

## **RISK DISCLOSURE STATEMENT**

### **(1) Overview**

This Risk Disclosure Statement is prepared by Community P2P Sdn. Bhd. (“CP2P” or “we” or “our” or “us”), a recognized market operator for Peer-to-Peer (“P2P”) financing, as authorised under Section 34 of the Capital Markets and Service Act 2007 (“CMSA”) and operates the online P2P Platform (“CP2P Platform” or “Platform”).

This Risk Disclosure Statement must be read together with our Terms of Use, Privacy Notice, and other agreements (“Agreement”) that govern your access to or use of the Platform and/or the Services defined herein.

By access to the Platform and/or using the Services of our Platform and making any investments, you acknowledge that you have read, understood and accepted this Risk Disclosure Statement, including the associated risks and terms.

### **(2) Our Obligations and Disclaimers**

This Platform provides a peer-to-peer (“P2P”) financing service and facilitates a matching service between registered issuers and investors (collectively referred to as the “Services”). You acknowledge that the P2P financing opportunities are facilitated by a third-party issuer for a third-party investor. You also understand that we act solely as an intermediary between you and the issuer or investors.

We do not recommend or endorse any issuer, investor, and/or investment note listed on the Platform and/or the Services; and do not provide any representations or warranties concerning any issuer, investor, or investment note.

We will conduct risk assessment on the Issuer and their Investment Note Campaign. This risk score and credit rating will not be considered an endorsement or recommendation of the Investment Note Campaign and you agree not to make any such representation.

We will not be liable for any cancelled or unfulfilled applications or investment notes, nor for any loss, damage, or injury that may result from such instances, or for any other losses, damages, or injuries related to your use of the Platform and/or the Services.

### **(3) General Risk Warning**

#### **(i) Investment Risk**

- Investing in P2P transactions carries significant risks, including the possibility of losing your invested capital. Issuers may default on their obligations, and there is no guarantee of earning returns. All investments made through the P2P platform involve inherent risks, so you should only invest money that you can afford to lose.

#### **(ii) Credit Risk**

- Credit risk in P2P financing arises from the possibility that issuers may default on their financings or make delayed payments. While the platform may offer issuer assessments, it does not guarantee that issuers will fulfil their repayment obligations. Default or delayed payments from issuers may result in financial losses. It is important to conduct your own due diligence before engaging in any transactions.

#### **(iii) Market Risk**

- The P2P market is subject to fluctuations and volatility, which can impact the value and availability of investment opportunities. It's important to understand that the value of your investments may fluctuate, and returns are not assured.

- (iv) Liquidity Risk
  - Liquidity risk refers to the potential difficulty in selling, transferring, or liquidating your investments on the platform, especially during periods of market instability or low demand. In such situations, you may face challenges in accessing or withdrawing your funds promptly.
- (v) Regulatory Risk
  - Regulatory risk refers to the potential for changes in laws or regulations that could impact the operations of P2P financing platforms or your ability to participate in transactions. It is important to stay informed about the regulatory framework in your jurisdiction and understand the legal and tax implications of engaging in P2P financing and investing.
- (vi) Fraud and Security Risk
  - Fraud and security risks in P2P financing include the potential for fraudulent activities, such as misrepresentation of issuer information or attempts to defraud investors. While the platform implements security measures, no system is entirely risk-free, and there is always a possibility of unauthorized access to your account or data breaches. It is important to take appropriate security precautions to protect your personal information and reduce exposure to these risks.
- (vii) Platform Risk
  - Platform risks involve the potential for platform disruptions, such as downtime, technical issues, or system failures, which may impact transaction execution, account access, or fund withdrawals. While the platform strives to maintain functionality, no system is entirely immune to failures or outages, and such disruptions could lead to delays or other unforeseen consequences.
- (viii) Tax Implications
  - Income generated from P2P financing or investment may be subject to taxation according to the laws of your jurisdiction. It is your responsibility to ensure compliance with local tax regulations and consult with a tax advisor to understand the tax implications of your investments.
- (ix) No Guaranteed Returns
  - The platform does not guarantee any returns on investments, and past performance is not indicative of future results. Losses are possible, and you are solely responsible for assessing the risks associated with P2P transactions before making any investment decisions.
- (x) Platform Limitations
  - The platform serves as a facilitator for P2P transactions but does not directly participate in financing or borrowing activities. Therefore, we are not responsible for the financial obligations of issuers or investors and does not guarantee financing performance or repayment.

**Investor(s) should rely on their own evaluation to assess the merits and risks of the Investment. In considering Investment, Investor(s) who is in doubt on the action to be taken should consult professional advisors immediately.**

**This investment may not be suitable for all investors. You should assess your financial situation, investment objectives, risk tolerance, and consult with a financial advisor before making any decisions.**