

LifeGoals.

LifeGoals Financial Services Limited

(Regulated by the Cyprus Securities & Exchange Commission, License Number 232/14)

Pillar III Disclosures for the year ended 31 Dec 2025

Prepared on

07 April-2026

info@lifegoals.eu

22 449 122

www.lifegoals.eu



LifeGoals.

Table of Contents

- Introduction 2
- Regulatory Framework 3
- Disclosure Policy 3
- Risk Management Objectives & Policies 3
- Governance 4
- Diversity Policy 5
- Roles and Responsibilities 6
 - Board of Directors 6
 - Risk & Compliance Committee 6
 - Internal Audit 7
 - Legal and Compliance Officer 7
 - Accounting and Finance 7
- Own Funds Requirements & Capital Ratios 8
 - Own Funds 8
 - K-factor Risks and Requirements 9
 - Fixed Overhead Requirements 11
 - Total Capital Requirements and Capital Ratios 11
- Liquidity Risk and Requirement 12
- Other Risks and Mitigating Controls 13
 - Credit Risk 13
 - Operational Risk 14
 - Business Risk 15
 - Strategic Risk 16
 - Reputational Risk 17
- Environmental, Social & Governance Risks 17
- Remuneration Policy & Practices 17
- Investment Policy 19
- Board Declaration 19
- Board Risk Statement 19
- Other Information 20
- Appendix 22

LifeGoals.

Introduction

LifeGoals Financial Services Ltd ex. Emergo Wealth Ltd (hereinafter referred to as "the Company") was incorporated in Cyprus on 6th December 2013 as a limited liability company under the Cyprus Companies Law, Cap. 113. The Legal Entity Identifier (LEI) of the Company is 549300SPHL8RYOF0YC13. The Company holds a license from the Cyprus Securities and Exchange Commission (hereinafter referred to as "CySEC"), number 232/14 dated 27th March of 2014, and, further, it has obtained a license extension on 25 June 2014, which permits the Company to operate as a Cyprus Investment Firm and to provide investment and ancillary services in relation to specific financial instruments.

The Company under its license is authorized to provide the following investment and ancillary services.

Investment Services

- Reception and transmission of orders in relation to one or more financial instruments
- Investment Advice and
- Discretionary Portfolio Management.

Ancillary Services

- Safekeeping and administration of financial instruments, including custodianship and related services;
- Granting credits or loans to one or more financial instruments, where the firm granting the credit or loan is involved in the transaction;
- Advice to undertakings on capital structure, industrial strategy and related matters and advice and services relating to mergers and the purchase of undertakings;
- Foreign exchange services where these are connected to the provision of investment services and
- Investment research and financial analysis or other forms
- Investment services and activities as well as ancillary services where these are connected to the provision of investment or ancillary services.

Other Services

- Collective portfolio management and
- Fund Administration (non-regulated service)

For further details on the license information of the Company refer to <https://www.cysec.gov.cy/en-GB/entities/investment-firms/cypriot/37684/>.

It is noted that the Company does not meet the criteria for classification as a significant investment firm for the year 2025, as defined in CySEC Circular C487, and is therefore considered a non-significant firm.

Regulatory Framework

The information contained within this report has been prepared in accordance with the Part Six of the European Regulation (EU) No. 2019/2033, also known as the Investment Firms Regulation (hereinafter named “the Regulation”) and the relevant requirements of the Directive (EU) 2019/2034 also known as the Investment Firms Directive (hereinafter named “the Directive”) that transposed into national legislation through the issuance of the Law for the Prudential Supervision of Investment Firms (165(I)/2021) (hereinafter named “the Law”).

The Company, according to Article 14 of the Regulation and Article 9 of the Directive is classified as a “Limited License” Class 2 investment firm with minimum capital requirement of €150k.

These Pillar III Disclosures present the evaluation and management of the various risks faced by the Company during the year ended 31 December 2025. Amongst others, in the Disclosures the Company presents information on its capital structure, regulatory capital requirements and liquidity requirements.

The Disclosures are prepared by the Risk Manager of the Company and reviewed by the Board.

Disclosure Policy

The Disclosures are prepared annually on a solo basis and are available electronically on the Company’s [website](#). According to Article 46 of the European Regulation (EU) No. 2019/2033, the Pillar III Disclosures shall be published at least on an annual basis and in conjunction with the date of publication of the financial statements. A hard copy of this Report is available upon request. The Company’s financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113.

The information disclosed in the Disclosures is presented in thousands of Euro (“€’000”) unless otherwise indicated. Commas are used as thousand separators and dots are used as decimal points.

Risk Management Objectives & Policies

The effective management of risks of an organization, operating in a continuously changing risk environment, requires strong risk management function. To this end, the Company has established an effective risk oversight structure and the necessary internal organizational controls to ensure that the Company identifies and manages its risks adequately.

The procedures applied by the Company regarding risk management are documented in the Risk Management Framework (hereinafter named “RMF”). The roles, responsibilities, and expectations for specific tasks regarding RMF are outlined in the Risk Management Policy (hereinafter named “RMP”). The procedures and policies applied are according to the relevant legislation, ensuring that the Board and Senior Management are satisfied that the risk management procedures are appropriate given the Company’s risk profile and strategy.

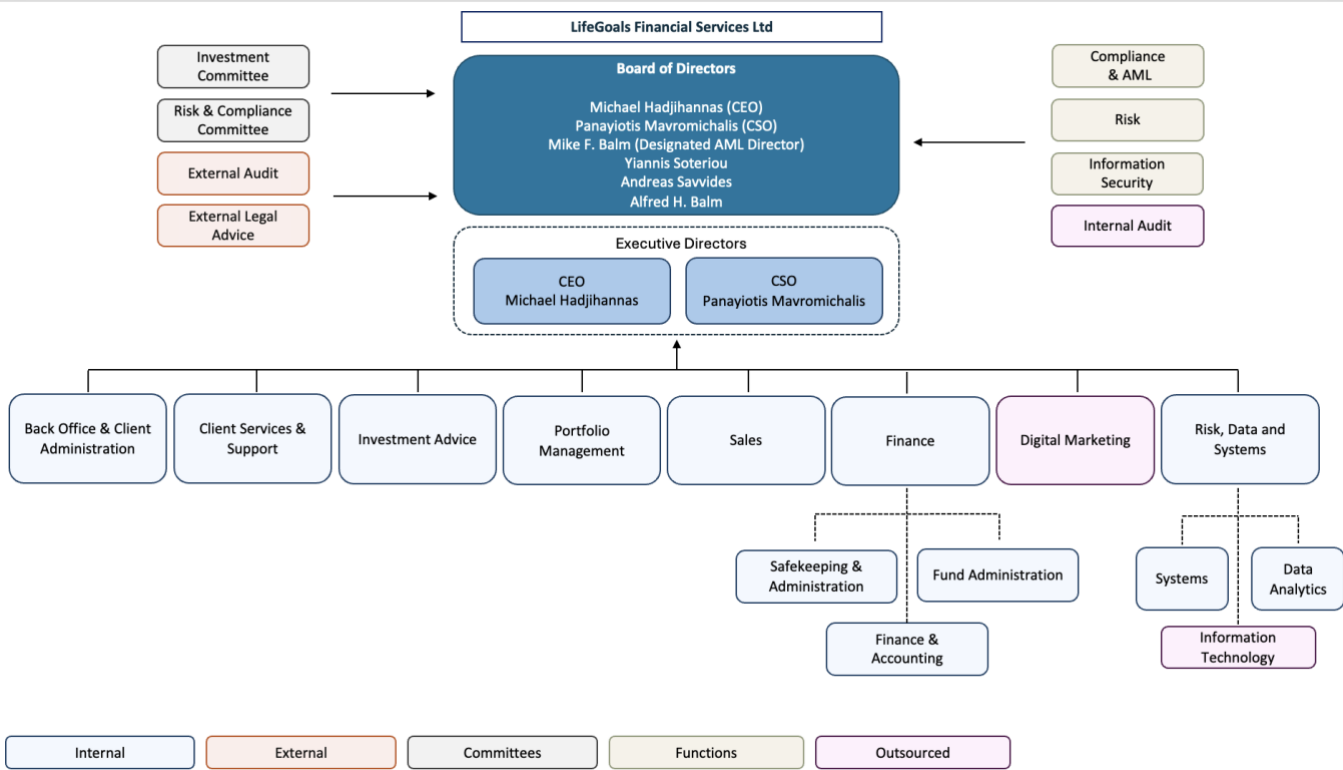
The Risk Management function prepares and submits the Internal Capital Adequacy and Risk Assessment (ICARA) report to the Board at least on an annual basis. This report is a

LifeGoals.

cornerstone of its risk management framework, addressing capital adequacy, liquidity, and overall risk exposures. It integrates both the Internal Capital Adequacy and Planning Process (ICAPP) and the Internal Liquidity Adequacy and Planning Process (ILAAP), ensuring a robust approach to financial and risk management in compliance with the IFD/IFR framework.

The Company’s ICARA report for the year 2024 has been reviewed and approved by the Board during a Board meeting in December 2025. It is expected that the ICARA report for 2025 will be prepared within 2026 and will be finalized during the second quarter of 2026.

The organizational structure of the Company is outlined in the following diagram.



Governance

The principal responsibilities of the Board, the Senior Management, the Risk Manager, and the Internal Auditor in relation to the management of the Company’s risks include the following:

- The Board reviews and discusses, during its meetings, the written reports prepared by the Risk Manager and identifies the risks faced by the Company;
- The Company’s Senior Management also reviews the written reports prepared by the Risk Manager, applies the decisions of the Board with respect to risk management and monitors whether all the Company’s risk management procedures are followed;
- The Internal Auditors evaluate the adequacy and effectiveness of the Company’s internal control systems, policies, and procedures with respect to risk management and

LifeGoals.

- The Risk Manager ensures efficient management of the Company's risks in the provision of the investment and ancillary services to clients, as well as the risks underlying the operation of the Company, in general. Furthermore, the Risk Manager bears the responsibility to monitor the adequacy and effectiveness of the risk management policies and procedures that are in place, the level of compliance by the Company and its relevant persons with the policies and procedures adopted as well as complying and implementing the provisions of the Law.

Furthermore, the policies maintained by the Company are gender neutral. This includes, but is not limited to, remuneration, recruitment policies, career development and succession plans, access to training and the ability to apply for internal vacancies.

Moreover, the Risk Manager is responsible for making recommendations and whether the appropriate remedial measures have been taken in the event of any deficiencies identified, as aforementioned.

The responsibilities of the risk management function include, without limitation:

- Establishing, implementing, and maintaining adequate risk management policies and procedures; adopting effective mechanisms and processes to manage the risks that the Company is exposed;
- Monitoring the adequacy and effectiveness of the risk management policies and procedures, and the level of compliance while also, the effectiveness of measures taken to tackle the deficiencies;
- Training the personnel of the company on risk related issues and
- Drafting written reports to the Senior Management and Board, making recommendations, and indicating whether appropriate remedial measures have been taken in the event of any deficiency.

A risk management report is prepared on an annual basis regarding the status of the Company's risk management policies and procedures and any remedial measures taken to tackle the deficiencies. The risk management report is presented to the Company's Board.

The risk management function is further strengthened by the following functions:

- Internal Audit;
- Compliance Officer (including the AML and Terrorist Financing) and
- Finance.

Diversity Policy

The Company does not maintain a formal diversity policy with respect to the selection of members of the management body. Given its size and simplified governance structure, the Company considers that the adoption of a standalone diversity policy is not currently required. Nevertheless, the Company ensures that members of the management body collectively

LifeGoals.

possess adequate knowledge, skills and experience to perform their duties effectively, and that appointments are made based on merit and objective criteria.

Roles and Responsibilities

Board of Directors

The Board has the overall responsibility for the establishment and oversight of the Company's RMF and RMP. The purpose of both, is to provide a clearly defined and well documented risk management strategy that sets the Company's risk management objectives, principles, overall risk appetite and responsibilities across the company's staff. All procedures and rules, as required by CySEC, are approved by the Board.

Number of directorships held by members of the Board including position in LifeGoals Financial Services Ltd:

Table 1: Directorships of the Board

Name	Executive/Non-Executive (Position within Company)	Directorships-Executive	Directorships-Non-Executive
Michael Hadjihannas	Executive Director (Chief Executive Officer)	2	0
Panayiotis Mavromichalis	Executive Director (Chief Strategy Officer)	2	0
Mike F. Balm	Non – Executive Director	1	3
Alfred Hendrikus Balm	Non – Executive Director	1	2
Andreas Savvides	Non – Executive Director	1	2
Yiannis Soteriou	Non – Executive Director	1	2

Risk & Compliance Committee

The Risk & Compliance Committee (hereinafter named "RC") has been formed with the view to ensure the efficient monitoring of the risks inherent in the provision of investment services to clients, as well as the risks underlying the operation of the Company in general. The Committee also oversees the Company's compliance with applicable legal and regulatory requirements.

The RC Committee has the following mandate:

- Forming Company's risk policy and framework with respect the limits and the terms for undertaking risks;

LifeGoals.

- Operates independently and is responsible for implementing the Risk Management policy;
- Monitoring the Company's compliance with applicable laws, regulations, regulatory requirements, and internal policies and procedures;
- Ensuring that the Company has sufficient capital and reserves to support the risks undertaken and
- Confirming the adequacy of the limits set for the undertaking of risks.

The Company restructured its Risk Committee into Risk & Compliance Committee, which convened twice during 2025 and will meet at least quarterly from 2026 onwards.

Internal Audit

The Internal Audit function is independent from any other units of the Company and reports directly to the Board. It is responsible for conducting independent appraisals of the Company's activities, functions, and operations to ensure that an adequate framework of internal controls has been established and is operating effectively. The above function is outsourced to FAI Limited.

Legal and Compliance Officer

The Legal and Compliance Officer has the responsibility for ensuring procedures are in place to ensure compliance with laws and regulations, which relate to carrying out business transactions, internal policies, and procedures as well as standards of behavior to protect and enhance the reputation of the Company. The specific Officer reports to the Managing Director of the Company and thereafter to the Company's Board.

The duties of the Compliance Officer include amongst others the following:

- Supervising staff and activities with the aim of monitoring the adherence to the legislative framework that governs the Company, the identification of possible discrepancy from the applicable procedures and rules and the undertaking of proper measures for the prevention of errors;
- Continuously supervising and evaluating the compliance mechanism and the presentation of proposals for the improvement of their effectiveness to the Board;
- Monitoring the AML procedures and receiving information regarding suspicious transactions and
- Drafting and updating company documentation (IOM, AML manual etc.) so that they reflect all obligations of the Company under the applicable legislation and communicating these to staff, notifying them of any changes to their responsibilities.

Accounting and Finance

The Accounting and Finance function plays a key role in the Company complying with its financial reporting obligations. The specific function is responsible for preparing the

LifeGoals.

Company's financial statements in accordance with applicable accounting standards and rules in order to reflect a fair and true view of the Company's financial position. The Company's statutory financial statements are audited by the Company's independent auditors, RSM Cyprus Ltd and are approved by the Board. The approved financial statements are put before the shareholders of the Company at the annual General Meeting.

Own Funds Requirements & Capital Ratios

In accordance with the Directive, the Company's Own Funds must be disclosed as the amount of original Own Funds with separate disclosures of all positive terms (share capital, reserves brought forward, less any proposed dividends, translation differences and current period losses, as applicable).

The Company currently maintains only Tier 1 Capital as eligible Own Funds. The balance with the Investors Compensation Fund (hereinafter named "the ICF"), the ICF Additional cash buffer and any Intangible Assets (computer software and website development) is deducted when deriving Tier 1 Capital.

Own Funds

As at 31st of December 2025 unaudited figures, the Company's eligible Own Funds consisted of the following.

Table 2: Own Funds

	31 Dec 2025 (€'000)
Additional Capital Contribution	3,553
Share Capital	200
Retained Earnings	-2,709
Current Year Profit	330
Total Equity	1,374
Investors Compensation Fund & Additional cash buffer	-46
CET1 Capital	1,328
Additional T1 Capital	-
Tier 1 Capital	1,328
Tier 2 Capital	-
Own Funds	1,328

Detailed composition of regulatory Own Funds according to Article 49 (a) and (c) of the Regulation is provided in the Appendix.

According to Article 11 of the Regulation, Class 2 investment firms Total Capital Requirements is the highest of the following:

LifeGoals.

- K-factor Requirements;
- Fixed Overhead Requirements and
- Permanent Minimum Capital Requirements.

At all times the Company makes sure that its Own Funds equal at least 120% of its Total Capital Requirements.

Green-Amber-Red levels	CET 1 Ratio	Total Capital Ratio	Own Funds
● Normal	>120%	>120%	> 301k
● Critical	120% - 100%	120% - 100%	300k - 251k
● Crisis	< 100%	< 100%	<250k

K-factor Risks and Requirements

CMH

K-CMH (Client Money Held) captures the risk of potential for harm where an investment firm holds the money of its clients, taking into account whether they are on its own Balance Sheet or in third-party accounts and arrangements under applicable national law provide that client money is safeguarded in the event of bankruptcy, insolvency, or entry into resolution or administration of the investment firm. K-CMH excludes client money that is deposited on a (custodian) bank account in the name of the client itself, where the investment firm has access to the client money via a third-party mandate. During 2025 the Company received from its customers, cash deposits and to this end, it is subject to the risk captured by this K-factor.

To mitigate this risk, the Company ensures that clients’ funds are held separately from its own funds at all times, in accordance with the applicable regulatory requirements. All clients’ money is treated as off-balance sheet and is maintained in segregated accounts. The Accounting & Finance Department performs regular reconciliations of clients’ funds.

Also, the Company exercises all due skill, care and diligence in the selection, appointment and periodic review of the banks and custodians where clients’ funds are held. This includes continuous monitoring of the credit ratings of the banks and the central governments of the jurisdictions in which they are incorporated, as assessed by nominated External Credit Assessment Institutions (ECAIs).

ASA

K-ASA (Assets Safeguarded and Administered) captures the risk of safeguarding and administering client assets and ensures that investment firms hold capital in proportion to such balances, regardless of whether they are on their own Balance Sheet or in third-party accounts. During the year under review, the Company offered safeguarding services and therefore is subject to ASA risk.

To mitigate this risk, the Company maintains internal records that clearly distinguish clients’ assets from its own and ensures that clients’ financial assets are held with well-capitalized, reputable, and appropriately licensed financial institutions. These assets are treated as off-balance sheet items and are not reflected in the Company’s financial statements.

LifeGoals.

AUM

K-AUM (Assets Under Management) captures the risk of harm to clients from an incorrect discretionary management of client portfolios or poor execution and provides reassurance and client benefits in terms of the continuity of service of ongoing portfolio management and investment advice. Since LifeGoals provided the investment service of discretionary Portfolio management during 2025, K-AUM is applicable for the Company for the reference period.

To manage this risk, the Company has adequate procedures in place for the assessment of financial products and services, before these are provided to clients, which taken into consideration the complexity of product, potential returns, risks, financial commitment, characteristics, and nature of products/services.

The risks of financial instruments are compared to the clients' investment profile as this is constructed through the suitability assessment and clients are offered only instruments that match their profile.

As at 31st of December 2025, the Company's capital requirements based on the K-factor methodology was the following. The only applicable category for the Company is the Risk-to-Client category, which is calculated as the sum of AUM (Assets Under Management), CMH (Client Money Held) and ASA (Assets Safeguarded and Administered).

Table 3: K-Factors Requirements

	31 Dec 2025
	(€ '000)
Risk to Client	95
K-AUM	45
K-CMH (on segregated accounts)	4
K-CMH (on non-segregated accounts)	-
K-ASA	46
K-COH cash trades	-
K-COH derivatives	-
Risk to Market	-
Risk to Firm	-
Total K-factor Capital Requirement	95

Fixed Overhead Requirements

As at 31st of December 2025, the Company's capital requirements based on the Fixed Overheads was the following.

Table 4: Fixed Overhead Requirements

	31 Dec 2025 (€ '000)
Total expenses of the previous year after distribution of profits	1,157
Total Deductions	-255
Staff bonuses and other remuneration	0
Other discretionary payments of profits and variable remuneration	-1
Shared commission and fees payable	-13
Non-recurring expenses from non-ordinary activities	-241
Annual Fixed Overheads of the previous year after distribution of profits	902
Fixed Overhead Requirements (25%* Annual Fixed Overheads)	225

CIF's that are classified as Class 2 according to Article 13 of the Regulation shall maintain sufficient capital to cover one quarter of the fixed overheads of the preceding year.

Total Capital Requirements and Capital Ratios

Table 5: Capital Requirements

	31 Dec 2025 (€ '000)
K-Factor Requirements	95
Fixed Overheads Requirements	225

Permanent Minimum Capital Requirements	150
Total Capital Requirements	225

As of 31st December 2025, the Company complied with the CET1 Capital ratio, T1 Capital ratio and Total Capital ratio requirements in accordance with Article 9 (1) of the Regulation. The Company's regulatory capital ratios exceeded the minimum required thresholds as shown in the analysis below.

Table 6: Capital Adequacy Ratios

	31 Dec 2025	
	Capital Limits	Capital Ratios
CET1 Capital ratio	56%	589.22%
Tier 1 Capital Ratio	75%	589.22%
Total Capital Ratio	100%	589.22%

Liquidity Risk and Requirement

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses.

The Company has procedures with the object of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets, supported, where necessary, by shareholder contributions.

According to Article 43 (1) of the Regulation, investment firms shall hold an amount of liquid assets equivalent to at least one third of the fixed overhead requirement. As of 31st December 2025 based on unaudited figures, the Company was compliant with its liquidity requirements.

Table 7: Liquidity Requirement

	31 Dec 2025 (€ '000)
Liquidity Requirement	75
Client guarantees	-
Total Liquid Assets	78
Unencumbered short-term deposits	58
Total eligible receivables due within 30 days	20

LifeGoals.

Level 1 assets	-
Level 2A assets	-
Level 2B assets	-
Qualifying CIU shares/units	-
Total other eligible financial instruments	-

Other Risks and Mitigating Controls

The implementation of an effective risk management framework is a key priority for the Company. The Company’s risk management function is supervised at the highest level to be compliant with local regulations and the applicable EU regulatory framework.

Apart from the risks arising from the K-factor requirement, particularly the proxies related to Risk to Clients, the following risks which are considered by the Company the most important are presented below.

Although, the risks mentioned are interconnected with the K-factors in the Disclosures are separated in order to be able to capture any residual components not included in the regulatory perspective of risks.

The Company considers the below risks as the most important and hence, it continuously monitors in order to be mitigated if deemed necessary:

- Credit Risk;
- Operational Risk;
- Business Risk;
- Strategic Risk and - Reputational Risk.

Credit Risk

Credit Risk may arise by failure of a counterparty and/or client on an investment, credit, or trading transaction to fulfill its part of the deal and may default on its contractual obligations. Credit Risk arises principally from the Company’s cash in banks and trade receivables from clients. Trade receivables are shown net of any provision made for impairment.

The Company amongst others applies the following policies and strategies to mitigate Credit Risk regarding its financial activities:

- Ensures cash balances are held with licensed financial institutions and retains policies to limit the amount of credit exposure to any financial institution;
- Monitors continuously credit ratings by nominated ECAI external agencies and ratios such as, CET1 ratio, Reserves for Loan Losses, Liquidity Coverage ratio which state financial strength;

LifeGoals.

- Applies the method of diversification by splitting its cash reserves in multiple financial institutions and
- Utilizes stress tests that examine multiple scenarios of downgrade and default of financial institutions.

Also, the Company amongst others employs the below policies and strategies to minimize its exposure to Credit Risk from its operating activities:

- Monitors all contracts under Brokerage services;
- Requires that all clients' funds are cleared before providing the services of discretionary Portfolio Management;
- Ensures that sales of appropriate and suitable products and services are made to clients with sufficient experience, knowledge, and capital and
- Monitors all trade receivables occurred by Investment Advice services by preparing debtors ageing report on a monthly basis and follow up for collection if deemed necessary.

Operational Risk

Operational Risk is the risk of loss arising from inadequate or failed internal processes, people, system, and external events such as natural disasters. It is inherent in every business organization and covers a wide range of issues.

The Company manages Operational Risk through a control-based environment in which all processes and transactions are monitored and documented on an ongoing basis. This is further supported by a program of audits undertaken by the Internal and External auditors of the Company and by continuous monitoring of incidents to ensure that past failures are not repeated. The Company's IOM outlines the policies and procedures to be followed by its employees, and the reporting lines are in place for the functions and responsibilities of each department in order to minimize this risk in the greatest level.

The most important Operational risks considered by the Company are the risks of Business Disruption and System Failures, Information Communication Technology (ICT) and Security Risk, and Compliance and AML risk.

The Company amongst others applies the following policies and strategies to control Business Disruption and System Failures and ICT and Security Risk:

- Implementation of redundancy and failover systems for critical IT infrastructure and applications including, backup servers, data centers, and cloud-based services to ensure continuous availability.
- Regular audits and assessments of IT systems to identify vulnerabilities and areas for improvement. Implement routine maintenance and software updates to enhance system security and performance.

LifeGoals.

- Regular data backup procedures to minimize the impact of data loss in the event of system failures.
- Robust cybersecurity measures to protect against cyber threats and potential system breaches, including firewalls, and conduct regular security assessments.
- Antivirus and anti-malware software on endpoints to detect and mitigate malicious software.
- Disaster Recovery Plan (DRP) that outlines procedures for maintaining essential functions during disruptions such as power outage, internet connectivity, and nonfunctional offices, including communication plans, alternative work locations.
- Employee training and awareness on IT security best practices to reduce the risk of system failures caused by human error or security breaches.
- IT governance frameworks and ensure compliance with relevant regulations. Regularly review and update IT policies to align with industry best practices and evolving threats.
- Incident Management Policy in place clearly define incident response team, and communication channels to ensure a swift and coordinated record and response to identified issues.

The Company manages compliance risk through an established compliance framework, supported by dedicated resources, ongoing regulatory monitoring, and regular training to ensure adherence to applicable obligations.

Finally, regarding AML risk, the Company maintains appropriate controls, including transaction monitoring systems and customer due diligence procedures, which are subject to ongoing enhancement to strengthen detection and prevention capabilities.

Business Risk

Business Risk may arise from internal and external business environment including, macroeconomic forces well outside the control of the management including political changes, inflation foreign exchange rates or prevailing of interest rates and industry specific risk.

The Company amongst others applies the below policies and strategies to control Business Risk:

- Regular update risk assessments to account for changes in the business environment i.e., annual risk assessment and internal capital adequacy and risk assessment processes.
- A well-defined and communicated Risk Appetite and Tolerance Policy (RATP) that, ensures risk-taking aligns with the Company's strategic objectives.
- Implementation of budgetary controls to monitor and manage financial risks.
- Implementation of internal controls within business processes to reduce the risk of errors, fraud, and inefficiencies.

LifeGoals.

- Board incorporates risk considerations into the strategic planning process, and it regularly monitors the execution of strategic initiatives and adjust plans as needed.
- Senior management conducts regular market research and analysis to identify emerging trends, customer preferences, and competitive threats. Continuous development by introducing new services and investments products on regular basis.
- Stringent quality controls to ensure products meet or exceed customer expectations, reducing the risk of reputational damage.
- Monitoring competitors' or market leaders' activities and strategies to proactively respond to changes in the competitive landscape.
- Board and Senior Management is consisting of high caliber professionals who are recognized for their knowledge and experience.

Strategic Risk

Strategic Risk may arise if a business strategy fails to deliver the expected outcomes, affecting the Company's goals and objectives including but not limited to a technological change, an evolving competitive landscape, or changes in clients demands.

The Company amongst others applies the following policies and strategies to reduce exposure to Strategic Risk:

- A dedicated Risk & Compliance Committee, ensuring that the Board and Senior Management consider risks factors when taking strategic discussions.
- A clear RATP that aligns with the Company's strategic goals, defining the acceptable level of risk-taking and ensure it is communicated throughout the organization.
- Risk assessments specific to digital strategies and technology-driven transformations. Identify cybersecurity, data privacy, and technological risks.
- Assessment of political risks associated with the Company's operations and services especially in EU markets.
- Implementation of internal controls to ensure prudent capital allocation in line with the Company's strategic priorities and regulatory requirements.
- Reputation risk assessments in the strategic planning process to Identify potential reputational threats.
- Board approval is required to initiate any project that might have an impact to the Company's short and long-term business plans.
- Continuous reporting to the Board regarding milestones and other goals achieved/ not achieved so that actual results can be measured in comparison to forecasts.

LifeGoals.

Reputational Risk

Reputational Risk may arise due to either loss of confidence in the Company's financial soundness or a perception of a lack of fair dealing with stakeholders. This risk is often one of the outcomes of experiencing a loss in another risk category.

The Company amongst others imposes the following policies and strategies to avoid arise of Reputational Risk:

- A comprehensive code of conduct that guides employees on ethical behavior and compliance with applicable laws and regulations.
- Mechanisms for gathering and addressing customer feedback. Promptly respond to customer concerns and complaints in a timely manner.
- Utilization of social media monitoring tools to track online conversations and sentiment to address negative comments or misinformation promptly.
- Ongoing training to employees regarding ethics. Ensure that employees understand the importance of ethical behavior and its impact on the organization's reputation.
- Board oversight on reputational risk management on annual basis by reviewing potential risks and the effectiveness of controls. Board is consisting of high caliber professionals who are recognized in the industry for their knowledge, experience, and integrity.
- Strict compliance with laws and regulations in order to avoid any violations that can have significant reputational implications.
- Prepare appropriate documentation to respond to and address any inaccurate or misleading statements made by third parties.

Environmental, Social & Governance Risks

In accordance with Article 53 of the IFR, the Company monitors the average size of on and off-balance sheet assets with a view to disclosing relevant information on environmental, social and governance risks, including physical and transition risks. As of 31st December 2025, it does not meet the threshold in Article 32(4) of the IFD above under which further disclosures are required.

Remuneration Policy & Practices

During the reporting year, the following was applicable with regards to the Company's remuneration system.

The Company's remuneration system policy is concerned with practices of the Company for those categories of staff whose professional activities have a material impact on its risk profile, i.e. the Senior Management, members of the Board and the Heads of the Departments; the said practices are established to ensure that the rewards for the "Executive Management" are linked to the Company's performance, to provide an incentive to achieve the key business aims and deliver an appropriate link between reward and performance, whilst ensuring base salary levels are not set at artificially low levels. The Company operates a discretionary bonus policy

LifeGoals.

directly correlated to the annual profitability of the Company. The Company uses remuneration as a key method of attracting and retaining key employees whose talent can contribute to the Company's short and long-term success. It is noted that the Company has considered its size, internal organization and the nature, scope and complexity of its activities and it does not deem necessary the establishment of a specific Remuneration Committee. Decisions on these matters are taken on a Board level, while the remuneration policy is periodically reviewed.

The Company, when formulating its Remuneration Policy and particularly for those categories of staff whose professional activities have a material impact on the Company's risk profile, takes into consideration gender neutrality in the sense that remuneration is calculated based on various factors other than gender. As such the Company takes into consideration gender pay gap and takes the appropriate measures to adopt equal remuneration standards.

The total remuneration of the Company's staff consisted of only fixed remuneration during the reporting year; no variable remuneration was employed mainly to avoid situations of excessive risk taking. However, the Company retains provisions for fixed and variable remuneration, where the two components are appropriately balanced, and the fixed component presents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component. Variable remuneration is a multiplier of performance and fixed component.

Fixed remuneration varies for different position/roles depending on each position's actual functional requirements, and it is set at levels which reflect the educational level, experience, accountability, and responsibility needed for an employee to perform each position/role. Fixed remuneration is also set in comparison with standard market practices employed by the other market participants/competitors.

Variable remuneration is designed to ensure that the total remuneration remains at competitive levels and to reward the staff for its performance, whilst remaining aligned with department's and/or the Company's performance. Other factors considered are the following:

- The financial viability of the Company;
- The general financial situation of the state in which the Company operates and
- Each employee's personal objectives (such as personal development, compliance with the Company's systems and controls, commitment, and work ethics).

The Company's variable remuneration (if any) is approved by the Board, for the employees of the compliance department and by the Senior Management, for the employees of the Back Office department, and customer support department. No deferred remuneration or severance payments were made during the year. In addition, all fixed remuneration was paid in cash, no shares or share-linked instruments were paid.

Table 8: Remuneration

Categorization	No. of Staff	Fixed Remuneration	Variable Remuneration	Total Remuneration
(€ 000)				
Senior Management Directors ¹	6	389,166	-	389,166
Staff whose professional activities have a material impact on the risk profile of an investment firm ²	7	212,814	-	212,814
Total	13	601,980	-	601,980

1. Senior Management includes executive and non-executive directors

2. This category includes the CFO, Compliance Officer, Risk Manager, Head of Portfolio Management, Head of Risk Data & Systems, Head of Client Services and Head of Back Office & Client Administration.

3. Remuneration figures are for the year end, December 2025 and include employer's contributions paid by the Company for the year ended 31 December 2025.

Investment Policy

As per Article 52 of the Regulation, Class 2 investment firms shall disclose the information of Article 52(a) – (d) regarding their Investment Policy. The Company is exempt from the requirement of disclosing in regard to its Investment Policy since, neither of the thresholds specified on the Regulation for the application of this disclosing requirement are exceeded.

The two materiality thresholds are as follow:

- Investment firms with on- and off-balance-sheet assets on average greater than €100 million over the four-year period immediately preceding a given financial year and
- Investment firms whose shares are admitted to trading on a regulated market and in which the proportion of voting rights exceeds 5 % of all voting rights issued by the company are considered relevant for disclosure.

Board Declaration

The Board is responsible for reviewing the effectiveness of the Company's risk management arrangements and systems of financial and internal control. These are designed to manage rather than eliminate the risks of not achieving business objectives, and -as such- offer reasonable but not absolute assurance against fraud, material misstatement and loss.

The Board considers that it has in place adequate systems and controls regarding the Company's profile and strategy and an appropriate array of assurance mechanisms, properly resourced and skilled, to avoid, minimize or eliminate loss.

Board Risk Statement

The Company's strategic objective is to provide its customers the financial services and the financial instruments and have the clients' loyalty and trust.

LifeGoals.

The Company operates with a strong customer focus and provides a variety of financial instruments aiming to deliver value to its clients' investments. The Company has implemented and maintains adequate risk management policies and procedures which identify the risks relating to the Company's activities, processes, and systems, and where appropriate, set the level of risk tolerated by the Company. The Company has adopted effective arrangements, processes, and systems, considering the level of risk tolerance, where applicable. The Company's strategy is pursued within a defined Risk Appetite.

Other Information

Israel – Gaza conflict

The Israel-Gaza conflict escalated on 07 October 2023, with the launch of a major attack by Hamas. There might be a significant exposure and economic uncertainty for entities with operations in the nearby vicinity. Even entities further afield might also be indirectly affected by the negative global economic and trade impacts that arise due to the war.

Russia – Ukraine conflict

The conflict between Russia and Ukraine continues to be highly unstable. The tension in the region impacted the Russian and global economies negatively and resulted in ongoing political tensions and international sanctions against certain Russian companies and individuals. The sanctions imposed restricted the parties from having access to foreign financial markets, including removing access of several Russian banks to the international SWIFT system.

The EU, UK, and US (amongst others) have also imposed sanctions against the Russian central bank, restricting the access of the Russian state to foreign currency reserves, and introduced further asset freezes against designated individuals/entities and sectoral sanctions.

The situation is still evolving and further sanctions and limitations on business activity of companies operating in the region, as well as consequences on the Russian economy in general, may arise but the full nature and possible effects of these are unknown.

Middle East conflict

The geopolitical situation in Middle East escalated on 28 February 2026 due to the armed conflict. As of the date of authorisation of the financial statements, the conflict continues to evolve in Middle East as military activity persists.

The conflict has caused significant volatility in global energy markets and disruptions to the supply of oil and gas, contributing to increased uncertainty in commodity prices and potential inflationary pressures. Broader consequences have also been observed in financial markets and global supply chains, particularly affecting energy and transportation sectors, as heightened geopolitical tensions around key shipping routes add to market uncertainty. Challenges for companies may include disruptions to supply chains, higher energy and raw material costs and increased uncertainty in operational and financial planning.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the

LifeGoals.

conflict is evolving and the high level of uncertainties arising from the inability to reliably predict the outcome.

Management believes that it is neither significantly impacted from the Israel-Gaza nor the Russia-Ukraine conflict or the Middle East conflict, as its operations are not affected by the situation, therefore the Company is reasonably well positioned to withstand volatility and economic uncertainties that may arise from the geopolitical and global economic environment. Management will continue to monitor the situation closely and assesses appropriate actions when, and if, needed.

Appendix

Template EU IF CC1.01 - Composition of regulatory own funds

		(a)	(b)
		Amounts €'000	Source based on reference numbers/letters of the balance sheet in the audited financial statements (Cross Reference to EU IF CC2)
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	OWN FUNDS	1,328	
2	TIER 1 CAPITAL	1,328	
3	COMMON EQUITY TIER 1 CAPITAL	1,328	
4	Fully paid-up capital instruments	200	Ref. 1 (Shareholder's Equity)
6	Retained earnings	-2,379	Ref. 3 (Shareholder's Equity)
8	Other reserves	3,553	Ref. 2 (Shareholder's Equity)
12	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-46	
27	CET1: Other capital elements, deductions, and adjustments	-46	Ref. 4 (Assets) & Ref. 5 (Assets)
28	ADDITIONAL TIER 1 CAPITAL	-	
40	TIER 2 CAPITAL	-	

Template EU IF CC2 - Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements

As at financial year end 31 Dec 2025 (€' 000)		a	c
		Balance Sheet as in published/audited financial statements	Cross reference to EU IF CC1
Assets - Breakdown by asset classes according to the balance sheet in the published/audited financial statements			
1	Plant and equipment	32	
2	Intangible assets	0	
3	Right-of-use asset	77	
4	Investor's Compensation Fund	41	Ref. 27
5	Additional cash buffer	5	Ref. 27

6	Trade and other receivables	1,868	
7	Cash and cash equivalents	59	
	Total Assets	2,082	
Liabilities - Breakdown by liability classes according to the balance sheet in the published/audited financial statements			
1	Lease Liabilities	63	
2	Trade and other payables	73	
	Total Liabilities	136	
Shareholders' Equity			
1	Share Capital	200	Ref. 4
2	Contribution from shareholder	3,553	Ref. 8
3	Retained earnings	-2,379	Ref. 6
	Total Shareholders' equity	1,374	

Template EU IF CCA: Own funds: main features of own instruments issued by the firm

		Common Equity Tier 1 Capital
1	Issuer	LifeGoals Financial Services Ltd
2	Unique identifier (Legal Entity Identifier)	549300SPHL8RYOF0YC13
3	Public or private placement	Private
4	Governing law(s) of the instrument	Cyprus Law
5	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares
6	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	€ 1.33
7	Nominal amount of instrument	€ 1
8	Issue price	€ 1
9	Redemption price	N/A
10	Accounting classification	Shareholder's Equity
11	Original date of issuance	06/12/2013 80,000 shares 26/05/2014 120,000 shares
12	Perpetual or dated	Perpetual

LifeGoals.

13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	N/A
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory (in terms of timing)	N/A
21	Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A
22	Existence of step up or other incentive to redeem	N/A
23	Noncumulative or cumulative	Non-cumulative
24	Convertible or non-convertible	Non-convertible
25	If convertible, conversion trigger(s)	N/A
26	If convertible, fully or partially	N/A
27	If convertible, conversion rate	N/A
28	If convertible, mandatory or optional conversion	N/A
29	If convertible, specify instrument type convertible into	N/A
30	If convertible, specify issuer of instrument it converts into	N/A
31	Write-down features	No
32	If write-down, write-down trigger(s)	N/A
33	If write-down, full or partial	N/A
34	If write-down, permanent or temporary	N/A
35	If temporary write-down, description of write-up mechanism	N/A
36	Non-compliant transitioned features	No

LifeGoals.

37	If yes, specify non-compliant features	N/A
38	Link to the full term and conditions of the instrument (signposting)	N/A

LifeGoals.

12 Demosthenis Severis Avenue

5th Floor

1080 Nicosia, Cyprus

Phone: +357 22449122

Fax: +357 22780589

Email: info@lifegoals.eu

