RISK RECOGNITION DECLARATION

This risk declaration does not cover all potential risks of derivatives trading operations. Derivatives trading transactions can be risky and complicated, so clients need to consider the type of derivatives, their own experience, and financial resources to ensure that they can trade derivatives. Even if the client has experience in derivatives trading, the client still needs to be aware of the following main risks:

1. Effect of Leverage

Before derivatives can be traded, InvestM requires customers to deposit cash, which is called the first margin. The actual amount of cash it has through the power of Leverage. During trading, the derivative price will affect the client's cash flow, which can make a profit or cause a loss to the client, Clients may incur the complete loss of the Initial Margin and the additional cash deposited with the company to maintain its trading status.

In case the client's margin is lower than the retaining margin, the client will receive a margin call from the derivative broker, which requires the client to top up the account for a certain period of time in order to increase the margin in the client's account. Up to the required conditions. In case the customer does not deposit the top-up cash into the account as specified, the client cannot place an order to buy or sell derivatives, and all or part of the derivative's trading situation is closed, which may cause a loss to the client.

2. Risks of Stop-Loss Order

In some circumstances, such as rapid price changes or market closures, stop-loss orders are ineffective, i.e., stop-loss orders do not always protect clients from the downturn. In the event of an electronic malfunction, the client's order may not be executed, which could put the client at risk of loss in placing derivatives trading orders, even if the client has already limited a certain amount of losses.

3. Underlying Market Volatility

Derivatives are instruments that allow clients to trade on price fluctuations in a local market or a base instrument. Although derivative prices are provided by the central counterparty, they are derived from the local market or the underlying instrument, so clients need to understand that changes in the underlying market can affect the price of derivatives and the profitability of customers.

Customers should also be aware of event gaps that could generate profits or cause losses in the client account. Event gaps can occur when the local market opens or closes Customers need to have enough time to monitor their investments regularly.

4. Suspension or Restriction of Trading

Market liquidity conditions or the application of certain market rules can create the risk of loss due to the difficulty or inability to make payment transactions or deduct trading conditions.

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

5. Deposited Cash

Clients must make sure that the cash they have deposited for derivatives trading transactions through InvestM is kept in the derivatives client's cash account at the securities settlement agent concerned with the Securities and Exchange Regulator of Cambodia "SERC" Clients need to understand that depositing cash for derivatives trading operations elsewhere is illegal and carries a high risk.

6. Commission, Fees, and other Charges

Before trading, the client must receive a clear explanation of the commission, swap interest, and other expenses that the client is responsible for. These costs will affect the net profit or increase the loss of clients.

7. Currency Risks

Foreign exchange transactions will affect the profit or loss of clients due to the exchange rate fluctuations required to convert from that foreign currency to another currency.

8. Liquidity Risks

Some derivatives have low liquidity or are not liquid due to declining demand, making it difficult for clients to sell derivatives or easily obtain information on the derivative's price or related risks.

9. Executive Risks

This risk arises in the event that a derivatives order is not executed immediately, for example, there may be a delay between when the customer places the order and when the order is executed. As such, orders may not be executed at the cost the customer expects.

This risk can also occur in the case of post-market trading. Clients need to be aware that the price for trading can be different from the closing price of the underlying instrument, i.e., the closing price when the market closes can be larger than the price gap when going to the open market.

10. Counterparty Risks

The Client must be aware that Derivatives Trading through a Derivatives Broker is a transaction between the Client and the Central Counter Party, which is the other party to the contract to which the Derivatives Broker is an agent. This indicates that the central counterparty is also the client counterpart in derivatives trading operations. Therefore, before conducting a trading transaction, the client needs to find out about the derivatives operating license, rules, and other important information of the central counterparty company that the derivatives broker has connected the derivatives trading system with the relevant regulations that can facilitate the client in trading operations and minimizing potential risks.

11. Electronic Trading

For electronic trading, the client may be exposed to risks related to the trading system, which may include hardware and/or software malfunctions. Enforced by order or not implemented at all in this case, the customer must confirm with the company to make a settlement.

Please acknowledge that you have received an explanation from a derivative representative and are aware of the risks involved in derivatives trading.