |           | 2024            |  |
| Investment Banking and Capital Markets | \$ 63,722.7        | \$        | 59,142.9        |  |
| Asset Management                       | 5,597.0            |           | 5,217.4         |  |
| <b>Total assets</b>                    | <b>\$ 69,319.7</b> | <b>\$</b> | <b>64,360.3</b> |  |

### Net Revenues by Geographic Region

Net revenues for the Investment Banking and Capital Markets reportable business segment are recorded in the geographic region in which the position was risk-managed or, in the case of investment banking, in which the senior coverage banker is located. For the Asset Management reportable business segment, net revenues are allocated according to the location of the investment advisor or the location of the invested capital.

|                                | Three Months Ended<br>August 31, |                   | Nine Months Ended<br>August 31, |                   |
|--------------------------------|----------------------------------|-------------------|---------------------------------|-------------------|
| <i>\$ in millions</i>          | 2025                             | 2024              | 2025                            | 2024              |
| Americas (1)                   | \$ 1,448.0                       | \$ 1,159.3        | \$ 3,545.3                      | \$ 3,612.2        |
| Europe and the Middle East (2) | 453.8                            | 404.3             | 1,312.9                         | 1,106.5           |
| Asia-Pacific                   | 145.6                            | 120.0             | 416.7                           | 359.5             |
| <b>Net revenues</b>            | <b>\$ 2,047.4</b>                | <b>\$ 1,683.6</b> | <b>\$ 5,274.9</b>               | <b>\$ 5,078.2</b> |

- (1) Primarily relates to U.S. results.  
(2) Primarily relates to U.K. results.

## Note 22. Related Party Transactions

### Officers, Directors and Employees

The following sets forth information regarding related party transactions with our officers, directors and employees:

- At August 31, 2025 and November 30, 2024, we had \$19.7 million and \$29.4 million, respectively, of loans, net of allowance, outstanding to certain of our officers and employees (none of whom are executive officers or directors) that are included in Other assets.
- Receivables from and payables to customers include balances arising from officers', directors' and employees' individual security transactions. These transactions are subject to the same regulations as all customer transactions and are provided on substantially the same terms.
- Two of our directors and certain of our officers have total investments in entities managed by us of approximately \$9.2 million and \$5.0 million at August 31, 2025 and November 30, 2024, respectively.

### SMBC

We have a strategic alliance with Sumitomo Mitsui Financial Group, Inc., Sumitomo Mitsui Banking Corporation ("SMBC") and SMBC Nikko Securities Inc. (together referred to as "SMBC Group") to collaborate on corporate and investment banking business opportunities as well as equity sales, trading and research.

On September 19, 2025, we and the SMBC Group announced a significant expansion of our global strategic alliance. Key developments include:

- A planned formation of a joint venture in Japan to integrate our Japanese equities platform with SMBC Group's domestic equity research, sales, trading, and equity capital markets businesses, expected to launch in January 2027;
- Expansion of joint sponsor coverage in EMEA, targeting larger sponsors with our combined investment banking and corporate banking capabilities;
- SMBC Group's intent to increase its economic ownership from 14.5% to 20% (on an as-converted and fully diluted basis), while maintaining less than 5% voting interest; and
- SMBC Group's commitment to provide approximately \$2.5 billion in new credit facilities to us and Jefferies Finance.

These initiatives are designed to deepen the partnership, leverage complementary strengths, and deliver enhanced services to clients

The following tables summarize balances with SMBC as reported in our Consolidated Statements of Financial Condition and Consolidated Statements of Earnings. In addition, the synergies and value creation resulting from our strategic alliance with SMBC generate additive benefits for us, which are not necessarily reflected by the activity presented in the following tables.

| <i>\$ in thousands</i>                                                                                                        | August 31,<br>2025 | November 30,<br>2024 |
|-------------------------------------------------------------------------------------------------------------------------------|--------------------|----------------------|
| <b>Assets</b>                                                                                                                 |                    |                      |
| Cash and cash equivalents                                                                                                     | \$ 352,693         | \$ 542,212           |
| Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations | 28,263             | —                    |
| Financial instruments owned, at fair value                                                                                    | 348                | 1,539                |
| Securities borrowed                                                                                                           | 1,309              | 20,403               |
| Securities purchased under agreements to resell                                                                               | 380,697            | 381,568              |
| Receivables:                                                                                                                  |                    |                      |
| Brokers, dealers and clearing organizations                                                                                   | —                  | 3,012                |
| Fees, interest and other                                                                                                      | 4,548              | 7,851                |
| Other assets                                                                                                                  | 763                | 175                  |
| <b>Total assets</b>                                                                                                           | <b>\$ 768,621</b>  | <b>\$ 956,760</b>    |

### Liabilities

|                                                              |                   |                   |
|--------------------------------------------------------------|-------------------|-------------------|
| Financial instruments sold, not yet purchased, at fair value | \$ 3,882          | \$ 1,830          |
| Securities loaned                                            | 3,380             | 187               |
| Securities sold under agreements to repurchase               | 468,072           | 631,390           |
| Payables:                                                    |                   |                   |
| Brokers, dealers and clearing organizations                  | 40,353            | 18,701            |
| Accrued expenses and other liabilities                       | 11,090            | 6,767             |
| Long-term debt (1)                                           | 350,000           | —                 |
| <b>Total liabilities</b>                                     | <b>\$ 876,777</b> | <b>\$ 658,875</b> |

- (1) Interest on this credit facility is based on an adjusted SOFR plus a spread. On September 19, 2025, we entered into an amendment to increase the amount drawable on the credit facility to \$700.0 million.

| <i>\$ in thousands</i>             | Three Months Ended<br>August 31, |                    | Nine Months Ended<br>August 31, |                    |
|------------------------------------|----------------------------------|--------------------|---------------------------------|--------------------|
|                                    | 2025                             | 2024               | 2025                            | 2024               |
| <b>Revenues</b>                    |                                  |                    |                                 |                    |
| Investment banking                 | \$ 3,114                         | \$ 455             | \$ 11,912                       | \$ 455             |
| Principal transactions (1)         | (13,306)                         | (38,301)           | (14,301)                        | (38,301)           |
| Commissions and other fees         | 754                              | 180                | 2,155                           | 180                |
| Interest                           | 7,222                            | 4,116              | 21,956                          | 4,116              |
| <b>Total revenues</b>              | <b>(2,216)</b>                   | <b>(33,550)</b>    | <b>21,722</b>                   | <b>(33,550)</b>    |
| Interest expense                   | 10,811                           | 2,411              | 32,527                          | 2,411              |
| <b>Net revenues</b>                | <b>\$ (13,027)</b>               | <b>\$ (35,961)</b> | <b>\$ (10,805)</b>              | <b>\$ (35,961)</b> |
| <b>Non-interest expenses</b>       |                                  |                    |                                 |                    |
| Business development               | \$ 11,108                        | \$ 4,570           | \$ 22,913                       | \$ 4,570           |
| Other expenses                     | 1                                | —                  | 6                               | —                  |
| <b>Total non-interest expenses</b> | <b>\$ 11,109</b>                 | <b>\$ 4,570</b>    | <b>\$ 22,919</b>                | <b>\$ 4,570</b>    |

- (1) Primarily represents net gains (losses) on interest rate derivatives executed with SMBC.

### Other Related Party Transactions

We have other related party transactions with equity method investees. Refer to Note 11, Investments for further information.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This report may contain or incorporate by reference certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and/or the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements about our future and statements that are not historical or current facts. These forward-looking statements are often preceded by the words "should," "expect," "believe," "intend," "may," "will," "would," "could" or similar expressions. Forward-looking statements may contain expectations regarding revenues, earnings, operations and other results, and may include statements of future performance, plans and objectives. Forward-looking statements also include statements pertaining to our strategies for future development of our business and products. Forward-looking statements represent only our belief regarding future events, many of which by their nature are inherently uncertain. It is possible that the actual results may differ, possibly materially, from the anticipated results indicated in these forward-looking statements. Information regarding important factors that could cause actual results to differ, perhaps materially, from those in our forward-looking statements is contained in this report and other documents we file. You should read and interpret any forward-looking statement together with these documents, including the following:

- the description of our business and risk factors contained in our Annual Report on Form 10-K for the year ended November 30, 2024 and filed with the Securities and Exchange Commission ("SEC") on January 28, 2025;
- the discussion of our analysis of financial condition and results of operations contained in this report under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations" herein;
- the discussion of our risk management policies, procedures and methodologies contained in this report under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations—Risk Management" herein;
- the consolidated financial statements and notes to the consolidated financial statements contained in this report; and
- cautionary statements we make in our public documents, reports and announcements.

Any forward-looking statement speaks only as of the date on which that statement is made. We undertake no obligation to update any forward-looking statement to reflect events or circumstances that occur after the date on which the statement is made, except as required by applicable law.

Our business, by its nature, does not produce predictable or necessarily recurring earnings. Our results in any given period can be materially affected by conditions in global financial markets, economic conditions generally and our own activities and positions.

## Consolidated Results of Operations

### Overview

| Three Months Ended<br>August 31,                               |              |              |          |
|----------------------------------------------------------------|--------------|--------------|----------|
| <i>\$ in thousands</i>                                         | 2025         | 2024         | % Change |
| Net revenues                                                   | \$ 2,047,432 | \$ 1,683,552 | 21.6 %   |
| Non-interest expenses                                          | 1,715,617    | 1,430,865    | 19.9 %   |
| Earnings from continuing operations before income taxes        | 331,815      | 252,687      | 31.3 %   |
| Income tax expense from continuing operations                  | 89,311       | 78,011       | 14.5 %   |
| Net earnings from continuing operations                        | 242,504      | 174,676      | 38.8 %   |
| Net earnings from discontinued operations, net of income taxes | —            | 6,363        | (100.0)% |
| Net losses attributable to noncontrolling interests            | (10,041)     | (6,874)      | 46.1 %   |
| Preferred stock dividends                                      | 28,559       | 20,785       | 37.4 %   |
| Net earnings attributable to common shareholders               | 223,986      | 167,128      | 34.0 %   |
| Effective tax rate from continuing operations                  | 26.9 %       | 30.9 %       |          |

| Nine Months Ended<br>August 31,                              |              |              |          |
|--------------------------------------------------------------|--------------|--------------|----------|
| <i>\$ in thousands</i>                                       | 2025         | 2024         | % Change |
| Net revenues                                                 | \$ 5,274,898 | \$ 5,078,200 | 3.9 %    |
| Non-interest expenses                                        | 4,657,117    | 4,377,517    | 6.4 %    |
| Earnings from continuing operations before income taxes      | 617,781      | 700,683      | (11.8)%  |
| Income tax expense from continuing operations                | 147,033      | 207,077      | (29.0)%  |
| Net earnings from continuing operations                      | 470,748      | 493,606      | (4.6)%   |
| Net losses from discontinued operations, net of income taxes | —            | (1,488)      | (100.0)% |
| Net losses attributable to noncontrolling interests          | (24,692)     | (19,102)     | 29.3 %   |
| Preferred stock dividends                                    | 55,528       | 48,501       | 14.5 %   |
| Net earnings attributable to common shareholders             | 439,912      | 462,719      | (4.9)%   |
| Effective tax rate from continuing operations                | 23.8 %       | 29.6 %       |          |

## Executive Summary

### Three Months Ended August 31, 2025 Versus August 31, 2024

#### Consolidated Results

- Net revenues were \$2.05 billion, up 21.6% compared to \$1.68 billion for the prior year quarter and Earnings from continuing operations before income taxes were \$331.8 million, up 31.3% compared to \$252.7 million for the prior year quarter. This is reflective of solid performance in our Investment Banking and Equities businesses, along with a meaningful improvement in investment returns generated by our Asset Management business, partially offset by a decline in the performance of our Fixed Income business.
- Non-compensation expenses were higher compared to the prior year quarter largely associated with growth in business activity, particularly in Equities. While non-compensation expenses were higher for the period, our overall net revenues for the period grew even faster. Non-compensation expenses as a percentage of Net revenues was therefore 30.9% compared to 32.2% for the prior year quarter.

#### Business Results

- Investment banking net revenues from Advisory, Equity underwriting and Debt underwriting totaling \$1.09 billion were up 17.4% compared to \$925.6 million for the prior year quarter. Advisory had its best quarter ever with net revenues up 10.7%, driven by an increase in the average fee per deal earned by us from mergers and acquisitions advisory services. Total underwriting net revenues were up 29.3% as market conditions for equity and debt underwriting improved. Other investment banking net revenues were \$49.0 million, compared to \$17.9 million for the prior year quarter. Other investment banking net revenues include the net returns on our investments in our Jefferies Finance and Berkadia joint ventures and net gains or losses on investments.
- Equities net revenues were \$486.7 million, up 25.7% compared to \$387.3 million for the prior year quarter, primarily due to increased global trading volumes, growth in prime brokerage and corporate derivatives activity and strong results across most of our equities business lines.
- Fixed income net revenues were \$236.7 million, down 18.2% compared to \$289.2 million for the prior year quarter as activity levels continued to be slow for the asset classes where we are most active.
- Asset management net revenues were \$176.9 million compared to \$59.0 million for the prior year quarter. Asset management fees and revenues modestly increased driven by higher management and performance fees realized during the current quarter. Investment return net revenues meaningfully increased due to improved returns generated across a number of strategies.

#### Non-interest Expenses

- Compensation and benefits expenses were \$1.08 billion, an increase of 21.9%, compared to \$889.1 million for the prior year quarter. Compensation and benefits expense as a percentage of Net revenues was essentially flat compared to the prior year quarter percentage.
- Non-compensation expenses were \$632.1 million, 16.7% higher compared to \$541.8 million for the prior year quarter and versus a 21.6% increase in net revenues. Non-compensation expenses were higher primarily due to increased brokerage and clearing fees associated with increased global equities trading

volumes, and increased technology and communication and business development expenses.

### Nine Months Ended August 31, 2025 Versus August 31, 2024

#### Consolidated Results

- Net revenues were \$5.27 billion, up 3.9% compared to \$5.08 billion for the prior year period. Following a subdued first-half of 2025 largely due to uncertainty surrounding U.S. policy and geopolitical tensions, market activity began to accelerate in June and demand for our services strengthened and we continued to sustain growth in our market position.
- Despite the increase in net revenues, Earnings from continuing operations before income taxes declined 11.8% to \$617.8 million, compared to \$700.7 million for the prior year period. This decrease was largely attributable to higher non-compensation expenses as our revenues were driven more heavily by our Equities business, which has higher transactional costs. Operating margins have improved in August and are expected to improve further as fixed income market activity normalizes.

#### Business Results

- Investment banking net revenues from Advisory, Equity underwriting and Debt underwriting totaling \$2.60 billion were up 10.9% compared to \$2.34 billion for the prior year period. Advisory net revenues were up 24.4% driven by market share gains and an increase in mergers and acquisitions activity levels across most sectors. Total underwriting net revenues were down 3.6% as stronger results in debt underwriting were offset by lower equity underwriting activity, consistent with the overall industry slowdown in the first-half of 2025 associated with the uncertainty related to U.S. policy and geopolitical events. Other investment banking net revenues were \$4.8 million, compared to net revenues of \$116.7 million for the prior year period. Other investment banking net revenues include the net returns on our investments in our Jefferies Finance and Berkadia joint ventures and net gains or losses on investments, and the prior year period includes Foursight operating revenues as well as the gain on the sale of Foursight in April 2024.
- Equities net revenues were \$1.42 billion, up 20.3% compared to \$1.18 billion for the prior year period, attributable to market share gains and increased global trading volumes driving stronger results across most of our equities business lines.
- Fixed income net revenues were \$703.8 million, down 24.0% compared to \$925.8 million for the prior year period, as lower global activity levels and volatility in credit spreads for the first-half of 2025 meaningfully impacted the overall trading environment.
- Asset management net revenues were \$523.2 million compared to \$488.9 million for the prior year period. Asset management fees and revenues increased primarily driven by higher performance fees realized during the current year. Investment return net revenues were modestly higher.

#### Non-interest Expenses

- Compensation and benefits expenses were \$2.78 billion, an increase of 3.8%, compared to \$2.68 billion for the prior year period consistent with the increase in net revenues. Compensation and benefits expense as a percentage of Net revenues was 52.7%, flat with the prior year period.
- Non-compensation expenses were \$1.88 billion, compared to \$1.70 billion for the prior year period. The increase in non-

compensation expenses was primarily due to increased brokerage and clearing fees associated with increased global equities trading volumes, and increased business development and technology and communication expenses. The current year also includes approximately \$17.0 million in charitable donations, including \$9.6 million to support Los Angeles wildfire relief efforts, as well as a \$5.7 million land donation by HomeFed, and a write-down on certain assets held for sale. Other expenses for the prior year period include bad debt expenses of \$26.2 million largely related to the shutdown of Weiss Multi-Strategy Advisers ("Weiss"). In addition, non-compensation expenses for the prior year period include Foursight activity up through its sale in April 2024. Non-compensation expenses as a percentage of Net revenues was 35.6% compared to 33.5% for the prior year period.

#### Headcount

- At August 31, 2025, we had 7,866 employees globally across all of our consolidated subsidiaries within our Investment Banking and Capital Markets and Asset Management reportable segments, an increase of 242 employees from our headcount of 7,624 at August 31, 2024. Included within our global headcount are 1,861 employees at August 31, 2025 and 1,907 employees at August 31, 2024 of our Stratos, Tessellis, HomeFed and M Science subsidiaries.

#### Revenues by Source

We present our results as two reportable business segments: Investment Banking and Capital Markets and Asset Management. Additionally, corporate activities are fully allocated to each of these reportable business segments.

Net revenues presented for our Investment Banking and Capital Markets reportable segment include allocations of interest income and interest expense as we assess the profitability of these businesses inclusive of the net interest revenue or expense associated with the respective activities, including the net interest cost of allocated short- and long-term debt, which is a function of the mix of each business's associated assets and liabilities and the related funding costs.

The remainder of our "Consolidated Results of Operations" is presented on a detailed product and expense basis. Our "Revenues by Source" is reported along the following business lines: Investment Banking, Equities, Fixed Income and Asset Management.

Debt valuation adjustments on derivative contracts, gains and losses on investments held in deferred compensation plans, foreign currency transaction gains or losses or certain other corporate income items are not considered by management in assessing the financial performance of our operating businesses and are, therefore, not reported as part of our business segment results.

| Three Months Ended August 31,                                 |                     |                   |                     |                   |               |
|---------------------------------------------------------------|---------------------|-------------------|---------------------|-------------------|---------------|
| 2025                                                          |                     |                   | 2024                |                   |               |
| <i>\$ in thousands</i>                                        | Amount              | % of Net Revenues | Amount              | % of Net Revenues | % Change      |
| Advisory .....                                                | \$ 655,578          | 32.0 %            | \$ 592,462          | 35.2 %            | 10.7 %        |
| Equity underwriting .....                                     | 181,205             | 8.9               | 150,096             | 8.9               | 20.7          |
| Debt underwriting .....                                       | 249,525             | 12.2              | 183,078             | 10.9              | 36.3          |
| Other investment banking .....                                | 49,017              | 2.4               | 17,930              | 1.1               | 173.4         |
| <b>Total Investment Banking .....</b>                         | <b>1,135,325</b>    | <b>55.5</b>       | <b>943,566</b>      | <b>56.1</b>       | <b>20.3</b>   |
| Equities .....                                                | 486,695             | 23.8              | 387,342             | 23.0              | 25.6          |
| Fixed income .....                                            | 236,687             | 11.6              | 289,183             | 17.2              | (18.2)        |
| <b>Total Capital Markets .....</b>                            | <b>723,382</b>      | <b>35.4</b>       | <b>676,525</b>      | <b>40.2</b>       | <b>6.9</b>    |
| <b>Total Investment Banking and Capital Markets (1) .....</b> | <b>1,858,707</b>    | <b>90.9</b>       | <b>1,620,091</b>    | <b>96.3</b>       | <b>14.7</b>   |
| Asset management fees and revenues .....                      | 15,916              | 0.8               | 13,261              | 0.8               | 20.0          |
| Investment return .....                                       | 68,026              | 3.3               | (40,135)            | (2.4)             | N/M           |
| Allocated net interest (2) .....                              | (18,550)            | (0.9)             | (16,016)            | (1.0)             | 15.8          |
| Other investments, inclusive of net interest .....            | 111,490             | 5.4               | 101,902             | 6.1               | 9.4           |
| <b>Total Asset Management .....</b>                           | <b>176,882</b>      | <b>8.6</b>        | <b>59,012</b>       | <b>3.5</b>        | <b>199.7</b>  |
| Other .....                                                   | 11,843              | 0.5               | 4,449               | 0.2               | 166.2         |
| <b>Net revenues .....</b>                                     | <b>\$ 2,047,432</b> | <b>100.0 %</b>    | <b>\$ 1,683,552</b> | <b>100.0 %</b>    | <b>21.6 %</b> |

| Nine Months Ended August 31,                                  |                    |                   |                     |                   |              |
|---------------------------------------------------------------|--------------------|-------------------|---------------------|-------------------|--------------|
| 2025                                                          |                    |                   | 2024                |                   |              |
| <i>\$ in thousands</i>                                        | Amount             | % of Net Revenues | Amount              | % of Net Revenues | % Change     |
| Advisory .....                                                | \$1,511,218        | 28.6 %            | \$ 1,214,927        | 23.9 %            | 24.4 %       |
| Equity underwriting .....                                     | 432,091            | 8.2               | 608,586             | 12.0              | (29.0)       |
| Debt underwriting .....                                       | 654,250            | 12.4              | 517,771             | 10.2              | 26.4         |
| Other investment banking .....                                | 4,765              | 0.1               | 116,679             | 2.3               | (95.9)       |
| <b>Total Investment Banking .....</b>                         | <b>2,602,324</b>   | <b>49.3</b>       | <b>2,457,963</b>    | <b>48.4</b>       | <b>5.9</b>   |
| Equities .....                                                | 1,421,997          | 27.0              | 1,182,025           | 23.3              | 20.3         |
| Fixed income .....                                            | 703,824            | 13.3              | 925,838             | 18.2              | (24.0)       |
| <b>Total Capital Markets .....</b>                            | <b>2,125,821</b>   | <b>40.3</b>       | <b>2,107,863</b>    | <b>41.5</b>       | <b>0.9</b>   |
| <b>Total Investment Banking and Capital Markets (1) .....</b> | <b>4,728,145</b>   | <b>89.6</b>       | <b>4,565,826</b>    | <b>89.9</b>       | <b>3.6</b>   |
| Asset management fees and revenues .....                      | 125,312            | 2.4               | 89,736              | 1.8               | 39.6         |
| Investment return .....                                       | 112,796            | 2.1               | 110,447             | 2.2               | 2.1          |
| Allocated net interest (2) .....                              | (54,915)           | (1.0)             | (47,031)            | (0.9)             | 16.8         |
| Other investments, inclusive of net interest .....            | 340,025            | 6.4               | 335,767             | 6.6               | 1.3          |
| <b>Total Asset Management .....</b>                           | <b>523,218</b>     | <b>9.9</b>        | <b>488,919</b>      | <b>9.7</b>        | <b>7.0</b>   |
| Other .....                                                   | 23,535             | 0.5               | 23,455              | 0.4               | 0.3          |
| <b>Net revenues .....</b>                                     | <b>\$5,274,898</b> | <b>100.0 %</b>    | <b>\$ 5,078,200</b> | <b>100.0 %</b>    | <b>3.9 %</b> |

N/M – Not Meaningful

- Allocated net interest is not separately disaggregated for Investment Banking and Capital Markets. This presentation is aligned to our Investment Banking and Capital Markets internal performance measurement.
- Allocated net interest represents an allocation to Asset Management of our long-term debt interest expense, net of interest income on our Cash and cash equivalents and other sources of liquidity. Allocated net interest has been disaggregated to increase transparency and to make clearer actual Investment return. We believe that aggregating Investment return and Allocated net interest would obscure the Investment return by including an amount that is unique to our credit spreads, debt maturity profile, capital structure, liquidity risks and allocation methods.

Beginning in the fourth quarter of 2024, revenues from corporate equity derivative transactions historically included within Other investment banking net revenues were reclassified to Equities net revenues as the underlying business has matured and has started to generate meaningful revenues. Prior year amounts have been revised to conform to this reclassification change to the current year reporting.

### Investment Banking Revenues

Investment banking is composed of revenues from:

- advisory services with respect to mergers and acquisitions, debt financing, restructurings and private capital transactions;
- underwriting services, which include debt underwriting and placement services related to investment grade debt, high yield bonds, leveraged loans, emerging market debt, global structured notes, municipal debt, mortgage-backed and asset-backed securities; equity underwriting and placement services related to equity offerings, preferred stock, and equity-linked securities; and loan syndication;
- our 50% share of net earnings from our corporate lending joint venture, Jefferies Finance;
- our 45% share of net earnings from our commercial real estate joint venture, Berkadia (which includes commercial mortgage origination and servicing);
- Foursight, our wholly-owned subsidiary engaged in the lending and servicing of automobile loans (until the sale in April 2024);
- securities and loans received or acquired in connection with our investment banking activities; and
- certain revenue-sharing agreements with SMBC primarily associated with investment banking transactions.

| Deals Completed                                           |                               |          |                              |          |
|-----------------------------------------------------------|-------------------------------|----------|------------------------------|----------|
|                                                           | Three Months Ended August 31, |          | Nine Months Ended August 31, |          |
|                                                           | 2025                          | 2024     | 2025                         | 2024     |
| Advisory transactions .....                               | 104                           | 103      | 280                          | 255      |
| Public and private equity and convertible offerings ..... | 52                            | 50       | 132                          | 172      |
| Public and private debt financings .....                  | 384                           | 324      | 865                          | 791      |
| Aggregate Value                                           |                               |          |                              |          |
|                                                           | Three Months Ended August 31, |          | Nine Months Ended August 31, |          |
|                                                           | 2025                          | 2024     | 2025                         | 2024     |
| <i>\$ in billions</i>                                     |                               |          |                              |          |
| Advisory transactions .....                               | \$ 128.9                      | \$ 107.7 | \$ 327.9                     | \$ 238.5 |
| Public and private equity and convertible offerings ..... | 25.8                          | 14.8     | 69.8                         | 59.2     |
| Public and private debt financings .....                  | 154.2                         | 133.3    | 401.7                        | 401.3    |

### Three Months Ended August 31, 2025 Versus August 31, 2024

Investment banking net revenues were \$1.14 billion, up 20.3% compared to \$943.6 million for the prior year quarter.

Advisory net revenues of \$655.6 million reflect our best quarter ever and were up 10.7% compared to \$592.5 million for the strong prior year quarter, driven by increased deal values in mergers and acquisitions across most sectors.

Total underwriting net revenues were \$430.7 million, up 29.3% from \$333.2 million for the prior year quarter, as market conditions for equity and debt underwriting improved.

Other investment banking net revenues were \$49.0 million, compared to net revenues of \$17.9 million for the prior year quarter and include mark-to-market net gains on certain investment positions. Performance from our strategic Berkadia joint venture increased while performance from our strategic Jefferies Finance joint venture remained flat from the prior year quarter.

Our investment banking backlog remains strong, although the extent and timing of its realization is always subject to change. Backlog snapshots are subject to limitations as the time frame for the realization of revenues from these expected transactions varies and is influenced by factors we do not control. Transactions not included in the estimate may occur, and expected transactions may be modified or cancelled.

### Nine Months Ended August 31, 2025 Versus August 31, 2024

Investment banking net revenues were \$2.60 billion, up 5.9% compared to \$2.46 billion for the prior year period.

Advisory net revenues were \$1.51 billion, up 24.4% compared to \$1.21 billion for the prior year period, driven by an increase in the average fee per deal earned by us from mergers and acquisitions advisory services.

Total underwriting net revenues were \$1.09 billion, down 3.6% compared to \$1.13 billion for the prior year period. Solid net revenues in Debt underwriting were driven by an increase in mergers and acquisition activity across most sectors and collateralized loan origination activity. Equity underwriting net revenues declined due to reduced transaction activity across most sectors, reflecting a broader industry slowdown driven by volatile equity market conditions in the first-half of 2025 as activity was significantly muted during this period. However, by June, market conditions began to strengthen and transaction volumes accelerated as economic and market clarity improved.

Other investment banking net revenues were \$4.8 million, compared to net revenues of \$116.7 million for the prior year period. A significant portion of the decrease is attributable to the prior year's inclusion of Foursight operating revenues as well as the gain on the sale of Foursight in April 2024. The current year also includes mark-to-market net losses on certain investment positions compared to mark-to-market net gains in the prior year period. Additionally, performance from our strategic Berkadia joint venture increased while performance from our strategic Jefferies Finance joint venture was lower than the prior year period.

### Equities Net Revenues

Equities is composed of net revenues from:

- services provided to our clients from which we earn commissions or spread revenue by executing, settling and clearing transactions for clients;
- advisory services offered to clients;
- financing, securities lending and other prime brokerage services offered to clients, including capital introductions and outsourced trading;
- corporate equity derivative transactions; and
- wealth management services.

### Three Months Ended August 31, 2025 Versus August 31, 2024

Equities net revenues were \$486.7 million, up 25.7% from \$387.3 million for the prior year quarter, as increased global volumes and prime brokerage activity drove stronger results, particularly within our U.S. and Europe equity cash business. Our equity options, corporate derivatives and global electronic trading businesses also produced strong results.

### Nine Months Ended August 31, 2025 Versus August 31, 2024

Equities net revenues were \$1.42 billion, up 20.3% compared to \$1.18 billion for the prior year period, as market share gains drove stronger results in our global electronic trading, Europe and Asia equity cash, equity options, prime services, and corporate derivatives businesses. These increases were partially offset by lower revenues from our U.S. equity cash business.

### Fixed Income Net Revenues

Fixed income is composed of net revenues from:

- executing transactions for clients and making markets in securitized products, investment grade, high-yield, distressed, emerging markets, municipal, sovereign and emerging markets securities and loans;
- customized products and corporate hedging and foreign currency solutions through derivative products; and
- financing and other structuring services.

### Three Months Ended August 31, 2025 Versus August 31, 2024

Fixed income net revenues were \$236.7 million, down 18.2% compared to \$289.2 million for the prior year quarter as a result of a challenging market in the current quarter as tight credit conditions continued to slow activity levels for the products and services where we are most active, impacting the overall trading environment and several of our businesses, including emerging markets, leveraged loan trading and distressed.

### Nine Months Ended August 31, 2025 Versus August 31, 2024

Fixed income net revenues were \$703.8 million, down 24.0% compared to \$925.8 million for the prior year period due to lower global activity levels and volatility in credit spreads for the first-half of 2025 meaningfully impacting the overall trading environment and several of our businesses, including distressed trading, emerging markets, municipals and rates.

### Asset Management

We operate a diversified alternative asset management platform offering institutional clients a range of investment strategies directly and through our affiliated asset managers. We provide certain of our affiliated asset managers access to our global marketing and distribution platform, as well as operational infrastructure and support. We often invest our own capital in the strategies offered by us and associated third-party asset managers in which we have an interest.

Asset management revenues include the following:

- management and performance fees from funds and accounts managed by us;
- revenue from affiliated asset managers where we are entitled to portions of their revenues and/or profits, as well as earnings on our ownership interests in our affiliated asset managers;
- investment income from our capital invested in and managed by us and our affiliated asset managers;
- investment and fund placement fees; and

- revenues from investments held in our other investments portfolio, including consolidated operations from real estate development activities, foreign exchange trading and telecommunications activities.

Asset management fees and revenues are impacted by the level of assets under management and the performance return of those assets, for the most part on an absolute basis, and, in certain cases, relative to a benchmark or hurdle. These components can be affected by financial markets, profits and losses in the applicable investment portfolios and client capital activity. Further, asset management fees vary with the nature of investment management services. The terms under which clients may terminate our investment management agreements, and the requisite notice period for such termination, vary depending on the nature of the investment vehicle and the liquidity of the portfolio assets. In some instances, performance fees and similar revenues are recognized once a year, when they become fixed and determinable and are not probable of being significantly reversed, typically in December. As a result, a significant portion of our performance fees and similar revenues generated from investment returns in a calendar year are recognized in our following fiscal year.

| Three Months Ended August 31,                         |                   |                  |                |
|-------------------------------------------------------|-------------------|------------------|----------------|
| \$ in thousands                                       | 2025              | 2024             | % Change       |
| Asset management fees and other ..                    | \$ 8,235          | \$ 7,189         | 14.6 %         |
| Revenue from strategic affiliates (1)                 | 7,681             | 6,072            | 26.5 %         |
| <b>Total asset management fees and revenues .....</b> | <b>15,916</b>     | <b>13,261</b>    | <b>20.0 %</b>  |
| Investment return .....                               | 68,026            | (40,135)         | N/M            |
| Allocated net interest .....                          | (18,550)          | (16,016)         | 15.8 %         |
| Other investments .....                               | 111,490           | 101,902          | 9.4 %          |
| <b>Total Asset Management .....</b>                   | <b>\$ 176,882</b> | <b>\$ 59,012</b> | <b>199.7 %</b> |

| Nine Months Ended August 31,                          |                   |                   |               |
|-------------------------------------------------------|-------------------|-------------------|---------------|
| \$ in thousands                                       | 2025              | 2024              | % Change      |
| Asset management fees and other ..                    | \$ 61,538         | \$ 43,540         | 41.3 %        |
| Revenue from strategic affiliates (1)                 | 63,774            | 46,196            | 38.1 %        |
| <b>Total asset management fees and revenues .....</b> | <b>125,312</b>    | <b>89,736</b>     | <b>39.6 %</b> |
| Investment return .....                               | 112,796           | 110,447           | 2.1 %         |
| Allocated net interest .....                          | (54,915)          | (47,031)          | 16.8 %        |
| Other investments .....                               | 340,025           | 335,767           | 1.3 %         |
| <b>Total Asset Management .....</b>                   | <b>\$ 523,218</b> | <b>\$ 488,919</b> | <b>7.0 %</b>  |

- (1) These amounts include our share of fees received by affiliated asset management companies with which we have revenue and profit share arrangements, as well as earnings on our ownership interest in affiliated asset managers.

### Three Months Ended August 31, 2025 Versus August 31, 2024

Asset management fees and revenues were \$15.9 million, up 20.0% compared to \$13.3 million for the prior year quarter, reflecting higher management and performance fees on funds managed by us and through our strategic affiliates.

Investment return was \$68.0 million, compared to \$(40.1) million for the prior year quarter due to improved returns generated across a number of fund strategies, particularly those with a long equity bias.

Other investments net revenues were \$111.5 million, up 9.4% compared to \$101.9 million in the prior year quarter, primarily driven by unrealized gains on certain investment positions.

## Nine Months Ended August 31, 2025 Versus August 31, 2024

Asset management fees and revenues were \$125.3 million, up 39.6% compared to \$89.7 million for the prior year period, reflecting higher performance fees on funds managed by us and through our strategic affiliates.

Investment return was \$112.8 million, up 2.1% compared to \$110.4 million for the prior year period, as investment outperformance across multiple fund strategies was partially offset by losses in several other strategies during the current year.

Other investments net revenues were \$340.0 million and remained relatively flat compared to \$335.8 million for the prior year period.

### Assets Under Management

Aggregate net asset values or net asset value equivalent assets under management:

| \$ in millions                                                                                | August 31,<br>2025 | November 30,<br>2024 |
|-----------------------------------------------------------------------------------------------|--------------------|----------------------|
| Net asset values of seed investments                                                          | \$ 1,923           | \$ 1,761             |
| Net asset values of financed investments                                                      | 1,025              | 1,174                |
| Net asset values of investments (1)                                                           | 2,948              | 2,935                |
| Assets under management by affiliated asset managers with revenue sharing arrangements (2)    | 25,262             | 22,515               |
| Third-party and other investments actively managed by our wholly-owned managers (3)           | 2,671              | 2,596                |
| <b>Total aggregate net asset values or net asset value equivalent assets under management</b> | <b>\$ 30,881</b>   | <b>\$ 28,046</b>     |

- (1) Revenues related to the investments made by us are presented in Investment return within the results of our asset management businesses.
- (2) Revenues from our share of fees received by affiliated asset managers are presented in Revenue from strategic affiliates within the results of our asset management business. November 30, 2024 includes an adjustment of \$3.02 billion.
- (3) We earn asset management fees as a result of the third-party investments, which are presented in Asset management fees and revenues within the results of our asset management business.

Assets under management are based on the net asset value or net asset value equivalent of a fund plus unfunded capital commitments to the fund, the net asset value equivalents of separately managed accounts and the fair value of any invested capital in our consolidated funds and separately managed accounts. Assets under management is generally based on how fee and revenues are calculated and the measure also includes funds and separately managed accounts for which we do not charge fees.

Our definition of assets under management is not based on any definition contained in any of our investment management agreements and differs from the manner in which "Regulatory Assets Under Management" is reported to the SEC on Form ADV.

### Asset Management Investments

Our asset management business makes seed and additional strategic investments directly in alternative asset management separately managed accounts and co-mingled funds where we act as the asset manager or in affiliated asset managers where we have strategic relationships and participate in the revenues or profits of the affiliated manager.

## Investments by type of asset manager:

| \$ in thousands                                    | August 31,<br>2025  | November 30,<br>2024 |
|----------------------------------------------------|---------------------|----------------------|
| <b>Jefferies Financial Group Inc.; as manager:</b> |                     |                      |
| Fund investments (1)                               | \$ 183,556          | \$ 199,248           |
| Separately managed accounts (2)                    | 224,663             | 177,998              |
| <b>Total</b>                                       | <b>\$ 408,219</b>   | <b>\$ 377,246</b>    |
| <b>Strategic affiliates; as manager:</b>           |                     |                      |
| Fund investments (1)                               | \$ 1,189,355        | \$ 944,940           |
| Separately managed accounts (2)                    | 325,837             | 439,043              |
| Investments in asset managers                      | 168,124             | 81,403               |
| <b>Total</b>                                       | <b>\$ 1,683,316</b> | <b>\$ 1,465,386</b>  |
| <b>Total asset management investments</b>          | <b>\$ 2,091,535</b> | <b>\$ 1,842,632</b>  |

- (1) Due to the level or nature of an investment in a fund, we may consolidate that fund; and accordingly, the assets and liabilities of the fund are included in the representative line items in our consolidated financial statements. At August 31, 2025 and November 30, 2024 \$12.4 million and \$11.3 million, respectively, represent net investments in funds that have been consolidated in our financial statements.
- (2) Where we have investments in a separately managed account, the assets and liabilities of such account are presented in our consolidated financial statements within each respective line item.

### Other

Other revenues include foreign currency transaction gains or losses, debt valuation adjustments on derivative contracts, gains and losses on investments held in deferred compensation plans or certain other corporate income items that are not attributed to business segments as management does not consider such amounts in assessing the financial performance of our operating businesses.

### Non-interest Expenses

| Three Months Ended<br>August 31,   |                     |                     |               |
|------------------------------------|---------------------|---------------------|---------------|
| \$ in thousands                    | 2025                | 2024                | % Change      |
| Compensation and benefits          | \$ 1,083,510        | \$ 889,098          | 21.9 %        |
| Brokerage and clearing fees        | 121,164             | 101,119             | 19.8          |
| Underwriting costs                 | 20,332              | 14,017              | 45.1          |
| Technology and communications      | 157,171             | 136,953             | 14.8          |
| Occupancy and equipment rental     | 32,908              | 30,078              | 9.4           |
| Business development               | 78,999              | 68,152              | 15.9          |
| Professional services              | 73,329              | 64,630              | 13.5          |
| Depreciation and amortization      | 53,230              | 45,977              | 15.8          |
| Cost of sales                      | 34,430              | 37,400              | (7.9)         |
| Other                              | 60,544              | 43,441              | 39.4          |
| <b>Total non-interest expenses</b> | <b>\$ 1,715,617</b> | <b>\$ 1,430,865</b> | <b>19.9 %</b> |

| Nine Months Ended<br>August 31,    |                     |                     |              |
|------------------------------------|---------------------|---------------------|--------------|
| \$ in thousands                    | 2025                | 2024                | % Change     |
| Compensation and benefits          | \$ 2,779,476        | \$ 2,677,962        | 3.8 %        |
| Brokerage and clearing fees        | 360,345             | 321,325             | 12.1         |
| Underwriting costs                 | 52,703              | 51,053              | 3.2          |
| Technology and communications      | 442,844             | 409,703             | 8.1          |
| Occupancy and equipment rental     | 93,818              | 87,558              | 7.1          |
| Business development               | 231,360             | 194,433             | 19.0         |
| Professional services              | 223,563             | 217,967             | 2.6          |
| Depreciation and amortization      | 136,471             | 139,125             | (1.9)        |
| Cost of sales                      | 118,959             | 109,533             | 8.6          |
| Other                              | 217,578             | 168,858             | 28.9         |
| <b>Total non-interest expenses</b> | <b>\$ 4,657,117</b> | <b>\$ 4,377,517</b> | <b>6.4 %</b> |

## **Total Non-interest Expenses**

### **Three Months Ended August 31, 2025 Versus August 31, 2024**

Non-interest expenses were \$1.72 billion, an increase of 19.9%, compared to \$1.43 billion for the prior year quarter, primarily due to an increase in compensation and benefits expenses attributable to higher net revenues.

### **Nine Months Ended August 31, 2025 Versus August 31, 2024**

Non-interest expenses were \$4.66 billion, an increase of 6.4%, compared to \$4.38 billion for the prior year period.

## **Compensation and Benefits**

Compensation and benefits expense consists of salaries, benefits, commissions, annual cash compensation and share-based awards and the amortization of share-based and cash compensation awards to employees.

Cash and share-based awards and a portion of cash awards granted to employees as part of year end compensation generally contain provisions such that employees who terminate their employment or are terminated without cause may continue to vest in their awards, so long as those awards are not forfeited as a result of other forfeiture provisions (primarily non-compete clauses) of those awards. Accordingly, the compensation expense for a portion of awards granted at year end as part of annual compensation is recorded during the year of the award. Compensation and benefits expense includes amortization expense associated with these awards to the extent vesting is contingent on future service. In addition, certain awards to our Chief Executive Officer and our President contain performance conditions and the awards are amortized over their service periods.

Compensation and benefits expense for the current quarter and current year was \$1.08 billion and \$2.78 billion, respectively, compared to \$889.1 million and \$2.68 billion for the prior year quarter and prior year period, respectively. A significant portion of our compensation expense is highly variable with net revenues. Compensation and benefits expense as a percentage of Net revenues was 52.9% and 52.7% for the current quarter and current year, respectively, compared to 52.8% and 52.7% for the prior year quarter and prior year period, respectively.

Compensation expense related to the amortization of share- and cash-based awards amounted to \$140.3 million and \$440.7 million for the current quarter and current year, respectively, compared to \$117.1 million and \$363.7 million for the prior year quarter and prior year period, respectively.

At August 31, 2025, we had 7,866 employees globally across all of our consolidated subsidiaries within our Investment Banking and Capital Markets and Asset Management reportable segments, an increase of 242 employees from our headcount of 7,624 at November 30, 2024. Included within our global headcount are 1,861 employees at August 31, 2025 and 1,907 employees at November 30, 2024 of our Stratos, Tessellis, HomeFed, and M Science subsidiaries.

## **Non-interest Expenses (Excluding Compensation and Benefits)**

### **Three Months Ended August 31, 2025 Versus August 31, 2024**

Non-compensation expenses as a percentage of Net revenues was 30.9% compared to 32.2% for the current quarter and prior year quarter, respectively, and was impacted by the following:

- Technology and communication were higher by \$20.2 million related to the continued development of various trading and management systems as well as higher data related costs.
- Brokerage and clearing fees were higher by \$20.0 million primarily due to increased global equities trading volumes.
- Business development was higher by \$10.8 million due to increased deal related costs.
- Other expenses were higher by \$17.1 million, including \$8.1 million related to litigation reserves.

### **Nine Months Ended August 31, 2025 Versus August 31, 2024**

Non-compensation expenses as a percentage of Net revenues was 35.6% compared to 33.5% for the current year and the prior year period, respectively, and was impacted by the following:

- Brokerage and clearing fees were higher by \$39.0 million primarily due to increased global equities trading volumes.
- Business development was higher by \$36.9 million due to increased deal related costs and increased expenses related to business travel, conferences and other events.
- Technology and communication were higher by \$33.1 million related to the continued development of various trading and management systems as well as higher data related costs.
- Other expenses were higher by \$48.7 million and the current year period includes approximately \$17.0 million in charitable donations, including \$9.6 million to support Los Angeles wildfire relief efforts, as well as a \$5.7 million land donation from HomeFed. Other expenses also include a write-down on certain assets held for sale. Other expenses for the prior year period include bad debt expenses of \$26.2 million largely related to the shutdown of Weiss. In addition, the prior year period includes activity from Foursight, which was sold in April 2024.

## **Income Taxes**

### **Three Months Ended August 31, 2025 Versus August 31, 2024**

The provision for income taxes on continuing operations was \$89.3 million and \$78.0 million for the three months ended August 31, 2025 and 2024, respectively, representing an effective tax rate of 26.9% and 30.9%, respectively. The lower rate was primarily driven by the resolution of certain state and local tax matters.

### **Nine Months Ended August 31, 2025 Versus August 31, 2024**

The provision for income taxes on continuing operations was \$147.0 million and \$207.1 million for the nine months ended August 31, 2025 and 2024, respectively, representing an effective tax rate of 23.8%, and 29.6%, respectively. The lower rate was primarily driven by the resolution of certain state and local tax matters.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law. The OBBBA permanently extends and modifies certain domestic and international provisions from the 2017 Tax Cuts and Jobs Act and phases out certain provisions from the 2022 Inflation Reduction Act. Certain domestic provisions will have retroactive effects beginning in 2025, while the international provisions will generally be effective for years beginning after December 31, 2025. The OBBBA is not expected to materially impact our fiscal 2025 results.

## Recent Business Developments

On September 19, 2025, we and the SMBC Group announced a significant expansion of our Japanese strategic alliance originally established in 2021. Key developments include:

- A planned formation of a joint venture in Japan to integrate our global equities platform with SMBC Group's domestic equity research, sales, trading, and equity capital markets businesses, expected to launch in January 2027;
- Expansion of joint sponsor coverage in EMEA, targeting larger sponsors with our combined investment banking and corporate banking capabilities;
- SMBC Group's intent to increase its economic ownership from 14.5% to up to 20% (on an as-converted and fully diluted basis), while maintaining less than 5% voting interest; and
- SMBC Group's commitment to provide approximately \$2.5 billion in new credit facilities to us and Jefferies Finance.

These initiatives are designed to deepen the partnership, leverage complementary strengths, and deliver enhanced services to clients.

## Accounting Developments

There are no accounting standard updates, except as discussed in Note 3, Accounting Developments in our consolidated financial statements included in this Quarterly Report on Form 10-Q which we have either determined are applicable or expected to have a material impact on our consolidated financial statements.

## Critical Accounting Estimates

Our consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and related notes. Actual results can and may differ from estimates. These differences could be material to our consolidated financial statements.

We believe our application of U.S. GAAP and the associated estimates are reasonable. Our accounting estimates are reevaluated, and adjustments are made when facts and circumstances dictate a change. Historically, we have found our application of accounting policies to be appropriate, and actual results have not differed materially from those determined using necessary estimates.

For further discussions of the following significant accounting policies and other significant accounting policies, refer to Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2024.

## Valuation of Financial Instruments

Financial instruments owned and Financial instruments sold, not yet purchased are recorded at fair value. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price). Unrealized gains or losses are generally recognized in Principal transactions revenues.

**Fair Value Hierarchy** – In determining fair value, we maximize the use of observable inputs and minimize the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data

obtained from independent sources. Unobservable inputs reflect our assumptions that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. We apply a hierarchy to categorize our fair value measurements broken down into three levels based on the transparency of inputs, where Level 1 uses observable prices in active markets and Level 3 uses valuation techniques that incorporate significant unobservable inputs. Greater use of management judgment is required in determining fair value when inputs are less observable or unobservable in the marketplace, such as when the volume or level of trading activity for a financial instrument has decreased and when certain factors suggest that observed transactions may not be reflective of orderly market transactions. Judgment must be applied in determining the appropriateness of available prices, particularly in assessing whether available data reflects current prices and/or reflects the results of recent market transactions. Prices or quotes are weighed when estimating fair value with greater reliability placed on information from transactions that are considered to be representative of orderly market transactions.

Fair value is a market-based measure; therefore, when market observable inputs are not available, our judgment is applied to reflect those judgments that a market participant would use in valuing the same asset or liability. The availability of observable inputs can vary for different products. We use prices and inputs that are current as of the measurement date even in periods of market disruption or illiquidity. The valuation of financial instruments categorized within Level 3 of the fair value hierarchy involves the greatest extent of management judgment. (Refer to Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2024 and Note 6, Fair Value Disclosures in our consolidated financial statements included in this Quarterly Report on Form 10-Q for further information on the definitions of fair value, Level 1, Level 2 and Level 3 and related valuation techniques.)

For information on the composition of our Financial instruments owned and Financial instruments sold, not yet purchased recorded at fair value and the composition of activity of our Level 3 assets and Level 3 liabilities, refer to Note 6, Fair Value Disclosures in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

**Controls Over the Valuation Process for Financial Instruments** – Our Independent Price Verification Group, independent of the trading function, plays an important role in determining that our financial instruments are appropriately valued and that fair value measurements are reliable. This is particularly important where prices or valuations that require inputs are less observable. In the event that observable inputs are not available, the control processes are designed to assure that the valuation approach utilized is appropriate and consistently applied and that the assumptions are reasonable. Where a pricing model is used to determine fair value, these control processes include reviews of the pricing model's theoretical soundness and appropriateness by risk management personnel with relevant expertise who are independent from the trading desks. In addition, recently executed comparable transactions and other observable market data are considered for purposes of validating assumptions underlying the model.

## Income Taxes

Significant judgment is required in estimating our provision for income taxes. In determining the provision for income taxes, we must make judgments and interpretations about how to apply inherently complex tax laws to numerous transactions and

business events. In addition, we must make estimates about the amount, timing and geographic mix of future taxable income, which includes various tax planning strategies to utilize tax attributes and deferred tax assets before they expire.

We record a valuation allowance to reduce our net deferred tax asset to the amount that is more likely than not to be realized. We are required to consider all available evidence, both positive and negative, and to weigh the evidence when determining whether a valuation allowance is required and the amount of such valuation allowance. Generally, greater weight is required to be placed on objectively verifiable evidence when making this assessment, in particular on recent historical operating results.

We also record reserves for unrecognized tax benefits based on our assessment of the probability of successfully sustaining tax filing positions. Management exercises significant judgment when assessing the probability of successfully sustaining tax filing positions, and in determining whether a contingent tax liability should be recorded and if so, estimating the amount. If our tax filing positions are successfully challenged, payments could be required that are in excess of reserved amounts or we may be required to reduce the carrying amount of our net deferred tax asset, either of which could be significant to our financial condition or results of operations.

#### **Impairment of Equity Method Investments**

We evaluate equity method investments for impairment when operating losses or other factors may indicate a decrease in value which is other than temporary. We consider a variety of factors including economic conditions nationally and in an investment's geographic area of operation, adverse changes in the industry in which an investment operates, declines in business prospects, deterioration in earnings, increasing costs of operations and other relevant factors specific to the investee. Whenever we believe conditions or events indicate that one of these investments might be significantly impaired, we generally obtain from such investee updated cash flow projections and obtain other relevant information related to assessing the overall valuation of the investee. Utilizing this information, we assess whether the investment is considered to be other-than-temporarily impaired. To the extent an investment is deemed to be other-than-temporarily impaired, an impairment charge is recognized for the amount, if any, by which the investment's book value exceeds our estimate of the investment's fair value.

#### **Goodwill**

At August 31, 2025, goodwill of \$1.84 billion represents 2.7% of total assets. The nature and accounting for goodwill is discussed in Note 2, Summary of Significant Accounting Policies in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2024 and Note 13, Goodwill and Intangible Assets in our consolidated financial statements included in this Quarterly Report on Form 10-Q. Goodwill must be allocated to reporting units and tested for impairment at least annually, or when circumstances or events make it more likely than not that an impairment occurred. Goodwill is tested by comparing the estimated fair value of each reporting unit with its carrying value. Our annual goodwill impairment testing date for a substantial portion of our reporting units is August 1 and November 30 for other identified reporting units. The results of our annual tests did not indicate any goodwill impairment.

We use allocated tangible equity plus allocated goodwill and intangible assets for the carrying amount of each reporting unit. The amount of tangible equity allocated to a reporting unit is based on our cash capital model deployed in managing our businesses, which seeks to approximate the capital a business would require if it were operating independently. For further information on our Cash Capital Policy, refer to the Liquidity, Financial Condition and Capital Resources section herein. Intangible assets are allocated to a reporting unit based on either specifically identifying a particular intangible asset as pertaining to a reporting unit or, if shared among reporting units, based on an assessment of the reporting unit's benefit from the intangible asset in order to generate results.

Estimating the fair value of a reporting unit requires management judgment and often involves the use of estimates and assumptions that could have a significant effect on whether or not an impairment charge is recorded and the magnitude of such a charge. Estimated fair values for our reporting units utilize market valuation methods that incorporate price-to-earnings and price-to-book multiples of comparable public companies and/or projected cash flows. Under the market valuation approach, the key assumptions are the selected multiples and our internally developed projections of future profitability, growth and return on equity for each reporting unit. The weight assigned to the multiples requires judgment in qualitatively and quantitatively evaluating the size, profitability and the nature of the business activities of the reporting units as compared to the comparable publicly-traded companies. The valuation methodology for our reporting units is sensitive to management's forecasts of future profitability, which are a significant component of the valuation and come with a level of uncertainty regarding trading volumes and capital market transaction levels. In addition, as the fair values determined under the market valuation approach represent a noncontrolling interest, we apply a control premium to arrive at the estimate fair value of each reporting unit on a controlling basis.

Carrying values of goodwill by reporting unit:

| <i>\$ in millions</i>                | <b>August 31,<br/>2025</b> | <b>November 30,<br/>2024</b> |
|--------------------------------------|----------------------------|------------------------------|
| Investment banking .....             | \$ 702.9                   | \$ 700.7                     |
| Equities and wealth management ..... | 256.2                      | 255.4                        |
| Fixed income .....                   | 578.7                      | 576.9                        |
| Asset management .....               | 143.0                      | 143.0                        |
| Other investments .....              | 159.6                      | 151.9                        |
| <b>Total .....</b>                   | <b>\$ 1,840.4</b>          | <b>\$ 1,827.9</b>            |

## Liquidity, Financial Condition and Capital Resources

Our CFO and Global Treasurer are responsible for developing and implementing our liquidity, funding and capital management strategies. These policies are determined by the nature and needs of our day-to-day business operations, business opportunities, regulatory obligations, and liquidity requirements.

Our actual levels of capital, total assets and financial leverage are a function of a number of factors, including asset composition, business initiatives and opportunities, regulatory requirements and cost and availability of both long term and short-term funding. We have historically maintained a balance sheet consisting of a large portion of our total assets in cash and liquid marketable securities. The liquid nature of these assets provides us with flexibility in financing and managing our business.

We also own a legacy portfolio of businesses and investments that are reflected as consolidated subsidiaries, equity investments or securities. Over the most recent years, we completed several critical steps to substantially liquidate our legacy Other investments portfolio of businesses, including the sales of Foursight in April 2024 and the wholesale operations of OpNet in August 2024.

In keeping with our strategy of returning excess liquidity to shareholders, during the nine months ended August 31, 2025, we returned an aggregate of \$339.2 million to shareholders primarily in the form of \$280.6 million in cash dividends and the repurchases of 734,957 common shares for a total of \$58.5 million at a weighted average price of \$79.58 per share in connection with the net share settlement for tax purposes of stock awards under our equity compensation plans.

We maintain modest leverage to support our investment grade ratings. The growth of our balance sheet is supported by our equity and we have quantitative metrics in place to monitor leverage and double leverage. Our capital plan is robust, in order to sustain our operating model through stressed conditions. We maintain adequate financial resources to support business activities in both normal and stressed market conditions, including a buffer in excess of our regulatory, or other internal or external, requirements. Our access to funding and liquidity is stable and efficient to ensure that there is sufficient liquidity to meet our financial obligations in normal and stressed market conditions.

### Our Balance Sheet

A business unit level balance sheet and cash capital analysis are prepared and reviewed with senior management on a weekly basis. As a part of this balance sheet review process, capital is allocated to all assets and gross balance sheet limits are adjusted, as necessary. This process ensures that the allocation of capital and costs of capital are incorporated into business decisions. The goals of this process are to protect the firm's platform, enable our businesses to remain competitive, maintain the ability to manage capital proactively and hold businesses accountable for both balance sheet and capital usage.

We actively monitor and evaluate our financial condition and the composition of our assets and liabilities. We continually monitor our overall securities inventory, including the inventory turnover rate, which confirms the liquidity of our overall assets. A significant portion of our financial instruments are valued on a daily basis and we monitor and employ balance sheet limits for our various businesses.

| <i>\$ in millions</i>                                                                                                         | August 31,<br>2025 | November 30,<br>2024 | % Change      |
|-------------------------------------------------------------------------------------------------------------------------------|--------------------|----------------------|---------------|
| Total assets                                                                                                                  | \$ 69,319.7        | \$ 64,360.3          | 7.7 %         |
| Cash and cash equivalents                                                                                                     | 11,458.5           | 12,153.4             | (5.7)         |
| Cash and securities segregated and on deposit for regulatory purposes or deposited with clearing and depository organizations | 1,111.6            | 1,132.6              | (1.9)         |
| Financial instruments owned                                                                                                   | 26,117.1           | 24,138.3             | 8.2           |
| Financial instruments sold, not yet purchased                                                                                 | 12,356.9           | 11,007.3             | 12.3          |
| Total Level 3 assets                                                                                                          | 802.9              | 734.2                | 9.4           |
| Securities borrowed                                                                                                           | \$ 8,175.1         | \$ 7,213.4           | 13.3 %        |
| Securities purchased under agreements to resell                                                                               | 7,917.5            | 6,179.7              | 28.1          |
| <b>Total securities borrowed and securities purchased under agreements to resell</b>                                          | <b>\$ 16,092.6</b> | <b>\$ 13,393.1</b>   | <b>20.2 %</b> |
| Securities loaned                                                                                                             | \$ 2,498.0         | \$ 2,540.9           | (1.7)%        |
| Securities sold under agreements to repurchase                                                                                | 12,090.6           | 12,337.9             | (2.0)         |
| <b>Total securities loaned and securities sold under agreements to repurchase</b>                                             | <b>\$ 14,588.6</b> | <b>\$ 14,878.8</b>   | <b>(2.0)%</b> |

Total assets at August 31, 2025 and November 30, 2024 were \$69.32 billion and \$64.36 billion, respectively, an increase of 7.7%. During the three and nine months ended August 31, 2025, average total assets were higher by 13.5% and 13.0%, respectively, than total assets at August 31, 2025.

Our total Financial instruments owned inventory was \$26.12 billion and \$24.14 billion at August 31, 2025 and November 30, 2024, respectively. During the nine months ended August 31, 2025, our total Financial instruments owned increased primarily due to increases in corporate equity securities, loans at fair value and derivative contracts, partially offset by a decrease in mortgage and asset backed securities. Financial instruments sold, not yet purchased inventory was \$12.36 billion at August 31, 2025, an increase of 12.3% from \$11.01 billion at November 30, 2024, with the increase primarily driven by increases in sovereign obligations, derivative contracts and corporate equity securities, partially offset by a decrease in U.S. government and agency securities. Our overall net inventory position was \$13.76 billion and \$13.13 billion at August 31, 2025 and November 30, 2024, respectively, with the increase primarily due to increases in loans at fair value, U.S. government and agency securities, and derivative contracts, partially offset by reductions in mortgage and asset backed securities and corporate equity securities.

Level 3 assets:

| <i>\$ in millions</i>     | August 31,<br>2025 | Percent       | November 30,<br>2024 | Percent       |
|---------------------------|--------------------|---------------|----------------------|---------------|
| Investment Banking        | \$ 129.7           | 16.2%         | \$ 146.7             | 20.0%         |
| Equities and Fixed Income | 404.2              | 50.3          | 312.2                | 42.5          |
| Asset Management (1)      | 229.4              | 28.6          | 256.2                | 34.9          |
| Other                     | 39.6               | 4.9           | 19.1                 | 2.6           |
| <b>Total</b>              | <b>\$ 802.9</b>    | <b>100.0%</b> | <b>\$ 734.2</b>      | <b>100.0%</b> |

(1) At August 31, 2025 and November 30, 2024, \$194.4 million and \$218.3 million, respectively, are attributed to Other investments within our Asset Management reportable segment.

Securities financing assets and liabilities include financing for our financial instruments trading activity, matched book transactions and mortgage finance transactions. Matched book transactions accommodate customers, as well as obtain securities for the settlement and financing of inventory positions. Our average month end balance of total reverse repos and stock

borrowings during three and nine months ended August 31, 2025 was 30.6% and 27.0% higher, respectively, than the balance at August 31, 2025. Our average month end balance of total repos and stock loans during three and nine months ended August 31, 2025 was 31.9% and 35.2% higher, respectively, than the balance at August 31, 2025.

Select information related to repurchase agreements:

| <i>\$ in millions</i>                                   | <b>Nine Months Ended<br/>August 31, 2025</b> | <b>Year Ended<br/>November 30,<br/>2024</b> |
|---------------------------------------------------------|----------------------------------------------|---------------------------------------------|
| <b>Securities Purchased Under Agreements to Resell:</b> |                                              |                                             |
| Period end .....                                        | \$ 7,917                                     | \$ 6,180                                    |
| Month end average .....                                 | 10,426                                       | 8,910                                       |
| Maximum month end .....                                 | 14,927                                       | 10,978                                      |
| <b>Securities Sold Under Agreements to Repurchase:</b>  |                                              |                                             |
| Period end .....                                        | \$ 12,091                                    | \$ 12,338                                   |
| Month end average .....                                 | 16,699                                       | 15,197                                      |
| Maximum month end .....                                 | 19,785                                       | 20,971                                      |

Fluctuations in the balance of our repurchase agreements from period to period and intraperiod are dependent on business activity in those periods. Additionally, the fluctuations in the balances of our securities purchased under agreements to resell are influenced in any given period by our clients' balances and our clients' desires to execute collateralized financing arrangements via the repurchase market or via other financing products. Average balances and period end balances will fluctuate based on market and liquidity conditions and we consider the fluctuations intraperiod to be typical for the repurchase market.

Leverage Ratios:

| <i>\$ in millions</i>                             | <b>August 31,<br/>2025</b> | <b>November 30,<br/>2024</b> |
|---------------------------------------------------|----------------------------|------------------------------|
| Total assets .....                                | \$ 69,320                  | \$ 64,360                    |
| Total equity .....                                | \$ 10,501                  | \$ 10,225                    |
| Total shareholders' equity .....                  | \$ 10,439                  | \$ 10,157                    |
| Deduct: Goodwill and intangible assets, net ..... | (2,053)                    | (2,054)                      |
| <b>Tangible shareholders' equity .....</b>        | <b>\$ 8,386</b>            | <b>\$ 8,103</b>              |
| Leverage ratio (1) .....                          | 6.6                        | 6.3                          |
| Tangible gross leverage ratio (2) .....           | 8.0                        | 7.7                          |

(1) Leverage ratio equals total assets divided by total equity.

(2) Tangible gross leverage ratio (a non-GAAP financial measure) equals total assets less goodwill and identifiable intangible assets, net divided by tangible shareholders' equity. The tangible gross leverage ratio is used by rating agencies in assessing our leverage ratio.

## Liquidity Management

The key objectives of the liquidity management framework are to support the successful execution of our business strategies while ensuring sufficient liquidity through the business cycle and during periods of financial and idiosyncratic distress. Our liquidity management policies are designed to mitigate the potential risk that we may be unable to access adequate financing to service our financial obligations without material franchise or business impact.

The principal elements of our liquidity management framework are our Cash Capital Policy, our assessment of Modeled Liquidity Outflow ("MLO") and our Contingency Funding Plan ("CFP").

**Liquidity Management Framework.** Our Liquidity Management Framework is based on a model of a potential liquidity contraction over a one-year time period. This incorporates potential cash outflows during a market or our idiosyncratic liquidity stress event, including, but not limited to, the following:

- Repayment of all unsecured debt maturing within one year and no incremental unsecured debt issuance;
- Maturity rolloff of outstanding letters of credit with no further issuance and replacement with cash collateral;
- Higher margin requirements than currently exist on assets on securities financing activity, including repurchase agreements and other secured funding including central counterparty clearinghouses;
- Liquidity outflows related to possible credit downgrade;
- Lower availability of secured funding;
- Client cash withdrawals;
- The anticipated funding of outstanding investment and loan commitments; and
- Certain accrued expenses and other liabilities and fixed costs.

**Cash Capital Policy.** We maintain a cash capital model that measures long-term funding sources against requirements. Sources of cash capital include our equity, mezzanine equity and the noncurrent portion of long-term borrowings. Uses of cash capital include the following:

- Illiquid assets such as equipment, goodwill, net intangible assets, exchange memberships, deferred tax assets and certain investments;
- A portion of securities inventory and other assets not expected to be financed on a secured basis in a credit stressed environment (i.e., margin requirements); and
- Drawdowns of unfunded commitments.

To ensure that we do not need to liquidate inventory in the event of a funding stress, we seek to maintain surplus cash capital. Our total long-term capital of \$22.51 billion at August 31, 2025 exceeded our cash capital requirements.

**MLO.** Our businesses are diverse, and our liquidity needs are determined by many factors, including market movements, collateral requirements and client commitments, all of which can change dramatically in a difficult funding environment. During a liquidity stress, credit-sensitive funding, including unsecured debt and some types of secured financing agreements, may be unavailable, and the terms (e.g., interest rates, collateral provisions and tenor) or availability of other types of secured financing may change. As a result of our policy to ensure we have sufficient funds to cover what we estimate may be needed in a liquidity stress, we hold more cash and unencumbered securities and have greater long-term debt balances than our businesses would otherwise require. As part of this estimation process, we calculate an MLO that could be experienced in a liquidity stress. MLO is based on a scenario that includes both a market-wide stress and firm-specific stress, characterized by some or all of the following elements:

- Global recession, default by a medium-sized sovereign, low consumer and corporate confidence, and general financial instability.
- Severely challenged market environment with material declines in equity markets and widening of credit spreads.

- Damaging follow-on impacts to financial institutions leading to the failure of a large bank.
- A firm-specific crisis potentially triggered by material losses, reputational damage, litigation, executive departure, and/or a ratings downgrade.

The following are the critical modeling parameters of the MLO:

- Liquidity needs over a 30-day scenario.
- A two-notch downgrade of our long-term senior unsecured credit ratings.
- No support from government funding facilities.
- A combination of contractual outflows, such as upcoming maturities of unsecured debt, and contingent outflows (e.g., actions though not contractually required, we may deem necessary in a crisis). We assume that most contingent outflows will occur within the initial days and weeks of a stress.
- No diversification benefit across liquidity risks. We assume that liquidity risks are additive.

The calculation of our MLO under the above stresses and modeling parameters considers the following potential contractual and contingent cash and collateral outflows:

- All upcoming maturities of unsecured long-term debt, promissory notes and other unsecured funding products assuming we will be unable to issue new unsecured debt or rollover any maturing debt.
- Repurchases of our outstanding long-term debt in the ordinary course of business as a market maker.
- A portion of upcoming contractual maturities of secured funding activity due to either the inability to refinance or the ability to refinance only at wider haircuts (i.e., on terms which require us to post additional collateral). Our assumptions reflect, among other factors, the quality of the underlying collateral and counterparty concentration.
- Collateral postings to counterparties due to adverse changes in the value of our over-the-counter ("OTC") derivatives and other outflows due to trade terminations, collateral substitutions, collateral disputes, collateral calls or termination payments required by a two-notch downgrade in our credit ratings.
- Variation margin postings required due to adverse changes in the value of our outstanding exchange-traded derivatives and any increase in initial margin and guarantee fund requirements by derivative clearing houses.
- Liquidity outflows associated with our prime services business, including withdrawals of customer credit balances, and a reduction in customer short positions.
- Liquidity outflows to clearing banks to ensure timely settlements of cash and securities transactions.
- Draws on our unfunded commitments considering, among other things, the type of commitment and counterparty.
- Other upcoming large cash outflows, such as employee compensation, tax and dividend payments, with no expectation of future dividends from any subsidiaries.

Based on the sources and uses of liquidity calculated under the MLO scenarios, we determine, based on a calculated surplus or deficit, additional long-term funding that may be needed versus funding through the repurchase financing market and consider

any adjustments that may be necessary to our inventory balances and cash holdings. At August 31, 2025, we had sufficient excess liquidity to meet all contingent cash outflows detailed in the MLO for at least 30 days without balance sheet reduction. We regularly refine our model to reflect changes in market or economic conditions and our business mix.

**CFP.** Our CFP ensures the ability to access adequate liquid financial resources to meet liquidity shortfalls that may arise in emergency situations. The CFP triggers the following actions:

- Sets out the governance for managing liquidity during a liquidity crisis;
- Identifies key liquidity and capital early warning indicators that will help guide the response to the liquidity crisis;
- Identifies the actions and escalation procedures should we experience a liquidity crisis including coordination amongst senior management and the Board of Directors;
- Sets out the sources of funding available during a liquidity crisis;
- Sets out the communication plan during a liquidity crisis for key external stakeholders including regulators, relationship banks, rating agencies and funding counterparties; and
- Sets out an action plan to source additional funding.

### Sources of Liquidity

Financial instruments that are cash and cash equivalents or are deemed by management to be generally readily convertible into cash, marginable or accessible for liquidity purposes within a relatively short period of time:

| <i>\$ in thousands</i>                                                                                               | August 31,<br>2025   | Average<br>Balance<br>Quarter Ended<br>August 31, 2025<br>(1) | November 30,<br>2024 |
|----------------------------------------------------------------------------------------------------------------------|----------------------|---------------------------------------------------------------|----------------------|
| <b>Cash and cash equivalents:</b>                                                                                    |                      |                                                               |                      |
| Cash in banks                                                                                                        | \$ 3,587,781         | \$ 4,948,501                                                  | \$ 3,925,535         |
| Money market investments (2)                                                                                         | 7,870,691            | 5,892,255                                                     | 8,227,879            |
| <b>Total cash and cash equivalents</b>                                                                               | <b>11,458,472</b>    | <b>10,840,756</b>                                             | <b>12,153,414</b>    |
| <b>Other sources of liquidity:</b>                                                                                   |                      |                                                               |                      |
| Debt securities owned and securities purchased under agreements to resell (3)                                        | 1,925,337            | 1,854,917                                                     | 1,287,564            |
| Other (4)                                                                                                            | 780,180              | 812,470                                                       | 573,042              |
| <b>Total other sources</b>                                                                                           | <b>2,705,517</b>     | <b>2,667,387</b>                                              | <b>1,860,606</b>     |
| <b>Total cash and cash equivalents and other liquidity sources</b>                                                   | <b>\$ 14,163,989</b> | <b>\$ 13,508,143</b>                                          | <b>\$ 14,014,020</b> |
| Total cash and cash equivalents and other liquidity sources as % of Total assets                                     | 20.4 %               |                                                               | 21.8 %               |
| Total cash and cash equivalents and other liquidity sources as % of Total assets less goodwill and intangible assets | 21.1 %               |                                                               | 22.5 %               |

- (1) Average balances are calculated based on weekly balances.
- (2) At August 31, 2025 and November 30, 2024, \$7.85 billion and \$8.21 billion, respectively, was invested in U.S. government money funds that invest primarily in cash, securities issued by the U.S. government and U.S. government-sponsored entities, and repurchase agreements that are fully collateralized by cash or government securities. The remaining balances at August 31, 2025 and November 30, 2024 are primarily invested in AAA-rated prime money funds. The average balance of U.S. government money funds for the quarter ended August 31, 2025 was \$5.88 billion.
- (3) Consists of high-quality sovereign government securities and reverse repurchase agreements collateralized by U.S. government securities and other high quality sovereign government securities; deposits with a central bank within the European Economic Area, United Kingdom, Canada, Australia, Japan, Switzerland or the U.S.; and securities issued by a designated multilateral development bank and reverse repurchase agreements with underlying collateral composed of these securities.

- (4) Other includes unencumbered inventory representing an estimate of the amount of additional secured financing that could be reasonably expected to be obtained from our Financial instruments owned that are currently not pledged after considering reasonable financing haircuts.

In addition to the cash balances and liquidity pool presented above, the majority of financial instruments (both long and short) in our trading accounts are actively traded and readily marketable. At August 31, 2025, we had the ability to readily obtain repurchase financing for 71.8% of our inventory at haircuts of 10% or less, which reflects the liquidity of our inventory. In addition, as a matter of our policy, all of these assets have internal capital assessed, which is in addition to the funding haircuts provided in the securities finance markets. Additionally, certain of our Financial instruments owned primarily consisting of loans and investments are predominantly funded by long term capital. Under our cash capital policy, we model capital allocation levels that are more stringent than the haircuts used in the market for secured funding; and we maintain surplus capital at these more stringent levels. We continually assess the liquidity of our inventory based on the level at which we could obtain financing in the marketplace for a given asset. Assets are considered to be liquid if financing can be obtained in the repurchase market or the securities lending market at collateral haircut levels of 10% or less.

Financial instruments by asset class that we consider to be of a liquid nature and the amount of such assets that have not been pledged as collateral:

|                                                        | August 31, 2025              |                                               | November 30, 2024            |                                               |
|--------------------------------------------------------|------------------------------|-----------------------------------------------|------------------------------|-----------------------------------------------|
| <i>\$ in thousands</i>                                 | Liquid Financial Instruments | Unencumbered Liquid Financial Instruments (1) | Liquid Financial Instruments | Unencumbered Liquid Financial Instruments (1) |
| Corporate equity securities .....                      | \$ 5,622,725                 | \$ 965,125                                    | \$ 5,280,920                 | \$ 781,490                                    |
| Corporate debt securities .....                        | 5,418,081                    | 252,094                                       | 5,179,229                    | 339,500                                       |
| U.S. government, agency and municipal securities ..... | 3,929,278                    | 165,432                                       | 4,061,773                    | 75,911                                        |
| Other sovereign obligations .....                      | 1,656,706                    | 1,744,260                                     | 1,361,762                    | 1,044,630                                     |
| Agency mortgage-backed securities (2) .....            | 2,008,389                    | —                                             | 2,695,282                    | —                                             |
| Loans and other receivables .....                      | 129,589                      | —                                             | 978                          | —                                             |
| <b>Total .....</b>                                     | <b>\$ 18,764,768</b>         | <b>\$ 3,126,911</b>                           | <b>\$ 18,579,944</b>         | <b>\$ 2,241,531</b>                           |

(1) Unencumbered liquid balances represent assets that can be sold or used as collateral for a loan but have not been.

(2) Consists solely of agency mortgage-backed securities issued by the Federal Home Loan Mortgage Corporation ("Freddie Mac"), the Federal National Mortgage Association ("Fannie Mae") and the Government National Mortgage Association ("Ginnie Mae").

In addition to being able to be readily financed at reasonable haircut levels, we estimate that each of the individual securities within each asset class above could be sold into the market and converted into cash within three business days under normal market conditions, assuming that the entire portfolio of a given asset class was not simultaneously liquidated. There are no restrictions on the unencumbered liquid securities, nor have they been pledged as collateral.

## Sources of Funding and Capital Resources

Our assets are funded by equity capital, senior debt, securities loaned, securities sold under agreements to repurchase, customer free credit balances, bank loans and other payables.

### Secured Financing

We rely principally on readily available secured funding to finance our inventory of financial instruments owned and financial instruments sold. Our ability to support increases in total assets is largely a function of our ability to obtain short- and intermediate-term secured funding, primarily through securities financing transactions. We finance a portion of our long inventory and cover some of our short inventory by pledging and borrowing securities in the form of repurchase or reverse repurchase agreements (collectively "repos"), respectively. During the nine months ended August 31, 2025, an average of approximately 55.4% of our cash and noncash repurchase financing activities used collateral that was considered eligible collateral by central clearing corporations. Central clearing corporations are situated between participating members who borrow cash and lend securities (or vice versa); accordingly, repo participants contract with the central clearing corporation and not one another individually. Therefore, counterparty credit risk is borne by the central clearing corporation which mitigates the risk through initial margin demands and variation margin calls from repo participants. The comparatively large proportion of our total repo activity that is eligible for central clearing reflects the high quality and liquid composition of the inventory we carry in our trading books. For those asset classes not eligible for central clearing house financing, we seek to execute our bi-lateral financings on an extended term basis and the tenor of our repurchase and reverse repurchase agreements generally exceeds the expected holding period of the assets we are financing. The weighted average maturity of cash and noncash repurchase agreements for non-clearing corporation eligible funded inventory is approximately eight months at August 31, 2025.

Our ability to finance our inventory via central clearinghouses and bi-lateral arrangements is augmented by our ability to draw bank loans on an uncommitted basis under our various banking arrangements. At August 31, 2025, short-term borrowings, which must be repaid within one year or less include bank loans, overdrafts and borrowings under revolving credit facilities. Letters of credit are used in the normal course of business mostly to satisfy various collateral requirements in favor of exchanges in lieu of depositing cash or securities. Average daily short-term borrowings outstanding were \$1.32 billion and \$1.13 billion for the three and nine months ended August 31, 2025, respectively.

At August 31, 2025 and November 30, 2024, our borrowings under bank loans in Short-term borrowings were \$525.6 million and \$414.5 million, respectively. Our borrowings include credit facilities that contain certain covenants that, among other things, require us to maintain a specified level of tangible net worth, require a minimum regulatory net capital requirement for our U.S. broker-dealer, Jefferies LLC, and impose certain restrictions on the future indebtedness of certain of our subsidiaries that are borrowers. Interest is based on rates at spreads over the federal funds rate or other adjusted rates, as defined in the various credit agreements, or at a rate as agreed between the bank and us in reference to the bank's cost of funding. At August 31, 2025, we were in compliance with all covenants under these credit facilities.

In addition to the above financing arrangements, we issue notes backed by eligible collateral under master repurchase agreements, which provide an additional financing source for our inventory (our “repurchase agreement financing program”). The notes issued under the program are presented within Other secured financings. At August 31, 2025, the outstanding notes totaled \$2.49 billion, bear interest at a spread over the Secured Overnight Funding Rate (“SOFR”) or the Euro Short-Term Rate (“ESTER”) and mature from September 2025 to October 2028.

#### Total Long-Term Capital

At August 31, 2025 and November 30, 2024, we had total long-term capital of \$22.51 billion and \$21.66 billion, respectively, resulting in a long-term debt to equity capital ratio of 1.14:1 and 1.12:1, respectively.

| <i>\$ in thousands</i>         | <b>August 31,<br/>2025</b> | <b>November 30,<br/>2024</b> |
|--------------------------------|----------------------------|------------------------------|
| Unsecured Long-Term Debt (1)   | \$ 12,008,375              | \$ 11,430,610                |
| Total Mezzanine Equity         | 406                        | 406                          |
| Total Equity                   | 10,500,910                 | 10,224,987                   |
| <b>Total Long-Term Capital</b> | <b>\$ 22,509,691</b>       | <b>\$ 21,656,003</b>         |

(1) The amounts at August 31, 2025 and November 30, 2024 exclude our secured long-term debt. The amount at November 30, 2024 excludes \$8.5 million of our 5.500% Callable Note as the note matured on February 22, 2025, \$5.4 million of our 6.000% Callable Note as the note matured on June 16, 2025, \$6.2 million of our 4.500% Callable Note as the note matured on July 22, 2025, and \$500.0 million of our 5.100% Callable Note as the note matures on September 15, 2025. The amount at August 31, 2025 excludes \$449.7 million and \$876.3 million of our Callable Notes as the notes mature on March 16, 2026 and April 16, 2026, respectively, and \$45.6 million of our Floating Senior Notes as the note matures on June 19, 2026. The amounts at August 31, 2025 and November 30, 2024 also exclude \$147.5 million and \$157.6 million, respectively, of structured notes as the notes mature within one year.

#### Long-Term Debt

During the nine months ended August 31, 2025, long-term debt increased by \$2.48 billion to \$16.01 billion at August 31, 2025, as presented in our Consolidated Statements of Financial Condition. This increase is primarily due to proceeds of \$350.0 million from the drawdown of an unsecured credit facility, \$1.00 billion from the issuances of unsecured senior notes, \$527.2 million from net issuances of structured notes, \$1.01 billion from increased subsidiaries’ borrowings, and \$326.4 million from currency losses on foreign currency borrowings. These increases were partially offset by repayments of \$775.4 million on our unsecured senior notes.

At August 31, 2025, our unsecured long-term debt has a weighted average maturity of approximately 7.2 years.

At August 31, 2025 and November 30, 2024, our borrowings under several credit facilities classified within Long-term debt in our Consolidated Statements of Financial Condition amounted to \$1.20 billion and \$775.3 million, respectively. Interest on these credit facilities is based on an adjusted SOFR plus a spread or other adjusted rates, as defined in the various credit agreements. The credit facility agreements contain certain covenants that, among other things, require us to maintain specified levels of tangible net worth and liquidity amounts, certain credit and rating levels and impose certain restrictions on future indebtedness of and require specified levels of regulated capital and cash reserves for certain of our subsidiaries. At August 31, 2025, we were in compliance with all covenants under these credit facilities.

#### Long-term debt ratings:

|                           | <b>Rating</b> | <b>Outlook</b> |
|---------------------------|---------------|----------------|
| Moody’s Investors Service | Baa2          | Stable         |
| Standard & Poor’s         | BBB           | Stable         |
| Fitch Ratings             | BBB+          | Stable         |

|                           | <b>Jefferies LLC</b> |                | <b>Jefferies International Limited</b> |                | <b>Jefferies GmbH</b> |                |
|---------------------------|----------------------|----------------|----------------------------------------|----------------|-----------------------|----------------|
|                           | <b>Rating</b>        | <b>Outlook</b> | <b>Rating</b>                          | <b>Outlook</b> | <b>Rating</b>         | <b>Outlook</b> |
| Moody’s Investors Service | Baa1                 | Stable         | Baa1                                   | Stable         | Baa1                  | Stable         |
| Standard & Poor’s         | BBB+                 | Stable         | BBB+                                   | Stable         | BBB+                  | Stable         |

Access to external financing to finance our day-to-day operations, as well as the cost of that financing, is dependent upon various factors, including our debt ratings. Our current debt ratings are dependent upon many factors, including industry dynamics, operating and economic environment, operating results, operating margins, earnings trend and volatility, balance sheet composition, liquidity and liquidity management, our capital structure, our overall risk management, business diversification and our market share and competitive position in the markets in which we operate. Deterioration in any of these factors could impact our credit ratings. While certain aspects of a credit rating downgrade are quantifiable pursuant to contractual provisions, the impact on our business and trading results in future periods is inherently uncertain and depends on a number of factors, including the magnitude of the downgrade, the behavior of individual clients and future mitigating action taken by us.

In connection with certain over-the-counter derivative contract arrangements and certain other trading arrangements, we may be required to provide additional collateral to counterparties, exchanges and clearing organizations in the event of a credit rating downgrade. At August 31, 2025, the amount of additional collateral that could be called by counterparties, exchanges and clearing organizations under the terms of such agreements in the event of a downgrade of our long-term credit rating below investment grade was \$288.3 million. For certain foreign clearing organizations, credit rating is only one of several factors employed in determining collateral that could be called. The above represents management’s best estimate for additional collateral to be called in the event of a credit rating downgrade. The impact of additional collateral requirements is considered in our CFP and calculation of MLO, as described above.

On September 19, 2025, the SMBC Group announced its commitment to provide approximately \$2.5 billion in new credit facilities.

#### Equity Capital

##### Common Stock

At August 31, 2025 and November 30, 2024, we had 565,000,000 authorized shares of voting common stock with a par value of \$1.00 per share and had 206,280,296 and 205,504,272 common shares outstanding, respectively. At August 31, 2025, we had 14,213,680 share-based awards that do not require the holder to pay any exercise price and 5,064,740 stock options that require the holder to pay a weighted average exercise price of \$22.69 per share.

The Board of Directors has authorized the repurchase of common stock up to \$250.0 million under a share repurchase program. We did not purchase any shares under our share repurchase program during the nine months ended August 31, 2025. Treasury stock repurchases during the nine months ended August 31, 2025 represent repurchases of common stock for net-share tax withholding under our equity compensation plan.

#### *Dividends*

##### **Nine Months Ended August 31, 2025**

| <b>Declaration Date</b> | <b>Record Date</b> | <b>Payment Date</b> | <b>Per Common Share Amount</b> |
|-------------------------|--------------------|---------------------|--------------------------------|
| January 8, 2025         | February 14, 2025  | February 27, 2025   | \$0.40                         |
| March 26, 2025          | May 19, 2025       | May 29, 2025        | \$0.40                         |
| June 25, 2025           | August 18, 2025    | August 29, 2025     | \$0.40                         |

On January 8, 2025, the Board of Directors increased our quarterly dividend from \$0.35 to \$0.40 per common share. On September 29, 2025, the Board of Directors declared a dividend of \$0.40 per common share to be paid on November 26, 2025 to common shareholders of record at November 17, 2025.

The payment of dividends is subject to the discretion of our Board of Directors and depends upon general business conditions and other factors that our Board of Directors may deem to be relevant.

#### *Non-Voting Common Stock*

On June 28, 2023, shareholders approved an Amended and Restated Certificate of Incorporation, which authorized the issuance of 35,000,000 shares of non-voting common stock with a par value of \$1.00 per share (the "Non-Voting Common Shares"). The Non-Voting Common Shares are entitled to share equally, on a per share basis, with the voting common stock, in dividends and distributions. Upon the effectiveness of the Amended and Restated Certificate of Incorporation on June 30, 2023, the number of authorized shares of common stock remains at 600,000,000 shares, composed of 565,000,000 shares of voting common stock and 35,000,000 shares of Non-Voting Common Shares.

#### *Preferred Stock*

On April 27, 2023, we established Series B Non-Voting Convertible Preferred Shares with a par value of \$1.00 per share ("Series B Preferred Stock") and designated 70,000 shares as Series B Preferred Stock. The Series B Preferred Stock has a liquidation preference of \$17,500 per share and rank senior to our voting common stock upon dissolution, liquidation or winding up of Jefferies Financial Group Inc. Each share of Series B Preferred Stock is automatically convertible into 500 shares of non-voting common stock, subject to certain anti-dilution adjustments, three years after issuance. The Series B Preferred Stock participates in cash dividends and distributions alongside our voting common stock on an as-converted basis.

Additionally, on April 27, 2023, we entered into an Exchange Agreement with Sumitomo Mitsui Banking Corporation ("SMBC"), which entitles SMBC to exchange shares of our voting common stock for shares of the Series B Preferred Stock at a rate of 500 shares of voting common stock for one share of Series B Preferred Stock. The Exchange Agreement is limited to 55,125 shares of Preferred Stock and SMBC is required to pay \$1.50 per share of voting common stock so exchanged. As of November 30, 2024, SMBC had cumulatively exchanged approximately 27.6 million shares of voting common stock for 55,125 shares of Series B Preferred Stock. Following this exchange, SMBC increased its ownership of our common stock on an as-converted

basis and fully-diluted, as-converted basis. As a result, the CEO of Sumitomo Mitsui Financial Group, Inc. was elected and now serves on our Board of Directors. On September 19, 2024, SMBC purchased 9.2 million shares of our common stock. At August 31, 2025, SMBC owns approximately 15.7% of our common stock on an as-converted basis and 14.5% on a fully-diluted, as-converted basis. Refer to Note 22, Related Party Transactions for further information regarding transactions with SMBC.

On September 19, 2025, our Board of Directors established Series B-1 Non-Voting Convertible Preferred Shares with a par value of \$1.00 per share ("Series B-1 Preferred Stock") and designated 17,500 shares as Series B-1 Preferred Stock. The Series B-1 Preferred Stock has a liquidation preference of \$500 per share and ranks senior to our voting common stock and equal to the Series B Preferred Stock upon dissolution, liquidation or winding up of Jefferies Financial Group Inc. Each share of Series B-1 Preferred Stock is automatically convertible into 500 shares of non-voting common stock as soon as such non-voting common stock exists, subject to certain anti-dilution adjustments. The Series B-1 Preferred Stock also participates in cash dividends and distributions alongside our voting common stock on an as-converted basis.

Additionally, on September 19, 2025, we entered into an amended and restated Exchange Agreement (the "Amended and Restated Exchange Agreement") with SMBC, which entitles SMBC to exchange shares of our voting common stock for shares of the Series B-1 Preferred Stock at a rate of 500 shares of voting common stock for one share of Series B-1 Preferred Stock. The Amended and Restated Exchange Agreement is limited to 17,500 shares of Series B-1 Preferred Stock. Under the Amended and Restated Exchange Agreement, SMBC is permitted to increase its economic ownership in the Company to up to 20% on an as-converted and fully diluted basis, while continuing to own less than 5% of a voting interest in the Company.

During the three and nine months ended August 31, 2025, we paid cash dividends of \$11.0 million and \$33.1 million, respectively, compared to \$9.6 million and \$22.2 million for the three and nine months ended August 31, 2024, respectively, to the Series B Preferred stockholder.

#### *Net Capital*

Jefferies LLC is a broker-dealer registered with the SEC and a member firm of the Financial Industry Regulatory Authority ("FINRA") and is subject to the SEC Uniform Net Capital Rule ("Rule 15c3-1"), which requires the maintenance of minimum net capital, and has elected to calculate minimum capital requirements using the alternative method permitted by Rule 15c3-1 in calculating net capital. Jefferies LLC, as a dually-registered U.S. broker-dealer and futures commission merchant ("FCM"), is also subject to Regulation 1.17 of the Commodity Futures Trading Commission ("CFTC") under the Commodity Exchange Act ("CEA"), which sets forth minimum financial requirements. The minimum net capital requirement in determining excess net capital for a dually registered U.S. broker-dealer and FCM is equal to the greater of the requirement under SEA Rule 15c3-1 or CFTC Regulation 1.17. Accordingly, FINRA is the designated examining authority for Jefferies LLC and the National Futures Association ("NFA") is the designated self-regulatory organization ("DSRO") for Jefferies LLC as an FCM.

Jefferies Financial Services, Inc. ("JFSI") is registered with the SEC as a Security-Based Swap Dealer ("SBS Dealer") and an OTC Derivatives Dealer ("OTCDD") subject to the SEC's SBS dealer regulatory rules and the SEC's net capital requirements pursuant to Rule 18a-1. JFSI is also registered as a swap dealer with the

CFTC and is subject to the CFTC's regulatory capital requirements pursuant to the minimum financial requirements for swap dealers under CFTC Regulation 23.101. Additionally, as a registered member firm, JFSI is subject to the net capital requirements of the NFA. Accordingly, the SEC is the designated examining authority for JFSI in its capacity as an SBS Dealer and OTCCD, while the NFA is the DSRO for JFSI, as a CFTC registered swap dealer.

Certain non-U.S. subsidiaries are subject to capital adequacy requirements as prescribed by the regulatory authorities in their respective jurisdictions. This includes Jefferies International Limited which is subject to the regulatory supervision and requirements of the Financial Conduct Authority ("FCA") in the U.K. Jefferies International Limited's own funds requirement represents the highest of the permanent minimum capital requirement, fixed overheads requirement and k-factor requirements set out in the Investment Firms Prudential Regime ("IFPR") under the FCA's MIFIDPRU sourcebook.

At August 31, 2025, Jefferies LLC's and JFSI's net capital and excess net capital were as follows:

| <i>\$ in thousands</i> | <b>Net Capital</b> | <b>Excess Net Capital</b> |
|------------------------|--------------------|---------------------------|
| Jefferies LLC .....    | \$ 2,204,515       | \$ 2,061,318              |
| JFSI - SEC .....       | 310,701            | 290,345                   |
| JFSI - CFTC .....      | 310,701            | 283,646                   |

In addition, the equivalent capital requirements for Jefferies International Limited, on a consolidated basis, is a total capital of \$2.02 billion and an excess capital of \$1.15 billion at August 31, 2025.

At August 31, 2025, Jefferies LLC, JFSI and JIL are in compliance with their applicable requirements.

The regulatory capital requirements referred to above may restrict our ability to withdraw capital from our regulated subsidiaries.

#### **Customer Protection and Segregation Requirement**

As a registered broker dealer that clears and carries customer accounts, Jefferies LLC is subject to the customer protection provisions under SEC Rule 15c3-3 and is required to compute a reserve formula requirement for customer accounts and deposit cash or qualified securities into a special reserve bank account for the exclusive benefit of customers. At August 31, 2025, Jefferies LLC had \$875.6 million in cash and qualified U.S. Government securities on deposit in special reserve bank accounts for the exclusive benefit of customers.

As a registered broker dealer that clears and carries proprietary accounts of brokers or dealers (commonly referred to as "PAB"), Jefferies LLC is also required to compute a reserve requirement for PABs pursuant to SEC Rule 15c3-3. At August 31, 2025, Jefferies LLC had \$437.8 million in cash and qualified U.S. Government securities in special reserve bank accounts for the exclusive benefit of PABs.

#### **Other Developments**

In February 2022, Russia invaded Ukraine. Following Russia's invasion, the U.S., the U.K., and the European Union governments, among others, developed coordinated financial and economic sanctions targeting Russia that, in various ways, constrain transactions with numerous Russian entities, including major Russian banks and individuals; transactions in Russian sovereign debt; and investment, trade and financing to, from, or in Ukraine. We do not have any operations in Russia or any clients with

significant Russian operations and we have minimal market risk related to securities of companies either domiciled or operating in Russia. We continue to closely monitor the status of global sanctions and restrictions, trading conditions related to Russian securities and the credit risk and nature of our counterparties.

In October 2023, Hamas attacked Israel, leading to a multifront military conflict in the Middle East that has most recently involved actions by Iran, Israel and the United States. Our investments and assets in our growing business in the Persian Gulf, Saudi Arabia and Israel, as well as the global macroeconomic climate, could be negatively affected by consequences from this geopolitical and military conflict in the region. We continue to closely monitor the status of global sanctions, restrictions and other impacts arising from the conflict.

Throughout 2025, the United States introduced actions to increase import tariffs at various rates, including on certain products imported from almost all countries. Other countries have responded with retaliatory actions or plans for retaliatory actions. Some of these tariff announcements have since been followed by announcements of limited exemptions and temporary pauses, and wholly new arrangements with key trading partners of the United States. These actions have led to increased economic uncertainty, and could negatively impact global supply chains and trade flow. The potential impact of tariffs on corporate earnings remains uncertain. We continue to closely monitor the impact of these matters on our business.

On September 29, 2025, First Brands Group, LLC and certain of its affiliates ("First Brands") filed voluntary petitions for Chapter 11 bankruptcy protection. First Brands is an aftermarket auto parts manufacturer that sells its products to major auto-parts retailers (the "Obligors"). Point Bonita Capital, a division of Leucadia Asset Management ("LAM"), manages on behalf of third-party institutional and other investors an approximately \$3 billion portfolio of trade-finance assets, which is supported by total invested equity of \$1.9 billion, of which \$113 million, or 5.9%, is owned by LAM. Since 2019, the portfolio has included accounts receivables purchased from First Brands and arising from the sale of First Brands' products to Obligors. The purchase of receivables in this fashion is called factoring, and the Point Bonita portfolio has approximately \$715 million invested in receivables that are almost entirely due from Walmart, Autozone, NAPA, O'Reilly Auto Parts, and Advanced Auto Parts, with First Brands, as the servicer, responsible for directing the Obligors' payments to Point Bonita. For almost six years until September 15, 2025, Point Bonita always had been paid by the Obligors on time and in full. On September 15, 2025, First Brands stopped directing timely transfers of funds from the Obligors on Point Bonita's behalf. In its bankruptcy filings, First Brands indicated that its special advisors were investigating whether receivables had been turned over to third-party factors upon receipt and whether receivables may have been factored more than once. We have not yet received any information regarding the results of that investigation. We are in communication with First Brands' advisors and are working diligently to determine what the impact on Point Bonita might be.

Separately, Apex Credit Partners LLC ("Apex"), a wholly owned subsidiary of Jefferies Finance, 50%-owned by us, manages on behalf of third-party institutional and other investors certain CLOs that invest in broadly syndicated loans with approximately \$4.2 billion in assets under management. 12 CLOs and 1 CLO warehouse managed by Apex own approximately \$48 million in the aggregate of First Brands' term loans, which is approximately 1% of the CLO assets managed by Apex. Apex owns between 5%

and 9.9% of the equity tranche of each of its managed CLOs plus a portion of the other senior tranches in an amount to comply with applicable securitization risk-retention rules.

### **Off-Balance Sheet Arrangements**

We have contractual commitments arising in the ordinary course of business for securities loaned or purchased under agreements to resell, repurchase agreements, future purchases and sales of foreign currencies, securities transactions on a when-issued basis, purchases and sales of corporate loans in the secondary market and underwriting. Each of these financial instruments and activities contains varying degrees of off-balance sheet risk whereby the fair values of the securities underlying the financial instruments may be in excess of, or less than, the contract amount. The settlement of these transactions is not expected to have a material effect upon our consolidated financial statements.

In the normal course of business, we engage in other off balance-sheet arrangements, including derivative contracts. Neither derivatives' notional amounts nor underlying instrument values are reflected as assets or liabilities in our Consolidated Statements of Financial Condition. Rather, the fair values of derivative contracts are reported in our Consolidated Statements of Financial Condition as Financial instruments owned or Financial instruments sold, not yet purchased as applicable. Derivative contracts are reflected net of cash paid or received pursuant to credit support agreements and are reported on a net by counterparty basis when a legal right of offset exists under an enforceable master netting agreement. For additional information about our accounting policies and our derivative activities, refer to Note 2, Summary of Significant Accounting Policies, in our consolidated financial statements included in Part II, Item 8 of our Annual Report on Form 10-K for the year ended November 30, 2024 and Note 6, Fair Value Disclosures and Note 7, Derivative Financial Instruments in our consolidated financial statements included in this Quarterly Report on Form 10-Q.

## **Risk Management**

### **Overview**

Risk is an inherent part of our business and activities. The extent to which we properly and effectively identify, assess, monitor and manage each of the various types of risk involved in our activities is critical to our financial soundness, viability and profitability. Accordingly, we have a comprehensive risk management approach, with a formal governance structure and policies and procedures outlining frameworks and processes to identify, assess, monitor and manage risk. Principal risks involved in our business activities include market, credit, liquidity and capital, operational, model and strategic risk. Legal and compliance, new business and reputational risk are also included within our principal risks.

Risk management is a multifaceted process that requires communication, judgment and knowledge of financial products and markets. Our risk management process encompasses the active involvement of executive and senior management, and also many departments independent of the revenue-producing business units, including Risk Management, Operations, Information Technology, Compliance, Legal and Finance. Our risk management policies, procedures and methodologies are flexible in nature and are subject to ongoing review and modification.

In achieving our strategic business objectives, our risk appetite incorporates keeping our clients' interests as top priority and ensuring we are in compliance with applicable laws, rules and regulations, as well as adhering to the highest ethical standards.

We undertake prudent risk-taking that protects the capital base and franchise, utilizing risk limits and tolerances that avoid outsized risk-taking. We maintain a diversified business mix and avoid significant concentrations to any sector, product, geography or activity and set quantitative concentration limits to manage this risk. We consider contagion, second order effects and correlation in our risk assessment process and actively seek out value opportunities of all sizes. We manage the risk of opportunities larger than our approved risk levels through risk sharing and risk distribution, sell-down and hedging as appropriate. We have a limited appetite for illiquid assets and complex derivative financial instruments. We maintain the asset quality of our balance sheet through conducting trading activity in liquid markets and generally ensure high turnover of our inventory. We subject less liquid positions and derivative financial instruments to particular scrutiny and use a wide variety of specific metrics, limits and constraints to manage these risks. We protect our reputation and franchise, as well as our standing within the market. We operate a federated approach to risk management and assign risk oversight responsibilities to a number of functions with specific areas of focus.

For discussion of liquidity and capital risk management, refer to the "Liquidity, Financial Condition and Capital Resources" section herein.

### **Governance and Risk Management Structure**

For a discussion of our governance and risk management structure and our risk management framework, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Risk Management" in Part II, Item 7 of our Annual Report on Form 10-K for the year ended November 30, 2024.

### **Risk Considerations**

We apply a comprehensive framework of limits on a variety of key metrics to constrain the risk profile of our business activities. The size of the limits reflects our risk appetite for a certain activity under normal business conditions. Key metrics included in our risk management framework include inventory position and exposure limits on a gross and net basis, scenario analysis and stress tests, Value-at-Risk ("VaR"), sensitivities, exposure concentrations, aged inventory, Level 3 assets, counterparty exposure, leverage and cash capital.

#### **Market Risk**

Market risk is defined as the risk of loss due to fluctuations in the market value of financial assets and liabilities attributable to changes in market variables.

Our market risk principally arises from interest rate risk, from exposure to changes in the yield curve, the volatility of interest rates, and credit spreads, and from equity price risks from exposure to changes in prices and volatilities of individual equities, equity baskets and equity indices. In addition, commodity price risk results from exposure to the changes in prices and volatilities of individual commodities, commodity baskets and commodity indices, and foreign exchange risk results from changes in foreign currency rates.

Market risk is present in our capital markets business through market making, proprietary trading, underwriting and investing activities and is present in our asset management business through investments in separately managed accounts and direct investments in funds. Given our involvement in a broad set of financial products and markets, market risk exposures are diversified and economic hedges are established as appropriate.

Market risk is monitored and managed through a set of key risk metrics such as VaR, stress scenarios, risk sensitivities and position exposures. Limits are set on the key risk metrics to monitor and control the risk exposure ensuring that it is in line with our risk appetite. Our risk appetite, including the market risk limits, is periodically reviewed to reflect business strategy and market environment. Material risk changes, top/emerging risks and limit utilizations/breaches are highlighted through risk reporting and escalated as necessary.

Trading is principally managed through front office trader mandates, where each trader is provided a specific mandate in line with our product registry. Mandates set out the activities, currencies, countries and products that a desk is permitted to trade in and set the limits applicable to a desk. Traders are responsible for knowing their trading limits and trading in a manner consistent with their mandate.

## VaR

VaR is a statistical estimate of the potential loss from adverse market movements over a specified time horizon within a specified probability (confidence level). It provides a common risk measure across financial instruments, markets and asset classes. We estimate VaR using a model that simulates revenue and loss distributions by applying historical market changes to the current portfolio. We calculate a one-day VaR using a one-year look-back period measured at a 95% confidence level.

| \$ in millions<br>Risk Categories          | VaR at<br>August 31,<br>2025 | Daily Firmwide VaR                                      |                 |                |
|--------------------------------------------|------------------------------|---------------------------------------------------------|-----------------|----------------|
|                                            |                              | Daily VaR for the Three Months<br>Ended August 31, 2025 |                 |                |
|                                            |                              | Average                                                 | High            | Low            |
| Interest Rates and Credit<br>Spreads ..... | \$ 4.91                      | \$ 5.98                                                 | \$ 7.80         | \$ 3.91        |
| Equity Prices .....                        | 9.55                         | 9.51                                                    | 11.37           | 7.22           |
| Currency Rates .....                       | 1.66                         | 1.71                                                    | 2.24            | 1.24           |
| Commodity Prices .....                     | 0.72                         | 0.34                                                    | 0.78            | 0.14           |
| Diversification Effect (1) .....           | (6.27)                       | (7.09)                                                  | N/A             | N/A            |
| <b>Firmwide VaR (2) .....</b>              | <b>\$ 10.57</b>              | <b>\$ 10.45</b>                                         | <b>\$ 12.24</b> | <b>\$ 8.51</b> |

| \$ in millions<br>Risk Categories          | VaR at<br>May 31,<br>2025 | Daily Firmwide VaR                                   |                 |                |
|--------------------------------------------|---------------------------|------------------------------------------------------|-----------------|----------------|
|                                            |                           | Daily VaR for the Three Months<br>Ended May 31, 2025 |                 |                |
|                                            |                           | Average                                              | High            | Low            |
| Interest Rates and Credit<br>Spreads ..... | \$ 6.51                   | \$ 6.47                                              | \$ 9.31         | \$ 3.36        |
| Equity Prices .....                        | 10.27                     | 9.71                                                 | 13.93           | 7.14           |
| Currency Rates .....                       | 1.56                      | 2.01                                                 | 2.61            | 1.42           |
| Commodity Prices .....                     | 0.44                      | 0.35                                                 | 0.71            | 0.17           |
| Diversification Effect (1) .....           | (7.10)                    | (6.65)                                               | N/A             | N/A            |
| <b>Firmwide VaR (2) .....</b>              | <b>\$ 11.68</b>           | <b>\$ 11.89</b>                                      | <b>\$ 15.39</b> | <b>\$ 8.96</b> |

- (1) The diversification effect is not applicable for the maximum and minimum VaR values as the firmwide VaR and the VaR values for the four risk categories might have occurred on different days during the period.
- (2) The aggregated VaR presented here is less than the sum of the individual components (i.e., interest rate risk, foreign exchange rate risk, equity risk and commodity price risk) due to the benefit of diversification among the four risk categories. Diversification benefit equals the difference between aggregated VaR and the sum of VaRs for the four risk categories and arises because the market risk categories are not perfectly correlated.

VaR for our capital markets trading activities, which excludes the impact on VaR for each component of market risk from our asset management activities, by interest rate and credit spreads, equity, currency and commodity products:

| \$ in millions<br>Risk Categories          | VaR at<br>August 31,<br>2025 | Daily Capital Markets VaR                               |                |                |
|--------------------------------------------|------------------------------|---------------------------------------------------------|----------------|----------------|
|                                            |                              | Daily VaR for the Three Months<br>Ended August 31, 2025 |                |                |
|                                            |                              | Average                                                 | High           | Low            |
| Interest Rates and Credit<br>Spreads ..... | \$ 4.82                      | \$ 5.94                                                 | \$ 7.74        | \$ 3.84        |
| Equity Prices .....                        | 4.41                         | 4.15                                                    | 6.15           | 3.06           |
| Currency Rates .....                       | 1.18                         | 1.12                                                    | 1.18           | 1.03           |
| Commodity Prices .....                     | 0.08                         | 0.05                                                    | 0.18           | —              |
| Diversification Effect (1) .....           | (4.00)                       | (4.59)                                                  | N/A            | N/A            |
| <b>Capital Markets VaR (2) .....</b>       | <b>\$ 6.49</b>               | <b>\$ 6.67</b>                                          | <b>\$ 9.81</b> | <b>\$ 5.22</b> |

| \$ in millions<br>Risk Categories          | VaR at<br>May 31,<br>2025 | Daily Capital Markets VaR                            |                 |                |
|--------------------------------------------|---------------------------|------------------------------------------------------|-----------------|----------------|
|                                            |                           | Daily VaR for the Three Months<br>Ended May 31, 2025 |                 |                |
|                                            |                           | Average                                              | High            | Low            |
| Interest Rates and Credit<br>Spreads ..... | \$ 6.22                   | \$ 6.19                                              | \$ 9.10         | \$ 1.05        |
| Equity Prices .....                        | 4.40                      | 3.99                                                 | 5.81            | 2.85           |
| Currency Rates .....                       | 1.05                      | 1.16                                                 | 1.50            | 0.64           |
| Commodity Prices .....                     | 0.10                      | 0.08                                                 | 0.25            | —              |
| Diversification Effect (1) .....           | (4.63)                    | (3.10)                                               | N/A             | N/A            |
| <b>Capital Markets VaR (2) .....</b>       | <b>\$ 7.14</b>            | <b>\$ 8.32</b>                                       | <b>\$ 13.08</b> | <b>\$ 6.13</b> |

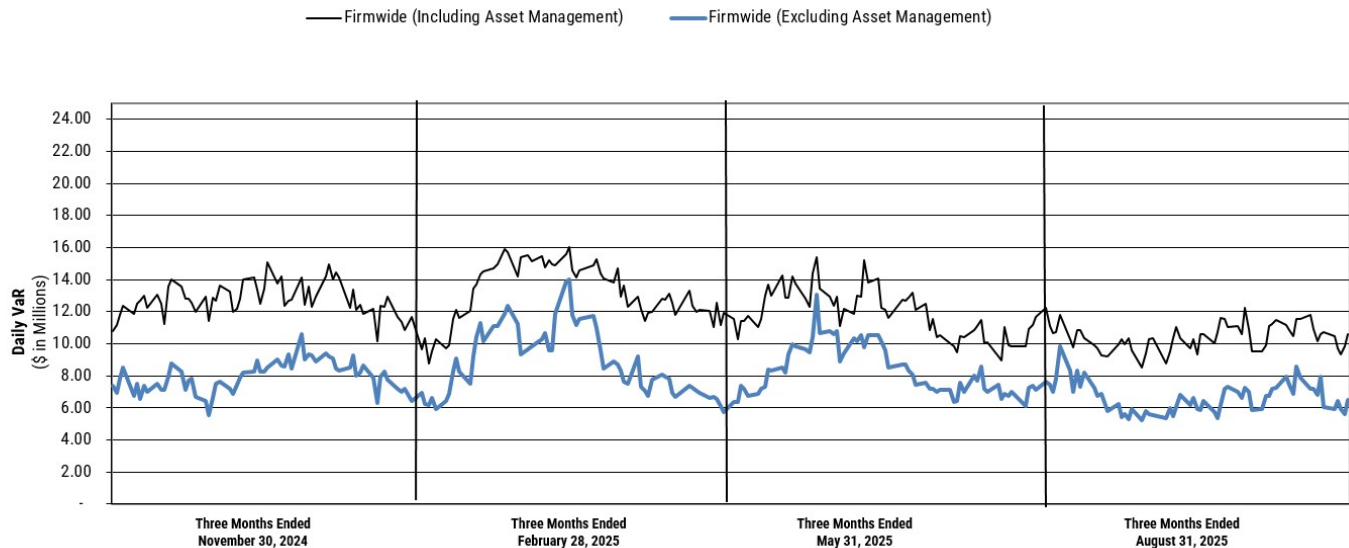
- (1) The diversification effect is not applicable for the maximum and minimum VaR values as the capital markets VaR and the VaR values for the four risk categories might have occurred on different days during the period.
- (2) The aggregated VaR presented here is less than the sum of the individual components (i.e., interest rate risk, foreign exchange rate risk, equity risk and commodity price risk) due to the benefit of diversification among the four risk categories. Diversification benefit equals the difference between aggregated VaR and the sum of VaRs for the four risk categories and arises because the market risk categories are not perfectly correlated.

Our average daily firmwide VaR decreased to \$10.45 million for the three months ended August 31, 2025 from \$11.89 million for the three months ended May 31, 2025, primarily driven by a higher diversification effect and decreases in exposures to movements in interest rates, credit spreads and currency rates. The average daily capital markets VaR decreased to \$6.67 million for the three months ended August 31, 2025, from \$8.32 million for the three months ended May 31, 2025, primarily driven by a higher diversification effect and decreases in exposures to movements in interest rates and credit spreads.

The efficacy of the VaR model is tested by comparing our actual daily net revenues for those positions included in the calculation of VaR with the daily VaR estimate. This evaluation is performed at various levels, from the overall level down to specific business lines. For the VaR model, revenue is defined as principal transactions revenues, trading related commissions, revenue from securitization activities and net interest income. VaR backtesting methodologies differ for regulated entities with approved capital models.

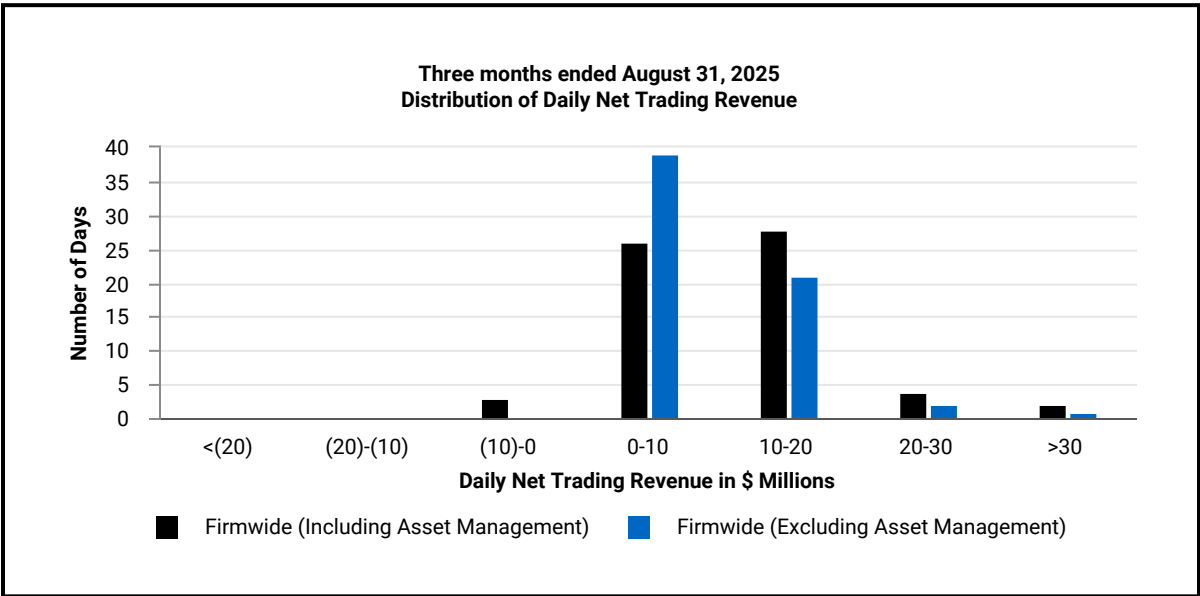
For a 95% confidence one day VaR model (i.e., no intra-day trading), assuming current changes in market value are consistent with the historical changes used in the calculation, losses would not be expected to exceed the VaR estimates more than twelve times on an annual basis (i.e., once in every 20 days). During the three months ended August 31, 2025, there were zero days when the aggregate net trading loss exceeded the 95% one day VaR.

The chart below presents our daily firmwide and capital markets VaR over the last four quarters. The fluctuations in VaR during the first, second and third quarters of 2025 were primarily driven by volatility in the equity markets.



Daily Net Trading Revenue

There were 3 days with firmwide trading losses out of a total of 63 trading days during the three months ended August 31, 2025. The histogram below presents the distribution of our actual daily net trading revenue for substantially all of our trading activities:



## Other Risk Measures

The VaR model does not include certain positions that are best measured and monitored using sensitivity analysis. Risk Management has additional procedures in place to assure that the level of potential loss driven by those positions not in the VaR model arising from market movements are within acceptable levels. Such procedures include performing stress tests and profit and loss analysis. The table below presents the potential reduction in earnings associated with a 10% stress of the fair value of the positions that are not included in the VaR model at August 31, 2025:

| <i>\$ in thousands</i>                     | <b>10% Sensitivity</b> |
|--------------------------------------------|------------------------|
| Investment in funds and other (1) .....    | \$ 195,416             |
| Private investments .....                  | 68,185                 |
| Corporate debt securities in default ..... | 21,450                 |
| Trade claims .....                         | 2,423                  |

(1) Primarily includes investments in hedge funds, fund of funds and private equity funds classified within Level 3 of the fair value hierarchy and excluded from the fair value hierarchy based on net asset value.

The impact of changes in our own credit spreads on our structured notes for which the fair value option was elected is not included in VaR. The estimated credit spread risk sensitivity for each one basis point widening in our own credit spreads on financial liabilities for which the fair value option was elected was an increase in value of approximately \$2.0 million at August 31, 2025, which is included in other comprehensive income.

## Other Risk

We are also subject to interest rate risk on our long-term fixed interest rate debt. Generally, the fair market value of debt securities with a fixed interest rate will increase as interest rates fall, and the fair market value will decrease as interest rates rise. The following table represents principal cash flows by expected maturity dates and the related weighted-average interest rate on those maturities for our consolidated long-term debt obligations, inclusive of any related interest rate hedges. For the variable rate borrowings, the weighted-average interest rates are based on the rates in effect at the reporting date. Our market risk with respect to foreign currency exposure on our long-term debt is also presented in the table below.

|                                                 | Expected Maturity Date (Fiscal Years) |            |             |             |            |             |              |              |
|-------------------------------------------------|---------------------------------------|------------|-------------|-------------|------------|-------------|--------------|--------------|
| <i>\$ in thousands</i>                          | 2025                                  | 2026       | 2027        | 2028        | 2029       | Thereafter  | Total        | Fair Value   |
| <b>Rate Sensitive Liabilities:</b>              |                                       |            |             |             |            |             |              |              |
| Fixed Interest Rate Borrowings.....             | \$ 139,461                            | \$ 543,532 | \$ 614,806  | \$1,381,296 | \$ 304,880 | \$6,158,171 | \$ 9,142,146 | \$ 9,171,145 |
| Weighted-Average Interest Rate .....            | 1.29%                                 | 5.12%      | 5.24%       | 5.33%       | 5.46%      | 5.60%       |              |              |
| Variable Interest Rate Borrowings .....         | \$ 23,266                             | \$ 576,797 | \$1,290,503 | \$ 22,413   | \$ 117,464 | \$1,382,103 | \$ 3,412,546 | \$ 3,331,198 |
| Weighted-Average Interest Rate .....            | 5.60%                                 | 6.65%      | 6.56%       | 5.94%       | 5.52%      | 6.17%       |              |              |
| Borrowings with Foreign Currency Exposure ..... | \$ 55,018                             | \$ 926,423 | \$ 638,515  | \$ 584,950  | \$ 588,998 | \$1,032,087 | \$ 3,825,991 | \$ 3,718,122 |
| Weighted-Average Interest Rate .....            | 5.24%                                 | 6.30%      | 3.02%       | 3.37%       | 6.47%      | 6.28%       |              |              |

## Stress Tests and Scenario Analysis

Stress tests are used to analyze the potential impact of specific events or extreme market moves on the current portfolio both firm-wide and within business segments. Stress testing is an important part of our risk management approach because it allows us to quantify our exposure to tail risks, highlight potential loss concentrations, undertake risk/reward analysis, set risk controls and overall assess and mitigate our risk.

We employ a range of stress scenarios, which comprise both historical market price and rate changes and hypothetical market environments, and generally involve simultaneous changes of many risk factors. Indicative market changes in the scenarios include, but are not limited to, a large widening of credit spreads, a substantial decline in equities markets, significant moves in selected emerging markets, large moves in interest rates and changes in the shape of the yield curve.

Unlike our VaR, which measures potential losses within a given confidence interval, stress scenarios do not have an associated implied probability. Rather, stress testing is used to estimate the potential loss from market moves that tend to be larger than those embedded in the VaR calculation. Stress testing complements VaR to cover for potential limitations of VaR such as the breakdown in correlations, non-linear risks, tail risk and extreme events and capturing market moves beyond the confidence levels assumed in the VaR calculations.

Stress testing is performed and reported at least weekly as part of our risk management process and on an ad hoc basis in response to market events or concerns. Current stress tests provide estimated revenue and loss of the current portfolio through a range of both historical and hypothetical events. The stress scenarios are reviewed and assessed at least annually so that they remain relevant and up to date with market developments. Additional hypothetical scenarios are also conducted on a sub-portfolio basis to assess the impact of any relevant idiosyncratic stress events as needed.

## Counterparty Credit Risk

Credit risk is the risk of loss due to adverse changes in a counterparty's credit worthiness or its ability or willingness to meet its financial obligations in accordance with the terms and conditions of a financial contract.

We are exposed to credit risk as a trading counterparty to other broker-dealers and customers, as a counterparty to derivative contracts, as a direct lender and through extending loan commitments and providing securities-based lending and as a member of exchanges and clearing organizations. Credit exposure exists across a wide range of products, including cash and cash equivalents, loans, securities finance transactions and over-the-counter derivative contracts. The main sources of credit risk are:

- Loans and lending arising in connection with our investment banking and capital markets activities, which reflects our exposure at risk on a default event with no recovery of loans. Current exposure represents loans that have been drawn by the borrower and lending commitments that are outstanding. In addition, credit exposures on forward settling traded loans are included within our loans and lending exposures for consistency with the balance sheet categorization of these items. Loans and lending also arise in connection with our portion of a Secured Revolving Credit Facility that is with us and Massachusetts Mutual Life Insurance Company, to be funded equally, to support loan underwritings by Jefferies Finance. For further information on this facility, refer to Note 11, Investments in our consolidated financial statements included in this Quarterly Report on Form 10-Q. In addition, we have loans outstanding to certain of our officers and employees (none of whom are executive officers or directors). For further information on these employee loans, refer to Note 22, Related Party Transactions in our consolidated financial statements included in this Quarterly Report on Form 10-Q.
- Securities and margin financing transactions, which reflect our credit exposure arising from reverse repurchase agreements, repurchase agreements and securities lending agreements to the extent the fair value of the underlying collateral differs from the contractual agreement amount and from margin provided to customers.
- OTC derivatives, which are reported net by counterparty when a legal right of setoff exists under an enforceable master netting agreement. OTC derivative exposure is based on a contract at fair value, net of cash collateral received or posted under credit support agreements. In addition, credit exposures on forward settling trades are included within our derivative credit exposures.
- Cash and cash equivalents, which includes both interest-bearing and non-interest-bearing deposits at banks.

Credit is extended to counterparties in a controlled manner and in order to generate acceptable returns, whether such credit is granted directly or is incidental to a transaction. All extensions of credit are monitored and managed as a whole to limit exposure to loss related to credit risk. Credit risk is managed according to the Credit Risk Management Policy, which sets out the process for identifying counterparty credit risk, establishing counterparty limits, and managing and monitoring credit limits. The policy includes our approach for:

- Client on-boarding and approving counterparty credit limits;
- Negotiating, approving and monitoring credit terms in legal and master documentation;

- Determining the analytical standards and risk parameters for ongoing management and monitoring credit risk books;
- Actively managing daily exposure, exceptions and breaches; and
- Monitoring daily margin call activity and counterparty performance.

Counterparty credit exposure limits are granted within our credit ratings framework, as detailed in the Credit Risk Management Policy. The Credit Risk Department assesses counterparty credit risk and sets credit limits at the counterparty master agreement level. Limits must be approved by appropriate credit officers and initiated in our credit and trading systems before trading commences. All credit exposures are reviewed against approved limits on a daily basis.

Our Secured Revolving Credit Facility, which supports loan underwritings by Jefferies Finance, is governed under separate policies other than the Credit Risk Management Policy and is approved by our Board. The loans outstanding to certain of our officers and employees are extended pursuant to a review by our most senior management.

Current counterparty credit exposures at August 31, 2025 and November 30, 2024 are summarized in the tables below and provided by credit quality, region and industry. Credit exposures presented take netting and collateral into consideration by counterparty and master agreement. Collateral taken into consideration includes both collateral received as cash as well as collateral received in the form of securities or other arrangements. Current exposure is the loss that would be incurred on a particular set of positions in the event of default by the counterparty, assuming no recovery. Current exposure equals the fair value of the positions less collateral. Issuer risk is the credit risk arising from inventory positions (for example, corporate debt securities and secondary bank loans). Issuer risk is included in our country risk exposure within the following tables.

**Counterparty Credit Exposure by Credit Rating**

|                       | Loans and Lending |                   | Securities and Margin Finance |                   | OTC Derivatives |                   | Total             |                   | Cash and Cash Equivalents |                    | Total with Cash and Cash Equivalents |                    |
|-----------------------|-------------------|-------------------|-------------------------------|-------------------|-----------------|-------------------|-------------------|-------------------|---------------------------|--------------------|--------------------------------------|--------------------|
|                       | At                |                   | At                            |                   | At              |                   | At                |                   | At                        |                    | At                                   |                    |
|                       | August 31, 2025   | November 30, 2024 | August 31, 2025               | November 30, 2024 | August 31, 2025 | November 30, 2024 | August 31, 2025   | November 30, 2024 | August 31, 2025           | November 30, 2024  | August 31, 2025                      | November 30, 2024  |
| <i>\$ in millions</i> |                   |                   |                               |                   |                 |                   |                   |                   |                           |                    |                                      |                    |
| AAA Range             | \$ —              | \$ —              | \$ 7.3                        | \$ 12.0           | \$ —            | \$ —              | \$ 7.3            | \$ 12.0           | \$ 7,870.7                | \$ 8,227.9         | \$ 7,878.0                           | \$ 8,239.9         |
| AA Range              | 85.3              | 80.0              | 253.6                         | 190.3             | 2.1             | 5.6               | 341.0             | 275.9             | 15.0                      | 63.8               | 356.0                                | 339.7              |
| A Range               | 1.1               | 0.2               | 1,203.1                       | 1,145.1           | 416.2           | 415.0             | 1,620.4           | 1,560.3           | 3,462.5                   | 3,691.8            | 5,082.9                              | 5,252.1            |
| BBB Range             | 250.0             | 253.5             | 86.7                          | 31.2              | 62.7            | 40.0              | 399.4             | 324.7             | 110.3                     | 169.4              | 509.7                                | 494.1              |
| BB or Lower           | 15.8              | 37.2              | 32.5                          | 31.2              | 173.3           | 78.7              | 221.6             | 147.1             | —                         | 0.5                | 221.6                                | 147.6              |
| Unrated               | 223.9             | 322.6             | —                             | —                 | 5.7             | 5.3               | 229.6             | 327.9             | —                         | —                  | 229.6                                | 327.9              |
| <b>Total</b>          | <b>\$ 576.1</b>   | <b>\$ 693.5</b>   | <b>\$ 1,583.2</b>             | <b>\$ 1,409.8</b> | <b>\$ 660.0</b> | <b>\$ 544.6</b>   | <b>\$ 2,819.3</b> | <b>\$ 2,647.9</b> | <b>\$ 11,458.5</b>        | <b>\$ 12,153.4</b> | <b>\$ 14,277.8</b>                   | <b>\$ 14,801.3</b> |

**Counterparty Credit Exposure by Region**

|                                  | Loans and Lending |                   | Securities and Margin Finance |                   | OTC Derivatives |                   | Total             |                   | Cash and Cash Equivalents |                    | Total with Cash and Cash Equivalents |                    |
|----------------------------------|-------------------|-------------------|-------------------------------|-------------------|-----------------|-------------------|-------------------|-------------------|---------------------------|--------------------|--------------------------------------|--------------------|
|                                  | At                |                   | At                            |                   | At              |                   | At                |                   | At                        |                    | At                                   |                    |
|                                  | August 31, 2025   | November 30, 2024 | August 31, 2025               | November 30, 2024 | August 31, 2025 | November 30, 2024 | August 31, 2025   | November 30, 2024 | August 31, 2025           | November 30, 2024  | August 31, 2025                      | November 30, 2024  |
| <i>\$ in millions</i>            |                   |                   |                               |                   |                 |                   |                   |                   |                           |                    |                                      |                    |
| Asia-Pacific/Latin America/Other | \$ 15.8           | \$ 15.8           | \$ 192.2                      | \$ 130.4          | \$ 0.5          | \$ 0.2            | \$ 208.5          | \$ 146.4          | \$ 652.7                  | \$ 520.3           | \$ 861.2                             | \$ 666.7           |
| Europe and the Middle East       | 1.1               | 0.2               | 488.5                         | 523.2             | 108.7           | 88.7              | 598.3             | 612.1             | 63.2                      | 70.8               | 661.5                                | 682.9              |
| North America                    | 559.2             | 677.5             | 902.5                         | 756.2             | 550.8           | 455.7             | 2,012.5           | 1,889.4           | 10,742.6                  | 11,562.3           | 12,755.1                             | 13,451.7           |
| <b>Total</b>                     | <b>\$ 576.1</b>   | <b>\$ 693.5</b>   | <b>\$ 1,583.2</b>             | <b>\$ 1,409.8</b> | <b>\$ 660.0</b> | <b>\$ 544.6</b>   | <b>\$ 2,819.3</b> | <b>\$ 2,647.9</b> | <b>\$ 11,458.5</b>        | <b>\$ 12,153.4</b> | <b>\$ 14,277.8</b>                   | <b>\$ 14,801.3</b> |

**Counterparty Credit Exposure by Industry**

|                       | Loans and Lending |                   | Securities and Margin Finance |                   | OTC Derivatives |                   | Total             |                   | Cash and Cash Equivalents |                    | Total with Cash and Cash Equivalents |                    |
|-----------------------|-------------------|-------------------|-------------------------------|-------------------|-----------------|-------------------|-------------------|-------------------|---------------------------|--------------------|--------------------------------------|--------------------|
|                       | At                |                   | At                            |                   | At              |                   | At                |                   | At                        |                    | At                                   |                    |
|                       | August 31, 2025   | November 30, 2024 | August 31, 2025               | November 30, 2024 | August 31, 2025 | November 30, 2024 | August 31, 2025   | November 30, 2024 | August 31, 2025           | November 30, 2024  | August 31, 2025                      | November 30, 2024  |
| <i>\$ in millions</i> |                   |                   |                               |                   |                 |                   |                   |                   |                           |                    |                                      |                    |
| Asset Managers        | \$ —              | \$ 6.4            | \$ —                          | \$ 0.8            | \$ —            | \$ —              | \$ —              | \$ 7.2            | \$ 7,870.7                | \$ 8,227.9         | \$ 7,870.7                           | \$ 8,235.1         |
| Banks, Broker-Dealers | 251.3             | 253.7             | 893.2                         | 849.0             | 435.8           | 466.6             | 1,580.3           | 1,569.3           | 3,587.8                   | 3,925.5            | 5,168.1                              | 5,494.8            |
| Corporates            | 145.0             | 187.1             | —                             | —                 | 163.6           | 69.5              | 308.6             | 256.6             | —                         | —                  | 308.6                                | 256.6              |
| As Agent Banks        | —                 | —                 | 572.5                         | 474.8             | —               | —                 | 572.5             | 474.8             | —                         | —                  | 572.5                                | 474.8              |
| Other                 | 179.8             | 246.3             | 117.5                         | 85.2              | 60.6            | 8.5               | 357.9             | 340.0             | —                         | —                  | 357.9                                | 340.0              |
| <b>Total</b>          | <b>\$ 576.1</b>   | <b>\$ 693.5</b>   | <b>\$ 1,583.2</b>             | <b>\$ 1,409.8</b> | <b>\$ 660.0</b> | <b>\$ 544.6</b>   | <b>\$ 2,819.3</b> | <b>\$ 2,647.9</b> | <b>\$ 11,458.5</b>        | <b>\$ 12,153.4</b> | <b>\$ 14,277.8</b>                   | <b>\$ 14,801.3</b> |

## Country Risk Exposure

Country risk is the risk that events or developments that occur in the general environment of a country or countries due to economic, political, social, regulatory, legal or other factors, will affect the ability of obligors of the country to honor their obligations. We define the country of risk as the country of jurisdiction or domicile of the obligor and monitor country risk resulting from both trading positions and counterparty exposure, which may not include the offsetting benefit of any financial instruments utilized to manage market risk. The following tables reflect our top exposures at August 31, 2025 and November 30, 2024 to the sovereign governments, corporations and financial institutions in those non- U.S. countries in which we have net long issuer and counterparty exposure:

| August 31, 2025 |                                    |                                     |                                  |                   |                               |                 |                           |                                     |                                     |
|-----------------|------------------------------------|-------------------------------------|----------------------------------|-------------------|-------------------------------|-----------------|---------------------------|-------------------------------------|-------------------------------------|
| \$ in millions  | Issuer Risk                        |                                     |                                  | Counterparty Risk |                               |                 |                           | Issuer and Counterparty Risk        |                                     |
|                 | Fair Value of Long Debt Securities | Fair Value of Short Debt Securities | Net Derivative Notional Exposure | Loans and Lending | Securities and Margin Finance | OTC Derivatives | Cash and Cash Equivalents | Excluding Cash and Cash Equivalents | Including Cash and Cash Equivalents |
| Canada          | \$ 192.8                           | \$ (175.9)                          | \$ 48.3                          | \$ —              | \$ 62.1                       | \$ 371.7        | \$ —                      | \$ 499.0                            | \$ 499.0                            |
| United Kingdom  | 1,602.6                            | (916.5)                             | (317.6)                          | 1.0               | 62.3                          | 50.8            | 4.5                       | 482.6                               | 487.1                               |
| Hong Kong       | 63.6                               | (69.5)                              | (4.7)                            | —                 | 21.4                          | —               | 296.3                     | 10.8                                | 307.1                               |
| Japan           | 2,856.3                            | (2,821.7)                           | 14.7                             | —                 | 93.3                          | —               | 83.4                      | 142.6                               | 226.0                               |
| France          | 585.3                              | (600.1)                             | 21.2                             | 0.1               | 178.6                         | 0.3             | —                         | 185.4                               | 185.4                               |
| India           | 16.3                               | (20.6)                              | 4.1                              | —                 | —                             | —               | 175.7                     | (0.2)                               | 175.5                               |
| South Korea     | 796.7                              | (679.0)                             | (1.0)                            | —                 | 9.7                           | 0.1             | —                         | 126.5                               | 126.5                               |
| Netherlands     | 535.0                              | (520.5)                             | 102.2                            | —                 | 8.5                           | —               | 0.6                       | 125.2                               | 125.8                               |
| Sweden          | 205.0                              | (106.4)                             | 10.2                             | —                 | —                             | —               | 10.5                      | 108.8                               | 119.3                               |
| Spain           | 443.8                              | (328.0)                             | (70.3)                           | —                 | 72.2                          | —               | 1.1                       | 117.7                               | 118.8                               |
| <b>Total</b>    | <b>\$ 7,297.4</b>                  | <b>\$ (6,238.2)</b>                 | <b>\$ (192.9)</b>                | <b>\$ 1.1</b>     | <b>\$ 508.1</b>               | <b>\$ 422.9</b> | <b>\$ 572.1</b>           | <b>\$ 1,798.4</b>                   | <b>\$ 2,370.5</b>                   |

| November 30, 2024 |                                    |                                     |                                  |                   |                               |                 |                           |                                     |                                     |
|-------------------|------------------------------------|-------------------------------------|----------------------------------|-------------------|-------------------------------|-----------------|---------------------------|-------------------------------------|-------------------------------------|
| \$ in millions    | Issuer Risk                        |                                     |                                  | Counterparty Risk |                               |                 |                           | Issuer and Counterparty Risk        |                                     |
|                   | Fair Value of Long Debt Securities | Fair Value of Short Debt Securities | Net Derivative Notional Exposure | Loans and Lending | Securities and Margin Finance | OTC Derivatives | Cash and Cash Equivalents | Excluding Cash and Cash Equivalents | Including Cash and Cash Equivalents |
| Canada            | \$ 259.2                           | \$ (280.1)                          | \$ 109.7                         | \$ —              | \$ 46.6                       | \$ 360.1        | \$ 59.3                   | \$ 495.5                            | \$ 554.8                            |
| United Kingdom    | 1,332.5                            | (680.8)                             | (364.3)                          | 0.1               | 95.8                          | 76.5            | 37.9                      | 459.8                               | 497.7                               |
| France            | 592.2                              | (495.0)                             | 7.7                              | 0.1               | 184.9                         | 1.6             | —                         | 291.5                               | 291.5                               |
| Hong Kong         | 73.5                               | (36.5)                              | (6.0)                            | —                 | 2.4                           | —               | 250.0                     | 33.4                                | 283.4                               |
| Spain             | 403.1                              | (263.6)                             | (6.0)                            | —                 | 63.1                          | 1.2             | 0.5                       | 197.8                               | 198.3                               |
| Netherlands       | 484.1                              | (450.4)                             | 125.4                            | —                 | 5.7                           | 1.7             | 0.1                       | 166.5                               | 166.6                               |
| Japan             | 2,146.0                            | (2,093.5)                           | 0.4                              | —                 | 63.2                          | —               | 37.4                      | 116.1                               | 153.5                               |
| Australia         | 523.8                              | (426.8)                             | (16.8)                           | —                 | 26.5                          | —               | 44.6                      | 106.7                               | 151.3                               |
| India             | 27.4                               | (29.7)                              | —                                | —                 | —                             | —               | 142.9                     | (2.3)                               | 140.6                               |
| Italy             | 1,070.9                            | (569.3)                             | (402.9)                          | —                 | 0.4                           | —               | 1.1                       | 99.1                                | 100.2                               |
| <b>Total</b>      | <b>\$ 6,912.7</b>                  | <b>\$ (5,325.7)</b>                 | <b>\$ (552.8)</b>                | <b>\$ 0.2</b>     | <b>\$ 488.6</b>               | <b>\$ 441.1</b> | <b>\$ 573.8</b>           | <b>\$ 1,964.1</b>                   | <b>\$ 2,537.9</b>                   |

## Operational Risk

Operational risk is the risk of financial or non-financial impact, resulting from inadequate or failed internal processes, people and systems or from external events. We interpret this definition as including not only financial loss or gain but also other negative impacts to our objectives such as reputational impact, legal/regulatory impact and impact on our clients. Third-party risk is also included as a subset of operational risk and is defined as the potential threat presented to us, our employees or clients from our supply chain and other third parties used to perform a process, service or activity on our behalf.

Our Operational Risk framework includes governance as well as operational risk processes, comprises operational risk event capture and analysis, risk and control self-assessments, operational risk key indicators, action tracking, risk monitoring and reporting, deep dive risk assessments, new business approvals and vendor risk management. Each revenue producing and support department is responsible for the management and reporting of operational risks and the implementation of the Operational Risk Management Policy and processes within the department with regular operational risk training provided to our employees.

Operational risk events are mapped to risk categories used for the consistent classification of risk data to support root cause and trend analysis, which includes:

- Fraud and Theft
- Clients and Business Practices
- Market Conduct / Regulatory Compliance
- Business Disruption
- Technology
- Data Protection and Privacy
- Trading
- Transaction and Process Management
- People
- Cybersecurity
- Vendor Risk

Our Operational Risk Management Policy and operational risk management framework, infrastructure, methodology, processes, guidance and oversight of the operational risk processes are centralized and consistent firmwide and, additionally, subject to regional and legal entity operational risk governance, as required.

We also maintain a Third-Party ("Vendor") Risk Management Policy and Framework to ensure adequate control and monitoring over our critical third parties, which includes processes for conducting periodic reviews covering areas of risk including financial health, information security, privacy, business continuity management, disaster recovery and operational risk of our vendors.

#### **Model Risk**

Model risk refers to the risk of loss resulting from decisions that are based on the output of models, due to errors or weaknesses in the design and development, implementation or improper use of models. We use quantitative models primarily to value certain financial assets and liabilities and to monitor and manage our risk. Model risk is a function of the model materiality, frequency of use, complexity and uncertainty around inputs and assumptions used in a given model. Robust model risk management is a core part of our risk management approach and is overseen through our risk governance structure and risk management controls.

#### **Legal and Compliance Risk**

Legal and compliance risk includes the risk of noncompliance with applicable legal and regulatory requirements. We are subject to extensive regulation in the different jurisdictions in which we conduct our business. We have various procedures addressing issues such as regulatory capital requirements, sales and trading practices, use of and safekeeping of customer funds, credit granting, collection activities, anti-money laundering and record keeping. These risks also reflect the potential impact that changes in local and international laws and tax statutes have on the economics and viability of current or future transactions. In an effort to mitigate these risks, we continuously review new and pending regulations and legislation and participate in various industry interest groups. We also maintain an anonymous hotline for employees or others to report suspected inappropriate actions by us or by our employees or agents.

#### **New Business Risk**

New business risk refers to the risks of entering into a new line of business or offering a new product. By entering a new line of business or offering a new product, we may face risks that we are unaccustomed to dealing with and may increase the magnitude of the risks we currently face. The New Business Committee reviews proposals for new businesses and new products to determine if we are prepared to handle the additional or increased risks associated with entering into such activities.

#### **Reputational Risk**

We recognize that maintaining our reputation among clients, investors, regulators and the general public is an important aspect of minimizing legal and operational risks. Maintaining our reputation depends on a large number of factors, including the selection of our clients and the conduct of our business activities. We seek to maintain our reputation by screening potential clients and by conducting our business activities in accordance with high ethical standards. Our reputation and business activity can be affected by statements and actions of third parties, even false or misleading statements by them. We actively monitor public comment concerning us and are vigilant in seeking to assure accurate information and perception prevails.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Quantitative and qualitative disclosures about market risk are set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations –Risk Management" in Part I, Item 2 of this Form 10-Q.

### **Item 4. Controls and Procedures**

Our Management, under the direction of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of August 31, 2025. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of August 31, 2025 are functioning effectively to provide reasonable assurance that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding disclosure. A controls system cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

No change in our internal control over financial reporting occurred during the quarter ended August 31, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

Many aspects of our business involve substantial risks of legal and regulatory liability. In the normal course of business, we have been named as defendants or co-defendants in lawsuits involving primarily claims for damages. We are also involved in a number of judicial and regulatory matters, including exams, investigations and similar reviews, arising out of the conduct of our business. Based on currently available information, we do not believe that any matter will have a material adverse effect on our consolidated financial statements.

In July 2024, we commenced litigation against the former portfolio manager of 3I5I2 Capital ABS Master Fund LP (the "Fund") and a variety of individuals and entities (collectively, the "defendants"), alleging that the defendants engaged in a longstanding Ponzi scheme resulting in the misappropriation of approximately \$106 million from investors in the Fund and in certain related accounts, including a separately managed account held by the Company. In June 2025, we commenced litigation against First Fed Bank alleging that it participated in and aided and abetted the Ponzi scheme. To date, the Company has recognized a loss of \$17.2 million. We anticipate that this litigation, which will not be resolved in the near term, will result in the recovery of some or all of our losses but cannot, with any reliable accuracy, estimate how much we will be able to recover, or the outcome of this litigation, which may lead to additional proceedings.

#### Item 1A. Risk Factors

Information regarding our risk factors appears in Item 1A. of our Annual Report on Form 10-K for the year ended November 30, 2024. These risk factors describe some of the assumptions, risks, uncertainties and other factors that could adversely affect our business or that could otherwise result in changes that differ materially from our expectations.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) We did not have any unregistered sales of equity securities during the three months ended August 31, 2025.

(c) Issuer Purchases of Equity Securities.

Purchases of our common shares during the three months ended August 31, 2025:

| <i>\$ in thousands, except share and per share amounts</i> | (a) Total Number of Shares Purchased (1) | (b) Average Price Paid per Share | (c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | (d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs |
|------------------------------------------------------------|------------------------------------------|----------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| June 1, 2025 to June 30, 2025 .....                        | —                                        | \$ —                             | —                                                                                    | \$ 250,000                                                                                   |
| July 1, 2025 to July 31, 2025 .....                        | 13,313                                   | \$ 55.82                         | —                                                                                    | \$ 250,000                                                                                   |
| August 1, 2025 to August 31, 2025 .....                    | 3,042                                    | \$ 57.63                         | —                                                                                    | \$ 250,000                                                                                   |
| <b>Total.....</b>                                          | <b>16,355</b>                            | <b>\$ 56.16</b>                  | <b>—</b>                                                                             |                                                                                              |

(1) An aggregate 16,355 shares repurchased other than as part of our publicly announced Board authorized repurchase program. We repurchased securities in connection with our share compensation plans which allow participants to satisfy certain tax liabilities arising from the vesting of restricted shares and the distribution of restricted share units with shares.

### Item 5. Other Information

#### Rule 10b5-1 Trading Plans

During the three months ended August 31, 2025, no directors or executive officers entered into, modified or terminated, contracts, instructions or written plans for the sale or purchase of the Company's securities that were intended to satisfy the affirmative defense conditions of Rule 10b5-1.

### Item 6. Exhibits

| Exhibit No. | Description                                                                                                                                                                                                                                                                                                                                                                  |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.1         | <a href="#">Certificate of Amendment of the Certificate of Incorporation relating to the Series B-1 Preferred Stock is incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on September 19, 2025.*</a>                                                                                                                                |
| 10.1        | <a href="#">Amended and Restated Exchange Agreement, dated as of September 19, 2025, by and between Jefferies Financial Group Inc., a New York corporation, and Sumitomo Mitsui Banking Corporation, a joint stock company incorporated in Japan, is incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 19, 2025.*</a> |
| 31.1        | <a href="#">Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>                                                                                                                                                                                                                                                          |
| 31.2        | <a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>                                                                                                                                                                                                                                                          |
| 32.1        | <a href="#">Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**</a>                                                                                                                                                                                                                                                        |
| 32.2        | <a href="#">Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**</a>                                                                                                                                                                                                                                                        |
| 101         | Interactive Data Files pursuant to Rule 405 of Regulation S-T, formatted in Inline Extensible Business Reporting Language (iXBRL).                                                                                                                                                                                                                                           |
| 104         | Cover page interactive data file pursuant to Rule 406 of Regulation S-T, formatted in iXBRL (included in exhibit 101)                                                                                                                                                                                                                                                        |
| +           | Management/Employment Contract or Compensatory Plan or Arrangement.                                                                                                                                                                                                                                                                                                          |
| *           | Incorporated by reference.                                                                                                                                                                                                                                                                                                                                                   |
| **          | Furnished herewith pursuant to item 601(b) (32) of Regulation S-K.                                                                                                                                                                                                                                                                                                           |

## 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, thereunto duly authorized.

Jefferies Financial Group Inc.

/s/ MATT LARSON

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Matt Larson

Executive Vice President and Chief Financial Officer

Dated: October 9, 2025