Key Facts Statement (KFS) for Instalment Loan

WeLab Bank Limited (the "Bank")

WeLab Bank Policy Pledge Loan
November 2026

This is an instalment loan product. To borrow or not to borrow? Borrow only if you can repay!

This product is a bullet term (i.e. principal amount to repay in full on the last instalment) instalment loan secured by life insurance policy(ies) ("Policy") as collateral.

A "Policy Pledge Loan" refers to an instalment loan to be granted to finance the financial needs of the borrower and secured by the fully paid up Policy of the borrower. The borrower's obligations are secured by a collateral assignment of the Policy to the Bank.

This statement aims to help you understand the factors to be considered and the risks involved in this product. You should make sure that you are fully aware of your rights and responsibilities under the Approval Letter(s), the Terms and Conditions of WeLab Bank Policy Pledge Loan, and the deed(s) of assignment of the Policy between you and the Bank (which provides you with the Policy Pledge Loan). The responsibility of insurance company on this Policy Pledge Loan is to ensure the collateral Policy is accurately assigned to the Bank based on the consent between you and the Bank on entering a loan agreement.

This KFS provides you with indicative information about interest, fees and charges of this product but please refer to our approval letter and the related collateral assignment (if applicable) for the final terms of your instalment loan.

Please read and understand the information in this KFS before you apply for this product. You will be requested to confirm that you have read and understood the information in this KFS when submitting the application.

If you do not understand any of the following paragraphs or the advice or information provided to you by the Bank is different from the information in this statement, please do not proceed with the application for Policy Pledge Loan.

<table>
<tr><th colspan="2">Interest Rates and Interest Charges</th></tr>
<tr><td>Interest Rate</td><td>For a loan amount of HK$100,000:

<table>
<tr><th>Loan Tenor</th><th>6-month</th><th>12-month</th><th>24-month</th></tr>
<tr><td>Interest rate</td><td colspan="3">1-Month Hong Kong Interbank Offered Rate / HKD Interest Settlement Rate (HIBOR) + 1.5%

[The interest rate for the loan is not subject to a cap and thus may subject to higher interest rate risk.]</td></tr>
</table>

The interest rate in our Approval Letter of your loan may change during the tenor of this loan.

The interest rate of this loan is calculated based on an interest rate benchmark. The major risk of this loan is the interest rate risk.

Interest rate re-fixing for this loan takes place monthly (after each repayment).

Latest rate and other details of the HIBOR is published on The Hong Kong Association of Banks (HKAB) Website (https://www.hkab.org.hk/en/rates/hibor)

The Bank reserves the right to determine the final applicable interest rate for the instalment loan.</td></tr>
<tr><td>Annualised Percentage Rate (APR)</td><td>Not applicable</td></tr>
<tr><td>Annualised Overdue/ Default interest rate</td><td>Not applicable</td></tr>
<tr><th colspan="2">Repayment</th></tr>
<tr><td>Repayment Frequency</td><td>This loan requires monthly repayment.</td></tr>
<tr><td>Periodic Repayment Amount</td><td>For a loan amount of HK$100,000 with monthly repayment:

<table>
<tr><th>Loan Tenor</th><th>6-month</th><th>12-month</th><th>24-month</th></tr>
<tr><td>Periodic repayment amount for 5% Interest rate</td><td>HK$ 416.67</td><td>HK$ 416.67</td><td>HK$ 416.67</td></tr>
</table>

Remark:
The above assume Interest rate is 5% for all tenor. Please note that the interest rate for each tenor might varies based on the latest HIBOR.

This Loan is bullet loan term in nature, meaning the monthly repayments during the loan tenor includes only the interest while the last monthly repayment amount includes monthly interest repayment amount and repayment on the full principal amount. As an example, for a loan with 24 months Loan Tenor:
<table>
<tr><th>Loan Tenor</th><th>1st – 23rd repayment</th><th>24th repayment</th></tr>
<tr><td>Periodic repayment amount for 5% Interest Rate</td><td>HK$ 416.67</td><td>HK$100,416.67</td></tr>
</table>

The above are illustrative examples only. Repayment amounts are rounded to the nearest 2 decimal place.</td></tr>
</table>

<table>
<tr><td>Total Repayment Amount</td><td>For a loan amount of HK$100,000 with monthly repayment:

<table>
<tr><th>Loan Tenor</th><th>6-month</th><th>12-month</th><th>24-month</th></tr>
<tr><td>Total repayment amount based on the monthly repayment amount above (based on 5% Interest rate)</td><td>HK$ 102,500.02</td><td>HK$ 105,000.04</td><td>HK$ 110,000.08</td></tr>
</table>

Remark:
The above assume Interest rate is 5% for all tenor. Please note that the actual Interest rate for each tenor might varies based on the latest HIBOR.

The above are illustrative examples only. Repayment amounts are rounded to the nearest 2 decimal place.

To calculate the above information applicable to your specific case, please use our online calculator accessible from our website which provides instalment loans at https://www.welab.bank/en/feature/policy_loan/.</td></tr>
<tr><td colspan="2">Fees and Charges</td></tr>
<tr><td>Handling Fee</td><td>Not applicable</td></tr>
<tr><td>Late Payment Fee and Charge</td><td>30% of the overdue monthly repayment amount or HKD500, whichever is lower.</td></tr>
<tr><td>Prepayment / Early Settlement / Redemption Fee</td><td>Early repayment fee shall be 1% of the original principal amount plus repayment, refund or return of any applicable promotional offers.</td></tr>
<tr><td>Returned Cheque Charge / Rejected Autopay Charge</td><td>Not applicable</td></tr>
<tr><td colspan="2">Additional Information</td></tr>
<tr><td colspan="2">

Minimum loan amount is HK$ 100,000
The Policy Pledge Loan is only applicable to the Policy denominated in either HKD or USD; and
For the first instalment, you are required to pay interest pro-rated based on the period between the drawdown date and the first repayment date.
You may only early repay the full outstanding principal of any instalment loan together with all accrued but unpaid interest on any day prior to the final repayment date after the first 6 months of loan drawdown date.
To apply for the Policy Pledge Loan, you should have a valid WeLab Bank Core account. If you do not have a valid WeLab Bank Core account before the application of the Policy Pledge Loan, you need to open a WeLab Bank Core account after your application and login to WeLab Bank app to confirm your personal information to proceed with the application within 30 calendar days. Otherwise, your Policy Pledge Loan application will not be proceeded.
The grant of any Policy Pledge Loan is subject to the Bank's approval and this Key Facts Statement does not in any way replace, or modify, the Terms and Conditions of WeLab Bank Policy Pledge Loan and Approval Letter (and any related loan or security documents including, without limitation, any Deed of Assignment).

</td></tr>
</table>

- This Key Facts Statement does not constitute any offer, invitation, solicitation, recommendation or advice for making any Policy Pledge Loan application for or entering into any transaction by any person. The information contained in this document is provided for your reference only.

- Eligible Policy for Policy Pledge Loan must fulfill the criteria set up in Clause [3a] in the Terms and Conditions of WeLab Bank Policy Pledge Loan. A collateral assignment of the Policy to the Bank is required for loan disbursement.

- Policy Pledge Loan is a secured instalment loan and its terms, including but not limited to interest rate, will be subject to periodic review. The outstanding amount of the instalment loan at all times shall not exceed the maximum loan-to-value ratio with the guaranteed cash value of the Policy.

- Interest on any outstanding amount of the Policy Pledge Loan shall accrue and be settled on monthly basis. Any unpaid interest will become part of the outstanding amount due to the Bank and bear interest according to the Interest Rate stated in the Approval Letter which is subject to change during the loan tenor.

- The Policy Pledge Loan shall be subjected to the Bank's customary overriding right of repayment on demand, including the right to call for full cash cover in respect of both prospective and contingent liabilities, if in the Bank's opinion that it would be contrary to the prudent banking practice for the instalment loan to continue for whatever reasons.

- In the event of any payment of monthly interest and/or total outstanding loan balance is overdue for over 60 calendar days, the Bank may immediately at its discretion exercise powers, including but not limited to surrendering the Insurance Policy, receiving the surrender value or collecting the policy proceeds, without giving prior notice.

- You should not rely on the above information alone to make any borrowing or insurance purchase decisions (if applicable). Before making such decision, you should understand the nature, terms and risks of relevant products / services and undertake your own research and assessment and if necessary, seek independent advice to carefully consider whether the products / services are suitable in light of your own financial needs. The actual repayment of the Policy Pledge Loan will be payable monthly by debiting the your WeLab Bank Core account. The Bank reminds you to review the monthly statements of your WeLab Bank Core Account and check the actual interest cost and / or any other fees and charges incurred from the Instalment Loan. Please also be reminded to regularly review your Policy Pledge Loan on an on-going basis.

- For further information of WeLab Bank Policy Pledge Loan, please refer to our website (Features > Policy Pledge Loan).

- For enquiry, please call the Bank's hotline at +852 3898 6988.

Risk Disclosure Statements

1. **Policy Pledge Loan not part of the Insurance Contract**
   Policy Pledge Loan is a lending secured by your Insurance Policy as a collateral. Policy Pledge Loan is a stand-alone arrangement between you and the Bank. It is not, and does not form part of the insurance contract between you and the relevant insurance company. The insurance company is not a party to the Approval Letter or the collateral assignment of the Insurance Policy ("Deed of Assignment") and is therefore not governed by the terms and conditions (including but not limited to dispute resolution) of the aforesaid documents you enter into with the Bank. In case you have any questions about the terms and conditions, you should contact the Bank.

2. **Exposure to Credit Risk**
   You are subject to the credit risk of the insurance company. In the event that the insurance company becomes default on its obligations or an adverse change in its credit rating, the Bank may, at its discretion, ask for additional collateral, restructure or even terminate the instalment

loan. You may be obligated to repay the loan, the interest and any fee accrued immediately, and you shall remain liable for any shortfall between the amounts of the proceeds of the policy and the outstanding amount of the Policy Pledge Loan.

3. **Collateral Top-up and Repayment on Demand Risk**
   If the loan-to-value ratio ("LTV") (i.e. the outstanding loan value vs current surrender value of the Insurance Policy) exceeds the maximum threshold as determined by the Bank from time to time, you will be required to provide additional collateral or reduce the outstanding loan. Otherwise, the loan could become due for repayment or subject to a higher interest rate at the Bank's discretion. If you fail to meet such requirement(s), the Bank may restructure or terminate the loan or exercise its rights on the Insurance Policy, such as surrendering the Insurance Policy. You should read the terms and conditions of the Approval Letter, for example, the frequency of review, the circumstances that may trigger the requirement(s) and the relevant arrangements of the requirement(s). In addition, collateral top-up is likely to be required if there are unfavourable movements of the interest rate / crediting rate for the underlying Insurance Policy and the surrender value of Insurance Policy is earning at a rate insufficient to cover all charges in relation to the Policy and in that case, the ratio of loan outstanding to the current surrender value may exceed the approved LTV of the current surrender value. If the insurance company or any member of its group becomes insolvent, becomes subject to bankruptcy, winding-up or similar proceedings, defaults on its obligations or there is any adverse change in its credit rating, the Bank may (but shall not be obliged to) review the loan and / or require immediate repayment of the loan and / or call for additional collateral.

4. **Interest Rate Risk**
   You may be exposed to significant interest rate risk if the interest rate applicable to the loan is not fixed (i.e. floating rate subject to changes from time to time and with no cap) which involves risk as the interest rates may rise unexpectedly and substantially as a result of changes in market conditions and local and / or global economic development. An increase in interest rates could raise the costs of servicing the loan (i.e. increase in regular interest payments.). The interest payment under the loan may lower the actual benefit to be received from you, and hence reduce the actual net rate of return (i.e. net of interest payment). The increased costs of interest payment may reduce, or even exceed your actual benefit and actual net rate of return (i.e. net of interest payment) under the Insurance Policy (please also refer to "Rate of Return Risk" below). You may not be able to service the loan and may hence default when there is a substantial increase in the interest rate. Also, if the interest rate applicable to the loan substantially exceeds the rate of return generated by the Insurance Policy, you would suffer a significant financial loss. On the other hand, the cash value of your Insurance Policy may not increase as fast as the interest rate. In such case, the loan balance may exceed the value of the Insurance Policy (please also refer to the "Collateral Top-up and Repayment on Demand Risk"). Customer should factor in these possibilities when considering whether this arrangement is suitable.

5. **Exchange Rate Risk**
   Foreign exchange rates are highly volatile and are influenced by, among other things, changing supply demand relationships; trade, fiscal, monetary, political and economic events and policies; changes in national and international interest rates and inflation; currency devaluation; and sentiment of the market place. Exchange rate exposure arises when the loan currency is different from the currency of the Insurance Policy and there may be risk of adverse exchange rate movements in the currency of the Insurance Policy. For example, if any proceeds received under the Insurance Policy are denominated in a currency other than the loan currency, those proceeds will have to be converted into the loan currency before being used for loan repayment (e.g. Insurance Policy proceeds received in a foreign currency will have to be converted into HKD for repayment of a HKD loan). Where the proceeds received from the Insurance Policy is substantially lower than the outstanding loan amount due to adverse fluctuation in the exchange rate, you will suffer a significant financial loss.

6. **Counterparty Risk**
   If the insurance company or any member of its group becomes insolvent, becomes subject to bankruptcy, winding-up or similar proceedings, defaults on its obligations or there is any adverse

change in its credit rating, the Bank may (but shall not be obliged to) review the loan and / or require immediate repayment of the loan and / or call for additional collateral. Please refer to the "Collateral Top-up and Repayment on Demand Risk".

7. **Assignment of the Insurance Policy**
   For the arrangement of Policy Pledge Loan, the Insurance Policy will have to be duly assigned to the Bank as collateral by the Policyholder's execution of a Deed of Assignment. Please read the terms of the Deed of Assignment carefully and ensure that the Policyholder understand and agree to them before the Deed of Assignment is executed. Pursuant to the Deed of Assignment, the policyholder assigns and transfers to the Bank all (or substantially all) rights, benefits and claims in and under the Insurance Policy. The Bank will be entitled to exercise all (or substantially all) the rights under the Insurance Policy. This includes (without limitation) the right to (i) collect from the insurance company the net proceeds of the Insurance Policy when it becomes a claim by the death of the insured or maturity / surrender of the Insurance Policy; (ii) cancel the Insurance Policy and receive any refund or premium within the prescribed cooling-off period of the Insurance Policy; (iii) make withdrawals or surrender the Insurance Policy and receive the surrender value thereof at any time under the terms of the Insurance Policy; (iv) apply for Policy Pledge Loan or exercise any options under the Insurance Policy; and (v) make certain changes or amendments to the Insurance Policy (e.g. appointment of new beneficiary, further pledge or assign the policy). You will not be able to exercise those rights unless the Bank's prior approval is obtained. In particular, upon assignment, all rights, benefits and entitlements of the policyholder will be assigned to the Bank, and all proceeds payable under the Insurance Policy including but not limited to all dividends, bonuses, distributions or share of surplus, dividend deposits or additions to the insurance contract or returns of premiums made, declared, distributed or apportioned together with interest (if any) are to be paid to the Bank first and any changes to the terms of the Insurance Policy (including, without limitation, any designation or change of beneficiary(ies)) will be subject to the Bank's prior approval. As the Insurance Policy will be assigned to the Bank upon the execution of the Deed of Assignment, any withdrawal of policy value is prohibited within the loan tenor. Therefore, the policyholder should consider own liquidity needs and affordability before applying for Policy Pledge Loan. You should therefore carefully read the terms and conditions of the Policy Pledge Loan, Approval Letter and Deed of Assignment, and consider how these potential adverse impacts may affect the outcome of the Insurance Policy and whether Insurance Policy is still suitable for you.

8. **Risk of Early Termination / Surrender / Withdrawal**
   If the Bank or the policyholder terminates or surrenders the Insurance Policy, before the end of the policy term, (i) the benefits receivable under the Insurance Policy may be substantially less than the sum of total premium paid and interest expenses incurred under the Approval Letter, especially in the early years of the Insurance Policy; (ii) you may partially or fully lose the insurance coverage and may not be able to obtain the same insurance coverage; (iii) you may lose the entitlement to dividends, bonuses, etc. under the Insurance Policy; (iv) the Bank may apply all or part of the benefits receivable under the Insurance Policy against the outstanding amounts owed by you (whether or not the outstanding amounts are under the instalment loan); and (v) in cases where the Insurance Policy is required as part of conditions in your business or other arrangements, the termination of the Insurance Policy may trigger further events of defaults in these arrangements with adverse consequences.

9. **Death Benefit Risk**
   Upon the death of the insured, the amount of death benefit receivable under the Insurance Policy may be substantially less than the sum of total premium paid and interest expenses incurred under the Approval Letter, and you may suffer a significant financial loss. The Bank is entitled to collect from the insurance company the net proceeds of the Insurance Policy and to apply such proceeds to settle all the outstanding loan and interest expenses owing by the borrower under the Policy Pledge Loan ("Outstanding Liabilities"). If such proceeds is insufficient to settle all the Outstanding Liabilities, the Bank shall be entitled to claim against the borrower for the Outstanding Liabilities. The Bank will only, after all the Outstanding Liabilities have been fully settled, pay the remaining balance (if any) of the proceeds of the Insurance Policy collected from the insurance company to the beneficiary(ies) of the Insurance Policy.

10. **Rate of Return Risk**
    The rate of return illustrated in the Insurance Policy may not be guaranteed and may not be sufficient to cover the loan interest, which may be worsened by rising interest rate. If the return of Insurance Policy drops, or the actual interest rate of the loan rises due to rising market interest rate and exceeds the return of the Insurance Policy, the borrower may suffer substantial loss since the return of the Insurance Policy cannot cover the cost of the instalment loan. For any shortfall between the amounts of the proceeds of the Insurance Policy and the outstanding amount of the instalment loan, the borrower shall remain liable for it. As the Insurance Policy will be assigned to the Bank upon the execution of the Deed of Assignment, any withdrawal of policy value is prohibited within the loan tenor. Please also refer to the "Assignment of the Insurance Policy". If the Insurance Policy includes non-guaranteed benefits, the projected non-guaranteed benefits shown in the Benefit Illustration are determined under the assumed investment return and are not guaranteed. If the investment return assumed for the Insurance Policy is not achieved, your non-guaranteed benefits may be lower than those illustrated or substantially lower than the interest applicable to the loan facility, and in certain circumstances, may even be zero. If the total return generated by the Insurance Policy is substantially lower than the interest payable under the loan facility, you will suffer a significant financial loss.

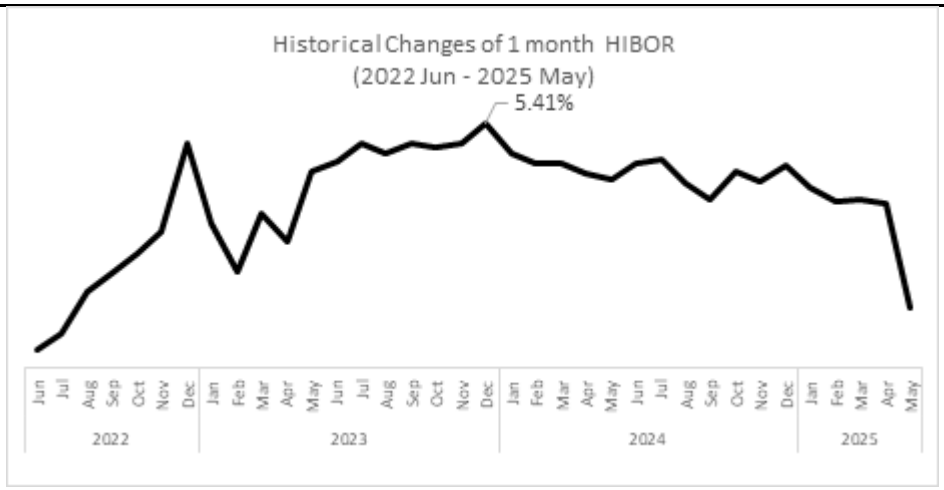
11. **Consequence of Late Repayment and Default of Instalment Loan**
    You are obligated to repay the outstanding loan amount and interest payments according to the repayment schedule under the terms and conditions of the Approval Letter. Any late or default of loan repayment over the course of the loan facility, including interest payment and principal repayment, may trigger the Bank to demand the repayment of the loan immediately. The Bank may surrender the policy and recover the defaulted payment, causing you significant financial losses and loss of insurance coverage. You may not be able to obtain the same insurance coverage for reasons such as changes in health conditions. You shall remain liable for any shortfall between the amounts of the proceeds of the policy and the outstanding amount of the Policy Pledge Loan. In addition, the Bank may set off any obligation under the Policy Pledge Loan owed by you to the Bank against any obligation owed by the Bank to you (including credit balances in any account you maintain with the Bank).

12. **Release of Information to the Bank (as Assignee of the Insurance Policy) for Access**
    Upon execution of the Deed of Assignment, your insurance company will release information about your Insurance Policy (which may include, without limitation, personal data provided by you to the insurance company, surrender value, cash value, and any loans or advances on the Insurance Policy) to the Bank for access upon request. If in any doubt, please seek advice from independent legal advisers.

13. **Loan Recall Risk**
    The loan is subject to review by the Bank at any time and is also subject to the Bank's overriding right of withdrawal and repayment on demand. The Bank shall have the right to modify, suspend, cancel or terminate the loan at any time without prior notice and without giving any reasons.

14. **Offset Risk**
    There is a possible effect that the policyholder's interest would hinge on the customer's credit relationship with the Bank as a whole e.g. a breach of the lending terms for the customer's other credit facilities in the Bank may render the Policy Pledge Loan to be offset against surrender benefits of the Insurance Policy.

Reference Information	
Historical Changes of Interest Rate Benchmark	The chart below is provided for illustrative purposes only and shows the historical movement of the 1 Month HIBOR benchmark in the past 3 years (2022 Jun to 2025 May).

<table>
<tr><td></td><td>

The highest 1 Month HIBOR noted in the past 3 years is 5.41%.</td></tr>
<tr><td>Periodic Repayment Amount (Illustrative Example)</td><td>(The following example illustrates the periodic repayment amount based on the highest interest rate noted in the past 3 years.)

For a loan amount of HK$100,000 with monthly repayment:
<table>
<tr><th>Loan Tenor</th><th>6-month</th><th>12-month</th><th>24-month</th></tr>
<tr><td>Monthly repayment amount based on the highest interest rate noted in the past 3 years (i.e. 5.41% (HIBOR) + 1.5% = 6.91%)</td><td>HK$ 575.83</td><td>HK$ 575.83</td><td>HK$ 575.83</td></tr>
</table></td></tr>
<tr><td>Total Repayment Amount (Illustrative Example)</td><td>(The following example illustrates the periodic repayment amount based on the highest interest rate noted in the past 3 years.)

For a loan amount of HK$100,000 with monthly repayment:
<table>
<tr><th>Loan Tenor</th><th>6-month</th><th>12-month</th><th>24-month</th></tr>
<tr><td>Total repayment amount based on the highest interest rate noted in the past 3 years (i.e. 5.41% (HIBOR) + 1.5% = 6.91%)</td><td>HK$ 103,455.00</td><td>HK$ 106,910.00</td><td>HK$ 113,820.00</td></tr>
</table></td></tr>
</table>

The Chinese version of this KFS is for reference only. The English version will prevail if there is any inconsistency between the English and Chinese versions.