

Date 日期：_____

To：Telecom King Securities Limited

致：電訊數碼證券有限公司

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Assessment of client's knowledge on derivative products 評估客戶對衍生產品的認識

Client Name

客戶名稱：

Account No.

帳戶號碼：

Trading of exchange-traded derivative products(Note) involves high risks and is not suitable for every investor. Investors should understand the related risks before trading in derivative products.

買賣交易所買賣之衍生產品(註)涉及高風險，並非每個投資者皆適合。投資者買賣衍生產品前必須清楚明白有關的風險。

According to the requirement of paragraph 5.1A of the 《Code of Conduct》 issued by the Securities and Futures Commission, a licensed or registered person (including Telecom King Securities Limited) should assess the client's knowledge of derivatives and characterize the client based on his/her knowledge of derivatives. The following is the criteria for assessing a client's knowledge of derivative products.

根據證券及期貨事務監察委員會《操守準則》第 5.1A 段的規定，持牌人或註冊人(包括電訊數碼證券有限公司)應評估客戶對衍生工具的認識，並根據客戶對衍生工具的認識將客戶分類。

以下是評估客戶是否對衍生產品有認識的準則：-

評估客戶對衍生產品的認識 Assessment of client's knowledge on derivative products	Warrants/CBBC 認股權證/牛熊證	Futures/Options 期貨/期權	Exchange-traded Fund 交易所買賣基金	Inline Warrants 界內證	Leveraged and inverse products 槓桿及反向產 品	Virtual asset and virtual asset-related products 虛擬資產或虛擬資產 相關產品
*1.本人曾在最近三年內買賣過五次或以上有關衍生產品的交易(不論是否在交易所買賣) I/We have executed five or more transactions in any derivative product (whether traded on an exchange or not), nearest the past three years.	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes
*2.本人曾接受有關衍生產品的培訓或修讀相關課程 I/We have undergone training or attended courses on derivative products	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes
*3.本人現時或過去與衍生產品有關的工作經驗 I/We have current or previous work experience related to derivative products.	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes	<input type="checkbox"/> 無 No <input type="checkbox"/> 有 Yes

If corporate client, please provide the following data 如是公司客戶，請提供以下資料：-

Name(s) of responsible person(s) for making investment decisions

負責投資決定人士之姓名：_____

Confirmation by client 客戶確認：

I/We **wish** to trade exchange-traded derivative products and accept to bear the relevant potential risks associated with the derivative products.

本人/吾等**有意**買賣在交易所買賣之衍生產品，並同意承擔衍生產品所附帶的相關潛在風險。

I/We **do not wish** to trade exchange-traded derivative products.

本人/吾等**無意**買賣在交易所買賣之衍生產品。

Client's Signature(s)客戶簽署

Note：Exchange-traded derivative products include but are not limited to derivative warrants, callable bull/bear contracts, synthetic exchange-traded funds, Leveraged and inverse products, Inline Warrants, Virtual asset spot/ futures ETF etc.

註：交易所買賣之衍生產品包括但不限於衍生權證、牛熊證、合成交易所買賣基金、槓桿及反向產品、界內證、虛擬資產現貨或期貨 ETF 等。

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	Handled by	Specimen Checked	Input by	Data Checked	Approved by	Compliance
Initial						
Date						

Risk Disclosure Statement for Derivative Products 衍生產品之風險披露聲明

Trading of exchange-traded derivative products involves high risks and is not suitable for every investor. Investors should understand and consider the following risks before trading in derivative products.
買賣交易所買賣之衍生產品涉及高風險，並非每個投資者皆適合。投資者買賣衍生產品前必須清楚明白及考慮以下的風險：

Some Risks Associated with Structured Products 結構性產品的一些相關風險

- 1. Issuer default risk 發行商失責風險**
In the event that a structured product issuer becomes insolvent and defaults on their listed securities, investors will be considered as unsecured creditors and will have no preferential claims to any assets held by the issuer. Investors should therefore pay close attention to the financial strength and credit worthiness of structured product issuers.
倘若結構性產品發行商破產而未能履行其對所發行證券的責任，投資者只被視為無抵押債權人，對發行商任何資產均無優先索償權。因此，投資者須特別留意結構性產品發行商的財力及信用。
- 2. Uncollateralized product risk 非抵押產品風險**
Uncollateralized structured products are not asset backed. In the event of issuer bankruptcy, investors can lose their entire investment. Investors should read the listing documents to determine if a product is uncollateralized.
非抵押結構性產品並沒有資產擔保。倘若發行商破產，投資者可以損失其全數投資。要確定產品是否非抵押，投資者須細閱上市文件。
- 3. Gearing risk 槓桿風險**
Structured products such as derivative warrants and callable bull/bear contracts (CBBCs) are leveraged and can change in value rapidly according to the gearing ratio relative to the underlying assets. Investors should be aware that the value of a structured product may fall to zero resulting in a total loss of the initial investment.
結構性產品如衍生權證及牛熊證均是槓桿產品，其價值可按相對相關資產的槓桿比率而快速改變。投資者須留意，結構性產品的價值可以跌至零，屆時當初投資的資金將會盡失。
- 4. Expiry considerations 有效期的考慮**
Structured products have an expiry date after which the issue may become worthless. Investors should be aware of the expiry time horizon and choose a product with an appropriate lifespan for their trading strategy.
結構性產品設有到期日，到期後的產品即一文不值。投資者須留意產品的到期時間，確保所選產品尚餘的有效期能配合其交易策略。
- 5. Extraordinary price movements 特殊價格移動**
The price of a structured product may not match its theoretical price due to outside influences such as market supply and demand factors. As a result, actual traded prices can be higher or lower than the theoretical price.
結構性產品的價格或會因為外來因素(如市場供求)而有別於其理論價，因此實際成交價可以高過亦可以低過理論價。
- 6. Foreign exchange risk 外匯風險**
Investors trading structured products with underlying assets not denominated in Hong Kong dollars are also exposed to exchange rate risk. Currency rate fluctuations can adversely affect the underlying asset value, also affecting the structured product price.
若投資者所買賣結構性產品的相關資產並非以港幣為單位，其尚要面對外匯風險。貨幣兌換率的波動可對相關資產的價值造成負面影響，連帶影響結構性產品的價格。
- 7. Liquidity risk 流通量風險**
The Exchange requires all structured product issuers to appoint a liquidity provider for each individual issue. The role of liquidity providers is to provide two way quotes to facilitate trading of their products. In the event that a liquidity provider defaults or ceases to fulfill its role, investors may not be able to buy or sell the product until a new liquidity provider has been assigned.
聯交所規定所有結構性產品發行商要為每一隻個別產品委任一名流通量提供者。流通量提供者的職責在為產品提供兩邊開盤方便買賣。若有流通量提供者失責或停止履行職責，有關產品的投資者或就不能進行買賣，直至有新的流通量提供者委任出來止。

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Some Additional Risks Involved in Trading Derivative Warrants 買賣衍生權證的一些額外風險

- 1. Time decay risk 時間損耗風險**
All things being equal, the value of a derivative warrant will decay over time as it approaches its expiry date. Derivative warrants should therefore not be viewed as long term investments.
假若其他情況不變，衍生權證愈接近到期日，價值會愈低，因此不能視為長線投資。
- 2. Volatility risk 波幅風險**
Prices of derivative warrants can increase or decrease in line with the implied volatility of underlying asset price. Investors should be aware of the underlying asset volatility.
衍生權證的價格可隨相關資產價格的引伸波幅而升跌，投資者須注意相關資產的波幅。

Some Additional Risks Involved in Trading CBBCs 買賣牛熊證的一些額外風險

- 1. Mandatory call risk 強制收回風險**
Investors trading CBBCs should be aware of their intraday “knockout” or mandatory call feature. A CBBC will cease trading when the underlying asset value equals the mandatory call price/level as stated in the listing documents. Investors will only be entitled to the residual value of the terminated CBBC as calculated by the product issuer in accordance with the listing documents. Investors should also note that the residual value can be zero.
投資者買賣牛熊證，須留意牛熊證可以即日「取消」或強制收回的特色。若牛熊證的相關資產值等同上市文件所述的強制收回價/水平，牛熊證即停止買賣。屆時，投資者只能收回已停止買賣的牛熊證由產品發行商按上市文件所述計算出來的剩餘價值（注意：剩餘價值可以是零）。
- 2. Funding costs 融資成本**
The issue price of a CBBC includes funding costs. Funding costs are gradually reduced over time as the CBBC moves towards expiry. The longer the duration of the CBBC, the higher the total funding costs. In the event that a CBBC is called, investors will lose the funding costs for the entire lifespan of the CBBC. The formula for calculating the funding costs are stated in the listing documents.
牛熊證的發行價已包括融資成本。融資成本會隨牛熊證接近到期日而逐漸減少。牛熊證的年期愈長，總融資成本愈高。若一天牛熊證被收回，投資者即損失牛熊證整個有效期的融資成本。融資成本的計算程式載於牛熊證的上市文件。

Some Risks Associated with Exchange Traded Funds (ETFs) 交易所買賣基金的一些相關風險

- 1. Market risk 市場風險**
ETFs are typically designed to track the performance of certain indices, market sectors, or groups of assets such as stocks, bonds, or commodities. ETF managers may use different strategies to achieve this goal, but in general they do not have the discretion to take defensive positions in declining markets. Investors must be prepared to bear the risk of loss and volatility associated with the underlying index/assets.
交易所買賣基金主要為追蹤某些指數、行業/領域又或資產組別(如股票、債券或商品)的表現。交易所買賣基金經理可用不同策略達至目標，但通常也不能在跌市中酌情採取防守策略。投資者必須要有因為相關指數/資產的波動而蒙受損失的準備。
- 2. Tracking errors 追蹤誤差**
Tracking errors refer to the disparity in 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 to the ETF, changes in composition of the underlying index/assets, and the ETF manager’s replication strategy. (The common replication strategies include full replication/representative sampling and synthetic replication which are discussed in more detail below.)
這是指交易所買賣基金的表現與相關指數/資產的表現脫節，原因可以來自交易所買賣基金的交易費及其他費用、相關指數/資產改變組合、交易所買賣基金經理的複製策略等等因素。（常見的複製策略包括完全複製/選具代表性樣本以及綜合複製，詳見下文。）
- 3. Trading at discount or premium 以折讓或溢價交易**
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. This phenomenon may also be observed for ETFs tracking specific markets or sectors that are subject to direct investment restrictions.
交易所買賣基金的價格可能會高於或低於其資產淨值，當中主要是供求因素的問題，在市場大幅波動兼變化不定期間尤其多見，專門追蹤一些對直接投資設限的市場/行業的交易所買賣基金亦可能有此情況。
- 4. Counterparty risk involved in ETFs with different replication strategies 交易所買賣基金的不同複製策略涉及對手風險**
 - a) Full replication and representative sampling strategies 完全複製及選具代表性樣本策略**
An ETF using a full replication strategy generally aims to invest in all constituent stocks/assets in the same weightings as its benchmark. ETFs adopting a representative sampling strategy will invest in some, but not all of the relevant constituent stocks/assets. For ETFs that invest directly in the underlying assets rather than through synthetic instruments issued by third parties, counterparty risk tends to be less of concern.

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採用完全複製策略的交易所買賣基金，通常是按基準的相同比重投資於所有的成份股/資產。採取選具代表性樣本策略的，則只投資於其中部分(而不是全部)的相關成份股/資產。直接投資相關資產而不經第三者所發行合成複製工具的交易所買賣基金，其交易對手風險通常不是太大問題。

b) Synthetic replication strategies 綜合複製策略

ETFs utilizing a synthetic replication strategy use swaps or other derivative instruments to gain exposure to a benchmark. Currently, synthetic replication ETFs can be further categorized into two forms:

採用綜合複製策略的交易所買賣基金，主要透過掉期或其他衍生工具去追蹤基準的表現。現時，採取綜合複製策略的交易所買賣基金可再分為兩種：

i. Swap-based ETFs 以掉期合約構成

Total return swaps allow ETF managers to replicate the benchmark performance of ETFs without purchasing the underlying assets. Swap-based ETFs are exposed to counterparty risk of the swap dealers and may suffer losses if such dealers default or fail to honor their contractual commitments.

總回報掉期讓交易所買賣基金經理可以複製基金基準的表現而不用購買其相關資產。以掉期合約構成的交易所買賣基金需承受源自掉期交易商的交易對手風險。若掉期交易商失責或不能履行其合約承諾，基金或要蒙受損失。

ii. Derivative embedded ETFs 以衍生工具構成

ETF managers may also use other derivative instruments to synthetically replicate the economic benefit of the relevant benchmark. The derivative instruments may be issued by one or multiple issuers. Derivative embedded ETFs are subject to counterparty risk of the derivative instruments' issuers and may suffer losses if such issuers default or fail to honour their contractual commitments.

交易所買賣基金經理也可以用其他衍生工具，綜合複製相關基準的經濟利益。有關衍生工具可由一個或多個發行商發行。以衍生工具構成的交易所買賣基金需承受源自發行商的交易對手風險。若發行商失責或不能履行其合約承諾，基金或要蒙受損失。

Even where collateral is obtained by an ETF, it is subject to the collateral provider fulfilling its obligations. 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 amount secured resulting in significant loss to the ETF. It is important that investors understand and critically assess the implications arising due to different ETF structures and characteristics.

交易所買賣基金即使取得抵押品，也需依靠抵押品提供者履行責任。此外，申索抵押品的權利一旦行使，抵押品的市值可以遠低於當初所得之數，令交易所買賣基金損失嚴重。投資者是否了解並能審慎評估不同的交易所買賣基金結構及特色會有何影響極為重要。

Some Risks Associated with Leveraged and inverse products 槓桿及反向產品的一些相關風險

Investment risk: Trading L&I Products involves investment risk and are not intended for all investors. There is no guarantee of repaying the principal amount.

投資風險：買賣槓桿及反向產品涉及投資風險及並非為所有投資者而設。不保證可取回投資本金。

Volatility risk: Prices of L&I Products may be more volatile than conventional exchange traded funds (ETFs) because of using leverage and the rebalancing activities.

波動風險：槓桿及反向產品涉及使用槓桿和重新平衡活動，因而其價格可能會比傳統的交易所買賣基金(ETF)更波動。

Unlike conventional ETFs: L&I Products are different from conventional ETFs. They do not share the same characteristics and risks as conventional ETFs.

不同於傳統的ETF：槓桿及反向產品與傳統的ETF不同，具有不同的特性及風險。

Long-term holding risk: L&I Products are not intended for holding longer than the rebalancing interval, typically one day. Daily rebalancing and the compounding effect will make the L&I Product's performance over a period longer than one day deviate in amount and possibly direction from the leveraged/inverse performance of the underlying index over the same period. The deviation becomes more pronounced (i) in a volatile market; (ii) when the leverage factor goes up; (iii) for inverse exposure; and/or (iv) for longer holding periods. Investors should not expect the actual percentage return of investing in the L&I Product to be equal to the multiple and/or the inverse multiple change in the underlying index for periods of longer than one day.

As a result of daily rebalancing, the underlying index's volatility and the effects of compounding of each day's return over time, it is possible that the leveraged product will lose money over time while the underlying index increases or is flat. Likewise, it is possible that the inverse product will lose money over time while the underlying index decreases or is flat. Investors of L&I Products should actively manage and monitor their investments as frequently as daily.

長線持有的風險：槓桿及反向產品並不適合持有超過一天（亦即產品重新平衡活動的頻率）。在每日重新平衡及複合效應下，有關產品超過一天的表現會從幅度或方向上偏離相關指數同期的槓桿或相反表現。有關偏離在以下情況下會更明顯：一）市況波動；二）槓桿倍數上升；三）投資反向產品；及四）持有時間愈長。投資者如持有槓桿及反向產品超過一日，就不應預期產品的實際回報，會相等於相關指數變動的特定倍數或特定反向倍數。

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隨著一段時間受到每日重新平衡活動、相關指數波動，以及複合效應對每日回報的影響，有可能會令到槓桿產品在相關指數上升或表現平穩的情況下，錄得虧損。同樣，反向產品亦有可能在相關指數下跌或表現平穩的情況下，錄得虧損。投資者應緊密監察（例如每日）及管理其槓桿及反向產品的投資。

Risk of rebalancing activities: There is no assurance that L&I Products can rebalance their portfolios on a daily basis to achieve their investment objectives. Market disruption, regulatory restrictions or extreme market volatility may adversely affect the rebalancing activities.

重新平衡活動的風險：槓桿及反向產品不保證每天都可以重新平衡其投資組合，以實現其投資目標。市場中斷、規管限制或市場異常波動可能會對產品的重新平衡活動造成不利影響。

Liquidity risk: Rebalancing typically takes place near the end of a trading day (shortly before the close of the underlying market) to minimize tracking difference. The short interval of rebalancing may expose L&I Products more to market volatility and higher liquidity risk.

流通風險：為減低追蹤偏離度，槓桿及反向產品一般會在交易日接近完結時才進行重新平衡活動（相關市場收市前的一段短時間）。由於重新平衡活動在相對較短的交易時間進行，有關槓桿及反向產品可能更受市場波動影響和面對較高的流通風險。

Intraday investment risk: Leverage factor of L&I Products may change during a trading day when the market moves but it will not be rebalanced until day end. The L&I Product's return during a trading day may be greater or less than the leveraged/opposite return of the underlying index.

即日投資風險：槓桿及反向產品的槓桿倍數會隨交易日市場走勢而改變，但直至交易日完結都不會重新平衡。因此槓桿及反向產品於交易日內之回報有可能會多於或少於相關指數的槓桿或相反回報。

Portfolio turnover risk: Daily rebalancing causes a higher levels of portfolio transaction when compared to conventional ETFs, and thus increases brokerage and other transaction costs.

重整組合的風險：相對傳統的ETF，每日重新平衡活動會令槓桿及反向產品的投資交易較為頻密，因而增加經紀佣金和其他買賣開支。

Correlation risk: Fees, expenses, transactions cost as well as costs of using financial derivatives may reduce the correlation between the performance of the L&I Product and the leveraged/inverse performance of the underlying index on a daily basis.

關聯風險：費用、開支、交易成本及使用衍生工具的成本，或會令有關產品的單日表現，與相關指數的單日槓桿/反向表現的關聯度下降。

Futures contracts risks: Investment in futures contracts involves specific risks such as high volatility, leverage, rollover and margin risks. The leverage component of futures contracts can result in a loss significantly greater than the amount invested in the futures contracts by the product. Exposures to futures contracts may lead to a high risk of significant loss by the product. There may be imperfect correlation between the values of the underlying assets and the futures contracts, which may prevent the product from achieving its investment objective.

期貨合約風險：投資期貨合約會涉及一些特定風險，例如大幅波動、槓桿、期貨合約轉倉及保證金等風險。期貨合約的槓桿成分或會令虧損遠多於投資在期貨合約的金額。產品投資於期貨合約的名義金額亦會因此存在嚴重虧損的高風險。期貨合約的回報與其標的表現可以完全無關，令產品未能達成其投資目標。

Rolling of futures contracts risks: A “roll” occurs when an existing futures contract is about to expire and is replaced with a futures contract representing the same underlying but with a later expiration date. The value of the product's portfolio (and so the net asset value per unit) may be adversely affected by the cost of rolling positions forward as the futures contracts approach expiry. This effect may be more pronounced in products with higher leverage ratio.

期貨合約轉倉風險：「轉倉」是指當現有期貨合約即將到期，以代表同一相關資產但到期日較後的期貨合約取代。產品資產組合的價值（即每單位資產淨值）或會因轉倉成本而受到負面影響。有關效應在槓桿比率較高的產品身上會更加明顯。

Risk of mandatory measures imposed by relevant parties: Regarding the product's futures positions, relevant parties (such as clearing brokers, execution brokers, participating dealers and stock exchanges) may impose certain mandatory measures for risk management purpose under extreme market circumstances. These measures may include limiting the size and number of the product's futures positions and/or mandatory liquidation of part or all of the product's futures positions without advance notice to the product's manager. In response to such mandatory measures, the product manager may have to take corresponding actions in the best interest of the product's investors and in accordance with the product's constitutive documents, including suspension of creation of the product's units and/or secondary market trading, implementing alternative investment and/or hedging strategies and termination of the product. These corresponding actions may have an adverse impact on the operation, secondary market trading, index-tracking ability and the NAV of the product. While the manager will endeavour to provide advance notice to investors regarding these actions to the extent possible, such advance notice may not be possible in some circumstances.

來自相關方強制性措施的風險：出於在極端市場情況管理風險的考量，相關方（例如結算經紀、執行經紀、參與經紀及股票交易所）可能會對產品的期貨倉位施加某些強制性措施，可以包括限制其期貨倉位的大小和數量，及/或在沒有預先通知的情況下，為其全部或部分期貨倉位強制平倉。產品經理為應對這些強制性措施，可能需要從投資者的最佳利益出發，並按照產品的組成文件，作出相應行動，包括暫停新增產品單位及/或二級市場買賣、採取非常的投資策略及/或對沖策略，以及終止產品運作。這些相應行動可能會對產品的運作、二級市場買賣、跟蹤指數能力和資產淨值帶來不利影響。儘管產品經理會盡可能在作出這些相應行動之前通知投資者，惟提早通知在某些情況下可能並不可行。

Trading time differences risk (for futures-based L&I Product which invests in futures traded on an overseas futures exchange): As the overseas futures exchange may be open when units in the L&I Product are not traded and priced on SEHK, the value of the futures in the L&I Product's portfolio, or the value of constituents in the underlying index to which such futures contracts are linked (“Index”), may change when investors

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will not be able to purchase or sell the L&I Product's units. Also, the price movement of futures may trigger daily price limit (if applicable) on overseas futures exchange during trading hours of the SEHK, as a result, the futures may not be tradable while the L&I Product is still trading on the SEHK. Differences in trading times between the overseas futures exchange and the SEHK may increase the level of premium/discount of the unit price to its net asset value.

The overseas stock exchange (in which the Index constituents are traded) and the overseas futures exchange (in which the futures are traded) may also have different trading hours. Trading of the Index constituents may close earlier than trading of the futures, so there may continue to be price movements for the futures when the Index constituents are not trading. In such case, there may likely be imperfect correlation between the value of the Index constituents and the futures, and therefore enlarge the deviation of daily performance between the L&I Product and leveraged / inverse performance of the Index. This may adversely affect the L&I Product from achieving its investment objective.

交易時差風險（適用於有投資於海外期貨交易所期貨的期貨類槓桿及反向產品）：海外期貨交易所可能會在槓桿及反向產品不能在聯交所買賣及計價時開市，當投資者不能買賣槓桿及反向產品的單位時，槓桿及反向產品所投資的期貨的價值，或其相關指數成份股的價值，可能會出現變動。另一方面，在聯交所的交易時間內，期貨價格變動或會觸發海外期貨交易所的每日價格限制（如適用），因此當槓桿及反向產品仍然在聯交所買賣時，有關的期貨卻不可以買賣。海外期貨交易所及聯交所的交易時差，可能會增加產品每單位價格對資產淨值的溢價或折讓。

海外股票交易所（相關指數成份股買賣的場所）及海外期貨交易所（相關期貨買賣的場所）的交易時間或有不同。相關指數成份股的收市時間或會早過相關期貨，因此在相關指數成份股不能買賣的時候，相關期貨價格仍可能會繼續變動。在此情況下，相關指數成份股及期貨在價值方面的關聯度，可能會變得不完美，並令槓桿及反向產品相對於指數槓桿／反向表現的單日表現差異擴大。這或會對於槓桿及反向產品實現其投資目標帶來不利影響。

Termination risk: L&I Products must be terminated when all the market makers resign. Termination of the L&I Product should take place at about the same time when the resignation of the last market maker becomes effective.

終止運作風險：如所有證券莊家均辭任，槓桿及反向產品必須終止運作。槓桿及反向產品必須在最後一名證券莊家辭任生效時同時終止運作。

Leverage risk: The use of leverage will magnify both gains and losses of L&I Products resulting from changes in the underlying index or, where the underlying index is denominated in a currency other than the product's base currency, from fluctuations in exchange rates.

槓桿風險：在槓桿效應下，當相關指數變動，或者當相關指數的計價貨幣不同於有關槓桿及反向產品的基準貨幣，而有關貨幣的匯價出現波動時，會令槓桿及反向產品的盈利和虧損倍增。

Unconventional return pattern (for inverse products only): Inverse products aim to deliver a daily return that is a multiple of the opposite of the underlying index return. If the value of the underlying index increases for extended periods, or where the exchange rate of the underlying index denominated in a currency other than the inverse product's base currency rises for an extended period, inverse products can lose most or all of their value.

有別於傳統的回報模式（僅適用於反向產品）：反向產品旨在提供相反於相關指數表現特定倍數的單日回報。如果有關指數長時間上升，或者當相關指數的計價貨幣不同於有關反向產品的基準貨幣，而該計價貨幣的匯價長時間上升時，反向產品可能會損失大部分或所有價值。

Inverse products vs short selling (for inverse products only): Investing in inverse products is different from taking a short position. Because of rebalancing, the performance of inverse products may deviate from a short position in particular in a volatile market with frequent directional swings.

反向產品與沽空（僅適用於反向產品）：投資反向產品並不同於建立短倉。因為涉及重新平衡活動，反向產品的表現可能會偏離短倉表現，特別是當市況波動和走勢經常搖擺不定的時候。

Some Risks Associated with Inline Warrants 界內證的一些相關風險

The payoff of an inline warrant depends on whether it is in-the-range or out-of-the-range at expiry. If the underlying asset price of an in-the-range inline warrant exhibits volatile or unidirectional movement (i.e. keep moving upwards or downwards), it will have higher risk of falling out-of-the-range.

界內證的收益取決於到期日時，有關界內證是處於界內還是界外。假使界內證處於界內，但其相關資產的價格表現波動，或呈單一方向行走（即保持上升或下跌走勢），就會增加該界內證跌入界外的風險。

As the payoff of inline warrants at expiry is fixed, the maximum profit and loss at the time of investment can be anticipated. If the inline warrant is in-the-range at expiry, the maximum profit will be \$1 multiplied by the number of inline warrants purchased less the investment amount and transaction cost. In contrast, when the inline warrant is out-of-the-range at expiry, the maximum loss will be the investment amount and transaction cost less \$0.25 multiplied by the number of inline warrants purchased. In the event of insolvency or default, the maximum loss will be the entire investment amount plus transaction cost.

由於界內證於到期時的收益是固定的，投資者買入界內證時，可以預期最大利潤和最大虧損。如果界內證於到期時處於界內，買賣界內證的最大利潤會是\$1乘以買入界內證的數量，減全部投資金額及交易成本。至於如界內證於到期時處於界外，投資者的最大虧損會是全部投資金額及交易成本，減\$0.25乘以買入界內證的數量。如出現無力償債或違責的情況，投資者的最高損失會是全部投資金額加交易成本。

Some Risks Associated with Virtual asset futures ETF 虛擬資產期貨ETF的一些相關風險

A virtual asset futures ETF is indirectly exposed to the risks of the underlying VA through investment in the relevant VA futures, such as VA is highly speculative, VA prices are extremely volatile and affected by numerous events or factors that are unforeseeable, regulations on VA are still developing and increasing, etc.

由於虛擬資產期貨ETF投資於相關的虛擬資產期貨，因此會間接曝露於相關虛擬資產的風險，例如虛擬資產受到強烈炒作、虛擬資產的價格極為波動、受到眾多難以預見的事件所影響，以及關於虛擬資產的監管不斷發展和增加等。

A virtual asset futures ETF is a derivative product and is targeted at investors who understand its nature and risks, such as:

虛擬資產期貨ETF是一種衍生產品，其目標對象是一些明白這種產品的性質及風險的投資者，例如以下風險：

extremely high price volatility of VA futures and the value of the VA futures may decline significantly, including to zero;

虛擬資產期貨的價格極為波動，而虛擬資產期貨的價值有可能大幅下降，包括跌至零；

concentration risk in a single reference asset (e.g., bitcoin or ether) and/or a single futures contract;

源自於投資單一資產（如比特幣或以太幣）及/或單一期貨合約的集中風險；

potentially large roll costs of VA futures which may adversely affect the ETF's net asset value (NAV); and

虛擬資產期貨可能會有龐大的轉倉成本，從而可能對ETF的資產淨值帶來不利影響；以及

operational risks related to VA futures, including additional margin requirements, potential size limits on and/or mandatory liquidation of the

ETF's VA futures positions imposed by relevant parties without advance notice.

與虛擬資產期貨相關的營運風險，包括相關方在並無事先通知的情況下對ETF的虛擬資產期貨倉位施加額外保證金要求、潛在倉位規模的限制及/或強制平倉。

The performance of a virtual asset futures ETF can significantly deviate from that of the VA's spot price, because the virtual asset futures ETF invests in VA futures but not in the VA directly.

虛擬資產期貨ETF投資於虛擬資產期貨而非直接投資於虛擬資產，虛擬資產期貨ETF的表現可以大大偏離虛擬資產的現貨價。

You should exercise caution when trading a virtual asset futures ETF. Before investing in such ETF, particularly if you wish to adopt a buy-and-hold strategy, you should read this page and its offering documents carefully and fully understand its features, exposure, operation and risks. You should also have a clear understanding of how VA futures contracts work and the rollover mechanism involved. You should pay particular attention to the risks under exceptional market circumstances, such as significant or total loss of your investment in the ETF in a short period of time and how rollover of futures contracts may adversely affect the value and performance of the ETF.

買賣虛擬資產期貨ETF需要謹慎行事。在投資這種ETF前，特別是如你希望採取買入並持有的策略，應先仔細閱讀本頁及該產品的銷售文件，全面明白其特點、所投資的市場、運作及風險。你亦應清楚明白虛擬資產期貨合約怎樣運作和涉及的轉倉機制。你應特別留意在特殊市場情況下的風險，例如在短時間失去全部或大部分投資於該ETF的金額，以及期貨合約轉倉會對該ETF的價值及表現帶來潛在不利影響。

Investment in virtual asset futures ETFs should only be ancillary in your portfolio because they are highly volatile and do not necessarily provide any diversification effect.

由於虛擬資產期貨ETF極為波動，亦未必能夠帶來分散風險的效果，因此在你的投資組合中，虛擬資產期貨ETF應只被看作是輔助性的投資。

If you are not prepared to accept significant and unexpected changes in the value of a virtual asset futures ETF (including dropping to zero) and the possibility that you could lose your entire investment in the virtual asset futures ETF, you should not invest in it.

如果你未能接受虛擬資產期貨ETF價值出現重大及預計之外的變化(包括跌至零)，以及可能失去你在虛擬資產期貨ETF的全部投資，你不應投資於虛擬資產期貨ETF。

Some Risks Associated with Virtual asset spot ETF 虛擬資產現貨ETF的一些相關風險

A VA spot ETF is directly exposed to the risks of the underlying VA, such as VA's highly speculative nature, VA prices' extreme volatility which are affected by numerous events or factors that are unforeseeable, and the evolving and increasing regulations on VA, etc.

虛擬資產現貨ETF直接承受相關虛擬資產的風險，例如虛擬資產的高度投機性質、其價格會受到眾多難以預見的事件或因素所影響而極為波動，以及虛擬資產監管法規的不斷演變及增加等。

A VA spot ETF is targeted at investors who understand its nature and risks, such as:

虛擬資產現貨ETF的目標對象是一些明白這種產品的性質及風險的投資者，例如以下風險：

extremely high price volatility of VA as the value of the VA may decline significantly, even to zero;

虛擬資產的價格極為波動，因其價值可能會大幅下降，甚至歸零；

risk relating to the VA, including changes in acceptance of VA, regulatory risk, cybersecurity risk, fork risk, potential manipulation risk, concentration of ownership risk, liquidity risk of VATPs and any unforeseeable risk due to the

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evolving nature of VA;

虛擬資產的相關風險，包括對虛擬資產接受程度的變化、監管風險、網絡保安風險、「分岔」風險、潛在市場操控、擁有權集中、虛擬資產交易平台的流動性及其他不可預見的風險；

concentration risk in a single reference asset (e.g., bitcoin or ether); and

源自於投資單一資產（如比特幣或以太幣）的集中性風險；及

custody risk and the difficulties in recovery in case of theft or loss.

託管風險，及難以尋回被盜或遺失的虛擬資產。

You should exercise caution when trading a VA spot ETF. You may lose all of your investment in a VA spot ETF within one day. Before investing in such an ETF, you should read this page and its offering documents carefully and fully understand its features, exposure, operation and risks.

買賣虛擬資產現貨 ETF 需謹慎行事。投資者可於一日內損失所有投資於虛擬資產現貨 ETF 的資金。在投資這種 ETF 前，你應先仔細閱讀本文及有關產品的銷售文件，全面明白其特點、所投資的資產、運作及風險。

Investment in VA spot ETFs should only be ancillary in your portfolio because they are highly volatile and do not necessarily provide any diversification effect.

由於虛擬資產現貨 ETF 極為波動，亦未必能夠帶來分散風險的效果。因此在你的投資組合中，虛擬資產現貨 ETF 應只視作輔助性的投資。

If you are not prepared to accept significant and unexpected changes in the value of a VA spot ETF (including dropping to zero) and the possibility that you could lose your entire investment in the VA spot ETF, you should not invest in it.

如果你未能接受虛擬資產現貨 ETF 價值出現重大及預計之外的變化(包括跌至零)，以及可能失去你在虛擬資產現貨 ETF 的全部投資，你便不應投資於這種產品。

Declaration by Client 客戶聲明

I/We confirm that Telecom King Securities Limited has provided the risk disclosure statement for derivative products in a language of my/our choice (English or Chinese) and I/we have been invited to read the risk disclosure statement for derivative products, ask questions and take independent advice if I/we wishes. I/We have carefully read and understood the above "Risk Disclosure Statement for Derivative Products". I/We accept to bear the potential risks associated with trading in exchange-traded derivative products.

本人/吾等確認電訊數碼證券有限公司按照本人/吾等選擇的語言(英文或中文)獲提供衍生產品之風險披露聲明，及已獲邀閱讀該衍生產品之風險披露聲明、提出問題及徵求獨立的意見(如本人/吾等有此意願)。本人/吾等已仔細閱讀及明白隨附的「衍生產品之風險披露聲明」。本人/吾等同意承擔買賣相關交易所買賣之衍生產品所帶來的潛在風險。

Client's Signature(s):

客戶簽署

Name of Client:

客戶姓名/名稱

Account No.:

帳戶號碼

Date:

日期:

Risk Disclosure Statement 風險披露聲明 (to be completed by the Company 由本公司填寫)

I/We, licensed representative(s) Telecom King Securities Limited, hereby declare and confirm that I/we have provided the risk disclosure statement annexed hereto in a language of Client's Choice (English/Chinese); and the Client was invited to read the enclosed risk disclosure statement, to ask questions and take independent advice if the Client so wished.

本人/吾等為電訊數碼證券有限公司的持牌代表，並謹此聲明及確認本人/吾等已按照上述客戶所選擇的語言(英文或中文)提供附於本表的風險披露聲明及客戶已被邀請閱讀附上之風險披露聲明書、提出問題及徵求獨立的意見（如客戶有此意願）。

Face to Face 面對面

Telephone 電話

Signature of Licensed Person

持牌人簽名

Name of Licensed Person

持牌人姓名

CE No.

中央編號

Date

日期

Recorded Line No

電話錄音號碼

Time

時間