

## Initial Public Offer Agreement

### 1. Definitions and interpretation

- 1.1. This Initial Public Offer Agreement ("IPO Agreement") is supplemental to the General Business Terms of Yue Xiu Securities Company Limited ("Yue Xiu Securities") to which this IPO Agreement is annexed and where any conflict arises between the provisions of the General Business Terms and this IPO Agreement, the provisions of this IPO Agreement shall prevail.
- 1.2. Unless otherwise stated, terms defined in General Business Terms (as the same may be supplemented, revised or replaced from time to time) shall have the same meaning in this IPO Agreement. In addition, the following terms and expressions have the following meanings:
  - (1) "IPO" means an initial public offering;
  - (2) "Announcement Day" means the date in which an announcement of the results of allocations under the Hong Kong Public Offering is made;
  - (3) "Client Money Rules" means the Securities and Futures (Client Money) Rules (Cap. 571I of the laws of Hong Kong);
  - (4) "Client Securities Rules" means the Securities and Futures (Client Securities) Rules (Cap. 571H of the laws of Hong Kong);
  - (5) "Cut-off Time" means the deadline stated on trading platforms for subscribing new securities;
  - (6) "Instruction" means an instruction given to Yue Xiu Securities pursuant to Clause 8 of the General Business Terms;
  - (7) "First Listing Day" means the date which IPO shares starts trading on the stock exchanges;
  - (8) "Loan" means the aggregate principal amount and interest owing to Yue Xiu Securities at any time;
  - (9) "Prospectus" means documents of listing, which includes but not limited to, the terms and conditions of securities issuance and financial details;
  - (10) "Designated Account" means the account the Client has opened with Yue Xiu Securities for IPO Subscription, financing and other purposes.

### 2. Initial Public Offering Service

- 2.1. The Client hereby instructs and authorizes Yue Xiu Securities to subscribe new securities issued in any stock exchanges ("IPO Subscription").

- 2.2. Unless otherwise indicated by Yue Xiu Securities or specified in this IPO Agreement, The Client must make authentic and correct statement, declaration, guarantee, confirmation, and commitment stated or included in order of IPO Subscription.
- 2.3. The Client shall agree to be legally bound by the provisions on the newly issued securities and:
  - a) guarantee and promise that this IPO Subscription is the only IPO Subscription for the benefits of the Client in the same securities issuance, and the Client shall not conduct other IPO Subscription for the duration of this issuance hereof;
  - b) authorize Yue Xiu Securities to make statements, declarations, and guarantees to the stock exchanges that the Client shall not and shall not intend to make other IPO Subscription, and shall not and shall not intend to make other IPO Subscription in the same securities issuance for the benefits of the Client;
  - c) confirm that Yue Xiu Securities shall conduct any IPO Subscription in line with the foregoing promises, commitments, and authorizations;
  - d) confirm that Yue Xiu Securities does not have any liability to send to the client the Prospectus set forth the terms and conditions of securities issuance. In regards with the IPO Subscription in relation to the Client, the Client shall confirm to have obtained the prospectus from other methods and have read in details and understood the terms and conditions herein, and the Client's IPO Subscription shall not violate such terms and conditions. The Client shall confirm that, unless the Client is qualified to subscribe under the applied ordinance of securities, otherwise the Client shall not subscribe newly issued securities; and
  - e) state, declare and promise that the Client is not the related person (according to the definition under the regulatory rules) to the issuers of the newly issued securities (the "Issuers"), including but not limited to:
    - (1) an existing beneficial owner of Issuers and/or their subsidiaries;
    - (2) a director or chief executive officer of the Issuers and/or any of their subsidiaries;
    - (3) a close associate of any of the above;
    - (4) a connected person of the Issuers or will become a connected person of the Issuers upon completion of the offering; and
    - (5) have been allocated or have applied for or indicated an interest in any shares under the international offering.

- 2.4. The Client confirms to Yue Xiu Securities that:
  - a) the Client has read, fully understood and accepted the Risk Disclosure Statements set out in the Schedule to the General Business Terms;
  - b) the security created by this IPO Agreement and the Schedule 1 of Part B of the General Business Terms constitutes and will continue to constitute your valid and legally binding obligations enforceable in accordance with its terms.
- 2.5. The Client acknowledges that the IPO Subscription order cannot be cancelled once it has been accepted..
- 2.6. Yue Xiu Securities reserves the right to suspend, amend and terminate the offers and change the Terms and Conditions from time to time without prior notice or agreement to or by the Client.
- 2.7. The Client shall hold Yue Xiu Securities harmless and compensate it in fullness for any losses and/or claims against it from third party arising from or out of the dishonesty, fraud or other unlawful acts committed by the Client, including but not limited to any inaccurate, misleading or incorrect information submitted to Yue Xiu Securities by the Client.
- 2.8. The Client should ensure there are sufficient balance in the relevant account for the IPO subscription at the cut-off time, otherwise Yue Xiu Securities may cancel the IPO subscription without prior notice.
- 2.9. The client should pay attention to the time and manner of the Issuer's announcement of the result of applications as well as the time and arrangement relating to refund of subscription amount . Yue Xiu Securities will, promptly after receipt, credit the settlement account of the Client with the net amount of any refund actually received by Yue Xiu Securities from the share registrar of the Issuer. All refunds will be made without interest.

**Client must carefully read the prospectus first before considering subscribing for the new issue. Under no circumstances that Yue Xiu Securities shall guarantee the success of the IPO Subscription in part or whole for the Client.**

### 3. IPO Financing

- 3.1. The Client may, in the meantime, ask Yue Xiu Securities to offer Financing for IPO Subscription ("IPO Financing") and the following provisions shall apply:
  - a) Yue Xiu Securities has the right to designate applicable securities to offer financing;
  - b) Yue Xiu Securities has the discretionary power to decide the IPO Financing amount of each applicable securities;

- c) Yue Xiu Securities has the discretionary power to accept or reject the requirement of such IPO Financing by the Client;
- d) When Yue Xiu Securities accepts the requirement of IPO Financing, Yue Xiu Securities should offer IPO Financing details, terms and conditions or other documents (collectively "Contract Bylaws") to the Client to confirm the provisions on IPO Financing in the agreement of both parties and such provisions shall be concluding and legally binding to the Client;
- e) Prior to the offering of IPO Financing by Yue Xiu Securities, the Client shall provide Yue Xiu Securities with margin deposits. The margin deposits, as a part of the payment in the IPO Subscription, have the amount and duration set forth in the Contract Bylaws. The Client shall authorize Yue Xiu Securities to deduct an amount as equivalent to the margin deposits from the Designated Account or otherwise determined by Yue Xiu Securities any other account opened with Yue Xiu Securities by the Client, nonetheless, with sole discretion, Yue Xiu Securities can always request the Client to pay additional amount except for the margin deposits for deduction;
- f) Unless otherwise stated in the Contract Bylaws,
  - a. the amount of IPO Financing shall be equal to the total price of securities subscription with the deduction of the margin deposit mentioned in Section 3.1;
  - b. the client is not entitled to pay back part or all of the amount of IPO Financing prior to the Announcement Day prescribed in the Contract Bylaws;
- g) The interest rate applicable to IPO Financing shall be prescribed in the Contract Bylaws.

3.2. The Client understands that Yue Xiu Securities will deduct the total price of the shares that it has been allotted (including commission, charges, costs and interest rate) on the Announcement Day.

3.3. The Client hereby irrevocably authorizes Yue Xiu Securities to sell or dispose its shares of newly issued securities at any time on or after the First Listing Day as Yue Xiu Securities sees fit, if the Client fails to pay back to the Designated Account part or all of the amount of IPO Financing that it owes to Yue Xiu Securities before the specific time mentioned in Section 3.2.. Yue Xiu Securities will credit the proceeds of such sale or disposal (after deducting the commissions, charges, costs, interest rate and the price of securities subscription that paid by Yue Xiu Securities ) to the Designated Account. Yue Xiu Securities shall not be liable to the Client for any losses from such sale or disposal.

- 3.4. The Client understands and agrees that the shares of the newly issued securities that allotted to it as the result of IPO Subscription will be held/mortgaged/charged (where applicable) to secure any and all IPO Financing that it owes to Yue Xiu Securities.
- 3.5. The Client shall hereby irrevocably authorize Yue Xiu Securities to depose of or sell the newly issued securities held/mortgaged/charged to it to repay the difference of the IPO Financing it owes to Yue Xiu Securities and shall allow Yue Xiu Securities to further deduct the amount in any account that the Client has with Yue Xiu Securities or its related companies within Yue Xiu Securities Group should the price of the deposit or sale of the newly issued securities be not sufficient to fully repay the financing amount, subject to, where applicable, the Client Money Rules, the Client Securities Rules, etc.
- 3.6. The Client understands and agrees that the interest may be debited to the account in arrears if the payments of the shares of the newly issued securities that allotted to it as the result of IPO Subscription may be greater than margin payments.
- 3.7. Yue Xiu Securities (The Company)'s Absolute Discretion: The provision and drawdown of any IPO Loan are at the Company's sole discretion and subject to the Agreement. Yue Xiu Securities may at any time refuse to make available the IPO Loan without giving any reason.

#### 4. Commissions, Charges, Costs, Interest

- 4.1. In terms of each single transaction, the Client shall pay immediately as required to Yue Xiu Securities applicable commissions, charges, costs, interest, and spending of the account as set out on Yue Xiu Securities ' website, each as amended and supplemented by Yue Xiu Securities from time to time. Subject to applicable laws, Yue Xiu Securities can notify the Client of any change of commissions, charges, cost, and/or interest and subject to applicable laws, the changed commissions, charges, cost and/or interest shall become applicable starting from the effective date prescribed in the notification, whether the prescribed effective date is prior to or subsequent to the notification date. Clients shall agree that, subject to the applicable laws and regulations, the notifications hereof posted in Yue Xiu Securities ' websites from time to time are sufficient notifications to serve all intents and purposes.
- 4.2. The Client shall pay off or pay back immediately as requested to Yue Xiu Securities all the commissions, charges, costs and interest incurred as a result of Yue Xiu Securities subscribing newly issued securities.
- 4.3. The Client will be charged non-brokerage fee items such as, but not limited to, Stamp Duty, Transaction Levy and Trading Fee where applicable.

- 4.4. Without prejudice to any provisions in this Article 4, Yue Xiu Securities is authorized by the Client to deduct from the Designated Account or any other account of the Client, any commissions, levies, costs and charges referred to in the preceding Section 4.1, 4.2 and 4.3 incurred in connection with any transactions effected for or on behalf of the Client.
- 4.5. The Client acknowledges that Yue Xiu Securities deducts commissions and charges from the Designated Account or any other account of the Client, which will reduce monies in / value of the accounts. Positions may be liquidated if commissions or other charges cause a margin deficiency. Yue Xiu Securities shall not be liable for the loss incurred therein.

## 5. Risk Disclosure and Miscellaneous

- 5.1. The allotment basis is unknown at the time of subscription. In case of the shares are heavily over subscription, the Client may only be allotted part of the shares or even no shares at all. On the other hand, if the IPO turns out to be not as popular as it is anticipated to be, then the Client may get more shares than the Client would expect.
- 5.2. When the Client subscribes IPO shares through IPO financing, financing costs (if applicable) and handling fees will be incurred even though no shares being allotted.
- 5.3. IPO shares price will not necessarily rise above the offer price on the first day of trading or any trading days. Performance of new shares will also be affected by the overall market sentiment and it is possible for the share price to drop below the offer price significantly and thus cause great losses to the Client.
- 5.4. The potential profits derived from an IPO investment may not offset the transaction costs and interest expense incurred if subscribe on margin. The Client will incur a loss if allotted shares are unable to sell above the offer price anticipated.
- 5.5. This website is provided by Yue Xiu Securities and not by the Issuer of the securities concerned, sponsors, underwriters, coordinators or other parties involved in the offer for sale of securities (the "Hong Kong Public Offer") and is not otherwise authorised by any of the above parties. Applications for securities of the Issuer made under this website will be made by the Client or Yue Xiu Securities acting on behalf of the Client as the agent of the Client and not as agent for any parties involved in the Hong Kong Public Offer.
- 5.6. The Client should read the prospectus relating to the Issuer (the "Prospectus") before applying for the securities. The Client may also obtain the Prospectus and application forms at the locations and, if applicable, on the website mentioned in the section of the electronic Prospectus accessible on this website on how to apply for securities offered in Hong Kong.

- 5.7. The Client confirm that Yue Xiu Securities may sub-contract, outsource or delegate the performance of online electronic IPO subscription services or any parts thereof to any third parties.
- 5.8. Communications sent by the Client to Yue Xiu Securities are effective only on the day of actual receipt by Yue Xiu Securities.

## 6. Compliance with laws

- 6.1. Yue Xiu Securities may take or omit to take any action which it determines to be necessary in order to ensure compliance with all applicable laws and regulations, and (where relevant) the rules, practices and requirements of any relevant exchanges (including HKEX) and associations, alternative trading facilities, Clearing Houses and regulatory and self-regulatory organizations (including HKEX) as such may be amended from time to time. The Client agrees to, that such action shall be legally binding, and the Client shall also ensure that it acts in compliance with the same.