



Credit Financier Invest (CFI) Ltd

APPENDIX

Solo Pillar III Disclosures for the
year ended December 31, 2025

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

May 2026



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1. Introduction

1.1 Corporate Information

Credit Financier Invest (CFI) Ltd (the “Company” or “CFI”) is a Cypriot Investment Firm regulated by the Cyprus Securities and Exchange Commission (“CySEC”). It was authorized on the 25th of September 2012 under license number 179/12 and holds a LEI Code of 21380064VQA91ODJ7I59.

The Company has the license to provide the following investment and ancillary services:

Investment Services

- Reception and transmission of orders in relation to one or more financial instruments.
- Execution of Orders on behalf of clients.
- Dealing on Own Account.

Ancillary Services

- Safekeeping and administration of Financial Instruments for the account of Clients, including custodianship and related services such as cash/collateral management;
- Granting credits or loans to an investor to allow him to carry out a transaction in one or more financial instruments, where the firm granting the credit or loan is involved in the transaction;
- Foreign exchange services where these are connected to the provision of investment services;
- Investment research and financial analysis or other forms of general recommendation relating to transactions in financial instruments.

Financial instruments

The Company shall be offering the above investment services, as applicable, regarding:

1. Transferable securities;
2. Money-market instruments;
3. Units in collective investment undertakings;
4. Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
5. 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;
6. Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;



7. Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
8. Derivative instruments for the transfer of credit risk;
9. Financial contracts for differences;
10. 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 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.

1.2 Pillar III Regulatory Framework

Since 26 June 2021, the Company has been subject to the capital adequacy and overall risk management requirements that arise from the investment firm European prudential framework, which consists of EU Regulation 2019/2033 on the prudential requirements of investment firms (“Investment Firm Regulation” or “IFR”) and EU Directive 2019/2034 on the prudential supervision of investment firms (“Investment Firm Directive” or “IFD”), as the latter has been harmonized into local legislation through the issuance of the Law for the Prudential Supervision of Investment Firms 165(I)/2021 (“the Law”).

The IFR and 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 Internal Capital Adequacy & Risk Assessment (“ICARA”) Process, and the Liquidity Requirement, among others.

The Company is a Class 2 CIF and is required to hold €750k (c. \$881k equivalently as at the reference date) of initial capital, set in accordance with Article 14 of the IFR and Article 9 of the IFD.

The IFR/IFD framework consists of three Pillars that are used to regulate, supervise, and improve the risk management of firms in the financial services industry. The three Pillars and their applicability to the Company, are summarised below:

- Pillar I - Minimum Capital Requirements - ensures that the Company maintains at all times a sufficient amount of capital above the minimum requirement in relation to certain key risks, as calculated using prescribed methods.
- Pillar II - ICARA and Supervisory Review and Evaluation Process (“SREP”) - ensures that the Company and its supervisor, CySEC, actively assess, control, and mitigate the various risks that the Company faces.
- Pillar III - Market Discipline - ensures the promotion of market discipline through the disclosure of the Company’s regulatory requirements, risk management and risk governance policies and



procedures, allowing market participants to view and compare meaningful information relating to the Company and its peers.

1.3 Scope of Application

The present Pillar III Disclosures have been prepared in compliance with Part Six of the IFR and relate to the financial year ending on 31st of December 2025. The Company is making these Disclosures on an individual (solo) basis. The Company also prepares its Financial Statements on an individual (solo) basis, in accordance with the International Financial Reporting Standards (“IFRS”). The Company's Audited Financial Statements for 2025 have been prepared using United States Dollar (“USD”) as a reporting currency which as from 3rd January 2022 is the new presentational and functional currency of the Company, as this currency most faithfully represents the underlying transactions, events and conditions of the Company.

The Company prepares its Pillar III Disclosures document and arranges for its review and verification by its external auditors on an annual basis. Furthermore, the Company uploads its annual Pillar III Disclosures on its website at <https://cfi.trade/en/cy/company/regulatory-documents>, while it also submits them to CySEC accompanied by its external auditors' verification report.

1.4 Operating Environment of the Company

Geopolitical Developments

The geopolitical situation in Eastern Europe and the conflict between Russia and Ukraine continues as of the date of this report. The Company has no direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

Following the escalation of conflict involving Iran, the United States, and Israel after the reporting date, the Company conducted a specific assessment of the potential impact on its operations and financial position. The Company's MENA Banking exposure is limited, with approximately 3% of total client funds held in the region. These funds are placed with UAE-based credit institutions, which are considered well capitalized and resilient, based on their latest Pillar III disclosures and supported by S&P Global Ratings' sovereign assessment of the UAE dated 6 March 2026.

Since the escalation, no disruptions have been observed in banking operations, client withdrawals, or fund accessibility. All client funds remain segregated and accessible at all times. From an operational perspective, the Company has implemented certain business continuity measures on a group level, in response to the developing situation, with specific precautionary actions also taken at the Cyprus entity level.

Based on the information currently available, the Company does not expect the current geopolitical developments to have a material adverse impact on its operations or financial standing. The situation continues to be monitored closely, and any material developments will be escalated to the Board of the Company as appropriate.

Cyprus Tax Reform

The implementation of amendments to the corporate tax framework in Cyprus, effective from 1



January 2026, include an increase in the corporate income tax rate from 12.5% to 15% and the abolition of Special Defence Contribution (SDC) on rental income.

The increase in the corporate income tax rate aligns Cyprus more closely with international tax developments. The removal of SDC on rental income simplifies the tax treatment of such income streams.

The Company has assessed the impact of these legislative changes on its financial position and regulatory capital. The effects have been incorporated into the current period tax provisioning, where applicable, and are appropriately reflected in the financial statements.

Based on the assessment performed, the Company does not expect these changes to have a material adverse impact on its capital adequacy or overall financial position, nevertheless, it will continue to monitor further guidance issued by the Cyprus tax authorities and assess any additional implications for its regulatory and tax reporting obligations.

2. Risk Management Framework and Structures

2.1 Board of Directors

The Board of Directors (“the Board”) has overall responsibility for the business. It sets the strategic objectives and ensures that it remains informed about the Company’s operations through Board meetings conducted within a structured control framework, designed to enable risks to be identified, assessed and managed. The Board also ensures that financial controls and risk management systems are robust and effective.

Duties of the Board of Directors

The Board is responsible for ensuring that the Company complies with its obligations under the Law. The Board assesses and periodically reviews the effectiveness of the policies, arrangements and procedures put in place to comply with the obligations under the Law, and to take appropriate measures to address any deficiencies. The Board ensures that it receives on a frequent basis, and at least annually, written reports regarding Compliance, Internal Audit, Money Laundering & Terrorist Financing and Risk Management issues, indicating, in particular, whether the appropriate remedial measures have been taken in the event of any deficiencies. The Board is responsible for the monitoring of the internal control mechanisms of the Company to enable prevention of activities outside the scope and strategy of the Company and the prevention of any unlawful transactions, the identification of risks, and the timely and adequate flow of information. Furthermore, the Board passes resolutions for selecting a service provider or individual for outsourcing.

The executive directors take part in the operation of the Company and, as appropriate, in the provision of investment and ancillary services. The Non-Executive (Independent) Directors monitor the operations of the Company through their participation in the various Board Committees, as applicable, and in the meetings of the Board. They have access to information and reports from the management of the Company.

The Frequency of the Board of Directors Meetings

The Board meets at least once a quarter. During these meetings, the general strategy of the Company is included in the agenda, among others. Quorum must be achieved before meetings can be considered open. Quorum shall be three (3) directors present either physically or through telephone conference calls.



Voting Procedures

The Board takes decisions at a meeting by written resolution. All decisions of the Board regardless of the forum (physical or via conference call) are made by a majority vote on all matters within the competence of the Board. In the event of voting tie, the group in which the Chairman of the Board has voted for is considered to have the majority.

2.2 Risk Management Committee

In order to support effective governance and management of the wide range of responsibilities the Board has established the Risk Management Committee. The Risk Management Committee is formed with the view to ensure the efficient monitoring of the risks inherent in the provision of the investment and ancillary services to Clients, as well as the risks underlying the operation of the Company, in general.

In this context, the Company has established and maintains risk management policies and procedures designed to identify the risks associated with its activities, processes and systems and to define the Company's risk tolerance levels.

The Risk Management Committee is responsible to monitor the adequacy and effectiveness of such risk management policies and procedures, the level of compliance by the Company and its relevant persons with the policies and procedures adopted, as well as the adequacy and effectiveness of measures taken to address any deficiencies with respect to those policies and procedures that are in place, including instances of non-compliance with the established policies and procedures.

More specifically the responsibilities of the Risk Management Committee include:

- Examination and decisions related to various risks associated with the operation of the Company with the view to enhance risk awareness among personnel, formulate internal policies and measure the effectiveness of the such policies in dealing with the risks associated with the operation of the Company.
- Advising and supporting the Board regarding the Company's overall current and future risk strategy and risk appetite, and assisting in overseeing the implementation of that strategy, ensuring alignment with the Company's business objectives, corporate culture, and values.
- Assisting the Board in overseeing the implementation of the Company's risk strategy and setting the corresponding limits and providing recommendations for adjustments where required, taking into account changes in the Company's business model of the Company, market developments or recommendations made by the Risk Management Department.
- Reviewing potential scenarios, including stressed scenarios, to assess how the Company's risk profile would react to external and internal events.
- The review of the risk management procedures that are currently in place.



- The monitor and control of the Risk Manager in the performance of his/her duties and the effectiveness of the Risk Management Department.
- Ensuring that the Company has a clear policy in respect of the assumption, follow up and management of risks, which is duly notified across all interested parties or organizational units of the Company.
- Considering, to the extent possible, risk factors affecting costs, the price at which competitors offer the same services, and the cost-benefit ratio for each service, and verify that such information is utilized by the Risk Management Department in the carrying out of their duties.
- The review of the policies of the Risk Management Department in relation to liquidity and market risk including:
 - acceptable maximum risk assumption limits per class of risk;
 - further breakdown of such risk limits further where necessary, for example, per class of investment service or Financial Instrument, or Client or market;
 - implementing stop loss-control limits; and
 - monitoring of open positions to ensure they remain within approved limits.
- Prior to expanding the Company's operations to any new financial instruments or investment services, the Committee shall be satisfied that the Company incorporated such expansion projects into its strategic development plan, located and 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.
- 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.
- Approving client and counterparty exposure limits.
- Approving policy description concerning information systems and monitoring of the information systems in place.
- Make arrangements for the appointment of the responsible security user/super user for the provision of access rights to the various databases and monitoring of the security measures in place.
- Establishment of policies regarding the amount of information to be provided to clients about the nature and risks of Financial Instruments based on the client classification.
- 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.



- Supervise and approve the Disaster Recovery Plan.
- Determine the Company's pricing policy.
- Take decisions upon the markets and types of Financial Instruments in which the Company shall be active.
- Determining the mode, content and frequency of the Clients's briefing.
- Brief the Internal Auditor when necessary.
- Assessing the recommendations of internal or external auditors and monitoring the timely and effective implementation of agreed remedial actions.

The Risk Management Committee presents its findings in a report to the Board. The latter decides upon the risk management policies of the Company, based the recommendations of the Risk Management Committee.

The Risk Management Committee meets at least once every 6 months unless the circumstances require extraordinary meetings. Extraordinary meetings can be called by any member of the Risk Management Committee, as well as by the Risk Manager. The decisions are made by a majority vote, and minutes for all meetings are kept in writing and maintained on file by the Chief Executive Officer. In the event of voting tie, the group in which the Risk Manager has voted for is considered to have the majority. Heads of Departments present to the Risk Management Committee the implementation actions taken on previously agreed decisions, in respect of their respective area of responsibility, as applicable. The decisions of the Risk Management Committee with respect to any of its responsibilities as shown above shall be presented to the relevant employees of the Company orally or in writing. The Risk Management Committee has met three times during 2025.

An Audit Committee, Remuneration Committee, and Nomination Committee taking into consideration the size of the Company were not established. These committees will be created when the Board of Directors decide that the size of the Company has grown, and such sub-committees are needed for the better management of the Company.

2.3 Senior Management (“4-Eyes”)

The Senior Management is responsible to ensure that the Company complies with its obligations under the Law. Further to this, all members of the Senior Management of the Company have the same level of responsibility and authority regarding the management and good standing of the Company. In particular, the Senior Management is responsible to assess and periodically review the effectiveness of the policies, arrangements and procedures put in place to comply with the obligations under the Law and the relevant Directives and to take appropriate measures to address any deficiencies. In this respect, the Senior Management of the Company receives written reports from the Compliance Officer, the Money Laundering Compliance Officer, the Internal Auditor, and the Risk Manager at least annually.



2.4 Chief Executive Officer

The Chief Executive officer is responsible for administering and implementing the decisions of the Board of the Company and acts as one of the persons who effectively direct the business of the Company (“4-Eyes”).

The Chief Executive Officer represents the Company to all the government, regulatory and professional bodies. Furthermore, the Chief Executive Officer monitors the proper execution of the procedures set in the Internal Operations Manual and provides for the unencumbered execution of the duties of the Company’s employees.

2.5 Risk Management Function

A Risk Manager has been appointed by the Board, to ensure that all material risks incurred by the Company are identified, managed, and monitored in accordance with applicable legal and regulatory requirements, and that all the necessary procedures, relating to risk management are in place. The Risk Manager reports to the Senior Management of the Company.

The Risk Manager is responsible, amongst others, for:

- Complying and implementing the relevant provisions of the Law, relating to risk management issues;
- Requiring sufficient information from all the relevant departments of the Company, as applicable;
- Educating and training the personnel of the Company on risk-related issues;
- Examining the financial results of the Company;
- Analyzing the market and its trends (from a risk management perspective), as applicable;
- Evaluating how the introduction of any potential new services or activities by the Company could affect the risk management of the Company, and providing such requests to the Senior Management or the Board, as requested;
- Examining the capital adequacy and the exposures of the Company;
- Drafting written reports to the Senior Management and the Board making recommendations and indicating in particular whether the appropriate remedial measures have been undertaken in the event of any deficiencies, at least annually. These reports shall be presented to the Board and discussed during its meetings, at least annually. The Company shall also submit to CySEC the minutes of the meetings of the Board of Directors, during which the report of the Risk Manager has been discussed as required;
- Calculating, setting, reviewing, updating and monitoring Client and counterparty limits, as applicable;



- Maintaining a record of all the Clients and counterparties risk and limits involved;
- Recommending, providing, and supervising policy description concerning information systems (including backup systems that can restore smooth operation in case of failure);
- Defining acceptable maximum risk assumption limits per class of risk;
- Breaking down the above risk limits further where necessary, for example, per class of investment service or Financial Instrument, or Client or market, as applicable;
- Implementing stop loss-control limits, where applicable; and - following up open positions within the approved limits;
- Monitoring the high-risk clients from high-risk countries on a bi-annual basis, and if any suspicious and/or risky accounts are identified, reporting them to Management for further actions.

The Risk Manager is also responsible for calculating and setting the limits, which are approved by the Risk Management Committee. The approved limits are valid for a period of time and are reviewed at least quarterly.

2.6 Internal Audit

The Company, taking into account the nature, scale and complexity of its business activities, as well as the nature and the range of its investment services and activities, established an Internal Audit function through the appointment of a qualified and experienced outsourced Internal Auditor. The Internal Auditor is separated and independent of the other functions and activities, and reports to the Senior Management of the Company.

The Internal Auditor is responsible for:

- Establishing, implementing and maintaining an audit plan to examine and evaluate the adequacy and effectiveness of the Company's systems, internal control mechanisms and arrangements;
- Issuing recommendations based on the result carried out in accordance with the aforementioned point;
- Verifying compliance with the recommendations in regard to the previous point; and
- Providing timely, accurate and relevant reporting in relation to internal audit matters to the Board of Directors and the Senior Management of the Company, at least annually.

The Internal Auditor is responsible for applying the Internal Control System (hereinafter, the "ICS"), which shall confirm the accuracy of the reported data and information. Furthermore, the role of the



Internal Auditor shall be the programming, on at least annual basis (as applicable), of checks on the degree of application of the required ICS.

The Internal Auditor has clear access to the Company's personnel and books. Likewise, the Company's employees have access to the Internal Auditor for the reporting of any significant deviations from the guidelines provided.

The Board ensures that issues raised by the Internal Auditor are duly considered upon presentation and that appropriate remedial actions are taken. The Board oversees the resolution of all identified issues and ensures that they are prioritised in accordance with its assessment of their significance and impact.

2.7 Money Laundering and Compliance Officer

The Board appoints a Money Laundering Compliance Officer (hereinafter the "MLCO") to whom the Company's employees should report their knowledge or suspicion on transactions involving money laundering and terrorist financing. The MLCO belongs to the management of the Company to command the necessary authority. The MLCO leads the Company's Money Laundering Compliance procedures and processes and reports to the Senior Management of the Company. In cases where it shall be deemed necessary, and following recommendations by the MLCO, assistants to the MLCO shall also be appointed.

Once an employee of the Company has reported their suspicion to the MLCO they shall be deemed to have fully satisfied their statutory obligations in accordance with Law 188(I)/2007 and the CySEC Directive DI144-2007-08, as amended.

In this respect, the MLCO's work is mainly focused on the following areas:

- Compliance with the Anti-Money Laundering (AML)-related legislation (Law and Directives).
- Reviewing the performance of the Clients identification and due diligence procedures on a risk-based approach.
- Monitoring and assessing the correct and effective implementation of the practices, measures, procedures and controls of the AML, Back Office and Internal Operations Manual ("IOM"), following a Risk-Based Approach ("RBA").
- Monitoring Clients' acceptance policy and ensuring that the Company maintains the appropriate Clients records.
- Monitoring Clients' accounts and ensuring submission of the monthly reporting regarding the prevention of money laundering and terrorist financing to the Commission via the CySEC portal.
- Ensuring the process of internal suspicion report and/or transaction is in place.
- Ensuring that the Company's personnel receive the appropriate training and assistance.



- Monitoring destinations of funds (incoming and outgoing) by checking the daily transactions and comparing such to the KYC data.
- Monitoring of the daily AML Report that covers all Clients deposits and withdrawals versus their total assets, annual income (economic profile), Clients detailed profession.
- Ensuring the on-going monitoring of various aspects, transactions, and accounts.
- Ensuring the evaluation, 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.
- Preparing the report and submitting it online to “goAML” system, that processes and analyses high volumes of reports on suspicious transactions or activities of any kind. It is provided that, after the submission of the MLCO Report to the Unit MOKAs for Combating Money Laundering (the “Unit”), the accounts involved and any other connected accounts, shall be closely monitored by the MLCO and following any directions from the Unit, shall thoroughly investigate and examine all the transactions of the accounts.
- Ensuring that the customer acceptance policy and construction of the Client economy profile is always being followed based on the IOM, Back Office (BO) and AML manual.
- Ensuring that the Company is following the simplified and enhanced customer identification based on the risk classification for Clients.
- Ensuring that the process of acceptance policy of customer identification is well followed based on the IOM, BO and AML manual and ongoing directives issued within the period.
- Ensuring that the Company relies on systems that are able to track if a client is categorized as a PEP (politically or United Nations/ sanctions-imposed person). MCLCO is able to rely for customer identification and due diligence on the World Compliance system operated by Lexis Nexis and IDwise system negative search.
- Communicating any MLCO needs to the BO in relation to clients’ requests with keeping evidence and proofs in clients’ files.
- Providing advice and guidance to the employees of the Company on subjects related to money laundering and terrorist financing.
- Evaluating the systems and procedures applied by a third person on whom the Company may rely for Client identification and due diligence purposes, and approve the cooperation with it, as applicable.

It should be noted that the Company strives to achieve full cooperation of the Management and other personnel of the Company towards the best results possible in all anti-money laundering compliance matters. The Company, in general, works towards improving anti-money laundering compliance areas, policies and procedures, automation of reporting red flags and has established



a Source of Funds Committee. It is noted that the MLCO also approves the Client File before accepting a client.

3. Adequacy of Risk Management Framework

3.1 Risk Appetite Statement

The Company has defined its risk appetite as a means of illustrating and enforcing its dedication to safeguarding clients and shareholders, as well as ensuring adequate capitalization. The Board has the overall responsibility for determining the Company's risk appetite and reviews and approves it on a yearly basis in line with the ICARA process and Business Strategy.

The Company uses a variety of metrics to measure and monitor its risk-taking activities relative to its risk appetite. Defining risk appetite through metrics assists and informs decision-making such as pursuing new product developments, exiting or changing certain activities, and aligning resources to optimise profitability within an acceptable level of risks. The metrics are actively monitored, managed and where required, mitigating actions are determined by the relevant persons and committee. Furthermore, the Board of Directors formally reviews on a regular basis the Company's compliance with its risk appetite and instructs any required corrective actions.

The Risk Appetite Statement serves to streamline the presentation and informed periodic assessment of the level of risk that the Company is willing to undertake in its key activities. It aligns with market standards, improves internal decision-making quality, and fosters a culture of broad risk awareness. Moreover, the Risk Appetite Statement helps the Company identify situations that exceed its risk capacity, potentially affecting capital, profitability, liquidity, reputation, and other relevant factors. This is accomplished by applying predefined risk appetite limits that steer organizational risk and management activities.

3.2 Internal Capital Adequacy and Risk Assessment Process (ICARA)

The purpose of the Company's ICARA Process, is to ensure that CFI always has sufficient capital and liquidity resources at all times to cover the risks associated with its activities. The ICARA process covers risks covered under Pillar I and II, as well as risks not captured under Pillar I. The Board approves the design of the ICARA process, while Senior Management is responsible for its detailed implementation and ongoing execution.

The Company updates the results of the ICARA process at least annually. During June 2025 the Company proceeded with updating its ICARA Report, with a reference date of 31 December 2024.

4. Governance – Board and Committees

4.1 Diversity Policy

In order to support a diverse composition of the management body, institutions should have policies that ensure that there is no discrimination based on gender, race, color, ethnic or social origin,



genetic features, religion or belief, membership of a national minority, property, birth, disability, age, or sexual orientation.

The Company is committed to promoting a diverse and inclusive workplace at all areas where any service is provided. Diversity is approached in the broadest sense, while recognizing that successful businesses flourish through embracing diversity into their business strategy and developing talent at every level in the organization.

According to Company policy, Board members should possess an appropriate mix of skills and experience to provide the necessary breadth and depth of knowledge and experience to meet the Board's responsibilities as mentioned in the IOM of the Company. The Board shall assess its composition by reference to:

- Necessary areas of expertise;
- The ideal balance between experience and freshness;
- Desirable diversity in relevant areas.

The Board and Senior Management shall identify areas where existing Board composition falls short of the ideal. Furthermore, Board members shall either be experience in or be willing to acquire the necessary knowledge to effectively be performing their tasks and/or responsibilities.

Since CFI's team is still small, there is no need for creating a Nomination Committee to ensure that the appropriate balance of skills and experience is being kept across the Board.

After the submission of their CV, the prospective Board members who are candidates for appointment to fill a vacant seat on the Board must attend at least one meeting with the Human Resources Officer and the Chief Executive Officer. In a second stage, the prospective Board members must attend one last meeting with the Chief Executive Officer and the Managing Director of the Company for the final selection.

The interviewer is always responsible for providing the prospective Board members with information about the Board, the cooperative, and the responsibilities of a Director, and for obtaining information about the experience and skills of each prospective Director.

The Human Resources Officer is responsible for notifying the candidate about the outcome of the meeting(s), and if appointed, the candidate is made aware of any upcoming meetings, provided with all the relevant information along with his/her remuneration package, as agreed with the Company.

4.2 Number of Directorships held by members of the Board

Table 1 below provides the number of directorships a member of the management body of the Company holds at the same time in other entities. For the purposes of the below, executive or non-executive directorships held within the same group of companies are considered as a single directorship. Directorships in organizations which do not pursue predominantly commercial objectives, such as non-profit-making or charitable organizations, are not taken into account for the purposes of the below. It shall be noted that, the Company is not considered significant in terms of its size, internal organization and the nature, scope and complexity of its activities.



Table 1: Directorships of Board Members

Name of Director	Position within the Company	Number of directorships	
		Executive	Non-Executive
Eduardo Fakhoury	Non-Executive	-	4
Elie Aoun	Executive	2	-
Nikos Vasiliou	Non-Executive	1	1
Lorenzo Toffoloni	Non-Executive	1	4
Jena Belkova	Executive	1	-

Notes:

1. The information in this table is based only on representations made by the Company's directors at the time of the preparation of the report.
2. Nektarios Kalopetrides resigned on 7 February 2025
3. Giannis Zambas resigned on 7 February 2025

5. Principal Risks

This section sets out the Company's objectives and policies to manage each key risk that arises from its activities and operations, as well as the strategies and processes it has put in place in order to manage and mitigate each such risk.

5.1 K-Factor risk components

Under the IFR framework, the potential harm that an investment firm may pose to its clients, the markets in which it operates, and to itself is quantified through the calculation of K-factor requirements.

The K-factor requirement captures the Risk-to-Client, Risk-to-Market and Risk-to-Firm. As per Article 15 of the IFR, an investment firm's minimum capital requirement corresponds to the sum of the following K-factor requirements:

- **Risk-to-Client:** Risk-to-Client covers risks carried by an investment firm during its services, actions, or responsibilities, which could negatively impact its clients.
- **Risk-to-Market:** Risk-to-Market captures the net position risk ("K-NPR") from the Trading Book in accordance with the Market Risk provisions of the CRR 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").



- **Risk-to-Firm:** Risk-to-Firm covers the risk of an investment firm's exposure to the default of its trading counterparties, Trading Book Concentration Risk to specific counterparties and operational exposures from its daily trading flow.

The K-factor requirement is tailored to the investment firms based on the type and scale of the investment firm's activities. The investment firms are required to calculate the K-factor requirement only for the K-factor components that are relevant to the services and activities that they are authorized to provide.

The Company monitors the value of its K-factors in order to detect any trend that may lead to a material change in its own funds requirements and reports these exposures on a quarterly basis.

5.2 Risk-to-Client

Risk to Client ('RtC') is the risk that an investment firm poses to clients if it fails to carry out its services or operations correctly. The K-factors under RtC are proxies covering the business areas of investment firms from which harm to clients can conceivably be generated in case of problems.

The K-factors under the Risk-to-Client capture the 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 Company calculates its Risk to Client K-factor requirement based on Article 16 of the IFR.

The overall minimum own funds requirement under the Risk-to-Client equals to the sum of K-AUM, K-CMH, K-ASA and K-COH. These specific K-Factors relate to the type of activity referred to by each K-factor. The K-factor requirement is tailored to the Company based on the type and scale of its activities.

Investment firms are required to calculate the K-factor requirement only for the K-factor components that are relevant to the services and activities that they are authorized to provide.

K-AUM (Assets Under Management):

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

K-AUM is calculated based on the provisions of Articles 15 and 17 of the IFR. For the year under review, the Company was not authorised to provide the investment services "Portfolio Management" and "Investment Advice" and thus it was not subject to the K-AUM requirement.

K-CMH (Client Money Held):

K-CMH captures the risk of potential for 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.

The Company calculates its K-CMH based on the provisions of Articles 15 and 18 of the IFR. During the year under review, CFI was subject to CMH risk.



For computing the applicable K-factor in relation to the Client money that the Company holds, the IFR takes into account the legal arrangements in relation to asset segregation. The Company takes the following risk mitigation measures relevant to CMH:

- a. The Company maintains internal records that enable it at any point in time to distinguish the funds of each client from those of other clients and from its own funds.
- b. The Company conducts regular client money reconciliations between internal and external records of client money held.
- c. The Company ensures that Client Accounts are established to ensure Client Money is held separately from the Company's own funds.
- d. The Compliance Officer ensures that client money requirements are adhered to Compliance Monitoring reviews whether client money requirements are being adhered to.
- e. The Company's external auditor conducts annually a client assets review and issues the required Suitability Report to evaluate the Company's compliance with the client money safeguarding requirements, in all material respects.
- f. Agreements are entered into with any third parties holding client money so to ensure that any Third-Party agent is aware of its responsibilities in respect of such funds.
- g. Ongoing due diligence is undertaken on Third Party Agents to ensure that they remain suitable.

K-ASA (Assets Safeguarded and Administered):

K-ASA captures the risk of safeguarding and administering client financial instruments and ensures that investment firms hold capital in proportion to such instruments.

The Company calculates its K-ASA based on the provisions of Articles 15 and 19 of the IFR. During the year under review, the Company has offered safeguarding services in relation to real instruments' positions of its clients, and it was therefore subject to the risk relating to K-ASA. It is noted that the safeguarding of clients' positions in Contracts for Difference (CFD) products is captured under K-CMH in consideration of the nature of CFD products.

The Company keeps records and accounts in its systems to enable it at any time and without delay to distinguish assets held for one client from assets held for any other client, and from its own assets. The Administration/Back Office Department is responsible for ensuring the maintenance of the records and accounts. Also, the Company conducts, on a regular basis, reconciliations between its internal accounts and records and those of any third parties by whom those assets are held. The Head of the Finance & Accounting Department shall be responsible for the preparation of the reconciliations. The Compliance Officer, Risk Manager and CEO are responsible for the review.

K-COH (Client Orders Handled):

K-COH captures the potential risks from execution of orders on behalf of the client and the reception and transmission of client orders. The Company calculates its K-COH based on the provisions of Articles 15 and 20 of the IFR.

The Company was exposed to Client Orders Handled risk as during the year, arising from the execution of CFDs under the service "Execution of orders on behalf of clients in the name of the client" and or "Reception and transmission of orders in relation to one or more financial instruments".

When handling client orders, the Company ensures that the following steps are followed:

- a) Orders executed on behalf of clients are promptly and accurately recorded and allocated;



- b) Comparable client orders are carried out sequentially and without undue delay, unless the characteristics of the order or prevailing market conditions make this impracticable, or the interests of the client require otherwise;
- c) Retail Clients are informed promptly of any material difficulty relevant to the proper execution of their orders, as soon as the Company becomes aware of such difficulty;
- d) Orders are assessed for appropriateness, in accordance with the Company's "Assessment of Appropriateness."

5.3 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)** – 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 Regulation (EU) No. 575/2013 ("CRR"). Therefore, K-NPR captures the Market Risk, which is defined as the risk that changes in market prices will affect the Company's income or the value of its holding of financial instruments. The Company is exposed to Market Risk arising from both its non-trading and trading book positions.
- **K-CMG (Clearing Margin Given)** – This is an alternative to K-NPR to provide for Market Risk for trades that are subject to clearing as set out in Article 23 of IFR. CMG means the amount of total margin required by a clearing member or qualifying central counterparty, where the execution and settlement of transactions of an investment firm dealing on own account take place under the responsibility of a clearing member or qualifying central counterparty. Bearing in mind the Company's size of relevant operations during 2025, this K-factor is not applicable to the Company.

K-NPR (Net Position Risk):

Market Risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodities and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of Market Risk management is to manage and control Market Risk exposures within acceptable parameters, while optimizing the return. The Company was subject to K-NPR during 2025 primarily due to its trading exposures in real equities and CFDs on equities, indices, foreign currencies, gold, commodities and cryptos.

Foreign Exchange Risk

Investing in FX Contracts and CFDs with an underlying FX or gold product entails a currency risk, due to the fact that when the CFD or FX Contract is settled in a currency other than the Company's base currency, the value of its return may be affected by its conversion into the base currency. Any changes in the exchange rates may have a negative effect on the financial instrument's value, price, and performance, and may lead to losses. In addition, Foreign Exchange Risk arises from any assets and liabilities that are denominated and funded in a currency other than the Company's reporting currency.



The Company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

Market Interest Rate Risk

Interest Rate Risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company is exposed to Interest Rate Risk in relation to deposits with banks, however bank balances are held in current accounts, bearing insignificant interest. The Company's management nevertheless monitors the interest rate fluctuations on a continuous basis and acts accordingly.

Market Price Risk

This is the risk that the fair value of a financial instrument fluctuates as a result of changes in market prices other than due to the effect of transactional foreign currency exposures or interest rate risks.

The Company incurs Market Price Risk as a result of its trading activities in real equities and CFDs on equities, indices, commodities, foreign currencies and gold. Exposure limits are set for each product and also for groups of products where it is considered that their price movements are likely to be positively correlated.

Crypto-asset exposure amounts and capital requirements

As of 31st of December 2025, the Company held exposure in CFDs on cryptocurrencies and therefore, is under the disclosure requirements of CySEC's C462 "Prudential treatment of crypto assets and enhancement of risk management procedures associated with crypto assets".

Under Market (Commodity) Risk, the Company's Position on CFDs on cryptocurrencies subject to Capital Charge was \$271k, resulting to total Market (Commodity) Risk capital requirement of \$24k (99,57% of total Market Commodity position and 21% of the total K-Factor requirement). Under K-TCD, the overall exposure value and capital requirement arising from CFDs in cryptocurrencies as of 31st of December 2025 was not material (\$0,187k).

It is noted that both the Company's exposure amounts and capital requirements in relation to CFDs on cryptocurrencies are computed based on the provisions of Circular C462 issued by CySEC on August 3rd, 2021.

The realised and unrealised income or loss from clients trading in CFDs is recognized in the Company's Revenue.

5.3 Risk-to-Firm

Risk to Firm ("RtF") captures an investment firm's exposure to the Risk of Default of its Trading Counterparties (K-TCD), the Concentration Risk arising from its Trading Book exposures to counterparties and their connected persons (K-CON) and Operational Risks from its Daily Trading Flow of transactions (K-DTF).

There are three K-factors that capture the key aspects of RtF, namely:



- **K-TCD (Trading Counterparty Default)** – This looks at the risk of losses arising from the default of a counterparty with which a company maintains open Trading Book positions in derivatives and other specified transactions. This includes both clients and liquidity providers.
- **K-DTF (Daily Trading Flow)** – This captures the Operational Risk related to the volume of trading activity that the investment firm conducts.
- **K-CON (Concentration Risk)** – This seeks to apply additional own funds to manage concentration to a single counterparty or a group of connected counterparties to which a company incurs Trading Book exposures.

K-TCD (Trading Counterparty Default):

K-TCD captures the Counterparty Credit Risk arising from an investment firm's exposure to the default of its trading counterparties. In particular, it looks at the risk of losses arising from the default of a counterparty with which a company maintains open Trading Book positions in derivatives and other specified transactions and includes positions with both clients and liquidity providers.

The Company calculates its K-TCD based on the provisions of Articles 25 to 32 of the IFR. CFI was subject to K-TCD during 2025 due to its open positions in CFDs.

In order to mitigate TCD Risk, the following controls are in place: i) sufficient margin must be deposited by clients to enable trades, ii) platform provider system monitors clients' positions and provides alerts/automatic closure of positions where a client would be required to post additional margin. Also, the Risk Officer reviews leverage on a regular basis and acts accordingly.

K-DTF (Daily Trading Flow):

K-DTF captures the potential risks from the 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 into through the execution of orders on behalf of clients in its own name.

The Company calculates its K-DTF based on the provisions of Article 15 and Article 33 of IFR. During 2025, CFI was subject to this type of risk.

Most of the transactions are online while the Company has procedures in place to record and act upon client instructions received in writing or by telephone. Telephone calls are recorded to review client instructions received. Also, system reconciliations are performed to identify errors on a timely basis and implement remedial actions. Finally, the Compliance Officer conducts regular quarterly review of sample trades as part of the Compliance Monitoring Program.

K-CON (Concentration Risk):

Seeks to apply additional own funds to manage concentration to a single counterparty / issuer of financial instruments or a group of connected counterparties / issuers to which a company incurs Trading Book exposures. The K-CON aims to provide additional own funds for managing Concentration Risk to a single counterparty or group of connected counterparties.

Investment firms shall monitor and control their Concentration Risk and where the Trading Book exposure with regard to a client or group of connected clients exceeds the limits as set out in the



IFR, they shall meet an additional minimum own funds requirement in accordance to Article 39 of the IFR and shall monitor such excess in order not to breach a set of specified, higher limits.

As per Article 37 of the IFR, these limits are:

- 25% of the investment firm's Own Funds in case of an individual client or group of connected clients other than a credit institution or an investment firm in the EU or in an equivalent third country.
- The higher of 25% of the investment firm's Own Funds and EUR 150 million, where individual client is a credit institution or investment firm or where a group of connected clients includes one or more credit institutions or investment firms, in the EU or in an equivalent third country. However, where the EUR 150 million is higher than the 25% of the investment firm's Own Funds, the applicable limit shall not exceed 100% of the said Own Funds.

The Company is required to report and monitor its Trading Book Large Exposures on a quarterly basis. As at 31st December 2025 the Company was not subject to the K-CON requirement as its Trading Book exposures either by counterparty or by financial instrument issuer did not exceed the allowable thresholds set out in Article 37 of the IFR.

5.5 Other Risks

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.

In addition to the minimum own funds requirements, a Liquidity Requirement is set by the IFR according to which the Company is required to maintain liquidity levels equal to at least one third of its Fixed Overhead Requirement.

As at 31 of December 2025 the Company satisfied the Liquidity Requirement. The Company monitors the level of its liquid assets on a quarterly basis.

Operational Risk

Operational Risk is the risk that derives from the deficiencies relating to the Company's information technology and control systems, as well as the risk of human error and natural disasters. The Company's systems are evaluated, maintained and upgraded continuously.

Compliance and Reputational Risk

Compliance Risk is the risk of financial loss, including fines and other penalties, which arises from non-compliance with laws and regulations of the state. Reputational Risk is the risk of loss of reputation arising from the negative publicity relating to the Company's operations (whether true or false), which may result in a reduction of its clientele / revenue and legal cases against the Company.



The Company applies procedures to minimize these risks, such as supervision exercised by the Company's Compliance Officer, as well as by monitoring controls applied by the Company.

Credit Risk

Credit Risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Company. The Company has credit management controls and manages each asset class within individual product risk appetites.

The Company's objective in managing credit risk exposures is to maintain them within parameters that reflect the strategic objectives and risk tolerance. Sources of credit risk are assessed and monitored, and the Company has policies to manage the specific risks within the various subcategories of credit risk. To assess counterparty credit risk, the Company uses the ratings assigned by external rating agencies.

Volatility Risk

Some derivative financial instruments such as CFDs trade within wide intraday ranges with volatile price movements. Therefore, clients must carefully consider that there is a high risk of losses as well as profits. The price of derivative financial instruments is derived from the price of the underlying asset in which the derivative financial instruments refer to. Derivative financial instruments and related underlying markets can be highly volatile. The prices of derivative financial instruments and of their underlying assets may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by clients or the Company.

Under certain market conditions, it may be impossible for a client's order to be executed at the declared prices, leading to losses. Due to market conditions which may cause unusual and rapid market price fluctuations, or other circumstances, CFI may be unable to close out a client's position at the price specified by the client and the risk controls imposed by CFI might not work, in which case the client agrees that CFI will bear no liability for a failure to do so.

The prices of derivative financial instruments and the underlying asset will be influenced by, amongst other things, changing supply and demand relationships, governmental, agricultural, commercial and trade programs and policies, national and international political and economic events, and the prevailing psychological characteristics of the relevant marketplace.

6. Own Funds

The Company manages its capital to ensure that it will be able to continue as a going concern while increasing the return to owners through the strive to improve the debt-to-equity ratio. The Company's overall strategy remains unchanged from last year.

Regulatory Own Funds

The Company monitors minimum Own fund requirements, Capital adequacy and the use of the regulatory capital at least on a quarterly basis, in accordance with the IFR & IFD prudential framework. As at 31st of December 2025, the Company's Own Funds comprised entirely out of Common Equity Tier 1 capital.

As per the IFR rules, investment firms are required to maintain Own Funds consisting of the sum of their Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital, and shall meet all of the following conditions at all times:



- a) Common Equity Tier 1 Capital of at least 56% of minimum Own Funds Requirements.
- b) Common Equity Tier 1 Capital and Additional Tier 1 Capital of at least 75% of minimum Own Funds Requirements.
- c) Common Equity Tier 1 Capital, Additional Tier 1 Capital and Tier 2 Capital of at least 100% of minimum Own Funds Requirements.

Table 2 below presents the composition of the Company's Own Funds as at 31 December 2025, while **Table 3** indicates how these Own Funds reconcile with the Company's Balance Sheet as of this date. These tables have been prepared based on the Commission Implementing Regulation (EU) 2021/2284 laying down implementing technical standards for the application of IFR with regard to supervisory reporting and disclosures of investment firms.

As shown below, the Company's Own Funds as of 31 December 2025 amounted to \$7.463k.

Table 2: Template EU IF CC1.01 - Composition of Regulatory Own Funds

Template EU IF CC1			
Ref	31 st December 2025	USD ('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	7.463	
2	TIER 1 CAPITAL	7.463	
3	COMMON EQUITY TIER 1 CAPITAL	7.463	
4	Fully paid-up capital instruments	1.703	Ref 1 (Shareholders' Equity)
6	Retained earnings	5.295	Ref 2 (Shareholders' Equity)
8	Other reserves	223	Ref 2 (Shareholders' Equity)
10	Adjustments to CET1 due to prudential filters	-	
11	Other funds	297	Ref 2 (Shareholders' Equity)
19	(-) Other intangible assets	(7)	Ref 1 (Assets)
27	CET1: Other capital elements, deductions and adjustments	(48)	Ref 2 (Assets)
28	ADDITIONAL TIER 1 CAPITAL	-	
40	TIER 2 CAPITAL	-	



Table 3: Template EU IFCC2: Own Funds: Reconciliation of Regulatory Own Funds to Balance Sheet

Template EU IF CC2			
31 December 2025		Balance sheet as in the audited Financial Statements	Cross reference to EU IF CC1
		USD ('000)	
Assets			
Ref			
	Total Assets	9.808	
	of which:		
1	Intangible assets	7	Ref 19
2	Contribution to Investor's Compensation Fund	48	Ref 27
Liabilities			
	Total Liabilities	2.290	
Shareholders' Equity			
	Total Shareholders' Equity	7.518	
	of which:		
1	Share capital	1.703	Ref 4
2	Retained Earnings and other reserves	5.815	Ref 6, 8 & 11

7. Capital Requirements

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 solo capital ratios in order to support its business and maximize shareholders' value.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities.

7.1 Capital Requirements

The IFR & IFD framework for Class 2 Investment Firms requires that the minimum capital requirement be determined by taking the highest of the Fixed Overhead Requirement ("FOR"), the Permanent Minimum Capital Requirement ("PMCR") and the K-factors that apply to each investment firm.

7.2 Fixed Overheads Requirement ("FOR")

The Company's policy is to monitor its FOR at least on a quarterly basis. The Company calculates FOR by taking one quarter of its fixed overhead expenses based on the most recent year-end audited financial statements, in accordance with the provisions of Article 13 of the IFR. The FOR as of 31 December 2025 amounted to \$1.525k.



7.3 Permanent Minimum Capital Requirement (“PMCR”)

The Company monitors its Own Funds on a continuous basis and ensures that they remain above the Permanent Minimum Capital Requirement of €750k (or \$881k equivalent as at the reference date), which corresponds to the initial capital that applies to the Company in accordance with Article 9 of the IFD.

7.4 K-Factors (RtC, RtM, RtF)

The Company’s K-factor requirement is calculated in accordance with Articles 15 through to 33 of the IFR. The total K-Factors as of 31 December 2025 amounted to \$138k.

Table 4: Minimum Capital Requirements

Minimum Capital Requirements	31 December 2025
	USD (‘000)
Risk to Client	46
<i>Assets under management</i>	-
<i>Client money held</i>	21
<i>Assets safeguarded and administered</i>	7
<i>Client orders handled</i>	18
Risk to Market	71
<i>K-Net positions risk requirement</i>	71
<i>Clearing margin given</i>	-
Risk to Firm	20
<i>Trading counterparty default</i>	-
<i>Daily trading flow</i>	20
<i>K-Concentration risk requirement</i>	-
Total K-Factor Requirement	138
Fixed Overhead Requirement (“FOR”)	1.525
Permanent Minimum Capital Requirement (“PMCR”)	881
Total Own Funds Requirements (MAX (K-factors ; FOR ; PMCR))	1.525

Therefore, under the IFR & IFD requirements, the Company’s minimum Own Funds Requirement as of 31 December 2025 amounted to the total Fixed Overhead Requirement i.e., \$1.525k.

As at 31 of December 2025, the Company’s Own Funds comprised entirely of Common Equity Tier 1 capital and amounted to \$7.463k which exceeds the abovementioned Own Funds Requirement, thus resulting to a capital surplus of \$5.938.

Therefore, the Capital Adequacy (CAD) ratio as of 31 December 2025 was calculated at 489,41%, which is above the 100% minimum CAD ratio.



Table 5: Capital Excess/Ratio

31 December 2025	USD ('000)	Reference
Own Funds		
Common Equity Tier 1	7.463	
Additional Tier 1	-	
Tier 2	-	
Total Own Funds	7.463	a
Own Funds Requirement		
K-factor Requirement	138	b
Fixed Overhead Requirement	1.525	c
Permanent Minimum Capital Requirement	881	d
Total Own Funds Requirement	1.525	e = (higher of b, c, d)
Capital Excess/Ratio	489,41%	a / e
Capital Excess	5.938	a - e

8. Remuneration Policy and Practices

Introduction

The Company has designed appropriate remuneration policies and practices. Due to the small size of the Company, there is no regulatory requirement to establish a Remuneration Committee, and such duties are being carried out by the Chief Executive Officer assistant who will act as Human Resources officer. When designing or reviewing remuneration policies and practices, the Company has taken into consideration the conduct of business and conflicts of interest risks that may arise. The Company's remuneration policies and practices are aligned with effective interest of management duties and conduct of business risk management obligations, in order to ensure that clients' interests are not impaired by the remuneration policies and practices adopted by the Company in the short, medium and long term.

The Compliance Department is involved in designing and reviewing the process of the remuneration policies and practices. The remuneration policies and practices are periodically reviewed by the Compliance Department, the Chief Executive Officer assistant acting as Human Resources Officer and the Chief Executive Officer, to ensure that they comply with applicable legal requirements.

As a matter of principle, the Company supports levels of remuneration and compensation necessary to attract, retain and motivate high quality people required to lead, manage, and serve the Company in a competitive environment. The Company strives to ensure that remuneration packages reflect the relevant duties and responsibilities, are fair and equitable, and incorporate rewards clearly and measurably linked to performance, both on an individual and on a corporate basis.

Key characteristics of Remuneration Policy

The Company ensures that the ratio between the fixed and the variable component of the remuneration is at an appropriate level, in order to take into consideration the best interests of its



clients. High variable remuneration, based on quantitative criteria can increase the relevant person's focus on short-term gains rather than the client's best interest. Additionally, the remuneration policies and practices show the operation of a flexible policy on variable remuneration including, where appropriate, the possibility to pay no variable remuneration at all. As of 31 December 2025, the variable remuneration was lower than the fixed remuneration for all employees.

The fixed remuneration is determined on the basis of the role and position of the individual employee, including professional experience, seniority, education, responsibility, job complexity, local market conditions, etc.

The Company recognizes that its personnel are its human resources and one of its key assets. The professional growth and development of its people are central to achieving the Company's mission and strategy. With this in mind, the Company holds overall appraisal of its personnel. The purpose of the appraisal is the systematic analysis of weak and strong sides of an employee's performance. The appraisal is conducted by the persons to whom employees report.

Participation in the End of Year Employee Appraisal is compulsory for all employees. Appraisals are reviewed by the management, who then consult with the employee and/or his/her direct manager where necessary, to decide whether any action needs to be taken in any particular case.

Furthermore, the Company's remuneration policies and practices are designed in order not to create incentives that may lead relevant persons to favor their own interest or the Company's interests to the potential detriment of client.

Table 6 below shows the fixed and variable remuneration paid to those categories of staff whose professional activities have a material impact on the risk profile of the Company, broken down by Board of Directors and other staff.

Table 6: Aggregated quantitative information on remuneration

Fixed and Variable Remuneration by Senior Management and Other Staff (USD '000)				
	No. of beneficiaries	Fixed Remuneration	Variable Remuneration	Aggregated Remuneration
Board of Directors*	4	196	105	301
Other members of Staff whose actions have a material impact on the risk profile of the investment firm**	8	570	249	819
Total	12	766	354	1.120

* The Board of Directors category consists of two Executive Directors and two non-Executive Directors (the third non-Executive Director was not remunerated by the Company during the year 2025).
 ** This category of staff includes the Management of the Company.

Notes:

- The variable remuneration paid by the Company during 2025 was entirely in the form of cash via wire transfers.



- During the year 2025, the Company did not pay or award any deferred remuneration, severance payments, or any guaranteed variable remuneration. There were also no deferred remuneration or severance payments that were awarded in previous periods, and which have been paid out during 2025.
- The Company benefits from the derogation laid down in points (a) and (b) of Article 32(4) of IFD, since:
 - a) the value of its on and off-balance sheet assets is on average less than EUR 100 million over the four-year period immediately preceding the given financial year, while
 - b) none of its employee's variable remuneration exceeds EUR 50K and represents more than one fourth of its total annual remuneration.

Appendix I – Main Features of Own Funds

Table 7: Template EU IF CCA: Own Funds: Main features of own instruments issued by the Company

Template EU IF CCA		Common Equity Tier 1 Instruments
	Common Equity Shares	
1	Issuer	Credit Financier Invest (CFI) Ltd
2	Unique identifier	N/A
3	Public or private placement	Private
4	Governing law(s) of the instrument	Cyprus Company Law
5	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares
	Regulatory Treatment	
6	Amount recognised in regulatory capital	USD 1.703.250
7	Nominal amount of instrument	EUR 1.500.000
8	Issue price	EUR 1,00
9	Redemption price	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance	a. 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	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
21	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
22	Existence of step up or other incentive to redeem	No
23	Non-cumulative 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	N/A
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	N/A
37	If yes, specify non-compliant features	N/A
38	Link to the full term and conditions of the instrument (signposting)	N/A