

ⓘ RISK FACTORS

This document is intended to inform you of the possible risk factors involved in Capitalise's business in general as well as in Capitalise's token generation event (the "**TGE**") and Capitalise's prospect blockchain-based platform (the "**Platform**") in particular. These factors, severally or aggregately, may profoundly affect the materialization and success of Capitalise's business and plans, as described in Capitalise's White Paper, and may possibly result in the total failure of Capitalise's business in a way that may cause the CAP token to have no usefulness or value whatsoever. By purchasing CAP tokens, you agree to bear all the risks involved in Capitalise's activity and to hold Capitalise harmless for any damage or loss incurred by you as a result of the realization of any of such risks. For the avoidance of doubt, the following risks reflect the most significant risks in Capitalise's view, but do not constitute whatsoever an exhaustive list of all risks that may possibly be involved in connection with the CAP token generation event ("**TGE**"), the sale of CAP tokens, or the development and maintenance of the Platform.

1. Early-Stage Technologies and Applications. The smart contract system enabling the generation of CAP Token and underpinning the Platform, as well as any protocol or software involved in the development or operation of the TGE or the Platform, is at an embryonic stage and is highly susceptible to defects and failures. Therefore, there is no warranty that the creation or transfer of CAP tokens will be uninterrupted or error-free, and the different software and system involved in this process could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of the price paid to purchase CAP tokens. In addition, such software and technologies are susceptible and exposed to hacking, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks, and could result, inter alia, in theft or loss of CAP tokens. Furthermore, such software and technologies also carry significant operational, technological risks that may have an impact on the ability of Capitalise to launch or maintain the TGE or the Platform and can lead to similar results to those mentioned above.

2. Regulatory Uncertainty. The worldwide regulatory landscape in relation to cryptocurrencies or blockchain enterprises has been experiencing constant changes and it suffers from high level of uncertainty. Therefore, certain jurisdictions may apply existing regulations to, or introduce new regulations addressing, cryptocurrencies, blockchain-based applications, as well as related technologies such as smart contract and distributed ledger, which may result, inter alia, in the cancellation of the TGE or the development of the Platform and an inability of Capitalise or any CAP tokens' holder to transfer CAP tokens. Such regulation include, without limitation, the licensing of or restrictions on the use, sale, or possession of digital tokens like the CAP token, and they may impede, limit and lead to substantial modifications of the TGE or the Platform or to the TGE's or Platform's shutdown. In addition, while Capitalise has invested significant amount of time and resources in complying with any applicable law, Capitalise cannot guarantee the legality of the TGE or the Platform and cannot guarantee Capitalise's ability to develop, structure and license the operation of its Platform and the sale and use of CAP token in every jurisdiction.

3. Capitalise's Token Price and Value. The prices of cryptographic tokens tend to be highly volatile and to suffer from significant and rapid fluctuations over short periods of time, and such fluctuations may cause the value of the CAP token to tumble or totally evaporated. In addition, the price of the CAP token may bear no relationship to any established criterion of value, may not be indicative of any fair value thereof, and could be higher or lower than the price paid to purchase CAP token.

4. Liquidity, Exchanges and Resale of CAP Token. There are currently no exchanges upon which the CAP token can be traded and there may never be a secondary market for the CAP token. In addition, the CAP token may be listed on one or more exchanges, but it may be thinly traded or may be removed from listing of such exchanges. This could impact the ability to sell or transfer CAP tokens. In addition, no market liquidity may be guaranteed for CAP Tokens and the liquidity of any market for CAP tokens will depend upon various factors beyond the control of Capitalise, including but not limited to the number CAP tokens' holders, the attraction of the Platform, the market for similar tokens, and the interest of market participants in the Platform.

5. Possible Project Abandonment. The creation of CAP tokens, before the TGE or anytime afterwards, as well as the development of the Platform, may be abandoned by Capitalise for a number of reasons, including but not limited to regulatory or technological changes, lack of interest from the public, lack of funding, lack of commercial success, or prospects of a cut-throat competitive market with competitors that may have longer operating histories and significantly greater financial, sales and marketing, technical and other capabilities than Capitalise. Therefore, there is no assurance that, even if the TGE or the Platform is partially or fully developed and launched, you will receive any benefits from holding CAP Tokens.

6. Predictions and Forward-Looking Statements. All expectations or assumptions described in Capitalise's White Paper or on its website(s) regarding the functionality of the Platform or the CAP token, as well as in relation to the launching, development or establishment of the Platform, may not be met for a number of reasons, including but not limited to mistaken assumptions or analysis of Capitalise or its affiliates. In addition, the specifications of the TGE, CAP token, and the Platform are still under development, and Capitalise may change their respective characteristics in a way that may harm the functionality and usefulness of the CAP token or the Platform.

7. Tax Uncertainty. The tax regime applicable to the purchase of CAP tokens is uncertain and the purchase of CAP tokens may result in adverse tax consequences, including but not limited to withholding taxes, income taxes, and tax reporting requirements. Therefore, we strongly suggest you to consult professional tax advisor(s) before purchasing CAP tokens.

8. Securities Laws. The CAP Tokens have not been, and will probably not be, registered under the U.S. Securities Act or the securities laws of any other jurisdiction and, unless so registered, may not be offered or sold except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable laws. These restrictions may limit the ability of investors to resell the CAP token. It is your responsibility to ensure that all offers and sales of the CAP token within the United States and other jurisdictions comply with applicable securities and other laws. We have not agreed to or otherwise undertaken to register the CAP token, and do not have any intention to do so in the future.

9. Capitalise's management. Capitalise's performance is substantially dependent on the continued services and performance of its senior management and other key personnel, and the loss of key personnel or any inability to attract and retain additional personnel, could affect Capitalise's ability to successfully develop and launch the TGE or the Platform. In addition, the future success of Capitalise's business also depends on Capitalise's ability to identify, attract, hire, train, retain and motivate other highly-skilled technical, managerial, marketing and service personnel, and the failure to retain and attract the necessary personnel could harm Capitalise's business.

10. Intellectual Property. Third parties may assert intellectual property claims relating to the TGE, the Platform or the holding or transfer of the CAP tokens. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in the Platform's long-term viability or the ability of end-users to hold and transfer CAP tokens may adversely affect the usefulness and value of the CAP token. Additionally, a meritorious intellectual property claim could prevent Capitalise from improving, or end users from holding or transferring their CAP tokens.

11. Interest in the Platform. It is possible that the Platform will not attract a large number of businesses, individuals, and other organizations and there will be limited public interest in the creation and development of the Platform. Such a lack of interest could negatively impact the utility and the value of the CAP token and the Platform.

12. Dissolution. It is possible that, due to a number of reasons, including but not limited to unfavorable fluctuations in the value of the CAP token, development of the Platform and its respective features, the failure of business relationships, and intellectual property claims, the Platform may no longer be viable as a business or otherwise and Capitalise may dissolve or fail to launch the TGE or to develop the Platform. In such event, the amount paid in consideration for the CAP Tokens may not be repaid in full or in part.