

## Annex to the Addendum on the Provision of Investment Services

# Product Sheet – Forward Trades

This document contains information or refers to other documents. Its purpose is to specify in greater detail the terms and conditions for the performance of the agreement whose subject is the provision of services—specifically, the General Terms and Conditions (“GTC”) and the Technical Information, both available at [www.citfin.cz](http://www.citfin.cz).

This document contains legally required information which Citfin is obligated to disclose to the Client when providing services under Act No. 256/2004 Coll., on Doing Business on Capital Markets (“CMA”, the Capital Markets Act). Upon request, Citfin will provide the Client with information per the CMA in printed document form.

Unless otherwise specified, capitalised terms (those in capital letters) have the meaning defined in the GTC.

Citfin Company Information	<b>Citfin – Finanční trhy, a.s.</b> , with its registered office (headquarters) at Bucharova 1423/6b, 158 00 Prague 13, Company ID No.: 25079069, listed in the Commercial Register maintained by the Municipal Court in Prague, Section B, Entry 4313 (“ <b>Citfin</b> ”). Citfin is a company authorised under the CMA, as an investment firm, to provide Forward Trades.
Means of Communication and Provision of Information	Information is provided in the manner and within the deadlines stipulated in the GTC. Toll-free line: +420 234 092 011 Reception: +420 234 092 000 Company website: <a href="http://www.citfin.cz">www.citfin.cz</a> Citfin’s data mailbox: 7s2n782 Clients also use Citfin’s internet banking platform as a communication tool and a durable data carrier. The Framework Agreement is executed in the Czech language. Communication is also conducted in Czech. Upon the Client’s request and agreement, the Framework Agreement and communication may also be conducted in another agreed language. However, the Czech version of the Framework Agreement shall always take precedence. Citfin will provide the Client with appropriate reports on services already rendered or trades arranged, including details on the services provided and the associated costs. These reports (this information) will be made available quarterly through regular statements sent to internet banking. Clients also have ongoing access to selected information within Citfin’s internet banking platform.
Supervision Information	Citfin is regulated by the Czech National Bank (as a supervisory body), headquartered at Na Příkopě 28, 110 00 Prague 1.
Client Asset Protection	Information on the protection of Client assets is set out in the GTC.
Conflicts of Interest	Information on conflicts of interest and their prevention is provided in the GTC. In addition to information shown in the GTC, Citfin discloses that it does not accept or provide any incentives other than operational incentives—i.e., incentives that enable the provision of investment services and are necessary for that purpose (e.g., fees charged by regulated markets or banks in connection with order execution).

Client Categorisation	<p>Citfin categorises Clients as follows: (i) Retail Client (Non-Professional); (ii) Professional Client; and (iii) Eligible Counterparty.</p> <p>Unless the Client is explicitly informed otherwise, they are deemed a Retail Client. If the Client is reclassified as a Professional Client or Eligible Counterparty, Citfin will inform the Client accordingly.</p> <p>Retail Clients receive the highest level of protection. Professional Clients and Eligible Counterparties receive reduced protection; for example; in the areas of mandatory provision of information and the assessment of trade appropriateness.</p> <p>If the conditions set out in the CMA are met, the Client may request to be reclassified.</p>
Client Compensation Scheme	<p>Citfin is a participant in the Investment Firms Guarantee Fund, which maintains a guarantee system from which compensation is paid to clients of investment firms that are unable to meet their liabilities/debt obligations.</p> <p>The Guarantee Fund provides compensation of 90% of unreleased client assets, up to a maximum of EUR 20,000 per client per securities trader. The calculation is based on the value of the client's assets on the day the Guarantee Fund receives notification from the CNB.</p> <p>Further details are available on the Guarantee Fund website - <a href="http://www.gfo.cz">www.gfo.cz</a>, at <a href="http://www.citfin.cz">www.citfin.cz</a>, or in Sections 127 et seq. of the CMA.</p>
Investment Services and Instruments Provided	<p><b>Citfin provides the following investment services:</b></p> <ol style="list-style-type: none"> <li>Receipt and transmission of orders concerning investment instruments;</li> <li>Execution of orders related to investment instruments on behalf of Clients;</li> <li>Dealing in investment instruments on its own account.</li> </ol> <p><b>Information on Forward Trades Offered to Clients by Citfin</b></p> <p>Citfin offers the following types of investment instrument transactions, i.e., financial derivatives:</p> <ol style="list-style-type: none"> <li>Swap – the sale or purchase of one currency against another, followed by the reverse exchange after a certain time at a pre-agreed rate. Swaps are used when short-term liquidity in one currency must be temporarily substituted with another currency without taking on currency risk. Swaps can also be used to extend or shorten the maturity of an obligation through refinancing in another currency.</li> <li>Forward – the purchase or sale of one currency for another at a fixed agreed rate, with settlement occurring in the future on a set date.</li> <li>Option – a general term for forward contracts between the Client and Citfin under which one party has the right to exchange a predetermined amount of one currency for another at a fixed exchange rate on or during a specified future date or period. The other party is obliged to fulfil the exchange. The validity of this right may be subject to additional conditions.</li> </ol> <p>The following variants of Forward Trades are offered</p> <ol style="list-style-type: none"> <li>Standard FX Forward – buy/sell of one currency against another, to be executed on a specified future date at an agreed rate. Used to hedge the exchange rate for a specific future date.</li> <li>Amortising FX Forward – buy/sell of one currency against another, settled gradually over any day within a pre-agreed period in multiple partial drawdowns. Used to spread execution over time while locking in a fixed rate.</li> <li>Window FX Forward – buy/sell of foreign currencies at a fixed rate, with settlement taking place within a window ranging from 2 to 60 days.</li> <li>FX Par Forward – a series of FX forwards with varying settlement dates for the same currency pair, executed at a single fixed exchange rate.</li> <li>Window FX Par Forward – This is a series of currency forwards with different settlement dates on the same currency pair and a uniform exchange rate, whereby for each agreed forward transaction, the Client may choose a settlement interval in the form of a window ranging from 2 to 60 days.</li> <li>FX Swap – buy/sell of one currency against another with reverse exchange at a future date at a pre-agreed rate. Used to extend debt/liability maturity through its refinancing in another currency.</li> </ol>
Risk Information	<p>Investment transactions carry risks that may impact the profitability or loss of any investment. Investing is not suitable for everyone, and any investment carries the risk of not achieving the expected return or even losing part or all of the invested capital, even for so-called “guaranteed” products.</p> <p>Some investment instruments may involve additional financial obligations, meaning losses can exceed the original investment. In general, the higher the risk, the higher the potential gain or loss. Past performance is not indicative of future results.</p> <p>Overall risk can be reduced by diversifying across asset classes. Trading with leverage entails significantly higher risk. Tax-related risks may also apply; Clients are responsible for fulfilling their own tax obligations. We recommend that Clients do not purchase (invest in) investment instruments that they do not fully understand in terms of conditions and risks, including the scope of potential losses.</p>

	<p><b>Common risks include related to investing in investment instruments include the following:</b></p> <ul style="list-style-type: none"> <li>a) Credit risk (issuer/counterparty default) – risk that the counterparty does not make good on its debt (becomes insolvent); in extreme cases the entire investment is lost;</li> <li>b) Settlement risk (failure to settle as agreed), i.e., the purchase price will not be paid or the securities papers will not be delivered;</li> <li>c) Market risk – risk of losses due to unfavourable market conditions interest rates (interest risk); stock prices (stock/securities risk); commodity price (commodities risk); exchange rates (exchange rate or also currency risk); market risks also include <ul style="list-style-type: none"> <li>– Liquidity risk – threat of loss in the event that the given investment instrument cannot be bought or sold in the given moment, or if the trade can be settled only for a disadvantageous price; and</li> <li>– Volatility risk (fluctuation) – risk of short-term or long-term price fluctuations (poor timing of investment(s) can lead to significant losses;</li> </ul> </li> <li>d) Operational risk (due to human error, fraud or information system deficiencies);</li> <li>e) Legal risk (risk of losses due to unenforceable terms in contracts);</li> <li>f) Terminology risk (various terms are interpreted differently on various financial markets and thus you may end up having an inexact idea of an investment instrument's actual nature);</li> <li>g) Inflation risk (impact on the real returns of the investment instruments held; high inflation can lead to situations where you end up with lower returns or even losses);</li> <li>h) Global market risk – dangerous changes in the prices of investment instruments as a result of a global drop in the economy or in financial markets;</li> <li>i) Sector risk – danger (risk) of changes in the price of investment instruments due to a decline in a given sector;</li> <li>j) Political risk – means the danger (risk) of price changes or the transferability of investment instruments due to changes in a political situation;</li> <li>k) Derivative and leverage risk where value depends on the price of underlying assets; some derivative investment tools make use of the leverage effect, i.e., their value depends on the growth or decline in prices of underlying assets based on an agreed ratio – thus small changes in underlying assets can cause large (significant) losses, potentially for amounts exceeding the initial capital investment..</li> </ul> <p><b>Forward Trade Risks</b></p> <p>Risk arising from Forward Transactions is mainly associated with the development of the current exchange rate to the detriment of the Client (the market exchange rate is more favourable for the Client than the exchange rate of the Forward Transaction), which may result in a loss, even for an amount exceeding the value of the deposit made by the Client.</p> <p><b>Forward Risks</b></p> <p>With forwards (e.g., forward rate agreements), you commit to buy or sell a certain amount of one currency for another at a specific time or within a specific period at a fixed price. The risk is that, after the period expires, you may be able to buy or sell the underlying asset (e.g., foreign currency) at a much more favourable price than the price specified in the contract you entered into. The potential loss is unlimited.</p>
Target Market	<p>Citfin defines the target market based on categories such as client type, client knowledge and experience, financial situation and loss-bearing capacity, risk tolerance, investment goals, and sustainability preferences. Whether a specific Client fits into the target market is determined based on a completed questionnaire.</p> <p>Citfin informs that the services and products it offers are suitable for both professional clients under §§ 2a and 2b of the CMA and retail clients also in the spirit of the CMA.</p>
Order Execution Information	<p><b>General Execution Principles</b></p> <p>When executing orders, Citfin considers the following:</p> <ul style="list-style-type: none"> <li>a) Nature and characteristics of the investment instrument subject to trade;</li> <li>b) Nature of the Client, particularly their classification;</li> <li>c) Nature of the Client order.</li> </ul> <p>Factors influencing the manner in which orders are executed depend on the investment instrument or investment service provided. The factors are ranked in order of importance as follows:</p> <ul style="list-style-type: none"> <li>a) Price achievable at execution venue;</li> <li>b) Total fees charged to Client;</li> <li>c) Execution speed;</li> <li>d) Likelihood of execution;</li> <li>e) Trade volume;</li> <li>f) Settlement conditions;</li> </ul>

	<p>g) Order type;</p> <p>h) Any other factor relevant to executing the Client's trade.</p> <p>Based on consideration of the significance of these factors affecting the execution of Client orders, Citfin has established a policy of adopting individual approaches to the execution of each individual order for both professional and non-professional Clients.</p> <p>If Citfin executes an order for a Client who is not a professional Client, the execution of the order under the best conditions shall be determined in terms of overall performance, which consists of the price of the investment instrument and the costs associated with the execution of the order, including all expenses of the Client directly related to the execution of the order.</p> <p>In the event that a special agreement is made between the Client and Citfin regarding the manner of executing the order, including the conditions for executing the order, this agreement shall take precedence over the Rules for Executing Orders.</p> <p>As a general rule, Client orders are executed in the order in which they are received, unless this conflicts with the Client's specific instructions or the characteristics of the Client's order, or prevailing market conditions make such a procedure impossible or impractical, or the Client's interests require a different procedure.</p> <p>If significant difficulties arise during the processing of an order and the order is placed by a Client who is not a professional Client, Citfin shall immediately inform the Client of these difficulties.</p> <p>Citfin is obliged to provide a Client who is not a professional Client with adequate information about the executed order without undue delay after the order has been executed (no later than the next Business Day after the order has been executed).</p> <p>If, in accordance with the Framework Agreement or the GTC, transactions on behalf of a Client who is not a professional Client may result in extraordinary liabilities, particularly when trading with leverage, Citfin shall inform the Client of losses that exceed the pre-agreed limit without undue delay, but no later than by the end of:</p> <ol style="list-style-type: none"> <li>The Trading Day on which the limit was exceeded, or</li> <li>The following Trading Day, if the limit was exceeded on a non-trading day.</li> </ol> <p>Citfin is obliged to inform the Client once a quarter about the status of funds and investment instruments that are the property of the Client.</p> <p><b>Exchange Rate Determination and Settlement of Client Orders</b></p> <p>Citfin determines the best available rate at the time of the Client's request using internal and external sources and offers terms under which it is prepared to contract on its own account.</p> <p>Determining the best possible exchange rate for Forward Transactions (such as forwards and swaps) is carried out by Citfin, based on the Client's request, while verifying the current exchange rate of the requested currency with Citfin's information source or other information sources. Citfin then offers the Client specific terms and conditions for a Forward Transaction based on the current exchange rate, at which Citfin can conclude with the Client at that moment on its own account.</p>
Costs and Fees Associated with Services	<p>Forward Trades are provided without direct fees. The Client always receives the full amount based on the agreed exchange rate and without any other costs/charges.</p> <p>Some indirect costs may arise during rate setting for the Forward Transaction. Further details are provided in the Technical Information document.</p> <p>Under the Framework Agreement, the Client may be required to provide Collateral for Forward Transactions as specified in the GTC.</p>
Interest on Client Funds	<p>Funds held by Citfin in the CPA for Forward Trades are not interest-bearing unless agreed otherwise in writing. If interest applies, it is credited to the CPA for the amount owed and by means agreed between Citfin and the Client.</p>
Amendments and Termination of the Framework Agreement	<p>Under the Framework Agreement and GTC, Citfin may amend the Agreement and the GTC per procedures set out in the Framework Agreement and the GTC. The Agreement is concluded for an indefinite term. Both the Client and Citfin may terminate or withdraw from the Agreement under the terms of the Framework Agreement and GTC.</p>
Governing Law and Dispute Resolution	<p>Governing law, jurisdiction, and out-of-court settlement procedures are stipulated in the Framework Agreement and the GTC.</p>