ANTI-MONEY LAUNDERING & COUNTERING THE FINANCING OF TERRORISM (AML/CFT) POLICY

VS CAPITAL LIMITED

JULY 2026

CT House, Office 9A,
Providence, Mahe, Seychelles
https://www.vscapital.com/

Table of Contents

1. Purpose and Commitment

VS Capital Limited (the "**Company**") is committed to maintaining high standards of integrity and to preventing its business, products and services from being used for money laundering, terrorist financing or other financial crime. The Company maintains an AML/CFT framework designed to identify, assess, manage and mitigate the risks associated with its business and client relationships.

This Policy summarises the Company's public commitment to AML/CFT compliance and the principal measures applied to clients and transactions. It is based on the Company's Compliance & Prevention of Money Laundering & Terrorist Financing Manual and is intended to provide clients and other stakeholders with a clear overview of the Company's approach.

2. Regulatory Framework

The Company operates in accordance with the laws and regulatory requirements applicable to its activities in Seychelles, including the Anti-Money Laundering and Countering the Financing of Terrorism Act, 2020, as amended (the "**AML Act**"), the AML Regulations, applicable Financial Services Authority requirements and relevant guidance issued by competent authorities.

The Company also takes account of internationally recognised AML/CFT standards and credible information concerning money laundering, terrorist financing and proliferation financing risks, including relevant Financial Action Task Force (**FATF**) information.

3. Our Risk-Based Approach

The Company applies a risk-based approach to AML/CFT. This means that the nature and extent of measures applied to a client, relationship or transaction are proportionate to the risks identified.

The Company assesses relevant risk factors, including:

a) Customer risk;

b) Product/Service/Transaction risk;

c) Geographic risk;

d) Delivery-channel risk;
e) Third-party CDD Reliance; and
f) Technology risk.

The Company conducts an overall AML/CFT institutional risk assessment at least annually and updates its approach where there are material changes in its business, risk profile, applicable requirements or relevant risk information.

4. Customer Due Diligence (CDD)

The Company applies Customer Due Diligence ("**CDD**"), also referred to as Know Your Customer ("**KYC**"), to clients, business relationships and relevant transactions. CDD is generally performed before establishing a business relationship or carrying out a transaction, subject to limited circumstances permitted under applicable requirements.

CDD measures may include:

a) Identifying the client and verifying the client's identity using reliable and independent sources;
b) Identifying and taking reasonable measures to verify beneficial owners;
c) Understanding the ownership and control structure of legal persons and legal arrangements;
d) Verifying the authority and identity of persons acting on behalf of a client;
e) Understanding the purpose and intended nature of the business relationship;
f) Obtaining information regarding the expected nature and level of activity;
g) Establishing the source of funds and, where appropriate, the source of wealth; and
h) Conducting screening and other checks relevant to the client's risk profile.

Clients may be required to provide identification, address, corporate ownership, financial and other supporting information. The Company may request additional information or documents where necessary to complete or refresh CDD.

5. Beneficial Ownership

The Company seeks to identify the natural person or persons who ultimately own or control a client or on whose behalf a transaction is being conducted. For legal entities and legal arrangements, the Company takes reasonable, risk-sensitive measures to understand its ownership and control and to verify the relevant beneficial owners.

Where a person acts through a trustee, nominee, fiduciary, professional adviser or other intermediary, the Company may require information concerning the capacity in which that person acts, the persons for whom they act and the ultimate beneficial owner.

6. Client Risk Classification and Enhanced Due Diligence

Clients and business relationships are assessed according to their AML/CFT risk. The Company may apply standard measures for normal-risk relationships, simplified measures where permitted for appropriately assessed lower-risk situations, and Enhanced Due Diligence ("**EDD**") where higher risks are identified.

EDD may include, as appropriate:

a) Obtaining additional information concerning the client, its ownership, business and financial circumstances;
b) Establishing and verifying source of wealth and source of funds;
c) Obtaining additional information from independent and reliable sources;
d) Obtaining senior management approval before establishing or continuing a relationship;
e) Increasing the frequency and depth of ongoing monitoring; and
f) Applying additional controls or measures required by the circumstances and applicable regulatory guidance.

The Company does not apply simplified due diligence where there is a suspicion of money laundering or terrorist financing.

7. Politically Exposed Persons (PEPs)

The Company recognises the increased risks that may arise in relationships involving Politically Exposed Persons ("**PEPs**"), their immediate family members and close associates. The Company's PEP definition covers persons entrusted with prominent public functions during the preceding three years, together with relevant family members and close associates.

PEPs are subject to enhanced measures proportionate to the risk, which may include senior management approval, verification of source of wealth and source of funds, enhanced ongoing monitoring, more frequent reviews, and enhanced adverse media and sanctions screening.

PEPs are subject to enhanced due diligence, enhanced ongoing monitoring and senior management approval prior to establishing or continuing a business relationship, in accordance with the Company's risk-based approach.

8. Sanctions and High-Risk Jurisdictions

The Company applies sanctions screening and jurisdictional risk assessment as part of its AML/CFT framework.

The Company shall not establish or maintain a business relationship with individuals or entities named on any applicable sanctions list, including relevant United Nations, European Union, United Kingdom, United States Office of Foreign Assets Control (OFAC) and local sanctions lists.

The Company also considers information published by the Financial Action Task Force (FATF) when assessing country and jurisdictional risk.

i) Jurisdictions Under Increased Monitoring – FATF Grey List

Clients or transactions connected to jurisdictions under increased monitoring by FATF (the FATF Grey List) are assessed using a risk-based approach. Such jurisdictions are not automatically classified as high risk, and enhanced due diligence or de-risking measures are not automatically applied solely because of the jurisdictional connection.

Where a client, beneficial owner or transaction has a link to a grey-listed jurisdiction, the Company may apply enhanced due diligence, increased ongoing monitoring, enhanced scrutiny of unusual or complex activity, periodic re-screening and appropriate management oversight, depending on the specific risks identified.

The Company shall not terminate or refuse a business relationship solely because a client is connected to a grey-listed jurisdiction. Decisions relating to such relationships shall be risk-based and take into account the nature of the client, transaction and associated risks, as well as the Company's risk appetite and internal risk tolerance framework.

ii) High-Risk Jurisdictions Subject to a Call for Action – FATF Black List

Clients, beneficial owners or transactions connected to high-risk jurisdictions subject to a FATF call for action are subject to enhanced due diligence and appropriate risk mitigation measures.

Enhanced due diligence may include senior management approval, detailed verification of identity and beneficial ownership, verification of source of funds and source of wealth, increased transaction monitoring, additional information regarding the purpose and intended nature of the relationship, and periodic re-screening against relevant FATF updates and sanctions lists.

Where FATF explicitly calls for countermeasures, the Company may apply appropriate measures, which may include restricting or refusing business relationships, limiting or prohibiting transactions, enhanced review or termination of existing relationships where risks cannot be adequately mitigated, and other measures required or appropriate under applicable requirements.

The Company remains informed of relevant FATF updates and applies appropriate AML/CFT measures to clients, beneficial owners and transactions connected to high-risk jurisdictions.

9. Prohibited and Restricted Relationships

As part of its AML/CFT framework, the Company maintains controls regarding certain business activities, customer types and relationships that present heightened money laundering, terrorist financing or other financial crime risks.

i) Prohibited Relationships

The Company shall not, under any circumstances, establish or maintain a business relationship with:

- Shell banks or companies whose shares are issued in bearer form;

- Individuals or entities named on any applicable sanctions list, including relevant United Nations, European Union, United Kingdom and United States Office of Foreign Assets Control (**OFAC**) lists;
- Anonymous or numbered accounts, or accounts held in fictitious names;
- Unlicensed money service businesses or unlicensed virtual asset service providers;
- Dealers in arms, ammunition or military equipment;
- Unlicensed online gambling operators and other unlicensed high-risk cash-intensive businesses; or
- Clients whose only proposed means of transacting is cash, as the Company does not accept or engage in cash transactions.

ii) Restricted Relationships

The following categories require Enhanced Due Diligence and senior management approval prior to onboarding:

- Politically Exposed Persons (**PEPs**);
- Clients or transactions connected to FATF grey-listed jurisdictions;
- Non-profit organisations, clubs, associations and charities;
- Trust, nominee and fiduciary structures; and
- Clients from jurisdictions assessed as high-risk under the Company's institutional risk assessment.

Restricted relationships are assessed on a case-by-case basis. The Company will assess the specific risks involved and determine whether a relationship may be established or maintained, subject to applicable legal and regulatory requirements and the Company's AML/CFT framework and risk appetite.

The Company's list of prohibited and restricted business activities and customer types is not exhaustive and may be reviewed and updated by the Compliance Officer in accordance with the Company's AML/CFT framework and applicable requirements.

10. Ongoing Monitoring

The Company conducts ongoing monitoring of its business relationships using a risk-based approach to ensure that client activity remains consistent with the Company's understanding of the client, its business activities, risk profile and source of funds.

The Company's ongoing monitoring may include:

- reviewing transactions undertaken throughout the business relationship;
- assessing whether transaction activity is consistent with the client's expected activity and economic profile;
- paying particular attention to complex, unusual or large transactions that have no apparent economic or lawful purpose;
- monitoring relationships and transactions involving higher-risk jurisdictions;
- reviewing trading patterns, deposits, withdrawals and changes in transaction behaviour;
- identifying significant deviations or unusual activity from the client's expected profile; and
- keeping customer identification, CDD and other relevant information accurate and up to date.

The frequency and extent of ongoing monitoring and customer reviews are determined on a risk-sensitive basis. Higher-risk relationships may be subject to enhanced monitoring and more frequent review.

Where material changes occur, including changes in ownership, jurisdiction or transaction behaviour, the Company may request additional or updated information or documentation from the client.

Where inconsistencies, unusual activity or other potential indicators of money laundering or terrorist financing are identified, the matter may be escalated for further review and, where appropriate, reporting to the FIU in accordance with applicable requirements.

Where the Company is unable to apply required CDD measures or conduct ongoing monitoring, it may be unable to establish or maintain the business relationship or proceed with a transaction, in accordance with applicable requirements.

11. Suspicious Transactions and Activities

The Company maintains procedures to identify, assess and report suspicious transactions and activities in accordance with applicable AML/CFT requirements.

The Company shall report suspicious transactions or attempted transactions to the Seychelles Financial Intelligence Unit (**FIU**) where it has knowledge or reasonable grounds to suspect that an activity or transaction may be related, directly or indirectly, to criminal conduct, including money laundering or terrorist financing, or to money or property that represents the benefit of criminal conduct.

The Company shall also consider making an appropriate report or disclosure where it is unable to carry out required Customer Due Diligence (**CDD**) or ongoing monitoring of a business relationship.

Where reasonable grounds for suspicion are established, the Company is required to submit the appropriate report to the FIU in accordance with applicable legal and regulatory requirements.

The Company may request additional information or documentation from a client where necessary to assess a transaction, activity or business relationship. Clients are expected to cooperate with reasonable AML/CFT requests and provide accurate and complete information.

Where the Company is unable to apply required CDD measures or conduct ongoing monitoring, the Company may be unable to establish or maintain the business relationship or proceed with a transaction, in accordance with applicable requirements.

The Company will not disclose information concerning the existence or potential submission of a suspicious transaction report where such disclosure would constitute prohibited tipping-off or otherwise prejudice an AML/CFT investigation.

12. No Tipping-Off

The Company is prohibited from disclosing information that may prejudice an AML/CFT investigation or enforcement action. The Company and its personnel shall not directly or indirectly inform a client or any other person that:

- a Suspicious Transaction Report (**STR**) has been or may be submitted to the Financial Intelligence Unit (**FIU**);
- the Company has formed a suspicion in relation to a transaction or activity;
- information has been provided to the FIU in connection with a suspicious transaction or activity; or
- an AML/CFT investigation or related legal or regulatory action has commenced or may commence.

The Company and its personnel shall also not disclose any information from which a person could reasonably infer that a suspicion has been formed or that an STR has been or may be submitted.

Accordingly, the Company may be unable to provide a client with specific reasons for certain requests for information, delays, restrictions or other actions where providing such information could constitute prohibited tipping-off or prejudice an AML/CFT investigation.

This obligation applies throughout the client relationship, including during onboarding, transaction processing and monitoring, requests for additional information or documentation, and following the submission of an STR.

13. Record Keeping and Confidentiality

The Company maintains appropriate records relating to its Customer Due Diligence (**CDD**), ongoing monitoring, transactions and other relevant business activities in accordance with applicable legal and regulatory requirements.

Records maintained by the Company may include information and documentation relating to:

- customer identification and verification;
- beneficial ownership;
- CDD and ongoing monitoring;
- transactions and related correspondence;
- enhanced due diligence and risk assessments; and
- reports and enquiries received from or submitted to the Financial Intelligence Unit (FIU), where applicable.

The Company retains relevant AML/CFT records for seven (7) years from the date of the relevant transaction or correspondence, or from the end of the business relationship, as applicable.

Information and documentation obtained for AML/CFT purposes is maintained securely and treated as confidential, subject to applicable legal and regulatory requirements. Information may be provided to the FIU, the Financial Services Authority (**FSA**) or other competent authorities where required or permitted by law.

The Company maintains records in a manner that enables them to be made available to competent authorities where required for regulatory, supervisory, investigative or enforcement purposes.

14. Governance and Compliance Function

The Company is committed to maintaining an effective AML/CFT governance and compliance framework appropriate to the nature, size and risk profile of its business.

The Board of Directors and Senior Management have responsibility for ensuring that the Company maintains a comprehensive and effective AML/CFT compliance programme and oversight framework. This includes ensuring that appropriate systems, controls, resources and procedures are in place to support compliance with applicable AML/CFT requirements.

The Company appoints an appropriately qualified Compliance Officer, approved by the Financial Services Authority (**FSA**), who is responsible for overseeing the Company's compliance with applicable AML/CFT laws, regulations, directives, guidelines and other regulatory requirements.

The Compliance Officer oversees the implementation of the Company's AML/CFT policies and procedures and supports the Company's compliance and staff training framework.

The Company ensures that relevant personnel are aware of their responsibilities in preventing and detecting money laundering and terrorist financing and are provided with appropriate AML/CFT training.

15. Employee Awareness and Training

The Company maintains an ongoing AML/CFT training and awareness programme to ensure that relevant employees and personnel understand their responsibilities in preventing and detecting money laundering and terrorist financing.

Training is designed to ensure that employees understand the Company's AML/CFT policies, procedures and controls, applicable laws and regulatory requirements, and their individual responsibilities in identifying and escalating suspicious transactions or activities.

AML/CFT training is provided to employees upon commencement of employment and thereafter at least annually. Additional training is provided where there are material changes to applicable laws, regulations or internal procedures.

The content and frequency of training may be adjusted according to the employee's role, responsibilities and the Company's risk exposure.

The Company also seeks to ensure that relevant personnel remain aware of emerging money laundering and terrorist financing methods, trends and typologies, as well as relevant regulatory developments and guidance.

16. Client Responsibilities

Clients are expected to cooperate with the Company's AML/CFT requirements and to provide complete, accurate and up-to-date information and documentation when requested.

Clients are expected to:

- provide information and documentation required to establish and verify their identity;
- provide information concerning beneficial ownership and ownership or control structures, where applicable;
- provide information regarding the purpose and intended nature of the business relationship;
- provide information and supporting documentation concerning the source of funds and/or source of wealth, where required;
- provide information reasonably required to understand their business activities, expected transactions and economic profile;
- promptly inform the Company of material changes to information previously provided, including changes in ownership, control, address or business activities; and

- cooperate with reasonable requests for additional information or documentation required for Customer Due Diligence (**CDD**), Enhanced Due Diligence (**EDD**), ongoing monitoring or regulatory purposes.

The Company may request additional information or documentation where necessary to meet its AML/CFT obligations or to keep customer information and risk assessments up to date.

Where a client fails to provide information or documentation required to satisfy applicable AML/CFT requirements, the Company may be unable to establish or maintain the business relationship or proceed with a transaction, in accordance with applicable requirements.

17. Review of this Policy

This Policy may be reviewed and updated as appropriate to ensure that it remains aligned with the Company's AML/CFT framework and applicable legal and regulatory requirements.

The Company's AML/CFT framework, including its internal AML/CFT Manual, is reviewed by the Compliance Officer at least annually and updated where necessary to reflect:

- changes to the Company's internal processes and operational practices;
- applicable laws, regulations and guidance issued by the Financial Services Authority (**FSA**) and Financial Intelligence Unit (**FIU**); and
- evolving AML/CFT obligations and best practices.

Material amendments to the Company's AML/CFT framework are subject to appropriate approval and governance arrangements. Updates to the AML/CFT Manual are approved by the Board of Directors, communicated to relevant personnel and notified to the FSA where required.