

**THE ULTIMA STRUCTURED
PRODUCTS PLC**
Condensed Interim Financial Information
(Unaudited)
Six-month period ended 30 June 2025

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Officers, Professional Advisors and Registered Office

Board of Directors:	Alona Joannu Dimitra Karkalli Franz Hep Sergei Kaminskii - resigned on 11 September 2025
Company Secretary:	M. Kyprianou Fiduciaries Ltd
Independent Auditors:	Yiallourides & Partners Ltd
Registered office:	Office 203, Kofteros Business Center, 182, Agias Fylaxeos, 3083 Limassol Cyprus
Bankers:	Hellenic Bank Public Company Ltd ARDSHINBANK CJSC First Abu Dhabi Bank PJSC UNIBANK OJSC
Registration number:	HE158664

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with Part II Article 10 (7) of the Law 190 (I) / 2007 ('the Law') "*Law providing for transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market*", to the best of our knowledge, declare that:

(a) the condensed interim financial information, which are presented on pages 9 to 29 which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap.113, and in accordance with the International Financial Reporting Standard IAS 34 *Interim Financial Reporting*, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company taken as a whole; and

(b) the management report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Members of the Board of Directors


.....
Alona Joannu


.....
Dimitra Karkalli


.....
Franz Hep

Responsible for drafting the condensed interim financial information

Alona Joannu, Managing Director 

Limassol, 29 September 2025

MANAGEMENT'S REPORT

The Board of Directors of The Ultima Structured Products PLC (until 13 May 2025 BrokerCreditService Structured Products PLC) presents its report and unaudited condensed interim financial information of the Company for the period from 1 January 2025 to 30 June 2025.

Incorporation

The Company The Ultima Structured Products PLC (the "Company") was incorporated in Cyprus on 18 March 2005 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. In 2015 the Company has been converted into a public limited company. Its registered office is at office is at Agias Fylaxeos 182, Office 203, Kofteros Business Center, 3083 Limassol, Cyprus.

Principal activities and nature of operations of the Company

The Company constitutes an integral part of a wider group of companies (that might be also referred to in public sources as The Ultima World Group or The Ultima World Financial Group or The Ultima World), the top level holding company of the above mentioned being THE ULTIMA WORLD DMCC (until 9 January 2025 FG BCS LTD DMCC, domiciled in United Arab Emirates). The above mentioned The Ultima World group has full ownership and exercises control over a number of legal entities including those duly licensed and authorised for financial market services and investment activities, the appropriate licences and authorisations duly issued by EU and third countries regulators and authorities. The Ultima Structured Products PLC acts as an investment and financing company and conducts trading operations in the international securities markets (except for the investment activity that requires authorisation and/or license). This includes entering into transactions with market counterparties and related parties that are members of The Ultima World Group. These transactions include, but are not limited to, repo transactions, loans and transactions with securities in the international capital markets including exchanges and Over the Counter ("OTC") markets.

The Ultima Structured Products PLC acts as the Ultima World Group's operational company in Cyprus. In collaboration with other entities which are under common control, it issues structured products and executes various hedging strategies with the purpose of generating margins and minimising risk. Specifically, the Company issues Notes in registered form (respectively, the "Notes") under a Euro Medium Term Note Programme, which are admitted to the official list of the Irish Stock Exchange and trading on its regulated market (the "Main Securities Market") as well as other and/or further stock exchange(s) or market(s) (including regulated markets). The Company also issues unlisted Notes and/or Notes not admitted to trading on any market.

The Company's ultimate shareholder and controlling party is Mr. Oleg Mikhasenko, an individual who is the sole ultimate beneficial owner of the Ultima World Group.

Changes in Company structure

During the period under review, there were no changes in Company's structure.

Review of current position, future developments and performance of the Company's business

The Company's development to date, financial results and position as presented in the condensed interim financial information are considered satisfactory.

Given the current geopolitical situation, which affects world markets the Board of Directors is aiming to continue to take the following measures to ensure stability of Company's business, its financial position and performance:

- Continue with new markets expansion – for limiting exposures to the markets the Company is present at, the Board of Directors considers expansion to new markets;
- Continuously seek for a new business relations and opportunities to ensure stability in company's performance to be able to fulfil its obligations.

The Company's strategic goals and main current and future developing points are:

- Leading positions in sales of structured products;
- Ability for remote purchase of structured products;
- Continue to increase range of structured products provided;
- Continue of implementation of new types of products;
- Sales diversification through partners and agents and development of remote and other distribution channels (i.e. promotion of online distribution of structured products through The Ultima channels, external partnership network extension, and joint products with other entities under common control).

Existence of branches

The Company does not maintain any branches.

Principal risks and uncertainties

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company as part of its operations and normal activities uses various financial instruments such as credit default swaps, interest rate swaps, options, forward contracts, direct and reverse repurchase agreements, credit linked notes and other instruments which expose it to various financial risks such as fair value interest rate risk, credit risk, liquidity risk.

The Company's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Market risk

Market price risk is the risk of loss resulting from adverse movements in the market price or model price of financial assets. The Company has an exposure to market price risk because of investments held by the Company and classified as financial assets at fair value through profit or loss, which are susceptible to market price risk arising from uncertainties about future prices of these investments.

Interest rate risk

Interest rate risk is the risk of adverse movements in the yield curve and corresponding movements in the valuation of fixed income-based assets of the Company.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. The Company distinguishes between the following types of credit risk:

- Counterparty credit risk is the risk of the counterparty defaulting on a derivative transaction that has a positive replacement value;
- Issuer credit risk is the risk of default by the issuer of a debt instrument held as direct position or as an underlying of a derivative;
- Country risk is the risk of financial loss due to a country-specific event.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties with raising money in meeting obligations associated with financial liabilities.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency.

The principal financial risks above and uncertainties faced by the Company are described further in note 15 of the condensed interim financial information. These risks are not an exhaustive list or explanation of all risks, which the Company may face.

The Company is also exposed to a number of other risks, including:

- **Operational Risk** is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events. Losses can take the form of direct financial losses, regulatory sanctions or lost revenues, e.g. due to the failure of a system. Such events may also lead to reputational damage that could have longer-term financial consequences.
Operational risk is limited by means of organizational measures, automation, internal control and security systems, written procedures, legal documentation, loss mitigation techniques and business continuity plan overseen by management, among other measures.
- **Legal risk** is the risk that agreements and contracts are ineffective in protecting the Company's from claims against it by third parties.
- **Regulatory Compliance Risk** - the risk that the Company suffers financial, reputational or litigation damage through failure to adhere to, monitor, control update and eliminate or substantially reduce regulatory compliance risk.

- **IT Risk (including Cyber risks)** is the risk that IT systems fail to support the Company's business operations and/or to provide reliable management information on a timely basis.
- **Reputation risk** is the current or prospective risk to earnings and capital arising from an adverse perception of the image of the Company on the part of counterparties, shareholders, investors or regulators. Reputation risk could be triggered by poor performance, fraud, theft, legal action or regulatory fines.
- **Political risk** is the risk that the Company's investment's returns or operations could suffer as a result of political changes in the country or globally.
- **Model risk** is the risk of financial loss due to inappropriate model assumptions or inadequate model usage. The consequence of an inadequate model could be an incorrect valuation, leading to incorrect risk measurement and incorrect hedging positions, both of which could result in a financial loss.
- **Tax risk** is the risk of losses arising from changes in taxation (derived from tax legislation and decisions by the courts), including the misinterpretation of tax regimes as well as the manner in which they may be applied and enforced.

All significant risks are included in the Risk Matrix of the Company with a description of the procedures for their mitigation.

Capital adequacy

The Company maintains a significant level of capital due to the following factors:

- This allows the Company to better manage risks in stressful situations and absorb adverse market movements;
- This makes it easier to establish relationships with leading market counterparties;
- This corresponds to the best market practices.

The Company's risk appetite falls into the categories between "Low" to "Medium": the Company has limited appetite for risks and therefore takes preference to safe options that are low risk. The Company makes some deliberate trade-offs between costs and return considerations and accepts some risk exposure whilst designing controls with an emphasis on mitigating risks that are more material.

As at 30 June 2025 (unaudited) the Company's capital amounted to USD 117 288 thousand (31 December 2024: USD 118 280 thousand).

Results

The Company's results for the six-month period ended 30 June 2025 (unaudited) are set out on page 10. The net loss for the six-month period ended 30 June 2025 (unaudited) attributable to the shareholder of the Company amounted to USD 12 174 thousand (for the six-month period ended 30 June 2024 (unaudited): net loss USD 17 789 thousand). On 30 June 2025 (unaudited) the total assets of the Company were USD 468 101 thousand (31 December 2024: USD 517 109 thousand).

Key Performance Indicators

Although the Company incurred losses during the six-month period ended 30 June 2025 (unaudited), this was the result of the applying a more conservative approach to the valuation of reserves and trading assets. Despite the loss the Company maintained strong equity position amounted to USD 117 288 thousand as at 30 June 2025 (unaudited) (31 December 2024: USD 118 280 thousand), representing 33% of the Company's total liabilities (31 December 2024: 30%).

Dividends

No dividends were declared or paid during the period.

Share capital

There were no changes in the share capital of the Company during the reported period.

Board of Directors

The members of the Company's Board of Directors as at 31 December 2024 and at the date of this report are presented on page 1. Mr. Sergei Kaminskii resigned from director of the Company on 11 September 2025. Matters that were assigned to Mr. Kaminskii previously now remain under control of Ms. Alona Joannu.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office. There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Corporate Governance Statement

The Company, in preparation of its condensed interim financial information adheres to IFRS requirements laid down by the International Accounting Standards (IAS) Regulation (2002/3626/EC) and Companies Law Cap. 113 of the Republic of Cyprus. The condensed interim financial information are prepared in accordance with International Financial Reporting Standards as adopted by the EU. The procedure of preparation of condensed interim financial information in terms of risk management and internal controls is supervised by the Board of Directors. The Company also has an Audit Committee, appointed directly by the General Meeting of Shareholders which is entitled, under its documented Terms of Reference to:

- (a) monitor and discuss with management the integrity of the condensed interim financial information of the Company, including:
 - (i) the annual and half-yearly reports;
 - (ii) any other formal statements relating to its financial performance;
- (b) review and report to the board on significant financial reporting issues and judgements which the financial statements, condensed interim financial information, preliminary announcements and related formal statements contain having regard to matters communicated to it by the external auditor;
- (c) review and challenge where necessary:
 - (i) the application and appropriateness of accounting policies, and any changes to them both on a year on year basis and across the Company;
 - (ii) the annual valuations used for preparation of the annual financial statements and, at its discretion, to interview the valuers responsible for such valuations, if any;
 - (iii) whether the Company has made appropriate estimates and judgements, taking into account the external auditor's views;
 - (iv) the clarity and completeness of condensed interim financial information disclosures and any changes to those disclosures, including the review of any correspondence between the Company and the external auditor;
 - (v) the methods used to account for significant or unusual transactions (including any off balance sheet arrangements) where different approaches are possible;
 - (vi) significant adjustments resulting from the external audit; and
 - (vii) the assumptions or qualifications in support of the going concern statement (including any material uncertainties as to the Company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the condensed interim financial information) and the longer term viability statement (including an assessment of the prospects of the Company looking forward over an appropriate and justified period);
- (d) monitor compliance with financial reporting standards and any recognised investment exchange and other financial and governance reporting requirements;
- (e) review all material information presented with the condensed interim financial information, such as the strategic report and the corporate governance statements, insofar as it relates to audit and risk management;
- (f) review first any other statements that contain condensed interim financial information and require board approval, if carrying out a review before board approval would be practicable and consistent with any prompt reporting requirements under any law or regulation including the listing rules or disclosure guidance and transparency rules; and
- (g) where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, report its views to the board.

As to the internal controls the Audit Committee reviews the Company's internal financial controls and internal control systems and, at least annually, carry out a review of its effectiveness and approve the statement to be included in the annual report concerning internal control.

Operating environment

Economic Performance

In 2024 GDP growth rate reached 3,4 %, while inflation stands at 1,8 %. In 2025 economic conditions remain positive.. The GDP growth rate in real terms during 2025 is estimated at 3,4% according to the Central Bank of Cyprus (CBC).

The CBC has revised its 2025 forecast for gross domestic product growth to 3,1 %, from 3,2% compared to its March 2025 projections. At the same time, it has maintained its forecast for GDP growth in the period 2026-2027 at 3% annually.

Key Risks & Challenges

1. Geopolitical Tensions & External Risks

- Escalating Middle East crisis threatens global stability, potentially increasing energy prices and transportation costs, which could reignite inflationary pressures.
- Continued Russia-West tensions and broader global economic uncertainty may impact foreign direct investment (FDI) and tourism inflows, particularly from MENA-based firms.

2. Inflation & Monetary Policy

- Inflation remains a concern, though moderated compared to 2024. Any further supply-chain disruptions or energy price shocks could reverse progress.
- The European Central Bank's (ECB) monetary policy will influence Cyprus' borrowing costs and economic stability.

3. Banking Sector & Fiscal Resilience

- Cyprus has made significant progress in reducing banking sector risks since the financial crisis.
- Sovereign credit ratings improved:
 - Fitch (May 2025): Affirmed at A- (Stable Outlook).
 - S&P (December 2024): Upgraded to A- from BBB.
 - Moody's (November 2024): Upgraded to A3 (Stable outlook) from Baa2.
- However, high private and public debt levels remain a vulnerability, requiring continued fiscal discipline.

Outlook for 2025-2026

- The CBC projects steady but slower growth in 2025-2026, assuming no major external shocks.
- Tourism, real estate, and professional services remain key drivers, but diversification efforts (e.g., tech investments, energy projects) are crucial for long-term resilience.

Conclusion

Cyprus' economy shows strong momentum in 2025, supported by domestic demand and improved fiscal health. However, geopolitical risks, inflation pressures, and global economic fragility pose significant challenges. The country's ability to maintain fiscal discipline, attract FDI, and navigate external shocks will determine its economic trajectory in the coming years.

Total auditors' remuneration

Total auditors' remuneration for the six-month period ended 30 June 2025 (unaudited) amounted to USD 51 thousand (six-month period ended 30 June 2024 (unaudited): USD 56 thousand).

Events after the reporting period

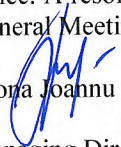
There were no events after the reporting period to disclose.

Related party balances and transactions

Disclosed in note 14 of the condensed interim financial information.

Independent Auditors

The Independent Auditors of the Company Yiallourides & Partners Ltd. have expressed their willingness to continue in office. A resolution giving authority to the Board of Directors to fix their remuneration will be submitted to the Annual General Meeting.


Alona Joannu

Managing Director

Limassol, 29 September 2025

Independent Auditor's Report

To the Members of The Ultima Structured Products Plc

On Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed statement of financial position of The Ultima Structured Products Plc as at 30 June 2025, the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the interim financial information ("the condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at 30 June 2025 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.



Panicos Charalambous
Certified Public Accountant and Registered Auditor
for and on behalf of

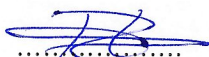
Yiallourides & Partners Ltd
Chartered Accountants

Limassol, 29 September 2025

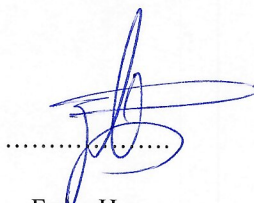
THE ULTIMA STRUCTURED PRODUCTS PLC
Condensed Interim Statement of Financial Position as at 30 June 2025 (unaudited)

<i>(In thousands of USD)</i>	Note	30 June 2025 (unaudited)	31 December 2024
ASSETS			
Cash and cash equivalents	5	24 540	34 498
Trading assets except derivatives	6	229 128	225 325
- pledged		4 662	2 369
- unpledged		224 466	222 956
Derivative assets	7	164 671	210 579
Property, equipment and intangible assets		52	75
Investment in an associate	8	27 087	31 892
Prepayments and other assets	9	22 623	14 740
TOTAL ASSETS		468 101	517 109
LIABILITIES			
Derivative liabilities	7	195 752	223 916
Notes issued	10	46 675	79 236
Loans payable	11	101 326	88 074
Payables and other liabilities		7 060	7 603
TOTAL LIABILITIES		350 813	398 829
EQUITY			
Share capital	12	27	27
Liability credit reserve		(9 259)	(10 443)
Translation reserve		8 489	8 489
Retained earnings		118 031	120 207
TOTAL EQUITY		117 288	118 280
TOTAL EQUITY AND LIABILITIES		468 101	517 109

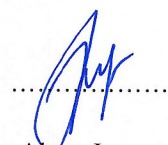
On 29 September 2025 the Board of Directors of The Ultima Structured Products PLC authorised this condensed interim financial information for issue.



Dimitra Karkalli
Director



Franz Hep
Director



Alona Joannu
Director

THE ULTIMA STRUCTURED PRODUCTS PLC
Condensed Interim Statement of Profit or Loss and Other Comprehensive Income
for the six-month period ended 30 June 2025 (unaudited)

<i>(In thousands of USD)</i>	Note	For the six-month period ended 30 June 2025 (unaudited)	For the six- month period ended 30 June 2024 (unaudited)
Interest income calculated using the effective interest method	4	215	2 816
Other interest income	4	15	15
Interest expense	4	(3 098)	(6 498)
Net interest expense		(2 868)	(3 667)
Net trading gain (loss) from trading assets and liabilities		3 479	(54 227)
Gain (loss) from trading in foreign currencies and currency revaluation		666	(1 327)
Dividend income from trading assets		2 860	4 746
Loss related to redemption and disposal of investment securities measured at amortised cost		-	(3 396)
Net trading (loss) gain from derivatives		(8 103)	56 052
Net trading (loss) profit		(1 098)	1 848
Impairment of debt financial assets	3	(4 031)	(14 509)
Other income		30	-
Administrative and other operating expenses		(1 064)	(1 316)
Fee and commission expense		(2 626)	(5 714)
Share of (loss) gain of an associate	8	(111)	6 082
Loss before income tax		(11 768)	(17 276)
Income tax expense		(406)	(513)
Loss for the period		(12 174)	(17 789)
Other comprehensive loss			
<i>Items that will not be reclassified to profit or loss</i>			
Movement in liability credit reserve		(437)	(8 521)
Other comprehensive loss		(437)	(8 521)
Total comprehensive loss for the period		(12 611)	(26 310)

THE ULTIMA STRUCTURED PRODUCTS PLC
Condensed Interim Statement of Changes in Equity
for the six-month period ended 30 June 2025 (unaudited)

For the six-month period ended 30 June 2025 (unaudited)					
Attributable to the sole participant					
<i>(In thousands of USD)</i>	Share capital	Liability credit reserve	Translation reserve	Retained earnings	Total
Balance at 1 January 2025	27	(10 443)	8 489	120 207	118 280
Total comprehensive loss					
Loss for the period	-	-	-	(12 174)	(12 174)
Other comprehensive loss					
<i>Items that will not be reclassified to profit or loss</i>					
Liability credit reserve	-	1 184	-	(1 621)	(437)
<i>Total items that will not be reclassified subsequently to profit or loss</i>	-	1 184	-	(1 621)	(437)
Total comprehensive income for the period	-	1 184	-	(13 795)	(12 611)
Net contribution from shareholder (Note 8, 14)	-	-	-	11 619	11 619
Balance at 30 June 2025 (unaudited)	27	(9 259)	8 489	118 031	117 288

For the six-month period ended 30 June 2024 (unaudited)					
Attributable to the sole participant					
<i>(In thousands of USD)</i>	Share capital	Liability credit reserve	Translation reserve	Retained earnings	Total
Balance at 1 January 2024	27	(6 844)	8 489	126 628	128 300
Total comprehensive loss					
Loss for the period	-	-	-	(17 789)	(17 789)
Other comprehensive loss					
<i>Items that will not be reclassified to profit or loss</i>					
Liability credit reserve	-	(6 942)	-	(1 579)	(8 521)
<i>Total items that will not be reclassified subsequently to profit or loss</i>	-	(6 942)	-	(1 579)	(8 521)
Total comprehensive loss for the period	-	(6 942)	-	(19 368)	(26 310)
Net distribution to shareholder (Note 8, 14)	-	-	-	(3 783)	(3 783)
Balance at 30 June 2024 (unaudited)	27	(13 786)	8 489	103 477	98 207

THE ULTIMA STRUCTURED PRODUCTS PLC
Condensed Interim Statement of Cash Flows
for the six-month period ended 30 June 2025 (unaudited)

	Note	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
<i>(In thousands of USD)</i>			
Cash flows from operating activities			
Loss before income tax		(11 768)	(17 276)
Adjustments for:			
Depreciation and amortisation		24	29
Unrealised loss from trading in foreign currencies		152	677
Change in fair value of derivative financial instruments		(9 962)	(129)
Fair value (gain) loss on financial assets at fair value through profit or loss		(6 951)	19 592
Loss related to redemption and disposal of investment securities measured at amortised cost		-	3 396
Impairment of debt financial assets	3	4 031	14 509
Net interest expense	4	2 868	3 667
Share of loss (gain) of an associate	8	111	(6 082)
Cash flows (used in) from operating activities before changes in working capital		(21 495)	18 383
Change in operating assets and liabilities			
Decrease in financial assets at fair value through profit or loss		3 450	452 041
Decrease in prepayments and other assets		4 427	72 219
Derivative instruments		26 933	(314 070)
Decrease in trade and other payables		(682)	(5 301)
Decrease in notes issued		(32 998)	(25 431)
Increase/(decrease) in loans payable		14 942	(264 282)
Interest received during the period		82	1 950
Interest paid during the period		(4 249)	(367)
Income tax paid		(406)	(513)
Net cash used in operating activities		(9 996)	(65 371)
Cash flows from investing activities			
Proceeds from disposal of investment securities measured at fair value through profit and loss		-	4 963
Proceeds from disposals and redemption of financial assets at amortised cost		-	7 530
Net cash from investing activities		-	12 493
Cash flows from financing activities			
Lease payments		(27)	(23)
Net cash used in financing activities		(27)	(23)
Net decrease in cash and cash equivalents		(10 023)	(52 901)
Cash and cash equivalents at the beginning of the period	5	34 498	121 489
Effect of changes in exchange rates on cash and cash equivalents		64	(237)
Effect of change in allowance for credit losses on cash and cash equivalents	3	1	22
Cash and cash equivalents at end of the period	5	24 540	68 373

1 Incorporation and principal activities

Country of incorporation

The company The Ultima Structured Products PLC (until 13 May 2025 BrokerCreditService Structured Products PLC) (the “Company”) was incorporated in Cyprus on 18 March 2005 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. In 2015 the Company has been converted into a public limited company. Its registered office is at office is at Agias Fylaxeos 182, Office 203, Kofteros Business Center, 3083 Limassol, Cyprus.

Principal activities

The Company constitutes an integral part of a wider group of companies (that might be also referred to in public sources as The Ultima World Group or The Ultima World Financial Group or The Ultima World), the top level holding company of the above mentioned being THE ULTIMA WORLD DMCC (until 9 January 2025 FG BCS LTD DMCC, domiciled in United Arab Emirates). The above mentioned The Ultima World group has full ownership and exercises control over a number of legal entities including those duly licensed and authorised for financial market services and investment activities, the appropriate licences and authorisations duly issued by EU and third countries regulators and authorities. The Ultima Structured Products PLC acts as an investment and financing company and conducts trading operations in the international securities markets (except for the investment activity that requires authorisation and/or license). This includes entering into transactions with market counterparties and related parties that are members of The Ultima World Group. These transactions include, but are not limited to, repo transactions, loans and transactions with securities in the international capital markets including exchanges and Over the Counter (“OTC”) markets.

The Ultima Structured Products PLC acts as The Ultima World Group's operational company in Cyprus. In collaboration with other entities which are under common control, it issues structured products and executes various hedging strategies with the purpose of generating margins and minimising risk. Specifically, the Company issues Notes in registered form (respectively, “Bearer Notes” and “Registered Notes” and, together, the “Notes”) under a Euro Medium Term Note Programme, which are admitted to the official list of the Irish Stock Exchange and trading on its regulated market (the “Main Securities Market”) as well as other and/or further stock exchange(s) or market(s) (including regulated markets). The Company also issues unlisted Notes and/or Notes not admitted to trading on any market.

The Company's ultimate shareholder and controlling party is Mr. Oleg Mikhasenko, an individual who is the sole ultimate beneficial owner of The Ultima World Group.

2 Basis of preparation

a) General

This condensed interim financial information is prepared in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. It does not include all of the information required for full financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2024, as this condensed interim financial information provides an update of previously reported financial information.

Management is responsible for the preparation of the condensed interim financial information in accordance with IAS 34 *Interim Financial Reporting*.

The preparation of financial information in conformity with IFRS requires management to make judgements and key estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial information and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing this condensed interim financial information the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those that applied to the financial statements for the year ended 31 December 2024.

b) Business environment

Cyprus business environment

Global growth is forecast to slow to 3,0% in 2025 from 3,3% in 2024 before continuing at a moderate 3,1% in 2026. According to IMF Cyprus recorded one of the euro area's highest growth rates in 2024 at 3.4%, driven by strong tourism activity, rapid expansion in Information and Communication Technology (ICT), and resilient consumer demand.

The CBC has revised its 2025 forecast for gross domestic product growth to 3,1 %, from 3,2% compared to its March 2025 projections. CBC expects Cyprus' GDP to increase by 3% in the period 2026-2027.

Inflation (based on the Consumer Price Index) decelerated to 1,8% in 2024. According to the CBC, inflation is expected to drop to 2,1% in 2025, and 1,9% in 2026.

Nevertheless, uncertainty around the macroeconomic outlook remains high due the challenging external environment. There are heightened geopolitical tensions between the world's largest economies adding uncertainty to the global economy outlook. Tensions between Russia and the West also remain high. Middle East crisis adds to the current global economic uncertainty, posing a threat to the global and local economy short-term path via the possibility of new inflationary pressures (increase of transportation costs and energy prices), slowing down of foreign direct investment and tourist inflows in Cyprus from MENA owned firms.

There have been distinct improvements in Cyprus' risk profile after the banking crisis, substantial risks remain. Cyprus' overall country risk is a combination of sovereign, currency, banking, political and economic structure risk, influenced by external developments with substantial potential impact on the domestic economy.

The sovereign risk ratings of the Cyprus Government improved considerably in recent years reflecting reduced banking sector risks, and improvements in economic resilience and consistent fiscal outperformance. In December 2024, Fitch Ratings has upgraded Cyprus's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'A-' from 'BBB+'. The Outlook is Stable. In December 2024, S&P Global Ratings raised its long-term foreign and local currency sovereign credit ratings on the Republic of Cyprus to 'A-' from 'BBB+', in May 2025 S&P Global Ratings affirmed the 'A-' rating. In November 2024, Moody's has upgraded the Government of Cyprus's long-term issuer and senior unsecured ratings to A3 from Baa2.

c) Basis of measurement

Condensed interim financial information is prepared on the historical cost basis, except that trading assets and liabilities, including derivatives and certain notes issued measured at fair value.

d) Functional and presentation currency

The functional currency of the Company is the currency of the primary economic environment in which it operates. The Company have determined that its functional currency is the US Dollar (USD) as it reflects the economic substance of the majority of underlying events and circumstances relevant to them. The USD is also the presentation currency for the purposes of this condensed interim financial information. All condensed interim financial information presented in USD is rounded to the nearest thousands, except when otherwise indicated.

e) Changes in accounting policies and presentation

The accounting policies applied in this condensed interim financial information are the same as those applied in the last annual financial statements for the year ended 31 December 2024.

3 Impairment on debt financial assets

<i>(In thousands of USD)</i>	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Prepayments and other assets	(4 032)	(14 561)
Cash and cash equivalents	1	22
Investment securities measured at amortised cost	-	30
Total impairment on debt financial assets	(4 031)	(14 509)

4 Net interest expense

<i>(In thousands of USD)</i>	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Interest income calculated using the effective interest method		
Cash collateral on derivatives and overnight loans	148	2 668
Loans issued and deposits	67	114
Interest income on investment securities	-	34
Total interest income calculated using the effective interest method	215	2 816
Other interest income	15	15
Interest expense		
Loans payable	(3 097)	(6 256)
Repurchase and securities borrowing agreements	-	(241)
Lease liability	(1)	(1)
Total interest expense	(3 098)	(6 498)
Net interest expense	(2 868)	(3 667)

5 Cash and cash equivalents

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
Cash balances on brokerage accounts	20 280	24 048
Correspondent accounts and overnight placements with banks	1 270	10 467
Deposits	3 003	-
Cash on hands	1	-
Loss allowance	(14)	(17)
Total cash and cash equivalents	24 540	34 498

The following table sets out information about the credit quality of cash and cash equivalents as at 30 June 2025 (unaudited) and as at 31 December 2024. The amounts in the table represent gross carrying amounts.

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)			
	Correspondent accounts and overnight placements with banks	Deposits	Cash balances on brokerage accounts	Total
AA- to AA+	633	-	-	633
BBB- to BBB+	129	-	-	129
BB- to BB+	412	-	2 507	2 919
B- to B+	96	-	-	96
Internal rating B- to B+	-	3 003	17 773	20 776
Loss allowance	(1)	(2)	(11)	(14)
Total cash and cash equivalents excluding cash on hand	1 269	3 001	20 269	24 539

<i>(In thousands of USD)</i>	31 December 2024		
	Correspondent accounts and overnight placements with banks	Cash balances on brokerage accounts	Total
AA- to AA+	8 368	-	8 368
BBB- to BBB+	832	-	832
BB- to BB+	1 129	-	1 129
B- to B+	138	6 805	6 943
Internal rating B- to B+	-	17 243	17 243
Loss allowance	(1)	(16)	(17)
Total cash and cash equivalents	10 466	24 032	34 498

The external credit rating of the parent company and its subsidiaries was withdrawn in April 2022. Therefore, as at 30 June 2025 (unaudited) the Company assessed credit risk of the parent company and its subsidiaries based on internal model that considers various quantitative and qualitative factors or basing on ratings from rating agencies. The internal rating scale is mapped to external credit ratings, so the internal rating categories match with ratings of S&P.

As at 30 June 2025 (unaudited) and 31 December 2024, where applicable the Company used ratings of S&P, Moody's, Fitch and RAEX.

The credit quality analysis presented in the tables above is based on rating categories matched to ratings of S&P.

Movement in the loss allowance during the six-month period ended 30 June 2025 (unaudited) is as follows:

<i>(In thousands of USD)</i>	
Loss allowance at 1 January 2025	(17)
Foreign exchange difference	2
Reversal of loss allowance	1
Loss allowance at 30 June 2025 (unaudited)	(14)

Movement in the loss allowance during the six-month period ended 30 June 2024 (unaudited) is as follows:

<i>(In thousands of USD)</i>	
Loss allowance at 1 January 2024	(64)
Reversal of loss allowance	22
Loss allowance at 30 June 2024 (unaudited)	(42)

As at 30 June 2025 (unaudited), 31 December 2024 and 30 June 2024 (unaudited), the Company measures loss allowances as 12-month ECL as far as credit risk on cash and cash equivalents has not increased significantly since their initial recognition.

6 Trading assets and liabilities except derivatives

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)			31 December 2024		
	pledged	unpledged	Total	pledged	unpledged	Total
Bonds						
AA+ to AA-	-	9 852	9 852	-	9 703	9 703
BBB+ to BBB-	206	2 372	2 578	204	2 351	2 555
Unrated	-	8 067	8 067	772	-	772
Total debt instruments	206	20 291	20 497	976	12 054	13 030
Equity instruments						
Corporate shares	4 456	204 175	208 631	1 393	210 902	212 295
Total equity instruments	4 456	204 175	208 631	1 393	210 902	212 295
Total trading assets	4 662	224 466	229 128	2 369	222 956	225 325

As result of sanctions imposed by the United States of America and the European Union on the Russian government, as well as major financial institutions and certain other entities and individuals in Russia, certain securities were restricted over trading and movement in depositories. As at 30 June 2025 (unaudited) the restricted securities were valued at USD 0 (31 December 2024: USD 0).

As at 30 June 2025 (unaudited) and 31 December 2024, where applicable the Company used ratings of S&P, Moody's, Fitch. For all other counterparties the credit rating was assessed based on ratings from Russian national rating agencies.

The credit quality analysis presented in the tables above is based on rating categories matched to ratings of S&P.

None of the trading financial assets are past due.

7 Derivative financial instruments

The Company issues OTC options and forward contracts, not designated in a qualifying hedge relationship, to manage its exposure to equity securities, exchange indices and commodity prices arising from the structured derivative instruments.

All structured products are fully funded, the Company receives cash or securities from clients in amount of product initial value.

Derivative financial instruments - assets

As at 30 June 2025 (unaudited) the derivative assets are entirely composed of hybrid derivative contracts in amount of USD 164 671 thousand (31 December 2024: USD 210 579 thousand), that are issued to the related parties internally rated at B+ level.

The external credit rating of the parent company and its subsidiaries was withdrawn in April 2022. Therefore, as at 30 June 2025 (unaudited) the Company assessed credit risk of the parent company and its subsidiaries based on internal model that considers various quantitative and qualitative factors or basing on ratings from Russian national rating agencies (if available). The internal rating scale is mapped to external credit ratings, so the internal rating categories match with ratings of S&P.

As at 30 June 2025 (unaudited) and 31 December 2024, where applicable the Company used ratings of S&P, Moody's, Fitch. For all other counterparties the credit rating was assessed basing on ratings from Russian national rating agencies.

Derivative financial instruments - liabilities

As at 30 June 2025 (unaudited) the derivative liabilities are entirely composed of hybrid derivative contracts in amount of USD 195 752 thousand (31 December 2024: USD 223 916 thousand).

As at 30 June 2025 (unaudited) and 31 December 2024 the Company did not have any past due derivative financial instruments.

During the six-month period ended 30 June 2025 (unaudited) certain hybrid derivative instruments in the amount of USD 1 105 (the six-month period ended 30 June 2024 (unaudited): USD 0) were sold to a related party under common control at market value.

8 Investment in associate

The Company has significant influence over THE ULTIMA INVESTMENTS CYPRUS LIMITED (until 11 February 2025 BrokerCreditService (Cyprus) Limited) (further Associate), that is an investment firm regulated by the Cyprus Securities and Exchange Commission and provides electronic access through its trading system (CQG) for sale and purchase of derivatives on world major exchanges. THE ULTIMA INVESTMENTS CYPRUS LIMITED is a private entity that is not listed on any public exchange.

The following tables illustrates the summarised financial information of the Company's investment in the Associate:

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
Current assets, including	173 596	184 457
<i>cash and cash equivalents</i>	28 579	29 952
Non-current assets	1 717	1 159
Current liabilities	(119 965)	(120 531)
Non-current liabilities	(68)	-
Equity	55 280	65 085
Company's share in equity – 49%	27 087	31 892
Company's carrying amount of the investment	27 087	31 892

THE ULTIMA STRUCTURED PRODUCTS PLC
Notes to the Condensed Interim Financial Information
for the six-month period ended 30 June 2025 (unaudited)

<i>(In thousands of USD)</i>	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Income, including	18 620	46 065
Interest income	6 182	29 057
Expenses, including	(18 692)	(33 499)
Interest expense	(5 468)	(17 887)
(Loss) profit before income tax	(72)	12 566
Income tax expense	(154)	(154)
(Loss) profit for the period	(226)	12 412
Total comprehensive (loss) income for the period	(226)	12 412
Company's share of total comprehensive (loss) income for the period	(111)	6 082

<i>(In thousands of USD)</i>	For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
1 January	31 892	34 905
Company's share of comprehensive (loss) income for the period	(111)	6 082
Dividends	(5 876)	-
Contribution from shareholder	1 182	945
Investment in associate at 30 June	27 087	41 932

9 Prepayments and other assets

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
Receivables from brokers and counterparties	86 247	145 149
Unsettled transactions with rights of claim	13 051	-
Unsettled transactions with securities	-	4 894
Loss allowance	(77 044)	(135 645)
Total financial assets	22 254	14 398
Other non-financial assets	369	342
Total prepayments and other assets	22 623	14 740

Analysis by credit quality of prepayments and other assets as at 30 June 2025 (unaudited) and 31 December 2024 is as follows:

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
12-month ECL		
Receivables from brokers and counterparties		
A- to A+	1	-
BB- to BB+	103	-
Internal rating B- to B+	6 199	10
Loss allowance	(4)	-
Unsettled transactions with rights of claim		
Internal rating B- to B+	13 051	-
Loss allowance	(116)	-
Unsettled transactions with securities		
Rated below B-	-	4 894
Loss allowance	-	(1 273)
Lifetime ECL credit-impaired		
Receivables from brokers and counterparties		
BB- to BB+	8 742	-
B- to B+	-	3 530
Internal rating B- to B+	71 202	141 609
Loss allowance	(76 924)	(134 372)
Total gross amount	99 298	150 043
Loss allowance	(77 044)	(135 645)
Total net amount	22 254	14 398

The external credit rating of the parent company and its subsidiaries was withdrawn in April 2022. Therefore, as at 30 June 2025 (unaudited) the Company assessed credit risk of the parent company and its subsidiaries based on internal model that considers various quantitative and qualitative factors or basing on ratings from Russian national rating agencies (if available). The internal rating scale is mapped to external credit ratings, so the internal rating categories match with ratings of S&P.

As at 30 June 2025 (unaudited) and 31 December 2024, where applicable the Company used ratings of S&P, Moody's, Fitch. For all other counterparties the credit rating was assessed basing on ratings from Russian national rating agencies. Receivables from brokers and counterparties was categorised as Lifetime ECL credit impaired due to sanction legislation restrictions, and not caused by the creditworthiness of the counterparties.

The credit quality analysis presented in the tables above is based on rating categories matched to ratings of S&P.

Significant changes in the gross carrying amount of prepayments and other assets that contributed to changes in loss allowance were as follows:

(In thousands of USD)	Loss allowance			Gross book value		
	12-month ECL	Lifetime ECL credit impaired	Total 30 June 2025 (unaudited)	12-month ECL	Lifetime ECL credit impaired	Total 30 June 2025 (unaudited)
Balance at 1 January 2025	(1 273)	(134 372)	(135 645)	4 904	145 139	150 043
New instrument	(120)	-	(120)	19 353	-	19 353
Transfer to Stage 3	13	(13)	-	(75)	75	-
Foreign exchange difference	(13)	(91)	(104)	72	110	182
Disposal	-	62 737	62 737	(4 900)	(65 380)	(70 280)
Remeasurement	1 273	(5 185)	(3 912)	-	-	-
Balance at 30 June 2025 (unaudited)	(120)	(76 924)	(77 044)	19 354	79 944	99 298

(In thousands of USD)	Loss allowance			Gross book value		
	12-month ECL	Lifetime ECL credit impaired	Total 30 June 2024 (unaudited)	12-month ECL	Lifetime ECL credit impaired	Total 30 June 2024 (unaudited)
Balance at 1 January 2024	(2 000)	(106 531)	(108 531)	87 457	147 142	234 599
New instrument	(32)	-	(32)	17 218	-	17 218
Transfer to Stage 3	1	(1)	-	(1 569)	1 569	-
Foreign exchange difference	1	453	454	(3)	(593)	(596)
Disposal	399	(13)	386	(65 552)	(23)	(65 575)
Remeasurement	(17)	(14 898)	(14 915)	-	-	-
Balance at 30 June 2024 (unaudited)	(1 648)	(120 990)	(122 638)	37 551	148 095	185 646

As a result of the sanctions imposed by the United States of America and the European Union on the Russian government, as well as major financial institutions and certain other entities and individuals in Russia, receivables of USD 79 944 thousand were restricted over trading and movement in depositories (31 December 2024: USD 145 139 thousand). The Company created the provision of USD 76 924 thousand (31 December 2024: USD 134 372 thousand) based on the management estimation of recoverability. During the six-month period ended 30 June 2025 (unaudited), the Company disposed of certain credit-impaired assets in gross amount of USD 65 344 thousand to the related party for consideration USD 13 050 thousand, the fair value of these assets at the date of disposal amounted to USD 2 617 thousand (Note 14).

10 Notes issued

(In thousands of USD)	30 June 2025 (unaudited)	31 December 2024
<i>Notes issued, carried at fair value</i>		
Credit Linked Notes	2 818	11 202
Share Linked Notes	43 845	65 750
Hybrid Notes	12	2 284
Total	46 675	79 236

Credit Linked Notes have maturity in 2025-2026 (31 December 2024: 2025-2026), Share Linked Notes have maturity in 2025-2027 (31 December 2024: 2025-2027), Hybrid Notes have maturity in 2025-2027 (31 December 2024: 2025-2027). Actual coupon amount per notes carried at fair value depends on the performance of underlying assets.

11 Loans payable

Loans payable comprises a marginal loan from the related party that is collateralised by trading assets except derivatives, notes issued and by financial collateral provided by other related parties under common control of the ultimate shareholder. The loans are payable on demand and secured by debt and equity securities held on the margin brokerage account.

The following table provides information on carrying value of securities held on margin brokerage account that are represents a collateral for loans payable:

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
Trading assets except derivatives	4 662	2 369
Notes issued	5 486	11 637
Total collateral	10 148	14 006
Total loans payable	101 326	88 074

12 Share capital

The Company's authorised and issued capital consists of 15 000 ordinary shares with a nominal value of 1,71 EUR each, issued at par.

During the six-month periods ended 30 June 2025 (unaudited) and 30 June 2024 (unaudited) the Company did not pay interim dividends.

13 Financial assets and liabilities: fair values and accounting classifications

The estimates of fair value are intended to approximate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. However, given the uncertainties and the use of subjective judgement, the fair value should not be interpreted as being realisable in an immediate sale of the assets or settlement of liabilities.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments the Company determines fair values using other valuation techniques.

The objective of valuation techniques is to arrive at a fair value determination that reflects the price that would be received to sell the asset, or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist, Black-Scholes option pricing model and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

The Company uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives like interest rate swaps.

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values are determined for measurement and for disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Notes issued and forward contracts

Notes issued and forward contracts are complex structured instruments that include embedded derivatives. The Company has a large structured products portfolio with various payoff types. Majority of the portfolio are equity underlying instruments (US equities, European equities, Chinese equities, some Russian local stocks etc.). Additionally, First to

Default credit derivatives with baskets composed to Russian and International Eurobonds as underlying assets. Most underlyings are liquid. Local volatility model used for the valuation of all equity linked products and a Gaussian Copula model for credit products. Valuations are performed using observable market data from Bloomberg and derived data (e.g. correlations and volatilities) calculated by Risk department.

Equity and debt securities

The fair value of equity and debt securities is determined by reference to their quoted closing last price at the reporting date, or if unquoted, determined using a valuation technique. Valuation techniques include market multiples and discounted cash flow analysis using expected future cash flows and a market related discount rate. The fair value of investments measured at amortised cost is determined for disclosure purposes only. In the event of a significant decrease in market activity for a security or if a quoted price is associated with transactions that are not orderly, the Company carries out an additional analysis of transactions and quoted prices with respect to the fair value relevance. Based on the analysis, the Company makes a decision on the need to adjust the fair value determined by market quotes or to apply the other valuation techniques for measuring the fair value.

In 2022, some of the financial instruments of Russian issuers were blocked in European depositaries, which resulted in decrease of market activity of such instruments. In March 2022, market for such instruments divided into two perimeters – external and internal. During the year, quotes for most of Russian Eurobonds for external perimeter became observable. For Russian local stocks situation is the most problematic with regard to fair value identification as no deals are allowed by European depositaries within their environments. Generally, the process of re-domiciliation is extremely unclear with a high number of risks in each node of chain.

Listed Russian equity securities in Russian depositaries and listed non-Russian equity securities in non-Russian depositaries are valued at fair value by reference to their quoted prices (Level 1 fair value hierarchy).

Non-Russian listed equity securities in Russian depositaries are restricted over trading and movement with inability to be sold, receive dividends, or move them to another depositary. The Company calculated their fair value as an approximation of their quoted/listed prices (i.e. by applying a marketability discount to arrive at a price that it believes reflect the fair value (Level 3 fair value hierarchy). The marketability discount for non-Russian listed equity securities in Russian depositaries is set at 100% (31 December 2024: 100%).

Derivatives

The fair value of forward exchange contracts is based on their quoted market price, if available. If a quoted market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk free interest rate (based on government bonds).

The fair value of options is based on broker quotes or is determined based on valuation techniques using observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). Quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk when appropriate.

Loans, trade and other receivables

The fair value of loans, trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date; fair values reflect the credit risk of the instruments.

Fair value hierarchy

The Company measures fair values for financial instruments recorded at fair value on the condensed interim statement of financial position using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The table below analyses financial instruments measured at fair value at 30 June 2025 (unaudited) and 31 December 2024, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the condensed interim statement of financial position:

	30 June 2025 (unaudited)			31 December 2024				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<i>(In thousands of USD)</i>								
Financial assets								
Trading assets:								
- corporate bonds	12 430	8 067	-	20 497	13 030	-	-	13 030
- corporate shares	180 719	-	27 912	208 631	168 534	-	43 761	212 295
- derivatives	-	164 671	-	164 671	-	210 579	-	210 579
Total financial assets carried at fair value	193 149	172 738	27 912	393 799	181 564	210 579	43 761	435 904
Financial liabilities								
Trading liabilities:								
- derivative liabilities	-	194 376	1 376	195 752	-	221 357	2 559	223 916
Notes issued	-	25 149	21 526	46 675	-	42 981	36 255	79 236
Total financial liabilities carried at fair value	-	219 525	22 902	242 427	-	264 338	38 814	303 152

Trading assets except derivatives

The following table shows a reconciliation for the six-month period ended 30 June 2025 (unaudited) and 30 June 2024 (unaudited) for trading assets fair value measurements in Level 3 of the fair value hierarchy:

<i>(In thousands of USD)</i>	Corporate shares
Financial instruments at fair value at 1 January 2025	43 761
Additions	1 826
Disposals	(16 186)
Net loss recognised in profit or loss	(1 489)
Financial instruments at fair value at 30 June 2025 (unaudited)	27 912

<i>(In thousands of USD)</i>	Corporate shares
Financial instruments at fair value at 1 January 2024	62 121
Additions	2 515
Net loss recognised in profit or loss	(7 212)
Financial instruments at fair value at 30 June 2024 (unaudited)	57 424

The sensitivity of profit or loss to the changes of the fair value of corporate shares in the total amount of USD 21 554 thousand (31 December 2024: USD 38 051 thousand) categorized into Level 3 of the fair hierarchy to changes in the expected cash flows as at 30 June 2025 (unaudited) is not significant as the effect will be netted by changes of the fair value of the notes and derivative contracts issued with these shares as underlying assets.

In the event that underlying cash flows of the remaining corporate shares in the amount of USD 6 358 thousand (31 December 2024: USD 5 710 thousand) categorized into Level 3 of the fair hierarchy differ by plus/minus ten percent, its fair value as at 30 June 2025 (unaudited) would be USD 636 thousand higher/lower (31 December 2024: USD 571 thousand).

Derivative liabilities

<i>(In thousands of USD)</i>	
Financial instruments at fair value at 1 January 2025	2 559
Net loss recognised in profit or loss	253
Disposal	(833)
Transfer to Level 2	(603)
Financial instruments at fair value at 30 June 2025 (unaudited)	1 376

<i>(In thousands of USD)</i>	
Financial instruments at fair value at 1 January 2024	11 407
New originated instruments	2 660
Net gain recognised in profit or loss	(4 249)
Financial instruments at fair value at 30 June 2024 (unaudited)	9 818

The sensitivity of profit or loss to the changes of the fair value of hybrid derivative liabilities in the total amount of USD 0 (31 December 2024: USD 1 741 thousand) categorized into Level 3 of the fair hierarchy to changes in expected cash flows from underlying shares as at 30 June 2025 (unaudited) and 31 December 2024 is not significant. Fair value of hybrid derivative liabilities will be netted by changes of the fair value of underlying assets.

As at 30 June 2025 (unaudited) in the event that expected cash flows from underlying shares of remaining derivative liabilities in the total amount of USD 1 376 thousand (31 December 2024: USD 818 thousand) categorized into Level 3 of the fair hierarchy differ by plus/minus ten percent, its fair value as at 30 June 2025 (unaudited) would be USD 138 thousand (31 December 2024: USD 82 thousand) higher/ lower.

Notes issued

<i>(In thousands of USD)</i>	
Financial instruments at fair value at 1 January 2025	36 255
Disposal	(13 257)
Net gain recognised in profit or loss	(1 472)
Financial instruments at fair value at 30 June 2025 (unaudited)	21 526

(In thousands of USD)

Financial instruments at fair value at 1 January 2024	38 208
Net gain recognised in profit or loss	(817)
Financial instruments at fair value at 30 June 2024 (unaudited)	37 391

The sensitivity of profit or loss to the changes of the fair value of notes issued in the total amount of USD 21 526 thousand (31 December 2024: USD 36 255 thousand) categorized into Level 3 of the fair hierarchy to changes in the fair value of underlying shares as at 30 June 2025 (unaudited) and 31 December 2024 is not significant as the effect will be netted by changes of the fair value of the shares with these notes as underlying assets.

Based on the analysis performed, management has concluded that the fair value of the financial instruments that are not measured at fair value do not differ significantly from their carrying amounts.

14 Related party transactions

Control relationships

The Company's ultimate shareholder and controlling party is Mr. Oleg Mikhasenko.

Parties are generally considered to be related if the parties are under common control or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

As at 30 June 2025 (unaudited) and 31 December 2024, the outstanding balances with the ultimate shareholder, parent company and related parties under control or significant influence of the ultimate shareholder are as follows:

Cash and cash equivalent, held on entities under control or significant influence of the ultimate shareholder

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
Cash balances on brokerage accounts	20 280	24 048
Deposits	3 003	-
Loss allowance	(13)	(16)
<i>average rates deposit rates, USD</i>	3,20%	-
Total	23 270	24 032

Derivative assets and liabilities

As at 30 June 2025 (unaudited) derivative assets in amount of USD 164 671 thousand (31 December 2024: 210 579 thousand) and derivative liabilities in amount of USD 84 527 thousand (31 December 2024: 105 703 thousand) are entirely comprised of balances with the companies under common control.

Prepayments and other assets with entities under control or significant influence of the ultimate shareholder

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
Receivables from brokers and counterparties, gross amount	48 456	107 363
Unsettled transactions with rights of claim	13 050	-
<i>Loss allowance</i>	(40 680)	(99 211)
Other non-financial assets	271	-
Total	21 097	8 152

As at 30 June 2025 (unaudited) and 31 December 2024 accounts receivable from brokers and counterparties mostly consists of rights of claims representing cash payments per bonds and notes issued that have been frozen at the level of superior depositories.

During the six-month period ended 30 June 2025 (unaudited) the Company disposed certain rights of claims in amount of USD 65 344 thousand to the company under common control of the ultimate shareholder for consideration USD 13 050 thousand. The Company recognised fair value adjustment in amount of USD 10 437 as capital contribution from shareholder.

As a result of the sanctions imposed by the United States of America and the European Union on the Russian government, as well as major financial institutions and certain other entities and individuals in Russia, receivables of USD 42 154 thousand were restricted over trading and movement in depositories (31 December 2024: USD 107 354 thousand). The

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Company created the provision of USD 40 560 thousand (31 December 2024: USD 99 211 thousand) based on the management estimation of recoverability (Note 9).

Notes issued to entities under control or significant influence of the ultimate shareholder

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
Notes issued, carried at fair value		
Share Linked Notes	1 257	608
Total notes issued	1 257	608

Notes issued carried at fair value are held by the entities under control or significant influence of the ultimate shareholder for distribution to third parties.

Loans payable to entities under control or significant influence of the ultimate shareholder

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
Margin loan from the companies under common control	101 326	88 074
rate USD	5,83%	5,31%
rate EUR	3,67%	4,41%
rate RUB	21,50%	20,47%
rate CNY	3,55%	1,71%
<i>Collateral</i>		
Trading assets except derivatives	4 662	2 369
Notes issued	5 486	11 637
Total assets held on margin account	10 148	14 006

According to the terms for the margin account the broker provides intraday credit facility that allow to the Company to borrow cash or other assets to buy financial instruments. Credit facility can be provided for transactions with eligible instruments only. The lender is allowed to sell instruments to settle loan in case of default of a borrower.

During the six-month period ended 30 June 2024 (unaudited) the Company recognised fair value adjustments in the amount of USD 1 138 thousand due to non-market rates on positive and negative balances on margin account as capital distribution to shareholders.

Payables and other liabilities to entities under control or significant influence of the ultimate shareholder

<i>(In thousands of USD)</i>	30 June 2025 (unaudited)	31 December 2024
<i>entities under control or significant influence of the ultimate shareholder</i>		
Payable for brokerage commission	131	36
Other payable	1 037	1 336
Total payables and other liabilities	1 168	1 372

The related profit and loss transactions for the six-month periods ended 30 June 2025 (unaudited) and 30 June 2024 (unaudited) are as follows:

<i>(In thousands of USD)</i>	Entities under control or significant influence of the ultimate shareholder	Parent company	For the six-month period ended 30 June 2025 (unaudited)
Interest income calculated using the effective interest method	215	-	215
Other interest income	15	-	15
Interest expense	(3 097)	-	(3 097)
Net trading income from derivatives	4 497	-	4 497
Net trading loss from trading assets and liabilities	(12)	-	(12)
Impairment of debt financial assets	(4 198)	(4)	(4 202)
Other operating expenses	20	-	20
Fee and commission expense	(2 452)	-	(2 452)

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<i>(In thousands of USD)</i>	Entities under control or significant influence of the ultimate shareholder	For the six-month period ended 30 June 2024 (unaudited)
	(10 977)	(10 977)
Impairment of debt financial assets		
Loss related to redemption and disposal of investment securities measured at amortised cost	(3 396)	(3 396)
Interest expense	(6 498)	(6 498)
Fee and commission expense	(5 365)	(5 365)
Net trading income from derivatives	6 178	6 178
Net trading loss from trading assets and liabilities	(1 699)	(1 699)
Interest income calculated using the effective interest method	1 719	1 719
Administrative and other operating expenses	(1)	(1)

During the six-month period ended 30 June 2024 (unaudited) the Company disposed its Investment securities measured at fair value through profit and loss (represented by shares of JSC MC BCS Trust Manager of Combined CEREF BCS FNB Business) to the company under common control of the ultimate shareholder at price lower than its fair value. The difference between fair value and consideration received in the amount of USD 3 590 thousand was recognized as distribution to the shareholder.

15 Risk management

As at 30 June 2025 (unaudited) and for the six-month period then ended the risk profile of the Company has not changed significantly.

Price risk for equity securities is the risk of changes in value of a financial instrument as a result of changes in market prices regardless of whether they have been caused by factors specific for a particular instrument or factors influencing all instruments traded in the market. Price risk for equity securities exists when the Company has a long or short position in an equity financial instrument.

During the six-month period ended 30 June 2024 (unaudited), the company changed its hedging structure for derivative liabilities. Part of the portfolio used as a hedge for issued derivative liabilities was replaced with hybrid forward contracts with a related party.

There have been no other significant changes to the risk methodology and risk management procedures applied by the Company.

16 Segmental analysis

For management purposes, the Company is organised into two operating segments based on types of services provided as follows:

- Corporate business. The core activity of this segment is to enter into financial markets transactions with counterparties (corporates, financial institutions).
- Retail business. The core activity of this segment is providing of standardised structured products, including structured notes and forward contract to retail customers.

The Company's segments are strategic business units that focus on different customers and provide different types of financial products. The operating results of each segment are reported in a manner consistent with the internal reporting used by the Management. The Management receives information about the segments' revenue and assets on a monthly basis.

The Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the condensed interim financial information. However, income taxes are managed on a group basis and are not allocated to operating segments.

During the six-month period ended 30 June 2025 (unaudited), there were no revenues from transactions with other operating segments.

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The Company's total assets and liabilities are as follows:

<i>(In thousands of USD)</i>	Corporate Business	Retail Business	Total 30 June 2025 (unaudited)
Assets	67 260	400 841	468 101
Liabilities	(101 506)	(249 307)	(350 813)
Total net assets	(34 246)	151 534	117 288

<i>(In thousands of USD)</i>	Corporate Business	Retail Business	Total 31 December 2024
Assets	64 249	452 860	517 109
Liabilities	(89 034)	(309 795)	(398 829)
Total net assets	(24 785)	143 065	118 280

An analysis of the Company's condensed interim statement of profit or loss and other comprehensive income is as follows:

<i>(In thousands of USD)</i>	Corporate Business	Retail Business	For the six-month period ended 30 June 2025 (unaudited)
Interest income calculated using the effective interest method	215	-	215
Other interest income	-	15	15
Interest expense	(3 098)	-	(3 098)
Net interest expense	(2 883)	15	(2 868)
Net trading gain from trading assets and liabilities	202	3 277	3 479
Gain from trading in foreign currencies and currency revaluation	97	569	666
Dividend income from trading assets	-	2 860	2 860
Net trading loss from derivatives	-	(8 103)	(8 103)
Net trading loss	299	(1 397)	(1 098)
Impairment of debt financial assets	(4 031)	-	(4 031)
Administrative and other operating expenses	(152)	(912)	(1 064)
Fee and commission expense	-	(2 626)	(2 626)
Other income	30	-	30
Share of loss of an associate	(111)	-	(111)
Loss before income tax	(6 848)	(4 920)	(11 768)

<i>(In thousands of USD)</i>	Corporate Business	Retail Business	For the six-month period ended 30 June 2024 (unaudited)
Interest income calculated using the effective interest method	2 816	-	2 816
Other interest income	-	15	15
Interest expense	(6 498)	-	(6 498)
Net interest expense	(3 682)	15	(3 667)
Net trading loss from trading assets and liabilities	-	(54 227)	(54 227)
Loss from trading in foreign currencies and currency revaluation	(227)	(1 100)	(1 327)
Net trading loss from sales of investment securities measured at amortised cost	(3 396)	-	(3 396)
Dividend income from trading assets	-	4 746	4 746
Net trading income from derivatives	-	56 052	56 052
Net trading income	(3 623)	5 471	1 848
Impairment of debt financial assets	(14 509)	-	(14 509)
Administrative and other operating expenses	(225)	(1 091)	(1 316)
Fee and commission expense	-	(5 714)	(5 714)
Share of gain of an associate	6 082	-	6 082
Loss before income tax	(15 957)	(1 319)	(17 276)

Geographic information

The geographic information analyses the Company's revenue by the country of domicile and other countries. The Company is incorporated in Cyprus. The Company raises funds by placing notes through dealer and entering into derivative contracts with retail customers through licensed investment companies in various jurisdictions. Dealers that is involved in placing of securities is domiciled in Cyprus and UAE.

The funds raised are allocated to:

- hedging securities portfolio;
- trading securities portfolio;

- other investments.

All of the above assets are located in different regions. Due to the fact that the detailed information necessary for disclosure of geographic information is not available and the cost to develop it is excessive, it was decided to not present quantitative geographic disclosures.

Major customers

During the six-month periods ended 30 June 2025 (unaudited) and 30 June 2024 (unaudited), the Company had significant transactions with entities under control or significant influence of ultimate shareholder, comprised 10% or more of the Company's income, the detailed information is presented in the Note 14.