

# Moomoo Financial Singapore Pte. Ltd. – Best Execution Policy

## 1. Purpose of this Policy

- a) Reference is made to the MAS Notice on Execution of Customers' orders (SFA 04-N16), in respect of the implementation of written policies and procedures for the following:
  - i) to place or execute customers' orders on the best available terms; and
  - ii) to place or execute comparable customers' orders in accordance with the time of receipt of such orders,

commonly referred to as "Best Execution".

## 2. Scope of this Policy

This document applies with respect to all financial instruments within the scope of "best execution" as prescribed by the regulators in the Singapore market. Best execution does not guarantee that the best price will be achieved but ensures that Moomoo Singapore acts in the best interests of all customers.

## 3. Approved Upstream Brokers

When executing and transmitting the client's orders, Moomoo Singapore uses a preferred execution venue broker for the different markets that it currently supports.

## 4. Order Handling

- a) Individual orders to be promptly executed or transmitted sequentially in accordance with the time of receipt.
- b) Client orders will only be manually handled by Moomoo Singapore's internal dealers in exceptional circumstances and on a best effort basis where the client has a system problem which would otherwise prohibit themselves from submitting all order themselves.
- c) For orders received outside the normal exchange business hours of the market, Moomoo Singapore will promptly transmit the order when exchange trading resumes on a best effort basis. However, there may be instances of rejected orders due to factors that are not within the control of Moomoo Singapore. Therefore, it is on the onus of the client to check their order when trading resumes. Moomoo Singapore holds no liability on failed orders placed outside normal exchange business hours.

## 5. Specific Instructions

Where specific instructions are given by the client regarding the execution of an order, Moomoo Singapore will ensure to execute the order in accordance with those instructions. In this way, Moomoo Singapore will consider itself as having satisfied its best execution obligations with respect to the part of the client's order to which the instruction relates, when those instructions have been carried out as specifically requested.

Where specific instructions given by the client cannot be followed, Moomoo Singapore will inform the client of the reasons.

## 6. Best Outcome

In the absence of specific instructions from a client, Moomoo Singapore will take reasonable steps to achieve the Best Outcome for its clients.

Unless otherwise specifically instructed by the client, Best Outcome means the best total consideration, which is either:

- For a buy order, the purchase price paid by the client plus brokerage and GST; or
- For a sell-order, the sale price received less brokerage and GST.

## 7. Extended Hours Trading Sessions

There are two extended-hour trading sessions for the US market: pre-market and post-market.

Some risks associated with After-Hours trading is as follows:

### a) Risk of Lower Liquidity –

Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders available in the market, the greater the liquidity. However, with after-hours trading, there may be lower liquidity in extended hours trading as compared to regular market hours. As a result, the client's order may only be partially executed, or not at all.

### b) Risk of Higher Volatility –

Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater the price swings. They may be greater volatility in extended hours trading than in regular market hours. As a result, the order may only be partially executed, or not at all, or the client may receive an inferior price in extended hours trading than it would have been during regular market hours.

### c) Risk of Changing Prices –

Prices of securities in extended hours trading may not reflect the prices either at the end of regular market hours, or upon the opening of the next morning. As a result, the client may

receive an inferior price in extended hours trading than it would have been during regular market hours.

**d) Risk of Unlinked Markets –**

Prices displayed on a particular extended hours system may not reflect the prices in other concurrently operating extended hours trading system dealing in the same securities. As a result, the client may receive an inferior price in extended hours trading it would have been during regular market hours.

During After-Hours Trading, depending on the jurisdiction and regulations in place of our upstream broker, they may or may not have the requirements of connecting all electronic communication networks (ECNs) and alternative trading systems (ATSs) to offer extended hours trading.

With that, it is possible that the quotations displayed by Moomoo Singapore from After-Hours Trading Facilities on which Moomoo Singapore can eventually execute trade may be less favourable than those on other After-Hours Trading Facilities to which Moomoo Singapore does not have access. Last sale information provided on Moomoo Singapore may also not reflect the prices of the most recent trades on all of the various from After-Hours Trading Facilities.

However, it is worth noting that Moomoo Singapore's selected upstream brokers are governed by the respective regulations to ensure fair and transparent trading practices.

**8. Bond Trading Order Types**

Moomoo Singapore will take reasonable measures to ensure best execution for clients. There are two available order types for the client. If the client chooses Regular Buy/Sell, Moomoo Singapore will reach out to available counterparties via our upstream broker. Following a reasonable waiting period for available quotes to be returned that give priority to the factor of price on the best execution terms, when the OTC market price matches the client's quote, the upstream broker will execute the relevant transaction.

If the client chooses Fast Buy/Sell, Moomoo SG will immediately obtain the available quotes via the upstream broker that gives priority to the speed of execution and the likelihood of execution price on the best execution terms. However, this quote may not be the best price available. The client who places orders based on this quotation can trade immediately.

Where a client has given specific instructions, it shall be deemed that the client fully understands and confirms this section, and Moomoo Singapore has made its best reasonable efforts to fulfill its obligation to execute such transactions on the best terms.

**9. Matters outside Moomoo Singapore control**

In some cases, whether as a result of system failures, disrupted markets or otherwise, it may be necessary to execute client orders in a different manner and/or failure in order execution

as documented for the financial instrument in question. In such circumstances, the client will be notified on a best effort basis.

#### **10. Records**

All communications which relate to reception, transmission and execution of orders, and/or which will or may result in orders shall be recorded in accordance with our terms and conditions.

#### **11. Policy Review and Monitoring**

Moomoo Singapore will monitor the effectiveness and adequateness of this policy and its internal procedures and will review this policy on a regular basis. Moomoo Singapore reserves the right to amend this policy at any time.