Grünfin AS disclosures based on the 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 regarding the financial year ending 31 December 2023, disclosed on 29th of April 2024.

Information regarding internal governance arrangements (EU 2019/2033 Art 48)

The number of directorships held by members of the management body in Grünfin AS is four (4) Management Board members and three (3) Supervisory Board members, whereas Chief Risk Manager function is performed by a member of the Management Board, which is appropriate and proportional considering the size and simple structure of Grünfin group structure.

Grünfin AS has a policy on diversity and remuneration in place with regard to the selection and remuneration of members of the management bodies and employees, the purpose of which is to ensure that our clients are treated fairly and that the company remunerates its managers and employees fairly and adequately, and also to avoid any unlawful discrimination (including on the basis of gender, political views, religion or beliefs). This policy is well enacted and enforced and there has currently (incl. during 2023) been no breaches of the policy.

Information regarding remuneration policy and practices (EU 2019/2033 Art 51)

The most important design characteristics of the remuneration system at Grünfin AS comprise of the following:

Each person is entitled to receive comparable remuneration for their work/assignments. Any unlawful discrimination (including on the basis of gender, political views, religion or beliefs) is not permitted.

The amount of the annual total remuneration of the members of the Management Board must be at a similar level and proceed from the level of risk and responsibility. The difference may also be objectively justifiable and also the persons whose main duties include risk management and/or compliance and/or internal control (internal audit) must be at a similar level as the remuneration of the members of the Management Board, unless the difference is objectively justifiable. The aggregated quantitative information and additional information on remuneration required to be disclosed is disclosed in the annual reports as per accounting principles.

In general, remuneration (including the monthly remuneration of a member of a governance body) consists only of basic remuneration. Basic remuneration is primarily determined on the basis of the person’s professional experience and the tasks and responsibilities of the relevant person. The payment and establishment of bonuses is allowed on the basis of a separate resolution of the Management Board (or, in the case of members of the Management Board, of the Supervisory Board), in which case resolution decision must be objective and motivated; however during 2023 no bonuses or other variable remuneration is applied.

The additional pay throughout 2023 may not be directly dependent on or influence the decisions about clients; the establishment of client relationships; the termination of client relationships; the amount of investments of clients; recommending specific securities to clients; acquiring specific securities for clients; transferring specific securities to clients.

Option agreements may be entered into with managers (incl. members of the Management Board and Supervisory Board) or employees in important positions on the basis of a resolution of the Management Board. The general information about the options is disclosed in the annual reports as per accounting principles.

Grünfin AS is eligible to benefit from a derogation laid down in Article 32(4) both point (a) and (b) of Directive (EU) 2019/2034 for 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 and there is no individual annual variable remuneration to exceed EUR 50 000.

Information regarding Risk Management and Own Funds objectives and policies (EU 2019/2033 Art 47, 49, 50)

Prudent risk and capital management is ensuring credibility and transparency of the activities of investment firms, including with the aim to make investment firms more resilient to economic cycles and lower the risk of becoming insolvent in crisis situations, which could have adverse impact on its customers.

Capital management covers implementing measures to maintain sufficient own funds, assessing internal own funds adequacy, calculating the own funds adequacy ratio and proper reporting. Capital management process includes development and implementation of capital plans, assessment of own funds adequacy, calculation of the own funds adequacy ratio and own funds allocation processes.

Grünfin follows the three-pillar framework for prudent capital management. **Pillar 1** Own Funds are regulatory capital requirements that Grünfin capital must meet on solo and consolidated bases at all times. For **Pillar 2** capital, Grünfin assesses additional liquidity and capital needs that are based on company risk profile and strategic goals. **Pillar 3** is regulatory disclosures to the public with the aim of providing transparency.

Grünfin on solo and consolidated bases shall have Own Funds that always meet all the following conditions:

$$\frac{\text{Common Equity Tier 1 capital}}{D} \geq 56\ \%$$

$$\frac{\text{Common Equity Tier 1 capital} + \text{Additional Tier 1 capital}}{D} \geq 75\ \%$$

$$\frac{\text{Common Equity Tier 1 capital} + \text{Additional Tier 1 capital} + \text{Tier 2 capital}}{D} \geq 100\ \%$$

Grünfin applies as the highest of three the 3 months rolling cost requirement, which is calculated based on prognosis for the first year. Due to operating less than 12 month

s, K- factor will be calculated as soon as needed data becomes available.

Grünfin has set risk limits and reporting requirements for monitoring capital management. Capital planning is part of periodical assessment of capital needs and is revised during additional capital and liquidity assessment process. Grünfin shall hold an amount of liquid assets equivalent to at least one third of the fixed overhead requirement. Considering that Grünfin holds share premium and capital payments in cash, the liquidity requirements are met with excess.

Supervisory Board has approved risk limits and statements considering Grünfin business strategy, according to the aforementioned statement Grünfin stays at low-risk appetite towards identified risks. This means that Grünfin is not ready to accept high risk in pursuit of its activities and chooses to apply sufficient levels of controls and other risk mitigation activities.

Concentration risk considers different factors including counterparty risk when keeping firms or client's assets, or income risk when being dependent on certain group or single customers paid fees. Grünfin is keeping its assets and customers' assets with Swedbank AS, this risk is being carefully assessed and monitored on regular bases, adequate due diligence measures are being applied. Considering size of Grünfin business, counterparty concentration risk and income concentration risk is accepted with controls described above.

Grünfin has not issued any Own Funds instruments besides fully paid-up capital instruments and share premium. Tables below describe Grünfin consolidated Own Funds structure. References made, refer to consolidated Annual Report 2023.

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

		(a)	(b)
		Amounts	**Source based on reference numbers/letters of the balance sheet in the audited financial statements**
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	**OWN FUNDS**	707,853	page 16
2	**TIER 1 CAPITAL**	707,853	page 16
3	**COMMON EQUITY TIER 1 CAPITAL**	707,853	page 16
4	Fully paid up capital instruments	150,003	page 5 & page 16
5	Share premium	3,384,999	page 5 & page 16
6	Retained earnings	-1,582,904	page 5 & page 16
7	Accumulated other comprehensive income		
8	Other reserves		
9	Minority interest given recognition in CET1 capital		
10	Adjustments to CET1 due to prudential filters		
11	Other funds		
12	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-1,244,245	

13	(-) Own CET1 instruments		
14	(-) Direct holdings of CET1 instruments		
15	(-) Indirect holdings of CET1 instruments		
16	(-) Synthetic holdings of CET1 instruments		
17	(-) Losses for the current financial year	-899,851	page 6
18	(-) Goodwill		
19	(-) Other intangible assets	-344,394	page 17
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities		
21	(-) Qualifying holding outside the financial sector which exceeds 15% of own funds		
22	(-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds		
23	(-) CET1 instruments of financial sector entities where the institution does not have a significant investment		
24	(-) CET1 instruments of financial sector entities where the institution has a significant investment		
25	(-)Defined benefit pension fund assets		
26	(-) Other deductions		
27	CET1: Other capital elements, deductions and adjustments		
28	**ADDITIONAL TIER 1 CAPITAL**		
29	Fully paid up, directly issued capital instruments		
30	Share premium		
31	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1		
32	(-) Own AT1 instruments		
33	(-) Direct holdings of AT1 instruments		
34	(-) Indirect holdings of AT1 instruments		
35	(-) Synthetic holdings of AT1 instruments		
36	(-) AT1 instruments of financial sector entities where the institution does not have a significant investment		
37	(-) AT1 instruments of financial sector entities where the institution has a significant investment		
38	(-) Other deductions		
39	Additional Tier 1: Other capital elements, deductions and adjustments		
40	**TIER 2 CAPITAL**		
41	Fully paid up, directly issued capital instruments		
42	Share premium		
43	(-) TOTAL DEDUCTIONS FROM TIER 2		

44	(-) Own T2 instruments		
45	(-) Direct holdings of T2 instruments		
46	(-) Indirect holdings of T2 instruments		
47	(-) Synthetic holdings of T2 instruments		
48	(-) T2 instruments of financial sector entities where the institution does not have a significant investment		
49	(-) T2 instruments of financial sector entities where the institution has a significant investment		
50	Tier 2: Other capital elements, deductions and adjustments		

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

		a	b	c
		Balance sheet as in published/audited financial statements	**Under regulatory scope of consolidation**	**Cross reference to EU IF CC1**
		As at period end	**As at period end**	
Assets - *Breakdown by asset classes according to the balance sheet in the published/audited financial statements*				
1	Current assets	856,008	1,330,786	
2	Fixed assets	489,446	489,446	
	Total Assets	1,345,454	1,820,232	
Liabilities - *Breakdown by liability classes according to the balance sheet in the published/audited financial statements*				
1	Short term liabilities	134,436	139,937	
2	Long term liabilities	107,168	107,168	
	Total Liabilities	241,604	247,105	
Shareholders' Equity				
1	Nominal capital	150,003	14,947	4
2	Share premium	3,384,999	4,092,868	5
3	Other reserves	51,603	51,603	
4	Previous year retained earnings	-1,582,904	-1,678,613	6
5	Losses for the financial year	-899,851	-907,678	17
	Total Shareholders' equity	1,103,850	1,573,127	