AK JENSEN NORGE AS

Pillar 3 Disclosure

As at 31 December 2025

Published: June 2026

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1. Introduction

This document constitutes the Pillar 3 disclosure of AK Jensen Norge AS ("AKJNO") for the financial year ended 31 December 2025. It is published in accordance with the public disclosure (Pillar 3) obligation that applied to Norwegian investment firms (verdipapirforetak) as at the reference date, under the CRR/CRD IV–based capital adequacy regime applied through the Norwegian Securities Trading Act and the CRR/CRD IV Regulations. The EU Investment Firm Regulation (IFR) (EU) 2019/2033 and Investment Firm Directive (IFD) (EU) 2019/2034 were adopted into Norwegian law by the Act of 6 February 2026 but had not entered into force as at 31 December 2025; future disclosures will be prepared under the IFR/IFD framework once it takes effect.

AKJNO is classified as a small and non-interconnected ("SNI") investment firm for the purposes of IFR. Accordingly, AKJNO is subject to the simplified Pillar 3 disclosure requirements applicable to SNI firms under Article 46 of IFR.

This disclosure is published on AKJNO's website on an annual basis. AKJNO will consider whether more frequent publication is required in the event of material changes to its risk profile, capital position, or business model.

2. Firm Overview

Legal name	AK Jensen Norge AS ("AKJNO")
Registered office	Oslo, Norway
Date of incorporation	1 July 2020
Regulatory status	Norwegian investment firm, supervised by Finanstilsynet (NFSA)
Licence basis	Securities Trading Act § 2-1(1) and (4); Kryptoeiendelsloven
Group	AK Jensen Group. Sister entities include AK Jensen Limited (AKJL, FCA-regulated, UK) and AK Jensen Investment Management Limited (AKJIM, FCA-regulated, UK)
Principal activities	Portfolio sub-management for 16 alternative investment funds; Reception and Transmission of Orders (RTO) services; introducing broker services
Disclosure reference date	31 December 2025

3. Regulatory Framework and Capital Requirements

3.1 Applicable Framework

As at the reference date, AKJNO was subject to the CRR/CRD IV–based prudential requirements applied to Norwegian investment firms (verdipapirforetak). The methodology set out below reflects the IFR/IFD framework into which the firm will transition once IFR/IFD enters into force in Norway. Under that framework, as an SNI investment firm AKJNO would be subject to the following minimum capital requirements:

- Pillar 1: The higher of (i) the permanent minimum capital requirement of €75,000; (ii) the fixed overhead requirement (FOR); and (iii) the K-factor requirement. For AKJNO, the binding constraint is the fixed overhead requirement.
- Pillar 2: Additional own funds assessed through the firm's internal capital and risk assessment process to cover risks not fully captured by Pillar 1. Under IFR, any such add-on is expressed as an additional amount of own funds, not as a percentage of risk exposure amount (IFR does not use risk-weighted assets for SNI firms).
- Total own-funds requirement: the sum of the Pillar 1 requirement (the higher of the permanent minimum capital, the fixed overhead requirement and the K-factor requirement) and any Pillar 2 add-on, expressed as an amount of own funds and measured against the own-funds requirement under IFR Article 11 (not as a ratio to risk-weighted assets).

3.2 Own Funds

AKJNO's regulatory capital consists entirely of Common Equity Tier 1 (CET1) capital, comprising paid-up share capital, share premium, and retained earnings. The firm holds no Additional Tier 1 or Tier 2 instruments.

As at 31 December 2025, AKJNO's own funds (composed entirely of CET1) covered the total own-funds requirement (Pillar 1 plus the Pillar 2 add-on) by approximately twice, representing a substantial surplus. Under IFR Article 11 this coverage is measured against the own-funds requirement itself, not as a ratio to risk-weighted assets. The firm's own funds are sufficient to meet all regulatory requirements without recourse to external support.

Under IFR, the capital buffer requirements set out in CRD IV (capital conservation buffer, countercyclical capital buffer and systemic risk buffer) apply to credit institutions and do not apply to investment firms. AKJNO accordingly maintains no such buffers.

4. Risk Management Objectives and Policies

4.1 Risk Governance

AKJNO operates a risk management framework organised according to the Three Lines Model:

- First line: Business functions are responsible for identifying, managing, and controlling risks within their areas of activity.
- Second line: The Risk function and Compliance function provide independent oversight, challenge, and reporting. The Head of Risk is responsible for maintaining the firm's risk management framework, including the ICAAP and Risk Appetite Statement. The Head of Compliance provides independent regulatory oversight.
- Third line: AKJNO does not maintain an internal audit function, consistent with the proportionality principle. Independent assurance is provided through the external statutory audit and periodic group-level reviews.

The Board of Directors is responsible for approving the firm's risk appetite, overseeing the risk management framework, and approving the ICAAP annually.

4.2 Risk Appetite

AKJNO maintains a formal Risk Appetite Statement (RAS), approved by the Board. The RAS defines the firm's appetite across ten risk categories using a four-level scale (zero tolerance / low / moderate / elevated) with quantitative KRI thresholds and RAG indicators. The overall risk profile is assessed as moderate, with no risks at critical level.

4.3 Material Risks

The following table summarises AKJNO's assessment of its material risks and associated Pillar 2 capital add-ons as at the disclosure date:

Risk Category	Pillar 2 Add-on	Assessment
Credit Risk	0.5%	Low. Intra-group receivables only. Add-on reflects single-client concentration not captured by Pillar 1 standardised weights.
Market Risk	—	Low. No trading book; no balance-sheet market exposure. FX mismatch monitored; no add-on assessed at current scale.
Operational Risk	1.5%	Moderate. Reflects cyber risk, DORA transition, and digital asset activity complexity.
Liquidity Risk	—	Low. Intra-group funding structure; predictable cost base; group support available.
Financing Risk	—	Moderate. History of deficit operations offset by consistent group support and growing revenue base. Captured in stress testing.
Business / Strategic Risk	0.5%	Moderate. Early-stage revenue ramp-up; new activity uncertainty; client concentration within AKJ Group.
Regulatory & Oversight Risk	—	Moderate. Concurrent DORA, MiCA, and IFR/IFD implementation. No capital add-on assessed.
Reputational Risk	—	Low/Moderate. Crypto-related reputational exposure monitored. Managed through compliance and governance framework.
ESG Risk	—	Low/Moderate. Governance risk most material. No formal ESG scoring applied at sub-manager level.
Key People Risk	—	Moderate. Dependency on key second-line functions mitigated through documented procedures and succession planning.

Total Pillar 2 add-on: 2.5% of risk exposure amount (Operational Risk 1.5%, Business Risk 0.5%, Credit Concentration Risk 0.5%).

5. Remuneration Policy

AKJNO maintains a remuneration policy consistent with the remuneration requirements applicable to Norwegian investment firms as at the reference date, set out in chapter 15 of finansforetaksloven and the finansforetaksforskrift, applied to investment firms via section 9-16(4) of verdipapirhandelloven. The policy is designed to promote sound and effective risk management and to avoid incentivising excessive risk-taking. The firm will transition to the IFD remuneration regime (including Article 32 IFD for SNI firms) once IFR/IFD enters into force in Norway.

Under the regime in force as at 31 December 2025, AKJNO applies its remuneration policy on a proportionate basis, having regard to its size, internal organisation and the nature, scope and complexity of its activities. The corresponding simplified regime under Article 32 of IFD will apply once IFR/IFD enters into force in Norway. Key features of the policy are as follows:

- Total remuneration is structured to reflect the firm's overall performance, individual performance, and risk outcomes.
- No guaranteed variable remuneration is awarded. Variable remuneration, where paid, is subject to performance and risk adjustment.
- The firm does not apply the deferral or pay-out in instruments requirements, consistent with its SNI status and the proportionality principle.
- The Board of Directors reviews and approves the remuneration policy at least annually.

AKJNO does not separately identify a defined population of "Material Risk Takers" given its size and the nature of its activities. All staff remuneration is subject to the general principles of the remuneration policy.

Aggregate quantitative remuneration information will be disclosed in accordance with applicable requirements. For the financial year ended 31 December 2025, total staff costs are set out in the firm's audited financial statements, which are available on request.

6. Investment Policy

This section is included on a voluntary basis. The investment-policy disclosure under Article 52 of IFR applies only to class 2 investment firms with on- and off-balance-sheet assets above €100 million and will not apply to AKJNO as an SNI firm once IFR/IFD enters into force; no equivalent disclosure was required under the regime in force as at 31 December 2025.

AKJNO does not engage in proprietary trading and does not hold positions in a trading book on its own account. The firm does not manage client assets on a discretionary basis in its own name; rather, it acts as sub-manager under delegation from regulated AIFMs (AKJIM and AKJFMG) within the AKJ Group.

AKJNO's investment activities are governed by the investment mandates agreed with the relevant AIFM and the fund documentation for each sub-managed fund. These mandates set out permitted asset classes, concentration limits, liquidity requirements, and risk parameters applicable to each fund. AKJNO is required to manage each fund's portfolio in accordance with these parameters.

The firm does not hold significant equity exposures or real estate assets on its own balance sheet.

7. Stress Testing

AKJNO conducts stress testing as part of its annual ICAAP. Two primary scenarios are assessed:

The stress test results below are expressed using CRR/CRD IV metrics (CET1 ratio and risk-weighted assets), reflecting the framework in force when the ICAAP was prepared. These metrics will be restated under IFR/IFD measures in future disclosures once that framework takes effect in Norway.

- Stress I — Prolonged Crisis: A 25% annual decline in revenues across all income streams, combined with a 10% annual cost escalation and inflated risk-weighted assets. This scenario tests the firm's resilience to a sustained economic downturn. Under this scenario, the CET1 ratio troughs at 12.8% in Q3 2028, remaining 2.3 percentage points above the combined Pillar 1 + Pillar 2 requirement of 10.5%.
- Stress II — Immediate Shock and Slow Recovery: An immediate 50% revenue reduction in Q4 2026, with flat costs and a gradual recovery over 2.5 years. This scenario tests the firm's resilience to an abrupt adverse event. Under this scenario, the CET1 ratio troughs at 11.2% in Q1 2028, remaining 0.7 percentage points above the combined requirement.

Both scenarios confirm that AKJNO is able to maintain capital adequacy above its regulatory requirements throughout the three-year stress horizon without requiring external capital support. The stress test results are reviewed by senior management and the Board as part of the ICAAP approval process.

8. Publication and Review

This Pillar 3 disclosure is published annually on AKJNO's website. The disclosure is reviewed and approved by the Board of Directors prior to publication. AKJNO will consider whether more frequent disclosure is required in the event of material changes to its business, risk profile, or capital position.

This disclosure has not been subject to external audit. However, the underlying financial and capital data has been prepared on a basis consistent with AKJNO's audited financial statements for the year ended 31 December 2025.

For further information, please contact: risk@akj.com