

Risk disclosure regarding the use of Qzhitou's robo-advisory service

Before using Qzhitou robo-advisory service, client should read carefully and understand fully the risks associated with such service, including, but not limited to those described in this document.

1. Client should fully understand that Qzhitou provides an innovative service model that assists clients in developing their investment strategies, and the investment advice provided by Qzhitou through the Internet involves Exchange Traded Funds (ETFs). Regardless of whether the client eventually adopts the investment advice provided by this service or not, the client should generally make independent decisions on his investment strategies and be solely held accountable to the risks involved with his/her decisions. The risks associated with the trading of ETFs include, but are not limited to the following:
 - (1) Market risk: ETFs are typically designed to track the performance of certain indices, market sectors, or groups of assets such as stocks, bonds, or commodities. Investors must be prepared to bear the risk of loss and volatility associated with the underlying index/assets.
 - (2) Tracking error: Tracking errors refer to the disparity in the performance between an ETF and its underlying index/assets. Tracking errors can arise due to factors such as the impact of transaction fees and expenses incurred on the ETF, changes in composition of the underlying index/assets, and the ETF manager's replication strategy.
 - (3) Trading at discount or premium: An ETF may be traded at a discount or premium to its Net Asset Value (NAV). This price discrepancy is caused by supply and demand factors, and may be particularly likely to emerge during periods of high market volatility and uncertainty. If an ETF was bought at a premium, investors may still incur a loss even if the NAV of that ETF has increased at the time of sale. If the ETF stopped trading, investors may not be able to recover the investment amount.
 - (4) Foreign exchange risk: Investors trading ETFs with underlying assets denominated in US dollars are exposed to exchange rate risk. Currency rate fluctuations can adversely affect the underlying asset value and the ETF price.
 - (5) Liquidity risk: Securities Market Makers (SMMs) are Exchange Participants that provide liquidity to facilitate trading in ETFs. Although most ETFs are supported by one or more SMMs, there is no assurance that active trading will be maintained.

There may be events whereby investors will not be able to buy or sell securities, or find that a security is trading at a discount or premium to its NAV.

- (6) Counterparty risk: ETFs using a synthetic replication strategy may use derivative instruments to synthetically replicate the economic benefit of the relevant benchmark. Derivative embedded ETFs are subject to counterparty risk of the derivative instruments' issuers and may suffer losses if such issuers defaulted or failed to honour their contractual commitments. Although some synthetic replication ETFs require counterparties to post collaterals, this does not eliminate counterparty risk as it still depends on the collateral provider to fulfill his obligations.
 - (7) Collateral risk: There is a further risk that when the right against the collateral is exercised, the market value of the collateral could be substantially less than the price of the index tracked by the ETF.
- 2. The investment advice provided by Qzhitou is exclusive and time-sensitive and cannot represent or imply long-term effectiveness in any market environment.
 - 3. The investment advice provided by Qzhitou does not guarantee principal and interests. Investing in securities or financial products have inherent loss probability. Historical statistics can neither guarantee future returns nor performance. Clients should not expect profits or no losses incurred especially during market downturns. It is important that clients have reasonable understanding and familiarity with the risks involved in the securities transactions. Before using Qzhitou, clients should make prudent decisions on investment goals and amounts based on individual's actual financial status, investment experiences and needs, sector and geographical preferences, as well as risk tolerance level. Qzhitou shall assess client's risk profile based on the information provided by the client, and proceed with suitable investment advisory service. Clients are responsible for the authenticity of the information provided.
 - 4. Qzhitou uses public information, which may not always be reliable or accurate. Client should take this into account when making investment decisions. Qzhitou is not responsible for ensuring the reliability and accuracy of public information.
 - 5. All the trading activities are executed by Qzhitou's partner securities broker, Interactive Brokers LLC. All trading activities executed for or on behalf of clients are subjected to the U.S. stock exchange rules, regulations, practices, central settlements and settlement system rules, as well as all relevant U.S. legislation.
 - 6. Our service may be affected by unforeseeable events such as system downtime,

interruption, or breakdown, and policy changes.

7. Based on our service advice or to cater to market changes, the actual trading price and volume of securities may differ from the recommended theoretical trading price and volume. Qzhitou cannot guarantee that all trades are executed at the best possible market prices.
8. Qzhitou can help clients choose investment instruments and prompt clients to rebalance their portfolios. The effectiveness of our algorithm-based model may be adversely affected by multiple market elements, or lead to investment losses.
9. Client is responsible for ensuring the integrity and security of his passwords and accounts. Sensitive information such as passwords should not be disclosed to any third-party. Qzhitou is not liable for the risks associated with such disclosure of sensitive information.
10. Given that mobile devices may be used to access Qzhitou services via the Internet, Qzhitou has taken all reasonable measures to ensure information is secure and service process is smooth. Despite this, clients should take note of the risks below, including but not limited to:
 - (1) Any Internet data transmission breakdown, interruption or delay may result in the service being interrupted, information transmission delay and/or data error, etc.;
 - (2) Accounts and passwords may be disclosed or identity may be fabricated due to client's negligence;
 - (3) Incidents such as cyberattacks, network server breakdown or viral infection may cause the information transmitted to be wrong, delayed or the service to be disrupted;
 - (4) Service may be disrupted due to the incompatibility of mobile devices or software system;
 - (5) Service may be disrupted due to client's inappropriate use of the system;
 - (6) Service may be disrupted due to communication network error that is not caused by Qzhitou; and
 - (7) Service may be temporarily unavailable during system maintenance, upgrade, or

when the stock exchange is closed.

11. For reporting of any misbehavior or misconduct of Qzhitou employees, such as illegal disclosure of client's information or engaging in related-party transactions, please contact the compliance team at compliance@qzhitou.com.

12. Please feel free to contact Qzhitou customer service team for any comments or suggestions regarding the service. Contact details are as follows:

Customer service hotline: 4008-956-986

Email: cs@qzhitou.com

13. Fees

A. Stock exchange and securities brokerage fees

- (1) Investors shall be aware that all the trades conducted through the Stock Exchange are subjected to fees as prescribed by the Exchange. The Exchange has authorized its members to collect fees on its behalf, and the rules regarding fee collection are made available by the Exchange.
- (2) Qzhitou's partner securities broker, Interactive Brokers LLC, will collect brokerage fees for every trade it executes. Details on the fee structure can be found on Interactive Brokers's website www.interactivebrokers.com.

B. Qzhitou robo-advisory service

- (1) When using Qzhitou robo-advisory service, except for the fees prescribed in clause 16(A) above, the following fees are paid to Qzhitou as part of the Qzhitou robo-advisory service fees. The Advisory Fee will be calculated on a daily cumulative basis as soon as the Client confirms to execute the suggested portfolios for the first time. The Client shall pay the Advisory Fee within the first week of next month, and such payable Advisory Fee shall be deducted from the Client's Account balance. If the Client requires to withdraw all the funds on the Account or terminate the Account within a month, the Advisory Fee will be deducted by when the funds are transferred from the Account or the closing process is completed.
- (2) the fee schedule is published on the Qzhitou website at www.qzhitou.com and MRGL may change the fee at any time by giving 30 days' prior written notice.

Before using Qzhitou robo-advisory service, clients should read carefully and understand fully the Risk Disclosure clauses. By proceeding to use Qzhitou robo-advisory service, investors agree to be held responsible for any investment risks involved. By no means will Qzhitou guarantee investors that no losses will be incurred or profits will be made.

Qzhitou reserves all the final rights to amend or explain the Risk Disclosure clauses. Any amendments related to this document will be published on Qzhitou's official website.