PRODUCT DISCLOSURE SHEET

Date: 7 April 2026

Dear Customer,
This Product Disclosure Sheet (PDS) provides you with key information on TNB Vendor Financing Program (TVFP)
Other customers have read this PDS and found it helpful, you should read it too.

1 WHAT IS TNB VENDOR FINANCING PROGRAM

- TNB Vendor Financing Programme (TVFP) is a collaboration with Persatuan Rakan Niaga Stategik Malaysia (PERNISMA) and Tenaga Nasional Berhad to assist TNB's licensed and registered Bumiputra vendors with low value contract to gain access to revolving financing facility to meet their working capital needs.
- Targeted solely to customer that fulfil the following criteria as below:
  a) Private limited company, sole-proprietorship and partnership, and must fall within Small and Medium Enterprise (SME) definition that have been in business for at least three (3) years with profitable for at least two (2) consecutives years out of the last three (3) years.
  b) At least 51% shareholding was owned by Malaysian.
  c) Licensed and Registered Vendors of TNB and TNB subsidiaries.
  d) Minimum three (3) years' track record with TNB/ TNB subsidiaries.
  e) Contract awarder: Tenaga Nasional Berhad (TNB) & TNB subsidiaries
  f) Type of contract:
     i. Supply of Goods and Services related against Purchase Order (PO)
     ii. Contract basis related against invoice.
- Under this program, the customer will be offered Business Cash Line-i (BCL-i) facility at variable rate where the monthly payment may be varied from time to time based on changes to the Bank's Base Financing Rate (BFR) provided always total instalment amount shall not exceed the Bank's Sale Price.

The Shariah concept applicable to this program is Tawarruq, which consists of two 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, illustration for variable rate Business Cash Line-i (BCL-i) is as follow:

- ➢ Your Financing Amount = **RM1,000,000.00**
- ➢ Your Monthly Payment = **N/A**
- ➢ Your Financing Tenure = **1 year**
- ➢ Ceiling Profit Rate = **15% p.a.**
- ➢ Sale Price = **RM1,150,000.00**
- ➢ Effective Profit Rate = **BFR (6.47% p.a) + 1.75% p.a = 8.22% 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.

You have to pay the following fees and charges:

I. **Stamp duty**: 0.50% of financing amount.
II. **Agency fee**: RM50.00.
III. **Legal fee:** Legal fee and disbursement including solicitor's fee for preparing financing documentation, registration of charge, land search and bankruptcy search (where applicable).
IV. **Late payment charges**: 1.00% p.a. on the overdue instalments.
V. **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 https://www.bankislam.com/ for further details on fees and charges.

It is your responsibility to:

- Read and understand the **key terms** in the contract before you sign.
- Pay your **monthly payment** timely based on the utilisation amount within the facility tenure. The principal amount is to be paid in full at maturity.
- 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 1.75% p.a. Please refer to Bank Islam's website https://www.bankislam.com/deposit-financing-rates/ for the latest BFR.*

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.

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 is advised to subscribe to any 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 financial management services, credit counselling, financial education, and financing restructuring assistance to 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	Visit us at	Email us at
+603-26 900 900	**https://www.bankislam.com**	**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 the PDS.

☐ I have read and understood the key information contained in this PDS.

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Name:
Date: