BANK ISLAM

PRODUCT DISCLOSURE SHEET

Date: 7 April 2026

Dear Customer,
This Product Disclosure Sheet (PDS) provides you with key information on SME BizVantage Financing Programme. This program is offered with multiple products facilities. **You are advised to refer to respective product's PDS in the Bank's website for more information of the product offered under this program.**
Other customers have read this PDS and found it helpful, you should read it too.

1 WHAT IS SME BIZVANTAGE FINANCING?

- SME BizVantage Financing Programme (SME BizVantage) is the financing facility designed for sole proprietorship and partnership to meet their working capital (WCR) and/or capital expenditure (CAPEX) requirements. Under this program, customers may apply for one of three (3) financing facilities offered namely Business Cash Line-i (BCL-i), Business Financing-i (BF-i) or Bank Guarantee-i (BG-i).
- The program is offered at a floating profit rate, whereby the monthly instalment may vary from time to time depending on changes in the Bank's base financing rate. The financing amount and total monthly instalment shall not exceed the Bank's Selling Price. This program is specifically designed for Small and Medium Enterprise (SMEs) in Malaysia that have been in operation for at least five (5) years, and meet the following eligibility criteria:
    a) Sole-proprietorship or partnership registered and operating in Malaysia;
    b) Owned by Malaysian citizens, with at least 51% Malaysian shareholding.
    c) The business must have a proven operational track record of at least five (5) years.
- This program is offered based on the customer's annual turnover for the past two (2) years, under the following categories:
    - Option A: From RM300,000 up to RM2.99 million
    - Option B: Minimum RM3.00 million

For BF-i and BCL-i financing based in the Tawarruq concept which consist of two (2) sale and purchase contracts. The first involves customer purchases a commodity from Bank Islam (as the customer's purchase agent) on Murabahah (cost plus sale) basis at Bank Islam's Sale Price. Subsequently, Bank Islam (who act as customer's sale agent), sells the commodity to a third party at cost price on a cash and spot basis, and the proceeds are given to the customer. The customer must pay Bank Islam's Sale Price as per the agreed terms

2 KNOW YOUR OBLIGATIONS

For this financing, <u>illustration for BF-i is as follow:</u>

- Your Financing Amount = **RM250,000.00**
- Your Monthly Instalment = **RM5,308.07**
- Your Financing Tenure = **5 years**
- Ceiling Profit Rate = **15.00% p.a.**
- Bank's Sale Price = **RM356,848.80**
- Effective Profit Rate (EPR) = ***BFR 6.47% p.a. + 3.50% p.a. = 9.97% p.a.**

In total **you will pay RM318,484.20** at the end of 5 years.

For this financing, <u>illustration BCL-i is as follow:</u>

- Your Financing Amount = **RM250,000.00**
- Your Monthly Instalment = **N/A**
- Your Financing Tenure = **1 year**
- Ceiling Profit Rate = **15.00% p.a.**
- Bank's Sale Price = **RM287,500.00**
- Effective Profit Rate (EPR) = ***BFR 6.47% p.a. + 4.00% p.a. = 10.47% p.a.**
- BCL-i facility cannot offer a fixed monthly instalment because the payment amount changes based on how much customer use. Since the balance increases or decreases with every withdrawal or repayment, the profit and monthly payment will also vary.

It is your responsibility to:

Read and understand the **key terms** in the **contract** before you sign.

Pay your **monthly instalment / payment timely**. Speak to us if you wish to settle your financing earlier.

Ensure you can afford to **pay a higher instalment** if the BFR rises.

Contact us immediately if you are unable to pay your monthly instalment.

**The BFR is assumed at 6.47% p.a. while the spread at (BF-i) 3.50% p.a. and (BCL-i) 4.00%. Please refer to Bank Islam's website <u>https://www.bankislam.com/deposit-financing-</u>*

For BF-i and BCL-i, you have to pay the following fees and charges:

I. **<u>Stamp duty</u>**: 0.50% of financing amount.
II. **<u>Agency fee</u>**: RM50.00.
III. **Legal fee and disbursement including solicitor's fee:** for preparing financing documentation, registration of charge, land search and bankruptcy search (where applicable).
IV. **<u>Late payment charges</u>**: 1.00% p.a. on the overdue instalments.
V. **<u>Guarantee Fee as charged by Corporate Guarantee Corporation (CGC):</u>** Up to 4.00% per annum from the coverage amount until the end of financing tenure and the guarantee fees will depend on the CGC scheme. (Subject to 8.00% of the Sales and Service Tax (SST)

VI. **Financing cancellation**: All costs incurred by Bank Islam, if any, for the preparation, registration of security documents and expenses incurred during the claim process upon cancellation.

Note: Please refer to our website at www.bankislam.com for further details on fees and charges including charges for BG-i

If you wish to settle your financing early, you should know:
No 'lock in period' for this facility and Bank Islam shall grant Ibra' (rebate) on the deferred profit after full settlement is made.

3 KNOW YOUR RISKS

What happens if you ignore your obligations:

I. You **pay more in total** due to late payment charges (compensation charges/ Ta`widh).
II. We may **deduct** money from any account you have with us to set off your financing outstanding balance.
III. We may **take legal action** against you and **exercise all remedies** available under security arrangement.
IV. Your **credit score** may be affected leading to credit being more difficult or expensive to you.
V. Cross default of other facilities with Bank Islam may be triggered.

Your monthly instalment may increase during the tenure of your financing.
The Effective Profit Rate offered may fluctuate during the tenure of the financing for facility with variable rate. An increase in BFR means you shall pay a **higher monthly instalment**.

For this financing (BF-i), illustration for variable rate is as follow:

	Current rate at 9.97% p.a.	Rate increase by 1.00% p.a.	Rate increase by 2.00% p.a.
Monthly instalment	RM5,308.07	RM5,431.87	RM5,557.32
Total profit	RM68,484.20	RM75,912.20	RM83,439.20
Total payment	RM318,484.20	RM325,912.20	RM333,439.20

4 OTHER KEY TERMS

- You are required to inform us of any change in your contact details.
- Takaful coverage is optional; however, you or your supplier are advised to subscribe to appropriate Takaful protection.
- If you do not meet the minimum credit requirement, we may require guarantor(s) or collateral in order for you to proceed with the submission.
- Agensi Kaunseling dan Pengurusan Kredit (AKPK) has been established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education, and debt restructuring for individuals, sole proprietors and Small and Medium Enterprises (SMEs).

If you have any questions or require assistance on our product, you can:

Call us at
+603-26 900 900

Visit us at
https://www.bankislam.com

Email us at
contactcentre@bankislam.com.my

Customer's Acknowledgment
(A customer's acknowledgement of this PDS shall not prejudice his/her rights to seek redress in the event of subsequent dispute over the product terms and conditions).

Ensure you are filling this section yourself and are aware of what you are placing your signature for.

□ I acknowledge that Bank Islam has provided me with a copy of these PDS.
□ I have read and understood the key information contained in these PDS.

□ Business Financing-i (BF-i)
□ Business Cash Line-i (BCL-i)
□ Bank Guarantee-i (BG-i)

____

Name:
Date: