

PRODUCT DISCLOSURE SHEET

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on **Distributor Finance**.

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



United Overseas Bank (Malaysia) Bhd

Date:

Know Your Distributor Finance

Distributor Finance (DF) is a form of financing in which the Bank provides financing for distributors/dealers (Buyers) of a major exporter or manufacturer (Anchor) for an agreed period, to cover the holding of the goods and realisation of funds from receivables from the sales of goods to a retailer or end-customer.

The main features of this product are as follows:

- DF is available to finance Buyers' purchases of goods/products from the Anchor. Financing can be on without or limited recourse to the Anchor, depending on the agreement between the Bank and the Anchor.
- DF is denominated in the currency of the invoices financed.
- For foreign currency denominated DF, the financing rate is pegged to the Bank's prevailing Foreign Currency Effective Cost of Fund (COF) plus a Margin, determined at facility structuring stage**.
- For RM denominated DF, the financing rate is pegged to the Bank's prevailing Ringgit Effective Cost of Fund (COF) / Base Lending Rate (BLR) plus a Margin, determined at facility structuring stage**.
- Financing Tenor is in accordance with the buyer asset conversion cycle or remaining credit term, determined at facility structuring stage.
- Early repayment is allowed with interest imposed up to the early repayment date.

Know Your Obligations

Interest may be collected upfront at the point of financing or collected in-arrears at the point of settlement and is calculated as follows:

$$\frac{[\text{DF Principal Amount} \times \text{Financing Rate (Reference Rate} + \text{Margin)} \times \text{Financing Tenor}]}{(360 \text{ or } 365) \times 100}$$

For this DF **as an illustration**:

- Your Principal Amount: RM 100,000
- Your Financing Rate: 6.57% (BLR*) + 1.25% (Margin)
- Your Financing Tenor: 90 days
- Your Interest: RM 1,928.22

In **total** you will pay **RM 101,928.22** on the maturity date

It is your responsibility to:



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



Pay your DF Facility in **full on maturity date**



Ensure you can afford to **pay a higher DF amount** if BLR rises



Contact us immediately, if you are unable to pay your DF facility

*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:

Interest/Discount Charge	As mentioned above
Stamp Duty	As per Stamp Duty Act 1949 (Revised 1989)

You also have to pay the following fees and charges:

Other Charges	Please refer to our Letter of Offer and the Bank's Corporate website at www.uob.com.my for details
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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 happens if you fail to fulfil your obligations?

- The DF will be classified as past due if not fully repaid on its maturity and default interest the Bank's prevailing BLR + 3.5%** will be imposed on the DF principal amount.
- Any past due DF may hinder further drawdown on your DF Facility and other facilities with the Bank.
- If the past due DF 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 DF following prior notification of 7 days to you.
- The Bank may exercise its rights and start its recovery process/ legal action against you.
- Your DF Facility along with any other facilities with the Bank may be recalled.

Other Key Terms

- You will need to have an approved DF 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.
- Each application must be accompanied by supporting documentation e.g. Invoices, transport documents, evidencing the underlying trade transaction.
- 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 DF 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**



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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.