RISK DISCLOSURE STATEMENT

Blue Box Securities Limited

SFC Central Entity (CE) Number: **BTY375**

Version 2026-11

> This Risk Disclosure Statement forms part of the Client Agreement between the Client and Blue Box Securities Limited and contains the risk disclosure statements required by Schedule 1 to the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**Code**") that are applicable to the Client's expected or actual activity, together with the additional risk disclosure provided by BBS.

If BBS makes available to the Client any further service to which an additional statement in Schedule 1 to the Code applies, that statement will be provided to the Client before the service is used.

EXPLANATION

E1. This statement should be read in conjunction with the Terms and Conditions and the Account Opening Form. It should be given to the Client in a language of the Client's choice (English or Chinese), and should be printed in print at least as large as other text in the Client Agreement.

E2. The substance contained in the risk disclosure statements below is considered to be the minimum required by the Code. BBS may provide additional risk disclosure information as appropriate.

E3. The risks described below are not exhaustive. Securities trading involves risk, and the Client may lose money. The Client should seek independent professional advice if it is uncertain about, or does not understand, any aspect of this statement or the nature and risks involved.

PART A — APPLICABLE RISK DISCLOSURE STATEMENTS

The following statements are applicable to the services currently provided by BBS in respect of the Account and shall be given to every Client.

A1. Risk of securities trading

> The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities.

A2. Risks of client assets received or held outside Hong Kong

> Client assets received or held by the licensed or registered person outside Hong Kong are subject to the applicable laws and regulations of the relevant overseas jurisdiction which may be different from the Securities and Futures Ordinance (Cap. 571) and the rules made thereunder. Consequently, such client assets may not enjoy the same protection as that conferred on client assets received or held in Hong Kong.

A3. Risks of cross-border and cross-market trading (additional disclosure by BBS)

> BBS may make available to the Client markets outside Hong Kong, including through a cross-border access, quota, registration or connectivity arrangement operated by a relevant authority or market. Trading in Securities on a market outside Hong Kong, and holding Securities or money through an intermediary in that market, involve risks that differ from, and may be greater than, those of trading in Hong Kong. In particular: (a) the legal and regulatory regime, the investor protection and compensation

arrangements, and the treatment of client assets on insolvency in that market may differ from those in Hong Kong, and client assets may not enjoy the same protection as assets received or held in Hong Kong; (b) the Client's Securities may be held in an omnibus or nominee account through one or more intermediaries, so that the Client's individual entitlements may not be separately identified and may be subject to a shortfall or to the claims of an intermediary's creditors; (c) the Client's eligibility to use, and BBS's ability to provide, the market or arrangement may be limited, suspended or withdrawn at any time, and the Client may be required to close out positions or to transfer Securities to another intermediary; (d) trading hours, price limits, suspension and delisting rules, settlement cycles and practices, and the currencies accepted in that market may differ from those in Hong Kong, and settlement and counterparty risk may be greater; (e) exchange controls, repatriation restrictions, restrictions on foreign ownership or on the remittance of funds, and changes in those restrictions, may prevent or delay the Client from funding the Account, settling a Transaction or repatriating proceeds; and (f) the Client may be subject to tax, reporting or registration obligations in that market, including withholding tax, and BBS does not provide tax advice; (g) the Account may be denominated in a currency different from the currency of the relevant market or of the Securities traded, and movements in exchange rates may increase losses or reduce gains, any currency conversion being effected at BBS's prevailing rate so that the exchange rate risk is borne by the Client; and (h) off-exchange trading and transfers are generally prohibited in certain markets, so that an erroneous, disputed or unauthorised Transaction may not be capable of being unwound, and the Client may have to bear the economic consequences of such a Transaction. The Client should obtain independent professional advice before trading in any market outside Hong Kong.

A4. Execution-only account: no advice, no monitoring and the Client's own responsibility

BBS provides its services on an execution-only basis. Except where BBS has expressly agreed in writing to provide advice, or where the Code requires otherwise, BBS does not advise on the merits of any Transaction, does not monitor the Account or any position, and is not required to alert the Client to any matter, including any deadline, entitlement, settlement obligation or adverse market movement. The Client is solely responsible for determining whether each Transaction is suitable in the light of its own financial situation, investment experience and investment objectives, for monitoring its positions and for meeting its obligations. No employee, representative or agent of BBS is authorised to give any assurance as to the performance of any Security, and any such statement should not be relied upon. Past performance is not indicative of future performance, and nothing in this statement constitutes a guarantee of any return or of the repayment of any capital.

PART B — CONDITIONAL RISK DISCLOSURE STATEMENTS

The following statement applies where the Client's expected or actual activity includes dealing in GEM stocks. If any further conditional statement in Schedule 1 to the Code becomes applicable to the Client, it will be provided to the Client before the relevant service is used.

B1. Risk of trading Growth Enterprise Market stocks

> Growth Enterprise Market (GEM) stocks involve a high investment risk. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. GEM stocks may be very volatile and illiquid. You should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors. Current information on GEM stocks may only be found on the internet website operated by The Stock Exchange of Hong Kong Limited. GEM Companies are usually not required to issue paid announcements in gazetted newspapers. You should seek independent professional advice if you are uncertain of or have not understood any aspect of this risk disclosure statement or the nature and risks involved in trading of GEM stocks.

SIGNATURE REQUIREMENTS

The declaration by staff and the acknowledgement by client required by Schedule 1 to the Code of Conduct are set out in the section of the Account Opening Form headed "Client Agreement, Incorporated Documents and Risk Disclosure Acknowledgement", which forms part of the Client Agreement. No separate signature is required on this Risk Disclosure Statement.

This Statement is issued to Individual Professional Investors, and to Corporate Professional Investors in respect of whom BBS has not complied with paragraph 15.3A of the Code, each of whom signs the acknowledgement in the Account Opening Form. Where the Client is an Institutional Professional Investor, or a Corporate Professional Investor in respect of whom BBS has complied with paragraphs 15.3A and 15.3B of the Code, the requirement to enter into a written client agreement and to provide the risk disclosure statements is exempt under paragraph 15.4 of the Code, and no acknowledgement is required in any event.

LANGUAGE OF ISSUE

This Risk Disclosure Statement was issued to the Client in: ☐ English ☐ Chinese

— End of Risk Disclosure Statement —