

ATHLOS CAPITAL

DISCLOSURES PURSUANT TO PART SIX OF REGULATION (EU) 2019/2033 FOR THE YEAR 2025

Regulated by:
Version:

CySEC, License No. 348/17
May 2026





TABLE OF CONTENTS

1	INTRODUCTION.....	4
1.1	Regulatory Framework.....	4
1.2	Scope of application	4
1.3	Frequency of disclosure	5
1.4	Verification	5
2	CORPORATE GOVERNANCE.....	6
2.1	Board of Directors	6
2.2	Other directorships	6
2.3	Recruitment and Selection Process	6
2.4	Diversity Policy.....	7
2.5	Risk Committee	7
3	RISK MANAGEMENT.....	8
3.1	Risk Management Policy and Objectives	8
3.2	Risk Management Function	8
3.3	Risk Appetite.....	8
3.4	Risk Assessment.....	9
3.5	Directors' Declaration.....	9
3.6	Risk Statement.....	9
4	OWN FUNDS	11
4.1	Composition of Regulatory Own Funds	11
4.2	Own funds reconciliation of Regulatory funds to balance sheet in the audited financial statements .	13
4.3	Own funds: Main features of own instruments issued by the Company.....	14
5	CAPITAL REQUIREMENTS	17
5.1	Permanent Minimum Capital Requirement.....	17
5.2	K-Factor Requirements.....	17
5.3	Fixed Overheads Requirement	20
5.4	Own Funds Requirement	21



5.5	Capital ratios	21
6	CONCENTRATION RISK	22
6.1	Monitoring obligation.....	22
6.2	Calculation of exposure value	22
7	LIQUIDITY REQUIREMENTS	23
7.1	Liquidity requirements under Art. 43 of IFR	23
8	REMUNERATION POLICIES AND PRACTICES	24
8.1	Principles.....	24
8.2	Governance of Remuneration	25
8.3	Staff Categories Covered	27
8.4	Performance Assessment and Risk Alignment	27
8.5	Use of external benchmarking.....	28
8.6	Remuneration of identified staff	28
8.7	Article 51 of IFR	28
9	INVESTMENT POLICY	29
9.1	Investment Policy under Art. 52 of IFR	29
10	ENVIRONMENTAL, SOCIAL & GOVERNANCE RISKS	30
10.1	Environmental, social & governance risk under Art. 53 of IFR.....	30
10.2	Approach to ESG Risk Management	30
10.3	Governance and oversight	30
10.4	ESG Exposure	31
10.5	Future ESG integration and plans	31
11	PUBLICATION OF DISCLOSURES.....	31
11.1	Publication of Report and External Auditor’s verification	31
11.2	Disclosure Waiver	32



1 INTRODUCTION

1.1 Regulatory Framework

Athlos Capital Investment Services Limited, is a private limited liability company incorporated under the provisions of the Cyprus Companies Law Cap.113, with Reg. No. HE 362228 and has its registered address at 4 Foti Pitta, 21st & 22nd Floor, 1065 Nicosia, Cyprus (hereinafter the “Company”). On 3rd January 2018, following a special resolution, the Company changed its name from I.P. Athlos Capital Limited to Athlos Capital Investment Services Limited. The Company received its authorization by the Cyprus Securities and Exchange Commission (hereinafter the “Commission”) on 11th of December 2017 as a Cypriot Investment Firm with License Number 348/17. On 30th October 2020, the Company received authorization by the Commission to extend its CIF license and provide the investment services of Portfolio Management and Investment Advice.

In accordance with Regulation (EU) 2019/2033 on prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (herein the “IFR”), the Company is required to disclose information specified under Part Six of IFR (hereinafter the “Report”) and should be publicly available through the Company’s website.

Part Six of the IFR specifies the disclosure requirements with which institutions must comply i.e. disclosures with respect to their risk management policies and processes, governance, own funds and own funds requirements, as well as remuneration policies and practices.

The IFR aims to promote the transparency of financial institutions and to contribute to the orderly functioning of financial markets. Disclosure requirements under Part Six of the IFR should be a cornerstone of market discipline and enhance the ability of stakeholders to assess risk in financial institutions.

1.2 Scope of application

In accordance with IFR, the scope of application of the requirements outlined in Part Six of the IFR requires institutions to disclose information regarding the name of the institution to which the requirements of the IFR apply and an outline of the differences in the basis of consolidation for accounting and prudential purposes, with a brief description of the entities therein.

The requirements of Part Six of the IFR are applicable on a solo basis. The following tables indicate the Company’s corporate information and the Investment services/activities and Ancillary services which the Company is authorised to provide:

Corporate Information

Legal Name	ATHLOS CAPITAL INVESTMENT SERVICES LTD
CIF Authorization Date	11/12/2017
CIF License Number	348/17
Company Registration Date	09/11/2016
Company Registration Number	HE 362228

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Financial instruments	Investment services/activities								Ancillary services						
	I(1)	I(2)	I(3)	I(4)	I(5)	I(6)	I(7)	I(8)	II(1)	II(2)	II(3)	II(4)	II(5)	II(6)	II(7)
III (1)	√	√	√	√	√	-	√	-	√	√	√	√	√	-	-
III (2)	√	√	√	√	√	-	-	-	√	√			√		
III (3)	√	√	√	√	√	-	-	-	√	√			√		
III (4)	√	√	√	√	√	-	-	-	√	√			√		
III (5)	√	√	√	√	√	-	-	-	√	√			√		
III (6)	√	√	√	√	√	-	-	-	√	√			√		
III (7)	√	√	√	√	√	-	-	-	√	√			√		
III (8)	√	√	√	√	√	-	-	-	√	√			√		
III (9)	√	√	√	-	-	-	-	-	√	√			√		
III (10)	√	√	√	√	√	-	-	-	√	√			√		
III (11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1.3 Frequency of disclosure

The Company is required to publish the Report at least on an annual basis. It is noted that the Company shall assess the need to publish some, or all of the disclosures required by Part Six of the IFR more frequently than annually, in light of any changes in the Company's total assets and exposures.

1.4 Verification

The Report has been prepared in accordance with Part Six of the IFR and is subject to internal review by the Risk Committee prior to being approved by the Board of Directors. It is noted that the Report and the disclosures contained herein have been reviewed and approved by the Board of Directors on 2nd of June 2026.

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2 CORPORATE GOVERNANCE

2.1 Board of Directors

Pursuant to Article 48 of IFR, the Company is required to disclose information on the number of directorships held by members of the management body. The Board of Directors is ultimately responsible for approving and periodically reviewing the strategies and policies for taking up, managing, monitoring and mitigating the risks the Company is or might be exposed to.

The Board of Directors devotes sufficient time to the consideration of risk issues faced by the Company and is actively involved in and ensure that adequate resources are allocated for the management of all material risks which the Company is exposed to. The Board of Directors is composed of two Executive Directors and two Independent, Non-Executive Director, as depicted in the table below:

Name of Director	Position	Country of residence
Mr. Ioannis Petri	Executive Director	Cyprus
Mrs. Sara Eojourian	Executive Director	Cyprus
Mr. Andreas Lambrou	Independent, Non-Executive	Cyprus
Mr. Michael Antoniou	Independent, Non-Executive	Cyprus

2.2 Other directorships

There have been no changes in the composition of the Board of Directors of the Company during 2025. The table below shows the number of other directorships held by the members of the Management body in other financial institutions, upon the Company's prior consent:

Name	Position	Directorships – Executive	Directorships – Non-Executive
Mr. Ioannis Petri	Executive Director	-	-
Mrs. Sara Eojourian	Executive Director	-	-
Mr. Andreas Lambrou	Independent, Non-Executive Director	1	-
Mr. Michael Antoniou	Independent, Non-Executive Director	-	-

2.3 Recruitment and Selection Process

The Company has established a Recruitment Policy to set out the criteria for recruiting new employees, including new members to the Board of Directors. The Recruitment Policy lays down the requirements which need to be fulfilled by a person in order to be approved as a member of the Board.

In order for a person to be qualified as a Director, the Company must be satisfied that:

- The person is of good repute, has integrity, morals and credibility.
- Possesses adequate knowledge of financial matters and is able to make appropriate decision-making with respect to the Company's business operations.

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- c) Possesses adequate experience in the financial sector and/or has been occupied in similar positions.
- d) Has adequate risk management experience.
- e) His academic qualifications either in finance, accounting, law or any other related subject.

2.4 Diversity Policy

The Company is committed to fostering, cultivating and preserving a culture of diversity and inclusion. The Company considers diversity as an asset to its organisation and linked to better economic performance. It is an integral part of how the Company does business and imperative to commercial success. The Company considers that building a diverse and inclusive workforce will provide sustainability in the future.

In line with the recent changes in the regulatory reporting framework, the Company is in the process of establishing a dedicated diversity policy in relation to the management body.

2.5 Risk Committee

The Company has established a Risk Committee whose purpose is to advise the Board of Directors on the overall current and future risk appetite and strategy, as well assist the Board of Directors in its duty to oversee the implementation of that strategy by the Senior Management of the Company. The Risk Committee has a material role in the establishment of sound remuneration policies and practices i.e. examines whether incentives provided by the remuneration system take into consideration risk, capital, liquidity and the likelihood of timing and earnings. The Risk Committee bears the responsibility to monitor the adequacy and effectiveness of measures taken to address any deficiencies with respect to the risk management policies and practices established by the Company.

The Risk Committee is appointed by the Board of Directors and reports directly to the Board of Directors. The Risk Committee is composed of the following persons:

- a) Ms. Maria Kapsali, *Risk Manager*
- b) Mr. Michael Antoniou, *Independent, Non-Executive Director (Chairman)*
- c) Mr. Ioannis Petri, *General Manager & Head of Trading Department*

During 2025, the Risk Committee held 5 meetings and covered the following issues:

- (1) Review and approval of the calculations of Form 165-01 prior to submission to CySEC.

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3 RISK MANAGEMENT

3.1 Risk Management Policy and Objectives

The Company maintains its Risk Management policy and ensures its implementation within its organisation. The main objective is to ensure sustainable business growth with financial stability by promoting a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business operations.

The Risk Management framework established by the Company further aims to ensure that the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed through adequate and efficient systems.

The Risk Management policy describes the roles and responsibilities of the Risk Manager, the Board of Directors and the Senior Management and sets out the reporting lines of the Risk Management Function, describes the risk management process, the risk management methodology and makes appropriate reference to the Risk Register maintained by the Risk Manager.

3.2 Risk Management Function

The Company has established a Risk Management Function which is independent from the operational functions of the Company and has sufficient authority, resources and access to the Board of Directors. The Risk Management Function of the Company is composed of the Risk Manager who is responsible for reporting to the Board of Directors and the Risk Committee.

The Company, taking into consideration, its nature, scale and complexity of its business decided to combine the Compliance Function with the Risk Management Function as it considers that the independent functioning of each function is not in any way jeopardized.

The Risk Manager is responsible, inter alia, for the design of the risk management system, including but not limited to the risk management process, the risk management methodology and appropriate risk management policies and practices. The Risk Manager is further responsible for the independent risk assessment of the Company's risk management procedures in order to (i) identify the risks which the Company is exposed to (ii) understand and estimate the effect of the identified risks to the Company's operations and the acceptable level of risk (iii) establish adequate and appropriate methods of monitoring and measurement (iv) preparation and implementation of the ICAAP process and the relevant ICAAP report which is submitted to the Commission (v) proposes the capital allocation under Pillar II and (vi) provides ICAAP training to relevant employees and the Senior Management where necessary.

3.3 Risk Appetite

Risk appetite can be defined as the amount and type of risk that the Company is willing to take in order to meet its strategic objectives. Based on its risk appetite, the Company is able to understand the specific risks which it is exposed to, monitor those risks and report the findings of such reports to the Board of Directors.

The risk appetite of the Company is reviewed on an annual basis and is monitored on an on-going basis to ensure that the Company's strategy, business plan, capital requirements and liquidity are in line with its risk appetite. The Board of Directors is responsible for reviewing and approving the risk appetite of the Company. In this

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respect, the Board of Directors is also responsible for reviewing and approving on an annual basis the Company's business plan, budget, ICAAP and monitor the Company's risk profile and capital adequacy position.

3.4 Risk Assessment

The Company has established a risk assessment process to identify the various risks which have an adverse effect to its business operations and capital, analyze and evaluate those risks and determine appropriate ways to eliminate the possible impact of the identified risks where such risks cannot be avoided. The risk assessment conducted by the Company is based on the risk management methodology developed by the Company. The risk assessment process is depicted in the Risk Register maintained by the Risk Manager. The Risk Register includes indications of the severity of each identified risk and the adverse impact it could have on the Company if it had remained undefined. Based on the assessment conducted, the Company formulates its risk management strategy and the various risk mitigation techniques for each identified risk.

3.5 Directors' Declaration

The Board of Directors is ultimately responsible for the risk management framework of the Company. The Risk Management Framework involves the overall systems, policies, processes, and people within the Company that is used to identify, assess, mitigate and monitor all sources of risk that could have a material impact on the Company's business operations.

The Board of Directors hereby approves the adequacy of the risk management arrangements established by the Company providing assurance that the risk management systems in place are adequate and in line with the Company's risk profile and strategy.

3.6 Risk Statement

The Company has established a comprehensive risk management system designed to identify the risks which it is or might be exposed to and has developed adequate measures to minimize those risks i.e. to be in line with the Company's risk appetite. Taking into consideration the Company's nature, scale and complexity of business, the Company has adopted a dynamic risk management process, which takes into account internal and external risks, to capture any developments and changes in its risk profile from time to time. The risk management process includes the following elements: the establishment of the Risk Register, identification of risks, analysis and evaluation of the risks, treatment of the risks, monitoring and review of the risks, communication and consultation as appropriate at each stage of the process.

The Board of Directors along with the Senior Management of the Company are responsible for defining the corporate objectives and risk strategies, the risk profile of the Company and the associated processes and procedures and are further responsible for the dissemination of these information to the Risk Management Function. In this respect, the Risk Management Function is responsible for designing the risk management system, the preparation of appropriate risk management policies and procedures and the establishment of the Risk Register. Similarly, the Risk Manager is responsible for the identification of risks, analyzing the risks and establishing appropriate methods for monitoring and reviewing the identified risks. The Risk Manager is also responsible for communicating and consulting with the Risk Committee on the evaluation and treatment of the identified risks, which is responsible for overseeing the risk management process, approve and update of the risk management policies and arrangements and monitoring the identified risks. The Risk Committee is responsible for providing the Board of Directors with updates and recommendations on risk management



policies and procedures. The Risk Manager is also responsible for providing annual reports to the Board of Directors to enable the Board to review the systems, procedures and processes in place and where applicable make appropriate amendments.

The Company considers that the Risk Register is an appropriate risk management tool which enables it to document and categorize all the risks which it is or could be exposed to in the future. The Risk Register includes an indication of severity of the risk and the adverse impact it could have had on the Company if it had remained undefined. The Risk Register reflects the risk management methodology applied by the Company in order to effectively manage the risks which is or might be exposed to. The risk management methodology involves the following:

- a) The identification of the risks involved.
- b) Rating of the likelihood of the business activity not being properly performed (the likelihood is assessed on the assumption that there are no existing risk management and compliance processes in place).
- c) Rating the consequence of not properly performing the business activity (the damage can be quantified in terms of financial loss).
- d) Assigning the inherent risk rating based on the combination of rating of likelihood and consequence.
- e) Deciding whether a control is necessary to be adopted given the risk rating (a control might involve a policy, checklist, reporting mechanism etc).
- f) Assessing whether the existing controls are adequate and allocating the responsibility of monitoring the control to effectively treat the identified risk.
- g) Raise awareness of the Company's risk culture, profile and appetite within the organisation.
- h) Conducting on-going monitoring and reviews to ensure the effective management of the identified risks.

The Board of Directors considers that the Company has established an effective and comprehensible risk management framework for the proper identification, management and mitigation of the risks which the Company is or might be exposed to in the future.

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4 OWN FUNDS

In its capacity as a CIF to provide investment services, the Company is exposed to a variety of risks which are required to be mitigated and minimized to maintain an adequate capital base ensuring the continuation of the Company's operations while at the same time achieving the Company's business and strategic goals.

According to Article 9 of the IFR, the total Own Funds consists of the sum of the Company's Common Equity Tier 1 capital (the "CET1"), Additional Tier 1 capital (the "AT1") and Tier 2 Capital (the "T2"). The Company's regulatory capital comprises fully of CET1 capital while it has not issued any AT1 or T2 capital. The Composition of the Company's Own Funds as of 31st of December 2025 are presented in the below table:

4.1 Composition of Regulatory Own Funds

	YEAR 2025	Amount (EUR '000)	Source based on reference numbers/letters of the balance sheet in the audited financial statements
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	OWN FUNDS	33,337	
2	TIER 1 CAPITAL	33,337	
3	COMMON EQUITY TIER 1 CAPITAL	33,337	
4	Fully paid-up capital instruments	4	Share Capital
5	Share premium	14,996	Share premium
6	Retained earnings	18,795	Retained Earnings
	Previous years retained earnings	13,991	
	Profit eligible	4,804	
7	Accumulated other comprehensive income		
8	Other reserves		
9	Minority interest given recognition in CET1 capital		
10	Adjustments to CET1 due to prudential filters	(29)	Financial assets at FVTPL ¹
11	Other funds		
12	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(428)	
13	(-) Own CET1 instruments		
14	(-) Direct holdings of CET1 instruments		
15	(-) Indirect holdings of CET1 instruments		
16	(-) Synthetic holdings of CET1 instruments		
17	(-) Losses for the current financial year		
18	(-) Goodwill		

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¹ Financial assets at FVTPL (current portion) multiplied by 0,1%
11



19	(-) Other intangible assets	(347)	
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities		
21	(-) Qualifying holding outside the financial sector which exceeds 15% of own funds		
22	(-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds		
23	(-) CET1 instruments of financial sector entities where the institution does not have a significant investment		
24	(-) CET1 instruments of financial sector entities where the institution has a significant investment		
25	(-) Defined benefit pension fund assets		
26	(-) Other deductions	(17)	Cash buffer
27	CET1: Other capital elements, deductions and adjustments	(64)	Financial assets at FVTPL ²
28	ADDITIONAL TIER 1 CAPITAL	-	
29	Fully paid up, directly issued capital instruments		
30	Share premium		
31	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	-	
32	(-) Own AT1 instruments		
33	(-) Direct holdings of AT1 instruments		
34	(-) Indirect holdings of AT1 instruments		
35	(-) Synthetic holdings of AT1 instruments		
36	(-) AT1 instruments of financial sector entities where the institution does not have a significant investment		
37	(-) AT1 instruments of financial sector entities where the institution has a significant investment		
38	(-) Other deductions		
39	Additional Tier 1: Other capital elements, deductions and adjustments		
40	TIER 2 CAPITAL	-	
41	Fully paid up, directly issued capital instruments		

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² Financial assets at FVTPL (non-current portion) consist of Deposit to ICF (€ 64k).



42	Share premium		
43	(-) TOTAL DEDUCTIONS FROM TIER 2	-	
44	(-) Own T2 instruments		
45	(-) Direct holdings of T2 instruments		
46	(-) Indirect holdings of T2 instruments		
47	(-) Synthetic holdings of T2 instruments		
48	(-) T2 instruments of financial sector entities where the institution does not have a significant investment		
49	(-) T2 instruments of financial sector entities where the institution has a significant investment		
50	Tier 2: Other capital elements, deductions and adjustments		

4.2 Own funds reconciliation of Regulatory funds to balance sheet in the audited financial statements

The scope of accounting consolidation and the scope of regulatory consolidation are exactly the same and for this purpose Columns (a) and (b) of EU CC2 have been merged. The Company meets the obligations laid down in Article 46 on an individual basis.

	Balance sheet as in published/audited financial statements	Cross reference to EU IF CC1
	As at period end 31/12/2025 ('000 EUR)	
Assets – Breakdown by asset classes according to the balance sheet		
Non-current assets		
1	Property, plant and equipment	138
2	Intangible assets	347
3	Financial assets at fair value through profit or loss ³	64
		549
Current assets		
1	Trade and other receivables	1,636
2	Financial assets at fair value through profit or loss ⁴	29,338
3	Cash and cash equivalents	3,923
		34,897
	Total Assets	35,446

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³ Financial assets at FVTPL (non-current portion) consist of Deposit to ICF (€'000 64).

⁴ Financial assets at FVTPL (current portion) multiplied by 0,1% for Additional Valuation Adjustment ("AVA") purposes.



Liabilities – Breakdown by liability classes according to the balance sheet			
	Equity		
1	Share capital	4	4
2	Share premium	14,996	5
3	Retained earnings	18,795	6
		33,795	
	Non-current liabilities		
1	Lease liabilities	-	
		-	
	Current liabilities		
1	Trade and other payables	1,553	
2	Borrowings	-	
3	Lease liabilities	-	
4	Current tax liabilities	99	
		1,652	
	Total Liabilities	1,652	
	Shareholders' Equity		
1	Authorised capital (Ordinary shares of 1 EUR each)	4	
2	Issued and fully paid	4	4
3	Share premium	14,996	5
	Total Shareholders' equity	15,000	

4.3 Own funds: Main features of own instruments issued by the Company

Item	Ordinary Shares Amount ('000 EUR)	Ordinary Shares Amount ('000 EUR)	Ordinary Shares Amount ('000 EUR)	Ordinary Shares Amount ('000 EUR)
Issuer	Athlos Capital Investment Services Limited	Athlos Capital Investment Services Limited	Athlos Capital Investment Services Limited	Athlos Capital Investment Services Limited
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A	N/A	N/A
Public or private placement	N/A	N/A	N/A	N/A

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Governing law(s) of the instrument	Chapter 113 Company Law, Articles 58, 59A, 69A, 70	Chapter 113 Company Law, Articles 58, 59A, 69A, 70	Chapter 113 Company Law, Articles 58, 59A, 69A, 70	Chapter 113 Company Law, Articles 58, 59A, 69A, 70
Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary Shares
Amount recognised in regulatory capital (in '000 EUR)	1	1,250	8,749	5,000
Nominal amount of instrument	€1	€1	€1	€1
Issue price	€1	€1,249	€8,748	€4,999
Redemption price	N/A	N/A	N/A	N/A
Accounting classification	Share Capital	Share Capital & Share Premium	Share Capital & Share Premium	Share Capital & Share Premium
Original date of issuance	09/11/2016	17/11/2017	21/12/2021	29/12/2023
Perpetual or dated	N/A	N/A	N/A	N/A
Original Maturity date	N/A	N/A	N/A	N/A
Issuer call subject to prior supervisory approval	N/A	N/A	N/A	N/A
Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A
Subsequent call dates, if applicable	N/A	N/A	N/A	N/A
Coupons/dividends	N/A	N/A	N/A	N/A
Fixed or floating dividend/coupon	N/A	N/A	N/A	N/A
Coupon rate and any related index	N/A	N/A	N/A	N/A

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Existence of dividend stopper	N/A	N/A	N/A	N/A
Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A	N/A	N/A	N/A
Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A	N/A	N/A	N/A
Existence of step up or other incentive to redeem	N/A	N/A	N/A	N/A
Noncumulative or cumulative	N/A	N/A	N/A	N/A
Convertible or non-convertible	N/A	N/A	N/A	N/A
If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A	N/A
If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A
If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A
If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A
Write-down features	N/A	N/A	N/A	N/A

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If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A
Non-compliant transitioned features	N/A	N/A	N/A	N/A
If yes, specify non-compliant features	N/A	N/A	N/A	N/A
Link to the full term and conditions of the instrument (signposting)	N/A	N/A	N/A	N/A

5 CAPITAL REQUIREMENTS

5.1 Permanent Minimum Capital Requirement

Pursuant to Art. 9 of IFD and Art. 15 of Directive 2014/65/EU, an investment firm which is authorised to provide the investment service of ‘Dealing on own account’ it is required to maintain a permanent minimum capital of 750,000 EUR. As the Company has been authorised, amongst others, to provide the investment service of ‘Dealing on own account’ it is therefore required to maintain at all times a minimum capital of 750,000 EUR. The Company monitors its capital adequacy on a consistent basis to ensure that it adheres to the levels of permanent minimum capital as required.

5.2 K-Factor Requirements

In line with the requirements of Art. 15 of Reg (EU) 2019/2033 the Company monitors the value of its K-factors to identify any trends that could leave the Company with a materially different own funds requirement and to ensure that if this occurs it will appropriately inform the competent authority of that materially different own funds requirement. The table below shows the Company’s K-Factor requirements as of 31st of December 2025:

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K-Factor Requirement		Amount (EUR)
Risk-to-Client (RtC)	K-AUM	26,354
	K-CMH	116,369
	K-ASA	278,610
	K-COH	-
Risk-to-Market (RtM)	K-NPR	4,285,252
	K-CMG	-
Risk-to-Firm (RtF)	K-TCD	-
	K-DTF	52,204
	K-CON	-
Total K-Factor Requirement		4,758,789

As per the provisions of IFR, the Company is required to calculate its own funds requirements by reference to the above set of K-factors which capture Risk to Client (RtC), Risk to Market (RtM) and Risk to Firm (RtF).

Risk to Client (RtC):

The K-factors under RtC capture client assets under management and ongoing advice (K-AUM), client money held (K-CMH), assets safeguarded and administered (K-ASA) and client orders handled (K-COH). The K-factors under RtC covers the business areas of the Company from which harm to clients can conceivably be generated in case of problems.

K-AUM: Assets Under Management:

In particular, K-AUM captures the risk of harm to clients from an incorrect discretionary management of client portfolios or poor execution and provides reassurance and client benefits in terms of the continuity of service of ongoing portfolio management and investment advice.

K-ASA: Assets Safeguarded and Administered:

K-ASA captures the risk of safeguarding and administering client assets, and ensures that investment firms hold capital in proportion to such balances, regardless of whether they are on its own balance sheet or in third-party accounts.

K-CMH: Client Money Held:

K-CMH captures the risk of potential harm where an investment firm holds money of its clients, taking into account whether they are on its own balance sheet or in third-party accounts and arrangements under applicable national law provide that client money is safeguarded in the event of bankruptcy, insolvency or entry into resolution or administration of the investment firm. K-CMH excludes client money that is deposited on a (custodian) bank account in the name of the client where the investment firm has access to the client money via a third-party mandate.

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Since the Company is currently offering the ancillary service of safekeeping and administration of assets it is exposed to K-AUM, K-ASA and K-CMH. The Company monitors its exposure to K-AUM, K-ASA and K-CMH on a consistent basis to effectively manage its exposure to the risk of harm to clients.

K-COH: Client Orders Handled:

K-COH captures the potential risk to clients of an investment firm which executes orders (in the name of the client, and not in the name of the investment firm itself) for example as part of execution-only services to clients or when an investment firm is part of a chain for client orders. Since the Company does not execute orders in the name of the client, K-COH is not applicable to the Company.

Risk to Market (RtM):

The K-factor under RtM captures net position risk (K-NPR) in accordance with the market risk provisions of Reg (EU) No 575/2013 or where permitted by the competent authority for specific types of investment firms which deal on own account through clearing members, based on the total margins required by an investment firm's clearing member (K-CMG). The Company is not exposed to K-CMG as it does not deal on own account through clearing members.

The K-factors for RtM for investment firms that deal on own account is based on the rules for market risk for positions in financial instruments, in foreign exchange and in commodities in accordance with Reg (EU) No 575/2013. This allows the Company to apply the standardized approach as previously under Reg (EU) 575/2013. Since the Company is authorised to deal on own account it was exposed to market risk under the previous prudential supervision framework, the Company is exposed to RtM under the new prudential supervision framework and shall monitor its exposure to market risk on a consistent basis to effectively manage its exposure to market risk.

Risk to Firm (RtF):

The K-factors under RtF capture an investment firm's exposure to the default of their trading counterparties (K-TCD) in accordance with simplified provisions for counterparty credit risk based on Reg (EU) No 575/2013, concentration risk in an investment firm's last exposures to specific counterparties based on the provisions of that Regulation that apply to large exposures in the trading book (K-CON) and operational risks from an investment firm's daily trading flow (K-TDF).

The K-factors for K-TCD and K-CON under RtF constitute a simplified approach of the rules laid down in Reg (EU) 575/2013 on counterparty credit risk and large exposure risk respectively. K-TCD captures the risk an investment firm by counterparties to over-the-counter (OTC) derivatives, repurchase transactions, securities and commodities lending or borrowing transactions, long settlement transactions, margin lending transactions, or any other securities financing transactions, as well as by recipients of loans granted by the investment firm on an ancillary basis as part of an investment service that fail to fulfil their obligations. The Company is not exposed to K-TCD as it does not deal with any of the instruments that are captured under K-TCD.

K-CON captures concentration risk in relation to the individual or highly connected private sector counterparties with whom firms have exposures above 25% of their own funds, or specific alternative thresholds, by imposing a

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capital add-on in line with Reg (EU) 575/2013 for excess exposures above those limits. The Company calculates its exposure value to concentration to monitor and control its exposure to concentration risk.

K-DTF captures the operational risks to an investment firm in large volumes of trades concluded for its own account or for clients in its own name in one day which could result from inadequate or failed internal processes, people and systems or from external events, based on the notional value of daily trades, adjusted for the time to maturity of interest rate derivatives in order to limit increases in own funds requirements, in particular short-term contracts where perceived operational risks are lower. The Company is exposed to K-DTF as it concludes a large volume of trades for its own account and for clients in its own name. The Company monitors its exposure to K-DTF to ensure that it effectively manages its exposure to operational risk.

The overall own funds requirement under the K-factors is the sum of the requirements of the K-factors under RtC, RtM and RtF.

5.3 Fixed Overheads Requirement

To calculate the Fixed Overheads requirement the Company uses figures resulting from the applicable accounting framework and in line with Art. 13 of Reg (EU) 2019/2033 which states the fixed overheads requirement shall amount to at least one quarter of the fixed overheads of the preceding year. The table below shows the fixed overhead requirement calculation as of 31st of December 2025:

Items	Amount (EUR '000)
Total Expenses of the previous year after distribution of profits	4,005
Deductions	
Art. 13(4) IFR	
(a) staff bonuses and other remuneration, to the extent that they depend on the net profit of the investment firm in the respective year;	(267)
(b) employees', directors' and partners' shares in profits;	
(c) other appropriations of profits and other variable remuneration, to the extent that they are fully discretionary;	
(d) shared commission and fees payable which are directly related to commission and fees receivable, which are included within total revenue, and where the payment of the commission and fees payable is contingent on the actual receipt of the commission and fees receivable;	
(e) fees to tied agents;	(227)
(f) non-recurring expenses from non-ordinary activities.	
(EBA/RTS/2020/11 dd 16/12/2020)	
(a) fees, brokerage and other charges paid to central counterparties, exchanges and other trading venues and intermediate brokers for the purposes of executing, registering or clearing transactions, only where they are passed on and charged to customers. These shall not include fees and other charges necessary to maintain membership or otherwise meet loss-sharing financial obligations to central counterparties, exchanges and other trading venues;	(303)

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(b) interest paid to customers on client money, where there is no obligation of any kind to pay such interest;	
(c) expenditures from taxes where they fall due in relation to the annual profits of the investment firm;	(296)
(d) losses from trading on own account in financial instruments;	
(e) payments related to contract-based profit and loss transfer agreements according to which the investment firm is obliged to transfer, following the preparation of its annual financial statements, its annual result to the parent undertaking.	
(f) payments into a fund for general banking risk in accordance with Article 26(1)(f) of Regulation (EU) 2013/575;	
(g) expenses related to items that have already been deducted from own funds in accordance with Article 36(1) of Regulation (EU) 2013/575.	
Fixed overheads of the preceding year	2,912
Projected fixed overheads of the current year	3,374
Variation of fixed overheads (%)	15,86%
Fixed overheads requirement (capital requirement)	728

5.4 Own Funds Requirement

In accordance with the new prudential regime, the Company is classified as a Class 2 IF and therefore, it shall at all times have own funds at least the highest of:

- Fixed overhead requirement (FOR);
- Initial Capital (minimum capital requirement);
- K-Factors requirement.

The table below illustrates a summary of the own funds requirements as calculated as of 31st December 2025:

Capital Requirements	Amount (EUR '000)
Fixed Overhead Requirement	728
Permanent Minimum Capital Requirement	750
K-factor Requirement	4,759
Total capital requirements	4,759

5.5 Capital ratios

In accordance with IFR, an investment firm's own funds must in no case fall below the level of initial capital. The investment firm must at all times satisfy the following own funds requirements as per Art. 9 of IFR, where *D* is defined as the highest of the following:

- Their fixed overhead requirement calculated in accordance with Art. 13 of IFR
- Their permanent minimum capital requirement in accordance with Art. 14 of IFR
- Their K-factor requirement calculated in accordance with Art. 15 of IFR.

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Own funds requirements under Art. 9 of IFR:

- Common Equity Tier 1 Capital > 56%
 D
- Common Equity Tier 1 Capital + Additional Tier 1 Capital > 75%
 D
- Common Equity Tier 1 Capital + Additional Tier 1 Capital + Tier 2 Capital > 100%
 D

Where D is the Company's total own funds requirement.

The table below illustrates the Company's capital ratios as calculated as of 31 December 2025:

Ratios	Actual	Minimum Threshold required
CET1 Ratio	700,54%	56,00%
Surplus(+)/Deficit(-) of CET 1 capital	30,672	
Tier 1 Ratio	700,54%	75,00%
Surplus(+)/Deficit(-) of Tier 1 capital	29,768	
Total CAD Ratio	700,54%	100%
Surplus(+)/Deficit(-) of Total capital	28,578	

6 CONCENTRATION RISK

6.1 Monitoring obligation

The Company monitors and controls its concentration risk on accordance with Part Four of IFR by means of sound administrative and accounting procedures and robust internal control mechanisms. As Class 2 investment firm, the Company is required to monitor and control its concentration risk so as not to exceed the following limits:

- a) An investment firm's limit with regard to the concentration risk of an exposure value with regard to an individual client or group of connected clients shall be 25% of its own funds.
- b) Where that individual client is a credit institution or an investment firm or where a group of connected clients includes one or more credit institutions or investment firms, the limit with regard to concentration risk shall be the higher of 25% of the investment firm's own funds or EUR 150 million provided that for the sum of exposure values with regard to all connect clients that are not credit institutions or investment firms, the limit with regard to concentration risk remains at 25% of the investment firm's own funds.

The Company is required to notify CySEC where the limits set out in paragraph 6.1 above are exceeded.

6.2 Calculation of exposure value

To calculate the exposure value with regard to a client or group of connected clients the Company performs the following calculations in line with Art. 36 of IFR by adding together the following items:

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- a) The positive excess of its long positions over its short positions in all the trading book financial instruments issued by the client in question, the net position for each instrument calculated in accordance with K-NPR under Art. 22 of IFR;
- b) The exposure value of contracts and transactions with the client in question, calculated as per Art. 27 of IFR.

The table below illustrates the Company's thresholds to concentration risk:

Item	Amount (EUR '000)
Own Funds	33,337
25% of Own Funds	8,334
40% of Own Funds	13,335
Capital Requirement	4,759

The company did not have any exposure to concentration risk for the year ended 31 December 2025.

7 LIQUIDITY REQUIREMENTS

7.1 Liquidity requirements under Art. 43 of IFR

In accordance with Art. 43 of IFR, the Company is required to hold an amount of liquid assets equivalent to at least one third of the fixed overhead requirement. Liquidity risk is the risk that the Company has insufficient financial resources to meet its current and prospective obligations, as they fall due, or can only secure these resources at excessive costs. Liquidity risk can arise from the Company's inability to manage unplanned decreases or changes in funding sources and the failure to recognize or address changes in market conditions that affect the ability of the Company to liquidate assets quickly and with minimal loss in value.

The Company has established adequate policies and practices to assess, monitor and manage its liquidity needs on an on-going basis to ensure that adequate liquidity is maintained not only during normal conditions but also during stressed conditions i.e. respond to liquidity drainage in the market and repay all their obligations to clients at all times.

As of 31st of December 2025 the Company held an adequate level of liquid assets which satisfied the liquidity threshold as per the requirements of Art. 43 of IFR, as illustrated in the table below:

Item	Amount (EUR '000)
Liquidity requirement	243
Client guarantees	
Total liquid assets	16,072
Unencumbered short-term deposits	3,923
Total eligible receivables due within 30 days	207
Level 1 assets	
Coins and banknotes	

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Withdrawable central bank reserves	
Central bank assets	
Central government assets	207
Regional government/local authorities assets	
Public Sector Entity assets	
Recognisable domestic and foreign currency central government and central bank assets	
Credit institution (protected by Member State government, promotional lender) assets	
Multilateral development bank and international organisations assets	
Extremely high quality covered bonds	
Level 2A assets	
Regional government/local authorities or Public Sector Entities assets (Member State, RW20 %)	
Central bank or central/regional government or local authorities or Public Sector Entities assets (Third Country, RW20 %)	
High quality covered bonds (CQS2)	
High quality covered bonds (Third Country, CQS1)	
Corporate debt securities (CQS1)	
Level 2B assets	
Asset-backed securities	
Corporate debt securities	
Shares (major stock index)	
Restricted-use central bank committed liquidity facilities	
High quality covered bonds (RW35 %)	
Qualifying CIU shares/units	
Total other eligible financial instruments	11,942

8 REMUNERATION POLICIES AND PRACTICES

8.1 Principles

In forming its Remuneration Policy, the Company takes into account the size, nature, scale and complexity of the its business and operations. When establishing and applying the Remuneration Policy, inclusive of salaries and discretionary pension benefits, for categories of staff including senior management, risk takers, staff engaged in control functions and any other employee receiving total remuneration, whose professional activities have a material impact on the Company's risk profile, the Company applies the following principles:

- The Remuneration Policy is consistent with and promotes sound and effective risk management without encouraging risk-taking that exceeds the level of tolerated risk of the Company.
- The Remuneration Policy is in line with the business strategy, objectives, values and long-term interests of the Company and incorporates measures to avoid conflicts of interest.
- The Board of Directors is responsible for periodically reviewing the general principles of the Remuneration Policy and overseeing its implementation.

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- d) The Compliance Function conducts an independent internal review, at least on an annual basis, of the implementation of the Remuneration Policy.
- e) Staff engaged in control functions are independent from the business units they oversee, have appropriate authority and are remunerated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.
- f) The Board of Directors oversees the remuneration of senior officers in the Risk Management and Compliance Functions.
- g) The Remuneration Policy makes a clear distinction between the criteria for setting basic fixed remuneration and variable remuneration.
- h) Basic fixed remuneration primarily reflects the relevant professional experience and organizational responsibility as set out in the employee's job description.
- i) Variable remuneration reflects a sustainable and risk adjusted performance as well as performance in excess of that required to fulfil the employee's job description.
- j) Fixed and variable remuneration are appropriately balanced, and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable components.
- k) Guaranteed variable remuneration is not consistent with sound risk management or the pay-for-performance principle and shall not be part of prospective remuneration plans.

8.2 Governance of Remuneration

8.2.1 Board of Directors

The Board of Directors has ultimate oversight of the firm's remuneration framework. It ensures that the remuneration policy promotes sound and effective risk management, aligns with the firm's strategic objectives and risk profile, and complies with applicable regulatory requirements. The Board of Directors ensures appropriate allocation of responsibilities and reporting lines within the organisation to enable effective oversight and implementation of remuneration policies.

8.2.2 Remuneration Committee

In 2024, the Company has been assessed as a 'significant CIF' and has therefore proceeded with the establishment of a Remuneration Committee. The Remuneration Committee has been established in order to:

- a) Prepare the decisions on remuneration to be taken, in particular regarding the remuneration of the members of the management function and other identified staff;
- b) Provide its support and advice to the supervisor function on the design of the Company's Remuneration Policy, including that such Remuneration Policy is gender neutral and supports the equal treatment of staff of different genders;
- c) Support the supervisory function in overseeing the remuneration policies, practices and processes and the compliance of the remuneration policy and the requirement for the remuneration to be gender neutral;
- d) Check whether the existing remuneration policy is up to date and if necessary, make proposals for changes;
- e) Review the appointment of external remuneration consultants to be engaged for advice or support;
- f) Ensure the adequacy of the information provided to shareholders on remuneration policies and practices, in particular on a proposed higher maximum level of the ratio between fixed and variable remuneration;

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- g) Assess mechanisms and systems adopted to ensure that the remuneration system properly takes into account all types of risks, liquidity and capital levels and that the overall remuneration policy is consistent with and promotes sound and effective risk management and is in line with the business strategy, objectives, corporate culture and values and the long-term interest of the Company;
- h) Assess the achievement of performance targets and the need for ex post risk adjustment, including the application of malus and clawback arrangements;
- i) Review a number of possible scenarios to test how the remuneration policies and practices react to external and internal events, and back-test the criteria used for determining the award and the ex-ante risk adjustment based on the actual risk outcomes.
- j) Make recommendations to the supervisory function on the design of the remuneration package and amounts of remuneration to be paid to the senior staff members in the control functions.

The Remuneration Committee meets at least on an annual basis or sooner if the circumstances require so.

The Remuneration Committee is composed of the following persons:

- a) Mr. Michael Antoniou, *Independent, Non- Executive Director (Chairman)*
- b) Mr. Andreas Lambrou, *Independent, Non- Executive Director*

8.2.3 Risk Management Function

The Risk Management Function is responsible for:

- a) Providing effective input in accordance with its role into the setting of bonus pools, performance criteria and remuneration awards where there are concerns regarding the impact on staff behaviour and the riskiness of the business undertaken; and
- b) Providing assistance and information on the definition of suitable risk-adjusted performance measures, including ex post adjustments, as well as assessing how the variable remuneration structure affects the risk profile and culture of the Company.

8.2.4 Compliance Function

The Compliance Function is responsible for:

- a) Providing effective input in accordance with its role into the setting of bonus pools, performance criteria and remuneration awards where there are concerns regarding the impact on staff behaviour and the riskiness of the business undertaken;
- b) analysing how the remuneration policy affects the Company's compliance with legislation, regulations, internal policies and risk culture; and
- c) reporting any compliance risks and issues of non-compliance to the management body. The findings of this report shall be taken into account by the supervisory function during the approval, review and oversight of the remuneration policy.

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8.2.5 Internal Audit Function

The Internal Audit Function is responsible for carrying out an independent review of the design, implementation and the effects of the Company's remuneration policies on its risk profile and the way these effects are managed.

8.3 Staff Categories Covered

The Remuneration Policy applies to all staff, with additional provisions for identified staff, including:

- a) Executive Directors
- b) Heads of Internal Control Functions
- c) Other identified staff

8.4 Performance Assessment and Risk Alignment

The Company's remuneration framework is designed to ensure that variable remuneration is awarded based on sound performance evaluation and is aligned with the Company's risk profile, regulatory obligations, and long-term sustainability.

Fixed remuneration is determined based on objective factors such as the nature and complexity of the role, individual responsibilities, professional experience, and required competencies. It represents a stable component of compensation and does not depend on performance.

Variable remuneration, by contrast, is directly linked to performance at multiple levels i.e. individual, departmental, and firm-wide. It is awarded to incentivize performance while discouraging excessive risk-taking or short-termism. The variable component is assessed based on a combination of:

- Quantitative criteria, such as financial performance metrics relevant to the staff member's role, including profitability, cost control, or revenue generation; and
- Qualitative criteria, such as adherence to internal procedures, compliance with regulatory obligations, quality of service, professional conduct, and contribution to risk management objectives.

To ensure alignment with the Company's risk appetite and regulatory expectations, the following risk alignment mechanisms are embedded within the remuneration framework:

- Ex ante risk adjustments: Variable remuneration is subject to risk-based limits and performance thresholds to ensure payouts are consistent with the Company's financial condition and risk profile at the time awards are granted.
- Malus and clawback provisions: In line with internal policies, the Company reserves the right to reduce (malus) or reclaim (clawback) variable remuneration in circumstances such as misstatement of results, misconduct, or failure to comply with internal policies or risk standards.

The performance assessment and remuneration process is subject to oversight by the Remuneration Committee and relevant control functions (e.g., Risk and Compliance), ensuring consistency, transparency, and regulatory compliance.

The performance assessment and risk adjustment framework described above is currently under comprehensive review as part of the Company's remedial action plan, following its reclassification as a significant CIF under

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Article 32(4) of the IFR/IFD. The Company is in the process of enhancing and updating its remuneration policies, particularly with respect to deferral arrangements, payment in non-cash instruments, and governance practices, in order to ensure full compliance with the applicable regulatory requirements during the 2025 financial year.

8.5 Use of external benchmarking

No external remuneration consultants were engaged during the year. Remuneration decisions were based on internal assessments and market data.

8.6 Remuneration of identified staff

The table below shows the remuneration received by the Directors and other identified staff whose professional activities have material impact on the Company's profile as of 31st December 2025:

Position	No of Beneficiaries	Fixed Remuneration (EUR '000)	Variable remuneration (EUR '000)	Total (EUR '000)
Independent Non-Executive Directors	2	6	-	6
Executive Directors	2	237	50 ⁵	287
Other identified staff	6	594	124	718
Total		837	175	1,011

8.7 Article 51 of IFR

In September 2024, the Company was requested by CySEC to submit an Ad Hoc Internal Audit report assessing its compliance with the remuneration requirements of Part Six of Regulation (EU) 2019/2033 (IFR), in particular Article 51, and the relevant provisions of the Investment Firms Directive (IFD) transposed into national law.

In line with the Action Plan set for 2025, the Company proceeded with the review and assessment of its existing remuneration policies and practices. The following actions were taken:

- The introduction of a structured remuneration framework (fixed pay, STIP, KPIs, commissions, and referral scheme), supported by an external consultant, enhances governance, transparency, and alignment with best market practices.
- The establishment of a sufficiently high fixed remuneration component strengthens financial stability for employees and supports a prudent risk culture by reducing over-reliance on variable pay.
- The implementation of a Short-Term Incentive Plan (STIP), linked to Company and individual performance and subject to Board approval to promote performance-driven culture while incorporating risk and sustainability considerations.
- The adoption of malus and clawback provisions represents a strong control mechanism, enhancing the Company's ability to manage misconduct risk and protect against inappropriate remuneration outcomes.

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⁵ Executive Directors receive variable remuneration by virtue of their position as employees of the Company.



- e) The development of a structured KPI framework, combining quantitative and qualitative metrics aligned with strategic objectives, improves performance management, accountability, and alignment with business strategy.
- f) The introduction of a commission-based incentive scheme aligned with revenue generation supports business growth objectives, while being designed to remain consistent with risk management and regulatory expectations.
- g) The incorporation of regulatory requirements on variable remuneration (including deferrals, thresholds, and payment in instruments) strengthens regulatory compliance and promotes long-term alignment between employee incentives and Company performance.
- h) The deferral and instrument-based remuneration mechanisms further reinforce sustainable performance and long-term value creation, aligning employee interests with the Company's financial health.
- i) The implementation of an employee referral scheme enhances talent acquisition efficiency and supports internal engagement, contributing positively to workforce development.

Summary Statement:

While the Company does not yet fully meet all the requirements of Article 51 of the IFR due to its recent reclassification as a significant CIF, it is actively pursuing full alignment. The remediation efforts underway aim to:

- Ensure deferral and instrument-based variable pay for Identified Staff,
- Harmonise the remuneration framework with IFD/IFR and CySEC expectations,
- Support the Company's growth while maintaining a sound capital base and prudent risk culture.

A fully updated remuneration policy is expected to be in place and operational for the financial year 2025 reporting cycle.

9 INVESTMENT POLICY

9.1 Investment Policy under Art. 52 of IFR

In accordance with Article 52 (1) of the IFR, Member States shall ensure that IFs which do not meet the criteria referred to in point (a) of Article 32 (4) disclose the Company's Investment Policy. IFs which meet the criteria specified under the Law and Article 32(4) of the IFD, whose on-and-off balance sheet assets on average over the 4 year period are less than €100 million are exempted from the disclosure of information on Investment Policy.

During 2025, the Company's average on-and off-balance sheet assets for the preceding four-year period exceeded EUR 100 million and, accordingly, the Company assessed the applicability of the disclosure requirements under Article 52 IFR.

As at 31 December 2025, the Company held an equity investment that conferred voting rights. However, the Company's holding represented less than 5% of the total voting rights attached to the shares issued by the investee company. Consequently, the threshold specified in Article 52(2) IFR was not met and the Company is

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not required to provide the detailed disclosures relating to investment policy, voting behaviour and the use of proxy advisor firms prescribed under Article 52 IFR and the related regulatory technical standards.

Accordingly, no disclosures are required in respect of:

- the proportion of voting rights attached to shares held in investee companies;
- voting behaviour and explanations of significant votes;
- the use of proxy advisor firms; or
- voting guidelines.

The Company will reassess the applicability of the Article 52 IFR disclosure requirements on an ongoing basis and will update future disclosures should its holdings exceed the relevant regulatory thresholds.

10 ENVIRONMENTAL, SOCIAL & GOVERNANCE RISKS

10.1 Environmental, social & governance risk under Art. 53 of IFR

Under the new prudential regime, the Environmental, Social and Governance Risk (the “ESG Risk”) is introduced. As per Article 35 of the IFD and Article 53 of the IFR the majority of IFs must disclose information on ESG risks, including physical risks and transition risks. The above requirement will enter into force on the 26th of December 2022 and it shall be disclosed once in the first year and biannually thereafter. IFs which meet the criteria specified under the Law and Article 32(4) of the IFD, whose on-and-off balance sheet assets on average over the 4 year period are less than €100 million are exempted from the disclosure of information on ESG Risk.

The Company’s average on-and off-balance sheet assets for the preceding four-year period have exceeded EUR 100 million and therefore, the Company is now classified as a ‘significant CIF’.

As required under Article 53 of Regulation (EU) 2019/2033 (IFR), the Company is committed to identifying, managing, and disclosing Environmental, Social, and Governance (ESG) risks to the extent that they materially affect its risk profile and business model.

10.2 Approach to ESG Risk Management

The Company acknowledges the increasing importance of ESG factors in the financial services sector and their potential to impact financial performance, reputational standing, and long-term sustainability. While ESG risks are not currently a core element of the Company's investment or risk strategy, the Board of Directors recognises the evolving regulatory expectations and market standards in this area.

To this end:

- The Company integrates ESG considerations on a proportional basis, in line with the nature, scale and complexity of its activities.
- ESG risks are not yet embedded as standalone risk categories but are considered as potential amplifiers of traditional risk types such as credit, operational, reputational, and strategic risk.

10.3 Governance and oversight

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The Board of Directors retains ultimate oversight of the Company's risk management framework, including the approach to ESG-related risks. While the Company does not currently maintain a dedicated ESG Committee, the responsibility for ESG awareness and assessment is shared among the Risk Management, Compliance, and Senior Management functions.

The Company has initiated steps to strengthen internal awareness of ESG matters, particularly in the context of:

- Regulatory developments under the EU Sustainable Finance Disclosure Regulation (SFDR) and Corporate Sustainability Reporting Directive (CSRD);
- ESG-related expectations under EBA Guidelines and CySEC Circulars.

10.4 ESG Exposure

As of 31 December 2025, the Company's business model remains primarily focused on fixed income trading and wealth management services, with no material direct exposure to environmental or social risk factors through its proprietary investments. The Company does not currently hold positions in high ESG-risk sectors such as fossil fuels, extractive industries, or other carbon-intensive activities.

Client portfolios managed or advised by the Company may include ESG-sensitive instruments; however, since the Company acts on a non-discretionary basis for most client accounts, ESG integration is dependent on client-driven investment preferences.

10.5 Future ESG integration and plans

The Company recognizes the increasing regulatory and stakeholder demand for enhanced ESG integration and transparency. Accordingly, the following actions are planned:

- Risk framework enhancements: ESG risks will be more explicitly integrated into the internal risk assessment and ICARA processes.
- Training and awareness: Internal training will be conducted to enhance staff awareness of ESG issues and their implications for risk management and client servicing.
- Policy updates: The Company aims to develop a formal ESG Policy and incorporate ESG-related risk metrics into its internal reporting over the next review cycle.

The Company will continue to monitor regulatory developments and best practices relating to ESG risk management and disclosure, with the aim of progressively enhancing its ESG framework and disclosures in accordance with Article 53 IFR and related guidance.

11 PUBLICATION OF DISCLOSURES

11.1 Publication of Report and External Auditor's verification

The Disclosures in accordance with Art. 46 of Regulation (EU) 2019/2033 for the year 2025 have been prepared by the Company as per the provisions of IFD/IFR.

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In accordance with the applicable regulatory framework, the Report should form an integral part of the Company's Financial Statements where the Financial Statements are published or on the Company's website, where the Financial Statements are not published. The Report is required to be verified by the Company's External Auditors and the Company is responsible for submitting the verification report to the Commission. In this respect, the Report has been published on the Company's website and the relevant External Auditor's verification report will be submitted to the Commission within the specified deadlines.

11.2 Disclosure Waiver

The Company states that any information that was not included in this report was either not applicable on the Company's business activities or such information is considered as proprietary to the Company and sharing this information with the public and/or competitors would undermine the Company's competitive position.

Signed for identification
Deloitte Limited

By ...*kk*.....
Nicosia - Cyprus

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