

ANNUAL REPORT

Pandion Protective World Fund

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General information

Office

Prinses Margrietplantsoen 33
2595 AM Den Haag
The Netherlands

Legal Owner

Stichting Juridisch Eigenaar Pandion
Prinses Margrietplantsoen 33
2595 AM Den Haag
The Netherlands

Fund Manager

Wellscott Capital Management B.V.
*(formerly Alpha Based Capital Fund
Management B.V.)*
Prinses Margrietplantsoen 33
2595 AM Den Haag
The Netherlands

Depository

APEX Depository Services B.V.
Van Heuven Goedhartlaan 935A
1181 LD Amstelveen
The Netherlands

Legal and Tax Counsel

Van Campen Liem
J.J. Viottastraat 52
1071 JT Amsterdam
The Netherlands

Broker

Saxo Bank
Barbara Strozzilaan 310
1083 HN Amsterdam
The Netherlands

Administrator

Bolder Fund Services (Netherlands) B.V.
De Boelelaan 7, 7th Floor
1083 HJ Amsterdam
The Netherlands

External Compliance Officer

Projective Group NL B.V.
Princenhof Park 19
Driebergen-Rijsenburg 3972 NG
The Netherlands

Bank

The Northern Trust International Banking Corp.
Harborside Financial Center Plaza 10, Suite 1401
3 Second Street
Jersey City, New Jersey 07311-3988
United States of America

Independent Auditor

Moos Accountants B.V.
Weesperstraat 98-B
1112 AP Diemen
The Netherlands

Custodian

Saxo Bank
Barbara Strozzilaan 310
1083 HN Amsterdam
The Netherlands

Key figures

	2025	2024	2023
Net Asset Value			
Pandion PWF	9,774,890	11,790,533	11,396,961
Total net asset value	9,774,890	11,790,533	11,396,961
Outstanding participations			
Pandion PWF	8,706	10,565	11,104
Total outstanding participations	8,706	10,565	11,104
Net asset value per participation			
Pandion PWF	1,122.84	1,116.00	1,026.41
Result			
Results from investments	39,013	198,830	425,986
Changes in value	296,088	1,150,529	185,637
Other results	(2,495)	(17,525)	6,436
Costs	(305,809)	(359,161)	(315,153)
Net result	26,797	972,673	302,906
Result per participation			
Results from investments	4.48	18.82	38.36
Changes in value	34.01	108.90	16.72
Other results	(0.29)	(1.66)	0.58
Costs	(35.13)	(34.00)	(28.38)
Net result	3.07	92.06	27.28

Profile

Introduction

Pandion Fund (the "Fund") is a Dutch fund for joint account (fonds voor gemene rekening) established on 27 July 2020 for an indefinite period. The Fund has an umbrella structure meaning that the Fund consists of Sub-Funds and issues separate series of participations for each Sub-Fund and of which Sub-Funds the assets are separately administered and each Sub-Fund having its own investment objective and respective strategy and cost structure. The Sub-Funds are part of the Fund.

The Fund has three sub-funds (each, a "Sub-Fund" and collectively, the "Sub-Funds"), each represented by a separate series of Participants:

- Pandion Beleggers Belangen Dividend Groei Fonds ("BBDGF")
- Pandion Protective World Fund ("PWF")
- Pandion DB Flagship Fund ("DBFF")

Wellscott Capital Management B.V. (*formerly Alpha Based Capital Fund Management B.V.*) (the "Fund Manager") will act as the Alternative Investment Fund Manager ("AIFM") of the Fund and Stichting Juridisch Eigenaar Pandion (the "Legal Owner") will act as the legal owner of the assets and liabilities of the Fund. In managing the assets and liabilities of the Fund, the Fund Manager will act solely in the best interests of the Participants. The Legal Owner will be the legal owner of all assets of the Fund and liabilities of the Fund. The Legal Owner will acquire and hold the assets of the Fund and assume the obligations for the account and risk of the Participants. The Legal Owner will act solely in the best interests of the Participants.

The Fund Manager is in possession of an AFM license as referred to in article 2:65(a) Financial Supervision Act, and as a consequence may offer the participations to professional and non-professional investors within the Netherlands in compliance with the FSA. The Fund Manager is subject to conduct of business and prudential supervision by the AFM and DNB.

Tax aspects

The Fund qualifies as a transparent or "closed" fund for joint account Dutch tax purposes, since participations can only be transferred to the Fund itself, as except for permitted transfers, a transfer of participations is not possible.

Management Report

Introduction

The management report provides an overview of the activities, performance, risk management, and other relevant information of the Pandion Fund for the financial year ending December 31, 2025.

Fund for Joint Account

The Pandion Umbrella Fund is structured as a fund for joint account. It is not a legal entity, but an agreement between the manager, the legal owner, and the participants in the subfunds. Under this agreement, the manager invests funds on behalf and at the risk of the participants in assets, which are held in the name of the legal owner for the participants. The participants are entitled to the fund's assets of each subfund in proportion to the number of participations they hold. The Umbrella Fund is not a partnership, general partnership, or limited partnership. Entry into the Umbrella Fund only creates rights and obligations for participants in relation to the Fund, and not in relation to other participants.

Open-End

The Umbrella Fund has an open-end structure.

1. Activities and Strategy

The Pandion Fund is an alternative investment fund consisting of three sub-funds:

1. Protective World Fund ("PWF")
2. Beleggers Belangen Dividend Groei Fonds ("BBDGF")
3. DB Flagship Fund ("DBFF")

2. Market Conditions, Economic Factors and Geopolitical Events

Market Conditions

The year 2025 was characterized by continued volatility in global financial markets, albeit within a more mature phase of the economic cycle. Following the strong equity performance in 2024, markets in 2025 showed a more differentiated pattern, with increased dispersion between sectors and regions. Global stock prices fluctuated highly because of the announcement and the following delay of the global trade tariffs.

Equity markets remained supported by earnings growth in technology and AI-related industries, although valuations came under scrutiny as interest rates stabilized at relatively elevated levels. At the same time, increased geopolitical uncertainty and policy unpredictability contributed to periodic market corrections.

Investor sentiment fluctuated between optimism regarding innovation-driven growth and caution driven by macroeconomic and geopolitical risks. Risk management and selectivity became increasingly important, with a growing focus on quality companies, resilient cash flows, and balance sheet strength.

Economic Factors

- **Inflation and Interest Rate Policy**

In 2025, inflation largely stabilized across developed economies, approaching central bank target levels. However, inflation proved more persistent in certain sectors, including services and energy. Central banks, including the Federal Reserve and the European Central Bank, adopted a cautious stance, maintaining interest rates at relatively high levels for longer than initially expected. This “higher-for-longer” environment continued to influence asset valuations and capital allocation decisions.

- **Labor Market**

Labor markets remained relatively tight in 2025, although further normalization became visible. Wage growth moderated but remained above long-term averages, particularly in sectors facing structural shortages such as technology, healthcare, and engineering. Productivity gains from automation and AI began to partially offset labor constraints.

- **Energy Prices**

Energy markets stabilized compared to previous years, although volatility persisted due to geopolitical developments and the ongoing energy transition. Investments in renewable energy, storage capacity, and grid infrastructure continued to increase. Europe further strengthened its energy independence, while global competition for critical raw materials intensified.

- **Supply Chains**

Global supply chains showed further resilience and diversification in 2025. Companies continued to invest in nearshoring and strategic sourcing to mitigate geopolitical risks. While major disruptions were largely absent, protectionist measures and regional trade policies continued to create localized inefficiencies.

Geopolitical Events

- **War in Ukraine**

The conflict in Ukraine remained unresolved in 2025 and continued to influence global energy markets and geopolitical relations. Although the intensity of disruptions fluctuated, the conflict remained a structural source of uncertainty for investors.

- **United States and Global Trade Relations**

Following the inauguration of President Donald Trump in early 2025, U.S. policy became more protectionist, with the introduction of higher trade tariffs and a more unilateral approach to

international cooperation. This led to renewed tensions in global trade relations, particularly with China and the European Union, contributing to increased market volatility.

- **China and Economic Positioning**

China continued to focus on domestic economic stability and technological self-sufficiency. While growth remained moderate, the country played a key role in global supply chains and commodity markets. Tensions with Western economies persisted, particularly in areas such as technology and data governance.

- **Climate Change and Sustainability**

Climate-related risks remained prominent in 2025, with continued occurrences of extreme weather events. Governments and corporations increased investments in sustainability, energy transition, and climate adaptation. At the same time, political and societal support for ESG policies remained mixed, leading to a more pragmatic and less ideological approach to sustainability.

- **Political Developments**

Elections and political shifts across multiple regions contributed to policy uncertainty. Changes in fiscal priorities, regulatory frameworks, and international alliances influenced investor sentiment and capital flows throughout the year.

Summary

2025 was a year defined by normalization within a still complex global environment. While inflation stabilized and economic growth remained moderate, structural challenges and geopolitical tensions continued to shape market dynamics.

Financial markets required increased selectivity and active risk management, as broad-based tailwinds gave way to a more differentiated investment landscape.

Despite these challenges, the Investment Institution successfully navigated market conditions. The subfunds demonstrated resilience, supported by disciplined portfolio construction, focus on quality investments, and the application of risk management strategies, including the use of derivatives where appropriate.

The environment reinforced the importance of a long-term investment perspective combined with flexibility in responding to evolving macroeconomic and geopolitical developments.

3. Performance summary

PWF

During 2025, the portfolio delivered a positive absolute return despite a challenging market environment and significant capital outflows during the year. Net asset value decreased from EUR 11.8 million at the start of the year to EUR 9.8 million at year-end, primarily as a result of net withdrawals of EUR 2.04 million. Excluding these withdrawals, the portfolio generated a positive investment return of EUR 351 thousand, equivalent to a 0.27 % net return for the year.

Performance was characterized by a weak first quarter, followed by a gradual recovery during the remainder of the year. The portfolio returned -6.9% in Q1, before rebounding with gains of 2.4% in Q2, 4.3% in Q3, and 1.2% in Q4. While the portfolio achieved a positive result for the year, it underperformed the S&P 500 Index, which returned 16.3% over the same period.

The investment strategy remained primarily focused on ESG-screened equity ETFs, which represented approximately 75% of portfolio assets at year-end. The strongest contributors to performance were the portfolio's U.S. equity exposures, including the iShares S&P 500 ESG EUR Hedged ETF, Invesco Nasdaq-100 ESG ETF, and Xtrackers S&P 500 Scored & Screened ETF, reflecting the continued strength of large-cap U.S. technology and growth companies. These positions collectively generated a substantial portion of the portfolio's positive returns.

During the year, the portfolio maintained a selective allocation to individual growth-oriented equities, including Alibaba, Robinhood, SoFi Technologies, IREN and JD.com. While Alibaba contributed positively to performance, results among the individual equity positions were mixed, with weakness in JD.com and IREN partly offsetting gains generated by Alibaba, Robinhood and SoFi. At year-end, individual equities represented approximately 4% of total portfolio assets.

A notable portfolio adjustment during the year was the implementation of a downside protection strategy through long-dated put options on both the S&P 500 and Euro Stoxx 50 indices. Although these positions provided protection during periods of market volatility, the overall option program generated a negative contribution of approximately EUR 255 thousand as equity markets finished the year near their highs, resulting in a significant loss of option premium value.

The portfolio also maintained a strategic allocation to the Latitude Strategy Index Tracker Certificate, representing approximately 10% of assets at year-end. This position remained broadly stable during the year and had a limited impact on overall portfolio performance.

Liquidity levels increased materially during the reporting period. Cash balances rose to approximately EUR 1.1 million, representing 10.9% of total assets, providing flexibility for future investment opportunities and risk management. Total portfolio costs amounted to EUR 22 thousand, equivalent to approximately

0.19% of average assets under management, reflecting efficient implementation despite the use of derivative hedging strategies.

Overall, 2025 was a year marked by active risk management, substantial capital withdrawals, and a continued focus on diversified ESG-oriented equity exposure. Despite headwinds from the hedging program and a difficult first quarter, the portfolio achieved a positive net return and maintained a well-diversified allocation across global equity markets, thematic growth exposures and alternative investment strategies.

Custodian

The assets of the investment entity are held by the custodian, as referred to in Article 4:62m paragraph 1 of the Dutch Financial Supervision Act (Wft). The custodian is responsible for monitoring cash flows, safeguarding assets (investments), and verifying the ownership of the investment entity's assets.

The custodian's equity amounts to at least €730,000.

A written agreement regarding management and custody has been concluded between the manager and the custodian of the investment entity. The main elements of this agreement are as follows:

- The custodian ensures that the investment entity's cash flows are properly monitored and, in particular, that all payments made by or on behalf of investors upon subscription for shares are received and that all cash belonging to the investment entity is booked to cash accounts opened in the name of the investment entity or in the name of the custodian acting on behalf of the investment entity, with (in principle) an institution described in Article 18 paragraph 1, parts a), b), and c) of European Directive 2006/73/EC (i.e. a credit institution or a bank licensed in a third country).
- The assets of the investment entity consisting of financial instruments are held in custody by the custodian. The custodian holds all financial instruments that can be registered on a financial instruments account in the custodian's books on segregated accounts in the name of the investment entity. In addition, the custodian holds all financial instruments in custody that can be physically delivered to it.
- For other assets of the investment entity, the custodian verifies ownership based on information or documentation provided by the manager or based on other external evidence. The custodian keeps a register of these other assets.
- The custodian ensures that the sale, issuance, redemption, repayment, and cancellation of shares in the investment entity are carried out in accordance with Dutch law, the articles of association of the investment entity, and applicable procedures.
- The custodian ensures that the value of shares in the investment entity is calculated in accordance with Dutch law, the articles of association, and the applicable procedures.

- The custodian executes the instructions of the manager unless they are contrary to Dutch law or the articles of association of the investment company.
- The custodian ensures that, in transactions involving the investment entity's assets, the consideration is transferred to the investment entity within the customary timeframes.
- The custodian ensures that the proceeds of the investment entity are allocated in accordance with Dutch law and the articles of association of the investment entity.

The custodian acts in the interest of both the investment entity and its investors. A copy of the agreement is available to investors upon request from the manager at cost price.

4. Risk Management

With regard to the setup of the administrative organization and internal control, the manager has adopted a risk and control matrix as the foundation. This matrix includes all core processes, the key risks per process, and the degree of risk tolerance. For each of these risks, key controls are defined and regularly monitored and tested to ensure compliance with internal and external regulations.

The manager's operations, insofar as they relate to the investment entity's activities, are also focused on managing operational risks.

The manager monitors the investment entity's overall compliance with risk parameters as defined in the prospectus, legal frameworks, and internal guidelines. These include diversification of the portfolio, credit quality of debtors, the quality of market counterparties, and liquidity of investments.

- Broad diversification is expected to mitigate price risks.
- Credit selection and limit monitoring help manage credit risk.
- Liquidity risk is reduced by investing mainly in liquid, listed equities and fixed income instruments.

Effective risk management is a core component of fund management. The manager uses risk management systems to continuously monitor and manage exposure to return risks, market risks, credit risks, liquidity risks, and leverage risks. For each risk, the likelihood and impact are assessed, and mitigating measures are defined to keep them within acceptable limits.

Throughout the year, various stress tests and analyses were conducted to ensure that fund portfolios remain robust under different market conditions.

5. Governance

The Manager is committed to high standards of corporate governance. The board is composed of three independent and qualified directors who regularly review the strategy, performance, and risk management practices of the institution. Each board member is responsible for a specific part of the organization, with clearly defined duties.

The board has extensive expertise in legal, compliance, and risk management. Additionally, the Manager hires best-in-class specialists in compliance, risk management, and legal to assist where needed. This expertise enables effective oversight of specific business functions and ensures compliance with regulatory requirements under the AIFMD.

Recent AIFMD Developments

In 2025, the regulatory landscape for alternative investment fund managers evolved further following the formal adoption and initial implementation phase of AIFMD II. These developments are aimed at strengthening financial stability, enhancing investor protection, and increasing transparency across the European fund industry.

AIFMD II Implementation

In 2025, AIFMD II entered into its early implementation phase across EU member states. The revised directive introduces more harmonized rules across jurisdictions, with a particular focus on cross-border activities, delegation arrangements, and supervisory convergence.

Enhanced Reporting and Transparency

Regulators increased scrutiny on reporting quality and consistency. AIFMs are required to provide more granular and standardized data to regulators, particularly regarding leverage, liquidity profiles, and risk exposures. This enhances the ability of supervisory authorities to monitor systemic risks.

Liquidity Management Tools (LMTs)

AIFMD II introduced a more formal framework for liquidity management tools. Managers are now required to implement and maintain a set of predefined LMTs (such as swing pricing, redemption gates, and suspension mechanisms) to better manage liquidity risks during periods of market stress.

Delegation and Substance Requirements

Greater emphasis has been placed on ensuring sufficient substance within EU-based AIFMs. While delegation to third parties remains permitted, regulators in 2025 increased focus on preventing “letterbox entities” by requiring demonstrable oversight, expertise, and decision-making capacity within the AIFM itself.

Leverage and Systemic Risk Monitoring

Leverage reporting requirements have been expanded, with stricter definitions and enhanced disclosures. National regulators, in coordination with ESMA, have been granted additional powers to impose leverage limits where systemic risks are identified.

ESG and SFDR Alignment

The integration between AIFMD and the Sustainable Finance Disclosure Regulation (SFDR) was further strengthened in 2025. Supervisors increased enforcement of ESG-related disclosures, with particular attention to preventing greenwashing and ensuring consistency between marketing materials and actual investment practices.

Depository and Custody Framework

Further clarification was provided on depository duties, including oversight of cash flows and asset segregation. Cross-border depository services remained a topic of regulatory focus, with ongoing discussions about harmonization.

Remuneration Policy

Policy Description

The remuneration policy is established at the Manager level. It aims to offer market-based compensation while prioritizing client interests. The policy is reviewed annually and updated as needed to comply with laws, regulations, and societal norms.

Remuneration consists entirely of fixed compensation. The Manager has a carefully structured and sustainable remuneration policy that complies with AIFMD and ESMA guidelines. It supports a sound and effective risk management framework and does not encourage risk-taking beyond acceptable limits. The Manager's board is responsible for setting this policy.

The board evaluates the policy at least once a year and may adjust it as needed. Compensation consists of fixed salaries, which may include reimbursements for staff-related expenses.

Remuneration for the Financial Year

For the 2025 financial year, the Manager allocated a total of € 129.360 in compensation all staff. This amount was entirely fixed compensation.

No carried interest was paid (i.e. a share of the fund's profit granted to the manager as performance compensation). Further information regarding fees charged by the manager can be found in the manager's own management report.

	31-12-2024	31-12-2025
Average amount FTE	1	3
Total fixed remuneration	€ 34.446	€ 129.360
Total variabel remuneration	€ 0	€ 0
Total remuneration	€ 34.446	€ 129.360

The table included in the original document outlines the remuneration as of December 31, 2024. External compensation to related parties is not included.

AIFMD Emphasis on Remuneration

The AIFMD revision stresses the importance of appropriate and transparent remuneration policies.

- **Equal Compensation:** The policy must be consistent with sound risk management and must not include incentives that could negatively affect the fund's risk profile.
- **Disclosure:** AIFMs must disclose remuneration practices and policies, including the ratio of fixed to variable pay and criteria for performance-based rewards.

Governance and Internal Control Systems

- **Board Diversity and Independence:** There is growing emphasis on diversity and independence within AIFM boards, including gender, professional background, and regulatory independence.
- **Internal Control and Compliance:** Strengthened requirements for internal controls and compliance systems, including robust mechanisms to manage legal obligations and conflicts of interest.

Investor Protection and Transparency

- **Enhanced Due Diligence:** Increased obligations for thorough assessment and monitoring of investments. AIFMs must regularly assess and document sufficient information.
- **Client Communication:** Improved communication requirements, with clear and understandable information on risks, fees, and performance.

Sustainability and ESG Integration

- **SFDR Linkage:** AIFMD is linked to the Sustainable Finance Disclosure Regulation (SFDR), requiring AIFMs to comply with ESG transparency rules.
- **Taxonomy Regulation:** The EU Taxonomy Regulation, which defines sustainable economic activities, also applies to AIFMs. Funds must disclose how their investments contribute to environmental goals.

6. Responsible Investment

Sustainability and responsible investing are core values of the Investment Institution. During 2025, PWF was classified under Article 6 of the SFDR. The Sustainable Finance Disclosure Regulation (SFDR) is a European regulation aimed at increasing transparency and combating greenwashing in the financial sector.

Article 6 of the SFDR (Regulation (EU) 2019/2088) requires all financial market participants (FMPs) and financial advisers to disclose how they integrate sustainability risks into their investment decision-making and advisory processes. The aim is to increase transparency around the impact of

environmental, social, and governance (ESG) risks on investments, regardless of whether a financial product has a sustainability focus.

7. Financial Statements

The attached financial statements provide a complete overview of the financial position of PWF as of December 31, 2025

The key financial figures are as follows:

PWF	31-12-2023	31-12-2024	31-12-2025
Total Assets	€ 11.518.321,00	€ 11.908.347,00	€ 9.846.242,00
Total Liabilities	€ 121.360,00	€ 117.814,00	€ 71.352,00
Net Income	€ 302.906,00	€ 972.673,00	€ 26.797,00

8. Outlook Market Developments and Expectations for 2026

Economic Review of 2025 and Outlook for 2026

Moderate but Uneven Growth

The global economy demonstrated resilience in 2025 despite persistent geopolitical tensions and structural economic challenges. Economic growth remained moderate across most developed markets, supported by easing monetary policy and stable consumer demand. However, regional disparities persisted. The United States showed continued economic strength, while Europe experienced slower expansion due to industrial weakness and fiscal constraints. Emerging markets generally outperformed developed economies, driven by domestic consumption, technological adoption, and recovering global trade. In 2026, moderate growth is expected to continue, although downside risks remain due to geopolitical uncertainty and fragile fiscal positions in several economies.

Inflation and Monetary Policy

Inflation trends continued to normalize in 2025, moving closer to central bank targets in many regions. As a result, several central banks initiated or continued gradual interest rate reductions. Nevertheless, inflationary risks remain due to wage growth, supply chain vulnerabilities, and rising energy or commodity prices. In 2026, monetary policy is expected to become more accommodative, although central banks are likely to remain cautious and data-dependent in order to avoid reigniting inflation.

Labor Market

Labor markets remained relatively tight throughout 2025, although signs of softening became visible in sectors sensitive to economic cycles. Structural shortages in healthcare, engineering, and technology persisted, while automation and artificial intelligence increasingly changed workforce requirements. Wage pressures remained elevated in several sectors. In 2026, labor market dynamics are expected to remain a challenge as businesses adapt to technological transformation and demographic pressures.

Sectoral Developments

Technology

The technology sector remained one of the strongest-performing sectors in 2025, driven by continued investment in artificial intelligence, semiconductor development, cybersecurity, and cloud infrastructure. AI adoption accelerated across industries, improving productivity and creating new business models. In 2026, further growth is expected, particularly in enterprise AI applications, digital infrastructure, and automation technologies. Regulatory developments around AI and data privacy may influence the pace of adoption.

Energy

The global energy transition advanced further in 2025. Investments in renewable energy, battery storage, and hydrogen infrastructure increased significantly. At the same time, geopolitical tensions and supply concerns kept traditional energy markets volatile. In 2026, the focus is expected to shift toward grid modernization, energy independence, and balancing sustainability ambitions with energy security.

Real Estate

Real estate markets showed early signs of stabilization in 2025 as financing conditions gradually improved. Residential real estate remained relatively resilient in high-demand urban areas, while commercial real estate continued to face pressure from changing workplace trends and higher refinancing costs. In 2026, selective recovery is expected, particularly in residential and logistics-related real estate, while sustainability and redevelopment remain key investment themes.

Geopolitical Outlook

International Trade

Global trade conditions improved moderately in 2025, supported by lower inflation and stronger supply chain normalization. However, trade relations between major economies remained sensitive due to strategic competition in technology, semiconductors, and energy. In 2026, trade policy and protectionist measures may continue to impact global investment decisions and business confidence.

Ukraine and Russia / Global Conflicts

The conflict in Ukraine continued throughout 2025 without a definitive resolution, maintaining pressure on European energy markets and geopolitical stability. In addition, tensions in the Middle East and increasing strategic rivalry between the United States and China contributed to global uncertainty. These geopolitical developments are expected to remain significant sources of market volatility in 2026.

Climate Change and Regulation

Climate-related risks continued to intensify in 2025, with extreme weather events affecting agriculture, infrastructure, and insurance markets. Governments introduced stricter sustainability reporting requirements and environmental regulations. In 2026, climate policy, carbon pricing mechanisms, and green investments are expected to remain central themes in both economic and political agendas.

Risks and Uncertainties

Financial Stability

Although markets remained relatively stable in 2025, high sovereign debt levels, refinancing risks, and vulnerabilities in certain banking and real estate sectors continued to pose threats to financial stability. In 2026, unexpected monetary shifts or geopolitical escalations could lead to renewed volatility in financial markets.

Health and Social Stability

While no major global health crises emerged in 2025, healthcare systems remain vulnerable to future pandemics and demographic pressures. Social unrest and political polarization in various regions may also influence economic stability and policymaking in 2026.

Technological Disruption

Rapid innovation in artificial intelligence, robotics, and digitalization presents significant opportunities but also creates disruption across industries. Businesses that fail to adapt to technological change may face competitive disadvantages. Cybersecurity risks are also expected to increase further in 2026 as digital dependence grows.

9. Code of conduct

The Fund Manager has established a formal Code of Conduct that outlines how we wish to conduct our activities. High levels of integrity, professionalism, and commitment to our participants are the standard.

The Code of Conduct applies to all employees of the Fund Manager.

The Code of Conduct is designed to document how we wish to handle behavior and integrity. This stems from legal obligations but more importantly from our way of delivering services to participants in our investment funds and our place in the financial sector.

The primary objective of the Fund Manager is to serve the interests of our participants in the investment funds as well as possible. We do this by taking their interest as the starting point in every decision and action we undertake for the investment funds as well as the management organization of the investment funds. Our actual behavior is crucial in serving these interests.

Conclusion

The outlook for 2026 remains cautiously constructive. Global economic growth is expected to continue at a moderate pace, supported by easing inflation and more accommodative monetary policy. At the same time, geopolitical tensions, structural labor shortages, climate-related challenges, and financial vulnerabilities remain important sources of uncertainty.

For investors and businesses, flexibility, disciplined risk management, and strategic focus on innovation and sustainability will remain essential. The investment environment in 2026 is expected to remain dynamic, requiring active monitoring of both macroeconomic and geopolitical developments.

Closing Remarks

We thank our investors for their continued support and trust. The board remains committed to achieving the investment objectives and protecting the interests of all stakeholders.

Wellscott Capital Management B.V

June 29th, 2026

Financial statements

Balance sheet

(Before appropriation of result)

(all amounts in EUR)

	Notes	2025	2024
A s s e t s			
Investments			
Exchange traded fund	1	7,325,744	11,338,390
Bonds		991,400	-
Equity		403,384	-
Options		6,438	379,512
Total investments		8,726,966	11,717,902
Intangible assets			
Deferred organisation costs	3	40,044	49,835
Total intangible assets		40,044	49,835
Receivables			
Other receivables and prepayments	4	5,424	1,284
Total receivables		5,424	1,284
Other assets			
Cash and cash equivalents	5	1,073,808	139,326
Total other assets		1,073,808	139,326
Total assets		9,846,242	11,908,347
L i a b i l i t i e s			
Net asset value			
Participants' capital	6	8,472,514	10,514,954
Retained earnings		1,275,579	302,906
Result current year		26,797	972,673
Total net asset value		9,774,890	11,790,533
Short-term liabilities			
Subscriptions received in advance	7	36,190	71,941
Other liabilities		35,162	45,873
Total short-term liabilities		71,352	117,814
Total liabilities		9,846,242	11,908,347

Profit and loss statement

For the year ended 31 December 2025

(all amounts in EUR)

	Notes	2025	2024
Investments			
Dividend income		39,013	198,830
Total investment result		39,013	198,830
Revaluations of investments	8		
Realised results		190,623	944,614
Unrealised results		105,465	205,915
Total changes in value		296,088	1,150,529
Other results			
Foreign currency translation	9	(10,011)	(16,153)
Interest result		12,916	4,177
Bank and brokerage fees		(5,400)	(5,549)
Total other results		(2,495)	(17,525)
Operating expenses			
Management fee	10.1	(154,839)	(178,179)
Administration fees	10.2	(23,328)	(22,456)
Depositary fee	10.2	(21,921)	(20,414)
Audit fees	10.2	(15,429)	(24,915)
Organisational costs	3	(9,791)	(12,581)
Supervision fee		(4,902)	(8,134)
Interest expenses		(434)	(2,211)
Other expenses	10.2	(75,165)	(90,271)
Total operating expenses		(305,809)	(359,161)
Net result for the year		26,797	972,673

Cash flow statement

For the year ended 31 December 2025

(all amounts in EUR)	Notes	<u>2025</u>	<u>2024</u>
Cash flow from operating activities			
Purchases of investments		(2,872,591)	(17,186,115)
Sales of investments		6,159,616	18,010,181
Management fee paid		(157,362)	(191,831)
Interest received		12,482	1,966
Dividend received		39,013	207,627
Other expenses paid		(158,474)	(184,089)
Net cash generated from operating activities		<u>3,022,684</u>	<u>657,739</u>
Cash flow from financing activities			
Proceeds from subscriptions to units	6	1,578,690	1,448,096
Payments for redemption of units		(3,656,881)	(2,015,357)
Net cash used in financing activities		<u>(2,078,191)</u>	<u>(567,261)</u>
Net cash flow for the year		944,493	90,478
Cash at the beginning of the year		139,326	65,001
Foreign currency translation		(10,011)	(16,153)
Cash at the end of the year	5	<u>1,073,808</u>	<u>139,326</u>

Notes to the financial statements

General information

The sub-fund Pandion Protective World Fund ("PWF" or the "Sub-Fund") is a Sub-Fund of Pandion Fund (the "Fund"), founded on 27 July 2020. The Fund is located at Nevelgaarde 8 in Nieuwegein, the Netherlands and is under supervision of the Authority for the Financial Markets ("AFM") and De Nederlandsche Bank ("DNB").

The fund changed its name from Pandion Global Sustainable Equity Long Short ("GSELS") to Protective World Fund ("PWF"), as indicated in the prospectus dated 5 December 2024.

Objective

PWF's objective is to achieve long term capital growth. To achieve this, the strategy of PWF is to invest in a diversified portfolio of individual listed equities and/or ETFs across at least seven market sectors.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Strategy

To achieve the Sub-Fund's objective, PWF will primarily invest in a diversified portfolio of individual stocks in which the ESG policy plays an important role and mainly consists of Blue Chips Shares. In addition to the individual shares, the portfolio manager can invest in ESG-related ETF in which both developed and emerging markets can be selected. To mitigate downside market risk, PWF may use derivatives that mainly consist of options and futures with exposure to non-ESG rated indices. PWF may also hold cash and cash equivalents. The portfolio will be managed actively to achieve the goals of long-term growth.

The portfolio will be managed subject to the investment restrictions as defined in section 3.2 of the prospectus.

PWF may enter into any investment, divestment or other business transaction with any other funds managed by the Fund Manager or with related party funds, on the terms and conditions as applicable under the relevant Funds' documentation with the prior approval of the Participants by Ordinary Consent. Valuations in relation to any such transaction may be performed by one or more parties (i.e. administrator) involved in such transaction as defined in 10.1 of the prospectus.

The Board Members authorised these financial statements for issue on June 29 2026.

General accounting policies

General accounting principles

The financial statements are prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. The accounting principles of the Sub-Fund are summarised below. These accounting principles have all been applied consistently throughout the reporting period.

Reporting period

The financial statements cover the year ended 31 December 2025 with comparatives for the year ended 31 December 2024.

Basis of accounting

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model. The financial statements of the Sub-Fund have been prepared on a going concern basis as the management has no indications that the activities cannot be continued in the near future.

Recognition of an asset or liability

Assets and liabilities are stated at historical cost, unless stated otherwise in the other accounting policies. An asset is recognised in the balance sheet when it is probable that the future economic benefits will flow to the company and the asset has a cost or value that can be measured reliably. Assets that do not meet this requirement are not included in the balance sheet, but are classified as off-balance sheet assets.

A liability is recognised in the balance sheet when it is probable that settlement thereof will involve an outflow of resources embodying economic benefits and the amount for which settlement will take place can be measured reliably. Obligations also include provisions. Liabilities that do not meet this requirement are not included in the balance sheet, but are accounted for as off-balance sheet commitments.

An asset or liability recognised on the balance sheet remains on the balance sheet if a transaction does not lead to a significant change in the economic reality of the asset or liability. Such transactions also do not give rise to the recognition of results. The assessment of whether there has been a material change in economic reality is based on the economic benefits and risks that are most likely to materialise in practice and not on the basis of benefits and risks that cannot reasonably be expected to materialise will occur.

An asset or liability is no longer included in the balance sheet if a transaction results in all or substantially all rights to economic benefits and all or virtually all risks relating to the asset or liability being transferred to a third party. In that case, the results of the transaction are recognised directly in the profit and loss statement, taking into account any provisions that must be made in connection with the transaction.

If the representation of economic reality leads to the inclusion of assets of which the legal person does not have legal ownership, this fact is stated.

Offsetting an asset and a liability

A financial asset and a financial liability are offset and reported as a net amount in the balance sheet when:

- There is a legally enforceable right to offset the recognised amounts and settle them simultaneously; and
- There is a firm intention to settle the net amount or both items simultaneously.

Recognition of income and expenses

Income is recognised in the profit and loss statement when an increase in economic potential, related to an increase in an asset or a decrease in a liability, has taken place, the amount of which can be measured reliably. Expenses are recognised when a reduction in the economic potential associated with a reduction in an asset or an increase in a liability has occurred, the amount of which can be reliably determined.

Income and costs are allocated to the period to which they relate. Revenue is recognised when all significant risks relating to the goods for resale have been transferred to the buyer.

Judgement, estimates, assumptions and uncertainties

The management of the Sub-Fund makes various judgments and estimates when applying the accounting policies and rules for preparing the financial statements. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the financial statements in future periods. There are no significant estimates and assumptions.

Measurement currency

The amounts included in the financial statements are denominated in Euro ("EUR"), which is the functional and presentation currency.

Foreign currency

All the Sub-Fund's assets and obligations denominated in foreign currency shall be converted into EUR in accordance with the currency exchange rate prevailing at the close of business of the relevant valuation date.

Currency exchange rate results (realised and unrealised) on foreign currencies on financial instruments are shown in the profit and loss statement and recognised under realised and unrealised results. Other exchange rate results are accounted for under foreign currency translation.

Accounting policies for the valuation of assets and liabilities

Financial instruments

Financial instruments include investments, receivables, other assets, and short-term liabilities. Investments also contain derivative financial instruments (derivatives). Financial instruments are recognised when contractual rights or obligations arise. Upon initial recognition, financial instruments are recorded at fair value, with any premium or discount and directly attributable transaction costs included in the profit and loss statement. For subsequent valuations at fair value, transaction costs are accounted for as value changes in the profit and loss statement.

Financial instruments are derecognised when (nearly) all rights to economic benefits or risks associated with the position have been transferred. Transaction costs upon sale are accounted for in the value changes item in the profit and loss statement.

Investments are recognised in the balance sheet on the transaction date and derecognised when the transaction is closed. Shares, participations, and other non-fixed-income securities, bonds and other fixed-income securities, deposits, and derivatives are recognised in the balance sheet at the time the purchase transaction is closed. Shares, participations, and other non-fixed-income securities, bonds and other fixed-income securities, and deposits are derecognised from the balance sheet at the time the sale transaction is closed. Derivatives are (partially) derecognised from the balance sheet when the sale transaction is closed or when the contract is settled on the maturity date.

Receivables and liabilities are recognised in the balance sheet when contractual rights or obligations regarding the receivables or liabilities arise. Receivables and liabilities are derecognised from the balance sheet when a transaction results in the contractual rights or obligations regarding the receivables or liabilities ceasing to exist.

After initial recognition, financial instruments are valued in the manner described below:

Recognition and basis of measurement

All investment securities are initially recognised at fair value.

Valuation

Investment securities are valued at the last price on the largest recognised market on which they are traded. Any security which is neither listed nor quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its fair market value. Any cost price that will be used as fair market value will be based on the value of the most recent funding round;

Cost of investment securities sold is determined on a FIFO method.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Fair value measurement

Investments that are measured at fair value use the following pricing level:

- Level 1: The value of the investment is based on directly observable market prices of identical investments in an active market.
- Level 2: The value of the investment is determined based on valuation models that utilise observable market data.
- Level 3: The value of the investment is determined based on valuation models that do not make use of observable market data.

All investments are level 1.

Gains and losses

Gains and losses are treated as realised for financial statement purposes on the trade date of the transaction closing or offsetting the open position against the historical cost price. Unrealised gains and losses are the difference between the value initially recognised and the fair value of open positions. All gains and losses are recognised in the profit and loss statement.

Dividend and interest income

Dividends are recorded on the date that the dividends are declared, gross of applicable withholding taxes. Interest income is recognised on accrual basis.

Derivative financial instruments

Derivative financial instruments including futures, options and other derivative financial instruments are initially recognised in the balance sheet at cost and subsequently are remeasured at their fair value. Fair values are obtained from quoted market prices. All derivative financial instruments are carried in assets when amounts are receivable by the Sub-Fund and in liabilities when amounts are payable by the Sub-Fund. Changes in fair values of derivatives are included in the profit and loss statement.

Receivables

Upon initial recognition the receivables are included at fair value and then valued at amortised cost. The fair value and amortised cost equal the face value. Possible provisions deemed necessary for the risk of doubtful accounts are deducted. These provisions are determined by individual assessment of the receivables.

Cash and cash equivalents

For the purpose of presentation in the balance sheet and the cash flow statement, cash is defined as cash at banks and brokers. The cash at bank and brokers is valued at face value. If cash is not freely disposable, then this has been taken into account upon valuation.

Deferred organisation costs

Deferred organisation costs are capitalised on inception, and will be amortised proportionally over a five-year period.

Subscriptions received in advance

Subscriptions received in advance are valued at historical cost, which represents the value of actual cash received on the subscription date.

Other liabilities

Other liabilities are carried at amortised cost using the effective interest rate method.

Redeemable participations

Redeemable participations are redeemable at the participants' option and are classified as financial liabilities. These participations are recognised and measured at fair value. The fair value is measured by the difference between total assets and liabilities excluding the redeemable participations.

The liabilities arising from the redeemable participations are carried at the redemption amount being the net asset value ("NAV") calculated in accordance with Dutch GAAP.

For the purpose of calculating the net assets attributable to redeemable participations in accordance with the Sub-Fund's redemption requirements, the Sub-Fund's assets and liabilities are valued on the basis of last trade prices.

The Sub-Fund issues redeemable participations at the NAV of the existing redeemable participations. The holder of redeemable participations can redeem for cash for an amount equal to a proportionate part of the Sub-Fund's NAV (calculated in accordance with redemption requirements).

The Sub-Fund's NAV per redeemable participation is calculated by dividing the net assets attributable to redeemable participations (calculated in accordance with redemption requirements) by the number of outstanding participations.

Accounting policies for determining the result

General

The results from the investment policy are determined by the direct and indirect income from investments. In addition, there are other operating income. Opposite these are the operating expenses. The income and expenses are allocated to the period to which they relate and are separately accounted for in the profit and loss statement.

Direct and indirect income from investments

The income from investments consists of:

Direct income from investments

This includes income from dividends and interest. Dividends are recognised when the share price of the respective stock is quoted ex-dividend. Interest is accounted for in the profit and loss statement based on the effective interest rate.

Indirect income from investments

This includes realised and unrealised changes in value. Realised changes in value are determined by the difference between the net proceeds and the fair value at the beginning of the financial year. Unrealised changes in value are determined by deducting the (average) cost price (including purchase costs) from the market value at the end of the financial year.

Changes in the value of derivatives valued at current value are directly recognised as “realised results” in the profit and loss statement. If derivatives are valued at cost, unrealised losses are charged to the result.

Purchase and sale costs

Depending on the subsequent valuation, purchase costs are either included in the cost price or directly recognised in the profit and loss statement. Sale costs are deducted from the sales proceeds of the respective investments. Costs are accounted for in the period to which they relate.

Expenses

Commissions payable on opening and closing positions are recognised when the trade is entered into by the Sub-Fund. Expenses are recorded in the period in which they originate. Transaction costs are borne by the Sub-Fund and be brought at the charge of the Fund’s profit and loss statement. Expenses on disposal of investments are deducted from the proceeds of disposal.

Cash flow statement

The cash flow statement is prepared using the direct method. The cash flow statement shows the Sub-Fund’s cash flows for the year divided into cash flows from operations and financing activities.

Due to the nature of the Fund’s operations, cash flows related to the financial instruments are included under operating activities. Cash flows from financing activities include proceeds from subscriptions and payments for redemptions of participations of the Sub-Fund.

Bank overdrafts that are repayable on demand form an integral part of the Sub-Fund’s cash management and are a component of cash.

Ongoing charges figure (“OCF”)

The ongoing charges figure contains all costs that have been charged to the Sub-Fund for the years ended 31 December 2025 and 31 December 2024, excluding the transaction costs, interest costs and performance fees. The ongoing charges figure is calculated by dividing all the costs of the period with the average net asset value. The average net asset value is calculated by adding all the monthly net asset values and divide them by the number of months used (for this year the number of months is 12 (2024: 12)).

Turnover ratio (“TOR”)

The turnover ratio is calculated in the following way: the sum of all purchases of investments plus the sum of all the sales of investments minus the sum for the subscriptions and redemptions. The total of this number will be divided by the average net asset value of the Sub-Fund and multiplied by 100.

Notes to the balance sheet

1. Investments

Investment securities are valued at the last price on the largest recognised market on which they are traded. Any security which is neither listed nor quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its fair market value. Any cost price that will be used as fair market value will be based on the value of the most recent funding round. The movement of the financial instruments is as follows:

Overview of the investments

For the years ended 31 December 2025 and 2024

(amounts x € 1)	2025	2024
<i>Exchange traded fund</i>		
Opening balance	11,338,390	-
Purchases	440,558	12,618,289
Sales	(5,011,245)	(1,834,602)
Realised investment result	321,927	(31,611)
Unrealised investment result	236,114	586,314
Balance at the end of the year	7,325,744	11,338,390
<i>Bonds</i>		
Opening balance	-	-
Purchases	1,000,500	-
Sales	-	-
Realised investment result	-	-
Unrealised investment result	(9,100)	-
Balance at the end of the year	991,400	-
<i>Equity</i>		
Opening balance	-	11,391,440
Purchases	401,310	2,076,081
Sales	-	(14,110,018)
Realised investment result	-	1,014,788
Unrealised investment result	2,074	(372,291)
Balance at the end of the year	403,384	-
<i>Options</i>		
Opening balance	379,512	-
Purchases	960,070	2,433,536
Sales	(892,122)	(1,895,838)
Realised investment result	(317,399)	(150,077)
Unrealised investment result	(123,623)	(8,109)
Balance at the end of the year	6,438	379,512

<i>Options (short positions)</i>		
Opening balance	-	-
Purchases	70,153	58,209
Sales	(256,248)	(169,723)
Realised investment result	186,095	111,514
Unrealised investment result	-	-
Balance at the end of the year	-	-

2. Financial risk management

The Sub-Fund's activities are exposed to a variety of financial risks, such as:

- Market risk (including market price risk, currency risk and interest rate risk);
- Credit risk;
- Liquidity risk

This note presents information about the Sub-Fund's exposure to each of the above risks, the Sub-Fund's objectives, policies and processes for measuring and managing risk, and the Sub-Fund's management of capital.

Market risk (market price risk)

Market risk is the risk that the value of a financial instrument fluctuates as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The total market risk that the Sub-Fund bears at 31 December 2025 and 2024 is the total net financial assets at fair value through profit or loss in the amount of EUR 8,726,966 and EUR 11,717,902, respectively. If the prices had risen/fallen by 5%, the total financial assets at fair value through profit or loss would have increased/decreased by EUR 436,348 (2024: EUR 585,895).

Currency risk

The Sub-Fund may invest in financial instruments and enter into transactions denominated in currencies other than the EUR, its functional currency. Consequently, the Sub-Fund is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Fund's assets or liabilities denominated in currencies other than the EUR.

As at 31 December 2025 and 2024, the currency exposure of the Sub-Fund is as follows (all amounts in EUR):

	2025	
	Fair value	% of NAV
United States Dollar	3,121,790	31.94
	2024	
	Fair value	% of NAV
United States Dollar	3,673,009	31.15

Interest rate risk

Interest rate risk refers to fluctuations in the value of, amongst others, fixed-income security resulting from changes in the general level of interest rates. When the general level of interest rates goes up, the prices of fixed-income securities will generally go down and vice versa. Financial assets and liabilities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. The Sub-Fund's exposure to market risk for changes in interest rates relates to the Sub-Fund's financial instruments at fair value through profit or loss.

At 31 December 2025, the Sub-Fund holds interest-bearing financial assets in the form of fixed-rate bonds. These instruments bear interest at fixed contractual rates and expose the Sub-Fund to fair value interest rate risk, but not to cash flow interest rate risk. At 31 December 2024, the Sub-Fund had no interest-bearing financial assets or financial liabilities except for cash at banks, which is subject to normal market-related short-term interest rates. Accordingly, the Sub-Fund is not exposed to significant interest rate risk for 2024, and its overall interest rate risk exposure in 2025 remains limited.

Credit risk

Credit Risk is the risk that a counterparty will fail to discharge an obligation or commitment that it has entered into with the Sub-Fund.

As of December 31, 2025, the following financial assets were exposed to credit risk: cash and cash equivalents, receivables and equity. The total carrying amount of financial assets exposed to credit risk amounted to EUR 9,800,774 (2024: EUR 11,857,228).

The Sub-Fund holds a bank account at Saxo Bank for an amount of EUR 1,035,043 (2024: EUR 71,473) and in The Northern Trust International Banking Corporation for an amount of EUR 38,765 (2024: EUR 67,853). The Standard & Poor's credit rating for Saxo Bank at 31 December 2025 is A- (2024: A-) and AA- (2024: A+) for The Northern Trust International Banking Corporation.

Liquidity risk

Liquidity risk is the risk that the Sub-Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Sub-Fund has limited liquidity risk since the Manager shall request payment of part of the commitment as soon as, and to extent that, the Sub-Fund in the opinion of the Manager needs financing in order to make investments, to fund other commitment, to repay amounts borrowed by the Sub-Fund or to pay the obligations and expenses of the Sub-Fund. The liquidity risk lies in the fact that the partners of the Sub-Fund are not able to fulfil their commitment towards the Sub-Fund due to own liquidity problems.

The table analyses the Sub-Fund's assets and liabilities by relevant maturity grouping based on the remaining period to the contractual maturity date at the reporting date (all amounts in EUR):

	2025				Total
	Less than 1 month	Between 1-6 months	Greater than 6 months	Indefinite maturity	
<i>Financial assets</i>					
Exchange traded fund	-	-	7,325,744	-	7,325,744
Bonds	-	-	991,400	-	991,400
Equity	-	-	403,384	-	403,384
Options	-	-	6,438	-	6,438
Cash and cash equivalents	1,073,808	-	-	-	1,073,808
<i>Financial liabilities</i>					
Other liabilities	(35,162)	-	-	-	(35,162)
Subscriptions received in advance	(36,190)	-	-	-	(36,190)
Participants' capital	-	-	(8,472,514)	-	(8,472,514)
Liquidity gap	1,002,456	-	254,452	-	1,256,908

	2024				
	Less than 1 month	Between 1- 6 months	Greater than 6 months	Indefinite maturity	Total
<i>Financial assets</i>					
Exchange traded fund	-	-	11,338,390	-	11,338,390
Options	-	-	379,512	-	379,512
Cash and cash equivalents	139,326	-	-	-	139,326
<i>Financial liabilities</i>					
Other liabilities	(45,873)	-	-	-	(45,873)
Subscriptions received in advance	(71,941)	-	-	-	(71,941)
Participants' capital	-	-	(11,790,533)	-	(11,790,533)
Liquidity gap	21,512	-	(72,631)	-	(51,119)

3. Deferred organisation cost

The two existing Sub-Funds BBDGF and PWF paid together deferred organisational costs of EUR 100,000. In line with paragraph 9.2.5 of the prospectus of Pandion Fund, these costs will be expensed in a period of 60 months and will be allocated pro rata based on the size of the Sub-Funds at the beginning of each month.

(all amounts in EUR)	2025	2024
Opening balance	49,835	53,083
Deferred organisation costs	-	9,333
Amortisation	(9,791)	(12,581)
Balance at the end of the year	40,044	49,835

4. Other receivables and prepayments

The short-term receivables consist of the following items:

(all amounts in EUR)	2025	2024
Prepaid administration fees	5,424	-
Prepaid membership fees	-	1,284
Balance at the end of the year	5,424	1,284

5. Cash and cash equivalents

As of 31 December 2025, and 2024, no restrictions on the use of cash exist.

6. Movement schedule of net asset value

Movement schedule of net asset value

For the year ended 31 December 2025

(all amounts in EUR)

	2025	2024
Participants' capital		
Opening balance	11,790,533	11,396,961
Subscriptions to redeemable participations	1,614,441	(2,015,357)
Redemptions of redeemable participations	(3,656,881)	1,436,256
Closing balance	9,748,093	10,817,860
Result current year	26,797	972,673
Total net assets value at reporting date	9,774,890	11,790,533

Movement schedule of participations

For the year ended 31 December 2025

	2025	2024
Opening balance	10,565	11,104
Subscriptions to redeemable participations	1,493	(1,882)
Redemptions of redeemable participations	(3,352)	1,343
Outstanding participations at reporting date	8,706	10,565

7. Short term liabilities

(all amounts in EUR)

	2025	2024
Subscriptions received in advance	36,190	71,941
Other liabilities		
Audit fee payable	14,707	6,890
Management fee payable	12,234	14,757
Other liabilities	8,221	24,226
Total other liabilities	35,162	45,873
Balance at the end of the year	71,352	117,814

No outstanding liabilities have a remaining term of more than one year. Due to their short-term nature, these liabilities are recorded at nominal value, which approximates the amortised cost.

Notes to the profit and loss statement

8. Revaluation of investments

The realised revaluations represent the results from sales, including selling costs. The realised revaluations comprise a gain of EUR 334,454 (2024: gain of EUR 1,021,002) from realised results and a loss of EUR 143,831 (2024: loss of EUR 76,388) from realised FX results.

The unrealised revaluations represent changes in the value of investments held, including purchase costs. The unrealised revaluations comprise a gain of EUR 362,554 (2024: loss of EUR 158,291) from unrealised results and a loss of EUR 257,089 (2024: gain of EUR 364,206) from unrealised FX results.

9. Foreign currency translation

Realised and unrealised exchange differences consist of realised and unrealised translation gains/(losses) on assets and liabilities and amount to a loss of EUR 10,011 (2024: loss of EUR 16,153).

10. Expenses

10.1 Management fee

Management fee

The Fund Manager is entitled to an annual Management Fee to be charged to the Sub-Fund equal to 1.5% of the Net Asset Value (i.e. 150 basis points), excluding (i.e. before deduction of) the management fee, as at the last business day of each calendar month, payable monthly in arrears out of the Fund Assets.

The management fee shall be calculated for each Sub-Fund separately, and applied against the net asset value of the participations in the relevant Sub-Fund. The minimum aggregate Management Fee will at all times be at least EUR 30,000 per annum (net of any VAT).

The management fee for the year ended 31 December 2025 amounts to EUR 154,839 (2024: EUR 178,179).

10.2 Other expenses

Administration fees

Bolder Fund Services (Netherlands) B.V is the administrator of the Sub-Fund.

The Sub-Fund will pay the Administrator in remuneration for its tasks as administrator of the Sub-Fund the following fees:

- a. a minimum annual fee of EUR 17,500 with assets under management of EUR 0-50 million, the annual fee is eight (8) basis points (0.08%); with AUM of EUR 50-100 million, the annual fee is six (6) basis points (0.06%) and with AUM of > EUR 100 million, the annual fee is four (4) basis points (0.04%). This variable fee is applied as a sliding scale and is calculated annually on the basis of the Net Asset Value of the Sub-Fund. An office surcharge of 7.5% applies over this variable fee;
- b. a fixed fee for preparing the annual financial statements (audited), equal to EUR 3,750 (excluding VAT) per annum;
- c. a fixed fee for AIFMR Annex IV reporting, equal to EUR 2,000 (excluding VAT) per annum; and
- d. a fixed fee for FATCA/CRS reporting, equal to EUR 500 (excluding VAT) per annum (0-100 Participants via 4 nominees) and EUR 100 (excluding VAT) per annum per every additional participant.

The administration fee for the year ended 31 December 2025 amounted to EUR 23,328 (2024: EUR 22,456).

Depositary fees

The Sub-Fund will pay to the Depositary, APEX Depositary Services B.V. in remuneration of its service to the Sub-Fund, limited to AIFMD depositary duties, an annual fee equal to 0.02% of the Net Asset Value, subject to a minimum of EUR 16,945 (for the first twelve months an amount of EUR 15,561 will apply) and a one off on boarding fee of EUR 3,500 (excluding VAT). The depositary fee for 2025 amounted to EUR 21,921 (2024: EUR 20,414).

Audit fees

The Sub-Fund will pay to Moos Accountants B.V. in remuneration of its service to the Sub-Fund, an estimated fee equal to EUR 15,429 (2024: EUR 24,915) (including VAT) for its reporting year.

Other expenses

(all amounts in EUR)

	2025	2024
Sustainability fees	24,200	-
Financial statement preparation expenses	11,253	16,341
Compliance cost	9,100	27,396
Membership fees	8,997	13,681
Service fee	6,530	12,776
Legal fees expense	6,459	7,509
Withholding tax expense	4,083	36,981
AIFMD fee	2,480	2,401
Professional expense	814	-
Tax reporting expenses	749	776
Legal Owner Expense	500	500
Commission & other charges*	-	(28,090)
	75,165	90,271

**as of 26 September 2024, Saxo paid back this amount of commissions that was previously paid too much on security transactions.*

11. Ongoing charges figure (OCF)

(all amounts in EUR)

	2025	2024
Average net asset value during the reporting year	10,309,722	12,942,282
Total ongoing expenses	305,375	344,381
Ongoing charges figure for the reporting year	2.96%	2.66%

12. Turnover ratio (TOR)

The turnover ratio for the Sub-Fund over the year ended 31 December 2025 is 36% (2024: 245%).

13. Related party transactions

During the year, no transactions with related parties took place other than the payments of management fees, in accordance with the provisions of the prospectus.

Other notes

Other relevant contracts

As a result of the outsourcing policy rule in accordance with article 38 (1) of the Bgfo of the Wft, an overview of the core tasks outsourced by the Sub-Fund is given below. The agreements with the parties referred to below include regulations regarding the performance standard, the mutual provision of information, the formal notice period and compensation.

Administration

The administration is outsourced to Bolder Fund Services (Netherlands) B.V. ("the Administrator"). The Administrator carries out the administration for the Sub-Fund, including the processing of all investment transactions of income and expenses and calculating and determining the monthly net asset value. The Administrator also prepares, under the responsibility of the Fund Manager, the (semi-) annual report of the Sub-Fund. The administration of investment funds is one of the core activities of the Administrator. An agreement has been concluded with the Administrator that meets the requirements set out in the applicable regulatory requirements.

Depositary

The Depositary of the Sub-Fund is Darwin Depositary Services B.V. ("the Depositary"). Pursuant to a Depositary Agreement entered into among the Fund Manager and the Depositary, the key responsibilities of the Depositary are:

- a) to monitor the cash flows of the Sub-Fund (ensuring in particular that all payments made by or on behalf of Participants upon the subscription for participations have been received and that all cash of the Sub-Fund has been booked in cash accounts opened in the name of the Legal Owner on behalf of Sub-Fund or in the name of the Fund Manager acting on behalf of the Sub-Fund or in the name of the Depositary acting on behalf of the Sub-Fund with the proper entity);
- b) to provide safe-keeping of the Fund Assets (i.e. custody for financial instruments that can be held in a financial instruments account or that can be physically delivered to the Depositary, and verification of the ownership by the Legal Owner of all other assets);
- c) to verify the compliance of the Fund Manager with the investment restrictions as set out in the Prospectus;
- d) to ensure that transactions involving the Fund Assets, any consideration is remitted to the Fund within the usual time limits;
- e) to verify that appropriate procedures are established and applied for the valuation of the Fund Assets; and
- f) to perform various oversight duties with regard to the issue and redemption of participations, remission of consideration for transactions by the Fund, application of income by the Sub-Fund.

Personnel

The Sub-Fund did not employ personnel during the year.

Events after balance sheet date

There were no material events after the balance sheet date.

Nieuwegein, June 29 2026

Wellscott Capital Management B.V.

Other information

Personal interest of the Fund Manager

At 31 December 2025, the Board of Directors of the Fund Manager had no personal interests in the Fund or in any investments the Sub-Fund holds in portfolio at this date (2024: NIL).

Independent Auditor's report

The independent auditor's report has been attached at the end of this report.

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT

To: the participants and the fund manager of Pandion Protective World Fund

Report on the audit of the financial statements 2025 included in the annual report

Our opinion

We have audited the financial statements 2025 of Pandion Protective World Fund based in The Hague.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Pandion Protective World Fund as at 31 December 2025 and of its result for 2025 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the balance sheet as at 31 December 2025;
2. the profit and loss account for 2025; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Pandion Protective World Fund in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit approach fraud risks

As part of our process for identifying risks of material misstatement in the financial statements due to fraud, we have considered fraud risk factors related to management override of internal controls, fraudulent financial reporting, and misappropriation of assets. Based on our considerations, we have identified and assessed the risks of material misstatement in the

financial statements due to fraud. During our audit, we gained an understanding of the fund and its environment, as well as the components of the internal control system.

We conducted interviews with the management of Wellscott Capital Management B.V. ('the fund manager') and the administrator to determine if they were aware of any actual, alleged, or suspected fraud. These interviews did not reveal any indications of actual, alleged, or suspected fraud that could result in a material misstatement.

As described in the auditing standards, 'management override of controls' and the risk of fraudulent revenue recognition are presumed fraud risks. In addition to the general presumed fraud risks described, we identified a specific fraud risk concerning the accuracy and existence of expenses which is related to misappropriation of assets. The fund manager may experience pressure due to regulations regarding the minimum capital requirement at the fund manager level to account for expenses in the fund which are not related to the fund.

The risk of management override of controls and fraudulent revenue recognition

The management of the fund manager is inherently in a unique position to commit fraud due to the ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We address the risk of management override of controls in our audit by focusing on:

- Journal entries and other adjustments made during the preparation of the financial statements;
- Estimates and estimation processes;
- Significant transactions outside the normal course of business.

Work performed:

We evaluated the design and implementation of relevant internal control measures in the processes for generating and processing journal entries, making estimates and accounting for revenue, assuming a risk of override for these processes.

We obtained an understanding of the process of financial reporting and evaluated the design and implementation of relevant internal control measures. We gained an understanding of the payment organization and conducted an assessment of payment authorizations within the relevant banking systems.

Regarding investments valued at fair value, we determined based on publicly available external (market) information that the valuation as prepared by the fund falls within the range we consider acceptable. We have verified unrealized results based on this verified publicly available external (market) value information.

Our work has not led to specific indications of fraud or suspicions of fraud regarding the breach of internal control by the management and fraudulent revenue recognition.

The risk regarding the accuracy and existence of expenses

We obtained an understanding of the process of processing and paying invoices and evaluated the design and implementation of relevant internal control measures. In performing substantive procedures on the expenses as accounted for in the Fund, we analyzed selected expense invoices for indications whether the expenses are not related to the fund.

Our work did not lead to specific indications of fraud or suspicions of fraud concerning the risk relating to inaccurate or non-existence of expenses for the Fund

We did not identify significant transactions outside the normal course of business. In our audit, we also included elements of unpredictability. Additionally, we inspected correspondence with regulators and remained alert during the audit for indications of fraud. We also evaluated the outcomes of other audit procedures to determine if there were findings that indicated fraud or non-compliance with laws and regulations. If such instances were present, we reassessed our evaluation of the risk of fraud and its implications for our audit procedures.

Audit approach going concern

Our procedures to evaluate the fund manager's going concern assessment included:

- Considering whether the fund manager's going concern assessment includes all relevant information of which we are aware as a result of our audit.
- Obtaining additional substantiation, and questioning the fund manager about the key assumptions and principles;
- Analyzing the redemption of participations after the end of the financial year and assessing whether these indicate any going concern risks;
- Reviewing the prospectus with the described possibility for the fund manager to temporarily suspend or limit redemption requests in exceptional cases;
- Inquiring with the fund manager about their knowledge of going concern risks after the period covered by the fund manager's going concern assessment.

Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The fund manager is responsible for the preparation of the other information, including the fund manager report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the fund manager of the investment entity for the financial statements

The fund manager of the investment entity is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the fund manager of the investment entity is responsible for such internal control as the fund manager of the investment entity determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the fund manager of the investment entity is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the fund manager of the investment entity should prepare the financial statements using the going concern basis of accounting, unless the fund manager of the investment entity either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The fund manager of the investment entity should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive

to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the investment entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the fund manager of the investment entity;
- concluding on the appropriateness of the fund managers use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Diemen, 29 June 2026

Moos Accountants B.V.

H.J. Spit RA