Laser Digital Middle East FZE

Broker-Dealer Disclosures

August 2026

1. Conflicts of Interest

General Approach

Actual and potential conflicts of interest exist in the operation of LDME's broker-dealer business that may materially and adversely affect clients and counterparties. LDME may face conflicts when providing execution, dealing, and related services to multiple clients, and when dealing as principal alongside its client-facing activities. As the business evolves, new conflicts may emerge; this disclosure is not exhaustive as to all potential conflicts. LDME maintains a conflicts of interest policy detailing how potential or actual conflicts are identified, escalated, and managed.

Specific Conflict Situations

Related Entity Involvement

LDME acts, and intends to act, as broker-dealer and execution counterparty for clients that may include other entities within LDG, as well as counterparties in which LDG or its personnel hold an interest. Management personnel in LDME and/or LDG may hold executive roles within counterparties, liquidity providers, or venues with which LDME transacts, and/or be involved in their operations.

Service Provider Arrangements

LDME may appoint service providers from LDG entities (including Nomura Group) for services including clearing, settlement, custody, market data, and technology infrastructure. Terms are either negotiated at arm's length or on conditions more favourable than open market alternatives.

Potential Conflict Categories

Conflicts may arise between:

- LDME and/or group members and a Client.
- LDME and/or group members and a Counterparty.
- Multiple Clients dealt with concurrently.
- Individuals in LDME or group members and the organisation itself.
- Individuals in LDME or group members and a Client or Counterparty.
- LDME's proprietary/principal book and its Clients.
- LDME and its service providers or execution venues.
- Individuals in LDME or group members and members of the Board of Directors.

Control Function Independence: Control functions within LDME (including Risk, Compliance, and Legal) are independent from the business units carrying out regulated dealing and execution activities.

Order Handling and Best Execution

LDME acts for Clients on both an agency and principal basis. Where LDME deals as agent, it owes Clients a best execution obligation; where LDME deals as principal (including as market maker or via its own inventory), LDME's interest as a principal counterparty to the trade may conflict with the Client's interest in obtaining the best available terms. LDME maintains an order execution policy, a summary of which is

available to Clients upon request, setting out how such conflicts are managed, including execution venue selection, price formation, and disclosure of capacity (agency vs principal) on a trade-by-trade or relationship basis. Material changes to the order execution policy are notified to Clients in accordance with applicable regulatory requirements.

Principal Trading and Market Making

Where LDME deals as principal or provides two-way pricing/market making, LDME's own trading book may be positioned ahead of, alongside, or opposite a Client order. This creates a potential conflict where LDME's proprietary interest in managing its own risk or inventory could influence the pricing, timing, or handling of a Client's order. LDME manages this conflict through information barriers between principal trading desks and client-facing/sales functions, order handling controls (including pre-trade and post-trade surveillance), and prohibitions on trading ahead of Client orders (front-running) on the basis of knowledge of that order.

Cross Trades and Trade Allocation

LDME or its affiliates may, where appropriate and permitted, execute cross trades where the same instrument or Digital Asset is bought and sold contemporaneously for different Clients, or between a Client and LDME's own book. Cross trades are executed at fair market value, either through open market trading or direct transfer, and are subject to LDME's conflicts of interest and best execution controls. Where LDME allocates trading opportunities, fills, or liquidity across multiple Clients (e.g., in the case of partial fills), allocation is carried out fairly and on a basis that does not systematically favour LDME's own book or any particular Client.

Research, Inducements and Corporate Access

Where LDME provides research, market commentary, or corporate access to Clients, such material may reference instruments, counterparties, or issuers with which LDME, its affiliates, or its personnel have a commercial relationship or position. LDME maintains controls to ensure research is produced and disseminated independently of any such relationship or position, and discloses any material interest where required.

Fee, Commission and Spread Variations

Fee, commission, and spread levels that LDME and its affiliates receive may vary by Client, product, and execution channel. As a result, LDME and its personnel may have an incentive to direct order flow, liquidity, or execution priority toward arrangements that generate higher fees, commissions, or spreads for LDME rather than the most favourable outcome for the Client. LDME manages this conflict through remuneration structures that are not solely tied to volume or revenue generated from any single Client or venue, and through best execution monitoring.

Counterparty and Venue Selection

LDME selects execution venues, liquidity providers, clearing counterparties, and other trading counterparties based on objective criteria (including pricing, reliability, creditworthiness, and regulatory standing). Where LDME, its affiliates, or its personnel (including members of the Board of Directors) hold a financial or personal interest in a prospective or existing counterparty, this creates a potential conflict in the selection, onboarding, credit assessment, or ongoing relationship management of that counterparty.

Directors of the Company and Board-Level Conflicts

LDME's Board of Directors may include individuals who are employed by, or otherwise affiliated with, LDG or its group entities, and who may separately hold directorships, advisory roles, or financial interests in other businesses. This situation may create conflicts given the Board's role in approving counterparty relationships, credit limits, and material commercial terms.

Director Interest in a Counterparty: Where a member of the Board of Directors holds a financial interest, shareholding, directorship, or other material stake in an actual or prospective counterparty of LDME (including a liquidity provider, clearing broker, trading counterparty, or venue), the following conflict management process applies:

- The interested Director must disclose the interest to the Board and to Compliance as soon as they become aware of it, and in any event before any Board discussion or decision concerning that counterparty.
- The interested Director is excluded from all deliberation, discussion, and decision-making relating to that counterparty, including onboarding, credit limit setting, contract terms, ongoing relationship management, and any dispute resolution.
- The interested Director does not receive board papers relating to that counterparty beyond what is necessary to support their initial disclosure, and does not vote on, or otherwise seek to influence, the relevant decision.
- The remaining, non-conflicted members of the Board assess and determine the matter independently, on arm's-length terms, applying LDME's standard counterparty due diligence and approval criteria.
- The disclosure, recusal, and the basis for the non-conflicted Board members' decision are documented and retained by Compliance, and reported to the CCO and VARA as required by the VARA rules.
- Where the extent of the interest is such that recusal alone would not adequately manage the conflict (for example, where the interested Director represents a majority of the Board), Compliance shall determine whether additional safeguards are required, which may include seeking an independent third-party assessment or escalating the decision to the LDG Chairman or Group Compliance.

This mechanism applies equally to any Director interest in a Client, service provider, or other commercial counterparty of LDME, and is without prejudice to the Director's ordinary duty to act in the best interests of the Company at all times.

No agreement or transaction between LDME and a Director or a related person of a Director is void or voidable solely because of the Director's interest or their presence at the Board meeting at which it was approved, provided the interest has been disclosed in good faith in accordance with the process above and the Director has not participated in the relevant decision.

Other Director Roles and Interests

Directors may also be directors of, or hold interests in:

- Other LDG entities or vehicles with assets or activities managed or executed by LDME or its affiliates.
- Other businesses managed by parties unrelated to LDG.
- Companies, venues, or vehicles with which LDME may transact or be exposed to as a counterparty.

Other Clients

Directors, LDME personnel, and LDME's clearing, custody, and technology providers may serve in similar capacities (director, execution counterparty, liquidity provider, clearing broker, or technology provider) for other clients, vehicles, and accounts with similar or different objectives and asset classes ("Other Clients"). Potential conflicts of interest may arise regarding the standard of service, priority, and terms offered to LDME's Clients relative to Other Clients.

Brokerage and Execution Arrangements with Affiliates

LDME may enter into arrangements (in its own right or on a Client's behalf) with affiliated execution venues, liquidity providers, or clearing counterparties within LDG or the Nomura Group. LDME personnel may use such affiliate services and may participate in conferences or programmes sponsored by those affiliates. This engagement involves a conflict of interest, which LDME manages through arm's-length terms, ongoing best execution monitoring, and periodic review of affiliate arrangements against non-affiliate alternatives.

Time and Activity Allocation

Conflicts may arise in allocating time, attention, and technology or trading resources between different Clients and LDME's own principal activities, particularly where LDME has a greater financial interest in a given relationship, product, or trading strategy.

2. Policies

2.1 Privacy Policy

Our data privacy policy can be found on our website.

2.2 Complaints

Our complaints handling policy can be found on our website.

2.3 Internal Whistleblowing Policy

Our Whistleblowing policy is provided on the website.

3. Client Offering

LDME will ultimately offer Virtual Asset spot and derivatives (cash and physically settled) across a number of Virtual Assets. The list of Virtual Assets and products offered by LDME is constantly evolving and our website will be updated as we add Virtual Assets to our offering.

Currently LDME offers spot trading in the following assets: BTC, ETH, XRP and SOL vs USD and USDT.

Information pertaining to tokens including date of issuance, market cap and FDV, circulating supply, smart contract audit, and price changes, are provided on demand for clients on the website.

4. Pricing

Prices are computed using proprietary models. Inputs to these models include, but are not limited to, the following:

- External price sources such as venues and/or bilateral Liquidity Providers.

- The current risk position of the firm.
- Per-client configurations, defined by Laser Digital or, in some cases, at the request of the client.

5. Execution

Client orders will always be executed by LDME on a principal basis. Risk exposure resulting from Client executions will be managed by LDME, either through internalisation or hedging with external parties (venues or OTC desks).

A copy of LDME's order execution policy can be requested via your Sales representative or by emailing ldme.inquiries@laserdigital.com.

6. Holding Assets

- LDME does not hold or maintain funds or Virtual Assets or provide clearing services for other VASPs providing Broker-Dealer Services.
- LDME Trading will not hold assets on behalf of a client.

7. Introducing

LDME Trading does not introduce our clients to any other entities.

8. Custody

LDME does not offer custody of client assets. LDME uses Komainu and Fireblocks as part of its custody and secure asset transfer infrastructure.

Komainu is a regulated digital asset custodian established in 2018 and launched in June 2020, created as a joint venture between Nomura, digital asset manager CoinShares, and digital asset security company Ledger. Komainu operates under licences in Jersey, the UAE, the UK, and Italy, combining compliance, governance and security to deliver trusted digital asset custody. Specifically: Komainu (Jersey) has been regulated by the Jersey Financial Services Commission (JFSC) since November 2019; Komainu MEA FZE holds a full VASP licence granted by the Dubai Virtual Assets Regulatory Authority (VARA) in August 2023 for VA Custody Services including custodial staking; Komainu (UK) Limited is registered with the UK Financial Conduct Authority (FCA) as a custodian wallet provider; and Komainu Europe S.r.l. holds an OAM registration in Italy. Komainu's off-balance-sheet structure provides bankruptcy remoteness, ensuring assets are protected and independently verifiable, and the platform utilises both MPC and HSM wallet architectures.

Fireblocks is an enterprise technology platform providing secure digital asset custody infrastructure, settlement, and trading operations. Fireblocks Trust Company is a qualified custodian under New York State law, regulated by the New York Department of Financial Services (NYDFS), delivering a regulatory-compliant framework purpose-built to safeguard digital assets for institutions. Fireblocks operates as a technology infrastructure provider utilising multi-party computation (MPC) to eliminate single points of failure in key management, and its platform serves institutional clients globally.

Among the key arrangements envisaged to this end, LDME shall select providers only after having performed a solid due diligence entailing analysis on the regulatory status of the parties involved, well-defined and structured internal approvals processes as well as adopting strong risk management practices.

LDME intends to appoint only entities ensuring asset segregation or equivalent safeguards for long-term custody purposes.

9. Other Disclosures

Disclosures relating to the risk of trading Virtual Assets can be found in LDME's Risk Disclosure Statement.