

ALBOURNE
Albourne Cyprus Limited

Disclosures in accordance with Part Six of Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the 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

YEAR ENDED 31 MARCH 2025

July 2025

CONTENTS

1.	OVERVIEW.....	3
1.1	General Information	3
1.2	Company Incorporation and Principal Activities	3
1.3	Scope of Disclosures	5
1.4	Disclosure Policy	6
1.5	Regulatory Developments	6
1.6	Geopolitical condition, catastrophic events and crises	6
2.	RISK MANAGEMENT FRAMEWORK AND GOVERNANCE	7
2.1	Board of Directors.....	7
2.2	Management Diversity Policy	7
2.3	Number of directorships held by Board members	8
2.4	Risk Management Function and Basic Principles	8
2.5	Group Risk Management Committee	9
2.6	Anti-Money Laundering Compliance Officer.....	10
2.7	Compliance Officer	12
2.8	Internal Audit	13
2.9	Risk Appetite Statement.....	13
3.	CAPITAL MANAGEMENT	15
4.	OWN FUNDS	16
5.	CAPITAL REQUIREMENTS.....	17
5.1	Fixed Overheads Requirement (“FOR”).....	17
5.2	Permanent Minimum Capital Requirement (“PMCR”).....	17
5.3	K-Factor Requirement	17
5.4	IFR & IFD Transitional Arrangements.....	20
5.5	Own Funds Requirement.....	20
5.6	Other Risks.....	21
5.6.1	Liquidity Risk.....	21
5.6.2	Credit Risk.....	22
5.6.3	Operational Risk other than DTF.....	22
5.6.4	Regulatory Compliance Risk	23
6.	REMUNERATION	23
	ANNEX I	27

1. OVERVIEW

1.1 General Information

This report pertains to the “Disclosure and Market Discipline of Investment Firms” regulatory obligation, in accordance with the provisions of Part Six of EU Regulation 2033/2019 of the European Parliament and of the Council of 27 November 2019 on prudential requirements for investment firms (hereinafter the “IFR”) and EU Directive 2034/2019 for the prudential supervision of investment firms (hereinafter the “IFD”). Under this regulatory obligation, Albourne Cyprus Limited (hereinafter the “Company” or “ACL”) is obliged to provide information on its risk management arrangements, its capital structure, capital and liquidity adequacy and risk exposures, as well as on the most important characteristics of its risk governance, including its remuneration system. The scope of these disclosures, termed the Pillar III Disclosures, is to promote market discipline and to improve transparency of market participants.

The information that the Company discloses herein relates to the year ended 31 March 2025.

The current regulatory framework (IFR/IFD framework) is based on three pillars:

- Pillar I (“minimum capital requirements”) ensures that the Company maintains at all times a sufficient amount of capital and liquidity above the regulatory minimum requirement, calculated using prescribed methods.
- Pillar II requires investment firms to assess the adequacy of their internal capital and liquidity by carrying out an Internal Capital Adequacy and Risk Assessment Process (“ICARA”), which is subject to the Supervisory Review and Evaluation Process (“SREP”) by their regulator; and
- Pillar III (“market discipline”) involves the disclosure of a suite of qualitative and quantitative risk management information to the market.

1.2 Company Incorporation and Principal Activities

The Company was incorporated in Cyprus on 24th of January 2019 as a private limited liability company under the Cyprus Companies Law, Cap. 113, identified by registration number HE393704 and LEI code 213800MS5QGAR1X2XT14. Since 18 October 2021, the Company is authorized and regulated as a Cypriot Investment Firm (“CIF”) by the Cyprus Securities and Exchange Commission (“CySEC”), under License Number 404/21, in accordance with Law 87(I)/2017, for the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related matters, as subsequently amended.

According to its CIF license, the Company is categorised as a Class 2 investment firm, and it is authorized to provide the following investment and ancillary services in the financial instruments outlined below:

Investment Services
Provision of investment advice.

Ancillary Services
Investment research and financial analysis or other forms.

Financial Instruments
Transferable securities;
Money-market instruments;
Units in Collective Investment Undertakings;
Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event;
Options, futures, swaps, and any other derivative contracts relating to commodities that can be physically settled, provided that they are traded on a regulated market and/or an MTF or an OTF;
Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in the previous point above and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
Derivative instruments for the transfer of credit risk;
Financial contracts for differences;
Options, futures, swaps, forward-rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties, other than by reason of a default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF.

In practice and for the year under review, the Company exercised its CIF license by offering investment and ancillary services consisting of the provision of research on alternative investment funds and non-discretionary investment advice.

Further to the above, for the reference year, the Company also provides the following non-regulated services other than Investment Research and Advice to its clients:

- 1. Data & Analytics (D&A) Services:** These services comprise of a provision to a client of data relating to alternative assets, news about alternatives and analytics in the form of tools for use by the client, unaccompanied by expressions of Albourne Group opinion or by Albourne Group advice on alternative assets.
- 2. Middle Office Services:** Middle office services consist of assistance to clients with the implementation of their investments, including (without limitation) the review of fund terms and documentation, the organization of legal reviews, the completion of side letters, the facilitation of completion of such investments and the documentation and other actions relative thereto, monitoring of ongoing fund manager

communications and other actions following completion, such as assistance with the redemption of investment and portfolio rebalancing transactions.

3. **Back Office Services:** Back-office services are provided with respect to clients' investment portfolios, and include (without limitation) preparation of transaction logs, arrangements of capital calls and distribution reviews, arrangements for account statement aggregation, provision of fund and portfolio performance and net asset value reports, undertaking net asset value reconciliation, management of communications, and assistance with the collection of tax and audit documentation.
4. **Fee Reconciliation Services:** Fee Reconciliation services provided for hedge funds and private market funds include:
 - Fee aggregation services for hedge funds and private market funds;
 - Fee reconciliation services for hedge funds;
 - Fee validation services for private market funds.

When providing fee aggregation services, the Company collects and aggregates the management and performance fees that the client has paid to its hedge fund managers and private market fund managers. Based on this information, the Company produces a report that shows the total amount of management and performance fees the client has paid to its fund managers for each fund investment.

For hedge fund fee reconciliation services, the Company compares for each hedge fund the amount of management and performance fees the client paid to the fund's manager against the amount of management and performance fees that would be expected to have been paid to the fund manager, as calculated by the Company, based on the fund's stated fee terms. This comparison enables the identification of possible fee discrepancies, which can be queried with the relevant fund manager.

The Company's private market fund fee services are similar to hedge fund fee reconciliation services, except that the Company does not perform a full re-calculation of expected management and performance fees, as it does when reconciling hedge fund fees. Instead, the Company performs a high-level validation of expected management and performance fees (also known as carried interest), by making use of quarterly data, as opposed to daily cash flows, which would be required for full reconciliation. This work enables the identification of possible fee discrepancies, which can be queried with the relevant fund manager.

The services described above are provided by the personnel of the Investment Research and Investment Advice Department, by the Investment Analyst who is primarily responsible for the respective fund or client.

It should be noted that the Company does not hold nor administers client funds or client financial instruments. It is also noted that the Company offers its services to professional clients only. The Company does not provide services to retail clients.

The Company is a wholly owned subsidiary of Albourne Partners Limited, an entity which is authorised and regulated by the UK Financial Conduct Authority ("FCA").

1.3 Scope of Disclosures

The Pillar III Disclosures for the year ended 31 March 2025 are prepared on an individual (solo) basis, as the Company was not subject to prudential consolidation requirements for financial year ending on 31st of March 2025 based on the provisions of the IFR and IFD.

All figures are expressed in thousands of Euros (€ '000). All numbers are rounded to the nearest thousand, unless otherwise indicated within the report. A dot is used to separate thousands and a comma is used to separate decimals. The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and the requirements of the Cyprus Companies Law, Cap. 113.

1.4 Disclosure Policy

In accordance with Article 46 of the IFR, investment firms are required to publish the disclosures required by Part Six of the IFR, at least on an annual basis.

The Company is expected to provide to CySEC a copy of its External Auditor's verification report with regards to its Pillar III Disclosures, five months after the end of each financial year, at the latest.

The Company discloses information in relation to its capital requirements on an annual basis. The disclosures are published on the Company's website www.albourne.com.

1.5 Regulatory Developments

Since 26th of June 2021, for non-systemic EU investment firms such as the Company, the prudential rules that have been applicable were set by the IFR and the IFD, as the latter has been harmonized into Cyprus legislation through the issuance of the Law for the Prudential Supervision of Investment Firms (165(I)/2021). This framework addresses the prudential requirements for investment firms only, in order to avoid disproportionate administrative burden on this category. Also, the IFR permits a transitional period of five years from initial implementation, until the 26th of June 2026, to help investment firms adjust gradually to the new risk quantification methodologies, where this is deemed necessary.

The IFR & IFD rules focus on specific methodologies that investment firms are required to apply for quantifying their exposure to risk and deriving their Capital Adequacy ratio, as well as to their required level of initial capital, their ICARA Process, and the Liquidity Requirement, among others.

1.6 Geopolitical condition, catastrophic events and crises

The recent conflict between Israel and Hamas, as well as the subsequent tensions involving Israel and Iran, have escalated instability in the Middle East, leading to increased market volatility, uncertainty, and potential economic disruption. The impact of these developments may take time to fully materialise and will largely depend on the duration, intensity, and possible expansion of the conflict to other parts of the region.

The Company has assessed the situation and does not consider the Israel-Gaza conflict to have a material impact on its business operations at this time. Nonetheless, the Company continues to monitor developments closely and remains prepared to take any necessary actions to mitigate potential risks that may arise.

2. RISK MANAGEMENT FRAMEWORK AND GOVERNANCE

2.1 Board of Directors

The members of the Board of Directors (hereinafter “the Board”) of the Company are individuals of suitable professional experience, ethos and integrity, who are approved as ‘fit and proper’ by the regulator and have accepted responsibility for setting and achieving the Company’s strategic targets and goals.

As at 31st of March 2025, the Company’s Board of Directors comprised of eight members, four (4) of which were Executive Directors and four (4) Non-Executive, two of whom were also Independent Directors.

The main duties of the Board of Directors are to:

- Ensure that the Company complies with its obligations under the applicable legislation. The Board assesses and periodically reviews the effectiveness of the policies, arrangements and procedures put in place to comply with the obligations under the applicable legislation, and takes appropriate measures to address any deficiencies;
- Ensure that it receives on a frequent basis, and at least annually, written reports regarding Compliance, Internal Audit, Anti-Money Laundering & Terrorist Financing and Risk Management issues, indicating whether the appropriate remedial measures have been taken in the event of any deficiencies;
- Monitor the internal control mechanisms of the Company to enable the prevention of activities outside the scope and strategy of the Company and the prevention of any unlawful transactions, identification of risks, as well as the timely and adequate flow of information;
- Pass a resolution for selecting a service provider or individual for outsourcing.
- Ensure the effective and prudent management of Information and Technology risk according to the applicable regulatory framework.

Furthermore, the Executive Directors take part in the operation of the Company and, as appropriate, in the provision of investment services. The Non-Executive Director, Gaurav Amin, monitors the operations of the Company through his participation in the Risk Management Committee, as applicable, and in the meetings of the Board, and also request and are granted access to, as necessary, information and reports from the management of the Company.

2.2 Management Diversity Policy

The purpose of the Management’s Diversity Policy is to promote an environment within which the Company achieves a wide range of knowledge, qualities, skills and experience, as well as to ensure compliance with the relevant legislation and internal policies and procedures, while recruiting new members to the Board of Directors. Through this Policy, the Company aims to ensure that the overall composition of the Board of Directors reflects an adequately broad range of experiences so as to be able to understand the Company’s activities and operations, as well as its main risks.

2.3 Number of directorships held by Board members

The table below provides information on the number of directorships each member of the management body (board) of the Company holds at the same time in other entities (including the directorship held in the Company). Directorships in organizations which do not pursue predominantly commercial objectives, such as non-profit or charitable organizations, are not taken into account for the purposes of the below. Furthermore, executive or non-executive directorships held within the same group, are considered as a single directorship.

Table 1: Number of directorships held by Board members¹

Name of Director	Position within the Company	Directorships - Executive	Directorships - Non Executive
Mrs. Christina Stavrinos	Executive Director	1	-
Mrs. Evelina Klerides	Executive Director	1	-
Mr. Bernhard Friedrich Steege	Executive Director	1	-
Mrs. Stella Kammiti	Independent, Non-Executive Director	3	40
Mr. Alexander Guy Ingram	Non-Executive Director	-	1
Mr. Gaurav Amin	Non-Executive Director	-	1
Mrs. Sofia Naidu Vishnumolakala ²	Executive Director	1	-
Mr. Agis Taramides	Independent, Non-Executive Director	-	1

1. The information in this table is based only on representations made by the directors of the Company as at the time of preparation of this report.

2. Mrs. Sofia Naidu Vishnumolakala held the position of Executive Director until 31/03/2025 and was appointed as a Non-Executive Director effective 01/04/2025.

2.4 Risk Management Function and Basic Principles

The Risk Management Function, which is carried by the RMC, operates independently and is responsible for monitoring:

- The adequacy and effectiveness of the Company's risk management policies and procedures;
- The level of compliance by the Company and its relevant persons with the arrangements, procedures and mechanisms adopted; and
- The adequacy and effectiveness of the measures taken to address any deficiencies in those policies, procedures, arrangements and mechanisms, including failures by the relevant persons of the Company to comply with such arrangements, processes and mechanisms or follow such policies and procedures.

The above measures and processes are implemented for the identification, monitoring and management of the following information:

- Material sources and effects of Risk to Clients and any material impact on own funds;
- Material sources and effects of Risk to Market and any material impact on own funds;

- Material sources and effects of Risk to the Company, and any material impact on own funds;
- Liquidity risk over an appropriate set of time horizons, including intra-day, so as to ensure that the Company maintains adequate levels of liquidity resources;
- Other risks that are relevant to the Company and its business.

2.5 Group Risk Management Committee

The Group Risk Management Committee's ("RMC") terms of reference are to analyse, monitor and report to the Board of Directors on business and operational risk. This includes ensuring the efficient management of the risks inherent in the provision of investment services to clients, as well as the risks to the operation of the Company in general and monitoring the adequacy and effectiveness of the Group's risk management policies and procedures and of the measures taken to address any deficiencies with respect with those policies and procedures. The RMC is a Board Committee and reports directly to the Company's Board of Directors on any matters within its remit that pertained to the Company.

The members of the Group RMC as of 31 March 2025 were the following:

- a. Executive Committee Member, Head of Fintech and Implementation;
- b. Group Chief Financial Officer;
- c. Group Chief Technology Officer;
- d. Group Head of Operational Due Diligence ("ODD");
- e. Group Head of Legal and Compliance.

The responsibilities of the Group RMC are:

- a. To scrutinize and decide on various risks associated with the operation of the Company with the view to increase awareness, formulate internal policies and measure the performance of the said policies in dealing with the risks associated with the operation of the Company;
- b. To review the risk management procedures in place;
- c. To review, discuss, elaborate and amend, if necessary, the ICARA of the Company, on a yearly basis, prior to the approval of the Board;
- d. To ensure that the Company has a clear policy in respect of the assumption, follow up and management of risks duly notified to all interested parties and organizational units of the Company. Specifically, such policy ensures that all parties involved in the provision of investment services are aware of:
 - the particular features of each investment service, financial instrument and risk inherent in the provision of the services in respect thereof;
 - the interrelation between the volume of the projected returns and the gravity of the risks undertaken by the Company;
- e. To ensure that appropriate liquid assets exist, in respect to Liquidity risk;
- f. To ensure that, prior to expanding the Company's operations to any new investment services, the Committee is satisfied that the Company has incorporated such expansion projects into its strategic development plan and has accurately assessed the inherent risks, by implementing the necessary risk management procedures and resolving any legal issues associated with the execution of the relevant transactions, as well as the issues relating to their monitoring;

- g. To ensure the immediate tracking down and scrutiny of important abrupt changes in the Company's financial figures, procedures or personnel, as well as the regular control of the volume and causes underlying deviations between projections and corporate end results, as submitted to the Board, so as to enable the assessment of the performance of each of the Company's separate organizational units by reference to the set targets;
- h. To monitor the information systems in place;
- i. To maintain systematic supplier cooperation with the information services' end-users in all phases of development, operation and evaluation of the information applications of the Company's system.

The RMC presents its findings in a report to the Board of Directors. The latter makes decisions, following the recommendations of the RMC.

During the reference period, the Risk Management Committee met three (3) times.

The RMC and the Board of Directors are responsible to develop, update and monitor the implementation of the overall Risk Management Policy of the Company on a regular basis.

2.6 Anti-Money Laundering Compliance Officer

The Board of Directors appoints a person to the position of the Company's Anti-Money Laundering Compliance Officer (hereinafter the "AMLCO") to whom the Company's employees should report their knowledge or suspicion of transactions involving money laundering and terrorist financing. The AMLCO belongs to the senior management of the Company so as to command the necessary authority. The AMLCO leads the Company's Anti-Money Laundering Compliance procedures and processes and reports to the CEO, the AML Director and the Board. In cases where it is deemed necessary, and following recommendations by the AMLCO, assistants to the AMLCO are also appointed.

The AMLCO is assigned the duty to prepare the Annual Anti-Money Laundering Compliance Officer Report. The AMLCO's Annual Report is prepared and submitted to the Board for approval. The Board of Directors, having studied the content of the said Report, takes any necessary measures to correct any weaknesses or omissions identified in it. Following the Board's approval of the Report, a copy is submitted to the CySEC no later than three (3) months from the end of each calendar year.

The main duties of the AMLCO include the following:

- a. To design, based on the policy principles of the applicable legislation, the internal practice, measures, procedures and controls relevant to the prevention of money laundering and terrorist financing, and to describe and explicitly allocate the appropriateness and the limits of responsibility of each department that is involved in the abovementioned. This includes measures and procedures for the prevention of the abuse of new technologies and systems providing financial services, for the purpose of money laundering and terrorist financing (e.g. services and transactions via the internet or the telephone), as well as measures so that the risk of money laundering and terrorist financing is appropriately considered and managed in the course of the daily activities of the Company with regard to the development of new products and possible changes in the Company's economic profile (e.g. penetration into new markets);
- b. To develop and establish the Clients' Acceptance policy, according to the applicable legislation, and submit it to the Board of Directors for consideration and approval;

- c. To prepare/update the risk management procedures manual to deal with cases which could be related to money laundering and terrorist financing (hereinafter, the “AML Manual”);
- d. To monitor and assess the correct and effective implementation of the measures described in point (a) and in general the implementation of the Manual mentioned in point (c). In this respect, the AMLCO applies appropriate monitoring mechanisms (e.g. on-site visits to different departments/units of the Company) in order to obtain all the necessary information for assessing the level of compliance of the departments and employees of the Company with the procedures and controls which are in force. If the AMLCO identifies shortcomings and/or weaknesses in the application of the required practices, measures, procedures and controls, he/she gives appropriate guidance for corrective measures and, where deemed necessary, informs the Board of Directors;
- e. To receive information from the Company’s employees who have knowledge or suspicion of money laundering or terrorist financing activities or might be related with such activities. Such information shall be submitted in a written report (an "Internal Suspicion Report");
- f. To evaluate and examine the information received as per point (e) above, by reference to other relevant information and discuss the circumstances of the case with the informer and where appropriate, with the informer’s superiors. The evaluation of such information shall be made in a report (an "Internal Evaluation Report");
- g. If following the evaluation described in point (f) above, the AMLCO decides to notify the Unit for Combating Money Laundering (MOKAS), then he/she completes a report and submits it to MOKAS the soonest possible through the electronic page goAML;
- h. If following the evaluation described in point (f) above the AMLCO decides not to notify MOKAS, then he/she fully explains the reasons for such a decision within the Internal Evaluation Report;
- i. To act as the first point of contact with MOKAS in relation to any investigation commenced as a result of their filing a MOKAS Report.
- j. To prepare and maintain, update and correct lists of clients, categorised following a risk-based approach, which contain, inter alia, the name of each client, their account number and the date of the commencement of the business relationship with them.
- k. To detect, record and evaluate, at least on an annual basis, all risks arising from existing and new Clients, new financial instruments and services and update and amend the systems and procedures applied by the Company for the effective management of the aforesaid risks;
- l. To evaluate the systems and procedures applied by any third person on whom the Company proposes to rely for client identification and due diligence purposes, and to grant or withhold their approval of reliance on that person;
- m. To provide advice and guidance to the Company’s employees about money laundering and terrorist financing;
- n. To acquire the knowledge and skills needed to improve the procedures for recognising, preventing and obstructing any transactions and activities that are suspected to be associated with money laundering and terrorist financing;
- o. To identify the Company’s departments and employees that need further education and training to prevent money laundering and terrorist financing and to organise appropriate training sessions/seminars, including an annual staff training program, and to assess the adequacy of the education and training so provided;
- p. To determine the Company’s departments and employees that need further training and education for the purpose of preventing money laundering and terrorist financing and to organise appropriate training sessions/seminars;
- q. To prepare correctly and submit timely to the CySEC the monthly prevention statement;
- r. To prepare the annual report according to the applicable legislation;

- s. To respond to all requests and queries from MOKAS and CySEC, provide all information requested by them and fully co-operate with them;
- t. To maintain a registry containing any Board Reports, Internal Suspicion Reports, Internal Evaluation Reports and printouts of Reports to MOKAS and relevant statistical information (such as the department that submitted the internal report, date of submission to the compliance officer, date of assessment and date of reporting to MOKAS), and any documents that demonstrate the performance of their core obligations.

2.7 Compliance Officer

The Board appoints a Compliance Officer in order to establish, implement and maintain adequate policies and procedures designed to detect any risk of failure by the Company to comply with its obligations. Further to this, the Compliance Officer is responsible to put in place adequate measures and procedures designed to minimize such risk and to enable the competent authorities to exercise their powers effectively. The Compliance Officer reports to the CEO and to Board of Directors of the Company.

The Compliance Officer is independent and has the necessary authority, resources, expertise and access to all relevant information, and is mainly responsible for the following:

- a. Liaising with all relevant business and support areas within the Company;
- b. Monitoring and assessing the level of compliance risk that the Company faces, taking into account the investment and ancillary services provided, as well as the scope of financial instruments distributed;
- c. Monitoring the adequacy and effectiveness of the measures and procedures of the Company;
- d. Advising and assisting the relevant persons responsible for carrying out the investment and ancillary services to be in compliance with the applicable laws and regulations including, but not limited to, CySEC Laws, Circulars and Directives, as these may be amended from time to time;
- e. Drafting written reports for the senior management and the Board making recommendations and indicating in particular whether the appropriate remedial measures have been taken in the event of any deficiencies, at least annually. These reports are presented to the Board of Directors and discussed during its meetings, at least annually, and also on an ad hoc basis directly to the Board of Directors where it detects a significant risk of failure by the Company to comply with its obligations under the Law 87(I)/2017;
- f. Completing, in collaboration with the other Departments of the Company the required Forms for CySEC's reporting, and submitting it electronically to CySEC on a quarterly basis;
- g. Working on related changes to the Company's documentation;
- h. Training and educating the staff of the Company in respect to the Compliance Function according to the applicable legislation;
- i. Communicating the relevant statutes of the Internal Operations Manual ("IOM") to each employee and notifying them of any relevant changes therein that relate to his/her role and responsibilities in the Company;
- j. Ensuring that the executive directors and other members of the Board of do not exercise inappropriate influence over the way in which a relevant person carries out the provision of investment and ancillary services;
- k. Developing, designing and re-designing the appropriate procedures of the Company, so as to prevent and resolve potential conflicts of interest, ensuring that all the procedures regarding the Company's Conflict of Interest Policy are in place. Regular checks are performed to ensure the latter;

- l. Ensuring that all employees will have the ability to identify cases of potential or detrimental conflicts of interest;
- m. Supervising and verifying the policies, as well as procedures and controls kept by the Company's departments and functions (whether internal or outsourced), at least annually;
- n. Overseeing the handling of client complaints or grievances, ensuring appropriate record keeping thereof.
- o. Providing guidance to the Board of Directors in relation to the Remuneration Policy.
- p. Preparing and submitting to the Board of Directors and CySEC the annual Compliance Officer's report as per applicable legislation. This report is presented to the Board and discussed during its meetings, at least annually. This report is submitted to CySEC no later than four (4) months after the end of the calendar year.

2.8 Internal Audit

The Company, taking into consideration the nature, scale and complexity of its business activities, as well as the nature and the range of its investment services and activities, establishes and maintains an Internal Audit Function through the appointment of a qualified and experienced Internal Auditor. The Internal Auditor reports to the CEO of the Company and is separated and independent from the other functions and activities of the Company. The principal objective of the Internal Auditor is to provide assistance to the members of the Company, and in particular, the Board of the Company, so that it may efficiently discharge its responsibilities.

The Internal Auditor bears the responsibility:

- a. To establish, implement and maintain an audit plan to examine and evaluate the adequacy and effectiveness of the Company's systems, internal control mechanisms and arrangements;
- b. To issue recommendations based on the results carried out in accordance with point (a);
- c. To verify compliance with the recommendations of point (b);
- d. To provide timely, accurate and relevant reporting in relation to internal audit matters to the Board of Directors.

The Internal Auditor reviews and evaluates the adequacy and effectiveness of the Company's system of internal controls and the quality of operating performance when compared with established standards on an ongoing basis. The recommendations that the Internal Auditor makes to the Board regarding the internal controls and the management of the various risks that are associated with the operations, aim to secure a controlled environment in the Company.

2.9 Risk Appetite Statement

The Company adopts the Risk Appetite Statement of the Albourne Group, which states the following:

Albourne, as a trusted partner to the world's great investors, handling data from leading fund managers, and regulated in numerous jurisdictions, has always prioritized organizational risk management and its assessment of the risks it is willing to take. Albourne's appetite for risk is guided by its objective to be a sustainable, multi-generational firm that:

- Empowers its clients to be the best investors they can be;

- Enables our colleagues to reach their full potential;
- Engages in our communities to drive positive change.

Albourne's risk appetite is:

- **Very low** for failure to meet regulatory objectives, data breaches and operational errors, as these areas have the greatest potential to impact stakeholders' trust in us;
- **Moderate** for taking on risk in contractual obligations, as we balance the need to protect the Company with our desire to be a principled and compassionate partner and employer;
- **Higher**, relative to peers, with respect to our willingness to opine on investment opportunities, embrace innovation, and advocate for positive change within the Alternatives industry.

3. CAPITAL MANAGEMENT

The adequacy of the Company's capital is monitored by reference to the provisions of the IFR and IFD framework, which as previously mentioned, consists of three Pillars:

- Pillar I - Minimum Capital Requirements
- Pillar II – ICARA and SREP
- Pillar III - Market Discipline

Pillar I – Minimum Capital Requirements

Under the IFR & IFD framework, as a Class 2 investment firm the Company is required to derive its Minimum Capital Requirements by taking the highest of the Fixed Overhead Requirement ("FOR"), the Permanent Minimum Capital Requirement ("PMCR") and the K-factor requirements that apply based on its activities and operations. In addition, the Company is obliged to maintain liquidity levels equal to at least on third of its FOR, in order to satisfy the Liquidity Requirement.

Pillar II – The Internal Capital Adequacy & Risk Assessment Process and the Supervisory Review & Evaluation Process

The SREP provides rules to ensure that adequate capital and liquidity are in place to support the material risk exposures of the Company, in addition to requiring appropriate risk management, reporting and governance structures. Pillar II covers any risks not fully addressed, or not addressed at all, under Pillar I, such as Liquidity risk, Compliance risk, Reputational and Information Technology risk, as well as any external factors affecting the Company. Pillar II connects the regulatory capital and liquidity requirements to the Company's internal capital and liquidity and to the reliability of its internal control structures.

The implementation of the ICARA tests the soundness and effectiveness of the risk mitigation methods that are already in place within the Company. The Company's ICARA Report based on the provisions of the IFR & IFD framework and on related guidance for the financial year ending on 31st March 2024, has been approved by the Company's Board of Directors on 27 June 2025.

The ICARA provides a clear vehicle of reporting between all the business lines of the Company, its Management and its Board of Directors, which helps to develop a risk awareness culture by making available the risk strategy, policies and procedures, as well as by promoting a sound risk monitoring and risk identification structure at all levels within the Company. In addition, these risks have become an input to the Company's business plans, as their impact is being monitored in a forward-looking manner.

Pillar III – Market Discipline

Market Discipline requires the disclosure of information regarding the risk management policies and the risk governance of the Company, the results of the calculations of its minimum capital requirements together with concise information for the composition of its Own Funds, and information on its remuneration policies and practices.

4. OWN FUNDS

The primary objective of the Company's capital management is to ensure that the Company complies with externally imposed capital requirements and that it maintains healthy capital ratios in order to support its business and maximize shareholders' value.

The IFR requires investment firms to maintain a minimum Capital Adequacy Ratio of 100% for Pillar I risks. In addition, the CySEC may impose additional capital requirements for risks not covered by Pillar I. As per Article 9 of the IFR, investment firms are required to maintain Own Funds consisting of the sum of their Common Equity Tier 1 ("CET1") capital, Additional Tier 1 capital and Tier 2 capital, subject to all conditions below, at all times:

- a. CET1 capital shall constitute at least 56% of the Minimum Capital Requirements.
- b. CET1 capital and Additional Tier 1 capital shall constitute at least 75% of the Minimum Capital Requirements.
- c. CET1 capital, Additional Tier 1 capital and Tier 2 capital shall correspond to at least 100% of the Minimum Capital Requirements.

The Own Funds/capital base of the Company as at 31 March 2025 comprised solely of CET1 items, as presented in Table 2 below:

Table 2: Composition of Regulatory Own Funds (Template EU IF CC1)

Ref.	Regulatory Own Funds components	31 March 2025 (€ '000)	Source based on reference numbers/letters of the Balance Sheet in the audited financial statements (cross reference to EU IF CC2)
1	OWN FUNDS	1.140	
2	TIER 1 CAPITAL	1.140	
3	COMMON EQUITY TIER 1 CAPITAL	1.140	
4	Fully paid-up capital instruments	200	Ref. 1 (Shareholders' Equity)
6	Retained earnings	600	Ref. 2 (Shareholders' Equity)
11	Other funds	340	Ref. 2 (Shareholders' Equity)
28	ADDITIONAL TIER 1 CAPITAL	-	
40	TIER 2 CAPITAL	-	

Furthermore, the table that follows presents a reconciliation of the Company's Balance Sheet as presented in the audited Financial Statements, with the components of its Regulatory Own Funds at year-end:

Table 3: Reconciliation of equity as per Balance Sheet with Regulatory Own Funds (Template EU IF CC2)

Ref.	Balance Sheet Description as per audited Financial Statements	31 March 2025 (€ '000)	Cross reference to EU IF CC1
Assets			
	Total Assets	2.086	
Liabilities			
	Total Liabilities	858	
Equity			
	Total equity	1.228	
	Of which:		
1	Share capital	200	Ref. 4
2	Reserves	1.028	Ref. 6 & 11

Here it should be noted that a Capital Reserve of EUR 88K which is part of the Company's Reserves as at 31/03/2025, does not meet the conditions of Article 26 (1) of EU Regulation 575/2013 ("CRR"), as subsequently amended, to be considered CET1 capital and thus, it has been excluded from the Company's Own Funds.

Tables 2 and 3 above have been prepared in accordance with the Pillar III templates established by the Commission Implementing Regulation (EU) 2021/2284 laying down implementing technical standards for the application of the IFR with regard to supervisory reporting and disclosures of investment firms.

5. CAPITAL REQUIREMENTS

5.1 Fixed Overheads Requirement ("FOR")

The Fixed Overheads Requirement, as per Article 13 of the IFR, shall amount to at least one quarter of the fixed overhead expenses of the preceding year, calculated using figures from the most recent audited annual financial statements, where available, after the distribution of profits.

5.2 Permanent Minimum Capital Requirement ("PMCR")

The Company monitors on a continuous basis its Own Funds in order to ensure that they remain at all times above the PMCR of €75 thousand, which corresponds to its initial capital requirement under Article 14 of the IFR, according to the investment and ancillary activities it is authorised to carry out.

5.3 K-Factor Requirement

The Company is subject to the obligation to calculate certain k-factors, according to Article 15 of the IFR. The k-factors consist of a set of risk metrics tailored to the business of investment firms, that are used to determine the

minimum capital requirement for the risks that arise from the various activities and operations of investment firms. More specifically, the risks are categorized as follows:

Risk to Client

Risk to Client (“RtC”) is the risk that an investment firm poses to clients in the event where it fails to carry out its services or operations correctly. There are four K-factors under RtC:

- **K-AUM (Assets Under Management):** Captures the risks associated with discretionary portfolio management and non-discretionary arrangements constituting investment advice of an ongoing nature. For the year under review, this is the only applicable RtC K-Factor to the Company, since it provides non-discretionary investment advice on an ongoing basis.
- **K-CMH (Client Money Held):** Captures the risk of an investment firm causing potential harm to clients when it holds their money under custody. Excludes client money that is deposited in a bank account in the name of the client itself, where the investment firm has access to these client funds via a third-party mandate (on segregated and non-segregated basis). This k-factor did not apply to the Company for the referenced period since it did not hold clients’ money under custody.
- **K-ASA (Assets Safeguarded and Administered):** The risk of harm associated with the safeguarding and administering of a client’s financial instruments. This did not apply to the Company for the period under review as it did not provide custody services in relation to the financial instruments of its clients.
- **K-COH (Client Orders Handled):** Captures the potential risk to clients of an investment firm, which executes orders in the name of the client. This did not apply to the Company as it was not authorized to provide reception, transmission and/or execution services for the orders of its clients, for the period under consideration.

Mitigation Measures

K-AUM

The Company mitigates the K-AUM by virtue of it operating as a non-discretionary, fixed-fee advisor. This means that neither the Company, nor the Group as a whole, provide research and portfolio advice on clients, but instead, the clients make all the investment decisions. Additionally, given the fixed fees the Company is not dependent on the volume of AUM for its ability to continue operating. However, it is essential to Company’s reputation and sustainability to provide research, advice and other services (as these are mentioned in Section 1.2 of this report), which help its clients outperform the financial market. The measures the Company takes to ensure this are:

- a. Highly experienced analysts with deep industry expertise;
- b. A thorough review system;
- c. Staff are well connected in the alternatives space, allowing potential sources of underperformance to potentially be highlighted early;
- d. Staff are encouraged to attend conferences and further education to ensure they stay up to date with the latest trends and developments;
- e. The Group’s universe of managers is large and growing and the information the Company receives from this is substantial. The Group is well placed to identify potential sources of underperformance and opportunity;
- f. Ongoing dialogue with clients as to their expectations and goals;

- g. Clear reports and portfolio advice which highlights both the strengths and weaknesses of various strategies;
- h. Advance reporting capabilities to highlight any concerns / potential issues at an early stage;
- i. The Group has a long history advising some of its clients.

Risk to Market

Risk to Market (“RtM”) is the risk that an investment firm poses to the financial markets that it operates in and the counterparties that it trades with. There are two K-factors under RtM:

- **K-NPR (Net Position Risk):** Means the value of transactions recorded in the Trading Book of an investment firm, as well as transactions in the Banking Book which give rise to Foreign Exchange or Commodity Risk. This k-factor is based on the rules for Market Risk for positions in equities, interest rate financial instruments, foreign exchange and commodities, in accordance with Article 22 of the IFR. For the referenced period, this was only applicable to the Company in relation to its Market FX risk exposure arising from its Balance Sheet assets and liabilities that were denominated and funded in a currency other than its reporting currency and specifically in US Dollar. Non-FX Market Risk was not relevant to the Company as it did not perform dealing on own account activities in the Banking or in the Trading Book.
- **K-CMG (Clearing Margin Given):** K-CMG is alternative to K-NPR and aims to provide for Market Risk for trades that are subject to clearing, as set out in Article 23 of the IFR. This was not applicable as the Company had no positions subject to clearing or settlement.

Market Foreign exchange risk

Foreign exchange risk is the possibility for a company to be affected by a variation in the exchange rate between its local currency and the currency used in a transaction with a foreign country. The Company maintains balances in currencies where required for the proper operation of the business. Any foreign exchange risk arising out of this is also monitored by senior management.

Risk to Firm

Risk to Firm (“RtF”) is the risk that an investment firm faces through its trading activity and market participation. There are three K-factors under RtF:

- **K-TCD (Trading Counterparty Default):** Captures the investment firm’s exposure to the default of their trading counterparties in accordance with simplified provisions for Counterparty Credit risk based on the Article 26 of the IFR.
- **K-DTF (Daily Trading Flow):** Based on transactions recorded in the Trading Book of an investment firm dealing on own account, whether for itself or on behalf of a client, and the transactions that an investment firm enters through the execution of orders on behalf of clients in its own name, as set out in Article 33 of the IFR.
- **K-CON (Concentration risk):** Reflects an investment firm’s large exposures to specific counterparties for exposures in the Trading Book, based on the provisions of the Article 39 of IFR.

As the Company did not perform dealing on own account activities during the reference period, it was not subject to any of the above-mentioned K-Factors.

5.4 IFR & IFD Transitional Arrangements

According to Article 57(3)(b) of IFR, a firm can make use of a 5-year transitional arrangement (until the 26th of June 2026), according to which the minimum own funds requirement in the denominator of the Capital Adequacy Ratio, when being determined by either the FOR or the total K-Factor requirement, can be replaced by not more than two times the FOR under Article 13 of IFR, in the case where the former exceeds the latter.

By applying this transitional provision, the Company caps its total K-Factor requirement (which on a fully-phased-in basis, was the highest out of the three components of its minimum own funds requirement D – i.e. FOR, PMCR and K-factors, for 31/03/2025 calendar year), to twice the amount of its FOR as the former is higher.

The resulting capital ratios on a transitional basis for 31/03/2025 are presented in the following section.

5.5 Own Funds Requirement

According to the IFR & IFD framework, the minimum own funds requirements for Pillar I purposes for Class 2 investment firms are derived by taking the highest of the following:

- a. their FOR;
- b. their PMCR; and
- c. their total K-factor requirement.

As already mentioned, the Company makes use of the 5-year transitional arrangement of IFR Article 57(3)(b), under which its minimum own funds requirement for 31/03/2025 was equal to twice the amount of its FOR.

Table 4 below represents the Company’s minimum capital requirements under the 5-year transitional arrangement as at 31 March 2025.

Table 4: Minimum Capital Requirements under the 5-year transitional arrangement

Minimum Capital Requirements		31 March 2025 (€ '000)
K-Factor Requirement		
Risk-to-Client (RtC)	K-AUM	3.234
	K-CMH	-
	K-ASA	-
	K-COH	-
Risk-to-Market (RtM)	K-NPR	28
	K-CMG	-
Risk-to-Firm (RtF)	K-TCD	-
	K-DTF	-
	K-CON	-
Total K-Factor Requirement		3.262
FOR		526
PMCR		75
Minimum Capital Requirement (MIN (MAX (FOR;PMCR;K-factors) ; 2*FOR))		1.051

Capital Adequacy Ratio

The Table below indicates that as at 31st of March 2025, the Company has a capital excess since its transitional capital ratios maintain above the minimum required Pillar I thresholds for the CET1 ratio (56%), Tier 1 ratio (75%) and Total Capital Ratio (100%), as these are established by Article 9(1) of the IFR.

Table 5: Capital Excess / Ratio under the 5-year transitional arrangement

Metric	31 March 2025 (€ '000)	Reference
Capital		
Common Equity Tier 1	1.140	
Additional Tier 1	-	
Tier 2	-	
Total Own Funds	1.140	a
Own Funds Requirement		
K-factor Requirement	3.262	b
Fixed Overhead Requirement	526	c
Permanent Minimum Capital Requirement	75	d
Minimum Own Funds Requirement	1.051	e
Capital Excess/Ratio		
Capital Excess	89	a-e
Capital Ratio	108,44%	a/e

Noting that the Company's capital ratio as at 31 March 2025 is marginally above the regulatory minimum (108,44% vs 100%), the shareholders have re-confirmed their commitment to inject more capital in the Company in order to further increase Own Funds to levels that will ensure healthy capital ratios over and above all applicable thresholds, while at the same time remaining above its initial capital requirement and maintaining liquid assets that exceed the minimum liquidity requirement set by Article 43 of the IFR.

5.6 Other Risks

5.6.1 Liquidity Risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Company has procedures with the object of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

Furthermore, as at 31 March 2025, the Company's total Liquid Assets amounted to €997K, which exceeded the IFR Liquidity Requirement of €175K, calculated as the one third of the Fixed Overhead Requirement ("FOR"), in accordance with Article 43 of the IFR.

5.6.2 Credit Risk

Credit risk is the risk that counterparties or customers fail to pay the owed amounts to the Company for services agreed and delivered to them. This risk is mitigated by having a dedicated Finance team responsible for continuous monitoring of outstanding payments due to the Company, and dedicated teams for chasing clients who do not pay in due course. Credit Concentration risk is managed by the fact that the Company's client base is considerably diversified, both within and between geographical regions. In addition, ACL's clients, especially the ones with higher values, tend to be reputable large-scale investors, with good credit standing, thus lowering the risk of inability to repay any amounts due to the Company. Moreover, senior management also monitors key sources of Credit risk as part of its review of the financial position of the Company.

5.6.3 Operational Risk other than DTF

The main risk to which the Company is exposed is Operational risk, which is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including Legal risk.

The Company has appropriate controls in place to manage its Operational risk, which include but are not limited to the following:

- a. Regular Management meetings;
- b. Regional Operations Committee meetings;
- c. Regular flow of risk-related information to Management;
- d. Annual risk assessments;
- e. Quarterly compliance monitoring;
- f. Annual financial statement audits;
- g. Annual internal audits;
- h. Business Continuity Plan with relevant testing conducted regularly;
- i. IT systems designed for high availability; services can be delivered to clients from four locations with backups in each location;
- j. Redundancy in skills across locations meaning work can be picked up by others;
- k. ISO 27001 certification;
- l. Metrics to monitor the effectiveness of controls throughout the business;
- m. Continued education throughout the business to ensure the Company and its personnel are up to date with best practices in all areas;
- n. Robust technical systems to prevent unauthorized access and block suspicious emails;
- o. Processes in place to deal with data breaches;
- p. ACL's most critical supplier is its parent company to which key services, such as IT have been outsourced;
- q. Backup plans for key providers;
- r. High-availability network, with four distinct data centers, with redundancy between and within them.

5.6.4 Regulatory Compliance Risk

Regulatory Compliance risk is the risk that the Company fails to comply with its obligations that arise from applicable laws, regulations, directives, circulars and other supervisory expectations, as well as with relevant accounting and ethical standards.

The Board of Directors ensures regulatory compliance through a comprehensive and pro-active compliance strategy. To this end, as already mentioned, the Board has appointed a Compliance Officer whose role is to establish, implement and maintain adequate policies and procedures designed to detect risk of failure by the Company to comply with its legislative and regulatory obligations and put in place measures and procedures designed to minimize Regulatory Compliance risk and to enable the competent authorities and regulators to exercise their powers effectively.

Furthermore, the Company has appointed an AMLCO whose leads the Company's AML procedures and processes and arranges for the required training to be provided to relevant employees and makes sure that the Company applies a thorough AML review process before client onboarding.

Regulatory Compliance risk is further minimized by the fact that the Company does not hold any client money or client financial instruments, does not process client orders, nor does it trade on behalf of its clients. Additionally, ACL's senior leadership strives to cultivate a culture that holds the Company to the highest possible ethical standards. External audits are also conducted, and advice is sought whenever deemed necessary to ensure proper implementation of accounting practices and ethical standards, and the background of the Company's employees is checked prior to commencing their employment.

6. REMUNERATION

The Company has established a gender-neutral Remuneration Policy with the aim to ensure that it has risk-focused remuneration policies which are consistent with and promote effective risk management and conflicts of interest management and do not expose the Company to excessive risk, while taking into consideration the business strategy, objectives, values and long-term interests of the Company, as well as is designed to ensure that client interests are not adversely affected by the remuneration in the short, medium or long term. It expands upon the general Governance arrangements of the Company as per the relevant legislation. In order to comply with the relevant provisions, the Company adopted a Remuneration Policy which amongst other things defines the compensation model. The Company has two types of employees: colleagues and partners. For both groups, compensation consists of a fixed salary (fixed remuneration) and an annual bonus (variable remuneration).

Fixed Remuneration

The fixed salary for colleagues is dependent on the job description, the level of seniority, the regional location and general the employment market. The fixed salary is reviewed at least annually by the global HR team with the input from the respective line managers and decided by the Executive Committee. Accordingly, the fixed salary for partners is decided by the Executive Committee and is generally kept at a comparable level, taking into account local cost of living factors, across all Partners globally and is also generally not adjusted. The basic fixed remuneration primarily reflects relevant professional experience and organizational responsibility as set out in an employee's job description as part of his or her terms of employment.

Variable Remuneration

Variable remuneration, when granted, always co-exists as an additional component on top of base salary and reflects a sustainable and risk adjusted performance of the employee, as well as performance in excess of the

employee's job description. For colleagues, the bonus is dependent on the job description, the level of seniority, the regional location and an assessment of the respective employee's work performance. The bonus is reviewed by the global HR team with the input from the respective line managers and decided by the Executive Committee. For partners, the bonus is reviewed annually and dependent on the economic success of the Albourne Group. The share of participation (e.g., individual bonus) is decided by the Executive Committee and based on the job description, the level of seniority and the regional location.

Skills, Knowledge and expertise

The Company employs personnel with the skills, knowledge and expertise necessary to discharge the responsibilities allocated to them. This will include assessing an individual's integrity, knowledge and competence at the point of recruitment and the duties assigned. When assessing competence, the Company takes into account the nature, scale and complexity of its business and the services provided. A competence assessment is carried out with respect to new employees and ongoing competence is assessed in annual appraisals. Background checks are carried out on new employees.

Quantitative Information on Remuneration

The aggregate remuneration for Senior Management and other staff whose activities have a material impact on the risk profile of the Company, broken down by fixed and variable remuneration, are presented in the table below:

Table 6: Aggregate Remuneration for "Risk Takers"

	31 March 2025 (€ '000)				
Description	No. of Beneficiaries	Fixed (cash) Remuneration	Variable (cash) Remuneration	Variable (non-cash) Remuneration	Total Remuneration
Senior Management (incl. Executive & Non-Executive Directors)	8	402	440	37	879
Other staff	1	105	22	-	127
Total	9	507	462	37	1.006

Notes:

1. Senior management includes the 4 Executive Directors and 4 Non-Executive Directors.
2. Other staff category includes the Compliance / AMLCO Officer.

Furthermore, the Company:

- Did not award non-cash benefits in financial year ending on 31st March 2025.
- Did not award any guaranteed variable remuneration.
- Did not award any severance payments in previous periods, that have been paid out during the reference period.
- Did not award any severance payments during the reference period.

- The amount of €29K represents the remaining unvested portion of deferred variable remuneration awarded in the form of share options in the previous years. Following the establishment of an Employee Ownership Trust by the Group, these outstanding share options will be cancelled and settled through equivalent cash bonus payments to the relevant share option holders. These cash bonus payments will, be made during the upcoming financial year.

Control Functions

The Company ensures at all times that employees engaged in control functions with respect to remuneration:

- a. Are independent from the business units they oversee;
- b. Have appropriate authority, and
- c. Are remunerated adequately to attract qualified and experienced staff and in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.

The Company's Risk Management and Compliance functions have appropriate input into setting the Remuneration Policy for other business areas. The procedures for setting remuneration should allow Risk and Compliance functions to have significant input into the setting of individual remuneration awards where it has concerns about the behaviour of the individuals concerned or the riskiness of the business undertaken. Contravention of this may be relied on as tending to establish contravention of the rule on employees engaged in control functions having appropriate authority.

The Company must ensure that the remuneration of the senior officers in the Compliance and Anti-Money Laundering Compliance and Risk Management functions (where necessary) is directly overseen by the Board of Directors in its supervisory function and that:

- a. This remuneration requirement is designed to manage the conflicts of interest which might arise if other business areas had undue influence over the remuneration of employees within control functions. Conflicts of interest can easily arise when employees are involved in the determination of remuneration for their own business area. Where these could arise, they need to be managed by having in place independent roles for control functions.
- b. The need to avoid undue influence is particularly important where employees from the control functions are embedded in other business areas. This remuneration requirement does not prevent the views of other business areas being sought as an appropriate part of the assessment process.

Prohibited Remuneration Practices

The Company does not apply any of the following Remuneration Practices regarding the remuneration of its relevant employees:

- a. Remuneration based on a formula that is calculated by reference to the retention of Clients, e.g., based on a predefined percentage of cancellation of withdrawal requests that an employee manages to achieve.
- b. Remuneration based on a formula that is calculated by reference to the number of potential Clients who have actually become Clients.
- c. Remuneration based on a formula that is calculated by reference to the percentage of the net revenue accruing to the Company in respect to Clients' transactions/trading activity.

- d. Fixed remuneration based on the number of new Clients attracted.

Governance

The Board of Directors in its supervisory function is responsible for the implementation of the Remuneration Policy and reviews it annually. The Board of Directors must be able to demonstrate that its decisions in respect to remuneration with the Company's financial condition and future prospects. In particular, any practices by which remuneration is paid by reference to potential future revenues whose timing and likelihood remain uncertain should be evaluated carefully and the Board of Directors should work closely with the Company's Risk Committee to evaluate any incentives, including any variable components, in proposed remuneration and to ensure that the Company's remuneration structure does not favour the interests of the Company or its staff against the interests of any Client.

ANNEX I

CAPITAL INSTRUMENTS MAIN FEATURES

The main features of the capital instruments of the Company as at 31 March 2025 are listed in the table below:

Template EU IF CCA: Common Equity Tier 1 instruments		
1	Issuer	Albourne Cyprus Limited
2	Unique identifier (e.g., CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Public or private placement	Private Placement
4	Governing law(s) of the instrument	Cyprus Law
5	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares
6	Amount recognised in regulatory capital	€ 200K
7	Nominal amount of instrument	€1,00 each
8	Issue price	€1,00 each
9	Redemption price	N/A
10	Accounting classification	Shareholder's Equity
11	Original date of issuance	Various
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	N/A
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A
21	Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A
22	Existence of step up or other incentive to redeem	N/A
23	Noncumulative or cumulative	Non-cumulative
24	Convertible or non-convertible	Non-convertible
25	If convertible, conversion trigger(s)	N/A
26	If convertible, fully or partially	N/A
27	If convertible, conversion rate	N/A
28	If convertible, mandatory or optional conversion	N/A
29	If convertible, specify instrument type convertible into	N/A
30	If convertible, specify issuer of instrument it converts into	N/A
31	Write-down features	No
32	If write-down, write-down trigger(s)	N/A
33	If write-down, full or partial	N/A
34	If write-down, permanent or temporary	N/A
35	If temporary write-down, description of write-up mechanism	N/A
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A
38	Link to the full term and conditions of the instrument (signposting)	N/A