

Key Facts Statement (KFS) for Instalment Loan

WeLab Bank Limited (the “Bank”)

WeLab Bank Premium Financing
May 2026

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

This product is an instalment loan.

This KFS provides you with indicative information about interest, fees and charges of this product but please refer to our approval letter 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.

Interest Rate and Interest Charges

Interest Rate

For a loan amount of HK\$300,000:

Loan Tenor	12-month	24-month
Interest rate	WeLab Bank’s Prime Rate (“P”) – 1.55% to P – 1.05%	
	The interest rate for the loan is not subject to a cap and thus may subject to higher interest rate risk.	

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 when change of the Bank’s Prime rate. Latest rate and other details of the Bank’s HKD Prime are published on our [website](#).

The Bank reserves the right to determine the final applicable interest rate for the instalment loan.

Annualised Percentage Rate (APR)

Not applicable

Annualised Overdue/ Default interest rate

Not applicable

Repayment

Repayment Frequency

This loan request monthly repayment

Periodic Repayment Amount	For a loan amount of HK\$300,000 with monthly repayment:			
Loan Tenor	12-month	24-month	120-months	
Periodic repayment amount for 5% Interest rate	HK\$1,250			
Remark:				
The above assume Interest rate is 5% for all tenor. Please note that the interest Rate might varies based on the Bank's latest Prime Rate.				
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:				
Loan Tenor	1st - 23rd repayment	24th repayment		
Periodic repayment amount for 5% Interest Rate	HK\$ 1,250	HK\$ 301,250		
The above are illustrative examples only.				
Total Repayment Amount	For a loan amount of HK\$300,000 with monthly repayment:			
Loan Tenor	12-month	24-month	120-month	
Total repayment amount based on the monthly repayment amount above (based on 5% Interest rate)	HK\$ 315,000	HK\$ 330,000	HK\$450,000	
Remark:				
The above assume Interest rate is 5% for all tenor. Please note that the interest Rate might varies based on the Bank's latest Prime Rate.				
The above are illustrative examples only.				
To calculate the above information applicable to your specific case, please use our online calculator accessible from our website				
Fees and charges				
Administration Fee	0.08% of the principal amount of the loan will be charged on each repayment date			
Late Payment	24% per annum of the original loan amount (Daily interest basis)			

Fee and Charge	For the avoidance of doubt, the interest will be calculated daily on a simple and 365-day basis (a 366-day basis in the case of a leap year)
Prepayment / Early Settlement / Redemption Fee	<p>Early repayment fee shall be 1% of the original principal amount at the first year of drawdown, plus repayment, refund or return of any applicable promotional offers.</p> <p>Remark: No early repayment fee shall apply to any early repayment resulting from the cancellation of the Policy within its cooling-off period. For cancellation of USD policy during this period, insurance company will return the premium in Hong Kong Dollar using their prevailing exchange rate. Any adverse fluctuations in the exchange rate may result in a significant reduction in the overall refund amount and the customer is responsible for any potential financial loss.</p>

Additional information

- Minimum loan amount is HK\$300,000
- The Premium Financing 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.
- To apply for the Premium Financing, you should have a valid WeLab Bank Core account and investment account. If you do not have a valid WeLab Bank Core account before applying for the Premium Financing, you need to open a WeLab Bank Core via WeLab Bank within 30 calendar days following submission date of Premium Financing application. Otherwise, your Premium Financing application will not be proceeded.
- The grant of any Premium Financing 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 Premium Financing and Approval Letter (and any related loan or security documents including, without limitation, any Deed of Assignment).
- This Key Facts Statement does not constitute any offer, invitation, solicitation, recommendation or advice for making any Premium Financing application for or entering any transaction by any person. The information contained in this document is provided for your reference only.
- Eligible Policy for Premium Financing must fulfil the criteria set up in Clause [3a] in the Terms and Conditions of WeLab Bank Premium Financing
- Premium Financing 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 Premium Financing 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 Premium Financing 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 Premium Financing will be payable monthly by debiting 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 Premium Financing on an on-going basis.
- For further information of WeLab Bank Premium Financing, please refer to our website (Features > Premium Financing).
- For enquiry, please call the Bank's hotline at +852 3898 6988.

Important Notes & Implications

1. **What premium financing is about:** Premium financing is an insurance funding arrangement hereby you, as the proposed policy holder, borrow funds from the Bank to pay for the premium of the proposed life insurance policy (the "**Policy**") and in doing so, you would assign all or part of your rights under the Policy to the Bank as collateral.
2. **Stand-alone arrangement/contact:** Premium financing 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 your insurance company (the "**Insurer**"). The Insurer is not a party to the Approval Letter or Assignment of Insurance Policy and is therefore not governed by the terms and conditions (including dispute resolution) of these contract and agreement you enter into with the Bank. In case you have any questions about the terms and conditions, you should contact the Bank.
3. **Restriction of rights under the Policy:** All or part of your rights under the Policy will be assigned to the Bank as collateral via a deed of assignment. Subject to the terms and conditions of the loan contract and policy assignment agreement, the Bank will be entitled to exercise all or part of the rights under your Policy, and you will not be able to exercise those rights unless the Bank's approval is obtained. Examples of those rights include:
 - receive any benefits (including surrender value, death benefit, etc.) payable by the insurer under your Policy;
 - cancel your policy within the cooling off period, surrender the policy, or make withdrawals;
 - apply for policy loan, or exercise any options under the policy; and Annex
 - make certain changes or amendments to your Policy (e.g. appointment of new beneficiary, further pledge or assign the policy).

You should therefore carefully read the terms and conditions of the loan contract and policy assignment agreement, and consider how these potential adverse impacts may affect the outcome of the Policy and whether the Policy is still suitable for you.

4. **Shortfall in actual benefits receivable:** The actual net benefits receivable under the proposed policy financed by premium financing will be less than the amount indicated in the relevant Benefit Illustration, as part of the benefit payments would be offset by the repayment of the loan facility (including the principal amount of the loan and the relevant interest). This shortfall may be significant especially if you intend to pay a substantial portion of the premium using premium financing.
5. **Release and access of information:** The Bank will be given rights to access your policy information and may from time to time instruct the Insurer to release information relating to your Policy, for example, surrender value, cash value, and any loans or advances on the Policy.
6. **Risk of collateral top-up and repayment on demand:** Your loan facility may be subject to review by the Bank and the Bank has the right to restructure or terminate the loan facility at any time. The Bank may request you to provide additional collateral, or partially or fully repay the outstanding loan, under particular circumstances stated in the loan contract. If you fail to meet the request(s), the Bank may restructure or terminate the loan facility or exercise its rights on the Policy such as surrendering the policy.

You should read the terms and conditions of the loan contract, for example the frequency of review, the circumstances that may trigger the request(s) and the relevant arrangements of the request(s). You should consider your financial affordability in meeting the particular circumstances stated in the loan contract before purchasing life insurance products through the use of premium financing.

7. **Consequence of late repayment and default of loan facility:** If the Policy is funded by a loan facility, you are obligated to repay the outstanding loan amount and interest payments according to the repayment schedule under the terms and conditions of the loan contract. 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 loan facility.

In addition, the Bank may set off any obligation under the loan facility 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).

8. **Impact of early termination/surrender/withdrawal:** If the Bank exercises its right under the terms and conditions of the policy assignment agreement to terminate or surrender the policy, or withdraw cash value before the end of policy term:
 - the amount of benefits receivable under the policy may be substantially less than the sum of total premium paid, interest expenses incurred and early repayment penalty imposed (if applicable) under the loan contract, especially in the early years of the policy;
 - you may partially or fully lose the insurance coverage and may not be able to obtain the same insurance coverage;

- you may lose the entitlement to dividends, bonuses, etc. under the policy;
- the Bank may apply all or part of the benefits receivable under the policy against the outstanding amounts owed by you (whether or not the outstanding amounts are under the loan facility); and
- in cases where the policy is required as part of conditions in your business or other arrangements, the termination of the policy may trigger further events of defaults in these arrangements with adverse consequences.

9. **Impact of death of insured:** In the event of the death of the insured, the amount of death benefit receivable under the policy may be substantially less than the sum of total premium paid, interest expenses incurred and early repayment penalty imposed (if applicable) under the loan contract, and you may suffer a significant financial loss.

10. **Exposure to interest rate fluctuation:** The interest payment of the loan facility for premium financing will affect the net rate of return (i.e. net of interest payment) you plan to achieve in your Policy with the use of premium financing. You may be exposed to significant interest rate risk if the interest rate of the loan facility is not fixed (i.e. floating rate subject to changes from time to time). Even in the case of fixed interest rate, the Bank may have discretion to adjust the interest rate on the loan facility from time to time. Any increase in interest rates applicable to the loan facility will increase the cost of servicing the loan facility (i.e. increase in regular interest payments.). You may not be able to service the loan facility and may hence default when there is a substantial increase in the interest rate. Also, in cases where the interest rate of the loan facility is substantially higher than the returns received from the policy, you will suffer a significant financial loss.

11. **Exposure to risk of non-guaranteed benefits fluctuation:** If your 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 your 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 Policy is substantially lower than the interest payable under the loan facility, you will suffer a significant financial loss.

12. **Exposure to exchange rate fluctuation:** Exchange rate exposure arises when the loan currency differs from the policy currency. In the case of premium financing, you may be required to convert the proceeds received under your Policy into the loan currency, under the prevailing exchange rate, before being able to settle the loan repayments. In cases where the proceeds received from the policy is substantially lower than the outstanding loan amount due to adverse fluctuation in the exchange rate, you will suffer a significant financial loss.

13. **Exposure to credit risk:** You are subject to the credit risk of the Insurer. In the event that the Insurer becomes default on its obligations or an adverse change in its credit rating, the Bank may, at its discretion, ask for additional collateral, adjust your credit limit, restructure or even terminate the loan facility. You may be obligated to repay the loan, the interest and administrative 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 loan facility.

14. **Payment timing mismatch:** There is a possibility that the proceeds from your Policy will not be remitted to the Bank on or before the repayment date as specified in the loan contract (e.g. due to

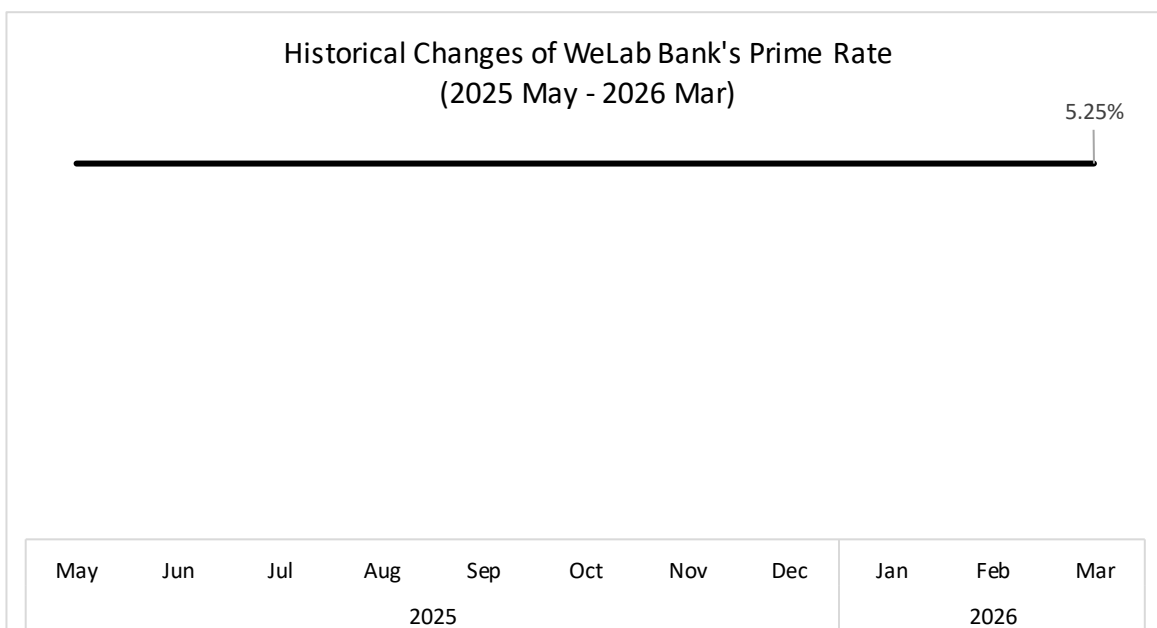
loan facility maturity date being earlier than your policy maturity date, or turn-around-time for policy benefits disbursement), resulting in the default of loan repayment by you. You will be solely liable for any late penalty interest or defaulting interest imposed by the Bank under the terms and conditions of the loan contract.

15. **Impacts on cooling-off right:** Your right to cancel this Policy within the cooling-off period may be assigned to the Bank, and therefore any cancellation request may be subject to the Bank's consent. For a policy acquired through the use of premium financing and cancelled within the cooling-off period, you may be obligated to repay the loan principal, early repayment penalty (if applicable), interest and other administrative fee accrued under the premium financing facility.

Reference information

Historical Changes of Interest Rate Benchmark

The chart below is provided for illustrative purposes only and shows the historical movement of WeLab Bank's HKD Prime Rate (2025 May to 2026 Mar).



The highest HKD Prime Rate noted in the period is 5.25%.

Periodic Repayment Amount (Illustrative Example)

(The following example illustrates the periodic repayment amount based on the highest interest rate noted in the period of 2025 May to 2026 Mar.)

For a loan amount of HK\$300,000 with monthly repayment:

Loan Tenor	12-month	24-month	120-months
Monthly repayment amount based on the highest interest rate noted in the period (i.e. 5.25% (Prime) - 1.05% = 4.2%)	HK\$1,050 (At last repayment: HK\$301,050)		

Total Repayment Amount (Illustrative Example)

(The following example illustrates the total repayment amount based on the highest interest rate noted in the period of 2025 May to 2026 Mar.)

For a loan amount of HK\$300,000 with monthly repayment:

Loan Tenor	12-month	24-month	120-months
Total repayment amount based on the highest interest rate noted in the	HK\$312,600	HK\$325,200	HK\$426,000

	period (i.e. 5.25% (Prime) - 1.05% = 4.2%)				
--	---	--	--	--	--

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.