

HM GLOBAL HOLDINGS LIMITED

DISCLOSURE AND MARKET DISCIPLINE REPORT FOR 2024

22/12/2025

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The Disclosure and Market Discipline Report for the year 2024 has been prepared as per the requirements 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.

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

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1. Executive Summary

This Disclosure and Market Discipline Report (Pillar 3) provides a high-level overview of the risk profile of HM Global Holdings Ltd (the “Group” or the “Company”) and the way this profile interacts with the Group’s risk appetite across its operations. Risk appetite describes the types and levels of risk the Group chooses to accept in pursuit of its strategy, while at the same time fulfilling applicable regulatory requirements.

The Company represents the EU corporate holding layer within the wider CFI Financial Group Holding Ltd structure. The Group operates a diversified and sustainable business model, with a focus on maintaining sound governance, robust internal controls and disciplined risk management practices. The Group’s financial performance for the year ended 31 December 2024 remained strong.

Key prudential metrics as at 31/12/2024 - including CET1, Tier 1, Total Capital, K-Factor Requirement (KFR), and capital ratios. These metrics demonstrate that the Group maintains capital levels appropriate to the scale, nature and complexity of its regulated activities, supporting resilience under both baseline and stress conditions.

Capital Adequacy/Own Funds Requirements <i>USD thousands</i>	31/12/2024 Audited
CET1 Capital	51,726,000
Tier 1 Capital	51,726,000
Total Capital	51,726,000
Total Own Fund Requirement	2,320,018
Total Ratio	2,230%
CET1 Ratio	2,230%

A core strategic pillar for the Group is to strive for a lean operating model in order to deliver shareholder value, without constraining investment in the business. The Group pursues a dynamic business model and aims to maintain a well-balanced capital allocation, a geographically diversified strategy, and a continued focus on maintaining strong compliance standards.

The Group considers its reputation to be an asset of great value that must be protected to support sustainable business development. The prevention and detection of reputational risks is integrated

within operating practices and reinforced through staff awareness of responsibility, ethical behaviour and commitment.

The Board of Directors and Senior Management have overall responsibility for the internal control systems supporting capital adequacy and the broader risk management framework. Effective processes have been established to ensure that the full spectrum of risks faced by the Group is properly identified, measured, monitored and controlled, with particular attention to adherence with regulatory obligations, including in the area of anti-money laundering and counter-terrorism financing.

More detailed information is provided in the sections below.

2. Regulatory Supervision

All CIFs under CySEC's authority must meet the requirements with respect to capital adequacy and market discipline, as per the below legal framework:

- Law 87(I)/2017 regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets (hereafter “the Law”)
- Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012
- Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation - CRR)
- Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (Capital Requirements Directive IV – CRD IV)
- 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 (Investment Firms Regulation - IFR)
- Directive (EU) 2019/2034 of the European Parliament and of the Council of 27 November 2019 on the prudential supervision of investment firms and amending Directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU and 2014/65/EU (Investment Firms Directive - IFD)

3. Introduction

This report has been prepared in accordance with the disclosure requirements set out in Part Six of Regulation (EU) 2019/2033 (the “IFR”). The purpose of the disclosures is to promote market discipline by providing transparent and consistent information on the Group’s governance arrangements, risk management objectives and policies, own funds, and capital requirements.

Unless otherwise stated, the information in this report is prepared as at 31 December 2024 and relates to the financial year ended on that date. The report is published on the Group’s website at: [Regulatory Documents](#)

3.1. Company information

HM Global Holdings Ltd (the “Company” or the “Parent”) is a holding company incorporated in Cyprus on 03/10/2007, as a public limited company under company number HE209374 (LEI Code 213800M7NZZB8KSTLL41), with registered office at Gr. Xenopoulou 17, 3106, Limassol, Cyprus.

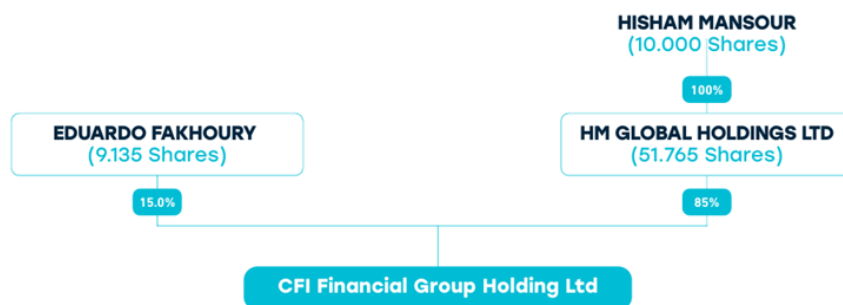
The Company is the parent undertaking of Credit Financier Invest (CFI) Ltd, a regulated Cyprus Investment Firm (the “CIF”), authorised and supervised by the Cyprus Securities and Exchange Commission (“CySEC”). The CIF provides investment services and/or activities under the applicable Markets in Financial Instruments framework (MiFID II / MiFIR), including 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, including custodianship and related service
Granting credits or loans to 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 service
Investment research and financial analysis or other forms

The Group operates primarily in the MENA and offers services to clients in Europe in accordance with its regulatory permissions. As at 31 December 2024, the Group employed above 600+ staff.

The below figure presents the Group’s simplified ownership structure as at 31 December 2024, showing the Company’s shareholder and relation with overall CFI Financial Group.



The Group’s strategy focuses on maintaining a well-governed and compliant operating model, including robust arrangements in areas such as risk management, internal controls, anti-money laundering and counter-terrorist financing.

Group entities: The Company has the following subsidiaries:

Name of Entity	License Activity
Credit Financial Invest for Financial Brokerage Limited	Jordan Securities Commission
Credit Financial Investment for Securities Exchange	Egyptian Securities Commission
CFI International Ltd	Financial Services Commission of Mauritius
Credit Financial Invest for Financial Brokerage Limited	Palestine Capital Market Authority
Credit Financier Invest Ltd	Financial Conduct Authority UK
Credit Financier Invest S.A.L.	Central Bank of Lebanon
CFI Financial Investment Company	Ministry of Taxes of the Republic of Azerbaijan
Credit Financier Invest International Limited	Financial Services Authority of Seychelles
CFI International Ltd	Financial Services Commission of Vanuatu
CFI Financial Markets LLC	Securities and Commodities Authority UAE
Credit Financier Invest (CFI) Ltd	Cyprus Securities & Exchange Commission

CFI Financial (PTY) Ltd	Financial Sector Conduct Authority South Africa
CFI Financial LLC	Capital Market Authority Sultanate of Oman
Credit Financier Invest (International) Limited	Financial Services Commission of Vanuatu

3.2. Scope

In accordance with Regulation (EU) 2019/2033 (the Investment Firm Regulation, “IFR”), the Company is required to disclose information relating to its risk management, capital structure and capital adequacy as well as the most important characteristics of the Company’s corporate governance. The Company is making the disclosures on a consolidated basis in line with Article 7 of the Regulation (EU) 2019/2033.

4. Risk Governance

Implementing an efficient risk management structure is a critical undertaking for the Group across all businesses, markets and regions in which it operates. The Group’s risk management framework is supervised at the highest level to ensure ongoing compliance with the requirements of CySEC and the applicable European regulatory framework.

The Group operates in the financial services industry and is exposed to a variety of risks. For the purposes of these disclosures, risks are presented under two complementary perspectives:

- Enterprise risks: risks arising from the Group’s day-to-day operations and business model (e.g., credit, market, operational and compliance-related risks).
- IFR related risks: risks assessed and captured within the IFR prudential framework, including Risk-to-Client (RtC), Risk-to-Market (RtM), Risk-to-Firm (RtF) and Concentration Risk, which are linked to the regulatory own-funds requirements (K-factors).

Although these risks are interconnected, they are presented separately in order to provide a clear view of the Group’s risk profile from both an enterprise risk management perspective and a prudential (IFR) perspective.

4.1. Enterprise Risks

4.1.1. Risk management framework

The Group maintains a risk management framework designed to identify, assess, monitor and mitigate risks that could have a material impact on its operations, clients, financial position or reputation. The framework consists of governance arrangements, policies and procedures, reporting lines and internal controls, supported by appropriate systems and management information.

Risk oversight is conducted under the responsibility of the Board of Directors (“BoD”) and Senior Management. Key control functions support the framework, including Risk Management, Compliance, Anti-Money Laundering Compliance (AMLCO) and Internal Audit. Risk information and key exposures are escalated to the BoD and relevant committees as appropriate, enabling timely decision-making and effective oversight.

4.1.2. Credit Risk

Credit risk (enterprise risk) corresponds to the risk of financial loss arising from the inability of the Group’s customers, issuers or other counterparties to meet their financial commitments. For the Group, credit risk primarily arises from (i) cash and deposits held with credit and financial institutions, and (ii) receivables from debtors or prepayments made.

The Group manages and mitigates enterprise credit risk through measures that include, among others:

- Segregation of client funds: client monies are held in segregated accounts, separated from the Group’s own funds.
- Counterparty selection and monitoring: the Group performs regular reviews of credit institutions and key counterparties, identifies key risks and reports them to the BoD.
- Use of reputable credit institutions: funds are placed with EU credit institutions for safekeeping; counterparties are selected with consideration of external credit assessments (where available) and ongoing monitoring of relevant regulatory compliance.
- Diversification and concentration controls: the Group diversifies deposits across more than one credit institution and applies policies to limit excessive exposure to any single counterparty (concentration risk).

Regulatory own-funds requirement drivers (IFR): while credit risk is managed as an enterprise risk, the Group's regulatory own-funds requirements are primarily determined under the IFR through the applicable K-factor requirements.

4.1.3. Market Risk

Market risk corresponds to the risk of losses arising from adverse movements in market parameters and related volatility, including (but not limited to) exchange rates, interest rates and prices of financial instruments. Market risk may arise, for example, from:

- Position risk: risk of loss due to changes in market prices affecting long or short positions.
- Interest rate risk: risk that the value of financial instruments or cash flows will fluctuate due to changes in interest rates.
- Foreign exchange risk: risk arising when exposures are denominated in a currency other than the base currency.
- Commodity risk (where applicable): risk arising from fluctuations in commodity prices.

The Group monitors market risk exposures on an ongoing basis. Where foreign exchange exposures arise, they are managed through defined limits and monitoring processes (e.g., exposure limits per currency/currency pair) and the use of relevant sensitivity analysis.

For prudential reporting purposes, the Group reports market risk exposures (where applicable) to CySEC on a quarterly basis through the Net Position Risk (NPR) approach under the IFR framework.

4.1.4. Operational Risk

Operational risk corresponds to the risk of losses or failure arising from inadequacies or failures in internal processes, people and systems, or from external events, including low-probability events with potentially high impact.

The Group has in place processes, management tools and a control infrastructure to support the effective management of operational risk. These include, among others, documented procedures, supervision and controls, business continuity arrangements, and oversight of specific operational risk categories such as fraud, outsourcing and third-party risks, legal risks, information security risks and compliance risks.

Operational risk management is focused on:

- maintaining a strong internal control framework and appropriate governance arrangements;

- applying consistent processes for risk identification, assessment, monitoring and control; and
- promoting operational risk awareness across the organisation.

Key mitigation measures include:

- robust internal controls and segregation of duties, including a four-eyes principle and appropriate Board oversight;
- management information and reporting to support timely decision-making and escalation;
- fraud prevention and detection measures, supported by ongoing monitoring;
- periodic review and enhancement of the Business Continuity Plan (BCP) and disaster recovery arrangements; and
- training and awareness initiatives for staff.

In addition, Senior Management uses tools and methodologies to identify, assess, mitigate and monitor operational risk, including incident collection, key risk indicators (KRIs), business continuity management and training & awareness programmes.

For prudential reporting purposes under the IFR, the Group calculates the operational risk-related requirement through the Fixed Overhead Requirement (FOR).

4.1.5. Compliance, Reputational and Legal Risks

Compliance risk corresponds to the risk of legal, administrative or disciplinary sanctions or material financial losses arising from a failure to comply with laws, regulations and standards applicable to the Group's activities, as well as internal policies and procedures. Conduct that ensures fair treatment of clients and integrity in business practices is also a key factor in protecting the Group's reputation.

The Group manages compliance and related reputational risk through an established compliance framework. The Compliance Officer verifies adherence to applicable legal and regulatory requirements and internal standards, supports day-to-day operations, performs compliance monitoring and controls, and contributes to the prevention of reputational damage through oversight and escalation arrangements.

Independent compliance policies and procedures are in place across relevant business areas to identify, prevent and manage risks of non-compliance.

4.1.6. Anti-Money Laundering and Terrorist Financing Risk

Money laundering and terrorist financing risk refers to the risk that the Group may be used as a vehicle to launder money and/or facilitate terrorist financing. The Group maintains policies, procedures and internal controls aimed at mitigating AML/CTF risks, consistent with a risk-based approach.

Key elements of the AML/CTF framework include, among others:

- risk-based assessment and management of AML/CTF risks faced by the Group;
- client due diligence (CDD) and identification procedures proportionate to the client risk profile;
- minimum standards for the quality and reliability of identification data and supporting documentation;
- obtaining additional information where appropriate to understand the client's activities and source of wealth/funds;
- enhanced monitoring and review of relationships involving higher-risk clients and/or jurisdictions; and
- ongoing staff training and awareness to ensure effective implementation of AML/CTF controls.

The Group periodically reviews and updates its AML/CTF policies and controls to ensure continued compliance with applicable legal and regulatory requirements.

4.2. Risk Appetite

The Group defines Risk Appetite as the level of risk, by risk type and business activity, that it is prepared to assume in pursuing its strategic objectives. Risk appetite is a key oversight tool of the management body. The Group's risk/return profile and overall risk profile are analysed and approved by the BoD and implemented by Senior Management across the organisation through relevant processes and controls.

Key indicators used to monitor risk appetite are reviewed on a regular basis to identify events that may result in unfavourable developments in the Group's risk profile. Where necessary, remedial actions may be taken, up to and including implementation of contingency measures in severe scenarios.

Throughout the year, **the Company's risk profile has remained within acceptable levels despite effects of recent macroeconomic factors.**

4.3. Diversity Policy

The Group and its shareholders rely on a strong BoD and therefore apply a careful approach to the recruitment of Directors and succession planning. Proposed appointments are evaluated to ensure that the BoD collectively has the skills, knowledge and time commitment required for effective oversight.

Senior Management is responsible for reviewing the qualifications of potential director candidates and making recommendations to the BoD.

Key factors considered include:

- integrity, honesty and ability to generate public confidence;
- knowledge and experience relevant to financial institutions (fit-and-proper considerations);
- understanding of financial matters (including financial statements and ratios);
- sound business judgement; and
- specialised skills and/or knowledge (e.g., accounting, finance, banking, law, business administration or related fields).

4.4. Remuneration

Remuneration refers to payments or compensation received for services or employment. The Group's remuneration framework includes base salary and, where applicable, variable remuneration (bonuses) or other benefits. Remuneration arrangements are reviewed periodically to ensure they remain appropriate to the size, internal organisation and the nature, scope and complexity of the Group's activities.

The Group's remuneration policy applies to all staff, with particular focus on those categories of staff whose professional activities have a material impact on the Group's risk profile (including Senior Management, Heads of Departments and members of the BoD). For members of the BoD, the remuneration policy is designed to support the Group's strategic objectives and promote sound and effective risk management.

Aggregate remuneration for 2024 (broken down by business area / staff category):

<i>€ thousands</i>	No. of staff	Fixed	Variable	Non-cash	Total
Board of Directors	1	488.69	13,461.54	-	13,950.23
Senior Management	25	4,128.72	2,607.17	-	6,735.89
Independent control functions	32	815.51	277.55		1,093.06
Members of staff whose actions have a material impact on the risk profile of the institution and other staff	370	5,907.62	6,506.30	-	12,413.92

4.5. Directorships held by Members of the Management Body

In accordance with Article 48(a) of Regulation (EU) 2019/2033, the Company discloses the number of directorships held by members of its Management Body.

The Company has one executive director, Mr. Hisham Mansour. He does not hold any other non-executive directorships. For the purposes of this disclosure, executive or non-executive directorships held within the same group of companies are considered as a single directorship.

Directorships (as at 31/12/2024)

Name	Position in the Company	Executive directorships	Non-executive directorships
Mr. Hisham Mansour	Executive Director	1	0

There are no non-executive directors appointed to the Company's Management Body during 2024.

5. Capital Adequacy

This Chapter provides information on the Group’s own funds, capital requirements and capital adequacy position in accordance with Regulation (EU) 2019/2033 (the “IFR”).

Under the IFR, the Group must at all times maintain own funds at least equal to the highest of:

- the K-factor Requirement (KFR),
- the Fixed Overhead Requirement (FOR), and
- the Permanent Minimum Requirement (PMR).

Unless otherwise stated, figures are presented in USD and are based on the position as at 31 December 2024.

5.1. IFR Risks and related requirements

The IFR introduces an own funds framework designed to ensure that investment firms hold sufficient capital in relation to the risks generated by their activities. Under this framework, capital requirements are largely driven by K-factors, which are intended to capture the potential harm that an investment firm may pose to its clients, to markets, and to the firm itself.

The Group’s prudential capital requirements are predominantly generated by the activities of the regulated CIF included in the prudential consolidation perimeter, while the parent holding company is included for consolidation purposes.

For clarity, K-factors are grouped as follows:

- Risk-to-Client (RtC) requirements;
- Risk-to-Market (RtM) requirements; and
- Risk-to-Firm (RtF) requirements.

The Group’s K-factor metrics and related capital requirements are presented in the tables included in this Chapter.

5.2. Risk-to-Client (RtC)

RtC requirements are intended to capture the risks the Group may pose to clients through the provision of investment services, including portfolio management, investment advice, client money handling and order handling/arranging. The main RtC K-factors typically include:

- K-AUM (Assets Under Management): captures risks arising from portfolio management activity;
- K-CMH (Client Money Held): captures risks arising from holding client money;
- K-ASA (Assets Safeguarded and Administered): captures risks arising from safeguarding and administering client assets; and
- K-COH (Client Orders Handled): captures risks arising from handling client orders.

As at 31/12/2024, our firm was exposed to:

Risk-to-Client	K-factor Requirement
K-AUM	0
K-CMH	16,233
K-ASA	4,565
K-COH	7,445

5.3. Risk-to-Market (RtM)

RtM requirements are intended to capture risks the Group may pose to the market and primarily arise from trading and position-taking activities and related market exposures.

Where applicable, the RtM requirement is captured through K-NPR (Net Position Risk), reflecting market risks such as:

- Position risk in financial instruments,
- Foreign exchange risk, and
- Commodity risk (where applicable).

As at 31/12/2024, our firm was exposed to:

Market risk capital requirements based on NPR	K-factor Requirement
Position risk	772,689
Foreign exchange risk	1,052,051
Commodity risk	430,596
Total (NPR)	2,255,335

5.4. Risk-to-Firm (RtF)

RtF requirements are intended to capture risks to the firm itself, including operational risks and other risks that may impact the Group's ongoing viability.

Where applicable, additional RtF K-factors may include:

- K-TCD (Trading Counterparty Default), and/or
- K-CON (Concentration Risk).

As at 31/12/2024, our firm was exposed to:

Risk-to-Firm	K-factor Requirement
K-TCD	25,820
K-DTF	10,620
K-CON	0

5.5. Liquidity Requirement

In addition to own funds requirements, the IFR requires investment firms to maintain a minimum level of liquid assets to support short-term resilience.

The Group calculates the minimum liquidity requirement in accordance with the IFR and monitors liquidity on an ongoing basis. The Group maintains liquid assets in excess of the minimum requirement.

The table below shows the Firm's liquidity requirement as at 31/12/2024.

	Amount
Liquidity Requirement	500,713
Client guarantees	0
Total liquid assets	81,759,155
Unencumbered short-term deposits	81,759,155
Total eligible receivables due within 30 days	0
Level 1 assets	0
Level 2A assets	0
Level 2B assets	0
Qualifying CIU shares/units	0
Total other eligible financial instruments	0

5.6. Fixed Overhead Requirement (FOR)

The Fixed Overhead Requirement (FOR) is intended to ensure that the Group maintains sufficient own funds to cover a period of stressed operations, by linking minimum capital to the level of fixed overheads.

The Group calculates the FOR based on the applicable IFR methodology and monitors changes in the level of fixed overheads. Where there is no material change in the business that would require an adjustment, the FOR is calculated based on the latest audited figures in line with the applicable approach.

The table below indicates the calculations used for our reporting, as at 31/12/2024:

	Amount
Fixed Overhead Requirement	1,502,139
Annual Fixed Overheads of the previous year after distribution of profits	6,008,556
Total expenses of the previous year after distribution of profits	6,008,556
(-) Total deductions	0

5.7. Permanent Minimum Capital Requirement (PMR)

The Permanent Minimum Requirement (PMR) represents the minimum level of own funds that the Group must hold on an ongoing basis, linked to the investment services and activities performed by the regulated investment firm.

On a consolidated basis, the Group's PMR reflects the applicable permanent minimum requirement of the regulated CIF included in the prudential consolidation perimeter.

As at 31/12/2024, the Firm's PMR was USD 779,175 for offering the services refer to in the Scope section of this report.

5.8. Environmental, Social and Governance (ESG) risks

The Group recognises that Environmental, Social and Governance ("ESG") risks may affect its business model and risk profile, primarily through transition-related factors (e.g., regulatory change, market expectations, and reputational considerations) and, to a lesser extent, through physical risks that may disrupt operations. Given the nature of the Group's activities and prudential

consolidation perimeter (parent holding company and the regulated CIF), ESG risks are mainly assessed through: (i) potential impacts on the Group’s operational resilience (including reliance on third-party service providers and business continuity arrangements), (ii) conduct and reputational considerations in client-facing activities, and (iii) governance and compliance standards, including adherence to applicable regulatory expectations. ESG considerations are incorporated into the Group’s risk identification and monitoring processes, and are reviewed periodically by Senior Management and, where appropriate, escalated to the Board of Directors as part of the overall risk governance framework.

5.9. Composition of own funds

In line with the International Financial Reporting Standards (IFRS) and IFR, the Company’s regulatory capital mainly consists of Common Equity Tier 1 Capital, composed primarily of ordinary shares and related share premium accounts and retained earnings.

In some cases, additional capital tiers can come into force such as the Tier 2 Capital which could introduce the use of loans to support the business and operational capital. Such loans are highly regulated and are always subordinated to other claims.

The composition of own funds and the reconciliation to the Group’s financial statements are presented using the applicable regulatory templates:

- EU IF CC1.01 – Composition of regulatory own funds
- EU IF CC2 – Reconciliation of regulatory own funds to the financial statements
- EU IF CCA – Main features of own funds instruments (where applicable)

EU IF CC1.01 - Composition of regulatory own funds (Investment firms other than small and non-interconnected).

	Amount	Source based on reference numbers/letters of the balance sheet in the audited financial statements
Common Equity Tier 1 (CET1) capital: Instruments and reserves		
OWN FUNDS	51,726,000.00	
TIER 1 CAPITAL	51,726,000.00	
COMMON EQUITY TIER 1 CAPITAL	51,726,000.00	
Fully paid up capital instruments	1,000,000.00	

Share premium	0.00	
Retained earnings	50,730,000.00	
Previous years retained earnings	50,730,000.00	
Profit or loss eligible	0.00	
Accumulated other comprehensive income	0.00	
Other reserves	0.00	
Minority interest given recognition in CET1 capital	0.00	
Adjustments to CET1 due to prudential filters	0.00	
Other funds	0.00	
(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	0.00	
(-) Own CET1 instruments	0.00	
(-) Direct holdings of CET1 instruments	0.00	
(-) Indirect holdings of CET1 instruments	0.00	
(-) Synthetic holdings of CET1 instruments	0.00	
(-) Losses for the current financial year	0.00	
(-) Goodwill	0.00	
(-) Other intangible assets	0.00	
(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	0.00	Click or tap here to enter text.
(-) Qualifying holding outside the financial sector which exceeds 15% of own funds	0.00	Click or tap here to enter text.
(-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds	0.00	
(-) CET1 instruments of financial sector entites where the institution does not have a significant investment	0.00	
(-) CET1 instruments of financial sector entities where the institution has a significant investment	0.00	
(-) Defined benefit pension fund assets	0.00	
(-) Other deductions	0.00	

CET1: Other capital elements, deductions and adjustments	-4,000.00	
ADDITIONAL TIER 1 CAPITAL	0.00	
Fully paid up, directly issued capital instruments	0.00	
Share premium	0.00	
(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0.00	
(-) Own AT1 instruments	0.00	
(-) Direct holdings of AT1 instruments	0.00	
(-) Indirect holdings of AT1 instruments	0.00	
(-) Synthetic holdings of AT1 instruments	0.00	
(-) AT1 instruments of financial sector entities where the institution does not have a significant investment	0.00	
(-) AT1 instruments of financial sector entities where the institution has a significant investment	0.00	
(-) Other deductions	0.00	
Additional Tier 1: Other capital elements, deductions and adjustments	0.00	
TIER 2 CAPITAL	0.00	
Fully paid up, directly issued capital instruments	0.00	
Share premium	0.00	
(-) TOTAL DEDUCTIONS FROM TIER 2	0.00	
(-) Own T2 instruments	0.00	
(-) Direct holdings of T2 instruments	0.00	
(-) Indirect holdings of T2 instruments	0.00	
(-) Synthetic holdings of T2 instruments	0.00	
(-) T2 instruments of financial sector entities where the institution does not have a significant investment	0.00	
(-) T2 instruments of financial sector entities where the institution has a significant investment	0.00	
Tier 2: Other capital elements, deductions and adjustments	0.00	

EU IFCC2: Own funds: reconciliation of regulatory own funds to balance sheet in the (un)audited financial statements.

	Balance sheet as in published/audited financial statements	Cross reference to EU IF CC1
	As at period end	
Assets		
Non-current assets		
Property, plant and equipment	3,160,336	
Right-of-use assets	3,861,049	
Intangible assets	14,527,911	
Financial assets at FVOCI	17,668	
Investments at amortised cost	11,648	
Deferred tax assets	8,869	
Total non-current assets	21,587,481	
Current assets		
Balances due from brokers	16,592,561	
Trade and other receivables	30,889,312	
Shareholders' current accounts – debit balances	43,645	
Financial assets at FVTPL	21,444	
Cash and cash equivalents	69,072,801	
Total current assets	116,619,763	
TOTAL ASSETS	138,207,244	
Liabilities		
Non-current liabilities		
Lease liabilities (non-current)	2,549,328	
Deferred tax liabilities	16,462	
Provisions for other liabilities and charges (non-current)	28,293	
Total non-current liabilities	2,594,083	
Current liabilities		
Balances due to brokers	22,432,985	
Trade and other payables	10,676,796	
Shareholders' current accounts – credit balances	12,935,228	
Bank overdrafts	783	

Lease liabilities (current)	942,603	
Financial liabilities at FVTPL	532,792	
Current tax liabilities	2,212,445	
Total current liabilities	49,733,632	
TOTAL LIABILITIES	52,327,715	
Shareholder's Equity		
Share capital	1,000,000	
Statutory reserve	531,539	
Capital reserve	656,850	
Translation reserve	(13,432,004)	
Retained earnings	85,126,096	
Total	73,882,481	
Non-controlling interests	11,997,048	
TOTAL EQUITY	85,879,529	

EU IF CCA: Own funds: main features of own instruments issued by the firm.

	A
Issuer	HM Global Holdings Ltd
Unique identifier (e.g. CUSIP, ISIN, or Bloomberg identifier for private placement)	N/A
Public or private placement	Private
Governing law(s) of the instrument	Cyprus Company Law
Instrument type (types to be specified by each jurisdiction)	Ordinary Shares
Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	1 000 000
Nominal amount of instrument	1 000 000
Issue price	100 000 shares of USD 10.00
Redemption price	N/A
Accounting classification	Shareholders' equity
Original date of issuance	3/10/2007
Perpetual or dated	Perpetual
Original maturity date	No maturity
Issuer call subject to prior supervisory approval	No
Optional call date, contingent call dates and redemption amount	N/A
Subsequent call dates, if applicable	N/A
Coupons / dividends	
Fixed or floating dividend/coupon	Floating
Coupon rate and any related index	N/A
Existence of a dividend stopper	No
Fully discretionary, partially discretionary, or mandatory (in terms of timing)	Fully discretionary
Fully discretionary, partially discretionary, or mandatory (in terms of amount)	Fully discretionary
Existence of step-up or other incentive to redeem	No
Noncumulative or cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible
If convertible, conversion trigger(s)	N/A
If convertible, fully or partially	N/A
If convertible, conversion rate	N/A
If convertible, mandatory or optional conversion	N/A
If convertible, specify instrument type convertible into	N/A
If convertible, specify issuer of instrument it converts into	N/A
Write-down features	N/A
If write-down, write-down trigger(s)	N/A

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

5.10. Capital Ratio

The Group's total own funds requirement is determined as the maximum of KFR, FOR and PMR. The minimum Total Capital Ratio that must be maintained **AT ALL** times is 100%.

The Group's capital adequacy ratio is calculated as:

$$\text{Capital Adequacy Ratio} = \text{Own Funds} / \max(\text{KFR}, \text{FOR}, \text{PMR})$$

As at 31 December 2024, the Group's binding constraint is K-Factor Requirement (KFR) and the Group's own funds exceeded this by 2,130%.

Capital Adequacy/Own Funds Requirements <i>USD thousands</i>	31/12/2024 Audited
CET1 Capital	51,726,000
Tier 1 Capital	51,726,000
Total Capital	51,726,000
Permanent Minimum Capital Requirement (PMR)	779,180
Fixed Overhead Requirement (FOR)	1,502,139
K-Factor Requirement (KFR)	2,320,018
Total Own Fund Requirement	2,320,018
Total Ratio	2,230%
CET1 Ratio	2,230%

5.11. Capital Management

The Group's objective is to maintain a strong capital position that:

- supports the execution of its business strategy;

- ensures ongoing compliance with prudential requirements under the IFR; and
- provides resilience under adverse but plausible stress scenarios.

Capital is managed through an internal governance framework overseen by the Board of Directors and Senior Management. This includes:

- periodic monitoring of own funds and own funds requirements (KFR, FOR and PMR);
- monitoring of liquidity requirements (LATR) and liquid assets;
- forward-looking capital planning (including budgeting and forecasts); and
- escalation and decision-making processes where capital or liquidity indicators approach internal thresholds.

5.12. Internal Capital Adequacy Assessment Process

The Group maintains an internal process for assessing the adequacy of its capital and liquidity resources, consistent with the requirements applicable to investment firms under the IFR/IFD framework and relevant supervisory expectations. The ICARA process supports the identification and assessment of the material risks faced by the Group and the adequacy of own funds and liquid assets held against those risks.

The ICAAP also serves as a stress testing tool used by the Company to rehearse the business response to a range of scenarios, based on variations of market, economic and other operating environment conditions. Stress tests are performed for both internal and regulatory purposes and serve an important role in:

- Understanding the risk profile of the Company.
- The evaluation of the Company's capital adequacy in absorbing potential losses under stressed conditions (This takes place in the context of the Company's ICAAP/ILAAP on an semi-annual basis).
- The evaluation of the Company's strategy.
- The establishment or revision of risk limits.

The Group undertakes **semi-annual** reviews of its ICAAP results, as well as on an ad-hoc basis if needed, considering the latest actual and forecasted information. During the review, the Group's risk profile is reviewed and any material changes/ developments are assessed in terms of capital adequacy.

As at 31 December 2024, based on the ICARA outcomes and internal monitoring, the Group considers that it maintains sufficient own funds and liquid assets to cover its regulatory requirements and to support the continuation of its business under normal and stressed conditions.