



# Key Information Document Fractional Shares (Co-ownership Model)

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products. You are advised to read it so you can make an informed decision about whether to invest.

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*Competent authority: Malta Financial Services Authority (MFSA). This document was created on 01 March 2026.*

**The following information is provided to help you understand the nature and risks of investing in this product. You are advised to read it so you can make an informed decision about whether to invest.**

## What is this product?

**Type:** A fractional share represents a percentage ownership of an asset (a full share) on a co-ownership basis. Receivables in connection with issued fractional shares are settled exclusively in cash. The missing amount needed to compose the full share is added either by other client(s) or by XNT in order to accommodate trading on the trading venue. Fractional shares can only be purchased via XNT and then sold back via XNT; they are not freely transferable. A share can nevertheless be transferred if the missing fraction is purchased in the market so as to form one whole share. Fractional shares are typically bought as fully paid positions; however, just as regular shares, they can also be bought on margin or sold short in the same way as regular shares, under the applicable market rules.

**Objectives:** The aim of this product is to grant you the ability to invest in shares in amounts that are less than one whole share. However, owners of less than one full share have no rights of shareholders – such as profit participation or voting rights.

**Intended retail investor:** This product is aimed at retail clients who have the goal of wealth creation. Investors may have a short, medium or long-term investment horizon depending on their objectives. This product is appropriate for all retail clients if not traded on margin (non-complex product). This product may not be appropriate for all retail clients if traded on margin (complex product); in such case it is only appropriate for investors who have good knowledge and/or experience with the product and who can bear potential losses in the value of the security. The product is aimed at retail clients whose risk tolerance permits the purchase of products that are classified at least in risk class 4 on a risk/return rating scale from 1 (safety-oriented; very low to low return) to 7 (very willing to take risks; highest return).

**Insurance benefits:** This product offers no insurance benefits or capital protection.

## What are the risks and what could I get in return?



The risk indicator assumes that you may not be able to buy or sell this product at the price you wanted to due to volatility of the market, or you may have to buy or sell the product at a price that significantly impacts how much you get back.



We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance of the product at a medium level. The risk indicator should be used to compare this product to other products: it shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. For a fully paid position, your maximum loss is limited to the amount you invested.

Currency risk: the currency you trade fractional shares in may be different from your domestic currency; in this case, be aware that the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. Underlying asset class risk: the product is a fraction of a share traded on a regulated trading venue, and can be expected to show significant fluctuations due to the nature of the underlying asset class. Capital protection risk: this product does not include any protection from future market performance, so you could lose some or the entire amount you invest; if XNT Ltd. is not able to pay you what is owed, you could lose the amount you have invested.

### Performance scenarios

The scenarios shown illustrate how your investment could perform; they are not an exact indicator and are not based on a guaranteed outcome. What you get will vary depending on how the market performs and how long you hold the product. The stress scenario shows what you might get back in extreme market circumstances and does not take into account the situation where XNT Ltd. is not able to pay you. The following assumptions have been used (a fully paid position assumed to be opened and closed within the same day; figures are net of opening and closing commissions, before any currency conversion):

Underlying instrument	NVDA (NVIDIA Corp., NASDAQ, ISIN US67066G1040)
Opening price (rounded level as at 1 March 2026)	USD 180.00
Trade size (fraction of one share)	0.5
Margin %	Fully paid
Trade value (USD)	90.00
Commission per trade (charged on both opening and closing)	USD 1.00

Performance scenario	Price change	Profit/loss – LONG position	Profit/loss – SHORT position
Stress	±20%	–USD 20.00 (at –20%)	–USD 20.00 (at +20%)
Unfavourable	±10%	–USD 11.00 (at –10%)	–USD 11.00 (at +10%)
Moderate	±2%	–USD 0.20 (at +2%)	–USD 0.20 (at –2%)
Favourable	±10%	+USD 7.00 (at +10%)	+USD 7.00 (at –10%)

The figures shown include the costs of the product itself (trading commissions) but exclude any currency conversion costs. If you have been sold this product by someone else, or have a third party advising you, these figures do not include any cost you pay to them. The figures do not take into account your personal tax situation, which may also affect how much you get back.

### What happens if XNT LTD. is unable to pay out?

The product is not covered by an investor protection or guarantee scheme. This means that in case XNT Ltd. becomes insolvent or otherwise fails to make full payment, you may suffer a total loss of your investment.

### What are the costs?

Trading fractional shares incurs the following costs. Commissions differ from instrument to instrument and may change over time: you must always consult your Client's Area for the commission applicable to the specific instrument before trading. The figures below apply to the representative instrument used in this document.



Cost category	Cost item	Description
<b>One-off entry/exit costs</b>	Commission	A commission is charged on each trade when you open and when you close a position. For the representative instrument: USD 0.02 per share, applied to the fractional quantity, minimum USD 1.00 per trade (US markets). Charged in your statement under the operation type COMMISSION.
	Currency conversion	Any cash, realised profit and loss, adjustments, fees and charges denominated in a currency other than the base currency of your account are converted to the base currency at the prevailing rate with an auto-conversion spread starting from 2 pips; no additional conversion fee is charged.
<b>Ongoing costs</b>	Holding costs	Fully paid fractional share positions do not incur daily holding (rollover) costs.
<b>Incidental costs</b>	Account-level fees	Certain account-level fees may apply irrespective of this product. These are described in the Commissions/Terms section of the website and in your Client's Area.

### How long should I hold it and can I take money out early?

The recommended holding period for fractional shares depends on your individual goals, trading strategy and the market situation. They can be traded intraday or held for a long period of time. There is no lock-up period and no cancellation fee: you can liquidate the trading position and monetise the financial result at any time after you open the position.

### How can I complain?

If you wish to make a complaint, you should first address it to the local distributor with which you have a trading agreement, in accordance with that distributor's complaints procedure. If your complaint concerns XNT as the manufacturer of this product, or has not been resolved by your distributor, contact XNT's client services team on +356 2015 0000 or submit your complaint in writing by e-mail to [complaints@xnt.mt](mailto:complaints@xnt.mt). XNT will acknowledge and investigate your complaint in accordance with its Complaints Handling Procedure, available in the Document Centre at [xnt.mt](http://xnt.mt). If you are not satisfied with XNT's final response, you may refer the matter to the Office of the Arbiter for Financial Services in Malta ([financialarbiter.org.mt](http://financialarbiter.org.mt)).

### Other relevant information

As this product is made available to you through a distributor, your contractual relationship is with that distributor and not with XNT directly. You should therefore consult the agreements and Terms of Business of your local distributor, which govern your account and your trading in this product. If there is a time lag between order placement and execution, your order may not be executed at the price you expected. The information contained in this Key Information Document does not constitute a recommendation to buy or sell the product and is no substitute for individual consultation with your bank or adviser. The KID is a pre-contractual document which gives you the main information about the product (characteristics, risks, costs, etc.).