

PRODUCT DISCLOSURE SHEET

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on your **Islamic FX Option-is**.

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



RHB ISLAMIC BANK BERHAD

200501003283(680329-V) Incorporated in Malaysia

Date :

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Know Your Islamic FX Option-i?

An **Islamic FX Option-i** is a plain vanilla option contract which allows the Client to hedge their foreign currency exposures. The terms of the contract will allow the Client to enter into the contract as a "Buyer" of the Option from RHB Islamic Bank ("RHBIB"). The types of FX Option-i are the Call Option or the Put Option.

The Shariah concept applicable

Commodity Murabahah (CM) via Tawarruq arrangement (monetization)

Murabahah refers to a sale and purchase of an asset where the acquisition cost and the mark-up are disclosed to the purchaser. Commodity Murabahah via Tawarruq refers to two sale and purchase contracts, where 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. RHBIB conducts the Commodity Murabahah trading with the Client to receive profit from the sale which is equivalent to the amount of the premium for the sale of the Islamic FX Option-i.

Wa'd:

Refers to a unilateral promise or undertaking. This Shariah contract is applicable for RHBIB / Client, who undertakes to perform a Commodity Murabahah trade which allows RHBIB / Client to receive the premium.

Bai' Al-Sarf

A contract of exchange of money for money of the different type. In an Islamic FX Option-i, it will be the exchange of currency between RHBIB and the Client on the Settlement Date if the Islamic FX Option-i is exercised by the Client.

For this Islamic FX Option-is:

- Minimum notional amount: The principal amount to be exchanged to another currency at the applicable rate subject to the terms of the contract.
- Tenure: Up to 2 years.
- Trade Date: The date the contract is concluded between the Client and RHBIB.
- Expiry Price: The spot rate of the currency pair observed on the Expiry Date to determine whether the Client will exercise the Option at the Strike Rate or opt to have the Option lapse.
- Settlement Dates:
 - a) Two (2) business days after each Expiry Date; and
 - b) The date when an exchange of currencies for each tranche takes place (if any).



You should read and understand the terms and conditions of this investment product.

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Know your costs

- Management fees: No.
- Sales Charges: No.
- Premium to pay for buying the option

If you have any questions or require assistance on your Islamic Options FX, you can contact us:

RHB Islamic Bank Berhad

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Razak

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E-mail : customer.service@rhbgroup.com

Website : <https://www.rhbgroup.com/islamic/investment/islamic-treasury/index.html>

3 Know Your Risks

Risks	Benefits
<p>The Client will be exposed to the following risks:</p> <ul style="list-style-type: none"> • Credit Risk: By entering into any contract, the Client is subject to the credit risk of RHBIB i.e. the risk that RHBIB may not pay any amounts when due. • Market Risk: Currency markets are highly volatile and the prices of the underlying currencies can fluctuate rapidly over wide ranges and may reflect unforeseen events or changes in conditions. The Client's losses or gains may be linked to changes in markets to which a particular currency is linked and such markets may not perform similar to the local market that the Client may be familiar with. Therefore, the Client may be exposed to volatility of such market(s) which may present greater volatility than the local markets. • Options Risk: Option Transactions may carry a high degree of risk. The purchaser of an option may offset or exercise the option or allow the option to expire; if the purchased option expires worthless the purchaser will suffer a total loss of his investment which will consist of the option premium. 	<p>Islamic FX Option-is offers several benefits to customers such as:</p> <ul style="list-style-type: none"> • Hedge against market volatilities for foreign currencies. • Compliance with Shariah principles. • Tailored hedging solutions based on customer needs. • Reduces financial distress due to market volatility.

4 Other key terms

<ul style="list-style-type: none"> • The Product can be used: • a) by Client(s) to hedge their FX exposures to the Strike Rate which they are comfortable with; • b) to limit Client(s)' financial risk to the amount of the premium paid to RHBIB. • This product may be suitable for Client(s) who: <ul style="list-style-type: none"> • are looking to hedge foreign currency exposures at a potentially better rate than the prevailing forward rate; • understand the risks associated with this product and are comfortable to bear the risks; • have a view on the movements of a particular underlying currency pair for the tenor of the contract; • are able to hold the contract to maturity. • Early Termination/Cancellation by Client - The Client can terminate the contract by selling back the same Option for the remaining tenor. In this instance, the Client will receive a premium which could be more (or less) than the initial premium amount paid.
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The information provided in this product disclosure sheet is valid as of 01 December 2025