

Key Information Document – Physical Shares

Purpose:

This document contains key information about this investment product. It is not promotional material. The provision of this information is required by law to help you understand the nature, risks, costs, potential returns and losses associated with this product and to compare it with other products.

Product

Product name: Physical shares

Identity of the product manufacturer with the investment component and its contact details: CAPITAL MARKETS, o.c.p., a.s. (hereinafter referred to as the “Company”), with its registered office at Slávičie údolie 106, Bratislava - Staré Mesto, 811 02 Bratislava, registered in the Commercial Register of the Municipal Court Bratislava III, Section: Sa, File No.: 4295/B, Company ID No.: 36 853 054, VAT No.: 2022505419.

Information on the competent authority: Národná banka Slovenska, Imricha Karvaša 1, 813 25 Bratislava, Slovak Republic

Website: www.etfobchodnik.com

Date of last revision of this document: 01/06/2026

Warning: The product you are considering purchasing is complex and may be difficult to understand.

What is this product?

Type

This product is a physical share: an investment security. Physical shares are a non-leveraged product and the Company offers them on a bilateral execution basis. This product allows the investor to gain direct exposure to a physical share and thus become a shareholder in a specific company. Physical shares can be purchased via the trading platform and the investor can profit from rising prices. The price of a physical share is an exact reflection of the share price on the relevant stock exchange.

Example

If an investor has purchased shares in a particular company and the share price on the stock exchange rises, the value of the physical share will increase – upon closing the position, the Company will pay the investor the difference between the final and initial prices. Conversely, if the share price on the stock exchange falls, the value of the physical share decreases – upon closing the position, the investor pays the Company the difference between the final and initial prices.

Objectives

The objective of this product is to enable the investor to become a shareholder in a particular company without having to trade in the securities on the stock exchange where the shares are listed.

Physical share	Margin (%)	Market price	Position size	Initial margin	Type	Final price	Percentage	Total initial/closing commission	Management fee	Profit/loss (USD)
AAPL	100%	130 USD	500	\$65,000	BUY	135 USD	+3.84%	1,325	-17.80	1,157.20
MSFT	100%	250 USD	500	125,000 USD	BUY	255 USD	+2%	2,525	-34.27	-59.27

The tax laws of the retail investor’s home Member State may affect the actual amount paid out.

Physical shares have a different stop-out level to CFDs and are traded without leverage. If the free margin falls as a result of a price movement in the opposite direction to the investor’s open positions, the investor must either top up the account to maintain the margin level above the stop-out level (automatic system closure of the position), which is set at 0% margin, or close open positions to avoid the automatic closure of open positions. A Margin Call notification will be issued via a durable medium when the margin level falls below 100%. Before trading, you should familiarise yourself with all costs and fees associated with trading. These fees will reduce any net profit or increase your losses.

The company reserves the right to unilaterally close any position if it considers that there has been a breach of the terms and conditions

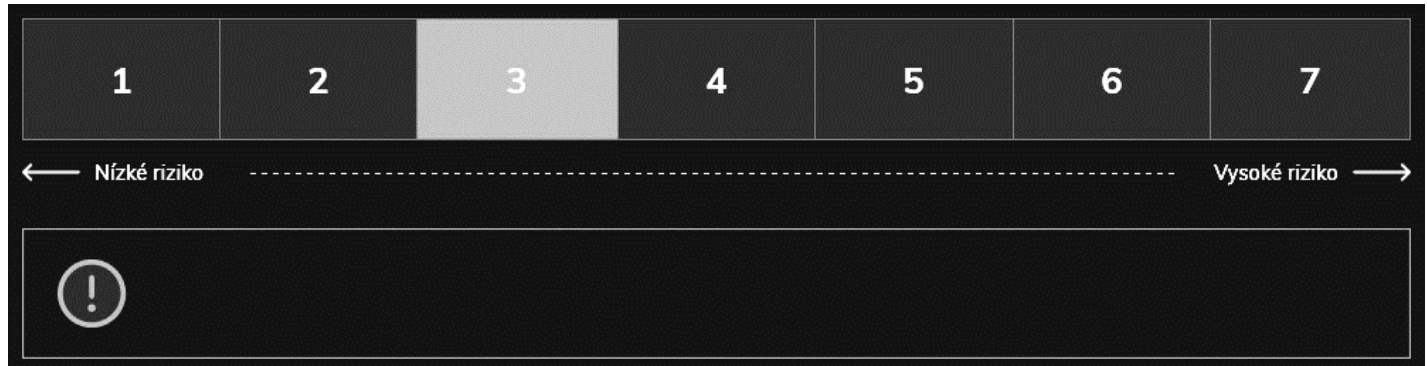
Target investor

This product is intended for investors who have at least a basic understanding of financial markets. Investors are expected to understand how the fluctuating price of physical shares on a stock exchange affects open positions in their account. Furthermore, they must understand that trading in physical shares may result in the loss of a significant portion of the invested capital, and they must have the ability to absorb such

losses. s a type of retail investor with a lower risk tolerance who prefers a medium-term investment horizon. This instrument is linked to a short- to medium-term investment horizon.

What risks am I taking and what return might I achieve?

Summary risk indicator



The risk indicator can show you the risk associated with these products compared to other products. It is a measure of how fluctuations in the price of a physical share may lead to a financial loss for the investor. The risk indicator has been set to a lower level. The figure indicates potential losses arising from the product's future performance. The risk indicator assumes that the investor may not be able to buy or sell shares at the desired price due to market volatility, or that the investor will have to buy or sell shares at a price that significantly affects the expected return. There is no capital protection against market risk, credit risk and/or liquidity risk.

Currency risks

Physical shares may be bought or sold in a currency other than your account currency. The final payout you may receive depends on the exchange rate between the two currencies.

Performance scenarios

The scenarios below illustrate how an investment might perform and allow you to compare individual products and their scenarios to determine which product is more suitable for you. The scenarios shown are estimates of possible future performance based on past performance and are not an exact indicator. P The assumptions used to develop the performance scenarios reflect past market fluctuations in relation to the length of the investment horizon. Please note that the tax laws of the retail investor's home Member State may affect the actual amount received.

The result will depend on market performance and how long you hold the specific physical share. The stress scenario indicates a possible outcome under extreme market conditions. **Future market developments cannot be accurately predicted. The scenarios above merely illustrate some possible outcomes based on recent results.**

Scenario

AAPL	
Initial price: P	130 USD
Trade volume (Physical shares): TS	500
Margin %: M	100%
Contract size: K	1
Margin requirement: $MR=P \times TS \times M \times K$	65,000 USD
Nominal value of trade: $TN=MR/M$	65,000 USD

Table 1

<u>PURCHASE</u> <u>Performance scenario</u>	<u>Final price</u> <u>(spread)</u>	<u>Price change</u>	<u>Profit/loss</u> <u>Gross*</u>
<u>Favourable</u>	<u>138.91 USD</u>	<u>2.00%</u>	<u>\$1,361.90</u>
<u>Acceptable</u>	<u>137.55 USD</u>	<u>1.00%</u>	<u>\$680.95</u>
<u>Unfavourable</u>	<u>\$133.47</u>	<u>-2.00%</u>	<u>-1,361.90 USD</u>
<u>Stress scenario</u>	<u>\$129.38</u>	<u>-5.00%</u>	<u>-3,404.75 USD</u>

* Indicates gross profit/loss before fees.

What happens if CAPITAL MARKETS, o.c.p., a.s. is unable to make a payout?

One-off entry or exit costs	Spread	The difference between the selling and buying price
	Minimum commission	The minimum fee charged for the service associated with processing a transaction.
Ongoing costs	Swap	If you hold an open buy or sell position after the market closes, you will be charged a swap fee.

The Company keeps all its clients' funds separate from its own funds in various bank accounts in accordance with Section 71h of Act No. 566/2001 Coll., the Securities Act. In addition, the Company contributes to the Investment Guarantee Fund (IGF). The purpose of the GFI is to secure the claims of covered clients by paying compensation in cases provided for under the Securities Act. The total amount of compensation paid to each covered client of the Company is a maximum of EUR 50,000 (USD 52,380.70). The system of the aforementioned guarantees and compensation applies to the provision of compensation for unavailable client assets up to a maximum of EUR 50,000 (USD 52,380.70). Unavailable client assets are client assets received by the Company in the event that the Company is declared unable to meet its obligations to clients or the disposal of client assets is suspended as a result of a decision by the bankruptcy court. Securities and other financial instruments received by the Company which the Company is able to return to the client without prejudice to the claims of other clients are not considered to be unavailable client assets. Further information can be found on the website www.garancnyfond.sk/

What costs are associated with the investment? *

*For more information, please visit www.etfobchodnik.com

Account currency	USD
Product	MSFT.USA
Direction	BUY
Position size	1 Lot
Opening date	15 July 2024
Opening price	452.94
Closing date	18 July 2024
Closing price	520.87

Swap value	-0.12
Swap type	Nominal
Swap currency	USD
Spread	0.07
Spread currency	USD
Commission	-30
Commission currency	USD
Total costs in account currency	-30.19
Profit in accounting currency	67.93
Cost of profit %	44.44

How long should I hold the investment? Can I withdraw the money early?

There is no recommended holding period for physical shares. Provided the markets are open for trading, an investor may buy and/or sell physical shares at any time. Please refer to the trading hours for financial instruments at www.etfobchodnik.com

How can I make a complaint?

If, as a client or potential client of CAPITAL MARKETS, o.c.p., a.s., you wish to lodge a complaint, you may do so by emailing the company at info@capitalmarkets.sk or by post to CAPITAL MARKETS, o.c.p., a.s., Slávičie údolie 106, Bratislava - Staré Mesto, 811 02 Bratislava.

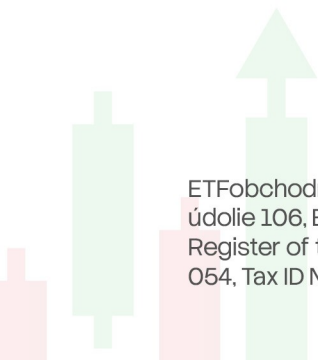
If the entity selling you a service provided by CAPITAL MARKETS, o.c.p., a.s. or providing financial intermediation or investment advice is not the Company itself, please contact that entity directly in accordance with the current complaints procedure, which is available on the Company's website at www.capitalmarkets.sk/o-nas/licencie-a-regulacie/ or www.etfobchodnik.com

If you are not satisfied with the response to your complaint, you can lodge a complaint directly with the regulator or the National Bank of Slovakia. Contact details and further information can be found at www.nbs.sk/sk/o-narodnej-banke/kontakty.

Other relevant information

ETFobchodník is a trade name of the company CAPITAL MARKETS, o.c.p., a.s. with its registered office at Slávičie údolie 106, Bratislava – Staré Mesto city district, 811 02 Bratislava. The company is registered in the Commercial Register of the Municipal Court of Bratislava III, Section: Sa, Insert No.: 4295/B, Registration number (IČO): 36 853 054, Tax ID Number (DIČ): 2022505419.

All relevant documents containing detailed information about the product, including information on its features and fees, such as the General Terms and Conditions, Pre-sale Information, etc., can be found at <https://www.capitalmarkets.sk/o-nas/licencie-a-regulacie/> or www.etfobchodnik.com



ETFobchodník is a trade name of the company CAPITAL MARKETS, o.c.p., a.s. with its registered office at Slávičie údolie 106, Bratislava – Staré Mesto city district, 811 02 Bratislava. The company is registered in the Commercial Register of the Municipal Court of Bratislava III, Section: Sa, Insert No.: 4295/B, Registration number (IČO): 36 853 054, Tax ID Number (DIČ): 2022505419.