RISK DISCLOSURE STATEMENT

Prior to making investment decisions, prospective investors should consider and assess carefully all of the information and suitability of any investment products, goods or services. Key considerations should include, but not limited to, their financial position, investment objectives, risk tolerance level, and investing experience.

By proceeding with the account opening with MCTRUST, you acknowledge you have read and understand the risks describe below.

Market Volatility Risk

The value of investments, including securities, is subject to market volatility risk. This means the value may fluctuate, sometimes dramatically. As investments may have exposure to derivative instruments, their value can be dictated by many factors, such as the performance of underlying assets which may themselves be volatile in nature. When investing in derivatives, losses have the potential to materialize rapidly. Just as the investment's price can rise sharply in a short period due to market movements, it may also fall sharply in correspondence. This high degree of volatility signifies the investment price is unpredictable. Investors must accept the risk of short-term value declines when investing. Furthermore, investors should prepare for the possibility of considerable valuation swings of investments, both in the near and long term, due to market forces. The inherent risks associated with investing in derivative markets means the value is subject to substantial fluctuations.

Underlying Asset Risk

The returns from investments are dependent on the performance of the underlying assets in which the investment proceeds will be invested. In this regard, returns rely on the returns ultimately achieved from those underlying assets. Returns are subject to the credit risk of the relevant counterparties and/or entities associated with the underlying assets. This also includes the risk from any issuers or counterparties of the underlying assets themselves, as well as any entities or obligations tied to the proceeds of such investments. Since the returns on investments depend upon the returns received from the underlying assets, there is an inherent risk that losses may occur if the underlying assets perform poorly or the counterparties default. Investors bear the risk that the underlying assets may not generate sufficient returns to provide a positive overall return on the investment.

Loss of Principal Risk

Investors should be aware that the Investments do NOT offer principal protection. In a severe scenario, investors could potentially lose the entire investment. Investors bear the risk of losing all or a substantial portion of their investment. Only investors willing and able to accept the possibility of such losses should consider making any investment decisions.

Underperformance Risk

Investors should be aware that the investments carry the risk of delivering returns that are potentially lower than those offered by more conservative alternative such as bank deposits, traditional fixed-income securities, or other investment options available. Due to the structured nature and inherent risks of the investments, there is no guarantee that the investments will match or outperform common benchmarks or index returns.

Credit Risk

Investors are subject to credit risk, as the investments represent direct and unsubordinated contractual obligations. While the investments are backed by collateral in the form of the underlying assets into which the investment proceeds will be allocated, investors should be aware that the trustee has limited assets and share capital to support the obligations. In the event of default or insolvency, recovery of funds would be limited to the value of collateral available at that time.

Potential Conflicts of Interest

Through various roles related to the investments and underlying assets, the trustee and its affiliates could encounter conflicts of interest that are not fully avoided or mitigated. As the Trustee and its affiliates may serve in different capacities involving discretionary decisions or access to non-public information, their actions are not definitively required to align with investors' interests at all times. There is risk certain powers could be wielded in ways detrimental to value or performance. For example, the trustee or its affiliates may obtain sensitive information about underlying assets that could impact investment choices, without an obligation to disclose such insights to the investors. Private information using in their own activities would not necessarily be distributed. Investors should bear in mind that all discretionary determinations affecting worth or returns can potentially be made without undue outside consideration and the trustee or its affiliates will not be liable for any losses.

Low Liquidity Risk

Investors should consider the risk that some assets or securities held in the portfolio may not always be readily saleable within the desired timeframe or at a favorable price. Not all assets or securities can be quickly sold as and when desired, particularly during periods of volatility or reduced transaction volumes in any market. Liquidity risk arises when certain investments become difficult to purchase or sell due to inadequate trading activity or other constraints. The portfolio's ability to find buyers at an acceptable price, especially in times of market turmoil or volatility, can impact its ability to meet redemption requests or other capital demands. Investing in less liquid assets can introduce greater fluctuations in their valuations and increase volatility. Investors should be aware that constraints on quickly divesting assets at short notice could impact the portfolio's ability to adapt to changing market conditions or fulfill redemption requests.

Concentration Exposure Risk

Investors should be aware that the portfolio may maintain concentrated exposures in a particular investment, market, sector, or country. A focused strategy could experience heightened volatility compared to a more diversified strategy. By emphasizing certain positions, the portfolio becomes more susceptible to fluctuations tied to adverse conditions affecting those concentrations. Macroeconomic, political, tax or regulatory developments negatively impacting concentrated areas could impair overall performance. As a result, returns may correlate strongly to a modest set of risk factors. Unfavorable developments in concentrated locations, industries or securities could severely influence investment outcomes. Compared to diversified peers, the portfolio assumes increased non-systemic risk through its implementation of a focused mandate.

Lack of Control by Investors

Investors in the portfolio will have no ability to actively manage or control the portfolio's investment decisions or strategy. The portfolio under the sole control and management of the investment manager. When investing, investors must rely solely on the investment managers' expertise judgement. The investment managers will have full discretion over the portfolio, including decisions around what investments to make or sell. Due to this lack of input and control, there is a risk that the investment managers' decisions result in losses, underperformance, or failing to meet your investment objectives, and poor execution of their responsibilities could negatively impact investment returns. Investors bear the risk of potential losses from decisions made solely by the investment managers without management control.

Client Assets Received or Held Outside Hong Kong

Investors should be aware that when we receive or hold your assets in jurisdictions outside of Hong Kong, those assets will be subject to the laws and regulations of the foreign location rather than Hong Kong law. Laws and regulations in other countries may differ from and provide less legal protection than those in Hong Kong regarding client asset handling and custody. We recommend investors carefully research and consider foreign legal risks before consenting to overseas custody arrangements. Investors are also advised to consult legal counsel with expertise in international asset protection as needed.

Foreign Exchange Risk

Investors will bear foreign currency exchange rate risk if the exchange rates fluctuate over the investment period. A depreciation of the investment currencies between the investment subscription and the repatriation of investment funds may have an adverse effect on investment returns. Exchange rates may vary significantly and unpredictably, potentially offsetting positive performance of the underlying investment. Investors bear the risk that fluctuations in exchange rates can impact the positive price performance of the investments, potentially leading to a significant increase or decrease in the redemption amount payable.

Taxation Risk

Prior to making any investment decisions, investors should carefully consider the possible tax consequences. Tax laws and regulations and how they are applied to the portfolio and its investments may change over time, which could negatively impact the portfolio, its investors, or the returns from investments. Tax authorities may interpret or apply tax laws differently than anticipated. There can be no assurance that a particular tax authority or court will agree with the portfolio's interpretation or application of tax laws. Tax authorities may have the power to audit the portfolio's transactions and challenge the portfolio's interpretation or application of tax laws from past periods. In addition, Investments in certain countries may also be subject to income tax or withholding taxes in those jurisdictions, reducing potential returns. Investors are advised to consult their own tax advisors regarding tax implications of an investment in the portfolio.

This document is written in English language and may be translated into other languages. In case of any discrepancy or inconsistency between the English and the translated version of this document, the English version shall prevail.