

LEAP MARKET RISK DISCLOSURE STATEMENT

1. The LEAP Market is aimed at facilitating access to the capital market by small or medium sized enterprises (“SMEs”) to which a higher investment risk may be attached. This market is a qualified market meant for sophisticated investors only, i.e those who qualify under Part 1 of Schedules 6 and 7 of the Capital Markets and Services Act 2007 (“CMSA”). The issue or offer of securities on the LEAP Market is based on an information memorandum, and not a full prospectus registered with the Securities Commission Malaysia under section 233 of the CMSA. In the LEAP Market, sophisticated investors will have the full responsibility for evaluating the disclosed information, as well as the merits and risks of investing

2. The purpose of this statement is to inform you that apart from the normal risks involved in trading in securities, trading securities in the LEAP Market comes with other additional risks. You should NOT invest in the securities offered unless you are a sophisticated investor and you fully understand and are prepared to take the risks. You should assess whether the purchase of the securities is suitable for you in light of your knowledge, financial means, investment objectives and the risk you are prepared to take. The risks of investing in such securities include but are not limited to the following:
 - (i) **Small Companies**
Generally, the listed companies on the LEAP Market are smaller than the listed companies on the ACE Market or Main Market and may not have a proven track record in terms of operating history or profit track record. Hence, you should be aware that there is a higher risk of business failures which may adversely impact your investments should you choose to invest.

 - (ii) **Minimum Requirements on Disclosure and Governance**
The LEAP Market has a regulatory framework on disclosure and post-listing requirements appropriate for sophisticated investors only. This framework may be less prescriptive than that in the ACE Market or Main Market. The listed companies on the LEAP Market are required to provide only key information about its business plan, operations and financial information. This may affect your ability to make fully informed investment decisions.

 - (iii) **Liquidity Risks**
As a market limited to sophisticated investors only, the LEAP Market may not have the trading activities or liquidity of the ACE Market or Main Market. You may not be able to exit your investment as easily as in the ACE Market or Main Market. Limited trading activities or illiquidity in the LEAP Market may increase the risk of loss by making it difficult to effect transactions or sell the LEAP Market securities.

3. This brief statement cannot disclose all the risks and other significant aspects of trading securities in the LEAP Market. You should understand the key characteristics, business plan and financial information of the companies listed on the LEAP Market thoroughly and carefully study all the risks associated with securities in the LEAP Market and/or seek independent professional advice before you decide to invest.

ACKNOWLEDGEMENT OF RECEIPT OF THIS RISK DISCLOSURE STATEMENT

I acknowledge that I have received a copy of the LEAP MARKET RISK DISCLOSURE STATEMENT and understand its contents which have been explained to me.

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Signature of client
Client Code :

MALACCA SECURITIES SDN BHD (16121-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Client Name :

Client Code :

I/We would like to apply to trade in LEAP Market and hereby declare to you that:
[Please tick ✓ where applicable]

I/We am/are a qualified Sophisticated investor

Sophisticated Investor defined under Schedules 6&7 of CMSA 2007

An individual whose total net personal assets exceed RM3million or equivalent in foreign currencies; **or**

An individual who has a gross annual income exceeding RM300,000 or equivalent in foreign currencies in the preceding twelve (12) months; **or**

An individual who jointly with his/her spouse, has a gross annual income exceeding RM400,000 or equivalent in foreign currencies in the preceding twelve (12) months; **or**

A corporation with total net assets exceeding RM10 million or equivalent in foreign currencies based on last audited accounts; **or**

A partnership with total net assets exceeding RM10 million or equivalent in foreign currencies, **or**

A company that is registered as a trust company under the Trust Companies Act 1949 which has assets exceeding RM10 million under management; **or**

A corporation that is a public company under the Companies Act 2016 which is approved by the Securities Commission Malaysia to be a trustee under the CMSA and has assets exceeding RM10 million under management;

I/We am/are not a qualified Sophisticated investors, but current shareholder of a corporation listed on the LEAP market (trade solely for selling my existing securities in the corporation)

Please note that a current securities holder of a corporation listed on the LEAP market includes:

- a. an existing shareholder at the time the corporation was admitted to the LEAP Market, but is not qualified as a Sophisticated Investor or
- b. a securities holder who was qualified as a Sophisticated Investor at the time of the purchase of securities in the corporation admitted to the LEAP Market but no longer qualifies as a Sophisticated Investor.

I/We hereby declare that I/we will promptly inform Malacca Securities Sdn Bhd if I/we am/are no longer qualify as a Sophisticated Investor to trade on the LEAP Market.

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Signature of Client

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Date: