

Addendum in relation to China Connect

This Addendum shall apply to all transactions under China Connect which CITIC Securities Brokerage (HK) Limited (“CSBHK”) conducts on the Customer’s behalf. The terms and conditions under this Addendum are supplemental to, and without prejudice to, the Terms and Conditions for Securities Trading, the Terms and Conditions for Securities Trading (Professional Investor – Institutional) (each, the “Terms and Conditions”) and/or other relevant agreements between the Customer and CSBHK. This Addendum shall prevail in the event of conflicts or inconsistency with any other agreements between the Customer and CSBHK.

This Addendum shall constitute a legally binding contract. By placing an order with CSBHK to trade through China Connect, the Customer is deemed to have accepted and agreed to be bound by the terms and conditions of this Addendum between the Customer and CSBHK

1. Definitions

Capitalized terms that are not otherwise defined in this Addendum shall have the same meaning in the Terms and Conditions. The following terms shall have the below meanings in this Addendum:

A-Shares means any securities issued by companies incorporated in Mainland China which are listed and traded on Mainland China A-Share markets and not on the SEHK.

Applicable Laws means all applicable laws, regulations and rules of Hong Kong and/or Mainland China, including the SEHK China Connect Rules, the SSE Rules, the SZSE Rules and any rules, policies or guidelines of any relevant exchanges, clearing systems, regulators and/or China Connect Authorities.

CCASS means the Central Clearing and Settlement System of Hong Kong operated by HKSCC for the clearing of securities listed or traded on SEHK and/or any system established for the purpose of China Connect.

China Connect means the Shanghai Hong Kong Stock Connect and/or the Shenzhen Hong Kong Stock Connect (as the case may be).

China Connect Authorities means the regulators which regulate China Connect and activities relating to China Connect, including without limitation, the CSRC, PBOC, SAFE, SFC and any other regulator, agency or authority with jurisdiction, authority or responsibility in respect of China Connect.

China Connect Entities means the exchanges, clearing systems and other entities which provide services relating to China Connect, including without limitation, the SEHK, HKSCC, SEHK Subsidiaries, SSE, SZSE and ChinaClear.

China Connect Laws means the laws and regulations of Hong Kong and Mainland China from time to time in respect of China Connect or any activities arising from China Connect.

China Connect Rules means any rules, policies or guidelines published or applied by any China Connect Authority or China Connect Entity from time to time in respect of China Connect or any activities arising from China Connect.

China Connect Securities means any securities listed and traded on the SSE and/or on the SZSE (as the case may be) which may be traded by investors under China Connect.

ChiNext Eligible Investor means a “professional investor” within the meaning of paragraph (a), (b), (c), (d), (e), (f), (g), (h) or (i) of the definition of “professional investor” in section 1 of Part 1 of Schedule 1 to the SFO or other types of investors that are permitted or approved by the China Connect Authorities to trade ChiNext Shares through Shenzhen Hong Kong Stock Connect.

ChiNext Shares means any securities listed on the ChiNext Board of the SZSE which may be traded by Hong Kong and overseas investors under Shenzhen Hong Kong Stock Connect.

Clearing Participant has the meaning given to such term in the rules of CCASS.

CSDCC means the China Securities Depository and Clearing Corporation.

CSRC means the China Securities Regulatory Commission.

Custodian Participant has the meaning given to such term in the rules of CCASS.

Exchange Participant has the meaning given by the rules of the SEHK.

HKEx means the Hong Kong Exchanges and Clearing Limited.

HKSCC means the Hong Kong Securities Clearing Company Limited.

H Shares means any securities issued by companies incorporated in Mainland China and listed on the SEHK.

Mainland China means the People’s Republic of China (excluding Hong Kong, Macau and Taiwan).

Mainland China Resident means a person who is a citizen of the of Mainland China and does not have permanent right of abode in a jurisdiction outside Mainland China.

Northbound denotes the trading of China Connect Securities by Hong Kong and international investors through China Connect.

PBOC means the People's Bank of China.

Pre-Trade Checking means the requirements and procedures under the China Connect Laws and China Connect Rules pursuant to which a China Connect Authority or a China Connect Entity may reject a sell order if an investor does not have sufficient available China Connect Securities in its account.

Renminbi or RMB means the lawful currency of the People's Republic of China, deliverable in Hong Kong.

SAFE means the State Administration of Foreign Exchange.

SEHK means the Stock Exchange of Hong Kong Limited.

SEHK China Connect Rules means the rules of SEHK, as amended for the purposes of implementing China Connect, and as amended, supplemented, modified and/or varied from time to time.

SEHK Subsidiary means a wholly-owned subsidiary of SEHK duly authorised as an automated trading service provider under the SFO and licensed under applicable laws in Mainland China to provide the order-routing service under China Connect.

SFC means the Securities and Futures Commission.

SFO means the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Shanghai Hong Kong Stock Connect means a securities trading and clearing programme developed or to be developed by SEHK, SSE, HKSCC and ChinaClear for the establishment of mutual market access between SEHK and SSE.

Shenzhen Hong Kong Stock Connect means a securities trading and clearing programme developed or to be developed by SEHK, SZSE, HKSCC and ChinaClear for the establishment of mutual market access between SEHK and SZSE.

SPSA means a Special Segregated Account, as defined in the rules of CCASS.

SPSA Sell Order has the meaning ascribed to it in Clause 4.3.

SSE means the Shanghai Stock Exchange.

SSE Rules means the rules, operation procedures, regulations, circulars and notices of SSE in respect of the stock listing and trading activities taking place on SSE (including the STAR Market) and the SSE Regulations on the Shanghai Hong Kong Stock Connect Programme which have been published by SSE for the purposes of implementing China Connect, as amended, supplemented, modified and/or varied from time to time.

STAR Eligible Investor means a "professional investor" within the meaning of paragraph (a), (b), (c), (d), (e), (f), (g), (h) or (i) of the definition of "professional investor" in section 1 of Part 1 of Schedule 1 to the SFO or other types of investors that are permitted or approved by the China Connect Authorities to trade STAR Shares through Shanghai Hong Kong Stock Connect.

STAR Market means the SSE Sci-Tech Innovation Board.

STAR Shares means A-Shares accepted for listing and admitted to trading on the STAR Market from time to time.

SZSE means the Shenzhen Stock Exchange.

SZSE Rules means the rules, operation procedures, regulations, circulars and notices of SZSE in respect of the stock listing and trading activities taking place on SZSE (including the ChiNext Board) and the SZSE Regulations on the Shenzhen Hong Kong Stock Connect Programme which have been published by SZSE for the purposes of implementing China Connect, as amended, supplemented, modified and/or varied from time to time.

Taxes means all taxes (including but not limited to any capital gains tax, business tax on capital gains), duties, levies, imposts, charges, assessments, deductions, withholdings and related liabilities, including additions to tax, penalties and interest imposed on or in respect of (i) China Connect Securities, (ii) cash, (iii) any transactions effected under this Addendum or (iv) the Customer.

Trading Day means a day on which SEHK is open for Northbound trading for a) in the case of Shanghai Hong Kong Stock Connect, Hong Kong and Shanghai and (b) in the case of Shenzhen Hong Kong Stock Connect, Hong Kong and Shenzhen), where "**T day**" denotes the Trading Day on which a transaction is executed and "**T+1 day**" denotes (as the case may be) the day which is one Trading Day, or in the context of the settlement of funds, one business day (on which banks in (a) Hong Kong and Shanghai (in the case of Shanghai Hong Kong Stock Connect) or (b) Hong Kong and Shenzhen (in the case of Shenzhen Hong Kong Stock Connect) are generally open for business) after T day.

2. Eligible Investors

- 2.1 The Customer represents and undertakes on a continuing basis, including without limitation on the first date that the terms and conditions of this Addendum are effective and on each date that the Customer places an order or gives an instruction in respect of China Connect Securities under the terms and conditions of this Addendum, that:
- 2.1.1 the Customer is not a Mainland China Resident or an entity incorporated or registered under the laws of Mainland China;
- 2.1.2 if the Customer is a Mainland China Resident, the Customer is using funds lawfully owed by the Customer and located outside Mainland China to make investments in China Connect Securities; or
- 2.1.3 if the Customer is an entity incorporated or registered under the laws of Mainland China, its investment in China Connect Securities has been conducted pursuant to any program (including the Qualified Domestic Institutional Investor Program, if applicable) approved by, or any other approval of, any competent Mainland China regulator.
- 2.2 the Customer's investment in China Connect Securities does not violate the laws and regulations of Mainland China, including those in relation to foreign exchange control and reporting; and
- 2.3 the Customer will trade ChiNext Shares and/or STAR Shares only when the Customer is, and in the case where the Customer is an intermediary offering brokerage trading service for or on behalf of an underlying client or clients, each of such underlying client is, a ChiNext Eligible Investor and/or STAR Eligible Investor.

3. No Day Trade and Naked Short Sell

The Customer acknowledges that day trading order and naked short selling are not permitted under China Connect. The shares purchased by the Customer through China Connect cannot be sold before settlement. CSBHK shall have the discretion and right to reject any day trading, short selling or other orders that it considers to be not in compliance with Applicable Laws.

All trading under China Connect must be conducted on the SSE and/or SZSE (as the case may be) and no over-the-counter or manual trades are allowed.

4. Pre-Trade Checking and SPSA Sell Order

- 4.1 The Customer undertakes that it will comply with any requirements relating to Pre-Trade Checking mandated by the China Connect Authorities, the China Connect Entities or as notified to the Customer by CSBHK. The Customer undertakes to ensure there are sufficient available China Connect Securities in its account with CSBHK or in the relevant SPSA (as applicable) by the applicable cut-off time (as notified to the Customer by CSBHK from time to time) to cover any proposed sell order given on the relevant Trading Day.
- 4.2 Subject to Clause 4.3, if CSBHK considers that the Customer does not for whatever reason have sufficient available China Connect Securities in its account to settle a sell order by the applicable cut-off time (as notified to the Customer by CSBHK from time to time) CSBHK may in its absolute discretion:
- 4.2.1 reject the Customer's sell order (in whole or in part);
- 4.2.2 use any China Connect Securities in the designated CCASS stock account(s) which CSBHK holds for itself or on behalf of its other customers to fulfil the Pre-Trade Checking requirement in respect of the Customer's sell order, in which case the Customer shall reimburse CSBHK for any costs, losses or expenses which CSBHK incurs as a result of buying in or otherwise sourcing the amount of China Connect Securities which the Customer has failed to deliver in respect of the Customer's sell order on such terms and at such price (including any associated fees and expenses) and at such time as CSBHK shall determine in its absolute discretion; or
- 4.2.3 perform any other act which CSBHK considers necessary or desirable to comply with Pre-Trade Checking and/or relevant China Connect Laws or China Connect Rules and to cover the Customer's shortfall (including but not limited to applying any other China Connect Securities available to CSBHK from other sources).
- 4.3 Subject to the requirements in this Addendum and the Terms and Conditions, CSBHK may allow the Customer to place a sell order for China Connect Securities held in an SPSA (such a sell order to be referred to herein as an "**SPSA Sell Order**"), in which case the Pre-Trade Checking shall be carried out in relation to that SPSA. If the SPSA Sell Order is executed, the relevant China Connect Securities will be delivered to CSBHK or the relevant Clearing Participant for settlement.
- 4.4 If CSBHK has consented to the Customer's submission of SPSA Sell Orders, the Customer may instruct CSBHK to execute an SPSA Sell Order in relation to a given SPSA, subject to the following:
- 4.4.1 the Customer must have opened that SPSA with a Custodian Participant in accordance with the rules of CCASS, have been issued an investor identification number in respect of that SPSA, have designated and authorized CSBHK to be an executing broker for that SPSA and have provided such details as CSBHK may from time to time request in relation to that SPSA, including the investor identification number;
- 4.4.2 no SPSA Sell Orders will be accepted for a given SPSA before the effective date of our designation as an executing broker for that SPSA, as determined by HKSCC, the SEHK or the SEHK Subsidiary;

- 4.4.3 any SPSA Sell Order must, at the time it is instructed to the Customer, be designated as an SPSA Sell Order and contain such details (including the relevant investor identification number) and be in such form and manner as may be agreed with CSBHK from time to time; the Customer's failure to do so shall entitle CSBHK to execute the order as a non-SPSA sell order, in which event the requirements of Clause 4.2 shall apply.
- 4.4.4 CSBHK shall be entitled to rely on all information the Customer provides in relation to an SPSA Sell Order, including the investor identification number;
- 4.4.5 CSBHK shall be entitled to assume that the relevant China Connect Securities to be delivered by the Customer (or the Customer's Custodian Participant on its behalf) in settlement of an SPSA Sell Order will be delivered from the same SPSA to which the SPSA Sell Order relates; and
- 4.4.6 the Customer must comply, and procure that the relevant Custodian Participant complies with, any other relevant requirements as may be imposed by HKSCC, the SEHK or the relevant SEHK Subsidiary from time to time.
- 4.5 For avoidance of doubt, CSBHK shall have no obligation to consent to its designation as an executing broker for an SPSA or to continue to provide execution services in relation to SPSA Sell Orders. CSBHK may at any time in its absolute discretion withdraw its consent to execute SPSA Sell Orders in relation to any or all of the Customer's SPSAs.
- 4.6 By instructing CSBHK to execute an SPSA Sell Order, the Customer represents and warrants that:
- 4.6.1 the relevant SPSA is maintained on the Customer's behalf by its Custodian Participant, that the Customer has authorized CSBHK to execute on its behalf the sale of China Connect Securities in that SPSA and that CSBHK is a designated executing broker for that SPSA;
- 4.6.2 there are sufficient China Connect Securities in the specified SPSA and have made arrangements with the relevant Custodian Participant to deliver the relevant China Connect Securities in that SPSA to CSBHK or its Clearing Participant to ensure timely settlement of the SPSA Sell Order, and the Customer understands and acknowledges that if it does not have sufficient China Connect Securities in its SPSA at the time of the Pre-Trade Checking, its SPSA Sell Order may be rejected; and
- 4.6.3 the Customer has authorized the reproduction, replication and transmission of the stock holding records of its SPSA for the purpose of enabling the SEHK and the relevant SEHK Subsidiary to carry out the Pre-Trade Checking.
- 4.7 If for whatever reason there is late, incomplete or failed delivery of China Connect Securities in relation to an SPSA Sell Order the Customer has instructed, the Customer undertakes to:
- 4.7.1 indemnify and hold harmless CSBHK for any costs, losses or expenses CSBHK incurs as a result of the late, incomplete or failed delivery, including but not limited to any costs and taxes associated with buying equivalent China Connect Securities to cover the shortfall, any penalties imposed by any China Connect Authorities, and any financing costs, hedging costs and mark-to-market losses suffered as a result of any China Connect Securities belonging to CSBHK or its other clients being unavailable for sale (whether due to their being "Securities-on-hold" or otherwise) or any China Connect Securities purchased for the account of CSBHK or its other clients not being delivered by the HKSCC to CSBHK as a result;
- 4.7.2 provide, or procure that the relevant Custodian Participant provides, promptly all such information and supporting documents relating to any outstanding or overdue short stock positions as may be required by HKSCC to determine that the outstanding or overdue short stock position is due to the failure of the relevant Custodian Participant to deliver China Connect Securities from the relevant SPSA to CSBHK.
- 4.7.3 procure the delivery of such China Connect Securities to CSBHK as soon as possible, and in any case within such time as is required by CSBHK to enable it to meet its delivery obligations to the HKSCC or to CSBHK's clients; and
- 4.7.4 accept that CSBHK may request the HKSCC to make adjustments to the sellable balance of the Customer's SPSA, which may result in a reduction in the sellable balance of the Customer's SPSA.
- 4.8 The Customer undertakes that (i) without the prior consent of CSBHK, the Customer will not make any change in the status of any SPSA for which CSBHK has been designated as an executing broker, including but not limited to, termination or suspension of that SPSA or deletion of CSBHK as a designated executing broker for that SPSA, and (ii) the Customer will forthwith notify CSBHK of any events or potential events that may lead to such changes.
- 4.9 In addition, CSBHK may in its absolute discretion reject the Customer's sell order (in whole or in part) if for any other reason CSBHK considers that there is or may be non-compliance with any China Connect Laws or China Connect Rules. Any risk, loss or cost resulting from non-compliance or potential non-compliance with Pre-Trade Checking and/or the relevant China Connect Laws or China Connect Rules shall be borne by the Customer.
- 4.10 If the Customer gives any sell order in respect of any China Connect Securities allocated to any fund managed by it, the Customer undertakes to ensure that there are sufficient available China Connect Securities in the Customer's account allocated to such fund by the applicable cut-off time (as notified to the Customer by CSBHK from time to time) to cover any such proposed sell order on the relevant Trading Day. In all cases, it is the Customer's responsibility to ensure that each of the funds managed by the Customer complies with all China Connect Laws and China Connect Rules to which the relevant fund may be subject. Any risk, loss or cost resulting from non-compliance or potential non-compliance with Pre Trade Checking and/or the relevant China Connect Laws or China Connect Rules shall be borne by the Customer.

5. Foreign Shareholding Restrictions

- 5.1 Foreign shareholding restriction is in place and CSBHK shall have the right to “force-sell” the Customer’s shares upon receiving any forced-sale notification (a “Forced-sale Notice”) from China Connect Authorities. Where CSBHK receives Forced-sale Notice from China Connect Authorities or other regulators requiring CSBHK to sell and liquidate any China Connect Securities owned by the Customer, CSBHK shall have the right to request the Customer to sell and liquidate such China Connect Securities within the time period specified by the relevant China Connect Authority. The Customer shall further authorize CSBHK to sell or arrange for the sale of such Securities at such time and on such price and terms as CSBHK determines in its absolute discretion as necessary or desirable to comply with Applicable Laws.
- 5.2 Where China Connect Securities owned by the Customer that are the subject of a Forced-sale Notice have been transferred from the holding of the Clearing Participant that settled the relevant Northbound buy order (the “Original CP”) to another Clearing Participant or custodian (the “Recipient Agent”), the Customer authorises CSBHK to provide instructions to the Recipient Agent on the Customer’s behalf to return the relevant China Connect Securities to the Original CP for sale and liquidation in accordance with all Applicable Laws.

6. Comply with Applicable Laws and Rules

- 6.1 The Customer agrees to comply with all Applicable Laws including but not limited to the SEHK China Connect Rules, SSE Rules, the SZSE Rules and/or other applicable laws of Mainland China relating to Northbound trading.
- 6.2 The Customer agrees to comply and understand fully Mainland China rules and regulations in relation to short-swing profits, disclosure obligations and follow such rules and regulations accordingly. Under Mainland China regulations, the “short swing profit rule” may require the Customer to return any profits made from purchases and sales in respect of China Connect Securities if (a) the Customer’s shareholding in the relevant listed company exceeds the threshold prescribed by the China Connect Authority from time to time and (b) the corresponding purchase and sale transaction occurs within six months (or such other prescribed time). The Customer agrees to comply with all disclosure of interests obligations within the period specified by the relevant China Connect Authorities.

7. Order Cancellation and Rejection

- 7.1 CSBHK shall have the right to cancel the Customer’s orders in case of contingency such as hoisting of Typhoon Signal No 8 in Hong Kong or any other incident beyond the control of CSBHK which may affect order placing or settlement of the transaction. The Customer may not be able to send in the Customer’s order cancellation requests in case of contingency such as when SEHK loses its communication lines with SSE, SZSE and/or other relevant entities and the Customer should still bear the settlement obligations if the orders are matched and executed.
- 7.2 The Customer acknowledges that SEHK may upon SSE’s or SZSE’s request (as the case may be), require CSBHK to reject orders from the Customer. CSBHK, its Affiliates and/or the Relevant Persons will not be liable to the Customer for any orders that have been cancelled or rejected by the SEHK, SSE, SZSE and/or any China Connect Authorities.

8. Disclosure of Customer’s Information/Personal Data

- 8.1 The Customer acknowledges and agrees that the SFC, the SEHK, CSRC, SSE, SZSE or any other Mainland China regulator may from time to time stipulate regulatory requirements for disclosure or securities market supervision, and pursuant to such requirements, CSBHK may be required to disclose the identity, account information (if applicable), personal data and other relevant information and materials relating to the Customer, his/her/its transactions and CSBHK’s services (collectively, “Customer Information”) to such regulators. Notwithstanding anything contained in the Terms and Conditions, the Customer hereby authorizes CSBHK to (1) comply with such disclosure requirements as CSBHK deemed appropriate; and (2) without prior notice to or consent from the Customer, forward any of his/her/its Customer Information to any relevant regulatory bodies.
- 8.2 The Customer also understands and acknowledges that under the new investor identification regime stipulated by the SFC and the SEHK:
- (a) CSBHK is required to assign a unique number (“BCAN”) to each of its Northbound trading clients under the China Connect;
 - (b) each BCAN should be mapped to client identification data (“CID”) of the relevant client; and
 - (c) CSBHK are required to submit the BCAN-CID mappings of all our Northbound trading clients in one file (“BCAN-CID Mapping File”) to the SEHK. The CID file will contain Customer Information of relevant clients.
- 8.3 Further, the Customer acknowledges and agrees that pursuant to the above requirements and when providing trading service under the China Connect (“China Connect Trading Service”) to the Customer, CSBHK will be required to:
- (a) tag each of the Customer’s orders submitted to the CSC (as defined by the Rules of the Exchange) with a BCAN that is unique to the Customer (or in case the relevant client account maintained with CSBHK is a joint account, a BCAN that is assigned to the joint account maintained with CSBHK as appropriate); and
 - (b) provide to the SEHK the BCAN assigned by CSBHK to the Customer and such identification information (i.e. CID) relating to the Customer as the SEHK may request from time to time under the Rules of the Exchange.

Without limiting any notification that CSBHK has given the Customer or any consent that CSBHK have obtained from the Customer in

respect of the use or processing of his/her/its Customer Information, the Customer acknowledges and agrees that CSBHK may collect, store, use, disclose and transfer all such Customer Information as required as part of CSBHK's China Connect Trading Service, including as follows:

- (a) to disclose and transfer the Customer's BCAN and CID to the SEHK and the relevant SEHK Subsidiaries from time to time, including by indicating the Customer's BCAN when inputting a China Connect Order into the CSC, which will be further routed to the relevant China Connect Market Operator (as defined in the Rules of the Exchange) on a real-time basis;
- (b) to allow each of the SEHK and the relevant SEHK Subsidiaries to: (i) collect, use and store the Customer's BCAN, CID and any consolidated, validated and mapped BCANs and CID information provided by the relevant China Connect Clearing House (as defined in the Rules of the Exchange) (in the case of storage, by any of them or via HKEx) for market surveillance and monitoring purposes and enforcement of the Rules of the Exchange; (ii) transfer such information to the relevant China Connect Market Operator (directly or through the relevant China Connect Clearing House) from time to time for the purposes set out in (c) and (d) below; and (iii) disclose such information to the relevant regulators and law enforcement agencies in Hong Kong so as to facilitate the performance of their statutory functions with respect to the Hong Kong financial markets;
- (c) to allow the relevant China Connect Clearing House to: (i) collect, use and store the Customer's BCAN and CID to facilitate the consolidation and validation of BCANs and CID and the mapping of BCANs and CID with its investor identification database, and provide such consolidated, validated and mapped BCANs and CID information to the relevant China Connect Market Operator, the SEHK and the relevant SEHK Subsidiary; (ii) use the Customer's BCAN and CID for the performance of its regulatory functions of securities account management; and (iii) disclose such information to any Mainland regulatory authorities and law enforcement agencies having jurisdiction over it so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the Mainland financial markets; and
- (d) to allow the relevant China Connect Market Operator to: (i) collect, use and store the Customer's BCAN and CID to facilitate their surveillance and monitoring of securities trading on the relevant China Connect Market through the use of the China Connect Service and enforcement of the rules of the relevant China Connect Market Operator; and (ii) disclose such information to any Mainland regulatory authorities and law enforcement agencies so as to facilitate the performance of their regulatory, surveillance and enforcement functions with respect to the Mainland financial markets.

8.4 By instructing CSBHK in respect of any transactions relating to China Connect Securities, the Customer acknowledges and agrees that CSBHK may use his/her/its Customer Information for the purposes of complying with the requirements of the SEHK and its rules as in force from time to time in connection with the Northbound trading. The Customer may withdraw his/her/its consent for the above purposes any time. The Customer also acknowledges that despite any subsequent purported withdrawal of consent by the Customer, his/her/its Customer Information may continue to be stored, used, disclosed, transferred and otherwise processed for the above purposes, whether before or after such purported withdrawal of consent.

8.5 The Customer understands that in case of doubt, the Customer may seek independent professional advice on the requirements of the investor identification regime as highlighted above and their implications.

Consequences of failing to provide Personal Data or Consent

8.6 Failure to provide CSBHK with any Customer Information or consent or withdrawing his/her/its prescribed consent subsequently as described above may mean that CSBHK will not, or no longer be able, as the case may be, to carry out the Customer's trading instructions or provide the Customer with any Northbound trading services.

9. Warning Statements

The Customer acknowledges that SSE and/or SZSE (as the case may be) may request SEHK to require CSBHK to (1) issue warning statements (verbally or in writing) to the Customer and/or (2) cease to provide Northbound trading service to the Customer through China Connect. CSBHK, its Affiliates and/or the Relevant Persons shall not be held liable for its actions or inactions by reasons of following any requests of SSE, SZSE and/or China Connect Authority.

10. No Liabilities of Authorities

The Customer acknowledges and agrees that HKEx, SEHK, SSE, SZSE, their subsidiaries and their respective directors, employees and agents shall not be responsible or held liable for any loss or damage directly or indirectly suffered by CSBHK, the Customer or any third parties arising from or in connection with Northbound trading or any order routing system (including the China Stock Connect System).

11. Settlement

11.1 Northbound trades will follow the settlement cycle of the SSE and/or SZSE (as the case may be). For settlement of China Connect Securities trades, CSDCC will debit or credit the securities accounts of its participants (including HKSCC as clearing participant) on T day free of payment. CSBHK may have settlement arrangements in place different from the CSDCC settlement arrangements. Unless CSBHK agrees to prefund or other settlement arrangements, settlement of funds relating to such trading will be effected on T+1 day. In the event that the CSBHK is required to settle funds with the Customer prior to CSBHK receiving the corresponding funds from HKSCC in settlement of a trade on the Customer's behalf, CSBHK agrees that such funds shall be treated as a loan by CSBHK to the Customer which shall be repayable, in whole or in

part, within 2 hours of demand or such shorter period of time] as CSBHK may in its absolute discretion determine and shall be secured and bear interest at such rate(s) determined by CSBHK to be applicable from time to time.

- 11.2 By placing an SPSA Sell Order, the Customer authorises CSBHK to give such instructions and information relating to the SPSA Sell Order (including the investor identification number) to its Custodian Participant and its affiliates as may be necessary or desirable to procure timely settlement of any resulting transaction, and the Customer agrees to be bound by such resulting transaction and to settle such transaction in a timely manner, without further confirmation from the Customer to CSBHK or the Customer's custodian prior to settlement. The Customer agrees that it will not modify the settlement arrangements for an SPSA Sell Order after CSBHK has executed such SPSA Sell Order.
- 11.3 The Customer agrees that in the event that an order (including an SPSA Sell Order) results in a transaction which is not settled in a timely manner, CSBHK shall have the right to immediately and without prior notice to the Customer take such action as CSBHK considers appropriate to reduce or eliminate any loss or liability that CSBHK suffers or may suffer (including but not limited to taking any steps to sell, realize, dispose of or otherwise deal with the relevant China Connect Securities) and that the Customer shall indemnify and hold CSBHK harmless for any liabilities, expenses or other losses CSBHK may incur in exercising the foregoing right. The Customer agrees that CSBHK shall have no liability to the Customer for any loss, diminution in value or other damages whatsoever for any action or inaction of CSBHK or its agents pursuant to this Clause.
- 11.4 Notwithstanding any provisions in the Terms and Conditions and this Addendum, where CSBHK determines that there is insufficient liquidity in RMB to settle any buy orders, CSBHK may, in its sole and absolute discretion, reject the Customer's instructions to place such buy order.

12. Taxation

The Customer will be fully responsible for any Taxes in respect of China Connect Securities under China Connect, including without limitation, any capital gains tax (if any) or other Hong Kong and/or Mainland China taxes. If any Taxes becomes payable in respect of the Customer's order or account, CSBHK may withhold or deduct the relevant amount from the Customer's account and the Customer shall be liable for any shortfall. The Customer will indemnify CSBHK, its Affiliates and the Relevant Persons from and against all Taxes which CSBHK, its Affiliates or the Relevant Persons may incur in connection with any China Connect Securities which the Customer holds or trades or otherwise deal in. The Customer should consult his/her own tax advisers and counsels with respect to the possible tax consequences of trading through China Connect.

13. Risks in relation to Northbound Trading

The Customer accepts the risks concerned in Northbound trading and China Connect, including but not limited to prohibition of trading China Connect Securities, being liable or responsible for breaching any Applicable Laws. The Customer shall read, understand and accept the Disclosure of Specific Risk relating to China Connect contained in Appendix 1.

14. Termination

Clauses 5 (Foreign Shareholding Restrictions), 6 (Comply with Applicable Laws and Rules), 8 (Investigation and Disclosure of Customer's Information), 9 (Warning Statements), 10 (No Liabilities of Authorities), 12 (Taxation), 13 (Risks in relation to Northbound Trading), 14 (Currency Conversion) and 15 (Fees and Liabilities) shall survive termination of this Addendum and/or the Terms and Conditions.

15. Currency Conversion

If there are insufficient Renminbi funds in the Customer's account to settle a Northbound buy order or any other payment obligations at the time the order is placed, the Customer authorises CSBHK to convert on the Customer's behalf any funds in another currency into Renminbi for the purposes of settlement thereof. Such currency conversion may be carried out automatically by CSBHK without prior notice to the Customer and at such rates reasonably determined by CSBHK. Any risk, loss or cost resulting from any conversion of one currency into another currency pursuant to this Addendum shall be borne by the Customer. If there are insufficient Renminbi funds in the Customer's account, it is possible that the purchase or settlement may be delayed or fail and the Customer may not acquire title to, sell or transfer the relevant China Connect Securities.

16. Fees and Liabilities

The Customer shall be responsible for all trading fees and costs in relation to the Customer's China Connect trading (including all fees and costs in relation to any margin facility granted to the Customer). The Customer will indemnify CSBHK, its Affiliates and the Relevant Persons on a full indemnity basis against any claims, demands, actions, proceedings, damages, costs, expenses, losses and all other liabilities whatsoever arising directly or indirectly from CSBHK providing any services to the Customer in respect of this Addendum, including without limitation, any expenses and costs (including legal costs) which CSBHK, its Affiliates and the Relevant persons may incur in connection with any instructions given by the Customer and/or any China Stock Connect Authorities.

17. Governing Laws

This Addendum shall be governed by and construed in accordance with the laws of Hong Kong. The Customer hereby submits to the non-exclusive jurisdiction of the Courts of Hong Kong.

Appendix 1

Disclosure of Specific Risk relating to China Connect (Supplementary Risk Disclosure Statement to the Terms and Conditions for Securities Trading)

1. Not protected by Investor Compensation Fund

The Customer should note that any Northbound or Southbound trading under China Stock Connect will not be covered by Hong Kong's Investor Compensation Fund. As far as Hong Kong investors participating in Northbound trading are concerned, since they are carrying out Northbound trading through securities brokers in Hong Kong and these brokers are not Mainland China brokers, they are not protected by China Securities Investor Protection Fund on Mainland China.

2. Short selling

In investing in A-share via the Northbound trading, Hong Kong and overseas investors are prohibited from naked short selling in A-shares. In selling A-shares via the Northbound trading, Hong Kong and overseas investors are not allowed to participate in any securities lending on Mainland China.

3. Quotas Restrictions

Purchases of China Connect Securities through China Connect are subject to certain quota controls as described below. As a result, there is no assurance that a buy order can be successfully placed through China Connect. There is a daily quota that limits the maximum value of all Northbound buy trades that can be executed by Exchange Participants on each Trading Day ("Daily Quota"). The Daily Quota may change from time to time without prior notice and investors are advised to refer to the HKEx website and other information published by the HKEx for up-to-date information. The SEHK and the SSE and/or SZSE (as the case may be) may also set pricing and other restrictions on buy orders in order to prevent the artificial use or filling of the Daily Quota. If there is a restriction, rejection or suspension of Northbound buying (which would include any order that has been accepted but not yet executed) as a result of a breach of the Daily Quota or the relevant pricing and other restrictions, CSBHK will be unable to carry out any buy orders and any instruction to buy submitted but not yet executed will be restricted or rejected. Conversely, under the SEHK rules, investors may sell their China Connect Securities regardless of whether there is a breach of the Daily Quota.

4. Difference in trading day and trading hours

The Customer should note that, due to differences in public holiday between Hong Kong and Mainland China or other reasons such as bad weather conditions, there may be difference in trading days and trading hours in the two markets. China Connect will only operate on days when both markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland China market but Hong Kong investors cannot carry out any A-share trading. The Customer should take note of the days and the hours which China Connect is open for business and decide according to their own risk tolerance capability whether or not to take on the risk of price fluctuations in A-shares during the time when China Connect is not trading.

5. Restrictions on selling imposed by front-end monitoring

For Customers who keeps their A-shares outside of CSBHK, if they want to sell certain A-shares they hold, they must transfer those A-shares to the respective accounts of CSBHK before the market opens on the day of selling (T day). If they fail to meet this deadline, they will not be able to sell those A-shares on T day.

6. The recalling of eligible stocks and trading restrictions

A stock may be recalled from the scope of eligible stocks for trading via China Connect for various reasons, and in such event the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the Customer. The Customer should therefore pay close attention to the list of eligible stocks as provided and renewed from time to time by SSE, SZSE and SEHK.

Under China Connect, the Customer will only be allowed to sell A-share but restricted from further buying if: (i) the A-share subsequently ceases to be a constituent stock of the relevant indices; (ii) the A-share is subsequently under "risk alert"; and/or (iii) the corresponding H share of the A-share subsequently ceases to be traded on SEHK. The Customer should also note that price fluctuation limit would be applicable to A-shares.

7. Trading costs

In addition to paying trading fees and stamp duties in connection with A-share trading, the Customer carrying out Northbound trading via China Connect should also take note of any new portfolio fees, dividend tax and tax concerned with income arising from stock transfers which would be determined by the relevant authorities.

8. Local market rules, foreign shareholding restrictions and disclosure obligations

Under China Connect, A-shares listed companies and trading of A-share are subject to market rules and disclosure requirements of the A-share market. Any changes in laws, regulations and policies of the A-share market or rules in relation to China Connect may affect share prices. The Customer should also take note of the foreign shareholding restrictions and disclosure obligations applicable to A-shares.

The Customer will be subject to restrictions on trading (including restriction on retention of proceeds) in A-shares as a result of its interest in the A-shares. The Customer is solely responsible for compliance with all notifications, reports and relevant requirements in connection with its interests in A-shares.

Under the current Mainland China rules, once an investor holds or controls shares (on an aggregate basis, i.e., including both domestically and overseas issued shares of the same Mainland China Listco (as defined below), whether the relevant holdings are through Northbound trading, QFII/RQFII regime or other investment channels) in a Mainland China incorporated company which is listed on a Mainland China stock exchange (a “Mainland China Listco”) above a certain threshold as may be specified from time to time by the relevant China Connect Authorities, the investor is required to disclose his interest within the period specified by the relevant China Connect Authorities and during which he cannot trade the shares of that company. The investor is also required to disclose any change in his shareholding and comply with related trading restrictions in accordance with the Mainland China rules.

Where a Mainland China incorporated company has both H Shares listed on the SEHK and A-Shares listed on the SSE and/or SZSE (as the case may be), if an investor is interested in more than a certain threshold (as may be specified from time to time) of any class of voting shares (including A-Shares purchased through China Connect) in such Mainland China incorporated company, the investor is under a duty of disclosure pursuant to Part XV of the SFO. Part XV of the SFO does not apply where the Mainland China incorporated company has not listed any shares on the SEHK. It shall be the Customer’s responsibility to comply with any disclosure of interest rules from time to time imposed by the relevant China Connect Authorities and arrange for any relevant filings. According to existing Mainland China practices, Hong Kong and overseas investors as beneficial owners of A-shares traded via China Connect cannot appoint proxies to attend shareholders’ meetings on their behalf.

9. Currency risks

Northbound investments in the China Connect securities will be traded and settled in Renmibi. If the Customer holds a local currency other than RMB, the Customer will be exposed to currency risk if the Customer invests in a RMB product due to the need for the conversion of the local currency into RMB. During the conversion, the Customer will also incur currency conversion costs. Even if the price of the RMB asset remains the same when the Customer purchases it and when the Customer redeems / sells it, the Customer will still incur a loss when the Customer converts the redemption / sale proceeds into local currency if RMB has depreciated.

10. Pre-Trade Checking

SEHK is required to check all the Northbound sell orders either (i) on the stock account(s) at the Exchange Participant level or (ii) if the Customer has opened a SPSA with one or more Custodian Participants, on the relevant SPSA, to ensure there is no overselling in excess of the stock holding in the relevant account. Such Pre-Trade Checking will be carried prior to the start of each Trading Day.

For a client who places an SPSA Sell Order, the abovementioned Pre-Trade Checking will be carried out on the relevant SPSA. HKSCC will determine the number of China Connect Securities in each SPSA prior to the start of each Trading Day, which will serve as the limit for the amount of sell orders that may be executed in relation to each SPSA for that day. If there has been a failure (for whatever reason) to deliver China Connect Securities from the SPSA to settle a sell order, HKSCC may deduct those China Connect Securities from the balance of China Connect Securities available for selling from that SPSA on subsequent Trading Days, notwithstanding the actual China Connect Securities balance of that SPSA.

Accordingly, the Customer may be unable to execute Northbound sell orders due to Pre-Trade Checking related requirements. Please refer to the provisions set out in Clause 4 of this Addendum. Note in particular that the Customer may be unable to execute a sell order of China Connect Securities if (i) there has been a delay or failure for whatever reason in the transfer of the relevant China Connect Securities to any clearing account of CSBHK or (ii) (in respect of an SPSA Sell Order) there is not sufficient China Connect Securities in the relevant SPSA, even if the Customer has additional China Connect Securities in another SPSA, if for any other reason CSBHK considers that there is or may be non-compliance with any China Connect Laws or China Connect Rules. Any risk, loss or cost resulting from non-compliance or potential non-compliance with Pre Trade Checking and/or the relevant China Connect Laws or China Connect Rules shall be borne by the Customer.

Furthermore, CSBHK may act as executing broker for other clients in addition to the Customer in relation to the China Connect Securities. If any other such client fails to deliver sufficient China Connect Securities to CSBHK or its Clearing Participant to ensure timely settlement of that client’s SPSA Sell Order, CSBHK or its Clearing Participant may have an overdue short stock position in the relevant China Connect Securities, resulting in all of CSBHK’s settlement instructions in CCASS for delivery the same China Connect Securities to be put on hold by HKSCC pending resolution of the shortfall. While such settlement instructions are placed on hold, there may be a delivery failure in respect of the Customer’s SPSA Sell Orders in respect of the same China Connect Securities.

11. Company Announcements on Corporate Actions

Any corporate action in respect of China Connect Securities will be announced by the relevant issuer through the SSE website and/or SZSE website (as the case may be) and certain appointed newspapers. HKSCC will also record all corporate actions relating to China Connect Securities in CCASS and inform its clearing participants of the details via the CCASS terminals as soon as practicable on the announcement date. Investors engaged in Northbound trading may refer to the SSE website and/or the SZSE website (as the case may be) and the newspapers and websites officially appointed from time to time or, alternatively, the HKEx website’s China Stock Markets Web (or such other replacement or successor web page from time to time) for corporate actions in respect of China Connect Securities issued on the previous Trading Day. Investors should note that (i) issuers that are listed on the China Connect Markets publish corporate documents in simplified Chinese only, and English translations will not be available and (ii) issuers listed on the ChiNext Board are required to publish certain corporate announcements on their corporate websites and the officially appointed websites only.

In addition, HKSCC will endeavour to collect and distribute cash dividends relating to China Connect Securities to clearing participants in a timely manner. Upon receipt of the dividend amount, HKSCC will to the extent practicable arrange to distribute to relevant clearing participants on the same day.

Unlike the current practice in Hong Kong in respect of SEHK-listed shares, investors engaged in Northbound trading may not be able to attend shareholder meetings by proxy or in person.

CSBHK does not and cannot ensure the accuracy, reliability or timeliness of any company announcements of corporate actions and neither CSBHK, its Affiliates nor any Relevant Persons accept any liability (whether in tort or contract or otherwise) for any loss or damage arising from any errors, inaccuracies, delays or omissions or any actions taken in reliance thereon. CSBHK expressly disclaims all warranties, expressed or implied, as to the accuracy of any company announcement or as to the fitness of the information for any purpose.

12. ChiNext Shares

ChiNext Shares involve a high investment risk. In particular, profitability and other financial requirements for listing on the ChiNext Board are less stringent than the Main Board and the SME Board of the SZSE. The Customer should make the decision to invest only after due and careful consideration.

Companies listed on the ChiNext Board may include enterprises in the innovation and technology sector as well as other start-up and/or growth enterprises with smaller operating scale and share capital. Stock prices may also be more susceptible to manipulation due to fewer circulating shares. Accordingly, the ChiNext Shares may be very volatile and illiquid. In addition, current information on such companies may be limited and may not be widely available. It may be more common and easier for companies listed on the ChiNext Board to be delisted. The ChiNext Shares may become very illiquid after delisting. The Customer may suffer a total loss of its investment in the event of a delisting. The Customer should seek independent professional advice if it is uncertain of or have not understood any aspect of this Annex or the nature and risks involved in trading of ChiNext Shares. The above may not cover all risks related to China Connect and any above mentioned laws, rules and regulations are subject to changes.

13. Margin Trading

Subject to certain conditions prescribed by the China Connect Authorities, Hong Kong and overseas investors may conduct margin trading in China Connect Securities determined by the relevant China Connect Authorities to be eligible for margin trading (“**Eligible Margin Trading Securities**”). The HKEx will from time to time publish a list of Eligible Margin Trading Securities. A China Connect Market may suspend margin trading activities in any specific A Share if the volume of margin trading activities in such A Share exceeds a threshold determined by such China Connect Market and resume margin trading activities when the volume of margin trading drops below a prescribed threshold. Where the SEHK is notified by the relevant China Connect Market that a suspension or resumption involves a security on the list of Eligible Margin Trading Securities, the HKEx will disclose such information on its website. In such circumstances, any margin trading (except for margin trading in respect of China Connect Securities buy orders) in the relevant China Connect Security shall be suspended and/or resumed accordingly. Notwithstanding any provisions in the Terms and Conditions and this Addendum and subject to Applicable Laws and Regulations, the Margin Trading Facilities of any Eligible Margin Trading Securities shall be determined and revised from time to time by CSBHK in its sole and absolute discretion. The relevant China Connect Market reserves the right to acquire at some future date for margin trading orders to be flagged when routed to China Connect. Neither CSBHK nor the Relevant Persons shall have any obligation to update the Customer in respect of the list of Eligible Margin Trading Securities or any restrictions or suspensions in respect of margin trading from time to time.

14. STAR Shares

Below are some additional risks associated with STAR Shares and these are not exhaustive. You should also refer to the standard Risk Disclosure Statement in the Investor Eligibility Implementing Measure of STAR Market (上海證券交易所科創板股票交易風險揭示書必備條款), as amended, supplemented or updated from time to time.

Regulatory Risks

The rules and guidance on listing, trading, disclosure and other matters of the STAR Market vary much from those of the SSE main board. For example, on the listing requirements, lower net profit and revenue requirements will apply for company seeking IPO and listing on the STAR Market. Different trading arrangements will apply for the trading of companies listed on the STAR Market (the “STAR companies”), such as daily price limit, minimum order size and maximum order size. For details of the listing requirements and the trading arrangements of the STAR Market and the SSE main board, please visit SSE website.

Delisting Risks

The delisting standards of the STAR Market are different from those of the SSE main board. There are more situations that will lead to the delisting of STAR companies. STAR companies have greater exposure to the risk of being delisted, and such delisting process may be speeded up.

Operating Risks

STAR companies are generally in an early stage of development and have a shorter history. They are usually smaller in scale, have less stable operations, and are less resilient against market risks and industry risks. Although they may have higher growth potential and leverage more on technical innovations, their future performance particularly those without a profit track record is susceptible to great uncertainty.

High Share Price Volatility

The share prices of STAR companies may fluctuate largely and frequently due to changing market conditions, investor speculations, inconsistent financial results, etc. The unstable financial result also adds the difficulty to the company valuations.

Technical Risks

There is higher degree of uncertainty whether a STAR company is able to convert its technical innovations into physical products or services. When the industry is experiencing rapid technological development and replacement, its product may be obsolete and may not survive in the market.

The Customer should seek independent professional advice if you are uncertain of or have not understood any aspect of this Annex, the nature and risks involved in trading of ChiNext Shares and/or STAR Shares.