



CLIENT CATEGORIZATION POLICY AND PROCEDURE

**APPENDIX 18 TO THE AGREEMENT FOR THE PROVISION OF INVESTMENT AND
ANCILLARY SERVICES**

**APPENDIX 8 TO THE AGREEMENT FOR THE PROVISION OF DISCRETIONARY
PORTFOLIO MANAGEMENT SERVICES**

VERSION CONTROL

No	Revision Date	Revision Description	Author	Approved By	Distribution Date
1.0	11.12.2018	Creation	AMLCO	Board of Directors	19.12.2018
2.0	30.08.2021	Policy update	AMLCO	Board of Directors	30.08.2021
3.0	24.07.2025	Policy update	Regulatory Compliance Officer	Board of Directors	25.07.2025



I. Introduction and Scope

- 1.1 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 (the “MiFID II”), and in accordance with the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017 – the “Law”) in Cyprus, SKANESTAS INVESTMENTS LIMITED (the “Company”) is required to classify its Clients into one of the following categories: Retail, Professional or Eligible Counterparty. This classification determines the level of investor protection and the regulatory obligations applicable when providing investment services and activities to Clients.
- 1.2 The purpose of this Client Categorisation Policy (the “Policy”) is to inform Clients in a durable medium about the Company’s procedures for classifying Clients, set out the level of investor protection rights arising from such classification, and explain the rights of Clients to request re-classification to a different Client category under certain cases.
- 1.3 This Policy sets out the criteria and procedures by which the Company classifies its Clients in accordance with the requirements of MiFID II and the Law.

II. Definitions

“**Eligible counterparty**” means a client who falls within one of the categories defined as Eligible Counterparties under Article 30 of MiFID II and Section 31 of the Law.

“**Professional client**” means a client who meets the criteria set out in the Second Appendix of the Law – including clients possessing the expertise, experience and knowledge to make their own investment decisions and properly assess the risks involved.

“**Retail client**” means a client who is not a professional client.

III. Categories of Classification

- 3.1. Pursuant to applicable law, upon entering into an investment services agreement, the Company shall determine the appropriate classification of the Client in respect to the services and financial instruments to be offered. Client categorisation is performed in accordance with the criteria established by MiFID II and the Law, taking into account the nature of the investment services requested, the types of financial instruments involved, and the information provided by the Client.
- 3.2. The applicable legal framework recognizes that investors possess varying levels of knowledge, experience and competence in the investment field relevant to the specific type of product or services offered or requested and are classified in three categories: Retail Client, Professional Client and Eligible Counterparty. Retail Clients benefit from the highest level of regulatory protection under MiFID II. By contrast, Professional Clients and Eligible Counterparties are deemed to have the expertise and experience to make informed investment decisions and are therefore afforded to lower level of regulatory protection. Further details regarding the differences in protections applicable to each client category are provided in the **Client Protection Memo** (Annex 3 to this Client Categorisation Policy and Procedure).
- 3.3. If a Client has previously been categorised as a Professional Client based on criteria and procedures substantially similar to those set out in this Policy, such categorisation shall remain valid and effective. The implementation of MiFID II does not affect the Client’s existing classification, provided the original basis for classification remains accurate and up to date.



A. Retail Clients

Retail Clients are clients who do not meet the criteria to be classified as either Professional Clients or Eligible Counterparties. Retail Clients are afforded the highest level of regulatory protection under MiFID II and the Law, including more detailed disclosures, suitability and appropriateness assessments, and enhanced conduct of business obligations by the Company.

In accordance with the Company's internal procedures, particularly, the Client Trade Orders Handling Procedure and the Product Governance Policy, Retail Clients are permitted to transact in non-complex financial instruments such as: Shares, Exchange-Traded Funds (ETFs), Bonds, Money Market Instruments, and any other non-complex products. Retail Clients are not allowed to transact in complex financial instruments or enter into title transfer collateral arrangements, in line with the applicable product governance and investor protection frameworks.

B. Professional Clients

Professional Clients are clients who are considered to possess the experience, knowledge and expertise to make their own investment decisions, as well as to properly assess the risks that they will incur.

Professional Clients may be divided into two types in accordance with Part I and Part II of the Second Appendix of the Law:

- Professional Client Per Se – Part I.
- Elective Professional Client – Part II.

The following are regarded as **Professional Clients Per Se**:

- (a) Entities that are required to be authorised or regulated to operate in the financial markets, including all authorised entities carrying out the characteristic activities of the entities mentioned below. These include:

- Entities authorised by a member state of the European Union under EU legislation;
- Entities authorized or regulated by a Member State of the European Union without reference to EU legislation;
- Entities authorized or regulated by a third country.

Including:

- Credit institutions;
- Investment firms;
- Other authorised or regulated financial institutions;
- Insurance companies;
- Collective investment schemes and management companies of such schemes;
- Pension funds and management companies of such funds;
- Commodity and commodity derivatives dealers;
- Locals;
- Other institutional investors.

- (b) Large undertakings meeting two of the following size requirements, on a company basis:

- Balance sheet total: €20.000.000
- Net turnover: €40.000.000
- Own funds: €2.000.000



- (c) National and regional governments, public agencies managing public debt, central banks, international and multinational organisations such as the World Bank, the International Monetary Fund, the European Central Bank, the European Investment Bank and other similar international organisations.
- (d) Other institutional investors, whose main activity is investing in Financial Instruments, including companies, which deal exclusively with securitising assets or other financing transactions.

Clients falling within any of the above categories shall be classified by the Company as Professional Clients, based on the information available to the Company, and will be treated as such unless otherwise agreed between the Company and the Client. **These Clients are entitled to request to be treated as Retail Clients**, and the Company may accept such request to provide a higher degree of protection. The request to be treated as Retail Client may be submitted in any format.

It is the responsibility of the Client classified as a Professional Client to request for a higher level of protection when it deems it is unable to properly assess or manage the risks involved.

In accordance with the Law, this higher level of protection shall be provided when a Client who is considered to be a Professional enters into a written agreement with the Company stating that it shall not be treated as a Professional Client for the purposes of the applicable conduct of business regime. Such agreement shall specify whether the reclassification applies to one or more particular services or transactions, or to one or more types of product or transaction.

Elective Professional Clients:

Clients other than those mentioned in points a), b), c) and d) – including public sector bodies, local public authorities, municipalities and private individual investors – may also be allowed to waive some of the protections afforded under the standard conduct of business rules. However, these clients shall not be presumed to possess market knowledge and experience comparable to that of the categories listed in points a), b), c) and d) above.

Any such waiver of the protection afforded by the standard conduct of business regime shall be considered to be valid only if an adequate assessment of the expertise, experience and knowledge of the client, undertaken by the Company, gives reasonable assurance, in light of the nature of the transactions or services envisaged, that the Client is capable of making investment decisions and understanding the risks involved.

The following clients may be regarded as **Elective Professional Clients**, subject to the successful completion of the required assessment.

As a minimum, two of the following criteria shall be satisfied:

- the client has carried out transactions, in significant size, on the relevant market at an average frequency of 10 per quarter over the previous four quarters;
- the size of the client's financial instrument portfolio, defined as including cash deposits and financial instruments exceeds EUR 500 000;
- the client works or has worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions or services envisaged.

Where a Retail Client wishes to be treated as a Professional Client, the Client shall submit a **Request to be treated as a Professional Client** using the prescribed form set out in **Annex 1** of this Client Categorisation Policy and Procedure. Prior to categorisation, the Company shall review the request and conduct the required assessment of the Client's expertise, experience and knowledge.



Upon completion of the assessment, and where the Client satisfies the relevant criteria, the Company shall provide the following documents to the Client:

- A Reply to the Request – Annex 2.
- A Notice of Categorisation as a Professional Client under MiFID II – Annex 4.

All of the above documents are included as annexes to this Client Categorisation Policy and Procedure.

Once the Client has acknowledged and understood the implications of waiving certain protections afforded to Retail Clients under the Law, by completing and returning the acknowledgment form set out in Annex 5, the Company may proceed to categorise the Client as an Elective Professional Client, provided all applicable criteria and conditions are satisfied.

During the process of changing the Client's categorization from Retail Client to Professional Client, the Company shall require the Client to complete all applicable questionnaires that are necessary at the time of the change.

Any clients not falling within the categories of Professional Clients, whether Per Se or Elective, shall by default be classified as Retail Clients.

Professional Clients are responsible for informing the Company of any changes that may affect their current categorisation. Should the Company become aware that the Client no longer meets the conditions under which they were classified as a Professional Client, the Company shall take appropriate action in accordance with applicable regulatory requirements.

C. Eligible Counterparties

A Client may be classified as an **Eligible Counterparty** only when the Company provides the investment services of the reception and transmission of client orders, the execution of orders on behalf of clients, or deal on own account, or any ancillary services directly related to such transactions. In such cases, and in accordance with the provisions of the Law, the Company is not required to comply with the following conduct of business obligations:

- (a) The obligation to comply with certain investor protection requirements; however, the Company shall still provide appropriate information to the Client;
- (b) The obligation to assess the suitability or appropriateness of the product or service before provision; however, the Company shall provide adequate reports on the services provided;
- (c) The obligation to take all sufficient steps to obtain the best possible result when executing client orders;
- (d) The obligation to have in place procedures ensuring the prompt, fair and expeditious execution of client orders relative to other client orders or the Company's own trading interests.

Eligible Counterparties include the following entities – Eligible Counterparties Per Se:

- Investment Firms;
- Credit Institutions;
- Insurance Undertakings;
- UCITS and their management companies;
- Pension Funds and their management companies;
- Other financial Institutions authorized by a member state or regulated under community legislation or the national law of a member state;
- National governments and their corresponding offices including public bodies that deal with public



debt;

- Central Banks;
- Supranational Organizations.

In addition, the Company may treat as an Eligible Counterparty any undertaking, that is considered as a Professional Client in accordance with the criteria outlined in this Policy and as permitted under the applicable provisions of the Law (Eligible Counterparty Elective). Such categorisation is subject to the express consent of the Client, which must be obtained in writing using the prescribed form provided in Annex 6 of this Client Categorisation Policy and Procedure.

The Company shall ensure that information regarding the Client's categorisation is kept up to date and reviewed as part of every "Know Your Client" or client due diligence procedure conducted under applicable legal and regulatory requirements.

IV. Differences in Client Protection

4.1. The level of protection and the regulatory treatment afforded to Clients varies according to their categorisation. The main areas impacted by client classification include:

- (a) The type and detail of information communicated to the Client;
- (b) The assessment of appropriateness and/or suitability of the investment services/financial instruments provided to the Client;
- (c) The content and frequency of reports provided to the Client regarding the investment services/financial instruments offered;
- (d) The manner and standards applied when executing Client orders, particularly in relation to achieving best execution.

Retail Clients benefit from the highest level of protection and information disclosure, compared to Professional Clients and Eligible Counterparties.

4.2. The additional protections and information applicable to Retail Clients include the following:

(i) Enhanced Information Disclosure

Retail Clients receive more comprehensive information regarding the services and financial instruments offered, including detailed information on costs, commissions, fees, charges and the safekeeping of financial instruments and funds.

(ii) Appropriateness Assessment

The Company is required to obtain information from Retail Clients regarding their investment knowledge and experience relevant to the specific type of product or service offered or demanded. This information is used to assess whether the product or service is appropriate for the Client. If, based on this assessment, the product or service is deemed not appropriate, the Company will take appropriate action, which currently involves rejection of the provision of the service. However, this procedure may be updated in the future, for example, to include the provision of a formal warning to the Client.

Note: In certain cases, specified under applicable laws, the Company may not be required to conduct an appropriateness assessment.

By contrast, when dealing with a Professional Client, the Company is entitled – under applicable law – to assume that the Client possesses the necessary level of experience and knowledge to understand the risks involved in the product or service provided.



(iii) Best Execution Obligations:

When executing trade orders on behalf of Clients, the Company must take all reasonable steps to achieve the best possible result for the Client – Best Execution (please refer to the information on Order Execution Policy applied by the Company).

As a general principle, when executing orders on behalf of a Retail Client, the best possible result is determined primarily by reference to the total consideration – meaning the price of the financial instrument and all the costs related to the execution, including expenses directly incurred by the Client in relation to the execution of the order.

When executing orders for Professional Clients, the Company is not legally required to prioritise Total Consideration as the overriding execution factor. Depending on the circumstances, other factors may take precedence to achieve the best possible result. Nonetheless, Total Consideration is generally regarded as an important execution factor for all Clients.

While the Company will always act in accordance with its Order Execution Policy, it cannot guarantee that every order will be executed at the best possible price available in the market at all times, due to prevailing market conditions and liquidity constraints.

Furthermore, the Company is required to inform Retail Clients of any material difficulties encountered in the proper execution of their orders promptly upon becoming aware of such difficulty.

(iv) Investor Compensation Fund Coverage:

Retail Clients may be eligible for compensation under the Investor Compensation Fund (ICF), subject to the applicable terms and conditions. Professional Clients and Eligible Counterparties may not be entitled to ICF compensation.

V. NOTE ON RESULTS OF BEING CATEGORISED AS ELIGIBLE COUNTERPARTY

- 5.1.** When the Company classifies a Client as an Eligible Counterparty, the Company's obligations regarding the information provision on the nature and risks of financial instruments, transaction reporting, assessment of appropriateness, best execution, transmission or placement of orders with other entities for execution, and inducements, shall not apply to that Client in respect of the investment services of reception and transmission of orders, execution of orders on behalf of clients, dealing on own account and/or any ancillary services directly related to such transactions.
- 5.2.** For all other obligations, the Company shall apply them to Eligible Counterparties only to the extent required by applicable law. Generally, with respect to business activities other than reception and transmission of orders, execution of orders on behalf of a client, dealing on own account and /or any ancillary service directly related to such transactions, an Eligible Counterparty will receive the same treatment as a Professional Client, unless the Eligible Counterparty requests reclassification and treatment as a Retail Client and the Company agrees to such request. The request to be treated as Retail Client may be made by the Eligible Counterparty in any format. Acceptance of such request is at the Company's sole discretion. In its relationship with Eligible Counterparties, the Company will act honestly, fairly and professionally and will communicate in a manner that is fair, clear and not misleading, taking into account the nature of the Eligible Counterparty and its business.

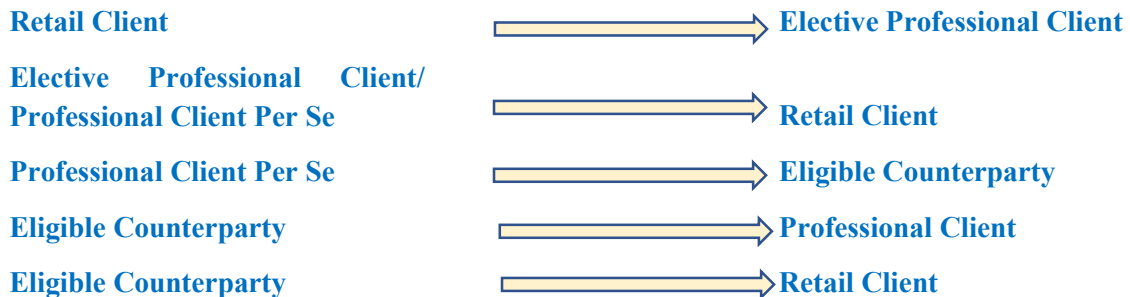
VI. RECLASSIFICATION

- 6.1.** As stated above, a Client is entitled to request a different categorisation, i.e. a Reclassification at any time. The Company reserves the right to decline such requests or to accept them only if all applicable



regulatory requirements are met. Reclassification may also be initiated by the Company, but only to provide the Client with a higher level of protection.

6.2. The following client category changes are permitted under the Law:



All Reclassifications result in a change to the level of investor protection afforded to a client.

VII. RETAIL CLIENTS WHO MAY BE TREATED AS PROFESSIONAL CLIENTS ON REQUEST

7.1. The Company may treat any Retail Client as a Professional Client provided the relevant criteria and procedure mentioned below are prima facie satisfied. Any such request for waiver of the protections afforded by the standard conduct of business regime will be considered and maybe accepted by the Company only if an adequate assessment of the expertise, experience and knowledge of the Client, undertaken by Skanestas, provides reasonable assurance – taking into account the nature of the transactions or services envisaged – that the Client is capable of making investment decisions and understanding the risks involved. As part of this assessment, at least two (2) of the following criteria shall be satisfied:

- the Client has carried out transactions, in significant size, on the relevant market at an average frequency of ten (10) per quarter over the previous four (4) quarters;
- the size of the client's financial instrument portfolio, defined as including cash deposits and financial instruments exceeds EUR 500 000;
- the Client works or has worked in the financial sector for at least one (1) year in a professional position, which requires knowledge of the transactions or services envisaged.

Additionally, the Client must:

- state in writing to the Company that they wish to be treated as a Professional Client;
- confirm that they are aware of the consequences of losing the protections afforded as Retail Client.

7.2. Professional Client's right to Reclassification: A Client classified as a Professional Client has the right to request to be treated as a Retail Client to benefit from a higher level of protection, if they consider themselves unable to properly assess or manage the risks involved.

7.3. Professional Client Per Se to Eligible Counterparty: Only a Professional Client Per Se may request to be treated as an Eligible Counterparty. This Reclassification involves waiving the higher level of protection and information provided to Professional Clients in comparison to Eligible Counterparties.

7.4. Eligible counterparty to Professional Client or Retail Client: A Client classified as an Eligible Counterparty may request to be treated as either a Retail Client or a Professional Client to benefit from a higher degree of protection if they consider themselves unable to properly assess or manage the risks involved.



VIII. CLIENT INVESTOR PROFILE

- 8.1.** In addition to the client categorisation described above, it is essential for the Company to collect sufficient information to establish the Client's investor profile. In accordance with MiFID II and the Law, when providing investment services, the Company is required to obtain certain information from clients. Accordingly, prior to entering into an investment services agreement, Clients are requested to complete a questionnaire designed to assess their knowledge and experience in financial instruments, investment objectives, financial constraints, financial situation, and ability to bear losses.
- 8.2.** If an investor profile has already been established, the Company shall request that the Client review and update or confirm this information at appropriate intervals or when relevant changes occur. This ensures the Company continues to provide services in compliance with applicable regulatory requirements.
- 8.3.** During the onboarding process, the Front Office Department is responsible for carrying out the initial client categorisation in accordance with the criteria set out in this Policy. The resulting categorisation data is recorded in the Company's CRM system. Where a re-evaluation of the client's categorisation is required – including in cases where: a retail client requests to be treated as an Elective Professional Client, a client to be categorised as an Eligible Counterparty, or the client qualifies as a Professional Per Se client – the Compliance Function shall review the proposed categorisation to ensure it is consistent with applicable legal or regulatory requirements. Following this review, the Compliance function will confirm or, where appropriate, reject the classification.
- 8.4.** The data regarding the categorisation of the Client on the CRM is granted strictly for regulatory and operational purposes to the following departments: front office department, operations department, brokerage department, Cyprus Stock Exchange Trading member department, portfolio management department and dealing with own account department as well as Information technology department. In accordance with internal controls and regulatory requirements, certain financial instruments may be restricted from being offered to Retail Clients. These restrictions are reflected in the Company's internal systems ensuring that ineligible products are automatically blocked from Retail Client access.

IX. Record Keeping

The Company ensures that adequate records are maintained for each Client concerning the categorisation assigned to them. These records include sufficient information to support and justify the basis for such categorisation in line with the requirements of MiFID II and the Law.

X. Review of the Policy

This Policy shall be subject for review on at least an annual basis, or more frequently if required to reflect changes in applicable legislation or regulatory guidance. Any updates or amendments to the Policy will be subject to approval by the Board of Directors.

In addition to this Policy, the Company follows an internal procedure governing the categorisation and potential re-categorisation of clients, in accordance with applicable legal and regulatory requirements. This procedure includes assessment criteria, documentation requirements and internal controls and is applied consistently by the Company as part of its internal compliance framework.



Annex 1 to the Client Categorisation Policy and Procedure

To: **Skanestas Investments Limited**

Arch. Makariou III Ave. 226, Office No 1,
3030 Limassol, Cyprus

Date: _____

SUBJECT: REQUEST TO BE TREATED AS A PROFESSIONAL CLIENT

In accordance with the Investment Services, Activities and Regulated Markets Law, Law 87(I)/2017, and section 4 of the Terms and Conditions for the provision of investment and ancillary services of Skanestas Investments Limited (the “Company”), I hereby request to be treated as a Professional Client for the purposes of all current and future transactions and investment services to be provided by your Company.

For this purpose, I confirm that I meet the conditions for reclassification as a Professional Client, and specifically declare that:

- The person authorised to carry out transactions on my behalf –either myself or a duly authorised representative – has at least one (1) year of professional experience in the financial sector in a professional position requiring knowledge of the transactions or services envisaged.
- The size of my financial instrument portfolio, including also the deposits in cash and in financial instruments > 500.000 EUR.

I confirm that I have provided, or will promptly provide, all necessary documentation and evidence in support of the above declarations.

Furthermore, I confirm that the information provided to the Company in connection with this re-classification request is true, complete and accurate.

Please do not hesitate to contact me should you require any additional information.

Kind regards,

(client name)
(authorised person)
(position)



Annex 2 to the Client Categorisation Policy and Procedure

To: (client name)

(address)

Date: _____

Dear Sirs,

RE: REQUEST TO BE TREATED AS A PROFESSIONAL CLIENT

We refer to your request, dated __/__/__ to be treated as a Professional Client. Following our assessment, we confirm that we have obtained reasonable assurance that you possess the necessary expertise, experience, and knowledge to understand the risks associated with the investment services and/or products to be provided by the Company, and that you are capable of making informed investment decisions. Therefore, you will be categorised and treated as a Professional Client for all investment and ancillary services provided by the Company.

Please find enclosed the following documents:

- Annex 4 – Notice of Categorisation as a Professional Client.
- Annex 3 – Client Protection Memo, which outlines inter alia the regulatory protections and rights applicable to Professional Clients compared to Retail Clients.

We kindly remind you that Professional Clients do not benefit from the full level of investor protection and compensation rights available to Retail Clients under applicable legislation.

You are also responsible for notifying us promptly of any changes in your circumstances that may affect your categorisation.

Should you have any questions or require further clarifications, please do not hesitate to contact us.

Kind regards,

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Executive Director
SKANESTAS INVESTMENTS LIMITED



Annex 3 to the Client Categorisation Policy and Procedure

Client Protection Memo

Retail Clients / Professional Clients / Eligible Counterparties

Where Skanestas Investments Limited (further – the “**Company**”) treats a client as a Retail Client, that client is entitled to higher level of protection under applicable law than a Professional Client. In summary, the additional protections Retail Clients are entitled to, are as follows:

- a) Retail clients receive more **detailed information and disclosures** regarding the Company, its services, the offered investments, costs, commissions, fees and charges and information on the safeguarding of client financial instruments and client funds.
- b) Under the law, where an investment firm provides investment services other than investment advice (in the form of personal recommendations) or discretionary portfolio management, the company must request information from retail clients about their knowledge and experience in the investment field relevant to the specific type of product or service offered or demanded. This enables the company to assess whether the investment service or product envisaged is **appropriate** for the client. In case the Company considers, on the basis of the information received, that the product or service is not appropriate to a retail client, it shall warn the client accordingly. Please note that the Company is not required to assess appropriateness in certain cases specified by law.

For professional clients, the Company is entitled to assume that a professional client has the necessary experience and knowledge in order to understand the risks involved in relation to those particular investment services or transactions, or types of transactions or products, for which the client is classified as a professional client.

Consequently, unlike with retail clients, the Company generally does not need to obtain additional information from professional clients to assess appropriateness for those products and services for which they have been classified as a professional client.

- c) When executing client orders, the Company must take all reasonable steps to achieve “**best execution**”, meaning obtaining the best possible result for its clients.

For retail clients, the best possible result is primarily based on total consideration, which includes the price of the financial instrument and the costs related to execution (*including all expenses incurred by the client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order*).

For professional clients, best execution does not require the Company to prioritise the overall costs of the transaction as being the most important factor in achieving best execution for them.

- d) The Company must obtain from clients such information as is necessary for it to understand the essential facts about the client and to have a reasonable basis for believing, with due consideration to the nature and extent of the service provided, that each specific transaction entered into during the provision of portfolio management services, satisfies the following criteria – **suitability assessment**:

- it meets the investment objectives of the client in question;
- it is such that the client is able financially to bear any related investment risks consistent with



his/her investment objectives;

- it is such that the client has the necessary experience and knowledge in order to understand the risks involved in the transaction or in the management of his/her portfolio.

Where the Company provides an investment service to a professional client it shall be entitled to assume that, in relation to the products, transactions and services for which it is so classified, the client has the necessary level of experience and knowledge as described above. Additionally, under certain circumstances, the Company may assume that the professional client is financially able to bear any investment risks consistent with its investment objectives.

- e) The Company must inform retail clients of material difficulties relevant to the proper carrying out of their order(s) promptly upon becoming aware of the difficulty.
- f) The Company is required to provide retail clients:
 - with more detailed information than professional clients regarding the execution of orders, other than for portfolio management;
 - with periodic statements on portfolio management activities carried out on their behalf, delivered more frequently and in greater detail than those provided for professional clients.
- g) Where the Company provides portfolio management transactions for retail clients or operates retail client accounts that include uncovered open positions in contingent liability transactions, the Company shall report to the Retail Client any losses exceeding any predetermined threshold, agreed between the Company and the client, no later than the end of the business day in which the threshold is exceeded or, in a case where the threshold is exceeded on a non-business day, the close of the next business day.
- h) The Company must enter into a written basic agreement with the client, setting out the essential rights and obligations of the firm and the client, before providing investment services to Retail or Professional Clients. This requirement does not apply to Eligible Counterparties, except where specifically required by applicable law.
- i) The Company shall not use financial instruments held on behalf of a client for its own account or for the account of another client of the Company, without the client's prior express consent to the use of the instruments on specified terms, as evidenced, in the case of a retail client, by his signature or equivalent alternative mechanism.
- j) Retail clients may be entitled to compensation under the Investor Compensation Fund for Clients of Investment Firms, subject to the terms set out in the applicable compensation scheme.

Eligible Counterparties

Where the Company treats a client as an Eligible Counterparty, the client will be entitled to a lower level of regulatory protection than that provided to Retail or Professional Clients, in accordance with the law. In particular, and in addition to the above, the Company is not required to comply with certain conduct of business obligations, including:

- a) The obligation to provide detailed information on the Company and its services.
- b) Requirements relating to the handling of client orders (e.g., order execution policies).



- c) The obligation to achieve best execution when executing client orders.
- d) The Company is not required to assess the appropriateness of a product or service that the Company provide to the client.

These exemptions apply only when the Company engages with the client in the context of the following investment services: reception and transmission of orders, execution of orders on behalf of clients, or dealing on own account.

The above information is based on the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments as well as the Investment Services and Activities and Regulated Markets Law (L. 87(I)/2017). For more detailed information you can visit the Cyprus Securities and Exchange Commission website at <http://www.cysec.gov.cy>.

For any further information regarding your client categorisation or rights, please contact us at: info@skanestas.com.



Annex 4 to the Client Categorisation Policy and Procedure

To: (client name)
(address)

NOTICE OF CATEGORIZATION AS A PROFESSIONAL CLIENT

UNDER THE DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 15 MAY 2014 ON MARKETS IN FINANCIAL INSTRUMENTS (the “MiFID II”)

Pursuant to MiFID II, Skanestas Investments Limited (the “Company”) is required to categorise its clients into one of the following categories: Retail Clients, Professional Clients, or Eligible Counterparties. This categorisation allows the Company to provide services and disclosures in line with the level of protection associated to your classification.

A **Professional Client** is a client who possesses the experience, knowledge and expertise to make their own investment decisions and to properly assess the risks involved.

You are hereby notified that, based on the information provided to us, and in accordance with the criteria set out under MiFID II, we will treat you as a Professional Client for all MiFID-related services and transactions conducted with us. This categorisation shall apply to all MiFID investment services, activities and financial instruments provided to you by the Company.

You have an ongoing responsibility to inform the Company without delay if you believe you have been incorrectly categorised or if any changes in your circumstances may affect your eligibility as a Professional Client. Furthermore, you are entitled to request a higher level of protection, if you consider that you are unable to adequately assess or manage the risks associated with your investments.

You may request to be treated as a Retail Client either generally or in respect to a particular service, type of product, or transaction, should you wish to in order to benefit from a higher level of regulatory protection.

By signing this notice and returning it to us, you consent to our Conflicts of Interest Policy, Best Execution Policy, the Client Categorisation Policy and Procedure and this Categorisation Notice. You also acknowledge that you have familiarized yourself with our Client Protection Memo (incorporated as Annex 3 in the Client Categorisation Policy and Procedure), and understand the differences in protection levels under different client categories.

By signing this notice, you also expressly consent to the following:

- The Company may execute your orders for financial instruments admitted to trading on a regulated market or Multilateral Trading Facility (MTF), including orders outside such regulated market or MTFs;
- The Company may communicate with you via email or through our website www.skanestas.com for the purposes of ongoing correspondence and transaction-related matters;
- The Company is not required to make public any client limit orders in respect of shares admitted to trading on an EEA regulated market, which are not immediately executed under prevailing market conditions up to a normal market size.

In this regard, we kindly ask you to sign and return this Notice to confirm your categorisation and acceptance of the above.



Should you have any questions, please do not hesitate to contact us by e-mail: info@skanestas.com or by telephone: (+357) 25 212 293.

Yours sincerely,

.....
Executive Director
SKANESTAS INVESTMENTS LIMITED

(name, position)

Date



Annex 5 to the Client Categorisation Policy and Procedure

To: **Skanestas Investments Limited**

Arch. Makariou III Ave. 226, Office No 1,
3030 Limassol, Cyprus

Date: _____

RE: REQUEST TO BE TREATED AS A PROFESSIONAL CLIENT

In reply to your letter dated __/__/____, I/we hereby acknowledge and appreciate the Company's decision to accept my/our request to be treated as a Professional Client pursuant to MiFID II, and the applicable provisions of the Client Categorisation Policy and Procedure.

I/we confirm that I/we fully understand and accept the implications and consequences of waiving certain protections afforded to Retail Clients, including, but not limited to, those outlined in the Client Protection Memo, which forms an integral part of the Company's Client Categorisation Policy.

Should you require any further information or documentation, please do not hesitate to contact me/us.

Kind regards,

(Client name)
(authorised person)
(position)



Annex 6 to the Client Categorisation Policy and Procedure

To: (client name)
(address)

NOTICE OF CATEGORIZATION AS ELIGIBLE COUNTERPARTY UNDER THE DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 15 MAY 2014 ON MARKETS IN FINANCIAL INSTRUMENTS (the “MiFID II”)

Pursuant to MiFID II, Skanestas Investments Limited (the “Company”) is required to categorise its clients into one of the following categories: Retail Clients, Professional Clients, or Eligible Counterparties. This categorisation allows the Company to provide services and disclosures in line with the level of protection associated to your classification.

Eligible Counterparty

An Eligible Counterparty is a client who is deemed to possess the necessary experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs.

This Notice is to inform you that, based on the information available to us, we will treat you as an Eligible Counterparty under MiFID II for the provision of services related to the execution of transactions linked to the covered services under MiFID II, including the reception and transmission of orders, execution of orders on behalf of clients and dealing on own account.

You may request to be treated as a Retail Client or Professional Client at any time should you wish to benefit from a higher level of regulatory protection.

You have a continuing obligation to inform the Company if:

- you believe you have been incorrectly categorised;
- there is any change in your circumstances that may affect your eligibility as an Eligible Counterparty.

By signing this notice and returning it to us, you consent to our Conflicts of Interest Policy, Best Execution Policy, the Client Categorisation Policy and Procedure and this Categorisation Notice. You also acknowledge that you have familiarized yourself with our Client Protection Memo (incorporated as Annex 3 in the Client Categorisation Policy and Procedure), and understand the differences in protection levels under different client categories.

By signing this notice, you also expressly consent to the following:

- The Company may execute your orders for financial instruments admitted to trading on a regulated market or Multilateral Trading Facility (MTF), including orders outside such regulated market or MTFs;
- The Company may communicate with you via email or through our website www.skanestas.com for the purposes of ongoing correspondence and transaction-related matters;
- The Company is not required to make public any client limit orders in respect of shares admitted to trading on an EEA regulated market, which are not immediately executed under prevailing market conditions up to a normal market size.

In this regard, we kindly ask you to sign and return this Notice to confirm your categorisation and acceptance



of the above.

Should you have any questions, please do not hesitate to contact us by e-mail:
info@skanestas.com or by telephone: (+357) 25 212 293.

Yours sincerely,

.....
Executive Director
SKANESTAS INVESTMENTS LIMITED

(name, position)
Date



Annex 7 to the Client Categorisation Policy and Procedure

To: **Skanestas Investments Limited**

Arch. Makariou III Ave. 226, Office No 1,
3030 Limassol, Cyprus

Date:

CONSENT OF CATEGORIZATION AS AN ELIGIBLE COUNTERPARTY UNDER THE MIFID II

We,

(Client name and address), **hereby confirm our intention and give our explicit consent to be categorized as an Eligible Counterparty** in accordance with applicable legal and regulatory framework.

We acknowledge and confirm that we possess the necessary experience, knowledge and expertise to make our own investment decisions and to properly assess the risks involved. Accordingly, we expressly consent to be treated as an Eligible Counterparty for all investment services and transactions provided by the Company and permitted under the applicable law.

We further confirm that:

- We understand the implications of this categorisation, including the reduced level of regulatory protections compared to Professional or Retail Clients.
- We accept our responsibility to request a higher level of protection and seek re-categorisation as a Professional or Retail Client at any time, should we consider it necessary.

(name, position)

Date