

PRODUCT DISCLOSURE SHEET

Dear Customer,

This Product Disclosure Sheet ("PDS") is designed by AmBank (M) Berhad ("the Bank") to provide you with some key information on the Cap Forward (with Rebate) contract.

Other customers have read this PDS and found it helpful; **you should read it too.**



AmBank

AmBank (M) Berhad

Date: xx July 2025

1. Know Your Cap Forward (with Rebate) Contract

A Cap Forward (with Rebate) contract is a foreign exchange ("FX") product which can be used for FX risk management. A Cap Forward (with Rebate) contract is made up of a combination of FX options.

Assuming you enter into a Cap Forward (with Rebate) contract to sell USD against MYR, on the Expiry Date there are three (3) possible scenarios:

- if the Fixing Rate \leq Cap Rate, you will receive an agreed MYR Rebate amount
- if Cap Rate $<$ Fixing Rate $<$ Strike Rate, you will sell an agreed USD amount ("Notional 1") at the agreed Strike Rate against MYR on the Settlement Date
- if the Fixing Rate \geq Strike Rate, you will sell an agreed USD amount ("Notional 2") at the agreed Strike Rate against MYR on the Settlement Date

Terminology:

Notional 1	:	The agreed amount for exchange at the Strike Rate if Cap Rate $<$ Fixing Rate $<$ Strike Rate
Notional 2	:	The agreed amount for exchange at the Strike Rate if Fixing Rate \geq Strike Rate, which will be capped at a maximum of two (2) times leverage of Notional 1
Rebate	:	The agreed amount paid to customer if Fixing Rate \leq Cap Rate
Strike Rate	:	The FX rate for exchange if the Fixing Rate $>$ Cap Rate
Cap Rate	:	The FX rate whereby if the Fixing Rate is at or above this rate, there will be no exchange of currencies but customer is paid the Rebate
Expiry Date	:	The date on which the Cap Forward (with Rebate) expires
Expiry Time	:	At or around 2:00pm Kuala Lumpur time on Expiry Date
Settlement Date	:	The date on which the exchange of currencies takes place if any, typically two (2) business days after the Expiry Date
Fixing Rate	:	The FX rate at the Expiry Time on the Expiry Date
Calculation Agent	:	AmBank (M) Berhad

You should read and understand all terms and conditions applicable to the Cap Forward (with Rebate):

	You need to enter into a master agreement to execute this product and provide the Bank with an updated board resolution / dealing mandate that authorizes the appointed person to enter into this hedging.
	The bank will perform an internal suitability assessment on your company to ensure that the product suits its hedging requirement.
	You have the right to early terminate the transaction subject to unwinding and mark-to-market costs.
	You may opt for a leverage factor on Notional 2, capped at a maximum of two (2) times of Notional 1. Please refer to the hypothetical example below to understand your obligations under the transaction. You need to understand the risks of a leveraged transaction before entering into a transaction.
	The tenor of the transaction will be capped to the limit tenor granted by AmBank.

2. Know Your Costs

Transaction Costs	The Cap Forward (with Rebate) contract is a 'zero premium' product
Early Termination Price	In the event of cancellation or early termination of the Cap Forward (with Rebate) contract, losses may be incurred by you due to unwinding of related transactions by the Bank and mark-to-market costs

If you have any questions or require assistance on your Cap Forward (with Rebate), you can:



Call us at:
03 2059- 8700/8600



Visit us at:
<https://www.ambankgroup.com/>



Email us at:
fx-sales-derivatives-
team@ambankgroup.com




Write to us at: 23rd Floor, Bangunan AmBank Group, 55, Jalan Raja Chulan, 50200 Kuala Lumpur Malaysia

3. Hypothetical Examples – For Illustration Only			
Customer who sells USD against MYR			
Notional 1	USD 100,000	Notional 2	USD 200,000
Strike Rate	4.5000	Cap Rate	4.4500
Expiry Date	31 Mar 2025	Settlement Date	02 Apr 2025
Leverage	2.0x	Rebate	MYR 2,000

On 31 Mar 2025, at or around 2PM Kuala Lumpur time:

- **If Fixing Rate ≤ Cap Rate (4.4500)**
Customer receives MYR 2,000
- **If Cap Rate (4.4500) < Fixing Rate < Strike Rate (4.5000)**
Customer sells USD 100,000 at 4.5000 equivalent to MYR 450,000 on 02 Apr 2025
- **If Fixing Rate ≥ Strike Rate (4.5000)**
Customer sells USD 200,000 at 4.5000 equivalent to MYR 900,000 on 02 Apr 2025

Expiry Date
31 Mar 2025



If Fixing Rate ≤ Cap Rate (4.4500)
Customer receives MYR 2,000

If Cap Rate < Fixing Rate < Strike Rate
Customer sells USD 100,000
at 4.5000 on 02 Apr 2025

If Fixing Rate ≥ Strike Rate (4.5000)
Customer sells USD 200,000
at 4.5000 on 02 Apr 2025

4. Know Your Risks	
KEY RISKS	BENEFITS
<ul style="list-style-type: none"> Exchange Rate Risk: You will be exposed to foreign exchange market movements and should pay attention to the contractual terms of the product. You may be required to exchange currencies at a less favourable rate as compared to the prevailing market rate and if the transaction amount is leveraged, this will amplify the opportunity loss. You will also not be protected under the structure where the Fixing Rate is at or below the Cap Rate and will only receive a Rebate. Credit Risk: You are subject to the credit risk of AmBank. Market Risk: Currency prices can be volatile and unpredictable. Your losses or gains may be linked to changes in markets to which a particular currency is linked, and such markets may not perform in a manner similar to the local market that you may be familiar with. Legal Risk: This transaction is subject to the terms and conditions of the agreements executed with the Bank. Please seek independent legal advice, if necessary. Cancellation Risk: Cancellation or early termination of the contract may result in losses due to market value and costs incurred by the Bank which shall be borne by you. <p>Reminder</p> <ul style="list-style-type: none"> Any transaction will be subject to Malaysian law, guidelines issued by Bank Negara Malaysia and such other relevant authorities. You must review all risks carefully before making a decision. Please read the master agreement, risk disclosure statement, and term sheet for a more detailed description of the risks. 	<ul style="list-style-type: none"> Cap Forward (with Rebate) may be used as part of your foreign exchange risk management strategy. Potentially achieve a Strike Rate which is more favourable compared to the forward exchange rate for the settlement date. Cap Forward (with Rebate) may also be used to protect against exposure to adverse currency movements to some extent; and to potentially achieve a Strike Rate which is more favourable compared to the forward exchange rate for the Settlement Date. Customisable structure to tailor and align to your specific business objective and market views.

5. Other Key Terms
<ul style="list-style-type: none"> It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner. If you require further information about the product above, please contact your AmBank representative.

Customer's Acknowledgment*

Please ensure that you are completing this section yourself and are aware of what you are placing your signature for.

I acknowledge that AmBank has provided me with a copy of the PDS.

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

*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.

Name: _____

Date: _____

WARNING

THE RETURNS ON THIS PRODUCT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING REFERENCE. THE RECOVERY OF YOUR PRINCIPAL MAY BE JEOPARDISED IF THERE IS AN EARLY TERMINATION OF A TRANSACTION. THIS PRODUCT IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA.