

**General Rules of
Micro Connect (Macao) Financial Assets**

Release date: 3 August 2023

General Rules of Micro Connect (Macao) Financial Assets Exchange

Chapter 1 General Rules

Article 1 The General Rules are formulated by Micro Connect (Macao) Financial Assets Exchange ("MCEX" or the "Exchange") in accordance with the relevant laws, regulations and provisions with an aim to regulate market trading behaviours, promote the healthy development of the trading market, and protect the legitimate rights and interests of the market participants and the public.

Article 2 MCEX was established and carries out its business as an exchange service institution in the Macao Special Administrative Region ("Macao") of the People's Republic of China ("PRC"), pursuant to Executive Order No. 47/2022 announced by the Chief Executive of Macao on 5 December 2022. MCEX is the authorised platform for the listing, trading, registration, custody, clearing, settlement and information disclosure for Daily Revenue Obligations products ("DRO Products"), Daily Revenue Portfolio products ("DRP Products") and other related products (together with DRO Products and DRP Products, collectively "Products", or "Exchange Products"). MCEX provides trading services for the Products, with an aim of leveraging digitalisation to accurately connect global capital with micro and small businesses through Macao. MCEX is regulated by the Monetary Authority of Macao ("AMCM") and operates in accordance with the guidelines, circulars and other directives issued by the AMCM.

Article 3 MCEX formulates and publishes its constitution, organizational structure, rules, standards, codes, criteria, circulars, guidelines and notices (individually or collectively referred to as the "Rules"), through which it ensures an orderly and secure market, the fair and equitable trading of Exchange Products, the orderly and sound operation of MCEX, and the provision of a good environment and efficient services to market participants.

Chapter 2 Members Management

Article 4 With the aim to prevent financial risks and adhere to the principles of sound and orderly operation, MCEX, in accordance with requirements from the AMCM, only permits regulated financial institutions from major global jurisdictions and other investors approved by the AMCM to participate in its market. Investors, after passing the admission review, the anti-money laundering and counter-terrorism financing, and other verification process set by MCEX, becomes members of MCEX ("Members", or "Investors").

Article 5 MCEX provides various protection measures to protect the legitimate rights and interests of the Members. These measures include safe handling of funds, data storage, information disclosure, index analysis and other services. MCEX attaches great importance to the protection of personal data and privacy of the Members and takes adequate measures to ensure the security of the Members' personal data and privacy.

Article 6 Members are qualified to participate in the trading of the relevant Products according to the

Rules. The requirements for Member admission and measures to safeguard the Members' rights and interests are stipulated in accordance with the Rules and are further agreed upon in the written agreements entered into between the Members and MCEX.

Chapter 3 Exchange Products

Part 1 DRO Products

Article 7 DRO Products are listed, registered and traded in accordance with the Rules. The listing entities for DRO Products are micro and small businesses from PRC and other regions ("DRO Listing Entity"). The fundamental rights of DRO Products are the daily revenue sharing rights based on the daily revenue generated by the DRO Listing Entities in their daily operations.

Article 8 The investors of DRO Products are the Members of MCEX. Due to the cross-border nature of the transactions, the investment terms and conditions agreed between a Member and a DRO Listing Entity are realised through the signing of a Daily Revenue Contract ("DRC") by the wholly owned subsidiaries of MCEX in PRC and other regions ("Subsidiary"), and the DRO Listing Entity under the legal jurisdiction of their respective regions. All interests under a DRC are vested in its corresponding DRO Product purchased by Investors and are expressly agreed upon in the DRO Investment Agreements signed by the Investors.

Part 2 DRP Products

Article 9 DRP Products refer to a new type of products formed by a combination of DRO Products based on a set of principles and criteria. An issuer of DRP Products is a qualified Member of MCEX that holds units of DRO Products ("DRP Product Issuer").

Article 10 Matters relating to the listing, trading, registration, custody, clearing, settlement and information disclosure of DRP Products shall be stipulated by MCEX through separate Rules.

Part 3 Other Products

Article 11 Other products refer to products listed, registered and traded in accordance with the Rules other than DRO Products and DRP Products (the issuers of these products, together with DRO Listing Entities and DRP Product Issuers, are hereinafter collectively referred to as "Listing Applicants").

Article 12 Matters relating to the listing, trading, registration, custody, clearing, settlement and information disclosure of other products shall be stipulated by MCEX through separate Rules.

Chapter 4 Trading Procedures

Part 1 Listing of Products

Article 13 MCEX provides listing services for Exchange Products. The Listing Applicants shall apply for product listing in accordance with the procedures specified in the Rules and undergo MCEX's review process.

Article 14 The Listing Applicants shall conduct information disclosure in accordance with the information disclosure requirements specified in the Rules. The Listing Applicants shall undertake and bear the legal responsibility for the veracity, completeness, accuracy and non-misleading nature of the disclosed information.

Part 2 Trading of Products

Article 15 Products that have been approved by MCEX for listing after the review process shall be disclosed on the information disclosure platform of MCEX or other platforms designated by MCEX for trading by the Members.

Article 16 Members shall submit their application to subscribe for units of the listed Products in accordance with the subscription procedures specified in the Rules. Members have the right to subscribe for all or some of the units of a listed Product.

Article 17 MCEX provides order matching services. After Members have placed their trade orders, MCEX shall proceed to its matching process for the orders in accordance with relevant matching procedures specified in the Rules.

Article 18 MCEX shall communicate the trade details to parties of the trade through MCEX platform or other methods designated by MCEX, after the order has been processed through matching.

Part 3 Registration and Custody

Article 19 MCEX provides registration services for the Products to its Members in accordance with the registration rules established by MCEX. Once an order has been confirmed through the matching process of MCEX, MCEX shall issue a certificate to the relevant Members. The certificate shall be automatically registered in the name of the Member within the registration system of MCEX, serving as the legal proof of the Member's ownership of the Products which are tradable and transferable in accordance with the Rules.

Article 20 MCEX provides custody services for the Products to its Members in accordance with the custody rules established by MCEX. The certificates held by the Members are kept in custody by MCEX. MCEX acts solely as a custodian and has no ownership over the Products held in custody. The full ownership of the Products held in custody belongs to the respective Members.

Part 4 Clearing and Settlement

Article 21 MCEX provides clearing and settlement services for the Products during and after the trading process in accordance with the clearing and settlement rules established by MCEX.

Article 22 During the Products trading phase, MCEX provides a one-time clearing and settlement service to ensure the security of transaction funds for all parties to the transaction.

Article 23 After the Products trading phase, MCEX provides an ongoing clearing and settlement service to safeguard the legitimate rights and interests of all parties to the transaction.

Chapter 5 Services and Management

Article 24 Products trading fees and standards shall be stipulated by MCEX through separate Rules.

Article 25 MCEX establishes market management system including risk alerts and management measures and may issue warnings to market participants suspected of violating the Rules through methods such as inquiries, interviews, warnings and notifications.

Article 26 MCEX shall have the discretion to suspend or terminate the transaction and provide notification accordingly when circumstances affecting the normal conduct of trading activities occur during the trading process.

Article 27 Market participants that engage in actions that are in breach of commitments or the Rules shall bear corresponding legal responsibilities.

Article 28 MCEX shall provide all market participants with a one-stop integrated financial services for Products listing, trading, clearing, settlement, registration, custody and risk management.

Article 29 MCEX shall regularly and promptly publish Products trading data, investment indexes and other information, providing Members with multi-dimensional information services in accordance with the information disclosures rules established by MCEX. Members shall access multi-dimensional product information and make their own analysis and decisions regarding the participation in any Products.

Chapter 6 Risk Management

Article 30 Opinions issued by MCEX regarding Products listing application do not represent any guarantee or promise on the veracity, accuracy, completeness and non-misleading nature in respect of any documents submitted and information disclosed by the Listing Applicants, nor do they imply any representation or warranty from MCEX concerning the investment risks associated with the listed Products. MCEX does not make any judgement or warranty regarding the operational risk, solvency risk, litigation risk, investment risk or other risks associated with the Listing Applicants in connection

with the Products listed on MCEX. Members shall bear all the investment risks associated with the Products listed on MCEX.

Chapter 7 Supplementary Provisions

Article 31 The General Rules are subject to amendment by MCEX, and the right of final interpretation is reserved by MCEX. Unless otherwise stipulated, any amendment to General Rules shall take effect on the date of publication on the MCEX platform, and no further notice shall be given.

Article 32 After the approval by MCEX, the General Rules shall take effect and be implemented from the date of publication on the official website of MCEX.

This document is issued in both English and Chinese languages. In case of any conflict of inconsistency between the English version and the Chinese version of the document, the Chinese version shall prevail.