RISK DISCLOSURE STATEMENT

DECEMBER 2024

Ariadnis 21, Patsias Court 25, 2nd Floor, Office 202 , 7060, Livadia Larnaca , Cyprus
Regulated by CySEC, License No: 100/09

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All Clients and prospective Clients are strongly advised to read carefully the risk disclosures and warnings contained in this document.

1. INTRODUCTION

Following the implementation of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID II) as well as the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/ 2017), PROCHOICE CHRIMATISTIRIAKI LIMITED (hereinafter referred to as the "**Company"**) provides this notice with information about the risks associated when Clients are dealing with financial products.

This notice does not purport to disclose or discuss all the risks and other significant aspects of any transaction, so the Client undertakes and warrants to consult with his/her own legal, tax and financial advisers prior to entering any particular transaction. When making the decision to operate at various securities markets the Client must bear in mind that investment in securities and other financial assets may carry **a risk on non-gaining expected income and occurrence of loss all of the funds invested (or any part thereof), or even more.** The Client should be aware that investments in Financial Instruments require a broad knowledge and solid experience in the investment field, and full understanding of the nature and extent of investments including their complexity and the risks involved.

2. RISKS DISCLOSURES

2.1 General Risks

1. Investing in any type of Financial Instruments involves significant risks. The nature and extent of these risks depends on the type and complexity of a given Financial Instrument and may vary from country to country. The Client acknowledges and understands that various risks factors may affect his investment.
2. The Client acknowledges and understands that he should not engage in any investment directly or indirectly in Financial Instruments unless he understands the risks associated with the specific Financial Instruments offered by the Company. The Client should consider carefully whether a specific Financial Instrument is appropriate for him considering his investment objectives and investment experience, personal circumstances and financial resources to tolerate losses.
3. The Client must proceed with seeking independent financial advice in case he does not fully understand the risks involved with the specific Financial Instrument offered by the Company if he wishes to trade with the Company.
4. There is a high risk of incurring losses and damages as a result of dealing with any Financial Instrument and the Client declares and accepts that he is prepared to take such risk.
5. The Company provides Clients with an array of financial instruments. Each instrument requires different amount of knowledge and experience and are specifically addressed to retail, Professional Clients and Eligible Counterparties, based on each asset classes product governance description.
6. It is noted that the Company is authorised to provide the investment services of Reception and Transmission orders and Execution of Orders on behalf of Clients. The Client acknowledges and unconditionally accepts that he is fully responsible for any losses incurred from his investments, in the case of Execution only trades, whereby the client gives instructions without the Company's input.
7. Following the implementation of the Markets in Financial Instruments Directive 2014/65/EU ('MiFID II') and in accordance with the provisions of the Law, the Company aims to provide information to its clients about general Investment Risks and Risks associated with different categories of Financial Instruments.
8. Every type of Financial Instrument has its own characteristics and entails different risks depending on the nature of each investment. A general description of the nature and the risks of financial instruments is summarized below. However, this document does not disclose all the associated risks or other important

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aspects of the financial instruments and it should not be considered as investment advice or recommendation for the provision of any service or investment it any financial instrument.

9. The Client should NOT carry out any transactions in Financial Instruments unless he is fully aware of their nature, the risks involved and the extent of his exposure in these risks. In case of uncertainty as to the meaning of any of the earnings described below, the Client must seek an independent legal or financial advice before taking any investment decision.
10. The Client should also be aware that:
    a) The value of any investment in financial instruments may fluctuate downwards or upwards and the investment may diminish to the extent of becoming worthless,
    b) Previous return do not constitute an indication of a possible future return,
    c) Trading in Financial instruments may entail tax and/or any other duty,
    d) Placing contingent orders, such as 'stop-loss' orders, will not necessarily limit losses to the invested amounts, as markets may fluctuate more than expected, and
    e) Changes in the exchange rates, may negatively affect the value, price and/or performance of the financial instruments trades in a currency other than the Client's base currency.

3. SPECIFIC RISKS

3.1 Market/Price/Systematic Risk

Market risk: *is the risk that the value of a portfolio will decrease due to the change in value of the market factors such as stock prices, interest rates, exchange rates and commodity prices. In case of a negative fluctuation in prices, investors in financial instruments run the risk of losing part of their invested capital*.

The value of a financial instrument may fluctuate dramatically due to different market factors including the price or level of any underlying reference asset, level of interest rates, credit quality of the issuer and guarantor (where applicable), foreign exchange rates, volatility, liquidity, and tenor remaining on the financial instrument (if relevant). Such financial instrument may depreciate in value as quickly as it may appreciate and can also become valueless. Investing in such financial instrument is as likely to incur losses as it is to make profit. Past performance should not be used as an indicator of future performance. It is the risk of the Fund/Portfolio to lose value due to a decline in securities prices, which may sometimes happen rapidly or unpredictably.

The Client is personally responsible for accepting and managing the market risk and must become aware of the terms and conditions that define market risks inherent in the Financial Instruments and their characteristics. The Client must also regularly monitor his/its investments in such instruments. This is the case even if the Client has received personal advice in relation to the investment. Information for the monitoring of price details, etc. may be obtained through the mass media, e.g. newspapers, TV, the Internet, and in certain cases, from market operators. In addition, the Client should, in his own interests, be prepared to take measures prompt where such result necessary, for example through selling investments that have developed negatively or by providing additional collateral in relation to the investments financed through loans or margin trading where the collateral value has fallen.

3.2 Credit Risk

Credit risk: *is the risk of a borrower's failure to repay a loan or otherwise meet a contractual obligation (i.e. Failure to pay interest to bond holders) . Credit risk is closely tied to the potential return of an investment, the most notable being that the yields on bonds correlate strongly to their perceived credit risk.*

Issuers of Financial Instruments are subject to risk of bankruptcy or insolvency, which may lead to a sharp fall in prices (up to total loss in liquidity) for related Financial Instruments, or impossibility to redeem them or to receive coupon yield). E.g., an issuer of bonds may fail to pay coupons or make redemption on the principal of the

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obligation, an insolvent bank may fail to return funds to its depositors, an insolvent insurance company may fall to pay compensation according to owned policy.
The Client acknowledges that fixed yield securities, structured products and credit risk derivatives are immediately exposed to the credit risk, although any events of default by Issuers of equity instruments will also reflect on the values of such Financial Instruments. Fixed yield securities of lower quality are more exposed to credit risk if compared to those of higher quality.

Government bonds are also exposed to credit risk, and in some circumstances of a political, diplomatic, social or economic nature in some developing countries.

3.3 Operational Risk

Operational risk: *is the risk of business operations failing due to human error. Operational risk will change from industry to industry and is an important consideration to make when looking at potential investment decisions. Industries with lower human interaction are likely to have lower operational risk*.

Operational risk means a risk of losses because of failures of internal processes and/or procedures, improper performance of obligations by regulated markets, and other EU and third-country trading venues, brokers, custodians, registrars, clearing organizations, banks and other organizations which are part of financial market infrastructure, mistakes or illegal actions of the employees. This risk may hinder or make impossible transmission and/or execution of orders for transactions with financial instruments and/or other operations and consequently cause losses.

3.4 Liquidity Risk

Liquidity risk: *is the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk becomes particularly important to investors who are about to hold or currently hold an asset, since it affects their ability to trade*.

Most Financial Instruments are exposed to the adverse movement of prices in the situations when they need to be bought or sold in a given size over a given period of time. The risk will be higher if, for example, a large trade is being executed over a short period of time in an insufficiently liquid market. Liquidity risk has become worse after the global financial crisis due to bank capital constraints, with dealers facing higher costs to hold inventories of securities and warehouse risk. An additional concern is that investor crowding into similar trades can lead to mismatches between willing buyers and sellers of certain assets in periods of stress, leading to diminished liquidity and putting further pressure on asset prices.

3.5 Interest Rate Risk

Risk resulting from adverse changes in interest rate affects the market value of various assets, especially fixed income securities and their derivatives. Interest rates can rise as well as fall. Interest rate risk directly affects the values of fixed-income securities. Since interest rates and bond prices are inversely related, the risk associated with a rise in interest rates causes bond prices to fall, and vice versa. Bond investors, specifically those who invest in long-term fixed-rate bonds, are more directly susceptible to interest rate risk.

3.6 Counterparty risk

The insolvency of the Company, or of any brokers involved with the Client's transaction, may lead to the failure to deliver a Financial Instrument or to effect payment, or to carry out any other counter delivery, which in turn will lead to losses incurred by the Client, Client's positions being liquidated or closed out without Client's consent, and the return of funds to the Client being delayed or made impossible

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3.7 Taxation

Current interpretation of tax laws or their application in practice may be changed or any individual law may be changed subject to retroactivity effect. The Company, acting in interests of the Client and the Client itself may become an object of taxation, not operating during investment, and this may affect results of investment activity on the whole. There is not any guarantee that relevant double taxation agreements entered into or adopted and currently implemented will not be amended. It is necessary to notice that proceeds from securities sales or receipt of any dividends and other income may subject to taxes, dues, charges. Different transactions may have different tax implications, and the tax consequences of any transaction is dependent upon Client's individual circumstances and may be subject to change in the future.

3.8 Political Risk

Political risk: *is the risk that an investment's return could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change government, legislative bodies, other foreign policy makers or military control.*

Political risk relates to possible changes in policies of the government, other governmental bodies, and changes in priority lines of the government activities. Any changes in the political arena may exert influence on the possibility of repatriation of capital, dividends received, and profits gained, and on the whole, on rights of investment and ownership of investments. Political risks also include corruption in the governmental, administrative and financial systems, disadvantageous international relations and/or international economic sanctions, and/or international attention to functioning of their governmental, administrative and financial systems, to work on countering to laundering of illegal funds and financial crimes, as well as contribution in international activity on countering to terrorism. Sanctions may be imposed on a country overall as well as on any individual or corporate entity of a country or may relate to a country. There also exists a substantial risk that guarantees of an investor's security may not be always observed, and the policy on stimulation of foreign investments may be terminated. One cannot positively affirm that securities or any relevant or underlying assets will not be nationalized, requisitioned, confiscated or subject to compulsory reorganization.

3.9 Currency Risk

Currency risk: *when a financial instrument is negotiated in a currency other than that of the base currency of the Client, any changes in the exchange rated may have a negative effect on its value, price and return. If applicable investment techniques used to attempt to reduce the risk of currency movements (hedging), may not be effective. Hedging also involves additional risks associated with derivatives.*

Some cases, Financial Instruments may be denominated in a foreign currency, which may not be easily converted into other currencies, or subject to some restrictions. The value of investments denominated in US dollars or in any other currency may be significantly changed depending on an unstable currency exchange rate and high inflation. The currency exchange rate may be changed between the date of transaction and the date of purchase of a required currency for performance of payment obligations. Accordingly, the purchase price denominated in the local currency may be higher than on the date of the relevant transaction.

Some cases may give rise to questions connected with currency control affecting the capability to transfer and to withdraw funds to and from a country, as well as the convertibility of their currencies. Therefore, it is necessary to pay special attention to the observance of formalities, connected with currency control and obtainment of all required licenses, including, as may be required, registration of initial investments

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3.10 Margin trading

Use of Margin: *trading on margin is used to increase the purchase power of an investor, for the investor to be able to buy more without paying entirely the value of the investment. This can either result in greater gain for the investor or it may similarly mean that he may suffer greater and more substantial losses*.

Margin trading is more aggressive and involves a higher degree of risk than non-leveraged trading. The client may use borrowed funds/securities to conclude transactions with securities. These activities would lead to shortfalls in the client's account in the event of a market downturn, and the higher the leverage is, the higher the risks of a shortfall. If the Client invests on leverage, the Client can lose more than the Client`s initial capital and may be required to make additional payments to cover residual shortfalls in his account.

Securities purchased on margin constitute collateral that the Company holds to secure the loan issued to the Client. If these securities decline in value, so does the value of the collateral supporting the Client's, and, as a result, the Company can take action, such as issue a margin call and/or sell securities or other assets in Client's accounts held with the company, in order to maintain the required equity in the Client account. Margin trading is therefore suitable only for those clients who fully understand its nature and who can bear the increased risk.

The specific additional risks involved in trading on margin include the following:

- The Client can lose more funds than were deposited in the margin account. A decline in the value of securities that are purchased on margin may require to provide additional funds to the firm that has made the loan to avoid the forced sale of those securities or other securities or assets in the account(s).
- The Company can force the sale of securities or other assets in Client's account(s). If the equity on account falls below the maintenance margin requirements, the Company can sell the securities or other assets in any of the Client accounts held at the firm to cover the margin deficiency. The Client also will be responsible for any short fall in the account after such a sale.
- The Company can sell Client's securities or other assets without contact. The Company may attempt to notify its customers of margin calls, but it is not required to do so. However, even if the Company has contacted a client and provided a specific date by which the customer can meet a margin call, the Company can still take necessary steps to protect its financial interests, including immediately selling the securities without notice to the client.
- The Client is not entitled to choose which securities or other assets in his account(s) are liquidated or sold to meet a margin call. Because the securities are collateral for the margin loan, the Company has the right to decide which security to sell in order to protect its interests.
- The Company can increase its maintenance margin requirements at any time and is not required to provide advance written notice. These changes in the Company policy often take effect immediately and may result in the issuance of a maintenance margin call. Client's failure to satisfy the call may cause the member to liquidate or sell securities in Client account(s).
- The Client is not entitled to an extension of time on a margin call. While an extension of time to meet margin requirements may be available to clients under certain conditions, a client does not have a right to the extension

3.11 Technical Risk

The Client has warned of the following technical risks:

- The risks of financial losses may caused by failure, malfunction, interruption, disconnection or malicious actions of information, communication, electricity, electronic or other systems;
- Unauthorized third persons may gain access to Client information, including electronic addresses, electronic communication and personal data, access data when this is due to the Client's negligence or

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when the above are transmitted between the Company and the Client or any other party, using the internet or other network communication facilities, telephone, or any other electronic means or post.

- Internet connections may be subject to events which may affect his access to the Company's system(s), including but not limited to interruptions or transmission blackouts, software and hardware failure, internet disconnection, public electricity network failures or hacker attacks.

Unless otherwise specified in the Services Agreement and Terms and Conditions of respective Services, the Company is not responsible for any damages or losses resulting from such events which are beyond its control or for any other losses, costs, liabilities, or expenses (including, without limitation, loss of profit) which may result from the Client's inability to access the Company's Systems or delay or failure in sending orders or Transactions.

3.12 Legal Risk

The legislation applicable to trading in Financial Instruments is subject to frequent and substantial changes, that may have an adverse effect on the capability of the Company and the Client to carry out activities connected with effectuation of trading activity. Legal practice often gives rise to questions concerning applicability of these or those legislative regulatory legal acts, instructions, decisions and letters issued by various regulatory bodies, as a result of which there is a risk of imposition of penalties or other claims with affect the activities carried out by the Company and the Client in spite of measures taken for observance of effective norms and rules, which may affect financial performance and damage activities carried out by the Company and performance of subsequent Portfolio of the Client.

Changes in currency control regulations, licensing requirements, tax legislation, laws regulating capital and securities markets; formation of the judicial practice substantially changing the existing state of affairs may adversely affect activities carried out by the Company and the Client including, in some cases, such changes may result in losses, inexpediency to carry out activities connected with financial instruments.

The Legal risks are especially important in case of Financial Instruments issued to related to emerging markets that may have the below additional risks:

- inconsistency of some legislative regulations, provisions and instructions;
- difficulties in interpretation of applicable laws due to absence of accumulated judicial practice;
- existing substantial gaps in terms for adoption of laws and approval of legislative instruments and instructions explaining their application in practice;
- lack of administrative control over fulfilment of adopted changes in the legislation.
- insufficient working out of questions connected with the securities market, tax legislation.

Adoption by governmental bodies of legislative instruments or instructions may entail additional temporary and cash expenses and adversely affect the activities carried out by the Company and the Client, connected with the securities market and financial instruments as well as with management over Portfolio.

Besides, governmental and municipal bodies may also change rules of law, adopt legislative instruments, change or cancel previously concluded Agreements, withdraw licenses and permits, conduct extraordinary tax inspections, administrative inquiries and carry out legal prosecution. This may involve the Client and the Company in losses as a result of payment of penalties and fines, additional judicial, legal and other expenses.

Tax laws of a number of jurisdictions are subject to frequent changes, and some of legislative instruments connected with current taxes are comparatively new. Therefore, the application of these legislative instruments and instructions may often be not clear. Differences in opinions regarding legal interpretation of the procedure for calculation and payment of taxes and dues among governmental bodies may create substantial difficulties when fulfilling requirements of the tax legislation.

In a number of cases legal risks also include lack of complete and established regulation of capital markets and lack of compensating schemes for investors or their limited nature. Therefore, there is a significant lack of legal clarity concerning the nature and scope of the rights of investors and their opportunity to exercise their rights.

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4. FINANCIAL INSTRUMENTS AND RELATED RISKS

4.1 Stocks and Shares

Stocks/Shares: represent ownership in the share capital of a company. Investors are exposed to all major risks and in particular to market risk. It mustbe emphasized that there are no guarantees when it comes to individual stocks. Some companies pay out dividends, but many others do not. Without dividends, an investor can make profit on a stock only through its price appreciation in the open market. On the downside, in case of the company's insolvency, the investor may lose the entire value of his investment.

4.2 Warrants

Warrants: companies will often include warrants as part of a new issue offeringto entice investors into buying the new security, usually at a discount. A warrantis like an option. It gives the holder the right but not the obligation to buy an underlying security at a certain price, quantity before expiration. The Warrant is invariably limited in time, with the consequence that if the investor does notexercise or sell the Warrant within the pre-determined timescale, the Warrant expires with no value. Warrants do not pay dividends nor have voting rights.
An investor can leverage their position in a security, using warrants, as well ashedge against downside.
A relatively small fluctuation in the price of the underlying security may lead to a disproportionately larger fluctuation, favourable or unfavourable, to the price of the Warrant. The price of Warrants can therefore be very volatile. Before the purchase of a Warrant, the investor must be aware that there is a risk of losing the whole amount of his investment as well as any commissions and costs incurred. Warrants are subject to all of the major risks mentioned.

4.3 Rights

Rights: a security giving stockholders entitlement (but not the obligation) to purchase new shares issued by the corporation at a predetermined price (normally at a discount) in proportion to the number of shares already owned.Rights are issued only for a short period of time, after which they expire. If theRight is exercised, its holder is required to pay to the issuer the exercise price.The exercise of the Right will give its holder all the rights and risks of ownershipof the underlying security. Rights can be left to expire or even sold.

4.4 Fixed Income securities /Bonds

Fixed Income Securities/Bonds: are debt securities that provide a return in the form of fixed or variable periodic payments and the return of principal at maturity. Bonds can be issued either by governments (government bonds) or companies (corporate bonds). In this sense, Bonds represent a form of government or corporate borrowing. The credit risk of governments, financialorganizations, corporations and generally of any Bond issuer may be rated byCredit Rating Agencies. The result of these ratings constitutes a valuable guidefor investors in Bonds. Bond issues of lower credit ratings tend to offer highercoupons to compensate the investors for the higher risk they assume. Some Bonds trade on recognized stock exchanges while many trade outside regulated markets (OTC). Liquidity usually differs between various types of Bonds.

4.5 Convertible Bonds

Convertible Bonds: give the holder the option to exchange the bond for a predetermined number of shares in the issuing company. When first issued, they act just like regular corporate bonds with a slightly lower interest rate, compared to what a fixed bond could pay and can be converted to shares.

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