

DIGITAL ASSET RISK DISCLOSURE STATEMENT

Asia Digital Bank Ltd. · A-Bank App

Effective Date:

6 October 2026

Version:

2026/10

Applies to:

Digital Asset Services in the A-Bank App

Read with:

A-Bank App Online User Service Agreement

IMPORTANT NOTICE

Digital Assets carry significant risks and you may lose all or part of their value. Digital Assets are not bank deposits, are not legal tender and are not protected by any deposit insurance scheme. Read this Statement carefully before using any Digital Asset Service. If you do not understand these risks, do not use the Service and seek independent advice.

1. ABOUT THIS STATEMENT

- 1.1 This Digital Asset Risk Disclosure Statement (the "Statement") is issued by Asia Digital Bank Ltd. ("ASIADB" or the "Bank") under the Labuan FSA Admissibility Framework for Digital Currencies. It describes the main risks of holding, receiving, sending and converting Digital Assets through the A-Bank App.
- 1.2 This Statement forms part of, and must be read together with, the A-Bank App Online User Service Agreement (the "Agreement"), in particular section 10 (Digital Assets and blockchain networks), the A-Bank Fee Policy and the Privacy Notice. Terms defined in the Agreement have the same meaning in this Statement.
- 1.3 This Statement does not describe every risk. Digital Assets are a developing area, and new risks may arise that are not described here.
- 1.4 Nothing in this Statement is investment, legal, tax or financial advice. ASIADB does not recommend any Digital Asset and does not assess whether a Digital Asset Service is suitable for you.

2. SUPPORTED DIGITAL ASSETS AND NETWORKS

- 2.1 ASIADB currently supports only the fiat-backed stablecoins listed below, on the networks listed below. The current list is always shown in the A-Bank App.

Digital Asset	Issuer	Reference currency	Supported networks
USDT (Tether)	Tether Limited and its affiliates	US Dollar	TRON (TRC-20) Ethereum (ERC-20) BNB Smart Chain (BEP-20)*
USDC (USD Coin)	Circle Internet Financial, LLC	US Dollar	Ethereum (ERC-20) BNB Smart Chain (BEP-20)*

* USDT and USDC on BNB Smart Chain are not issued by Tether or Circle. They are bridged tokens issued by Binance and backed by USDT or USDC held in Binance's custody. See clause 4.12.

- 2.2 ASIADB does not support privacy coins, algorithmic stablecoins or non-backed digital currencies.
- 2.3 Each supported Digital Asset is admitted by ASIADB's Digital Currency Oversight Committee after due diligence under the Labuan FSA Admissibility Framework for Digital Currencies. Admission does not mean that ASIADB guarantees, endorses or underwrites the Digital Asset or its issuer.
- 2.4 ASIADB may remove a Digital Asset or network. Except where immediate removal is required by Applicable Laws, Labuan FSA or a security event, ASIADB will give you at least 30 calendar days' notice and will explain how you may withdraw or convert your holding.

- 2.5 Sending an unsupported Digital Asset, or a supported Digital Asset on an unsupported network, to your A-Bank wallet address may result in permanent loss. ASIADB is not obliged to recover it and may be unable to do so.

3. NATURE OF DIGITAL ASSETS

- 3.1 A stablecoin is a digital token issued by a private company that aims to keep a stable value against a reference currency, such as the US Dollar. It is not legal tender and is not issued or guaranteed by any government or central bank.
- 3.2 Digital Assets held for you are not deposits. They are not protected by any deposit insurance scheme, and ASIADB does not guarantee their value or their convertibility into fiat currency.
- 3.3 Your right to redeem a stablecoin for its reference currency, if any, lies against its issuer under the issuer's own terms, not against ASIADB. Most issuers redeem only for approved institutional holders.
- 3.4 The value of a stablecoin depends on its issuer maintaining adequate reserves and meeting redemption requests. Reserve information is published by the issuer, not by ASIADB.

4. KEY RISKS

- 4.1 **De-pegging risk.** A stablecoin may lose its link to its reference currency, temporarily or permanently, and trade below its intended value. This can happen suddenly, for example if confidence in the issuer or its reserves falls.
- 4.2 **Issuer and reserve risk.** The issuer may become insolvent, mismanage or lose its reserves, suspend redemptions, or be subject to regulatory action, freezing or sanctions. Issuers can also freeze or blacklist specific wallet addresses, which may make Digital Assets at that address unusable.
- 4.3 **Market and liquidity risk.** You may be unable to convert or withdraw Digital Assets at the time, price or amount you want, particularly during market stress. Conversion rates can move between the time a rate is displayed and the time a Transaction is executed.
- 4.4 **Irreversibility risk.** Blockchain transfers generally cannot be reversed once broadcast or confirmed. A transfer to a wrong address, wrong network or wrong recipient may be permanently lost.
- 4.5 **Network and technology risk.** Blockchain networks may suffer congestion, outages, software defects, attacks, forks or changes to their rules. These can delay, prevent or alter Transactions and cause network fees to rise sharply. Smart contracts may contain undetected flaws.
- 4.6 **Cyber and custody risk.** Digital Assets are held in wallets controlled by private keys. If keys or systems are compromised, through hacking, malware, insider misconduct or operational error, Digital Assets may be stolen or lost. ASIADB maintains security controls, but no system is immune from attack, and Digital Assets held by ASIADB are not insured.
- 4.7 **Fraud and scam risk.** Digital Assets are frequently used in scams, including impersonation, fake investment schemes and requests to transfer to "safe" wallets. ASIADB will never ask you to move Digital Assets to another wallet for safekeeping.
- 4.8 **Third-party risk.** Conversions, liquidity and some infrastructure depend on third-party providers. Their failure, insolvency or suspension may delay or prevent Transactions.
- 4.9 **Regulatory and legal risk.** Laws on Digital Assets are changing in Malaysia, Labuan and elsewhere. A change in law, a regulatory direction or action against an issuer may restrict, suspend or end a Service, or require ASIADB to remove a Digital Asset. Holding or using Digital Assets may be restricted or unlawful in your country of residence.
- 4.10 **Tax risk.** Digital Asset Transactions may have tax consequences for you. You are responsible for your own tax reporting and payments.

- 4.11 **Forks and airdrops.** If a network splits (forks) or new tokens are distributed (airdrops), ASIADB may decide not to support the new asset. You have no entitlement to any forked asset, airdrop or reward unless ASIADB announces support for it.
- 4.12 **Bridged token risk.** USDT and USDC on BNB Smart Chain (BEP-20) are bridged representations issued by Binance, not by Tether or Circle. Their value depends on Binance holding sufficient backing tokens and continuing to redeem them. A failure, freeze or loss at Binance or in the bridge may cause these tokens to lose value or become unredeemable, even if the original USDT or USDC keeps its value.

5. HOW ASIADB HOLDS DIGITAL ASSETS

- 5.1 ASIADB holds customers' Digital Assets in omnibus wallets under ASIADB's control. Your entitlement is recorded in ASIADB's books and records and shown in the A-Bank App. A deposit address shown in the App is assigned to you for identification and does not mean that the Digital Assets are held in a separate wallet in your name.
- 5.2 ASIADB protects these wallets with technical and operational security controls, including restricted access and multi-level authorisation of withdrawals. These controls reduce but cannot eliminate the risks described in clause 4.6. ASIADB may change its custody arrangements from time to time, including by appointing a third-party technology or custody provider, to strengthen security.
- 5.3 Digital Assets held for customers are recorded separately from ASIADB's own assets in ASIADB's books. However, because they are held in omnibus wallets, the recovery of your Digital Assets in an insolvency of ASIADB may be delayed and may depend on the records maintained by ASIADB and on applicable insolvency law.
- 5.4 ASIADB does not lend, stake, pledge or otherwise use customers' Digital Assets for its own account. If ASIADB introduces any such service in future, it will be offered only on separate terms and with your express consent.

6. CONVERSIONS, PRICING AND FEES

- 6.1 Conversions between fiat currency and Digital Assets are executed through third-party liquidity providers at the rate displayed in the A-Bank App. The rate includes ASIADB's spread and is shown before you confirm the Transaction.
- 6.2 A displayed rate may be indicative and may change before execution because of market movements or technical latency. The rate that applies is the rate in your transaction confirmation.
- 6.3 Withdrawal network fees and other charges are set out in the A-Bank Fee Policy. Network fees may be revised with immediate effect if blockchain network costs change materially, in accordance with section 13.4 of the Agreement.
- 6.4 ASIADB may suspend conversions, deposits or withdrawals during network events, market disruption, liquidity constraints, security incidents or third-party service interruptions.

7. COMPLIANCE CONTROLS

- 7.1 **Screening.** ASIADB screens every Digital Asset deposit and withdrawal, and the wallet addresses involved, using blockchain analytics. ASIADB may delay, reject, hold, return or report a Transaction linked to sanctioned persons, illicit activity or other risk indicators, without liability.
- 7.2 **Travel Rule.** ASIADB complies with the Labuan FSA Guidelines on Travel Rule for Labuan Digital Financial Services. Originator and beneficiary information must be obtained before or at the same time as each transfer. For transfers above USD 1,000, additional identification details are required. ASIADB will not execute a transfer that does not meet these requirements.
- 7.3 **Own-wallet transfers only.** Unless ASIADB approves otherwise in writing, you may send Digital Assets only from, and withdraw them only to, a wallet that you own and control. ASIADB may require

a signed declaration of wallet ownership, may whitelist approved addresses, and may refuse transfers involving third-party wallets.

- 7.4 **Holds and freezes.** ASIADB may be required to freeze or withhold Digital Assets under Applicable Laws, a court order or a regulatory direction, and may be prohibited from telling you why.

8. YOUR RESPONSIBILITIES

- 8.1 Before each Transaction, you must check the Digital Asset, network, wallet address, any tag or memo, and the amount. Use only the exact asset and network shown in the A-Bank App.
- 8.2 You must keep your Credentials and devices secure and must not approve any request you did not initiate.
- 8.3 You must ensure that holding and using Digital Assets is lawful where you are, and that the receiving wallet and counterparty are lawful and compatible.
- 8.4 You should only hold or convert amounts you can afford to lose, and should obtain independent advice if you are unsure about any risk.
- 8.5 If you suspect fraud, unauthorised access or a mistaken transfer, contact ASIADB immediately at info@asiadb.com or +60 87 410 977. Complaints may be sent to feedback@asiadb.com.

9. ACKNOWLEDGEMENT

By selecting "I Agree" or by using any Digital Asset Service, you confirm that:

- (a) you have read and understood this Statement;
- (b) you understand that Digital Assets are not deposits, are not legal tender, are not insured and may lose all or part of their value;
- (c) you accept the risks described in this Statement and will not hold ASIADB responsible for losses arising from them, except as provided in the Agreement; and
- (d) you are making your own decision and are not relying on any advice from ASIADB.

ASIADB will keep an electronic record of your acknowledgement, including the version, date and time.