



## **ANNUAL REPORT 2025**

### **Pandion Fund – Subfund DB Flagship Fund**

## Table of Contents

General information .....	3
Key figures .....	4
Profile .....	5
Management Report .....	6
Financial statements .....	16
Notes to the financial statements .....	19
General information .....	19
General accounting policies .....	20
Notes to the balance sheet .....	25
Notes to the profit and loss statement .....	30
Other notes .....	32
Other information .....	34

## General information

### Office

Prinses Margrietplantsoen 33  
2595 AM 's Gravenhage  
The Netherlands

### Legal Owner

Stichting Juridisch Eigenaar Duurzaam  
Beleggen Fondsen  
Prinses Margrietplantsoen 33  
2595 AM 's Gravenhage  
The Netherlands

### Fund Manager

Wellscott Capital Management B.V.  
Prinses Margrietplantsoen 33  
2595 AM 's Gravenhage  
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 and custodian

Saxo Bank  
Barbara Strozziilaan 310  
1083 HN Amsterdam  
The Netherlands

### Administrator

AssetCare Fund Services B.V.  
Amstelplein 40C  
1096 BC Amsterdam  
The Netherlands

### External Compliance Officer

Projective Group  
Krijn Taconiskade 422  
1087 HW Amsterdam  
The Netherlands

### Bank

Rabobank  
Mondriaantoren,  
Amstelplein 8  
1096 BC Amsterdam  
The Netherlands

### Independent Auditor

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

## Key figures

	<b>31-12-2025</b>	<b>31-12-2024</b>
<b>Net Asset Value</b>		
DB Flagship Fund	34,725,710	1,717,026
<b>Total net asset value</b>	<b>34,725,710</b>	<b>1,717,026</b>
<b>Outstanding participations</b>		
DB Flagship Fund Lead Class	66,699.2413	14,519.1238
DB Flagship Fund Discount Class	188,781.3765	2,498.7500
DB Flagship Fund Institutional Class	135,273.3206	-
<b>Total outstanding participations</b>	<b>390,753.9384</b>	<b>17,017.8738</b>
<b>Net asset value per participation</b>		
DB Flagship Fund Lead Class	88.8994	100.8913
DB Flagship Fund Discount Class	89.1460	100.9194
DB Flagship Fund Institutional Class	88.4659	100.0000
<b>Result</b>		
Changes in value	-2,907,581	7,488
Results from investments	453,859	2,322
Other result	357,116	-234
Cost	345,382	7,239
<b>Net result</b>	<b>-2,441,988</b>	<b>2,336</b>
<b>Performance per participation</b>		
DB Flagship Fund Lead Class	-11.89%	0.89%
DB Flagship Fund Discount Class	-11.67%	0.92%
DB Flagship Fund Institutional Class	-11.53%	0.00%

## Profile

### Introduction

The Pandion Fund (the “Fund”) is a Dutch fund for joint account (fonds voor gemene rekening) established on 27<sup>th</sup> of 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 Subfunds 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 represented by a separate series of participations:

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

Wellscott Capital Management B.V. (the “Fund Manager”) will act as the AIFM of the Fund and Stichting Juridisch Eigenaar Duurzaam Beleggen Fondsen will act as the legal owner of the assets and liabilities of the DB Flagship 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) FSA, 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:

- Protective World Fund ("PWF")
- Beleggers Belangen Dividend Groei Fonds ("BBDGF")
- 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.

## DBFF

The DB Flagship Fund had a negative performance in 2025. The negative return can be explained by the declining value of the USD dollar (60%) and the negative return on the option positions (40%). The options are used to protect the value of the portfolio. In an environment with rising stock indices options yield a negative return.

The stock portfolio was neutral, but lagged the broader market. Sustainable investments faces headwind from the political developments, mainly in the US. The new government blocked wind energy project and made serious threats to companies advocating diversity and inclusion policies. Next to that quality-stocks had there largest underperformance compared to the world-index in decades.

Although we were disappointed by the overall fund performance, we had some good developments. More than 10% of the portfolio stocks were taken over with a good premium. Next to that the earnings growth of the companies in the portfolio exceeded our target growth rate: 18% vs 10%. The negative part came from the declining valuation. The average P/E of the stocks in the portfolio declined with around 30%, while the companies were performing better than expected. On top of that analysts expect the companies in the fund to grow their Earnings per Share with double digits in the coming years. This development give plenty of room for recovery of the valuation and higher stock prices.

## 3. Performance summary

The **net asset value (NAV)** of DBFF decreased by 11.89 % in 2025.

The fund was fully invested at year end.

## 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. In 2025, DBFF was classified under Article 8 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 8 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 DBFF as of December 31, 2025

The key financial figures are as follows:

DBFF	31-12-2024	31-12-2025
Total Assets	€ 3,497,363	€ 35,495,355
Total Liabilities	€ 1,780,337	€ 769,645
Net Income	€ 2,336	€ -2,441,988

## 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, 2025

## Financial statements

### Balance sheet

(before appropriation of result)

(all amounts in EUR)

	Notes	31-12-2025	31-12-2024
<b>Assets</b>			
<b>Investments</b>			
Equity	1	31,917,353	1,709,749
Options		783,835	33,710
<b>Total of investments</b>		<b>32,701,188</b>	<b>1,743,459</b>
<b>Intangible assets</b>			
Deferred organisation costs	3	63,141	79,280
<b>Total intangible assets</b>		<b>63,141</b>	<b>79,280</b>
<b>Other Receivables</b>			
Outstanding sells	4	992,218	-
Dividend receivables		22,303	-
Interest receivables		98	-
<b>Total other receivables</b>		<b>1,014,619</b>	<b>-</b>
<b>Other assets</b>			
Cash and cash equivalents	5	1,716,407	1,674,624
<b>Total of other assets</b>		<b>1,716,407</b>	<b>1,674,624</b>
<b>Total Assets</b>		<b>35,495,355</b>	<b>3,497,363</b>
<b>Liabilities</b>			
<b>Net asset value</b>			
Participants' capital	6	37,167,698	1,714,690
Result current period		-2,441,988	2,336
<b>Total net asset value</b>		<b>34,725,710</b>	<b>1,717,026</b>
<b>Short term liabilities</b>			
Subscriptions received in advance	7	512,460	1,774,471
Other liabilities		257,185	5,866
<b>Total short tem liabilities</b>		<b>769,645</b>	<b>1,780,337</b>
<b>Total Liabilites</b>		<b>35,495,355</b>	<b>3,497,363</b>

**Profit and loss statement**

(for the period 1 January through 31 December)

(all amounts in EUR)	Notes	<b>01-01-2025 - 31-12-2025</b>	<b>20-11-2024 - 31-12-2024</b>
<b>Direct income of investments</b>			
Dividend income	8	453,859	2,322
<b>Total income of investments</b>		<b>453,859</b>	<b>2,322</b>
<b>Revaluations of investments</b>			
Realized gain/(loss) Equity	9	2,073,757	-690
Realized gain/(loss) Options		-1,360,347	1,766
Unrealized result (gain/(loss) Equity		-2,638,673	-2,992
Unrealized result (gain/(loss) Options		-982,318	9,404
<b>Total changes in value</b>		<b>-2,907,581</b>	<b>7,488</b>
<b>Other result</b>			
Fee income from subscriptions		18,017	1,374
Foreign currency revaluations	10	328,045	-1,360
Interest income		11,054	-248
<b>Total other results</b>		<b>357,116</b>	<b>-234</b>
<b>Operating expenses</b>			
Management fee	11.1	205,973	1,691
Administration fee	11.2	62,040	-
Depositary fee	11.3	21,689	1,803
Audit fees	11.4	7,935	1,543
Organisational costs	3	16,139	1,777
Supervision fee	11.5	8,102	287
Legal owner fee		-51	51
Bank and brokerage fees		5,600	66
Interest expenses		7,345	22
Other expenses		10,609	-
<b>Total operating expenses</b>		<b>345,382</b>	<b>7,239</b>
<b>Net result for the period</b>		<b>-2,441,988</b>	<b>2,336</b>

**Cash flow statement**

(For the period 1 January through 31 December)

(all amounts in EUR)	Notes	<b>01-01-2025 - 31-12-2025</b>	<b>20-11-2024 - 31-12-2024</b>
<b>Cash flow from investing activities</b>			
Result period		-2,441,988	2,336
Proceeds from sale of investments		-713,410	-1,076
Unrealized results of investments		3,620,991	-6,412
Purchased of investments		-61,373,295	-2,001,009
Sales of investments		27,507,986	265,038
Movement from short term receivables		-998,480	-79,280
Movement from short term liabilities		-1,010,693	1,780,337
<b>Net cash flow from investing activities</b>		<b>-35,408,889</b>	<b>-40,066</b>
Proceeds from subscriptions to units		38,455,352	1,714,690
Payments for redemption of units subscription		-3,004,680	-
<b>Net cash flow from financing activities</b>		<b>35,450,672</b>	<b>1,714,690</b>
<b>Net cash flow for the period</b>		<b>41,783</b>	<b>1,674,624</b>
<b>Cash at the beginning of the period</b>		1,674,624	-
<b>Cash at the end of the period</b>		<b>1,716,407</b>	<b>1,674,624</b>

## Notes to the financial statements

### General information

The sub-fund DB Flagship Fund (DBFF or the "Sub-fund") is a sub-fund of Pandion Fund (the "Fund"), founded on 27 July 2020. The Fund is located at Prinses Margrietplantsoen 33, 's Gravenhage, the Netherlands and is under supervision of the AFM and DNB.

#### Objective

DBFF's objective is to achieve long term capital growth. To achieve this, the strategy of DBFF is to invest (directly or indirectly) predominantly in a basket of individual Quality Shares, looking at the extent to which attention is paid to the ESG policy of the relevant share.

#### Strategy

To achieve the DBFF objective, DBFF will primarily (directly or indirectly) invest in a diversified portfolio of listed individual stocks in which the ESG policy plays an important role and mainly consists of Quality Shares. To mitigate downside market risk, DBFF may use derivatives that mainly consist of options. DBFF 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 set out below. The Fund Manager may only deviate from these provisions and change the Investment Strategy by amending this Prospectus and the Terms and Conditions in the way set forth in Schedule 1 of the Prospectus.

If DBFF holds investments denominated in currencies other than the Euro, this entails a foreign exchange risk. The Fund Manager therefore may, but is not under an obligation to, hedge foreign exchange risks if it considers this to be in the interest of DBFF.

DBFF 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 involved in such transaction.

The Board Members authorized 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 summarized below. These accounting principles have all been applied consistently throughout the reporting period.

### Reporting period

As the Fund was founded on 27 July 2020, the Sub-fund DB Flagship Fund became active at 20 November 2024. The reporting period for this annual account is from 1 January 2025 through 31 December 2025.

### 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 recognized 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 recognized 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 recognized 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 materialize in practice and not on the basis of benefits and risks that cannot reasonably be expected to materialize 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 recognized directly in the profit and loss account, 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 recognized 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 recognized in the profit and loss account 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 recognized 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 recognized 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 consolidated 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, 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 recognized 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 recognized 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 account. For subsequent valuations at fair value, transaction costs are accounted for as value changes in the profit and loss account.

Financial instruments are derecognized 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 account.

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

Receivables and liabilities are recognized in the balance sheet when contractual rights or obligations regarding the receivables or liabilities arise. Receivables and liabilities are derecognized 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 recognized at fair value.

### Valuation

Investment securities are valued at the last price on the largest recognized 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 weighted average 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 recognized amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

### 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 recognized and the fair value of open positions. All gains and losses are recognized in the profit and loss account.

### Dividend and interest income

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

### **Derivative financial instruments**

Derivative financial instruments including futures, options and other derivative financial instruments are initially recognized 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 amortized 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 recognized 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 participants in accordance with the Sub-Fund's redemption requirements, the Sub-Funds 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 participations 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 account.

**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 recognized when the share price of the respective stock is quoted ex-dividend. Interest is accounted for in the profit and loss account based on the effective interest rate.

**Indirect Income from Investments**

This includes realized and unrealized changes in value. Realized changes in value are determined by the difference between the net proceeds and the fair value at the beginning of the financial year. Unrealized 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 recognized as realized changes in value in the profit and loss account. If derivatives are valued at cost, unrealized 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 recognized in the profit and loss account. 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 recognized 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 account. 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 period 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 Fund.

Bank overdrafts that are repayable on demand form an integral part of the 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 Fund for the period January until June 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 dividing them by the number of months used (for this period the number of months is 6).

**Turnover ratio (TOR)**

The turnover ratio is calculated 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 Fund and multiplied by 100.

## Notes to the balance sheet

### 1. Investments

Investment securities are valued at the last price on the largest recognized 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 period 1 January through 31 December)

(all amounts in EUR)	2025	2024
<b>Equity</b>		
Opening balance	1,709,749	-
Purchased	47,319,056	1,975,552
Sales	-16,546,537	-262,120
Realized investment result	2,073,757	-690
Unrealized investment result	-2,638,672	-2,992
<b>Balance at the end of the period</b>	<b>31,917,353</b>	<b>1,709,749</b>
<b>Options</b>		
Opening balance	33,710	-
Purchased	14,054,239	25,457
Sales	-10,961,449	-2,917
Realized investment result	-1,360,347	1,766
Unrealized investment result	-982,318	9,404
<b>Balance at the end of the period</b>	<b>783,835</b>	<b>33,710</b>

### 2. Financial risk management

The 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 Fund's exposure to each of the above risks, the Fund's objectives, policies and processes for measuring and managing risk, and the Fund's management of capital.

#### 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 investments is determined based on valuation models that utilize observable market data.
- Level 3: The value of the investments is determined based on valuation models that do not make use of observable market data.

As per the valuation date 31 december 2025 all investments are measured as level 1.

### 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 Fund bears at 31 December 2025 is the total net financial assets at fair value through profit or loss in the amount of EUR 32,701,188. 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 1,635,059.

### Currency risk

The Fund may invest in financial instruments and enter into transactions denominated in currencies other than the EUR, its functional currency. Consequently, the 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.

The currency exposure of the Fund's portfolio at 31 December 2025 is as follows (all amounts in EUR):

(all amounts in EUR)

	<b>31-12-2025</b>	
	Fair Value	% of NAV
United States Dollar	17,189,804	48.82%
Canadian Dollar	864,464	2.46%
Swedische Krone	1,060,458	3.01%
Danish Krone	2,638,330	7.49%
European Euro	10,789,865	30.64%
Great British Pound	1,773,845	5.04%
Norwegian Krone	892,466	2.53%
	<b>35,209,233</b>	<b>100.00%</b>

### 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 Fund's exposure to market risk for changes in interest rates relates to the Fund's financial instruments at fair value through profit or loss.

At 31 December 2025 the Fund has no interest bearing financial assets or financial liabilities except for cash at banks which are subject to normal market related short term interest rates. Therefore, the Fund is not exposed to significant interest rate risks.

### 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 Fund.

As of December 31, 2025, the following financial assets were exposed to credit risk: cash and cash equivalents, and receivables.

Equity investments are generally not considered to be exposed to credit risk, as they do not represent claims on a counterparty. However, when equity instruments are held through brokers or custodians, a counterparty risk may arise in case of bankruptcy or failure of such intermediaries.

This risk is monitored as part of the Fund's broader operational and custody risk framework.

The total carrying amount of financial assets exposed to credit risk amounted to EUR 35,432.214.

### Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Fund Manager employs an appropriate liquidity risk policy and has adopted procedures which enable it to monitor the liquidity risk of the Fund and to ensure that the liquidity profile of the investments of the Fund complies with their underlying obligations. In particular, the Fund Manager can restrict redemptions on certain conditions as set out in the Terms and Conditions.

The table analyses the 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):

	31-12-2025				Total
	Less than 1 month	Between 1-6 months	Greater than 6 months	Indefinite maturity	
Equity	31,917,353	-	-	-	31,917,353
Options	783,835	-	-	-	783,835
Cash and Cash Equivalents	1,716,407	-	-	-	1,716,407
Other receivables	1,077,760	-	-	-	1,077,760
Other Liabilities	-769,645	-	-	-	-769,645
Participants' capital	-	-34,725,710	-	-	-34,725,710
<b>Liquidity Gap</b>	<b>34,725,710</b>	<b>-34,725,710</b>	<b>-</b>	<b>-</b>	<b>0</b>

Participants' capital has been classified under the 1–6 months maturity category, reflecting the redemption terms applicable to investors. Participants have the right to redeem their units on a monthly basis, subject to a notice period of 20 business days

### 3. Deferred organisation cost

The DB Flagship fund paid for the Fund Set Up a total amount of EUR 81,057. These costs will be expensed in a period of 60 months.

(all amounts in EUR)	2025	2024
Opening balance	79,280	-
Deferred organization costs	266	81,057
amortisation	-16,405	-1,777
<b>Balance at the end of the period</b>	<b>63,141</b>	<b>79,280</b>

### 4. Other receivables

The short term receivables consist of the following items:

(all amounts in EUR)	<u>31-12-2025</u>	<u>31-12-2024</u>
Outstanding sells	992,218	-
Dividends receivable	22,303	-
Interest receivables	98	-
<b>Total</b>	<b><u>1,014,619</u></b>	<b><u>-</u></b>

## 5. Cash and cash Equivalents

(all amounts in EUR)	<u>31-12-2025</u>	<u>31-12-2024</u>
EUR	1,716,407	1,671,115
USD	-	3,509
<b>Total</b>	<b><u>1,716,407</u></b>	<b><u>1,674,624</u></b>

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

## 6. Movement schedule of net asset value

### Movement schedule of net asset value

(For the period of 1 January through 31 December 2025)

(all amounts in EUR)	<u>2025</u>	<u>2024</u>
<b>Participants' capital</b>		
Opening balance	1,717,026	-
Subscription	38,455,352	1,714,690
Redemptions	-3,004,680	-
Result current period	-2,441,988	2,336
<b>Closing Balance</b>	<b><u>34,725,709</u></b>	<b><u>1,717,026</u></b>

**Movement schedule of participations**

(For the period 1 January through 31 December 2025)

(all in units)	<u>2025</u>	<u>2024</u>
<b>Participants' participations (Lead Class)</b>		
Opening balance	14,519.1238	-
Subscription	63,822.2303	14,519.1238
Redemptions	-11,642.1128	-
<b>Closing Balance</b>	<b><u>66,699.2413</u></b>	<b><u>14,519.1238</u></b>

(all in units)	<u>2025</u>	<u>2024</u>
<b>Participants' participations (Discount Class)</b>		
Opening balance	2,498.7500	-
Subscription	207,030.2687	2,498.7500
Redemptions	-20,747.6422	-
<b>Closing Balance</b>	<b><u>188,781.3765</u></b>	<b><u>2,498.7500</u></b>

(all in units)	<u>2025</u>	<u>2024</u>
<b>Participants' participations (Institutional Class)</b>		
Opening balance	-	-
Subscription	142,980.7684	-
Redemptions	-7,707	-
<b>Closing Balance</b>	<b><u>135,273.3206</u></b>	<b><u>-</u></b>

**7. Short term Liabilities**

The short term liabilities consist of the following items:

(all amounts in EUR)	<u>31-12-2025</u>	<u>31-12-2024</u>
Subscription received in advance	512,460	1,774,471
Cash pending settlement in USD	217,690	-
Management fee	21,837	1,691
Administration fee	10,405	-
Legal owner fee	-	51
Depository Fee	-	1,803
Supervision Fee	-	287
Audit fee	7,254	1,543
Interest payable	-	490
<b>Total</b>	<b><u>769,645</u></b>	<b><u>1,780,337</u></b>

## Notes to the profit and loss statement

### 8. Direct income of investments

(all amounts in EUR)	<u>01-01-2025 - 31-12-2025</u>	<u>20-11-2024 - 31-12-2024</u>
Dividend income	453,859	2,322
<b>Total</b>	<u><b>453,859</b></u>	<u><b>2,322</b></u>

### 9. Revaluations of investments

(all amounts in EUR)	<u>01-01-2025 - 31-12-2025</u>	<u>20-11-2024 - 31-12-2024</u>
Realized gain/(loss) Equity	2,073,757	-690
Realized gain/(loss) Options	-1,360,347	1,766
Unrealized result (gain/(loss) Equity	-2,638,673	-2,992
Unrealized result (gain/(loss) Options	-982,318	9,404
<b>Total changes in value</b>	<u><b>-2,907,581</b></u>	<u><b>7,488</b></u>

The realised revaluations are the results from sales (including selling costs). The unrealised revaluations are the changes in value in the investments held (including purchases costs).

### 10. Foreign Currency revaluations

(all amounts in EUR)	<u>01-01-2025 - 31-12-2025</u>	<u>20-11-2024 - 31-12-2024</u>
Revaluations Foreign Currency on Bankaccounts	328,045	-690
Revaluations Foreign Currency on Outstanding Sales	-	1,766
<b>Total changes in value</b>	<u><b>328,045</b></u>	<u><b>7,488</b></u>

### 11. Expenses

#### 1. Management fee

##### *Management fee*

The management fee of the DB Flagship Fund (DBFF): 1.00% of the Net Asset Value (i.e. 100 basis points) for Participants holding Participations in DBFF with a Total Subscription Price of EUR 1,000 or more but less than EUR 250,000, 0.75% of the Net Asset Value (i.e. 75 basis points) for Participants holding Participations

in DBFF with a Total Subscription Price of EUR 250,000 or more but less than EUR 2,500,000 and 0.60% of the Net Asset Value (i.e. 60 basis points) for Participants holding Participations in DBFF with a Total Subscription Price of EUR 2,500,000 or more, 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. Any changes to the Management Fee are subject to the prior approval of the Fund Manager and the relevant Legal Owner.

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 period ended 31 December 2025 amounts to EUR 205,973.

## **2. Administration fee**

### *Administration fee*

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

- a) Fixed Fund administration fee of EUR 10,330 per year;
- b) Fixed participant administration fee of EUR 7,231 per year and variable fee per Participant in Sub-fund DBFF:
  - (i) EUR 150 per year per Participant (0 - 50 Participants);
  - (ii) EUR 100 per year per Participant (more than 50 Participants);
- c) Variable fee based on the Net Asset value of Sub-fund DBFF:
  - (i) 0,12% (Net Asset Value below EUR 10,000,000);
  - (ii) 0,06% (Net Asset Value EUR 10,000,000 - EUR 50,000,000);
  - (iii) 0,03% (Net Asset Value EUR 50,000,000 - EUR 100,000,000);
  - (iv) 0,015% (Net Asset Value above EUR 100,000,000).

The administration fee for the period ended 31 December 2025 amounts to EUR 62,040.

## **3. Depositary fee**

### *Depositary fees*

The Fund will pay to the Depositary in remuneration of its service to the Fund, limited to AIFMD depositary duties, an annual fee per Sub-fund equal to:

0.02% of the Net Asset Value (i.e. 2 basis points), subject to a minimum of EUR 17,588.91 (excluding VAT).

The depositary fee for the period ended 31 December 2025 amounts to EUR 21,689.

## **4. Audit fee**

### *Audit fees*

The Fund will pay the Auditor (Moos Accountants B.V.) in remuneration of its service to the Fund, and an estimated fee equal to EUR 16,500. - (excluding VAT for the first Sub Fund and EUR 3,500 (excluding VAT) for each additional Sub-Fund.

The total allocation of the Pandion Fund is EUR 28,435 and for a complete year 1/3 of the amount which results in EUR 9,478.33 is allocated to the DB Flagship Fund For the period 19-11-2024 until 31-12-2025. The fund is expensed for EUR 7.935 for the period from 1-1-2025 until 31-12-2025.

## **5. Supervision fee**

### Supervision fees

The regulatory costs related to the supervision by the AFM and DNB and for the DB Flagship Fund for the period of 1-1-2025 until 31-12-2025 is expensed EUR 8,102.

## 12. Ongoing Charge figure (OCF)

(all amounts in EUR)	<u>01-01-2025 - 31-12-2025</u>	<u>20-11-2024 - 31-12-2024</u>
Average net asset value during the reporting period	27,590,346	1,382,368
Total ongoing expenses	338,037	7,218
<b>Ongoing charges figure for the reporting period</b>	<b>1.23%</b>	<b>0.52%</b>

## 13. Turnover ratio (TOR)

(all amounts in EUR)	<u>01-01-2025 - 31-12-2025</u>	<u>20-11-2024 - 31-12-2024</u>
Purchases of investments	61,373,295	2,001,009
Sales of investments	27,507,986	265,038
Total 1	<b>88,881,281</b>	<b>2,266,046</b>
Subscriptions	38,455,352	1,714,690
Redemptions	<b>-3,004,680</b>	-
Total 2	<b>35,450,672</b>	<b>1,714,690</b>
Average net asset value during the reporting period	27,590,346	1,382,368
Turnover ratio	<b>193.66</b>	<b>39.88</b>

## 14. Related party transactions

During the reporting period, 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 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 AssetCare Fund Services B.V. ("the Administrator"). The Administrator carries out the administration for the 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 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 Fund is Apex 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 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 Fund has been booked in cash accounts opened in the name of the Legal Owner on behalf of Fund or in the name of the Fund Manager acting on behalf of the Fund or in the name of the Depositary acting on behalf of the 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 Fund.

#### **Personnel**

The Fund did not employ personnel during the period.

#### **Events after balance sheet date**

There were no material events after the balance sheet date.

's Gravenhage, 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 interest in the Fund or in any investments the Fund holds in portfolio at this date.

### **Independent Auditor's report**

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

**Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name:** Pandion Fund (DBFF)

**Legal entity identifier:** 72450098RNMV39YPQT60

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

**Yes**

   **No**

<p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: ___%</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: ___%</b></p>	<p><input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p>
---	---

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund promotes ecological and social characteristics, as defined in Article 8 SFDR.

*Ecological characteristics*

By not investing in companies involved in fossil energy extraction and aviation and by investing in companies with lower pollution values than similar companies (*best in class*), the Fund promotes climate change mitigation, protection of water resources and pollution control as ecological characteristics.

*Social characteristics*

By not investing in companies involved in weapons, pornography, fur and special leathers and screening companies for acting in accordance with international treaties, the Fund promotes respecting human rights and animal welfare as social characteristics.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-

***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

- Share of investments in companies involved in fossil energy extraction;
- Share of investments in companies involved in aviation;
- Share of investments in companies involved in weapons;
- Share of investments in companies involved in pornography;
- Share of investments in companies involved in fur and special leathers;
- Minimum ESG score individual shares
- Average weighted ESG rating relative to Index/Benchmark
- Number of issuers involved in material violations of the following internationally recognized standards:
  - o OECD Guidelines for Multinational Enterprises;
  - o UN Principles on Business; and
  - o Human Rights and UN Global Compact.
- Average weighted carbon intensity relative to the benchmark
- Average weighted water intensity relative to the benchmark
- Average weighted energy intensity relative to the benchmark
- Average weighted waste intensity relative to the benchmark

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.



How have the indicators for adverse impacts on sustainability factors been taken into account?

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

Not applicable

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*How are the sustainable investments aligned with the OECD Guidelines for*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

*Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable



**Does this financial product consider principal adverse impacts on sustainability factors?**

Yes, the Fund takes into account some Principal Adverse Impacts (PAIs) on sustainability factors. The Fund's selection process includes a number of PAI indicators as an integral part of the process with the aim of minimizing adverse impacts. The assessment takes into account the direct and the indirect effects of an investment.

In relation to the shares, the relevant SFDR PAI indicators for this this Fund have been identified and are periodically reviewed to determine adverse effects on sustainability factors. If the data for this selection of PAI indicators are missing, the Fund Manager will conduct additional research.

**What investment strategy does this financial product follow?**

The Fund invests in a concentrated portfolio of approximately forty (40) stocks from North America and Europe.



The stocks are selected from a universe of more than 1,000 companies based on quantitative investment factors such as valuation, low volatility, momentum and quality.

In addition, competitiveness and sustainability are assessed. Companies preferably have a sustainable competitive advantage and are in the process of strengthening that position.

Shares are purchased for the long term and the Fund Manager supplements the strategy by periodically Writing Call Options. In doing so, the Fund amasses additional premium resulting in a better risk/reward ratio. The upside potential of the stocks in the portfolio is capped by the written Call options.

The Fund promotes ecological and social characteristics, as defined in Article 8 SFDR.

#### *Selection process*

The investment selection decision-making process always considers environmental, social and governance factors for each stock by applying:

- Exclusions;
- Minimum ESG score of the investments;
- Screening investments against international standards;
- Selecting investments with lower pollution values;
- Selecting investments that can contribute to an environmental or social objective;

#### *Exclusions*

The Fund maintains the following exclusions, companies involved in:

- Extraction of fossil energy
- Weapons
- Pornography
- Furs and special leathers
- Aviation

Before an investment is included in the portfolios, it is assessed whether the company is not involved in the above sectors.

In addition to the above, at least bi-annually it is assessed whether a company meets the conditions below:

#### *Minimum ESG score*

All investments are required to have a minimum ESG score of 45. The ESG score stands for "Environmental, Social and Governance". This score reflects environmental, social and good and governance requirements. The score can vary between 0 and 100. Before including an investment in the portfolio, the Fund Manager assesses the ESG score of the investments based on information from an external data provider. The Fund Manager periodically monitors the score of the companies included in the portfolio. If the ESG score of a company falls below 45, the position is closed as soon as possible.

#### *Screening international standards*

When selecting investments, the Fund takes into account requirements on good governance by assessing, before an investment is made, the extent to which companies act in accordance with relevant legislation and internationally recognized standards, including:

**The investment strategy guides investment decisions based on factors such as investment objectives and risk**

- The OECD Guidelines for Multinational Enterprises
- The UN Guiding Principles on Business; and
- Human Rights and UN Global Compact.

To this end, the Fund Manager reviews the SFDR report of its external data provider in which negative publications/controversies per company are listed. Each controversy will be investigated individually, and follow-up measures will be taken if necessary. It is an ongoing process performed at least bi-annually and as such it forms part of the Fund managers monitoring program of Pandion Fund (DBFF).

*Lower pollution values (best in class)*

The Fund aims for lower pollution values than those of the benchmark (iShares MSCI World index ETF) in terms of:

- CO2 emissions
- Water use
- Energy use
- Waste generation

These values for these parameters are obtained from external data provider and, if necessary, supplemented with data from the (sustainable) annual report of the companies concerned. This is monitored on an ongoing basis.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The fund uses the following binding elements:

1. Exclusion of companies active in:
  - Fossil energy extraction (0%)
  - Weapons (0%)
  - Pornography (0%)
  - Furs and special leathers (0%)
  - Aviation (0%)
2. Minimum ESG score of 45 based on external data provider

3. Companies must act in accordance with the following international standards:
  - OECD Guidelines for Multinational Enterprises;
  - UN Guiding Principles on Business; and
  - Human Rights and UN Global Compact.
4. Lower Carbon Intensity  
Average weighted carbon intensity lower than the Benchmark (iShares MSCI World index ETF).
5. Water Intensity  
Average weighted water intensity lower than the Benchmark (iShares MSCI World index ETF)
6. Energy Intensity  
Average weighted energy intensity lower than the Benchmark (iShares MSCI World index ETF)
7. Waste Intensity  
Average weighted waste intensity lower than the Benchmark (iShares MSCI World index ETF)

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Not applicable

***What is the policy to assess good governance practices of the investee companies?***

The Fund uses various external data providers to identify and investigate violators of global standards and issuers that may be involved in poor governance practices, particularly with respect to sound management structures, labor relations, employee remuneration and tax compliance.

Companies identified by external data providers as violating or otherwise failing to comply with the principles of the United Nations Global Compact (UNGC), the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are identified and further investigated.

After reviewing this external data, companies that show persistent and serious violations and/or fail to have good governance practices in place, and demonstrate insufficient initiative to remediate these insufficiencies, are excluded from the Fund. The Fund's policy is to review the entire portfolio on a monthly basis. Manager will strive to divest as soon as possible in an orderly manner and in the best interests of the Fund participants in the event of lack of good governance practices.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

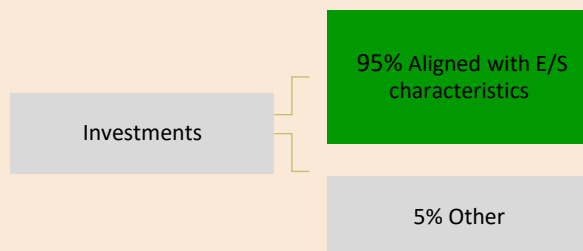
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



**What is the asset allocation planned for this financial product?**

The Fund invests in a concentrated portfolio of approximately 40 primarily European and North American companies that combine strong competitiveness with attractive valuations and above-average ESG scores. The Fund's planned asset allocation aligned with environmental and social characteristics is reflected in the table below. In assessing and selecting investments, companies that take sustainability and corporate responsibility into account in their operations have a preference.



*How does the use of derivatives attain the*

**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

**environmental or social characteristics promoted by the financial product?**

Not applicable

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable

*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852]*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies

- Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?

Yes:

In fossil gas  In nuclear energy

No

- *What is the minimum share of investments in transitional and enabling activities?*

Not applicable



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable



**What is the minimum share of socially sustainable investments?**

Not applicable

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

The following investments fall under "other": liquid assets for liquidity purposes, derivatives to manage market risk and or investments in etf's or mutual funds. These investments neither promote the environmental or social characteristics of the Fund nor qualify as Sustainable Investments.

The percentage stated is the planned percentage that can be held in these instruments, but the actual percentage may vary.

No minimum environmental or social safeguards apply to these financial instruments.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**



<https://www.wellscott.com/funds>

## **INDEPENDENT AUDITOR'S REPORT**

To: the participants and the fund manager of Pandion DB Flagship 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 DB Flagship Fund based in The Hague.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Pandion DB Flagship 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 DB Flagship 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