

Capital Requirements – INTERCAPITAL securities Ltd. (the “Company”), year 2023

The diversity of business processes, presence in various financial markets, and their complexity have necessitated the development of a risk management system that enables timely and accurate assessment, systematic monitoring, and risk control. Risk management is implemented through the organizational structure and a system of internal policies and procedures, whose primary objectives are:

1. To determine the proper allocation of capital across business processes and individual risks;
2. To ensure compliance with legal regulations, as well as the Company's investment objectives and limits;
3. To provide timely and accurate reporting to the Management Board and responsible persons;
4. To continuously develop the risk management methodology and adapt it to the practices of advanced financial markets.

Given the diversity and complexity of business processes, variations in the capital adequacy ratio are expected throughout the year. Consequently, the Company has established a system for daily monitoring, analysis, and reporting of the current status, enabling timely recognition of rising or falling risk levels, prompt reporting to responsible persons, and ensuring compliance with statutory and internal restrictions.

As part of internal reporting on the Company's current risk level, a 'traffic light' approach is applied, effectively signaling any change in the level of risk assumed. This includes signaling risk levels determined by the capital adequacy ratio, as well as liquidity indicators and the ratio of liquid assets to the fixed overheads capital requirement.

By defining internal limits, the Company restricts exposure to specific types of risk as needed. By setting a minimum acceptable capital adequacy ratio higher than the legally prescribed minimum, the Company ensures an additional capital buffer. In doing so, the Company ensures that during periods of the highest risk profile, it possesses additional capital for risk coverage that can be utilized in potential crisis situations.

	Capital Requirement
Risk to Client – RtC	EUR 1.748.944
Risk to Market – RtM	EUR 354.139
Risk to Firm – RtF	EUR 1.128

The Company's fixed overheads requirement, determined in accordance with Article 13 of Regulation (EU) 2019/2033, amounts to EUR 370.608.