

Risk Disclosure Statement

September 2025

1. INTRODUCTION

This Risk Disclosure Statement (the “**Statement**”) applies to the Services provided by B2B Prime Services Africa (Pty) Ltd (“B2Prime ZA”, “we”, “our” or “us”), and shall be deemed as part of the Client Agreement between you (“you”, “your” or “the Client”) and B2Prime ZA.

This report provides a compliance review of the Risk Disclosure Statement of B2Prime ZA, assessing its alignment with the Financial Advisory and Intermediaries Services Act, 2002, Financial Markets Act, 2012, related regulations and Financial Sector Conduct Authority (FSCA) guidelines.

2. INTERPRETATION OF THIS STATEMENT

All capitalized terms used in this Statement but not otherwise defined herein shall have the meanings ascribed to them in the Client Agreement.

For better understanding of the Services, you should read this Statement together with the following documents, which form our agreement with you:

- The Client Agreement;
- Privacy Policy;
- AML Policy Statement

3. RISK DISCLOSURE

In line with our commitment to compliance and user protection, this Statement highlights key risks associated with the Services. The Services supplied by B2Prime ZA carry distinct risks, and this Statement provides a general overview of some risks that may arise when using these Services.

This brief Statement does not disclose all the risks associated with Financial Instruments and the use of the Platform. You should carefully assess whether such use is appropriate for you, considering your personal circumstances and financial resources. Be aware that you may incur a total loss of any assets held in your Account, and under certain market conditions, it may be difficult or impossible to liquidate a position. By using

the Services and engaging in any Transactions, you acknowledge and accept all associated risks.

4. NO ADVICE

Any decision to use the Services is entirely your responsibility. You are solely responsible for determining whether any investment, strategy, or transaction is suitable for you, based on your personal investment objectives, financial situation, and risk tolerance. Before entering into any Transaction with us, you must make an independent decision, subject to the Terms and the following conditions:

- We do not provide advice in connection with the Services and will not advise on the merits or suitability of your transactions.
- Any communication or information provided by B2Prime ZA is not intended to be, nor should it be interpreted as, investment, financial, trading, or any other form of advice.
- The decision to place the Transaction is solely yours.
- We always operate with you on an execution-only basis.
- Trading in financial instruments offered by us shall be done by you, based on your personal assessment. You should seek independent advice if such is required.

5. NO APPROPRIATENESS ASSESSMENT

In accordance with the Applicable Laws and Regulations, we are entitled to assume that you have the necessary experience and knowledge in order to understand the risks involved in relation to those particular investment services or Transactions, or types of Transactions and products.

6. INDEPENDENCE OF DECISION-MAKING

B2Prime ZA does not monitor or evaluate whether your activities align with your financial goals or objectives. We do not act as your broker, agent, advisor or intermediary, and have no fiduciary duty or obligation to you concerning any trades or decisions you make using the Services. It is your sole responsibility to assess whether your use of the Services, and any resulting actions, are suitable for your financial situation and risk tolerance.

7. RISKS RELATED TO CFDs

Contracts for difference (“CFDs”) are complex instruments and come with a high risk of losing money rapidly. The vast majority of retail investors lose money when trading in CFDs. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.

CFDs may be leveraged. The effect of leverage is that both gains and losses are multiplied. This means that you can lose all of your invested capital.

CFDs are derivative products and therefore you will not be entitled to own any asset underlying the CFD. No physical delivery of any underlying asset shall occur.

Trading margined Transactions involves a substantial risk that is not suitable for everyone. Trading online, no matter how convenient or efficient, does not necessarily reduce risks associated with financial trading and you should not engage in online trading of margined Transactions unless you understand the nature of the transactions you are entering into, the risks involved, the Platform used and the true extent of your exposure to the risk of loss. If you are in any doubt, you should seek professional advice.

The price at which a CFD trades is derived from an underlying asset and may fluctuate, as it is influenced by a variety of factors, which all bear certain risks. These include (but are not limited to):

- **Currency:** the currency of the market in which the underlying asset trades might be different to your base currency, and fluctuations in the exchange rate between these currencies will have an effect on your profit or loss.
- **Gapping:** Gapping refers to a sudden shift in the price of an instrument as a result of, for example, an economic event, market announcement or corporate action. This can happen both during and after trading hours - the opening price of the underlying asset may be very different to the closing price from the previous trading day.
- **Liquidity:** If there are sudden changes in market liquidity in a particular underlying asset, this may affect prices and spreads and you may not be able to close an Open Position on the same terms as which you opened it.

8. RISKS RELATED TO VIRTUAL ASSET CFDs

Due to the nature of CFDs linked to virtual assets (including, but not limited to, cryptocurrencies and other digital representations of value) and the technologies that support them, there are a number of inherent risks related to them. Below are the key risks associated with virtual assets:



- The price and value of investments in CFDs linked to virtual assets, along with any income generated, may fluctuate, and could decline in ways unfavorable to you. Virtual assets can experience significant price drops and, in some cases, may become worthless. When trading or investing in virtual asset CFDs, there is a risk of incurring losses instead of making profits due to price movements.
- Virtual assets are not recognized as legal tender and are not backed by any government or physical commodities like gold or silver. Unlike traditional currencies, there is no central authority that can intervene to stabilize the value of virtual assets during a financial crisis or issue additional units. These assets operate independently on global networks, which are largely decentralized and unregulated. Users rely on a peer-to-peer system supported by cryptography and trust in its decentralized nature. Accordingly, price formation and price movements of virtual assets depend solely on the internal rules of various exchanges, which may be subject to change at any point in time and without notice. This often leads to a very high intra-day volatility in the prices of the cryptocurrencies which may be substantially higher compared to other instruments. Therefore, by trading in CFDs linked to virtual assets you accept a significantly higher risk of loss of your invested amounts, which may occur within a very short time frame as a result of sudden adverse price movements of the cryptocurrencies.
- Liquidity risk may arise when there is insufficient demand to execute transactions at desired prices or times, especially during high volatility or market stress. This can lead to delays, unexecuted trades, or significant price drops before liquidation. Additionally, low liquidity may cause substantial price slippage. Consider your ability to handle these risks before trading virtual asset CFDs.
- Network delays may delay the settlement of Transactions, meaning that they may not be settled on the scheduled delivery date.
- Trading in virtual asset CFDs is prone to speculative bubbles or changes in market confidence, which may lead to sharp declines in demand. For instance, confidence in virtual assets may diminish due to unforeseen changes by developers, government actions, new competing cryptocurrencies, or inflationary or deflationary trends. Confidence may also be affected if the system's anonymity is compromised, funds are lost or stolen, or if transactions are blocked by hackers or regulatory authorities.
- A hard fork can happen when developers introduce changes to the software of a virtual asset, and the new version becomes incompatible with the existing one. If enough users and miners decide not to switch to the updated version, the result could be two separate networks running concurrently. This scenario may reduce demand for the virtual asset and negatively influence its price.

- Investing in emerging types of virtual assets CFDs or market participants engaging in more complex transaction strategies may introduce new risks. The virtual asset market is highly speculative, marked by significant price volatility and uncertainty.

9. RISK OF TRADING USING LEVERAGE

Trading with leverage carries significant risks, and it is crucial that you fully understand these risks when trading Instruments with leverage. Even a small market movement can have a disproportionately large effect on the leveraged funds you have deposited or will need to deposit, which may either work in your favor or against you. You may incur a total loss of your initial margin and, in exceptional cases, any additional funds deposited with B2Prime ZA to maintain your position. If the market moves against your position or margin requirements increase, you may be required to deposit substantial additional funds at short notice to maintain your position. Failure to meet this requirement within the prescribed timeframe may result in the liquidation of your position at a loss, and in exceptional cases, you may be responsible for covering any resulting deficit.

10. MARKET RISKS

- Trading in Instruments is highly speculative, with volatile prices and unpredictable market movements. The supply and demand for Instruments can shift suddenly and without notice, influenced by various factors that may be difficult to foresee, such as regulatory changes, broader economic trends, and developments within the derivative market. All investments in Instruments carry a risk of loss.
- Past performance does not guarantee future outcomes. B2Prime ZA makes no guarantees or assurances regarding the performance or market price of the Instruments offered through the Services.
- During periods of heavy trading and/or fast or volatile market conditions with wide price fluctuations ("Fast Markets"), there may be delays in executing your Orders or providing trading activity reports to you. If you place a market order in a Fast Market, there may be a significant difference in the quote you receive prior to or at the time you place the order and the execution price you receive. By placing a market order under such conditions, you accept this risk and waive any claim related to a difference between quoted and execution price. If we, in our sole discretion, believe that any particular financial instrument is or may be volatile, we may, but are not obligated to, decline to allow you to place orders for that financial instrument through our systems. In addition, we reserve the right, but are not obligated, to prevent any financial instrument from being traded through the system. We are not liable to you for any

losses, lost opportunities or increased commissions that may result from you being unable to place Orders for financial instruments through our Services.

- Extreme market volatility may lead to sudden and significant margin calls or liquidation of positions. You may not receive adequate notice before such actions are taken, and these conditions may result in substantial losses.

11. NO GUARANTEES OF PROFIT

B2Prime ZA does not guarantee profits or the avoidance of losses when trading Instruments. We make no promises regarding future performance, nor do we assure you that your investment decisions will be successful. The client acknowledges and accepts the risks inherent in trading and confirms the ability to bear these risks.

12. INTERNET AND ELECTRONIC COMMUNICATION RISKS

Internet and electronic communication involve inherent risks, including hardware or software malfunctions, internet connectivity issues, communication delays, and potential security breaches. B2Prime ZA is not responsible for any communication failures, data corruption, or delays that occur due to circumstances outside our control. You are responsible for maintaining your equipment and systems to ensure secure and reliable access.

B2Prime ZA assumes no responsibility for any losses resulting from system failures, including but not limited to:

- Hardware or software failures, malfunctions, or misuse on either the client's or B2Prime ZA's side.
- Poor internet connections affecting either the client or B2Prime ZA.
- Delays, errors, or omissions in data delivery caused by the system or a third party, except where caused by our gross negligence.
- Delays in the crediting of funds to your Account.
- Transmission errors, illegal network interventions, internet failures, or interruptions while using the system. You further acknowledge our right to suspend system usage in such occurrences to prevent further damage or loss.

13. COUNTERPARTY RISK

You may be exposed to counterparty risk when using our Services. This risk may arise in various circumstances, including, but not limited to, the following:

- If the liquidity provider faces operational challenges, such as technical failures or market volatility, it may result in slippage, delays, or an inability to execute trades as expected.
- Failures or disputes with payment processors may lead to delays in deposits or withdrawals, affecting your ability to transact efficiently.
- If a borrower defaults on repayment obligations in certain lending or margin products, it may delay the redemption of your deposits or assets.

In such circumstances, your holdings and ability to transact may be adversely affected. Potential outcomes include, but are not limited to:

- Incomplete or delayed transactions.
- Irrecoverable trading costs.
- Loss of profits or opportunities.
- Inability to acquire or dispose of assets at the desired time or price.

14. OTHER RISKS

- Changes in laws and regulations or actions at the state, federal, or international level may materially impact a financial instrument and investments in a sector or market. A change in laws or regulations made by a government or a regulatory body or a decision reached by a judicial body can increase business operational costs, lessen investment attractiveness, change the competitive landscape and as such alter the profit possibilities of an investment. This risk is unpredictable and may vary from market to market.
- The Platform may become unavailable due to changes in Applicable Laws and Regulations, and you may suffer loss or incur liabilities due to the termination or suspension of the Platform and/or the Account.
- You should be aware that proceeds from trading in the Instruments, as well as other income, may be subject to taxes, levies, duties, or other charges imposed by authorities in the relevant market, including withholding taxes.
- You should note that you will be responsible for all Orders entered on your behalf via the Platform and you will be fully liable to us for the settlement of any Transaction arising from it.

- B2Prime ZA may, at its sole discretion, update the fees and charges for the Services from time to time. You should be aware of all applicable fees and charges, as they will affect the returns you generate from using the Services.
- In the event of our insolvency, you will rank as our general or unsecured creditor in respect of such money and you will have no rights or claim in relation to such money, save for those set out in applicable laws.
- The value of Instruments, particularly those linked towards trading on virtual assets CFD, may be affected by reputational issues, such as negative media coverage, regulatory actions, or security breaches. Damage to the reputation of a specific virtual asset, the broader market, or B2Prime ZA can reduce trust, lower demand, and negatively impact the price or liquidity of your assets.

You hereby acknowledge and agree that you have been informed by B2Prime ZA and understand the associated risks when taking investment decisions in respect of trading Instruments.

15. DISPUTE RESOLUTION & COMPENSATION

In the case of disputes, clients may refer their complaints to the FSCA. B2Prime ZA will endeavor to resolve disputes in a fair and timely manner, following its internal complaint-handling procedures.

Retail clients may have access to independent dispute resolution mechanisms under South African financial regulations. In the event of financial loss due to operational failures, negligence, or regulatory non-compliance, compensation may be available subject to the applicable investor protection framework. However, B2Prime ZA does not guarantee the recovery of losses due to market risks, trading decisions, or factors beyond its control.