PRODUCT DISCLOSURE SHEET ("PDS")

"Please read and understand this Product Disclosure Sheet and the general terms and conditions governing the Venture Finance (Islamic) before deciding to take up this product. If you have any questions about the terms and conditions, please seek clarification from your assigned Malaysia Debt Ventures Berhad ("MDV") Client Coverage Manager. Ensure that you fully understand the product and that the terms and conditions suit your financing and/or business requirements."

Malaysia Debt Ventures Berhad
(200201010450 (578113-A))
(Owned by Minister of Finance Inc.)

Product Name:

Venture Finance (Islamic) (VF-i)

1. WHAT IS THE MDV VF-i PRODUCT ABOUT

This product targets Technology that have raised at least Seed / Series A equity round from private equity/ venture capital companies. Funding from MDV can also be offered in concurrent with equity funding round from venture capital companies.

MDV's objective for providing Venture Financing is, amongst others, to provide credit financing to venture companies to support growth, fund "runway" extension to the next equity round and/ or to provide greater financial flexibility

The product is available via Islamic Commodity Murabahah and is up to a RM20 million limit per customer.

Financing Tenure
Based on the underlying nature of the financing requirement, the earnings/ cashflow profile of the business financed and considering technological changes.

Payment Schedule
Via scheduled payments of the facility based on a payment schedule or bullet payment at a subsequent equity financing round, from the equity round proceeds

Warrants
Warrant cover of up to 35% of financing limit.

Financing Rate
Effective Profit Rate (EPR) per annum calculated in daily rest in the amount released by MDV. The rate range is between 7% to 9%.

Further consideration for financing approval shall be subject to MDV's prevailing terms and conditions. For further clarification or inquiries, kindly liaise with MDV Client Coverage.

THE SHARIAH CONCEPT BEHIND THE PRODUCT

VF-i product is under the concept of Tawarruq (Commodity Murabahah):+--

Tawarruq consists of two sale and purchase contracts. The first involves the sale of an asset by a seller to a purchaser on a deferred basis. Subsequently, the purchaser of the first sale will sell the same asset to a third party on a cash and spot basis

The Shariah Concept of VF-i:

- The customer requests MDV to purchase commodity and undertake to purchase the commodity from MDV at Murabahah price (cost plus).
- MDV purchases the commodity from Commodity Trader A, at a value equivalent to the financing amount.
- MDV sells the commodity to the customer at Murabahah price, payable on deferred basis. Under dual-Wakalah arrangement, the customer appoints MDV as agent to purchase the commodity from MDV.
- MDV, on behalf of the customer, sells the customer's commodity, to Commodity Trader B on spot basis
- MDV makes disbursement(s) to the customer, as well as collect upfront payment/profit (if any).

ELIGIBILITY CRITERIA

- Public or private limited company incorporated in Malaysia
- Malaysian Technology Start-ups backed by VCs and/or government agencies and have received at least their Seed / Series A round of funding from an acceptable investor(s).
- Commercialised Products & Services within MDV's mandate
- Majority owned by Malaysian or majority of the staff are Malaysians or majority of revenue generated in Malaysia
- Company incorporated in Malaysia, no foreign shareholding restrictions

TYPES OF RATES, FEES & CHARGES

Financing Rate	Effective Profit Rate (EPR) per annum calculated in daily rest in the amount released by MDV *Please be advised that an increase in the EPR may result in higher instalment payment amount. However, in any event the Effective Profit Rate shall not exceed the Ceiling Profit Rate ("**CPR**") of 12.00%.*
Administration Fees	A one-off fee (up to 1.00% of financing) charged to the customer for administration of the financing facility.
Professional Fees	The principles and procedures relating to legal expenses incurred, as charged by solicitor. Shall be paid by the customer or through financing.
Due Diligence Fees	For technical due diligence deemed necessary as part of the financing/loan application requirements
Stamp Duty	As per Stamp Act 1949 (Revised 1989)
Takaful Charges	MDV may provide quotation from the company's panel. However, the customer is allowed to use other operators as long as it complies with MDV requirements.
Non-Utilisation Fee	Floor Profit Rate may be charged for the Unutilised Portion of the facility
Other Fees	All other costs, fees and expenses i.e. other charges incurred in the preparation of all documentation and perfection of our security documents.

Note: The above fees & charges are subject to Sales & Service Tax (where applicable)

SECURITY

Collateral	The quantum of security coverage required shall be proposed/ determined by the processing officer based on the credit assessment of each case, in accordance with MDV's Guidelines.
Joint and Several Guarantee (JSG)	The directors and majority shareholders of the company shall provide their Joint and Several Guarantees on the financing.

2. WHAT ARE YOUR OBLIGATIONS

✓ Pay the scheduled payment instalments in a timely manner. Payments are generally scheduled as per the Letter of Offer ('LO").

✓ Make full settlement (principal and profit, subject to rebate) upon maturity of the facility and any other agreed obligations as stipulated under the Facility Agreement, Security Documents and Transaction Documents.

What if I want to fully settle before facility tenure?

For **VF-i**, MDV shall grant *Ibra'* (Rebate) in respect of any amount due under the Facility

Ibra' = Deferred Profit
Deferred Profit = Total CPR Profit – Accrued Profit

What if I fail to fulfil my obligations?

MDV may impose a compensation (Ta'widh) at up to 1.00% per annum on the overdue amount during the tenure of the facility.

LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP PAYMENTS ON YOUR FINANCING AND BREACH ANY AGREED TERMS AND CONDITIONS STIPULATED UNDER THE FACILITY AGREEMENT, SECURITY DOCUMENTS AND TRANSACTION DOCUMENTS.

If you have any difficulties in making payments, you should contact us earliest as possible to discuss payment alternatives.

For enquiries with regards to the facility, please contact Client Coverage, Business Division at:

Malaysia Debt Ventures Berhad No. 200201010450 (578113-A)
Unit 13.01, Level 13,
Menara AIA Cap Square,
No. 10, Jalan Munshi Abdullah,
50100 Kuala Lumpur, Malaysia.

03-26172888

For more information on financing facility, please refer to the MDVs website at www.mdv.com.my