

Risk Disclosure Statement

This is version 1.2 of this document which applies from 16th February 2026. The previous version constituted part A only.

Part A

Users of Ctrl Alt's services should be aware of the key risks associated with the buying, selling and trading of virtual assets.

Important - Please read the risk disclosure below carefully before you start using our platform.

Ctrl Alt allows users of its platform to access 'Virtual Tokens' which are a digital representation of a set of rights to a real world asset.

Virtual Assets are a digital representation of value that may be digitally traded, transferred, or used as an exchange or payment tool, or for investment purposes. This is a more general definition which includes Virtual Tokens.

The primary risks associated with Virtual Assets are:

- They may lose all or some of their value and are subject to extreme volatility.
- They may not always be transferable and some transfers may be irreversible.
- They may not be liquid.
- Some transactions are not private and may be recorded on public DLTs (distributed ledger technology).
- They may be subject to fraud, manipulation, theft, including through hacks and other targeted schemes and may not benefit from legal protections.

We have implemented robust measures including incident response procedures and a business continuity plan to address any risk of loss which may result from a failure of the services provided.

General risks associated with investing include:

- The value of investments can go up and down. Past performance is not a reliable indicator of future returns.
- Investing may not be suitable for everyone; potential investors could seek independent advice if they're unsure whether or not to invest.
- The tax treatment of an investment depends on the investor's individual circumstances and may be subject to change in the future.

Part B

Investors considering purchasing or otherwise trading in asset referenced virtual assets (ARVAs) relating to the tokenized property project should be aware of the following risks.

Investment risks

General risks associated with investing include:

- The value of investments can go up and down. Past performance is not a reliable indicator of future returns.
- Investing may not be suitable for everyone; potential investors should seek independent advice if they're unsure whether or not to invest.
- The tax treatment of an investment depends on the investor's individual circumstances and may be subject to change in future.
- Property is not generally considered to be a liquid asset class. The redemption of tokens is subject to demand within the ecosystem.
- Virtual Assets, whilst regulated, are not subject to any regulatory compensation scheme.

Investors may be asked to provide additional capital for material charges, such as repairs or maintenance. Any such requests will be communicated to investors.

Issuer related risks

The Issuer is exposed to different types of risk as part of its strategy and business operations. These include:

- Financial stability;
- Credit;
- Market;
- Liquidity;
- Operational;

- Issuer;
- Conduct including legal and regulatory;
- Compliance; and
- Consumer Protection.

In accordance with VARA's regulatory framework, Ctrl Alt must establish and maintain risk management systems and controls to enable it to identify, assess, mitigate, control and monitor its risks.

We must also develop, implement and maintain appropriate measures to manage the risks to which we and, where applicable, our customers or users, are exposed.

This is an ongoing process subject to regular review in order to identify emerging or unforeseen risks requiring management action. Ctrl Alt's approach to risk management is ultimately overseen by its Board.

Technology risks

XRPL operates on a decentralized blockchain using a Federated Consensus Mechanism, ensuring fast, low-cost transactions without mining or staking. However, several technology-related risks remain.

Private key management is crucial, as the loss or theft of private keys results in permanent loss of funds.

XRPL's consensus model mitigates 51% attacks, but validator centralization risks could emerge if a small number of entities dominate validation, impacting decentralization. Protocol upgrades and governance follow the XRPL Amendment process, requiring 80% validator approval for two weeks, which may delay critical updates or lead to governance disputes. Security risks include potential bugs in protocol updates, evolving attack vectors, and the long-term challenge of quantum computing threats to cryptographic security.

Additionally, while XRPL transactions are efficient and transparent, they are public and pseudonymous, making them subject to blockchain analysis, which could impact privacy and regulatory compliance. XRPL continues to evolve, with ongoing improvements in governance, interoperability, and scalability, ensuring its role as a leading blockchain for cross-border payments and financial transactions.

Ctrl Alt