Ex-Ante Costs & Charges Disclosure
(KO Options Trading)

I. Introduction

Capital Com Group Ltd (the "**Company**", "**we**", "**Capital Com**") is a Cypriot Investment Firm (the "**CIF**") regulated by the Cyprus Securities and Exchange Commission (the "**CySEC**") for the provision of investment and ancillary services under the licence number 463/25 and registered in the Republic of Cyprus. Our business and registered address is at 66 Christaki Kranou, 7th Floor, City Tower, 4042, Germasogeia, Limassol, Cyprus.

II. Purpose of the Ex-Ante Costs & Charges Disclosure ("Disclosure")

This Disclosure provides information on the estimated costs and charges associated with trading Knock-Out Options (the "**KO Options**").

It is provided to you prior to the execution of a transaction (ex-ante) in accordance with applicable regulatory requirements. This Disclosure is reviewed and updated on an annual basis or when a material change occurs. The purpose of this disclosure is to:

- Inform you of the types of costs and charges that may apply;
- Identify who receives those costs — the Company or third parties;
- Explain how those costs are calculated;
- Set out when they are charged;
- Present aggregated cost illustrations in monetary and percentage terms;
- Demonstrate how costs may impact your investment return.

This Disclosure applies to KO Options transactions only and does not cover cash equity transactions.

The figures presented are estimates based on reasonable assumptions and standard transaction scenarios. The key assumptions underlying the cost illustrations are: a notional transaction value of USD 10,000, a one-day holding period, and no FX conversion unless the FX scenario is specified. Full calculation methodology is set out in Annex 2. Actual costs may differ depending on transaction size, jurisdiction, currency, holding period, and market conditions.

III. Legal Framework

The Company is subject to the requirements of MiFID II and its implementing measures, as transposed into Cypriot law by the Investment Services and Activities and Regulated Markets Law of 2017, as amended from time to time (the "**Law 87(I)/2017**"). The obligation to provide clients with pre-contractual costs and charges information arises under Article 24(4) of MiFID II, which requires investment firms to provide clients, in good time before the provision of investment services, with information on all costs and associated charges relating to both the investment service and the financial instrument. This obligation applies to retail and professional clients.

The detailed methodology and content requirements for costs and charges disclosure are set out in Articles 50 and 51 of Commission Delegated Regulation (EU) 2017/565 (the "**Delegated Regulation**"). Article 50 of the Delegated Regulation specifies the categories of cost that must be disclosed, including one-off and ongoing charges, transaction costs, and incidental costs such as foreign exchange conversion charges. Article 51 of the Delegated Regulation prescribes the format requirements, including the obligation to aggregate total costs as both a monetary amount and a percentage, and to illustrate the cumulative effect of costs on investment returns over time.

This disclosure is provided in accordance with these requirements prior to the execution of any transaction in KO Options through the Company's trading platform. It does not constitute investment advice.

IV. Nature and categories of costs and charges

When you trade KO Options with Capital Com, costs may arise from different sources. For the purposes of Article 50 of Delegated Regulation (EU) 2017/565, these costs are grouped into the following categories:

- **Instrument Costs:**
  - Spread (difference between buy and sell price)
  - Overnight adjustment (if position is held overnight)
  - KO Commission (refundable if KO level not triggered)

- **Service Costs:**
  - FX conversion (0.7% for retail clients when account currency differs)
  - Administrative funding (admin fee) component embedded within overnight adjustments, reflecting the Company's operational and funding costs associated with maintaining leveraged positions overnight

The calculation methodology for these cost components is further detailed in **Annex 2** – Technical Calculation Formulas.

For certain positions in KO Options, a daily premium adjustment (the "**DPA**") may apply. The DPA reflects valuation adjustments associated with the rolling of underlying commodity contracts across different maturities and may result in either a debit or a credit to the client account depending on the position held. The DPA is intended to maintain pricing continuity and does not constitute a separate fee or commission charged by the Company.

V. How costs affect your investment

Costs reduce your overall return at entry and exit. They may reduce:

- the amount initially invested (entry costs);
- the amount received upon closure of the position (exit costs);
- the overall performance over time.

Costs are shown in monetary terms and as a percentage relative to the investment value. They apply regardless of whether your investment increases or decreases in value. The cumulative effect of costs over time is illustrated in the aggregated cost scenarios in Section VII of this Disclosure.

Further details on the calculation of individual cost components are available in **Annex 2**.

VI. Costs and charges

1. Aggregated Cost Tables – KO Options

KO Call – Base Scenario (No FX)

The examples above assume that the knock-out level is triggered and the KO Commission therefore becomes payable. If the knock-out level is not triggered, the KO Commission is refunded to the client.

Category	Nature	Amount (USD)	% of Notional
Spread	Instrument	0.42	0.0042%
KO Commission	Instrument	2.00	0.0200%
Overnight adjustment	Instrument	2.34	0.0234%
Service costs	Service	0.00	0.0000%

Category	Nature	Amount (USD)	% of Notional
TOTAL		4.76	0.0476% (~0.05%)

KO Put – Base Scenario (No FX)

The example above assumes that the knock-out level is triggered and the KO Commission therefore becomes payable. If the knock-out level is not triggered, the KO Commission is refunded to the client.

Category	Nature	Amount (USD)	% of Notional
Spread	Instrument	0.42	0.0042%
KO Commission	Instrument	2.00	0.0200%
Overnight adjustment (credit)	Instrument	-0.12	-0.0012%
Service costs	Service	0.00	0.0000%
TOTAL		2.30	0.0230%

KO Call – Scenario Including FX Conversion (0.7%)

The example above assumes that the knock-out level is triggered and the KO Commission therefore becomes payable. If the knock-out level is not triggered, the KO Commission is refunded to the client.

Category	Nature	Amount (USD)	% of Notional
Spread	Instrument	0.42	0.0042%
KO Commission	Instrument	2.00	0.0200%
Overnight adjustment	Instrument	2.34	0.0234%

Category	Nature	Amount (USD)	% of Notional
FX Conversion Fee	Service	70.00	0.7000%
TOTAL		74.76	0.7476% (~0.75%)

KO Put – Scenario Including FX Conversion (0.7%)

The examples above assume that the knock-out level is triggered and the KO Commission therefore becomes payable. If the knock-out level is not triggered, the KO Commission is refunded to the client.

Category	Nature	Amount (USD)	% of Notional
Spread	Instrument	0.42	0.0042%
KO Commission	Instrument	2.00	0.0200%
Overnight adjustment (credit)	Instrument	-0.12	-0.0012%
FX Conversion Fee	Service	70.00	0.7000%
TOTAL		72.30	0.7230% (~0.72%)

VII. Cumulative effect of costs

The illustrations below show the estimated impact of costs on your investment. The example assumes no market price movement (gross return = 0) in order to demonstrate that costs apply regardless of investment performance.

Scenario	Gross	Costs	Net	RiY
KO Options	0.00% (no market	4.76	-4.76	0.05%

Scenario	Gross	Costs	Net	RiY
	movement assumed)			

Holding Period Assumptions

The illustrative examples contained in this Disclosure assume a holding period of one (1) day and that the position is maintained beyond the daily market cut-off time, thereby triggering one day of overnight adjustment, where applicable.

If a position is opened and closed within the same trading session and is not held beyond the relevant rollover time, overnight adjustment charges will not apply.

The overnight adjustment amounts used in the examples are derived from the relevant Key Information Documents (the "**KIDs**") and reflect one day of financing based on the applicable benchmark rate (e.g., SOFR or SONIA) plus the Company's administrative margin, as described in the product documentation.
Actual overnight adjustment may vary depending on market conditions, benchmark rate movements, and the duration for which the position is held.

The general formula used to calculate the overnight adjustment is outlined in **Annex 2**.

VIII. Inducements (Article 24(9) MiFID II)

The Company does not accept or retain any fees, commissions, or monetary or non-monetary benefits from any third-party in relation to the execution of client orders in KO Options. There are no payment for order flow (PFOF) arrangements, volume-linked rebates, or inducement arrangements in place

that could conflict with the Company's obligation to act in the best interests of clients.

The Company may pay fixed (flat fee) or fixed Cost per Acquisition (CPA) compensation to third parties under partnership agreements. Such payments are not linked to trading volumes or revenues generated by clients. They do not constitute a direct cost to the client and are not included in the aggregated cost tables above.

Under such agreements, the Company may pay a fixed fee per new client referred by an affiliate who meets predefined conditions. These payments are not linked to the ongoing trading performance or revenues generated by clients.

The Company maintains organisational arrangements to ensure compliance with its obligation to act honestly, fairly, and professionally in accordance with the best interests of clients. Further information is available in the Company's Conflicts of Interest Policy, which is available on the Company's website.

The price of KO Options may include an implicit mark-up embedded in the pricing model. This is included in total costs and not a separate charge.

IX. Ex-post disclosure

The Ex-post Costs and Charges Disclosure will be provided annually within four months following the end of each calendar year via a durable medium (downloadable PDF within the platform). It will detail the actual costs and charges incurred over the reporting period.

X. Important information

The value of investments can go up as well as down. You may receive less than your original investment or lose the value of your entire initial investment. Past performance is not a reliable indicator of future results. Currency rate fluctuations can adversely affect the overall return on your investment.

This Disclosure is provided for informational and illustrative purposes only. The costs and charges presented are estimates based on assumptions and may not reflect each client's individual circumstances. Actual costs incurred may differ. This Disclosure does not constitute marketing material, investment advice, or a recommendation, and it is not suitable for tax, legal, or accounting purposes.

For the detailed mark-up structure, please refer to our Costs and Charges here.

Costs and Charges Disclosure (KO Options trading) Version 2 November 2026

Annex 1 - Definitions

"**CIF**" shall mean a Cyprus Investment Firm.

"**Client(s)**" or "**you**" shall mean the natural person or legal entity or the union of persons or group of assets devoid of legal personality who are clients of Capital Com.

"**Company**" or "**we**" or "**Capital Com**" shall mean Capital Com Group Ltd.

"**Cyprus Securities and Exchange Commission**" or the "**Commission**" or the "**CySEC**" shall mean the Cyprus Securities and Exchange Commission.

"**Delegated Regulation**" shall mean the Commission's Delegated Regulation (EU) 2017/565 supplementing MiFID II.

"**Daily Premium Adjustment**" or "**DPA**" shall mean a valuation adjustment applied to certain commodity-linked positions in KO Options to reflect pricing differences between successive maturities of the underlying commodity contracts. The DPA may result in either a debit or credit to the client account depending on the position held and does not constitute a separate fee or commission charged by the Company.

"**Key Information Document**" or "**KID**" means the pre-contractual information document prepared for each financial instrument in accordance with applicable regulation, setting out key characteristics including costs, risks, and performance scenarios.

"**Knock-out Options**" or "KO Options" shall mean derivative financial instrument with a value of a right to buy or sell an underlying asset unless the

underlying asset's price reaches the knock-out level and the knock-out event occurs.

"**Law 87(I)/2017**" and/or "**Law**" shall mean the Investment Services and Activities and Regulated Markets Law of 2017, as amended from time to time.

"MiFID II" or **"Markets in Financial Instruments Directive (2014/65/EU)"** shall mean 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.

"**Reduction in Yield**" or "**RiY**" means the annualised percentage reduction in investment return attributable to costs and charges, expressed in accordance with Article 51 of Commission Delegated Regulation (EU) 2017/565.

"**SONIA**" or "**Sterling Overnight Index Average**" shall mean the overnight interest rate based on unsecured transactions in the sterling market, as published by the Bank of England, which reflects the cost of borrowing overnight funds in British pounds (GBP).

"**SOFR**" or "**Secured Overnight Financing Rate**" shall mean the overnight interest rate based on transactions in the U.S. Treasury repurchase (repo) market, as published by the Federal Reserve Bank of New York, which reflects the cost of borrowing cash overnight collateralised by U.S. Treasury securities.

Annex 2 - Technical Calculation Formulas

The following formulas are provided for transparency purposes in accordance with Article 50 of Delegated Regulation (EU) 2017/565. They describe the general methodology used to calculate the main cost components.

1. **Spread (KO Options)**

   Spread Cost = (Ask Price – Bid Price) × Quantity

   For KO Options, the spread is embedded in the option premium and reflects the difference between the underlying bid and ask prices at execution.

2. **Overnight Adjustment – KO Options**

   Daily Overnight Adjustment = Current Underlying Price × Quantity × Overnight Rate

   Where Overnight Rate = (Benchmark Rate ± Administrative Margin).

3. **KO Commission**

   KO Commission = Opening Price × Quantity × KO Commission Percentage

   The KO Commission is charged at opening and refunded if the knock-out level is not triggered.

4. **FX Conversion Fee**

   FX Conversion Cost = Converted Amount × FX Mark-up Percentage

   For retail clients, the FX mark-up applied to the spot exchange rate is 0.7%.

   Different FX conversion arrangements may apply to professional clients or to other specific circumstances, as communicated separately where applicable.

   All-in FX Rate = Spot Rate × (1 ± FX Mark-up).

5. **Aggregated Total Cost (MiFID Article 50)**

   Total Aggregated Cost = Sum of Instrument Costs + Sum of Service Costs

   Percentage Impact = (Total Aggregated Cost / Notional Value) × 100

Actual costs may vary depending on market conditions, benchmark rate movements, currency fluctuations, holding period, and trading activity.