

Dual Currency Investment (Currency-Linked Structured Investments) ("Investment") (Not Protected by PIDM)

Responsibility Statement

This **Product Highlights Sheet** has been reviewed and approved by the directors or authorized committee or persons approved by the Board of HSBC Bank Malaysia Berhad (Company No. 198401015221 (127776-V)) and they have collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, there are no false or misleading statements, or omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

Statement of Disclaimer

The relevant information and document in relation to the **Dual Currency Investment (Currency-Linked Structured Investments)**, including a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

The lodgment of the relevant information and document in relation to the **Dual Currency Investment (Currency-Linked Structured Investments)**, including this Product Highlights Sheet should not be taken to indicate that the Securities Commission Malaysia recommends the **Dual Currency Investment (Currency-Linked Structured Investments)** or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of HSBC Bank Malaysia Berhad responsible for the **Dual Currency Investment (Currency-Linked Structured Investments)** and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

THIS IS NOT A PRINCIPAL PROTECTED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS STRUCTURED PRODUCT INVESTMENT IS NOT PROTECTED BY PIDM.

PRODUCT HIGHLIGHTS SHEET

Read this Product Highlights Sheet before you decide to invest in the Dual Currency Investment ("Investment"). Be sure to also read the general terms and conditions.

HSBC Bank Malaysia Berhad
("the Bank")

Dual Currency Investment (Currency-Linked Structured Investments)

Non Principal Protected.

This Product Highlights Sheet only highlights the key features and risks of this unlisted capital market product. Investors are advised to request, read and understand the Disclosure Documents before deciding to invest. Investors are also advised to seek further clarification from the Bank if Investors do not understand any part of the Disclosure Documents or the general terms of the Investment.

1. What is this product about? Who is this product suitable for?

This is a short-term currency linked structured investment issued by HSBC Bank Malaysia Berhad (who is also the Calculation Agent and Payment Agent). This is a structured product with an embedded derivative linked to the performance of the Base Currency in relation to the Linked Currency. The return objective of this Investment is income generation. This Investment aims to pay the Investor a fixed interest based on the possibility that at maturity, the Investor will receive back the original sum invested (plus interest) in a different currency.

Possible Outcomes

At the time of Investment, the Investor will know the indicative amount that will be received at maturity in the Base Currency and in the Linked Currency. What is not known is in which of these two currencies the Investor will be repaid. This Investment is suitable for Investors with requirements for both the Base Currency and Linked Currency, and is able to receive the Principal and Investment Return in either currency.

This structured investment is not protected by PIDM. This Investment should be regarded as a hold-to-maturity investment.

2. What do I get from this product? What are the key product features

| | |
|---|--|
| Minimum investment amount: | MYR 50,000.00, or approximate equivalent in foreign currencies (on account of fluctuations in exchange rates). |
| Investment tenure / day count convention: | Refer to the trade confirmation advice |
| Principal protection: | Non Principal Protected |
| Base Currency & Size: | Refer to the trade confirmation advice |
| Linked Currency: | Refer to the trade confirmation advice |
| Investment Return: | Refer to the trade confirmation advice |
| Investment Return Payment Frequency: | Once, at Maturity |
| Strike or Conversion rate: | Refer to the trade confirmation advice |

THIS IS NOT A PRINCIPAL PROTECTED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS STRUCTURED PRODUCT INVESTMENT IS NOT PROTECTED BY PIDM.

| | |
|---|---|
| Principal + Investment Return calculation (in Base Currency)*: | Base Currency Investment Amount + (Base Currency Investment Amount x Investment Return (p.a.) x no. of days/day count convention) |
| Principal + Investment Return calculation (in Linked Currency)*: | Base Currency Redemption Amount / Strike or Conversion Rate |
| If the Base Currency trades weaker than the Linked Currency in comparison to the Strike or Conversion rate at or about the Decision Time on Decision Date (being 10am Hong Kong time on the date the Bank makes the determination, such date to be advised in the actual terms of the Investment), the Bank will pay in Base Currency. | |
| If the Base Currency trades equal to or strengthens against the Linked Currency in comparison to the Strike/Conversion rate at or about the Decision Time on Decision Date, the Bank will pay in Linked Currency. | |
| For XAU-linked trades, the Redemption Amount (if payable in XAU), will be paid into the Investor's gold account which is maintained as a GLD unit account (GLD is the proprietary value unit of the Bank for gold); please note that 1.000 XAU represents 1.000 troy ounce of gold, where 1.000 XAU = 10.00 GLD (calculated to two decimal places, after the second shall be rounded off). Note: All reference to CNY means CNH, the Offshore Renminbi traded outside China. | |
| Underlying asset(s): | Currency |
| Illustration of past performance based on the best and worst case scenario: Reminder: Past performance is not necessarily indicative of future performance | Not relevant as the Investment Return is fixed at an agreed rate upfront. |
| 3. What are the key terms and conditions of this product that I should know? | |
| <ul style="list-style-type: none"> Redemption at maturity – Investor will receive the Principal and Investment Return either in the Base or Linked Currency, depending on how the Base Currency trades against the Linked Currency in comparison to the Strike/Conversion rate at or about the Decision Time on Decision Date, as per the Terms and Conditions of this Investment. Early redemption – Due to the short dated nature of this product, the Investor is not entitled to terminate all or part of the Investment prior to the Maturity Date without the Bank's prior consent (which, if granted, may be subject to such conditions and terms as the Bank may require). Penalty for early redemption – There is no early redemption penalty (if early redemption is granted by the Bank); however, Investors will early redeem their Investment at the market value adjusted for the Bank's break costs, if any, and this may translate to a loss on the original amount invested. Investment Return is fixed according to the conditions stipulated in the Term Sheet. All outstanding Dual Currency Investment will be reflected in the monthly composite statement sent to investors. However, due to the short-dated nature of the product, no valuations are published. Cooling-off period - is not applicable for this short-dated product | |

THIS IS NOT A PRINCIPAL PROTECTED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS STRUCTURED PRODUCT INVESTMENT IS NOT PROTECTED BY PIDM.

- **Eligible Investor** - This Investment can only be offered to an “Sophisticated Investor” as defined in the Securities Commission Guidelines on Categories of Sophisticated Investors, to be read together with paragraph 229(1)(a) and paragraph 230(1)(a) of the Capital Markets and Services Act 2007 (as amended from time to time, “CMSA”) and that to qualify as a “Sophisticated Investor”, at least one of the following must be true as at the investment date:
 - My total net personal assets exceed Three Million Ringgit (RM3,000,000) or its equivalent in foreign currencies, where the net value of my primary residence contribute not more than 1 million ringgit to the total net assets ; OR
 - My combined net joint assets with my spouse or with my child, exceeds Three Million Ringgit (RM3,000,000) or its equivalent in foreign currencies, where the net value of my primary residence with my spouse or child contribute not more than 1 million ringgit to the total net joint assets ; OR
 - My gross annual income for the last 12 months exceeds Three Hundred Thousand Ringgit (RM300,000) or its equivalent in foreign currencies; OR
 - My combined gross annual income with my spouse or child for the last 12 months exceeds Four Hundred Thousand Ringgit (RM400,000) or its equivalent in foreign currencies; OR
 - My net personal investment portfolio or total net joint investment portfolio with my spouse or child, in any capital market products, exceeds One Million Ringgit (MYR 1,000,000) or its equivalent in foreign currencies; OR
 - I hold a Bachelor’s or Master’s degree related to Finance, Economics, Actuarial Science or Accounting, and or have five consecutive years of relevant working experience in these areas; OR
 - I hold a Master of Business Administration and or have five consecutive years of relevant working experience in Finance, Economics, Actuarial Science or Accounting OR
 - I hold a membership in at least one of the associations set out below:
 - a) Active Member of Chartered Financial Analyst (CFA) Institute; or
 - b) Chartered Banker of Asian Institute of Chartered Bankers (AICB); or
 - c) Ordinary Member of Financial Markets Association Malaysia (FMAM); or
 - d) Chartered Accountant, C.A(M) of Malaysian Institute of Accountants (MIA); or
 - e) Ordinary Member of Malaysia Association of Tax Accountants (MATA); or
 - f) Accredited Angel Investor of Malaysian Business Angel Network (MBAN); or
 - g) Certified Member of Financial Planning Association of Malaysia (FPAM); or
 - h) Ordinary Member of Malaysian Financial Planning Council (MFPC); or
 - I have five consecutive years of working experience in a capital market intermediary relating to product development, corporate finance, deal advisory, investment management, sales and trading, investment research and advisory, financial analysis, or the provision of training in investment products
 - I am a chief executive officer or a director of any person referred to in subparagraphs 3, 4, 5, 6 and 7 of Section 5.01 (a) of the Securities Commission Guidelines on Categories of Sophisticated Investors
- Selling restrictions / tradability – not intended for distribution in the United States of America and Canada or for sales to US citizens and residents (which, for purposes of this Investment, shall include US taxpayers) and Canadian citizens and residents. This investment is (i) non-tradeable/non-assignable and (ii) non-chargeable by the Investor, except to the Bank itself. Any purported third-party rights sought to be conferred by the Investor by agreement or transfer without the prior concurrence of the Bank of any kind shall not be recognised.

4. What are the fees and charges I have to pay?

There are no fees and charges on the Investment. However, for early redemption, if granted by the Bank, you may receive a sum less than your initial investment, depending on the market value of the investment at the time of redemption, adjusted for the Bank’s break costs, if any.

THIS IS NOT A PRINCIPAL PROTECTED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS STRUCTURED PRODUCT INVESTMENT IS NOT PROTECTED BY PIDM.

5. What are the risks involved?

You will be exposed to the following risks:

- Principal Risk
- Credit Risk
- Legal Risk
- Liquidity Risk
- Currency Risk
- Market Risk
- Early Redemption by Investor Risk
- Early Redemption by the Bank Risk
- Settlement Risk
- Re-investment Risk
- Tax Risk
- Counterparty Risk
- Compound of Risks
- Operational Risk
- Return Risk
- Derivative Risk

You are advised to read this Investment's term sheets and other documents for detailed descriptions of the risks. You are also advised to carefully consider all risk factors before making an investment decision.

Important Notices: You are not covered by the compensation fund provisions of the CMSA. This compensation fund does not extend to you if you suffer monetary loss as a result of a defalcation, or fraudulent misuse of moneys or other property, by a director, officer, employee or representative of HSBC Bank Malaysia Berhad.

6. What do I need to do if there are changes to my contact details?

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.

7. Where can I get further information?

Should you require additional information about investment, please refer to the *bankinginfo* booklet on 'Investing Your Money', available at all our branches and the www.bankinginfo.com.my website.

If you have any enquiries, please contact us at:

HSBC Bank Malaysia Berhad,
Menara IQ
Lingkaran TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Tel: 1 300 880 181

8. Other Investments Linked to Derivatives products available?

Please refer to your Relationship Manager for the availability of other Structured Investment / Structured Investment-i products

9. What can I do if I have a complaint?

- If you have any feedback, enquiries or complaints, please contact HSBC at 1 300 88 1388.
- Alternatively, you may write to us at the following correspondence address:
The Manager
Customer Resolution Team,
HSBC Bank Malaysia Berhad,
Menara IQ,

THIS IS NOT A PRINCIPAL PROTECTED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.

THIS STRUCTURED PRODUCT INVESTMENT IS NOT PROTECTED BY PIDM.

Lingkaran TRX,
55188 Tun Razak Exchange,
Kuala Lumpur, Malaysia
Fax: 03-8894 2811
Email: complaints@hsbc.com.my

- If you are dissatisfied with the outcome of the internal dispute resolution process, you may refer your case to the Financial Markets Ombudsman Service (FMOS) (formerly known as Ombudsman for Financial Services) within six (6) months from the date of our decision. To make a complaint, you may file your dispute to FMOS: (i) through the FMOS Website or (ii) by calling the FMOS general line or (iii) by visiting the FMOS office (walk-in) or (iv) by post to FMOS office with attention to the FMOS Chief Executive Officer. FMOS' contact details and addresses are as follows:

General Line: 03-2272 2811
Website: <https://www.fmos.org.my/en/feedback.html> (under the "File A Complaint" section)
Address: Financial Markets Ombudsman Service
(formerly known as Ombudsman for Financial Services)
Level 14, Main Block,
Menara Takaful Malaysia
No 4, Jalan Sultan Sulaiman,
50000 Kuala Lumpur

- You can also direct your case to the Securities Commissions Malaysia ("SC") even if you have referred your case to the FMOS. To lodge a complaint, please contact the SC's Consumer & Investor Office:

Phone No: 03-6204 8999
Fax No: 03-6204 8991
Email: aduan@seccom.com.my
Website: www.sc.com.my (via the online complaint form)
Address: Consumer & Investor Office
Securities Commission Malaysia
No. 3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur

10. Glossary

- Calculation Agent – the party responsible for performing the duties stipulated to be performed by such Calculation Agent under the terms of the Investment, which includes making determinations relating to the value of a financial component of that Investment and or adjustments to such value(s) if certain event(s) were to occur (e.g. non-availability of prices from the stipulated price source, adjustments necessitated by market disruptions, etc). The Calculation Agent is to act in good faith and in a commercially reasonable manner, and its determinations and calculations will be binding in the absence of manifest error.
- Payment Agent – the party responsible for transmitting payments, including of interest and principal from the investment taker to the investors under the terms of the Investment.
- Bank's break costs – this is the amount (as shall be determined conclusively by the Bank acting in good faith) calculated using a proprietary valuation model which factors in market movements and break costs and includes any costs, expenses, liabilities or losses incurred or suffered by the Bank as a consequence of discharging the hedging or other arrangements made in the design of the Investment.

The information provided in this Product Highlights Sheet is not to be construed as an offer document.

Issued by HSBC Bank Malaysia Berhad (Company No. 198401015221 (127776-V))

THIS IS NOT A PRINCIPAL PROTECTED INVESTMENT, AND DEPENDING ON THE PERFORMANCE OF THE UNDERLYING, INVESTORS MAY AT MATURITY RECEIVE AN AMOUNT LESS THAN THE PRINCIPAL AMOUNT INVESTED.

WARNING

THE RETURNS ON YOUR STRUCTURED PRODUCT INVESTMENT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSET/REFERENCE, AND THE RECOVERY OF YOUR PRINCIPAL INVESTMENT MAY BE JEOPARDISED IF YOU MAKE AN EARLY REDEMPTION.
THIS STRUCTURED PRODUCT INVESTMENT IS NOT PROTECTED BY PIDM.