XTELLUS EUROPE LTD

Regulated by the Cyprus Securities and Exchange Commission

License No. 446/24

DISCLOSURE AND MARKET DISCIPLINE REPORT

FOR FINANCIAL YEAR 2025

UNAUDITED

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

April 2026

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1. INTRODUCTION

1.1 Corporate Information

The Company is authorised and regulated by the Cyprus Securities and Exchange Commission ("CySEC") as a Cyprus Investment Firm ("CIF") and its principal activities are those of an investment firm.

The table below presents the Company's corporate information, including the investment and ancillary services and the financial instruments for which the Company is authorised to provide under its license.

Table 1: Company Information

General Information	
Company name	XTELLUS Europe Ltd
CIF Authorization date	06/06/2023
CIF License number	446/24
Company Registration Date	22/07/2024
Company Registration Number	HE 447781
Legal Entity Identifier (LEI)	254900XZW03DXY1DV378
Investment Services	
• Reception and transmission of orders in relation to one or more financial instruments • Execution of orders on behalf of clients • Portfolio management* (licensed after 31/12/2025) • Provision of investment advice* (licensed after 31/12/2025)	
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 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* (licensed after 31/12/2025)	
Financial Instruments	
• Transferable securities • Money-market instruments • Units in collective investment undertakings • Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivative instruments, financial indices or financial measures which may be settled physically or in cash • Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event • Options, futures, swaps, forwards and any other derivative contracts relating to commodities that can be physically settled, provided that they are traded on a regulated market, MTF, or	

an OTF, except for wholesale energy products traded on an OTF that must be physically settled

- Options, futures, swaps, forwards and any other derivative contracts relating to commodities that can be physically settled, not otherwise mentioned above, and not being for commercial purposes, which have the characteristics of other derivative financial instruments
- Derivative instruments for the transfer of credit risk
- 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, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned, which have the characteristics of other derivative financial instruments

1.2 Scope of Disclosures

The Disclosures & Market Discipline Report (the 'Report') present the evaluation and management of the various risks faced by the Company during the year ended 31 December 2025, in accordance with Part 6 of the IFR.

The Company does not fall under prudential consolidation as per Article 7 of the IFR and to this end, the Report is prepared on a solo basis. The Company's Financial Statements are also prepared on a standalone basis and in accordance with the International Financial Reporting Standards "IFRS")

The information disclosed in this Report relates to the year ended 31 December 2025, based on unaudited management accounts and the currency used is Euro (€).

1.3 Regulatory Framework

In accordance with the IFR and EU Directive 2019/2034 ("Investment Firms Directive" or "IFD"), which became applicable on 26 June 2021 and replaced Regulation (EU) 575/2013 (the "Capital Requirements Regulation" or "CRR") and Directive 2013/36/EU ("Capital Requirements Directive" or "CRD"), the Company is obliged to disclose information regarding its risk management, capital structure, capital adequacy, its risk exposures, as well as the most important characteristics of its corporate governance, including its remuneration system. The core aim of the IFR is to introduce more proportionate rules for the majority of MiFID II investment firms in relation to capital, liquidity and other prudential requirements, while ensuring a level playing field between large and systemic financial institutions.

Unlike the CRR, which mainly captures credit institution risks, the IFR aims to consider specific risks applicable only to investment firms, depending on their business model and size. The IFR categorises investment firms into three categories depending on their business activities, systemic importance, size and interconnectedness.

Each IF class is subject to a different set of prudential requirements, with some systemically important and larger firms remaining under the CRR/CRD regime. In particular, under the IFR and IFD, IFs are categorised into the following classes:

- Class 1 IFs (remain subject to CRR and CRD): Large IFs that exceed certain criteria and need to be reclassified as credit institutions.
- Class 1a: Not reclassified as credit institutions, but above certain criteria and/or categorised as Systemically Important IFs (O-SIIs) and subject to CRR.
- Class 1b: Non-Systemic Large IFs which elect to be subject to the CRR (if part of a group containing a bank subject to consolidated supervision under CRR).
- Class 2 IFs (subject to IFR & IFD framework): IFs exceeding the categorisation thresholds for Small and Non-interconnected Investment Firms.
- Class 3 IFs (subject to IFR & IFD framework, with exemptions): Small and Non-interconnected Investment Firms, in accordance with Article 12 of the IFR.

Xtellus is classified as a Class 2 Investment Firm and is subject to the IFR/IFD framework. In accordance with the IFR methodology applicable to Class 2 Investment Firms that do not provide the investment service of “dealing on own account”, the Company’s minimum capital requirement is calculated as the highest of the following:

- **Permanent Minimum Capital requirement** of EUR 150,000,
- **Fixed Overhead requirement**, which is calculated as one quarter (¼) of the previous year fixed expenses (based on audited figures), and
- **K-Factors requirement**, which takes into account quantitative indicators, the K factors, that reflect the Company’s risk exposures such as operational risk to customers, counterparty credit risk, trading book market risk, and concentration risks in the trading book, if applicable.

Similarly to the CRR framework, the IFR regulatory framework comprises three main areas designed to regulate, supervise, and enhance the risk management of firms within the financial services sector. The three main areas and their applicability to the Company are summarised below::

- **Minimum Capital Requirement:** covers minimum capital and liquidity requirements for ensuring 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.
- **Internal Capital Adequacy and Risk Assessment ("ICARA"):** provides for the monitoring and self-assessment of the Company’s capital and liquidity adequacy and enables the Company and CySEC to take appropriate actions where capital levels fall below required thresholds.
- **Disclosures requirement:** requires the disclosure of the Company’s information regarding the prudential requirements, risk management and principles of the remuneration policy.

2. RISK MANAGEMENT FRAMEWORK

The Company implements and maintains risk management policies and procedures which identify the risks relating to the Company's activities, processes and systems, and where appropriate, set the level of risk tolerated by the Company. The Company adopts effective arrangements, processes and systems, in light of that level of risk tolerance, where applicable.

The key stakeholders in the Company's risk management framework are:

- Board of Directors,
- Risk Manager,
- Internal Auditor,
- Compliance Officer, and
- Anti-Money Laundering Compliance Officer ("AMLCO").

The Company envisages a risk management framework that is founded on the following principles:

- The Company's risk-taking strategy shall ensure that adequate risk management policies and procedures are established, implemented and maintained in such a way that the level of risk undertaken by the Company can be effectively tolerated. The risk tolerance determines the amount of risk in both qualitative and quantitative terms that the Company is willing to accept. Such policies and procedures shall be documented and subject to periodic review and adjustment in accordance with the Company's risk profile and appetite, as well as internal and external norms and best industry practices.
- Processes and systems necessary for ensuring effective and efficient operations, adequate control of risks, prudent conduct of business, accurate internal and external disclosures, as well as compliance with internal and external rules shall be in place.
- The Company's risk-taking strategy shall ensure the compliance and monitoring of all transactions in the context of legality, avoidance of conflict of interest, insider dealing and preservation of confidential information. Clearly defined roles and responsibilities shall exist while independence between risk management functions and position/risk-taking functions shall be ensured in all cases.
- The Company's risk-taking strategy shall at all times ensure the determination, evaluation and efficient management of the risks inherent in the provision of investment services.
- The Company's strategic planning and capital management shall be based on the Company's risk-taking appetite and shareholder return objectives, as well as risk-adjusted business line performance.
- The Company's operating model shall aim at the standardisation and integration of policies and processes, supporting the improvement of operational competence and the efficient mitigation of operational risks. Adequate, reliable and automated reporting must support the implementation of the operating model. In addition, it shall be ensured that the Company's IT strategy is in line with the operating model.
- All new investment activities shall be subject to adequate procedures and controls prior to their introduction, allowing for proper and independent identification of all inherent risks in line with the Company's risk criteria and limits.
- The Company's personnel shall be properly trained in order to be aware of the Company's risk-related issues, understand their responsibilities regarding the management of those risks and have the adequate skills for their management.

2.1 Board of Directors

The Board of Directors, as of 31 December 2025, consisted of six members, three of which are Executive Directors and three are Non-Executive Director, of whom two are independent.

The Board is responsible for ensuring that the Company always complies with its obligations under the Law. In doing so, the Board approves and periodically reviews the effectiveness of the policies,

arrangements and procedures put in place, whilst if needed, takes appropriate measures to address any deficiencies.

The main responsibilities of the Board of Directors are:

- To establish, implement and maintain decision-making procedures and an organizational structure which clearly and in documented manner specifies reporting lines and allocates functions and responsibilities,
- To ensure that its relevant persons are aware of the procedures that must be followed for the proper discharge of their responsibilities,
- To ensure, on an ongoing basis, that the risk management framework in place monitors the process of identifying, evaluating, managing and reporting the risks faced,
- To establish, implement and maintain adequate internal control mechanisms designed to secure compliance with decisions and procedures at all levels of the Company,
- To employ personnel with the skills, knowledge and expertise necessary for the discharge of the responsibilities allocated to them,
- To establish, implement and maintain effective internal reporting and communication information at all relevant levels of the Company,
- To maintain adequate and orderly records of its business and internal organization; and
- To ensure that the performance of multiple functions by its relevant persons does not and is no likely to prevent those persons from discharging any particular function soundly, honestly, and professionally.

2.2 Number of Directorships of Board Members

As per the provisions of Section 9(5) of Law 87(I)/2017, for the purposes of the below, the following count as a single directorship:

- Executive or non-executive directorships held within the same group.
- Executive or non-executive directorships held within:

  (a) institutions which are members of the same institutional protection scheme, provided that the conditions set out in Article 113(7) of CRR are fulfilled; or

  (b) undertakings (including non-financial entities) in which the CIF holds a qualifying holding.

In addition, as per the provisions of Section 9(6) of Law 87(I)/2017, directorships in organisations which do not pursue predominantly commercial objectives, such as non-profit-making or charitable organisations, are not taken into account.

The table below provides the number of directorships that each member of the management body of the Company holds at the same time in other entities, including the one in the Company.

Table 2: Directorships of Board Members

Name of Director	Role	Number of Executive Directorships	Number of Non-Executive Directorships
Marianna Pomazkova	Executive Director	1	0
Ioannis Menelaou	Executive Director	1	1
Michael Capone	Executive Director	1	0
Leonid Kouperschmidt	Non-Executive Director	0	1
Constantinos Tziamalis	Independent Non-Executive Director	1	1
Raymond Kirsche	Independent Non-Executive Director	0	1

Note: The information in this table is based solely on representations made by the Directors of the Company.

2.3 Diversity of the Board of Directors

The Company recognises the benefits and necessity of having an adequately diverse Board and considers diversity as essential to maintaining a competitive advantage and meeting its business strategy. A diverse Board includes and makes good use of differences in the skills, regional and industry experience, background, race, age, gender, personal attributes, and other distinctions between Directors. Such differences are taken into account when determining the optimum composition for an effective Board.

In addition, diversity is increasingly seen as an asset to organisations and linked to better economic performance. It is an integral part of how the Company does business and imperative to commercial success. The Company recognises the value of a diverse and skilled workforce and is committed to creating and maintaining an inclusive and collaborative workplace culture that will provide sustainability for the organisation into the future. This is also documented as best practice in the Corporate Governance Code of many EU countries.

2.4 Risk Management Function

The Risk Management function is responsible to ensure that all the different types of risks taken by the Company are in compliance with the legal requirements and the obligations of the Company under the law, and that all necessary procedures, relating to risk management are in place and are functional on an operational level from a day-to-day basis.

The Risk Management processes aim to:

- Identify risks relevant to the Company and to its clients.
- Measure the risks and quantify risk limits.
- Create and maintain an integrated and effective risk management framework.
- Develop plans to mitigate risks and monitor the progress of risk mitigation activities.
- Create and disseminate risk measurements and reports to the Board and regulators as required.
- Be involved in decision-making, strategy and policy setting.
- Develop a risk culture.

2.5 Internal Audit

The Internal Auditor reports to the Senior Management and the Board of the Company and is separated and independent from the other functions and activities of the Company. The Internal Auditor unction performs annual audits, proposes actions for improvement and monitors their implementation. Through these audits, the Company's internal governance framework is assessed and evaluated against the laws

and regulations of CySEC and best practices of the market. This function reports internal audit matters at least annually to the Board and to Senior Management.

2.6 Compliance Function

The Compliance Officer is independent and reports directly to the Senior Management of the Company, having at the same time the necessary authority, resources, expertise and access to all relevant information. The compliance function is responsible to establish, implement and maintain adequate policies and procedures designed to detect any risk of failure by the Company to comply with its obligations, to put in place adequate measures and procedures designed to minimize such risks and to enable the competent authorities to exercise their powers effectively.

2.7 Anti-Money Laundering ("AML") Compliance Function

The AML Compliance officer is responsible for function consists of a dedicated AML Compliance Officer who is responsible for the daily oversight of significant client transactions, the implementation of Anti-Money Laundering procedures, the performance of client due diligence and the preparation of the Annual Compliance and Anti-Money Laundering reports that are submitted to the BoD and to CySEC. Moreover, the Compliance Officer monitors the Company's compliance with MiFID and all relevant CySEC Laws and Circulars.

2.8 Risk Appetite Statement

Risk appetite is the level of risk that the Company is willing to take in order to achieve its business objectives. Risk appetite is expressed in both quantitative and qualitative terms and covers all risks, both on-balance sheet and off-balance sheet. Such risks include, but are not limited to, credit, market, operational, business, reputational, legal, compliance and data security/IT risk.

In accordance with Article 47 of the IFR, the Company shall disclose a concise risk statement, approved by the management body, succinctly describing the overall risk profile associated with the Company's business strategy.

To this end, it is noted that the Company is exposed to various types of risks, as described in detailed within this Report. The Board of Directors has the overall responsibility over the risk management framework of the Company, covering the identification, assessment, monitoring and controlling of all risks affecting the Company.

As described within these Disclosures the current risk management framework supports the effective risk management of all relevant to the Company risks, while ensuring that material risks are identified, including, but not limited to, risks that might threaten the Company's business model, future performance, liquidity, and capital.

These risks are key elements in the determination of the Company's overall business strategy. The management body acknowledged that the alignment of the business strategy of the Company with its risk appetite is pivotal, to ensure that the appropriate capital levels and other regulatory requirements are always maintained while achieving the business strategy of the Company. In order for the Company's risk profile to be – at all times - within the approved risk appetite, relevant risk reports are regularly reviewed and discussed by the Board and the Risk Manager

2.9 Internal Capital Adequacy and Risk Assessment Process

The ICARA process has been applied by the Company for calculating its overall capital requirements, which is an integral part of the overall risk management approach of the Company, and is integrated with the Company's strategic processes, including its Risk Appetite Framework.

The Company's ICARA process comprises of the risk identification and assessment exercise, the capital planning whereby the solvency position of the Company for the next three years is calculated and the stress testing which is forward-looking and looks at the resilience of the Company to risk under extreme yet plausible scenarios the ICARA report presents the main business background and developments of

the Company, a summary of the Company's business economic environment, the Company's financial summary for the previous and upcoming years, the business and strategic goals, organisational structure and the risk management framework, the overall assessment of its material risks as well as provides forward looking capital and liquidity planning

The Company prepared its Internal Capital Adequacy and Risk Assessment ("ICARA") based on the on the 31 December 2024 cut-off, through which it ensures full alignment with the IFR & IFD framework and the Cyprus Law 165(I)/2021 on the Prudential Supervision of CIFs. This forms the basis of the Company's Pillar II Requirements that the Company views as the additional amount of capital and liquidity it needs to hold against any risks that are not covered by Pillar I.

The ICARA is embedded in the core of the Company's operations and serves as a valuable Risk Management tool which ensures that the Company's Risk Management framework receives the necessary attention from all the related functions/personnel of the Company, while contributing toward a robust organization by promoting a risk-averse culture within the Company.

The Company's ICARA Report preparation is performed by the risk management function of the Company and approved by the Company's Board of Directors.

3. 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.

3.1 Risk to Client

Risk to Client ("RtC") is the risk that an investment firm poses to its clients in the event where it fails to properly carry out the services being offered to them. It reflects the risk covering the business areas of investment firms from which harm to clients can conceivably be generated in case of problems. Failure to carry out its services or operations correctly will be a key risk that the Company would need to manage. The negative impact on clients of this failure could be substantial if not managed appropriately.

There are four K-factors through which some of the core aspects of RtC are captured and measured, and which act as proxies that cover the specific business areas referred to above:

1. **K-AUM (Assets Under Management)**

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

In 2025, the Company was not subject to the K-AUM capital requirement, as it did not offer the services of (i) portfolio management and/or (ii) investment advice.

2. **K-CMH (Client Money Held)**

K-CMH captures the risk of potential harm where an investment firm holds the money of its clients, taking into account whether they are on its own balance sheet or in third-party accounts and whether 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. As part of its business, the Company holds bank balances on behalf of its clients which are presented as off-balance sheet items in order to purchase or sell financial instruments on behalf of its clients.

According to CySEC Directive 87-01, the Company must, upon receiving any client funds, promptly place those funds into one or more accounts opened with any of the following:

- Central Bank,
- Credit Institution as defined in Article 2(1) of the Business of Credit Institutions Law,
- Bank authorised in a Third Country,

- Qualifying money market fund.

The Company maintains Trading Accounts and Clients' Accounts with credit institutions for the safekeeping of its clients' funds. The Company has the following processes and policies in place to protect clients' funds:

- Maintains records so that client funds are not commingled with the Company's own funds.
- Uses clients' accounts only for its clients and not the Company's own use or for the clients of the Group.
- Maintains accuracy of the accounts using audit trails.
- Conducts reconciliations on a regular basis.
- Establishes appropriate measures to reduce the risk of loss of clients' funds due to misuse of client money, fraud, poor administration, inadequate record-keeping or negligence.

Also, the Management of the Company demonstrates the required diligence for the selection of the credit institutions that hold clients' funds and monitors at least annually the credit ratings and the financial statements of those institutions, where available. The expertise and reputation of the credit institutions is also taken into account by the Company. The Company also performs frequent checks and considers the diversification of clients' funds as part of its due diligence.

3. K-ASA (Assets Safeguarded and Administered)

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

During the year under review, the Company offered safeguarding services in relation to clients' assets an the following risk mitigation measures are in place:

- Securities held by the Company's Custodians are protected under MiFID,
- The Company's custodians follow the naming convention from MiFID on all external accounts, clearly indicating whether an account holds proprietary or client assets.
- Securities segregated in above manner cannot be considered part of an insolvency of a Custodian and would be repatriable by the client.
- The Company's Custodians are not allowed to rehypothecate any client securities, and that restriction also extends to sub custodians,
- Frequent reconciliation of trades and positions across all client holdings.

4. K-COH (Client Orders Handled)

K-COH captures the potential risk to clients of an investment firm which executes orders in the name of the client. The Company executes its clients' orders in the name of the client, on an agency basis, and is therefore subject to this risk. The Manager of the Brokerage Department performs random checks on clients' orders and trades. The purpose of these checks is to ensure conformity with the current laws and regulations and to detect any misconduct or wrongdoing. K-COH is calculated and reported on a quarterly basis.

3.2 Risk to Market

Risk to Market ("RtM") means the risk of losses for the investment firm arising from movements in market prices. There are two K-factors that capture the principal risks under RtM:

1. K-NPR (Net Position Risk)

K-NPR 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"). 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's exposure to market risk at any point in time depends primarily on short-term market conditions and client activities during the trading day. The Company is exposed to FX risk, since it holds funds in foreign currencies for the settlement of trades. Accordingly, the Company is required to calculate the related K-factor on a quarterly basis.

The Company monitors and assesses on a continuous basis its Foreign Exchange exposures and takes actions when deemed necessary.

2. **K-CMG (Clearing Margin Given)**

K-CMG 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 the 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. According to the IFR, the Competent Authority (CySEC) shall allow an investment firm to calculate K-CMG for all positions that are subject to clearing, or on a portfolio basis, where the whole portfolio is subject to clearing or margining, under several conditions.

K-CMG is not applicable to the Company.

3.3 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 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:

1. **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. This includes both clients and liquidity providers.

This K-factor is not applicable to the Company since it does not have any transactions recorded in its trading book under dealing on own account.

2. **K-DTF (Daily Trading Flow)**

K-DTF captures the operational risk related to the value of trading activity that an investment firm conducts. It reflects the risk of transactions that an investment firm enters through dealing on own account or executing orders on behalf of clients in its own name. As the Company did not provide dealing on own account services during the year ended 31 December 2025, the Company was not subject to the risk relating to this K-factor.

3. **K-CON (Concentration Risk)**

K-CON 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. Similarly to the above, as the Company did not provide dealing on own account services during the year ended 31 December 2025 and therefore it was not subject to the risk relating to this K-factor.

3.4 Other Risks

3.4.1. Operational Risk

Legal Risk

Legal risk is defined as the possibility of the operations and conditions of the Company being disrupted or adversely affected as a result of lawsuits, adverse judgements or unenforceable contracts. Legal risk could also arise from legal actions as a result of unauthorised disclosure of customers' details, and/or legal actions as a result of public liability violation of laws, regulations, or agreements. In addition, Management considers legal risk as high due to the great impact a lost legal case would have on the Company's business.

The Management of Xtellus monitors the pending legal cases on a continuous basis by recording and updating each case in line with external advisors.

Reputational Risk

Reputational risk is the current or potential risk to earnings and capital arising from an adverse perception of the image of the Company on the part of customers, counterparties, shareholders, investors, or regulators.

Reputational risk could be triggered by poor performance, the loss of one or more of the Company's key directors, the loss of large clients, poor customer service, fraud, theft, customer claims and legal action, regulatory fines, and other factors. In addition, there is a risk of violating existing or new legal requirements which may lead to negative reputational impacts. Also, prospectuses prepared (or other information issued) by the Company on behalf of its clients might include unsupported or misleading information, which may also lead to negative reputational impacts.

The risk of loss of reputation may result in a reduction of the Company's clientele, reduction in revenue and new legal cases against the Company. Measures taken to manage reputational risk include, among others, ensuring compliance with regulatory requirements, management of customer complaints and monitoring of negative media.

3.4.2. Business Risk

Business risk may arise as a result of a number of factors, including declines in the volume of trades, high costs, competition, reputation, and overall economic and government regulations, amongst others.

Business risk is a distinct type of risk that is not captured in the course of the minimum regulatory capital requirement under IFR/IFD and is defined as the possibility of economic loss arising from adverse strategic and business decisions, improper implementation of decisions or lack of responsiveness to changes in the business environment, including technological progress. The Company manages strategic risk through its normal conduct of business, while business risk will be further examined in the course of the annual ICARA.

3.4.3. Regulatory Risk

Regulatory risk is the risk that may arise if a change in regulation occurs which negatively affects the business of the Company. Regulatory risk may also arise when a Company does not comply with the applicable regulatory requirements.

Regulatory risk is the risk the Company faces by not complying with relevant Laws and Directives issued by its supervisory body. If materialised, regulatory risk could trigger the effects of reputational and strategic risk. The Company has in place documented procedures and policies based on the requirements of relevant Laws and Directives issued by CySEC. Compliance with these procedures and policies is further assessed and reviewed by the Company's Internal Auditor and suggestions for improvement are implemented by management. The Internal Auditor evaluates and tests the effectiveness of the Company's control framework at least annually. Therefore, the risk of non-compliance is considered low.

3.4.4. Compliance, and AML Risk

Money laundering is the process of taking the proceeds of criminal activity and making them appear legal. Terrorist financing involves using the funds obtained from various businesses, including non-profit organizations or unregistered money services businesses, to fund terrorist activities. As an internet-based financial services provider, the Company is continuously exposed to the risk that a customer's trading account may be used as a mean to launder money and/or finance terrorism. The Company has established policies, procedures and controls in order to mitigate the money laundering and terrorist financing risk.

3.4.5. Credit Risk

Credit risk arises when a failure by counterparties and/or customers to discharge their obligations could reduce the amount of future cash inflows from financial assets held at the balance sheet date. Moreover, credit risk arises from the possibility that mitigation measures will become less effective than expected.

3.4.6. Concentration Risks

In addition to the K-CON capital requirement, Xtellus also monitors other concentration risks on a quarterly basis in accordance with Article 54 of the IFR. Such concentration risks do not give rise to capital requirements for the Company but are monitored and reported to CySEC for information purposes.

In accordance with Article 54 of the IFR, the Company also monitors on a quarterly basis the following levels of risk:

- The level of concentration risk with respect to the credit institutions, investment firms and other entities where client money is held;
- The level of concentration risk with respect to the credit institutions, investment firms and other entities where client securities are deposited;
- The level of concentration risk with respect to the credit institutions where the investment firm's own cash is deposited;
- The level of concentration risk from earnings; and
- The level of concentration risk as described in the points above, calculated taking into account assets and off-balance-sheet items.

3.4.7. Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet obligations when they fall due or experience difficulty in obtaining funds to meet urgent commitments. Liquidity risk is often crystallised through the lack of liquid assets held (cash, deposits, bonds, etc.) resulting in a reduced ability to meet immediate liquidity needs within a short-term horizon.

In order to manage any liquidity risk that might arise due to a maturity mismatch between assets and liabilities, the Company aims to maintain sufficient cash, other highly liquid current assets and to maintain an adequate level of committed credit facilities to provide sufficient liquidity.

The Company has procedures with the object of minimising the liquidity risk, such as maintaining sufficient cash, and also the shareholder of the Company is willing to perform liquidity injections where necessary.

Under the IFR/IFD regulatory framework, Class 2 CIFs (like Xtellus) are obliged to hold liquid assets equal to at least one-third of their fixed overheads capital requirement (i.e., one-twelfth of their fixed overhead expenses based on their most recent annual audited financial statements).

The total Liquidity Requirement and level of liquid assets for the Company as at 31 December 2025 is presented in the table below.

Table 3: Liquidity Requirement and Level of Liquid Assets as at 31 December 2025

Amounts in EUR	31 December 2025
Liquidity Requirement [1]	**49,600**
Client Guarantees [2]	0
Total Liquid Assets	**486,000**
Unencumbered short-term deposits	486,000
Total eligible receivables due within 30 days	0
Level 1 assets	**—**
Coins and banknotes	—
Withdrawable central bank reserves	0
Central bank assets	0
Central government assets	0
Regional government/local authorities' assets	0
Public Sector Entity assets	0
Recognisable domestic and foreign currency central government and central bank assets	0
Credit institution (protected by Member State government, promotional lender) assets	0
Multilateral development bank and international organisations assets	0
Extremely high-quality covered bonds	0
Level 2B assets	**0**
Qualifying CIU shares/units	0
Total other eligible financial instruments	**0**

[1] Liquidity Requirement is calculated as 1/3 of the Fixed Overhead Requirement for 2025. The Fixed Overhead Requirement for 2025 was EUR 148,840.

[2] No client guarantees were given by the Company during 2025.

4. OWN FUNDS

Own Funds (also referred to as capital resources) are the type and level of regulatory capital that must be held to enable the Company to absorb losses. It is paramount that the capital remains intact and grows into the medium term so that the Company is always able to satisfy regulatory requirements.

Capital Management Risk is the risk that the Company will not comply with capital adequacy requirements or may not be able to continue as a going concern. The primary objective of the Company with respect to capital management is to ensure that it complies with the imposed capital requirements with respect to its Own Funds and that the Company maintains strong capital ratios to support its business, to maximise shareholders' value and to optimise its debt and equity balance.

In this respect, the Company must have Own Funds which are always more than its minimum capital requirements, in accordance with the thresholds set by Article 9(1) of the IFR.

Specifically, Article 9 of the IFR requires that investment firms maintain Own Funds consisting of the sum of their Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital, and shall at all times exceed all of the following thresholds:

- A CET1 ratio of at least 56%, where CET1 ratio is the Company's CET1 capital expressed as a percentage of its total Own Funds Requirement,
- A Tier 1 (CET1 + Additional Tier 1 ("AT1")) ratio of at least 75%, where Tier 1 ratio is the Company's Tier 1 capital expressed as a percentage of its Own Funds Requirement, and
- A Total ratio (Tier 1 and Tier 2) ratio of 100%, where total capital ratio is the Company's own funds expressed as a percentage of its total Own Funds Requirement.

Note: For Xtellus, the Own Funds Requirement is given as the greatest of:

(i) the Permanent Minimum Capital Requirement of EUR 150,000,

(ii) the Fixed Overheads Requirement, and

(iii) the total K-Factors Requirement.

In accordance with the provisions of Article 49(1) of the IFR, the Company shall disclose the composition of its Own Funds using the templates of Annex VI of the European Commission Regulation (EU) 2021/2284 and in accordance with the relevant instructions set out in Annex VII of that Regulation.

The composition of the Company's Own Funds as at 31 December 2025, in accordance with the abovementioned Regulation, is tabulated in the following table:

Table 4 - Template EU IF CC1.01: Composition of Regulatory Own Funds (as at 31 December 2025)

Ref	Common Equity Tier 1 (CET1) Capital: Instruments and Reserves	31 Dec 2025 (EUR)	Source (cross-ref to EU IF CC2)
1	**OWN FUNDS**	**527,310**	
2	**TIER 1 CAPITAL**	**527,310**	
3	**COMMON EQUITY TIER 1 CAPITAL**	**527,310**	
4	Fully paid-up capital instruments	1,000,000	Ref. 1 (Share Capital)
5	Share Premium	0	Ref. 2
6	Retained earnings	(720,045)	Ref. 3 (Shareholders' equity)
10	Other Reserves	1,398,880	
14	**(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1**	**(1,150,525)**	
19	(-) Losses for the current financial year	(1,140,655)	Ref. 3 (Shareholders' equity)
21	(-) Other intangible assets	(9,870)	
27	CET1: Other capital elements, deductions and adjustments	0	Ref. 3 (Shareholders' equity)
28	**ADDITIONAL TIER 1 CAPITAL**	**0**	
40	**TIER 2 CAPITAL**	**0**	

Note: Figures are based on unaudited management accounts.

The Table below provides a reconciliation between the Balance Sheet presented in the unaudited Financial Statements and the Balance Sheet prepared for prudential purposes.

Table 5: Template EU IF CC2: Own Funds Reconciliation of Regulatory Own Funds to Balance Sheet (as at 31 December 2025)

Ref	Balance Sheet (Unaudited Management Accounts)	31 Dec 2025 (EUR)	CC1 Ref
Assets			
1	Property, plant and equipment (Non-current assets)	27,361	
2	Receivables (Current assets)	47,281	
3	Cash at bank and in liquidity providers	487,107	
	Total Assets	**561,749**	
Liabilities			
1	Trade and other payables (Current liabilities)	4,396	
2	Borrowings (Non-current liabilities)	28,437	
	Total Liabilities	**32,833**	
Shareholders' Equity			
1	Share Capital	1,000,000	Ref. 4
2	Retained Earnings	(720,045)	Ref. 5
3	Accumulated losses	(1,140,668)	Refs. 6, 17 and 27
	Total Shareholders' Equity	**537,165**	

5. CAPITAL REQUIREMENTS

The primary objective of the Company with respect to its capital management is to ensure that it complies with the own funds requirements imposed by the IFR and Law 165(I)/2021 of CySEC.

Under this framework, the Company needs to monitor the level of its Own Funds and own funds requirements and maintain a strong Capital Adequacy ratio in order to be able to promote itself as a fully compliant and healthy Company, to support its business and maximise shareholders' value. In this respect, the own funds requirements should not be seen as a restriction of business, but rather as proactive risk management imposed to help both the Company and its client base.

The total Own Funds Requirement of the Company is determined in accordance with Article 11 of the IFR and is defined as the highest of the following:

- The Permanent Minimum Capital Requirement — calculated in accordance with Article 14 of the IFR.
- The Fixed Overheads Requirement — calculated in accordance with Article 13 of the IFR.
- The K-Factor Requirement — calculated in accordance with Article 15 of the IFR.

The Board, as well as the Risk Manager, monitor the reporting requirements and have policies and procedures in place to help meet the specific regulatory requirements. This is achieved through the preparation of accounts to monitor the financial and capital position of the Company.

The Company manages the level of its Own Funds and own funds requirements and makes adjustments in light of changes in economic and business conditions and the risk characteristics of its activities.

5.1 Permanent Minimum Capital Requirement

In accordance with the licence details of Xtellus, its Permanent Minimum Capital Requirement in accordance with Article 14 of the IFR is EUR 150,000.

The Company monitors its Own Funds on a continuous basis in order to ensure that they remain above the Permanent Minimum Capital Requirement of EUR 150,000 which corresponds to the initial capital that applies to the Company. As further noted in Section 4 above, the Company's available eligible own funds as at 31 December 2025 were significantly above the Permanent Minimum Capital Requirement.

5.2 Fixed Overheads Requirement

The Company's policy is to monitor Fixed Overheads Requirements at least on a quarterly basis. The Company complies with Article 13 of the IFR stating that the Company shall hold Own Funds of at least one quarter of the fixed overhead expenses of the preceding year.

The following table presents the total Fixed Overhead Requirement for the Company as at 31 December 2025:

Table 6: Calculation of Fixed Overheads Requirement as at 31 December 2025

Fixed Overheads Requirement Calculation	31 Dec 2025 (EUR)
Fixed Overhead Requirement	**148,840**
Annual Fixed Overheads of the previous year after distribution of profits	595,340
Total expenses of the previous year after distribution of profits [1]	595,340
of which: Fixed expenses incurred on behalf of the investment firm by third parties	0
(-) Total Deductions	**0**
(-) Staff bonuses and other remuneration	0
(-) Employees', directors' and partners' shares in net profits	0
(-) Other discretionary payments of profits and variable remuneration	0
(-) Shared commission and fees payable	0
(-) Fees, brokerage and other charges paid to CCPs charged to customers	0
(-) Fees to tied agents	0
(-) Interest paid to customers on client money where this is at the firm's discretion	0
(-) Non-recurring expenses from non-ordinary activities	0
(-) Expenditure from taxes	0
(-) Losses from trading on own account in financial instruments	0
(-) Contract based profit and loss transfer agreements	0
(-) Expenditure on raw materials	0
(-) Payments into a fund for general banking risk	0
(-) Expenses related to items that have already been deducted from own funds	0
Projected fixed overheads of the current year [2]	600,000
Variation of fixed overheads (%)	1%

[1] Total expenses represent the total expenses of the Company based on the Audited Financial Statements for the year ended 31 December 2024.

[2] Projected fixed overheads (for the year ended 31 December 2025) are based on the Company's capital planning. Please verify and insert the correct figure before publication.

5.3 K-Factor Requirement

The K-Factor Requirement under the IFR/IFD framework is based upon the risk exposure indicators ("K-factors"), capturing not only the balance sheet risks but P&L risks as well. The Company's K-Factor Requirement is calculated in accordance with Articles 15 through to 33 of the IFR.

The table below provides information on the total K-Factor Requirement for the Company and the applicable K-factors that form it, in accordance with its licensed investment services:

Table 7: Total K-Factor Requirement as at 31 December 2025

K-Factor Category	K-Factor Requirement 31 Dec 2025 (EUR)
Risk to Client	**13,800**
Assets under management (K-AUM)	0
Client money held – Segregated (K-CMH)	400
Client money held – Non-segregated (K-CMH)	0
Assets safeguarded and administered (K-ASA)	9,300
Client orders handled – Cash trades (K-COH)	4,100
Client orders handled – Derivatives trades (K-COH)	0
Risk to Market	**37,900**
Net position risk (K-NPR)	37,900
Clearing margin given (K-CMG)	0
Risk to Firm	**0**
Trading counterparty default (K-TCD)	0
Daily trading flow – Cash trades (K-DTF)	0
Daily trading flow – Derivative trades (K-DTF)	0
Concentration risk (K-CON)	0
TOTAL K-FACTOR REQUIREMENT	**51,700**

5.4 Total Own Funds Requirement and Capital Ratios

The total Own Funds Requirement and Capital Ratios of the Company as at 31 December 2025 are presented in the table below. It is reminded that the total own funds requirement for Xtellus should be the highest of the following: the Permanent Minimum Capital Requirement; the Fixed Overheads Requirement; or the K-Factor Requirement.

Table 8: Total Own Funds Requirement, Capital Ratios and Capital Levels based on the IFR rules

Description of Metric	31 Dec 2025 [1] (EUR)
Available Eligible Own Funds [2]	**527,000**
Own Funds Requirement, higher of:	**150,000**
1. Permanent Minimum Capital Requirement	150,000
2. Fixed Overhead Requirement	149,000
3. Total K-Factor Requirement	51,700
CET1 Ratio (min. regulatory limit: 56%)	**352.0%**
Surplus/(Deficit) over CET1 minimum ratio	443,310
Tier 1 Ratio (min. regulatory limit: 75%)	**352.0%**
Surplus/(Deficit) over Tier 1 minimum ratio	414,810
Own Funds Ratio (min. regulatory limit: 100%)	**352.0%**
Surplus/(Deficit) over Own Funds minimum ratio	377,310

[1] Based on unaudited management accounts as at 31 December 2025.

[2] Own Funds consist of CET1 instruments only (i.e., no AT1 instruments, no Tier 2 instruments).

It is noted that the Company's available eligible own funds as at 31 December 2025 were above the regulatory capital ratio of 100% and above the permanent initial capital requirement of EUR 150,000 (i.e., at EUR 527,000 as at 31 December 2025).

6. REMUNERATION POLICY AND PRACTICES

The Company's Remuneration Policy (the "Policy") forms an integral part of its corporate governance and is developed in accordance with its operational model and strategy. The Policy has been drafted in line with ESMA's "Guidelines on Remuneration Policies and Practices (MiFID)", the EBA's "Guidelines on sound remuneration policies under Directive (EU) 2019/2034" and the relevant provisions set out in Law 165(I)/2021 for the Prudential Supervision of Investment Firms.

In accordance with legal requirement, Xtellus is obliged to establish and apply a remuneration policy for categories of staff, including senior management, risk takers, staff engaged in control functions and any employees receiving overall remuneration equal to at least the lowest remuneration received by senior management or risk takers, whose professional activities have a material impact on the risk profile of the Company or of the assets that it manages.

The remuneration policy shall comply with the following principles:

- Be clearly documented and proportionate to the size, internal organisation and nature, as well as to the scope and complexity of the activities of the CIF,
- Be gender-neutral,
- Be consistent with and promote sound and effective risk management,
- Be in line with the business strategy and objectives of the CIF, and also take into account the long-term effects of the investment decisions taken,
- Contain measures to avoid conflicts of interest, encourage responsible business conduct and promote risk awareness and prudent risk-taking,
- The CIF's board of directors in its supervisory function shall adopt and periodically review the remuneration policy and have overall responsibility for overseeing its implementation,
- The implementation of the remuneration policy shall be subject to a central and independent internal review by control functions at least annually,
- Staff engaged in control functions shall be independent from the business units they oversee, have appropriate authority, and be remunerated in accordance with the achievement of the objectives linked to their functions, regardless of the performance of the business areas they control
- The remuneration of senior officers in the risk management and compliance functions must be directly overseen by the remuneration committee or, where such a committee has not been established, by the board of directors in its supervisory function,
- The remuneration policy, taking into account the rules in force in the Republic of Cyprus on wage setting, should make a clear distinction between the criteria applied to determine:

  (i) basic fixed remuneration, which should primarily reflect relevant professional experience and organisational responsibility as set out in an employee's job description,and

  (ii) variable remuneration, which shall reflect a sustainable and risk-adjusted performance of the employee, as well as performance in excess of the employee's job description; and
- The fixed component shall represent a sufficiently high proportion of the total remuneration so as to enable the operation of a fully flexible policy on variable remuneration components, including the possibility of paying no variable remuneration component.

6.1 Aggregated Quantitative Information on Remuneration

The table below provides annual aggregate quantitative information on remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of the Company:

Table 9: Aggregate Annual Remuneration as at 31 December 2025

Remuneration as of 31 December 2025	No. of Beneficiaries	Fixed Remuneration (EUR)	Variable Remuneration (EUR)	Total (EUR)
Senior Management [1]	3	214,332	0	214,332
Heads of Departments & other staff [2]	3	100,115	0	100,115
Total	**6**	**314,447**	**0**	**314,447**

[1] Senior Management personnel includes the Executive Directors of the Board of Directors.

[2] Other Staff includes Senior Officers whose actions have a material impact on the risk profile of the Company (i.e., Heads of Departments, AMLCO, Compliance Officer, etc.).

During 2025, the Company did not pay or award any sign-on or severance payments, nor any guaranteed variable remuneration.

7. INVESTMENT POLICY DISCLOSURES

In accordance with Article 52 of the IFR, Class 2 investment firms whose value of on- and off-balance-sheet assets is on average equal to or more than EUR 100 million over the four-year period (Article 32(4)(a) of IFD) shall disclose the following information:

- The proportion of voting rights attached to the shares held directly or indirectly by the investment firm, broken down by Member State and sector;
- A complete description of voting behaviour in the general meetings of companies the shares of which are held, an explanation of the votes, and the ratio of proposals put forward by the administrative or management body of the company which the investment firm has approved;
- An explanation of the use of proxy advisor firms; and
- The voting guidelines regarding the companies the shares of which are held.

It is noted that point (a) of IFD Article 32(4) refers to an investment firm where the value of its on- and off-balance-sheet assets is on average equal to or less than EUR 100 million over the four-year period immediately preceding the given financial year. This point is also in line with point 6 of CySEC's Circular C487 for redefining threshold criteria of 'Significant CIF'. As at the reference date, the Company does not consider itself a significant CIF as it does not exceed this threshold; therefore no disclosures regarding investment policy were made.

8. ESG DISCLOSURES

As of 26 December 2022, investment firms whose value of on- and off-balance-sheet assets is on average equal to or more than EUR 100 million over the four-year period (Article 32(4)(a) of IFD) shall disclose information on Environmental, Social and Governance ("ESG") risks, including physical risks and transition risks, as defined in the report referred to in Article 35 of the IFD.

It is noted that point (a) of IFD Article 32(4) refers to an investment firm where the value of its on- and off-balance-sheet assets is on average equal to or less than EUR 100 million over the four-year period immediately preceding the given financial year. This point is also in line with point 6 of CySEC's Circular C487 for redefining threshold criteria of 'Significant CIF'. As at the reference date, the Company does not consider itself a significant CIF as it does not exceed this threshold; therefore no ESG disclosures were made.

APPENDIX 1 – MAIN FEATURES OF OWN FUNDS

Template EU IF CCA: Common Equity Tier 1 Instruments

Ref	Feature	Description
1	Issuer	XTELLUS Europe Ltd
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Public or private placement	Private
4	Governing law(s) of the instrument	Cyprus Company Law (Cap. 13)
5	Instrument type	Ordinary Shares
6	Amount recognised in regulatory capital (EUR)	1,000,000
7	Nominal amount of instrument (EUR)	1,000,000
8	Issue price (EUR)	1
9	Redemption price	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance	06/06/2023
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	No
32	If write-down, write-down trigger(s)	N/A
33	If write-down, full or partial	N/A
34	If write-down, permanent or temporary	N/A
35	If temporary write-down, description of write-up mechanism	N/A
36	Non-compliant transitioned features	No

'N/A' indicates that the particular field is not applicable.

APPENDIX 2 – SPECIFIC REFERENCES TO THE IFR

IFR Reference (Article)	High Level Summary	Compliance Reference
Scope of Disclosure Requirements		
46 (1)	Requirement to publish disclosures for Class 2 IFs	1.2
46 (2)	Requirement to publish disclosures for Class 3 IFs, issuing AT1 instruments	N/A
46 (3)	Requirement to publish disclosures when a Class 3 IF no longer meets the criteria to be considered a small and non-interconnected IF	N/A
46 (4)	Determination of the appropriate medium and location to publish the disclosures	1.2
Risk Management Objectives and Policies		
47	Investment firms shall disclose their risk management objectives and policies for each separate category of risk, including a summary of the strategies and processes to manage those risks and a concise risk statement approved by the investment firm's management body succinctly describing the investment firm's overall risk profile associated with the business strategy.	3
Governance		
48 (a)	Number of directorships	2.2
48 (b)	Diversity Policy	2.3
48 (c)	Risk Committee and number of times the risk committee has met annually	2.12 (Note)
Own Funds Composition		
49 (1)(a) to (c)	Requirements regarding disclosure of own funds	4
49 (2)	Requirements regarding disclosure of own funds based on EBA Templates (Regulation (EU) 2021/2284)	4
Own Funds Requirements		
50 (a)	Summary of the investment firm's approach to assessing the adequacy of its internal capital to support current and future activities	2.12
50 (b)	Upon a request from CySEC, the result of the investment firm's internal capital adequacy assessment process	N/A
50 (c)	The K-factor requirements	5.3
50 (d)	The fixed overheads requirement	5.2
Remuneration Policy and Practices		
51 (a)	Most important design characteristics of the remuneration system, including the level of variable remuneration and criteria for awarding variable remuneration, pay out in instruments policy, deferral policy and vesting criteria	6.1

51 (b)	Ratios between fixed and variable remuneration	6.2
51 (c)	Aggregated quantitative information on remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of the investment firm	6.3
51 (d)	Information on whether the investment firm benefits from a derogation laid down in Article 32(4) of Directive (EU) 2019/2034 ("IFD")	7 & 8
Investment Policy		
52 (1)	Investment firms which do not meet the criteria referred to in point (a) of Article 32(4) of IFD shall disclose information on voting rights, voting behaviour, proxy advisors, and voting guidelines.	N/A – Xtellus meets the criterion of point (a) of Article 32(4) of IFD (i.e., its total on- and off-balance-sheet assets are less than EUR 100m over the last four-year period)
52 (2)	Voting rights disclosure requirements where the IF holds >5% of voting rights in a listed company.	N/A – as per comment in point 52(1) above
52 (3)	EBA, in consultation with ESMA, shall develop draft regulatory technical standards to specify templates for disclosure under Article 52(1) of the IFR.	N/A – as per comment in point 52(1) above
Environmental, Social and Governance Risks		
53	From 26 December 2022, investment firms which do not meet the criteria referred to in Article 32(4) of IFD shall disclose information on ESG risks, including physical risks and transition risks, as defined in the report referred to in Article 35 of IFD.	N/A – Xtellus meets the criterion of point (a) of Article 32(4) of IFD (i.e., its average on- and off-balance-sheet assets are less than EUR 100m over the last four-year period)