RISK WARNING

Risk Warning

Products and Services

Summary of Products, Services, and Associated Risks

Investing in financial products involves risks. Generally, you should only trade financial products you understand and clearly comprehend their risks. Before making investment decisions, you should carefully consider your financial situation and seek independent professional advice regarding the suitability of the investments for you.

Securities

Securities prices can be highly volatile. Prices can rise or fall, and may even become worthless. Trading securities does not guarantee profits and may result in losses.

Futures and Options

Trading futures contracts or options carries a high risk of loss. In some cases, your losses may exceed your initial margin deposit. Even if you set stop-loss or stop-limit orders, these may not prevent losses as market conditions can prevent execution. You may be required to deposit additional margin at short notice. Failure to provide required funds within the specified time may lead to forced liquidation of your open positions. You are responsible for any deficit in your account. Therefore, you should study and understand futures contracts and options and carefully consider whether such trading is suitable based on your financial condition and investment objectives. If you trade options, you should understand the exercise and expiry procedures and your rights and obligations upon exercise or expiry.

Futures

Futures trading involves trading on the rise or fall of a specified underlying asset's price at a future date. Futures impose a standardized obligation to buy or sell the asset at a fixed price on a specified future date. The underlying assets can be raw materials, agricultural products, or financial products. Depending on the futures type, settlement may be by cash difference or physical delivery on the settlement date. Asia Future Trading does not support physical delivery. Futures are always traded on margin (see “Forex Trading” above). Futures trading always occurs on regulated markets, either directly through exchange trading systems or by reporting trades.

Note that because futures are margin products, you can hold larger positions relative to your funds at Asia Future Trading. Thus, relatively small market movements can significantly affect your investment. Therefore, futures trading carries high risk. Potential profits can be high even with relatively small margin deposits. If your total risk exceeds your margin deposit, losses can exceed your margin deposit.

Risk Warning

The following summarizes some but not all futures risks and other important factors. Futures trading is not suitable for all investors. You should carefully consider your experience, goals, financial resources, and other factors before trading.

1. Leverage Effect

Futures trading is highly risky. Since the initial margin is low relative to the contract value, leverage applies. Small market fluctuations can significantly impact your funds. Thus, leverage has both advantages and disadvantages. You may lose your entire margin deposit and additional amounts to maintain your position. If market conditions are unfavorable or margin requirements increase, you may be subject to margin calls and must deposit additional funds within a short time. Failure to do so may force liquidation at a loss, and you bear all resulting deficits.

2. Risks of Reducing Orders or Strategies

Even using risk-reducing orders (e.g., stop-loss or stop-limit orders) intended to limit losses may be ineffective because market conditions may prevent execution. Strategies using position combinations, such as calendar spreads or straddles, may carry risks as high as holding simple long or short positions.

Contract Options

Options trading is highly speculative and not suitable for all investors. Buyers and sellers of contract options should understand the type (put or call, buy or sell) and associated risks. Asia Future Trading acts as the counterparty.

Contract options give you the right or obligation to buy or sell a specified amount or value of an underlying asset at a fixed exercise price before or on a specified expiry date. A call option gives you the right to buy or obligation to sell; a put option gives the right to sell or obligation to buy.

In-the-money options will be exercised at expiry.

Options trading involves high risk. Buying options may become worthless at expiry, resulting in loss of the premium and costs. Selling options may lead to large (potentially unlimited) losses. To ensure you can cover losses from selling options, Asia Future Trading requires margin, but losses may exceed margin and you remain liable.

If your total risk exceeds your margin deposit, losses may exceed your deposit. If the underlying asset is a margin product and the option is exercised, the buyer (call option) or seller (put option) obtains the underlying position and assumes related risks and margin obligations.

Risk Warning

Stock Options

Stock options require physical delivery of underlying stocks at exercise, not cash settlement. If you hold option positions without sufficient cash or stock, you cannot settle or fulfill contract obligations.

At expiry or upon exercise (for American options), stock option positions settle. All in-the-money long option positions held by Asia Future Trading clients automatically exercise at expiry. Short option positions are randomly assigned before expiry. Hypothetical procedures should not be used to settle short positions. Clearing statements should reflect true results.

Clients are responsible for fulfilling delivery obligations. Asia Future Trading does not act preemptively to prevent delivery failures. Clients must manage positions, especially near expiry, to ensure fulfillment. However, if Asia Future Trading faces uncovered losses, it may act preemptively to liquidate risky positions. Clients cannot claim these losses as account balance. Preemptive liquidation is managed by Asia Future Trading's Market Analysis and Control department.

Failure to fulfill delivery obligations results in Asia Future Trading acting on behalf of clients without notice to resolve defaults by purchasing required stocks at market price or settling short cash or option positions. This is called "default processing" and incurs additional commission, handled by the market services desk.

Clients should consider carefully before closing positions before expiry.

The following discloses some but not all option risks and important factors. Options trading is not suitable for all investors. You should carefully consider your experience, goals, financial resources, and other factors before trading.

1. Variable Risk Levels

Options trading is very risky. Buyers and sellers should understand the option type and risks. You should calculate how much the option value must increase to make a position profitable considering premium and costs.

Buyers can offset, exercise, or let options expire. Exercise may cause cash settlement or delivery of underlying rights. If based on futures, the buyer obtains futures position with margin obligations. Out-of-the-money options may expire worthless, losing all premiums and costs. Buying out-of-the-money options usually has low probability of profit.

Selling options generally involves greater risk and lower reward. Sellers receive fixed premium but may suffer losses exceeding premium. Sellers may face margin calls and risk option exercise obligations. Selling options based on futures results in futures positions and margin obligations. Covered options reduce risk; naked options carry unlimited loss risk.

Some jurisdictions allow deferred premium payment limiting buyer's margin liability. Buyers still risk losing premiums and costs. Buyers must pay unpaid premiums upon exercise or expiry.

Risk Warning

Forex and Derivatives Trading (Including Futures and Options) Other Common Risks

1. Contract Terms and Conditions

You should check specific terms and obligations of futures or options you trade, such as delivery obligations and expiry limits. Exchanges or clearinghouses may modify contract specs to reflect underlying changes.

2. Trading Suspension or Price Relationships

Market conditions (e.g., liquidity shortages) and market rules (e.g., price limits or circuit breakers) may cause difficulty or inability to trade or close positions, increasing losses. Selling options during such events may increase risks.

Normal price relationships between underlying and futures or options may not exist. Futures may have price limits; options may not. Lack of reference prices complicates fair value assessment.

3. Deposited Cash and Assets

Understand protections for cash or assets deposited domestically or overseas, especially on insolvency. Recoveries may be limited by law or local rules. Identified assets may be proportionally distributed.

4. Commissions and Other Charges

Know all commissions and fees before trading; they affect net profit or loss.

5. Trading in Other Jurisdictions

Trading in other jurisdictions (including linked markets) may involve different investor protections or lower safeguards. You should check applicable rules and remedies before trading. Your home regulator cannot enforce rules of other jurisdictions.

6. Exchange Rate Risk

Trading contracts denominated in foreign currencies exposes profits/losses to exchange rate fluctuations.

7. Trading Facilities

Electronic trading systems may fail or be interrupted, limiting compensation. Check with your broker.

8. Electronic Trading

Trading via specific electronic systems carries system risk, including hardware/software failures, possibly preventing order execution.

Risk Warning

9. OTC Trading

In certain jurisdictions, and only under specific circumstances, the relevant firm is permitted to conduct over-the-counter (OTC) transactions. The firm with which you trade may be the counterparty to your transactions. In such cases, it may be difficult or even impossible to liquidate existing positions, assess value, determine a fair price, or evaluate risks.

Accordingly, such transactions may involve greater risks. Furthermore, the regulation of OTC transactions may be more lenient or subject to different regulatory regimes; therefore, before engaging in such transactions, you should understand the applicable rules and associated risks.

Forex (FX)

In forex trading, investors focus on the price movement of one currency relative to another, meaning selling one currency and buying another. For example, if an investor expects the US dollar to appreciate against the British pound, they may sell pounds to buy dollars.

Forex trading is a leveraged product, which means you only need to put up a small amount of capital to open and trade larger positions in the market. Forex can be traded as spot forex, forward forex, or forex options. Spot forex trading involves buying one currency and selling another for immediate delivery. Forward and options forex trades settle at an agreed price on a specified future date. Forward forex contracts obligate trading at the agreed price on the settlement date. If the forex option price is more favorable than the current market price, the buyer has the right to trade the underlying forex spot currency pair at expiry. Conversely, if requested by the buyer, the option seller is obligated to trade with the buyer (Asia Future Trading) on the settlement date. Therefore, the risk of buying options is limited to the premium paid at contract signing, whereas the risk of selling options is unlimited, depending on changes in the underlying forex spot currency pair price.

The forex market is the largest financial market globally, trading 24 hours on business days. Compared with other products, one of its features is relatively low profit margins. To achieve high profits, large trading volumes are required, such as margin trading described above. In forex trading, one participant's profit is always offset by another participant's loss. Forex trading is always conducted against Asia Future Trading, which quotes prices based on market availability.

Please note that since forex is margin trading, you can hold larger positions relative to your funds with Asia Future Trading. Therefore, relatively small negative or positive market movements can significantly impact your investment. Forex trading carries relatively high risk. Thus, even with relatively small margin deposits, potential profits can be very high. If your total margin trading risk exceeds your margin deposit, losses may exceed your deposit.

The loss risk of trading leveraged forex can be very large. Your losses may exceed your initial margin deposit. Even if you set backup orders such as stop-loss or stop-limit orders, these may not limit losses to your anticipated amount. Market conditions may prevent execution of such orders. You may be required to deposit additional margin at short notice. Failure to provide the required funds within the specified time may lead to forced liquidation of your open positions. You are responsible for any deficit in your account. Therefore, you must carefully consider your financial condition and investment objectives to confirm whether trading is suitable for you.

Risk Warning

Forex Options

Selling forex options carries specific risks and may cause significant losses to investors like you. Therefore, this strategy may not be suitable for all clients and is mainly intended for experienced and sophisticated clients.

Please note the following situations:

a. The option seller may short a contract and then find that demand for the contract rises, which in turn increases the option premium price. This may cause significant losses even if the underlying asset does not move.

b. If the option price rises, the option seller may suffer significant losses due to factors including but not limited to:

- The price of the underlying asset
- The exercise price
- The time remaining before expiration
- The volatility of the underlying asset

c. All options are marked to market in real time. This means that when selling options:

- The cash balance in your account will increase.
- The unrealized value of your positions will decrease according to the option's real-time price.
- Therefore, when initiating a new short options contract, the account value will not increase.

d. Compared with buying options, selling options generally involves greater risk and lower returns.

e. Naked selling of options (uncovered or unhedged) involves the risk of unlimited losses.

- When naked selling call options, the underlying asset price can theoretically rise indefinitely, causing unlimited losses to your trading account.
- When naked selling put options, the underlying asset price can theoretically fall to zero, causing substantial losses to your trading account.

f. Sellers of European options can only exercise the transfer right during the exercise period.

Risk Warning

g. Under margin stop-loss, the required margin on the account exceeds the margin equity.

- The system will forcibly close all margin positions (including long options).
- Due to our proprietary trading model, we do not promise to contact you by phone and/or email before system forced liquidation.
- Your positions may have already been forcibly liquidated by the system, even if you have initiated fund transfers.

h. When market movements are against your positions, losses on short option positions can be substantial and may lead to a negative account balance — which must be settled immediately.

Selling forex options is suitable only for experienced and sophisticated investors who understand the risks, have the financial capacity and willingness to bear potentially substantial losses, and possess sufficient liquid assets to meet applicable margin requirements. In this regard, if the value of the underlying instrument moves contrary to the seller's open option positions, Asia Future Trading may require significant additional margin or, pursuant to the General Business Terms, forcibly liquidate the investor's account with little or no prior notice.

Growth Enterprise Market (GEM) Stocks

Investing in Growth Enterprise Market (GEM) stocks carries very high risks. In particular, some companies listed on GEM may have no profit record and no obligation to forecast future profitability. GEM stocks can be highly volatile and may have low liquidity.

Please make investment decisions only after appropriate and careful consideration. Due to the higher risks and other characteristics of GEM, it is more suitable for professionals and other experienced investors.

For the latest information on GEM stocks, you may only be able to consult the website operated by The Stock Exchange of Hong Kong Limited. GEM companies are generally not required to publish paid announcements in the Gazette.

If you are uncertain or do not understand any part of this risk disclosure or the nature and risks of trading GEM stocks, please seek independent professional advice.

Risk Warning

Overseas Listed Investment Products

Overseas listed investment products are subject to the laws and regulations of the jurisdictions in which they are listed. Before trading overseas listed investment products or authorizing others to trade on your behalf, you should understand the following:

a. Since overseas listed investment products operate under different regulatory regimes, you should understand the level of investor protection and safeguards available in the relevant overseas jurisdictions.

b. Differences between overseas jurisdictions and the Hong Kong legal system may affect your ability to recover funds.

c. You may be subject to tax implications, currency risks, additional transaction costs, and risks related to counterparties and intermediary brokers.

d. Political, economic, and social developments in the overseas markets where you invest.

These and other risks may affect the value of your investments. If you do not understand or cannot bear such risks, you should not invest in these products.

This statement does not disclose all risks and other important aspects of trading overseas listed investment products. You should only trade such products if you understand and can bear the level of risk involved.

You should carefully consider, based on your experience, objectives, risk tolerance, financial resources, and other relevant circumstances, whether such trading is suitable for you. When considering whether to trade or authorize others to trade on your behalf, you should pay attention to the following:

Differences in Regulatory Regimes

a. Overseas markets may be subject to different regulations and may operate differently from approved exchanges in Hong Kong. For example, there may be different rules regarding the custody of securities and funds held by custodian or trustee banks. This may affect the level of safeguards implemented to ensure proper segregation and custody of your investment products or overseas funds. If the custodian experiences credit issues or insolvency, your investment products or funds may not be protected. Overseas markets may also have different clearing and settlement cycles, which may affect the availability of trade price information and the timing of trade settlement in such overseas markets.

b. Compared to Hong Kong, overseas markets may be governed by different rules providing different levels of investor protection. Before trading, you should fully understand the remedies available in Hong Kong and other relevant jurisdictions (if any).

Risk Warning

c. Overseas listed investment products may not be subject to the same disclosure standards applicable to products listed or quoted on approved exchanges in Hong Kong. Differences in accounting, auditing, and financial reporting standards may affect the quality and comparability of information provided. Additionally, obtaining the latest information may be more difficult, and disclosures may only be available in foreign languages.

Differences in Legal Systems

d. In some countries, legal concepts used in mature legal systems may not yet exist or have not been tested by courts. This makes it difficult to reliably predict the outcome of legal proceedings or the amount of damages that may be awarded even if you win.

e. The Securities and Futures Commission cannot compel regulators or markets in other jurisdictions where the affected transactions occur to enforce relevant rules.

f. Laws in some jurisdictions may prohibit or restrict the repatriation of funds, including capital, proceeds of divestment, profits, dividends, and interest arising from investments in such countries. Therefore, we cannot guarantee that funds you invest or gains from your investments can be repatriated.

g. Some jurisdictions may also restrict the quantity or types of investment products foreign investors can purchase. This may affect the liquidity and pricing of overseas listed investment products you invest in.

Different Costs Involved

h. Investing in overseas listed investment products may involve tax issues. For example, capital gains or any dividends and other income you receive may be subject to taxes, duties, or charges in both overseas jurisdictions and Hong Kong.

i. If it is necessary to convert the currency in which your investment products are denominated into another currency, your investment returns in foreign currency-denominated products may be affected by exchange rate fluctuations or may be subject to foreign exchange controls.

j. When trading on overseas exchanges, you may need to pay additional fees, such as transaction fees and broker commissions. In some jurisdictions, you may also need to pay certain premiums to trade certain listed investment products. Therefore, before trading, you must clearly understand all commissions, fees, and other charges you will be required to pay. These charges will affect your net profit (if any) or increase your losses.

Risk Warning

Counterparty and Intermediary Broker Risks

k. Trading on overseas exchanges or markets is typically conducted by Asia Future Trading through foreign brokers who have trading and/or clearing rights on those exchanges. All transactions executed with these counterparties and intermediary brokers pursuant to your instructions depend on their proper performance of their obligations. The bankruptcy or default of such counterparties and intermediary brokers may result in positions being liquidated or closed without your consent and/or may cause difficulty in recovering funds and assets held overseas.

Political, Economic and Social Developments

l. Overseas markets are affected by political, economic, and social developments in the overseas jurisdictions, which may be uncertain and may increase the risks of investing in overseas listed investment products.

Reception of Client Assets Outside Hong Kong

Client assets received or held by licensed or registered persons outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdictions. These laws and regulations may differ from the Securities and Futures Ordinance (Chapter 571) and the rules made thereunder. Therefore, such client assets may not enjoy the same protections as client assets received or held in Hong Kong.

Authorization for Re-pledging of Your Securities Collateral, etc.

If you authorize a licensed or registered person to use your securities or securities collateral under securities borrowing agreements, re-pledge your securities collateral to obtain financial accommodation, or deposit your securities collateral as collateral to fulfill or discharge its settlement obligations and liabilities, certain risks are involved.

If your securities or securities collateral are received or held by the licensed or registered person in Hong Kong, the above arrangements will only be effective if you have given written consent. Moreover, unless you are a professional investor, your authorization must specify a validity period which shall not exceed 12 months. If you are a professional investor, these restrictions do not apply.

Furthermore, if the licensed or registered person sends you a notice at least 14 days before the expiration of the authorization period indicating that the authorization will be deemed renewed, and you do not object to such renewal before the expiration date, your authorization will be deemed renewed without your written consent.

Currently, there is no legal requirement for you to sign these authorizations. However, licensed or registered persons may require these authorizations to provide margin financing to you or to lend your securities or securities collateral to third parties or deposit them as collateral with third parties. The licensed or registered person must explain the purpose of using these authorizations to you.

If you sign any of these authorizations and your securities or securities collateral are lent to or deposited with third parties, such third parties will have liens or charges on your securities or securities collateral. Although the licensed or registered person must be responsible to you for lending or depositing your securities or securities collateral pursuant to your authorization, their default may cause losses to your securities or securities collateral.

Most licensed or registered persons provide cash accounts that do not involve securities lending. If you do not require margin financing or do not wish your securities or securities collateral to be lent or pledged, do not sign the above authorizations and request the opening of such cash accounts.

Authorization to Hold Mail or Forward Mail to Third Parties

If you authorize a licensed or registered person to hold mail or to send mail directly to third parties, you must promptly collect all transaction documents and monthly account statements yourself and carefully review them to ensure timely detection of any irregularities or errors.

Margin Financing

Before participating in margin financing, you should carefully read this information and the Margin Financing Terms. Through margin financing, you may use loans provided by Asia Future Trading to purchase eligible financial instruments. If you choose to use margin financing, the eligible financial instruments in your account will serve as collateral for the loan. Before using margin financing, you should carefully consider your financial situation and risks and consult your independent professional advisor if necessary.

Margin Financing Involves Greater Market Risks

Using margin financing allows you to purchase more financial instruments than you could without a loan. Therefore, you are more exposed to price fluctuations of the underlying financial instruments. If the underlying financial instruments depreciate, your potential losses will be greater.

Risk Warning

You May Lose More Than Your Initial Margin Deposit

When trading on margin, you must deposit initial collateral in cash or fully paid securities. Margin deposits are necessary because Asia Future Trading will not lend you the full value of the securities you wish to purchase. Margin financing allows you to purchase securities with a value exceeding your initial margin deposit. Therefore, you are more exposed to price fluctuations of the purchased securities. A decline in the value of purchased securities may result in losses exceeding your initial margin deposit and may require you to deposit additional funds or collateral to avoid forced sale of margin securities or other securities in your account. A decline in the value of purchased financial instruments may result in losses exceeding your initial margin deposit and may require you to deposit additional funds or eligible collateral to meet any applicable margin requirements.

Further Undertakings

Under the Margin Financing Terms and Conditions, Asia Future Trading has the right to sell, pledge, re-pledge, transfer, invest, use, mix, or otherwise dispose of your margin securities and to use any margin securities in its business. Default may lead to losses of your margin securities.

If you fail to meet margin requirements, Asia Future Trading has the right to close out or reduce positions in your account without further notice.

If you fail to meet applicable margin requirements, Asia Future Trading has the right (but no obligation) to close or reduce different types of positions on your account and/or cancel any outstanding orders without notice, depending on whether your "Margin Utilization" ratio or "Collateral Utilization" ratio (or both) reach or exceed 100%.

You Are Always Responsible for Any Deficit in Your Account

You are always fully responsible for any deficit or interest on your account. For example, even if Asia Future Trading has exercised its right to close out or reduce positions in your account, you remain fully liable for any deficit in your account.

You Have No Discretion to Choose Which Assets to Liquidate in the Event of a Margin Call

In the event of forced sale, Asia Future Trading will sell all your securities (if you choose full stop-loss) or sell a proportionate part of your securities (if you choose partial stop-loss). You have no right to decide which securities to sell, the quantity to sell, or the order of sale, nor do you have the right to request an extension for margin call payments. Additionally, you remain liable for any account deficit and related interest.

Risk Warning

Asia Future Trading May Increase Applicable Margin Requirements at Any Time Without Notice

Asia Future Trading may, at its sole discretion, adjust any applicable margin requirements at any time with immediate effect without prior notice. You are fully responsible for ensuring your account has sufficient collateral or funds at all times to meet any applicable margin requirements.

Margin Trading

The risk of losses in margin trading, which involves financing transactions by depositing collateral, can be substantial. Your losses may exceed the cash and any other assets you have deposited as collateral with the relevant licensed or registered person. Market conditions may prevent execution of backup trading orders such as "stop-loss" or "stop-limit" orders. You may be required to deposit additional margin or pay interest on short notice. If you fail to pay the required margin deposit or interest within the specified time, we may liquidate your collateral without your consent. Additionally, you remain liable for any deficit in your account balance and related interest. Therefore, you must carefully consider whether such financing arrangements are suitable for you based on your personal financial situation and investment objectives.

Stock Lending

Before participating in stock lending, you should carefully read this information and the Stock Lending Terms.

By participating in stock lending, you allow Asia Future Trading to borrow stocks from you by transferring ownership, and thereafter Asia Future Trading may lend them to third parties. However, you will continue to bear the market risk of any stocks borrowed by Asia Future Trading from you (i.e., if the stock price declines during the period Asia Future Trading borrows the stocks, the value of the stocks you receive upon loan termination/expiry will also decline; and vice versa).

If Asia Future Trading borrows your stocks, you can still choose to sell those stocks at any time.

Asia Future Trading may not borrow any stocks from your account, so you may not be entitled to any additional income from participating in stock lending. If Asia Future Trading borrows stocks from you, the additional income you receive may fluctuate depending on prevailing market conditions.

When your stocks are lent out, you will not retain voting rights or rights to attend shareholders' meetings (if applicable). When participating in stock lending, you cannot select specific stocks in your account to lend to Asia Future Trading.

You should consult your tax advisor regarding any potential tax implications arising from participating in stock lending.

Risk Warning

Nasdaq-Amex Securities of The Stock Exchange of Hong Kong Limited

Securities under the Nasdaq-Amex Pilot Program ("PP") are primarily intended for experienced investors. Before trading Pilot Program securities, you should consult your licensed or registered person and understand the Pilot Program. Please note that Pilot Program securities are not regulated as the first or second listing on the Main Board or Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

Precious Metals

Trading precious metals (including gold, silver, and other precious metals), especially on margin, can bring substantial profits but may also cause significant losses exceeding your initial margin. Therefore, precious metals trading is not suitable for everyone. Please note that the value of precious metals is affected by many unpredictable global economic factors. If market conditions are adverse to your existing positions, we may require you to deposit additional margin funds temporarily to maintain your margin positions. If you fail to deposit the required funds within the specified time, we will immediately liquidate all your existing margin positions, and you may be required to repay any resulting deficit in your trading account. In volatile markets, placing backup orders may not limit losses to the expected amount. Market conditions may prevent execution of such orders. Therefore, you should seek independent financial advice to ensure precious metals trading suits your financial condition.

Exchange-Traded Funds (ETFs)

Most ETFs track a portfolio of assets to diversify investment risk. These funds generally aim to track the performance of specific indices, market sectors, or asset types (e.g., stocks, bonds, or commodities). However, some ETFs may invest in stock index futures contracts and other derivatives. Compared with traditional securities, derivatives are more sensitive to market price changes because derivatives require lower margin deposits and have high leverage. Therefore, small price fluctuations in derivatives can cause significant direct losses (or gains) to the ETF. In addition, some derivatives are traded over-the-counter (OTC). The OTC derivatives market is generally not regulated by government agencies, and participants are not required to conduct continuous market trading in their contracts. Therefore, ETFs involving OTC derivatives may face liquidity risks. If market makers cease their obligations, investors may be unable to buy or sell the ETF. For ETFs whose underlying assets are not denominated in the base currency, currency risk also applies. Exchange rate fluctuations may negatively affect the value of the underlying assets and ETF price. Before trading, clients must carefully read the ETF prospectus to understand the fund's operation and judge whether the product suits themselves.

Risk Warning

AFTTWealthCare

Investments in the AFTTWealthCare portfolio are not capital guaranteed, involve risks, and may result in loss of part or all of the invested principal. We are not liable for any losses you incur due to price or exchange rate fluctuations, errors or delays in the transmission of any instructions you send or receive, or changes in any applicable laws.

Any advice we provide will be based on sources deemed accurate, but we make no express or implied representations or warranties as to the accuracy, completeness, or suitability of such advice.

You are responsible for conducting independent investigation and evaluation of any advice, recommendations, views, opinions, or information we provide. You should fully understand all terms and conditions and the risks involved in each investment, and agree that you will only accept our recommended investment plans after considering your specific goals, financial condition, investment experience, knowledge, and special needs, and after independently reviewing and determining that the recommended investment plan is suitable for you.

You agree and acknowledge that you have undertaken all necessary consultations, and we have informed you of all important features and risks related to your investments, including but not limited to the following information:

a. The nature and objectives of the investment;

b. The main benefits and risks of the investment;

c. Detailed information about your investment provider;

d. Your key rights in relation to the investment;

e. The expected investment holding period;

f. The ease of converting the investment into cash;

g. Your expected level of risk tolerance for the investment;

h. Any commitments you are required to make regarding the investment;

i. The pricing of your investment;

j. The fees you will bear in relation to the investment;

k. The frequency of investment reporting provided to you;

l. Any applicable fees or restrictions related to withdrawal, exit, or claim procedures of your investment;

m. Any applicable warnings, disclaimers, and exclusions of liability; and

n. Information on where to access the prospectus related to your investment (if applicable), or, if we consider appropriate, the corresponding contents of the summary prospectus.

Risk Warning

You further acknowledge and accept that, before or during the provision of AFTTWealthCare services to you, we will collect, record, or consider any of the following information:

a. Your employment status;

b. Your financial condition, including assets, liabilities, cash flow, and income;

c. Your sources and amounts of fixed income;

d. Your financial commitments;

e. Your current investment portfolio (including any life insurance); and

f. Whether your investment amount constitutes a significant portion of your assets.

You expressly acknowledge your willingness to bear all economic consequences and risks of investment and to consult your tax, legal, and other advisors as necessary.

Extended Trading Hours

Before trading during extended hours in the U.S. securities markets, you should consider the following points. “Extended trading hours” means (a) the “pre-market session” between 7:00 a.m. and 9:30 a.m. Eastern Time; and (b) the “after-hours session” between 4:00 p.m. and 5:00 p.m. Eastern Time. The “regular trading session” refers to trading conducted between 9:30 a.m. and 4:00 p.m. Eastern Time.

1. General Risks

a. Low Liquidity Risk. Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders there are in the market, the higher the liquidity. Liquidity is very important because when liquidity is high, investors find it easier to buy and sell securities, potentially obtaining more competitive transaction prices. Liquidity during extended trading hours may be lower than during regular trading hours. Therefore, orders you place during extended trading hours may be partially executed, not executed at all, or executed at less favorable prices.

b. High Volatility Risk. Volatility refers to the price fluctuations experienced during securities trading. Generally, the higher the volatility of a security, the greater its price swings. Volatility during extended trading hours may be greater. Therefore, your orders may be partially executed or not executed at all. Compared with regular trading hours, the prices you obtain during extended trading hours may also be less favorable.

c. Price Movement Risk. Securities transaction prices during extended trading hours may not reflect prices during regular trading hours. Therefore, the prices you obtain during extended trading hours may be less favorable compared to those during regular trading hours. In addition, securities in indices or portfolios may not trade regularly during extended trading hours, or may not trade at all. This may cause prices during extended trading hours to not reflect the opening prices of those securities afterward.

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d. Market Dislocation Risk. Depending on the extended trading system or the time of day, prices displayed on one extended trading system may not reflect prices of the same securities on other extended trading systems operating simultaneously. Therefore, prices you obtain on one extended trading system may be less favorable compared to those obtained on other extended trading systems.

e. News Release Risk. Generally, issuers release news announcements that may affect their securities' prices after regular trading hours. Similarly, important financial information is often released outside regular trading hours. Such announcements may be made during extended trading hours. Combined with lower liquidity and higher volatility risks, this may cause exaggerated and unsustainable impacts on securities prices.

f. Wider Spread Risk. The spread refers to the difference between the bid and ask prices of securities. Lower liquidity and higher volatility during extended trading hours may cause the spread of specific securities to be wider than normal.

2. Order Handling

a. Limit Orders. All existing limit orders submitted for eligible financial products, if the "Extended Hours" option is enabled on the relevant trade ticket, will continue to be executed during pre-market or after-hours trading sessions. Any remaining unexecuted limit orders after the following periods will be handled as follows, provided they have not been canceled, expired, or you have no other instructions:

(1) Pre-market session: carried forward to the subsequent regular trading session;
(2) Regular trading session: carried forward to the subsequent after-hours session;
(3) After-hours session: carried forward to the subsequent pre-market session.

b. Stop Orders and Conditional Orders. For financial products tradable during extended trading hours, stop orders and conditional orders will not be triggered by price updates during extended trading hours but only by price updates during regular trading hours.

c. Corporate Actions. Unless all related orders and positions can be properly handled, we may, at our discretion, disallow trading of certain financial products affected by corporate actions during extended trading hours.

3. Margin Requirements

For financial products that can be traded during extended trading hours, price updates received during this period will affect the initial margin in your account but will not affect the maintenance margin. However, due to trading activities during extended trading hours (including trades of other financial products or currency fluctuations), your margin utilization ratio may still change during extended trading hours. If you reach or violate margin requirements during extended trading hours, Asia Future Trading may not close out any and all contracts and margin positions of such financial products before the regular trading session but may immediately close out any other financial products during the regular trading session.

4. Account barrier

For financial products that can be traded during the extended trading period, your account barrier will not be triggered by price updates received during the extended trading period, but only by price updates of such financial products during the regular trading period.

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By participating in the extended trading period, you explicitly confirm and agree to the specific risks and rules of investment during the extended trading period. Asia Future Trading may not be able to predict and describe all the special trading risks that may occur in the extended period trading. Therefore, you agree that Asia Future Trading shall not be held responsible for any risks you undertake due to your participation in the extended trading period (whether mentioned above or not).

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In the event of any inconsistency between this risk warning and the general Trading terms of Asia Future Trading, the general trading terms shall prevail.

Asia Future Trading may notify you of the extended period transactions for which we will not quote, the amount limit of our quotations, or other conditions applicable to our quotations, or publish such information on the financial products trading platform. However, any such notice shall not be binding on us.

You explicitly confirm and agree that, regardless of whether you engage in extended trading hours or not, price updates received for financial products that can be traded during the extended trading hours during this period will affect the initial margin in your account, and this may affect or reduce your ability to open new positions or withdraw funds for any financial product. Furthermore, you understand that extended period trading may not be suitable for all investors, and you are fully responsible for implementing or adopting any investment decisions or trading strategies.

Foreign exchange touch options (applicable to professional investors)

Foreign exchange touch options are a type of binary option, and their payment has only two possible outcomes: it could be that an investment return is paid to you at a predetermined fixed amount when an event occurs on or before the expiration date, or it could be that you lose the investment amount in the option. Simply put, touch options are usually held until expiration in an "all or nothing" expense structure and are based on a simple "yes" or "no" proposition: Will the currency pair * touch the set price on or before a specific date? This is different from traditional foreign exchange options, which grant the right (but no obligation) to buy or sell a currency pair at a set price on or before a specific date.

Risk Warning

When you trade touch options, the maximum loss is known. Depending on whether you have a buy or sell position, your account will fully retain the premium or nominal/paid amount (whichever represents the maximum loss) when trading touch options. That is to say, this product cannot be traded on margin.

Whether touch options are regulated depends on their target assets. If the target asset of a binary option is an over-the-counter transaction (such as a spot foreign exchange transaction), it must be noted that the over-the-counter market is largely unregulated because its structure is decentralized, with transactions taking place directly between two counterparties and liquidity scattered across different locations. Therefore, compared with the regulatory supervision level and transparency of formal exchanges, the regulatory supervision level and transparency of the over-the-counter market are very low, while formal exchanges need to maintain a fair, orderly and transparent market.

The tradable period of touch options ranges from 1 day to 12 months. Touch options with shorter maturities carry higher risks as investors may be affected by short-term fluctuations. Additionally, continuously predicting the performance of the target asset over a short period of time is equally challenging.

You should not engage in such trading unless you fully understand the basic aspects of touch options trading and the corresponding risks. By trading unregulated financial products, investors will not receive the protection provided by the regulatory framework, and such protection is only available in regulated products.

*Available currency pairs include: EUR/USD, GBP/USD, EUR/GBP, USD/JPY, EUR/JPY and AUD/USD.

For example:

- If you purchase a touch option or a non-touch option, the maximum amount you may lose is the prepaid option premium (if the option is "touched", you will receive the nominal/paid amount). You must have the ability to prepay this option premium. The option premium will be deducted from your account at the time of trading. Moreover, from a margin perspective, touching the market value of the option position cannot be used as leverage to support any other existing or new open positions.

- If you sell a non-touch option or a touch option, you will receive the option premium in advance (you retain the full option premium, but if the option is "touched", you may need to pay the nominal/expense amount). The option premium is credited to the account at the time of trading, but the entire nominal/expenditure amount will be retained from the account. From the perspective of margin, it cannot be used to support any other existing or new open positions during the validity period of the option touch.

Risk Warning

Contract for Difference (for Professional Investors)

CFD or Contract for Difference is an agreement between two parties to exchange the buying and selling price differences of financial instruments or securities. This product enables you to predict the future value rise and fall of specific assets, such as stocks. If your viewpoint is proved to be correct, you will profit from the value difference (minus the cost). If your opinion is proved to be wrong, you must pay the corresponding value difference (plus fees). Because it is linked to the target asset, the value of a contract for difference depends on that asset. Contracts for Difference are always traded on margin (refer to the content about foreign exchange trading in the previous paragraph). Contracts for Difference (CFDS) are usually traded against Asia Future Trading, but some CFDS may be traded in regulated markets. However, the price always fluctuates with the price of the target product, and in most cases, the target product is traded in a regulated market. The price and liquidity of individual stock CFDS reflect the price and liquidity of the stock in the permitted Trading market, while index CFDS are over-the-counter (OTC) products, and their prices are determined by Asia Future Trading based on factors such as the price and liquidity of the target stock, the futures market, future dividend estimates, and the impact of interest rates.

Please note that since Contracts for Difference are margin Trading, depending on your capital situation at Asia Future Trading, you can hold a larger position. For this reason, relatively small negative or positive fluctuations in the target financial instrument can have a significant impact on your investment, thereby leading to a relatively higher risk in CFD trading. In this way, even if the margin deposit is relatively small, the potential return will be very high. If the total risk of your margin trading exceeds your margin deposit, your losses may exceed your margin deposit.

Contract for Difference investment is generally regarded as a risky form of investment. If you have always adopted a conservative investment approach in the past, before considering investing in any collective investment plan, you may wish to seek further professional advice. You must be aware that you may lose all your investment funds.

No guarantee or liability

The information provided in this document is for general circulation only and does not constitute investment, legal, accounting, tax or financial advice. Before an investor commits to any investment transaction, their specific investment objectives, financial situation or particular needs should be considered, and any information contained on this website should be independently verified.

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