

PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to take out the Initial Public Offering (IPO)/ Employee' Share Option Scheme (ESOS) Financing-i. Be sure to also read the terms in the letter of offer. Seek clarification from your institution if you do not understand any part of this document or the general terms)

PRODUCT NAME:

- INITIAL PUBLIC OFFERING (IPO)
- EMPLOYEE' SHARE OPTION SCHEME (ESOS) FINANCING-i

DATE:

[The date issued to customer to be filled in by Sales Personnel]

1. WHAT IS THIS PRODUCT ABOUT?

The financing products facilities offered are as follows:

Initial Public Offering ("IPO") Financing is a margin facility offered to the company's eligible employees (pink Form), MITI IPO allocations, private placement and eligible person to be determined by issuer to subscribe for new Shariah compliant shares listed on Bursa Malaysia.

Employees' Share Option Scheme ("ESOS") is a financing package extended to the eligible company's employees of selected public listed company for the purpose of subscribing the shares allocated to them. The shares must be Shariah compliant shares.

These facilities are short term financing packages with tenure ranging between 3 to 12 months. Margin of Finance (MOF) for these financing schemes range between 70% to 80%.

2. WHAT IS THE SHARIAH CONTRACT APPLICABLE?

The Shariah Contract applied is Murabahah (cost plus profit) via Tawarruq arrangement ("Commodity Murabahah"). It is a method of sale of which its acquisition cost and its marked-up price are disclosed where customer pays the price over an agreed period of time. The underlying asset for the sale transaction between the Customer and the Bank will be a specific tradable Shariah compliant commodity.

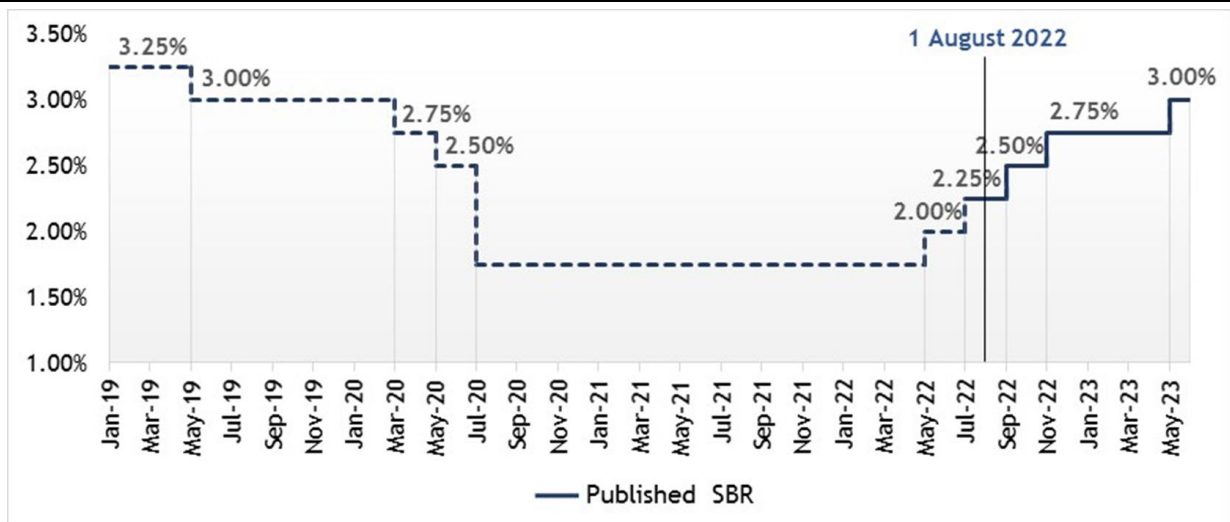
- a) In accordance to financing under the Community Murabahah, the Bank acquires/purchases a specific Shariah compliant commodity from a third party (Commodity Trader 1) upon request made by the Customer.
- b) The Bank then sells the said commodity to the Customer at the Bank's Sale Price which comprised of the facility amount plus profit margin to be paid on deferred payment basis within the agreed tenure.
- c) The Customer then appoints the Bank as its agent to perform the commodity sale transaction to a third party for cash.
- d) The Bank, acting as an agent to the Customer then sells the commodity to a third party (Commodity Trader 2) at a price equivalent to the facility amount.
- e) Proceeds of sale of the commodity will be disbursed to the vendor/issuer/issuing house of the shares subject to the term and conditions of the facility.

For Commodity Murabahah trading purposes, the Bank shall at all times be your non-exclusive agent to undertake the required Commodity Murabahah transactions related to the facility.

3. WHAT IS STANDARDISED BASE RATE (SBR)?

The SBR is a common reference rate for all commercial banks with effect from 1 August 2022 in the pricing of new retail financing pegged to Islamic Base Rates, refinancing of existing retail financing, and the renewal of revolving retail financing from 1 August 2022. The SBR is pegged to the Overnight Policy Rate (OPR) (i.e. SBR = OPR) and all existing Base Financing Rate (BFR) and Islamic Base Rate (IBR) in turn are pegged to the SBR. In other words, SBR, IBR and BFR will be adjusted in tandem with the changes in the OPR as determined by the Monetary Policy Committee (MPC) of Bank Negara Malaysia.

4. HISTORICAL STANDARDISED BASE RATE (SBR) FOR THE PAST 3 YEARS



Note: The dotted line shows the historical series of the OPR, which is the benchmark rate of the SBR

5. WHAT DO I GET FROM THIS PRODUCT?

You can apply part or full financing to finance the purchase of your shares based on your allocation. The relevant financing charges eg. handling fee, trading fee, stamp duty, CDS fee, etc can be included in the financing based on the package. It will be deducted from the sales proceeds or at the end of the tenure. Full payment is expected at the end of the tenure or upon the disposal of shares, whichever is earlier. The release of the facility shall be made upon satisfactory completion of all legal documentation, including pre-disbursement conditions as per Management's approval. As for ESOS, financing is only available when the market price of the acceptable counter is above 120% of option price. Financing Margin Ratio (FMR) is calculated based on ratio of total outstanding against total collateral value.

| Features | Description | | | | | | |
|---|--|--|------|------------|--|-----------|---|
| Financing Limit | Minimum : RM10,000 Maximum : Subject to credit evaluation | | | | | | |
| Financing Tenure | Minimum : 3 months Maximum : As per credit evaluation | | | | | | |
| Ceiling Profit Rate | <table border="1"> <thead> <tr> <th>Type of Client</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>Individual</td> <td>Standardised Base Rate (SBR) + 7.65% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Standardised Base Rate (SBR) is at 3.00% with effect from 8/05/2023</i></td> </tr> <tr> <td>Corporate</td> <td>Base Financing Rate (BFR) + 4% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Base Financing Rate (BFR) is at 6.65% with effect from 8/05/2023</i></td> </tr> </tbody> </table> | Type of Client | Rate | Individual | Standardised Base Rate (SBR) + 7.65% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Standardised Base Rate (SBR) is at 3.00% with effect from 8/05/2023</i> | Corporate | Base Financing Rate (BFR) + 4% per annum (p.a.) or 10% p.a., whichever is higher <i>* Current Base Financing Rate (BFR) is at 6.65% with effect from 8/05/2023</i> |
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| Effective Profit Rate | <table border="1"> <thead> <tr> <th>Type of Client</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>Individual</td> <td>Calculated daily on outstanding amount until settled. Rates range between SBR +2.65% to SBR +5.65% p.a.</td> </tr> <tr> <td>Corporate</td> <td>Calculated daily on outstanding amount until settled. Rates range between *BFR +0% to BFR -2.0% p.a.</td> </tr> </tbody> </table> | Type of Client | Rate | Individual | Calculated daily on outstanding amount until settled. Rates range between SBR +2.65% to SBR +5.65% p.a. | Corporate | Calculated daily on outstanding amount until settled. Rates range between *BFR +0% to BFR -2.0% p.a. |
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| <p>Note: The monthly instalment and total payment amounts will vary depending on SBR changes with seven (7) calendar days written notice to you before the effective date of the implementation, which may result in higher monthly instalment or lengthen the facility tenure. However, the Effective Profit Rate will not exceed the Ceiling Profit Rate.</p> | | | | | | | |

6. WHAT OTHER CHARGES DO I HAVE TO PAY?

Note:

*Effective 1 March 2019, brokerage fee on local trade is subject to Service Tax at 6%. Other related charges such as Bursa clearing fee and exchange fee are not subject to service tax.

| | |
|--|--|
| Trading Fee (upon akad) | Individual: Waived Corporate: RM 15 per RM 1.0 million worth of commodities purchased |
| Stamp Duty | As per the Stamp Duty Act 1949 (Revised 1989) |
| Opening Central Depository System (CDS) (Nominee) Fee | RM 10.00 |
| Share Withdrawal Fee | RM 20.00 per counter |
| Brokerage Fees (as per Bursa Malaysia Rules) | 0.6% for trades ≤ RM 100,000.00 |
| | 0.3% for trades > RM 100,000.00 |
| Handling Fee | ESOS Financing: Up to RM150 per application IPO Financing : Up to 0.5% Financing amount |

All the above fees are subject to any tax at the prevailing standard rate (if applicable). In the event we change the fees and charges, a twenty one (21) calendar days' written notification will be given to you before the effective date of the implementation.

7. WHAT IF I FAIL TO FULFILL MY OBLIGATIONS?

| | |
|---|---|
| <ul style="list-style-type: none"> ▪ Late Payment Charge (LPC) | <p>The Bank has the right to be compensated on late and default payment based on the following mechanism: -</p> <ol style="list-style-type: none"> i. <u>Overdue Instalment or Scheduled Payment</u> Late Payment Charges (LPC) of 1% per annum will be imposed on the overdue monthly instalment payment from the first drawdown until its maturity date. ii. <u>Upon Maturity</u> Prevailing daily overnight Islamic Interbank Money Market (IIMM) rate will be charged for failure to pay the total outstanding balance after maturity or upon judgement, whichever earlier. <p>However, the amount of LPC charged to the Customer will not be further compounded to the outstanding Facility Amount.</p> |
| <ul style="list-style-type: none"> ▪ Right to set-off | <p>The Bank has the right to set-off any credit balance in your account maintained with us against any outstanding balance of this facility with 7 calendar days prior notice to you.</p> |
| <ul style="list-style-type: none"> ▪ Financing Margin Ratio (FMR) | <p>If the collateral value falls below the required Financial Margin Ratio (FMR), the Bank can liquidate your position/collateral to improve on the margin position. The Bank has the right to set-off any credit balance in any of your account(s) maintained with us against any outstanding balance/losses/profit in this facility account.</p> |
| <ul style="list-style-type: none"> ▪ Default Rate | <p>"In the event you default for three (3) months in any due payment or your account is in excess of the limit for three (3) months under the Facility, we will be entitled to increase the profit margin Rate to Islamic Standardised Base Rate (SBR) + 6.15% p.a. ("the Default Rate") to be charged on the amount outstanding, or such other profit rates as Bank Negara Malaysia may prescribe from time to time. We will give you written notice of at least twenty one (21) calendar days prior to making any changes to the Default Rate or such other rates. The Default Rate shall continue to apply unless you reduce your payment in arrears to less than three (3) months whereby the current effective profit rate will be reinstated. Provided always that such increase shall not cause the total payment amount to exceed the Bank's Sale Price".</p> |

8. WHAT IF I FULLY SETTLE THE FINANCING BEFORE ITS MATURITY?

The Bank shall grant rebate (*Ibra'*) to you on, but not limited to, the following events:

- (a) You make early settlement or early redemption, including those arising from prepayments;
- (b) In the event the Effective Profit Rate is lower than the Ceiling Profit Rate; and
- (c) In the event the actual disbursed amount is less than the Facility Amount.

For avoidance of doubt, it is hereby acknowledged and agreed that the rebates referred to herein shall not be construed in any manner whatsoever as cash rebate payable to you, but shall be reflected as a reduction in the profit element of the Bank's Sale Price of the facility. The rebate shall only be deemed granted upon receipt of the settlement/redemption sum as determined by the Bank based on the following formula:

$$\frac{\text{Outstanding Bank's Sale Price} \quad \text{Less} \quad \text{Outstanding Facility Amount} \quad \text{Less} \quad \text{Other Amount due to the Bank}}$$

You may refer to our website at www.maybank2u.com.my for a sample illustration on the application of *Ibra'* and settlement amount formula.

9. DO I NEED A GUARANTOR OR COLLATERAL?

You will need to provide collateral e.g. cash/shares deposited with Maybank Investment Bank.

10. WHAT ARE THE MAJOR RISKS?

As the effective profit rate of this product is pegged to the Standardised Base Rate (SBR), an increase in effective profit rate may result in higher monthly charges. We may remove a counter from our list of eligible investments. If this happens, it can result in a margin call. You should carefully consider your personal investment objectives, your financial situation, and your tolerance for risk before pursuing such an investment/trading strategy as there is potential loss on the capital and collateral pledged due to counter/market movements. The use of leverage can lead to losses as well as gain.

11. CAN I OPT FOR PHYSICAL DELIVERY OF THE COMMODITY, INSTEAD? WHAT ABOUT THE COST INVOLVED?

You may opt for physical delivery of the commodity subject to the Bank's terms and conditions. All costs associated with your instruction for physical delivery of the commodity, shall be borne by you.

12. WHAT DO I NEED TO DO IF THERE ARE CHANGES TO MY CONTACT DETAILS?

It is important that you inform the Bank of any changes in your contact details so that all correspondences reach you in a timely manner. To update please your correspondence details, please visit your Maybank or Maybank Islamic branches convenient to you.

13. WHERE CAN I GET ASSISTANCE AND ADVICE?

- If you need any information or assistance, please contact our Investment Share Executive/Manager/Dealer/representative Remisier:-

Please stamp here your
name and EIC Centre/
Branch

- If you have difficulty in paying any excess/outstanding amount due to the Bank, you should contact us immediately to discuss the payment alternatives available. You may contact us at:

Dataran Maybank
No. 1 Jalan Maarof
59000, Bangsar,
Kuala Lumpur, Malaysia
Call Centre Tel No : 1300 22 3888

Website : <http://www.maybank2u.com.my/>

- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counseling and debt restructuring for individuals. You can contact AKPK at:

Level 5 and 6
Menara Bumiputra Commerce
Jalan Raja Laut
50350 Kuala Lumpur
Tel: +603 2616 7766
Website: www.akpk.org.my

- If you wish to complain on the products or services provided by us, you may contact us at

Maybank
Customer Feedback Management
28th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Malaysia
Tel No: 03-20748075
Website: cfm@maybank.com.my

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:

Block D, Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
Tel : 1-300-88-5465
Fax: 03-2174 1515
Email : bnmteleshink@bnm.gov.my

IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP WITH PAYMENTS OF YOUR MAYBANK ISLAMIC INITIAL PUBLIC OFFERING (IPO) / EMPLOYEE' SHARE OPTION SCHEME (ESOS) FINANCING-i.

The information provided in this disclosure sheet is valid from August 2023