

PRODUCT DISCLOSURE SHEET



Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on **uFactor**. **United Overseas Bank (Malaysia) Bhd**

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

Date:

Know Your uFactor (Factoring)

uFactor (Factoring) is the purchase of invoices/ bills raised by you (Seller) on approved Buyers (your customers) and in consideration of this purchase, the Bank fund/ prepay/ discount the qualified invoices/ bills.

The main features of this product are as follows:

- The Bank purchases invoices/ trade receivables to relief your working capital needs.
- Sales Ledger Maintenance involving the tracking of receivables on invoice by invoice basis for each approved Buyer.
- Monitoring/ collections of receivables.
- Debtors assessments/ Credit Protection is limited to Protracted default, including Buyer insolvency and in specific cases, default due to country risk scenario (only applicable for Non-Recourse Factoring).

Know Your Obligations

Discount Charge is accrued on a daily basis and payable at the end of the month:

$$\frac{[\text{Funds-In-Use} \times \text{Discount Charge Rate}^{**} (\text{ECOF or BLR}^* + \text{Margin}) \times \text{Financing Tenor}]}{(365 \text{ or } 360) \times 100}$$

For this Factoring **as an illustration**:

- Your Funds-In-Use: RM 500,000
- Your Discount Charge Rate: 6.57% (BLR) + 1.5% (Margin)
- Your Financing Tenor: 120 days
- Your Discount Charge: RM 13,265.75

Funds-In-Use is the aggregate of all advance payments on all debts purchased by the Bank and all fees & charges payables to the Bank less the aggregate of collections received by the Bank from Approved Debtors.

In **total** the Discount Charge is **RM 13,265.75** throughout the Financing Tenor

It is your responsibility to:



Read and understand the **key terms** in the **Bank's standard Application Form/Agreement** before you sign it



Submit **valid invoice(s), monthly aging report for debtor(s)** and other related documents



Ensure you can afford to **pay a higher Discount Charge** if BLR rises

*BLR is a variable financing rate published by the Bank and may change from time to time. Any increase in the BLR will result in higher repayment amount.

You also have to pay the following fees and charges:

	Recourse	Non-Recourse (With or Without Credit Protection)
Discount Charge	As mentioned above	
Service Charge	0.1% - 1.0% on invoice value, subject to monthly minimum of RM 500	0.35% - 1.25% on invoice value, subject to monthly minimum of RM 1,000
Other Charges	Please refer to our Letter of Offer and the Bank's Corporate website at www.uob.com.my for details	

Effective 1 October 2025, the above trade related charges will be subject to an 8% Service Tax (SST), or any prevailing rate by the Malaysian Government, and will be payable by you, where applicable.

Note: The Bank may revise the commission, interest rate, fee and charges from time to time, subject to the Bank giving you advance notice of 21 days.

Know Your Risks

What are the major risks?

- The Bank will only undertake to finance up to 80% of the invoice and you will need to bear the Buyer's non-payment risk for the remaining balance.

What happens if you fail to fulfil your obligations?

- In the event of non-payment from the Buyer on the maturity date, Factoring classified as past due if not fully repaid on its maturity date and the Bank's prevailing BLR + 3.5%** will be imposed.
- Any past due Factoring will affect your further drawdown of the Factoring Facility and any other facilities with the Bank.
- If the past due Factoring remains unpaid after 3 months, your facilities with the Bank will be classified as non-performing.
- The Bank has the right to set-off any credit balances in your account(s) against the past due Factoring following prior notification of 7 days to you.
- The Bank may exercise its rights and start its recovery process/ legal action following non-payment from the Buyer.
- Your Factoring Facility along with any other facilities with the Bank may be recalled.

Other Key Terms

- You will need to have an approved Factoring Facility with the Bank and application must be made in the Bank's standard Application Form, duly completed and signed by your authorised signatory/ies.
- Drawdown of the facility is subject to completion of schedule debts submission together with supporting documents and signed by authorised signatory/ies.
- Please inform us of any changes in your contact details to ensure that all correspondences reach you in a timely manner.

Avenue for Redress or Assistance

- If you have difficulties in making settlement, please contact the Bank earliest possible to discuss settlement alternatives. You may contact your UOB Account Relationship Manager or send an E-mail to us at uobcustomerservice@uob.com.my or contact us at the numbers below.
- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK). AKPK has been established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for individuals. You can contact AKPK at Level 5 & 6, Menara Bumiputra Commerce, Jalan Raja Laut, 50350 Kuala Lumpur (Tel: 03-26167766 or E-mail at enquiry@akpk.org.my).

**Note: subject to Bank's credit assessment.

If you have any questions or require assistance on your Factoring facility, you can:



Call us at

Kuala Lumpur +6 03-26128 121
Penang +6 04-2402 121
Johor Bahru +6 07-2881 121
Kuching +6 082-287 121
Kota Kinabalu +6 088-477 121



**Visit us at the nearest
UOB branch**



Email us at

uobcustomerservice@uob.com.my



Log on to

<https://www.uob.com.my/business/trade/index.page>

The information provided in this disclosure sheet is valid as at January 2026 and is subject to change from time to time.