

Important Facts



Currency Linked Investment (“CLI”)

DBS Bank (Hong Kong) Limited

Jul 2025

This is a structured product which is NOT protected by the Deposit Protection Scheme in Hong Kong. This product is NOT principal protected.

The contents of this statement have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution before investing in this product. **This statement is a part of the offering documents for this product. You should not invest in this product based on this statement alone.** If you are in any doubt, you should obtain independent professional advice.

If English is not your preferred language, you may request for the Chinese version of this statement from us.
倘若英文並非閣下屬意的語言，閣下可向本行索取本概要的中文版本。

This is a structured product involving derivatives. The investment decision is yours but you should not invest in the product unless DBS Bank (Hong Kong) Limited (the “Bank”) has explained to you that the product is suitable for you having regard to your financial situation, investment experience and investment objectives.

Product risk rating

Currency Linked Investment (“CLI”) is risk rated with Product Risk Level P3, and is suitable for investors whose risk profile is C3 or above. Please refer to the Financial Needs Analysis for description of your risk profile. For details on product risk rating and its relationship with your investment profile, please refer to <http://go.dbs.com/hk-fna-en>.

Quick facts

Bank:	DBS Bank (Hong Kong) Limited
Product Type	Currency-linked investment
Minimum Principal Amount:	USD 10,000 (or its equivalent)
Tenor:	1 week to 6 months
Investment Currency:	One of the following currencies: AUD, CAD, CHF, CNY(offshore)*, EUR, GBP, HKD, JPY, NZD, SGD and USD to be selected by the customer.
Linked Currency:	One of the following currencies: AUD, CAD, CHF, CNY(offshore)*, EUR, GBP, HKD, JPY, NZD, SGD and USD to be selected by the customer.
Conversion Rate:	As stated in the CLI Order Form and the CLI Confirmation
Interest Rate:	A per annum percentage rate as stated in the CLI Order Form and the CLI Confirmation.
Interest Amount:	Principal Amount x Interest Rate x Day Count Fraction
Day Count Fraction:	The actual number of days in the Tenor divided by one of the following: (a) 365, if the Investment Currency is GBP, HKD or SGD; and (b) 360, if the Investment Currency is AUD, CAD, CHF, CNY(offshore), EUR, JPY, NZD and USD.
Calculation Agent:	DBS Bank (Hong Kong) Limited
Interest Payment Date:	Maturity Date

* Reference to “CNY(offshore)” is the lawful currency of the People’s Republic of China that are deliverable offshore outside of the People’s Republic of China, and for this purpose, excluding Hong Kong, the Macau Special Administrative Region and Taiwan.

Fixing Date	Maturity Date
Principal protection at maturity:	No
Callable by the Bank:	No [^]
Early termination right by the customer:	No
Embedded derivatives:	Yes, the product is embedded with FX options sold by the customer.
Maximum potential gain:	The Interest Amount
Maximum potential loss:	100% of the Principal Amount

What is this product and how does it work?

- CLI is a structured investment product involving a currency option. By investing in a CLI, customers will enjoy a yield enhancement higher than that of a conventional time deposit. Part of or the entire yield received on the CLI represents the premium on the underlying currency option.
- In a CLI, customers choose an Investment Currency, a Linked Currency (which they are comfortable holding) and agree with the Bank on a Conversion Rate and the Tenor.
- If the Linked Currency appreciates or remains constant against the Investment Currency at the Fixing Time on the Fixing Date beyond the Conversion Rate (by comparing the Fixing Rate and the Conversion Rate), customers will receive the Principal Amount and the Interest Amount in the Investment Currency (the original currency of customers' investment) on the Maturity Date. See Scenario 1 for example.
- If the Linked Currency depreciates against the Investment Currency at the Fixing Time on Fixing Date beyond the Conversion Rate (by comparing the Fixing Rate and the Conversion Rate), customers will receive the Principal Amount and Interest Amount in the Linked Currency, being converted at the Conversion Rate, on the Maturity Date. See Scenarios 2 and 3 for example.
- The Fixing Rate (a rate to compare against the Conversion Rate to determine whether the Bank will pay customers in the Investment Currency or the Linked Currency) will be determined by reference to the foreign exchange spot rate which appear on Bloomberg FX Fixings page BFIX under caption "MID" on the Fixing Date at approximately 11:00 a.m. Hong Kong time. If such rate is not available at the relevant time on the Fixing Date, the Fixing Rate shall be determined by the Bank in its sole discretion, acting in good faith and in a commercially reasonable manner. All determinations of the Bank will, in the absence of manifest error, be binding and conclusive on customers.

What are the key risks?

- **Not a traditional deposit / time deposit** - CLI is NOT equivalent to a time deposit, nor should it be treated as a substitute for, time deposit. It is NOT a protected deposit and is NOT protected by the Deposit Protection Scheme in Hong Kong.
- **Derivatives risk** - CLI is embedded with currency option(s). Option transactions involve risks, especially when selling an option. All or part of the interest received on the CLI represents the premium for the currency option. Although the premium received from selling an option is fixed, customers may sustain a loss well in excess of such premium amount, and customers' loss could be substantial.
- **Currency risk** -
 - Where customers have converted amounts from another currency (including customers' home currency) into the Investment Currency in order to make the investment in the CLI, customers should bear in mind the risk of exchange rate fluctuations that may cause a loss on conversion of the Investment Currency (if the Bank pays customers the Investment Currency at maturity) or the Linked Currency (if the Bank pays customers the Linked Currency at maturity) back into such other currency. Customers should note that such potential loss from the product could offset (or even exceed) the potential gain if the Investment Currency or the Linked Currency depreciates against the currency customers converted from (including customers' home currency).
 - By investing in a CLI, customers bear the risk for the Bank, to repay customers at a future date in Linked Currency that is different from the currency in which customers' initial investment was made, regardless of whether customers wish to be repaid in this currency at that time.
 - Customers must be prepared to receive the Principal Amount and the Interest Amount in either the Investment Currency or the Linked Currency.
- **Limited potential gain** - The maximum potential return is limited to the predetermined Interest Rate.
- **Maximum potential loss** - CLI is not principal protected. Customers could lose customers' entire Principal Amount.

[^] Where the Investment Currency or Linked Currency is CNY(offshore) and upon the designation of an Alternate Currency Event, the CLI will be subject to mandatory redemption by the Bank.

- **Not the same as investing in the Linked Currency** - Investing in CLI is not the same as buying the Linked Currency directly. Customers will have no rights in the Linked Currency during the Tenor. A change in the exchange rate of the Linked Currency during the Tenor may not necessarily lead to a corresponding change in customers' return on the CLI.
- **Market risk** - An investment in CLI is subject to market fluctuations and the risks inherent in all investments. In particular, the return of CLI is linked to exchange rates of the Investment Currency against the Linked Currency. Movements in exchange rates can be unpredictable, sudden and drastic, and affected by complex political and economic factors. CLI is a non-traditional investment that involves a currency option. It comprises, firstly, a placement by customers with the Bank in the Investment Currency and secondly, a payment by the Bank, at maturity of the Principal Amount and interest in either the Investment Currency or the Linked Currency converted at a Conversion Rate and not the prevailing exchange rate or spot rate. All or part of the interest received on the CLI represents the premium for the currency option. In the worst case scenario, customers will suffer a substantial loss on customers' original investment amount.
- **Liquidity risk** - The CLI is a commitment by customers for the Tenor. No early uplift, early withdrawal or early termination by customers is permitted. Customers have to maintain the CLI with the Bank up to the Maturity Date. There is no secondary market for the CLI.
- **Credit risk** - The CLI is not secured by any collateral. The customer is taking on the credit risk of the Bank. In the worst case scenario, where the Bank is insolvent or defaults on its payment obligations under the CLI, the customer will receive no interest payment and lose his original investment amount.
- **Determination of the Exchange Rate** - The exchange rate is by reference to a screen rate, and where such rate is not available, the exchange rate will be determined by the Calculation Agent. Customers must therefore be comfortable with the Bank's role as the Calculation Agent in the determination of the exchange rates. All determinations made by the Calculation Agent in good faith shall be conclusive and binding on the customers.
- **CNY Currency risk** - If Customers choose CNY(offshore) as an Investment Currency or a Linked Currency, then Customers should note that CNY may not be freely convertible through banks in Hong Kong. Due to exchange controls and/or restrictions imposed on the convertibility or utilization of CNY (if any) which in turn is affected by, amongst other things, the People's Republic of China government's control, there is no guarantee that disruption in the transferability, convertibility or liquidity of CNY will not occur. There is thus a likelihood that the customer may not be able to convert the CNY(offshore) received into other freely convertible currencies.

While this product may offer higher potential return to Customer compared with time deposits, Customer should note that he/she may be exposed to the risk of exchange rate fluctuation such that the potential loss from the product could offset (or even exceed) the potential gain if CNY(offshore) depreciates against the investor's home currency if the product will be settled in CNY(offshore). There is no guarantee whether CNY(offshore) will appreciate, remain stable or depreciate. Customer should bear in mind the risk of exchange rate fluctuations that may cause a loss on conversion of CNY(offshore) back into investor's home currency.

Customers should understand the CLI may be settled in CNY(offshore) deliverable in Hong Kong, which is different from that of CNY deliverable in the People's Republic of China (excluding Hong Kong, the Macau Special Administrative Regions and Taiwan).

If the customer does not have a CNY(offshore) account outside the People's Republic of China (which excluding the Hong Kong and Macau Special Administrative Regions and Taiwan), he/she will be required to open such account with the Bank, in order to receive payment in CNY(offshore).

- **Alternate Currency Event Designation by the Bank** -
 - If customers choose CNY(offshore) as an Investment Currency or a Linked Currency, then customers should also note that upon Alternate Currency Event Designation by the Bank, the Bank will pay the Mandatory Redemption Amount in CNY(offshore) or an alternate currency selected by the Bank in its sole discretion to the customer on the Mandatory Redemption Date. The Mandatory Redemption Amount is likely to be substantially less than the Principal Amount and in the worst case scenario, the Mandatory Redemption Amount is zero.
 - Upon designation of an Alternate Currency Event by the Bank on or prior to the Maturity Date, no Interest Amount shall be payable to the customer.

What are the key features?

- A CLI is an unlisted structured investment product whose potential return is based on the performance of the underlying currency pair.
- A CLI contains an embedded derivative - if customers invest in a CLI, customers are selling to the Bank a put option on the Linked Currency, under which customers will be obliged to buy the Linked Currency at the Conversion Rate if the Linked Currency has depreciated against the Investment Currency (which will be determined by comparing the Fixing Rate to the Conversion Rate at the Fixing Time on the Fixing Date), in return for an option premium that has been incorporated in the calculation of the Interest Rate.
- **Yield Enhancement** - The Interest Rate is based on customers' view of the exchange rate and the risks undertaken. Customers have an opportunity to earn a higher return than traditional time deposits if the Linked Currency does not depreciate against the Investment Currency.
- **Tailored to suit customers' needs** - a CLI can be tailored to suit customers' needs, based on customers' choice of currency pairs and Tenor. The Interest Rate and the Conversion Rate will then be set accordingly.

- Tenors - a CLI investment tenor ranges from 1 week to 6 months.
- Choices of Currencies - a wide range of currencies to choose from including AUD, CAD, CHF, CNY(offshore), EUR, GBP, HKD, JPY, NZD, SGD and USD.

Alternate Currency Event (only applicable if the Investment Currency or Linked Currency is CNY(offshore))

The following provisions only apply if the Investment Currency or Linked Currency is CNY(offshore):

Upon the occurrence of an Alternate Currency Event at any time from and including the Investment Value Date to and including the Maturity Date, the Bank may (but shall not be obliged to) give notice to the customer designating the occurrence of such Alternate Currency Event ("**Mandatory Redemption Notice**"). The Mandatory Redemption Notice may be given by the Bank at any time (even if such Alternate Currency Event is no longer continuing at such time) so long as it is given not later than two Business Days after the Maturity Date. Upon designation of an Alternate Currency Event by the Bank, the Bank will pay the Mandatory Redemption Amount (which may be payable in CNY(offshore) or an alternate currency as selected by the Bank in its sole discretion) to the customer on the Mandatory Redemption Date and no Interest Amount shall be payable to the customer. The Mandatory Redemption Amount is likely to be substantially less than the Principal Amount and in the worst case scenario, the Mandatory Redemption Amount is zero.

Please refer to the section in relation to Currency Linked Investment of the Applicable Account Terms and Conditions for the definitions used in this section.

Scenario analysis

All figures below are hypothetical and are for illustration purposes only. The illustrative examples do not reflect a complete analysis of all possible potential return or loss scenarios. They are not indicative of the actual or future performance of any currency pair. You should not rely on these illustrative examples when making an investment decision.

Assume that on a Trade Date, AUD/CNY(offshore) was trading at 4.8000, and that the following terms apply to the relevant CLI:

Trade Date:	3-Sep-20XX
Investment Value Date:	3-Sep-20XX
Fixing Date:	3-Oct-20XX
Maturity Date:	3-Oct-20XX
Tenor:	30 calendar days (commencing from and including the Investment Value Date to but excluding the Maturity Date)
Investment Currency:	CNY(offshore)
Linked Currency:	AUD
Spot Rate:	4.8000
Conversion Rate:	4.7000
Principal Amount:	CNY(offshore)500,000.00
Interest Amount :	Principal Amount x Interest Rate x Tenor / 360 days = CNY(offshore) (500,000.00 x 5.00% x 30 / 360 days) = CNY(offshore)2,083.33

• On the Fixing Date

Scenario 1 (Best Case Scenario): Fixing Rate is equal to or greater than the Conversion Rate (AUD has strengthened against CNY(offshore) to a level equal to or greater than the Conversion Rate at the Fixing Time on the Fixing Date)

If the Fixing Rate of AUD/CNY(offshore) is 5.0000, which is above the Conversion Rate, you will receive the Principal Amount together with the Interest Amount in CNY(offshore) on the Maturity Date: CNY(offshore) 502,083.33.

Amount received on Maturity Date:

= Principal Amount + Interest Amount
= CNY(offshore) 500,000.00 + CNY(offshore) 2,083.33
= CNY(offshore) 502,083.33

You will make a return of CNY(offshore) 2,083.33 (i.e. the Interest Amount) in this scenario (which is calculated as CNY(offshore) 502,083.33 - CNY(offshore) 500,000.00). This is the maximum return of this CLI.

Scenario 2 (Loss Case Scenario 1): Fixing Rate is less than the Conversion Rate (AUD has depreciated against CNY(offshore) to a level less than the Conversion Rate at the Fixing Time on the Fixing Date)

If the Fixing Rate of AUD/ CNY(offshore) is 4.6000, which is below the Conversion Rate, you will NOT receive your Principal Amount and Interest Amount in CNY(offshore). The Principal Amount and Interest Amount will be converted to AUD at the Conversion Rate (i.e. you will receive AUD 106,826.24 on the Maturity Date).

Amount received on Maturity Date:

= (Principal Amount + Interest Amount) ÷ Conversion Rate

= (CNY(offshore) 500,000.00 + CNY(offshore) 2,083.33) ÷ 4.7000

= AUD 106,826.24

In this scenario, the market value of the currency you received (as determined by reference to the Fixing Rate) will be CNY(offshore) 491,400.70 (calculated as AUD 106,826.24 x 4.6000). You will suffer an unrealized loss of CNY(offshore) 8,599.30 (calculated as CNY(offshore) 491,400.70 – CNY(offshore) 500,000.00).

Scenario 3 (Loss Case Scenario 2): Fixing Rate is less than the Conversion Rate (AUD has depreciated substantially against CNY(offshore) to a level less than the Conversion Rate at the Fixing Time on the Fixing Date)

If the Fixing Rate of AUD/CNY(offshore) is 0.0001, which is below the Conversion Rate, you will NOT receive your Principal Amount and Interest Amount in CNY(offshore). The Principal Amount and Interest Amount will be converted to AUD at the Conversion Rate (i.e. you will receive AUD 106,826.24 on the Maturity Date).

Amount received on Maturity Date:

= (Principal Amount + Interest Amount) ÷ Conversion Rate

= (CNY(offshore) 500,000.00 + CNY(offshore) 2,083.33) ÷ 4.7000

= AUD 106,826.24

In this scenario, the market value of the currency you received (as determined by reference to the Fixing Rate) will be CNY(offshore) 10.68 (calculated as AUD 106,826.24 x 0.0001). You will suffer an unrealized loss of CNY(offshore) 499,989.32 (calculated as CNY(offshore) 10.68 - CNY(offshore) 500,000.00) which is substantially less than the Principal Amount you originally invested.

Scenario 4 (Worst Case Scenario): The Bank becomes insolvent or defaults on its obligations

Assuming that the Bank becomes insolvent during the Tenor of the CLI or defaults on its obligations under the CLI, the customer can only claim as its unsecured creditor. The customer may get nothing back and suffer a total loss of his Principal Amount.

Scenario 5 (Loss Case Scenario 3) – The potential exchange rate loss may offset the potential gain from the product if customer decides to convert the Investment Currency back to home currency on or after the Maturity Date

Assumptions:

Customer's home currency: HKD

Exchange rate of CNY(offshore)/ HKD for customer to convert the Principal Amount from home currency: 1.2000

Initial amount in customer's home currency:

CNY(offshore) 500,000.00 x 1.2000 = HKD 600,000.00

Amount received on Maturity Date:

= Principal Amount + Interest Amount

= CNY(offshore) 500,000.00 + CNY(offshore) 2,083.33

= CNY(offshore) 502,083.33

If you decide to convert CNY(offshore) back to HKD (customer's home currency) after the Maturity Date while exchange rate of CNY(offshore)/ HKD at that time is 1.0000, i.e. CNY(offshore) has weakened against HKD. You suffer from a net loss of return in this case.

(CNY(offshore) 502,083.33 x 1.0000) – HKD 600,000.00 = –HKD 97,916.67

Remarks: As illustrated in the above Scenario 5, the exchange rate loss may offset or even exceed the potential gain from this product if customer decides to convert the Investment Currency back to home currency on or after the Maturity Date.

Summary Table

The table below summarizes Scenarios 1 to 5 above. Please refer to Scenarios 1 to 5 above for the detailed calculations.

All figures are for illustration purposes only. The losses calculated in these illustrative examples are unrealized losses determined by reference to the Fixing Rate of the Linked Currency.

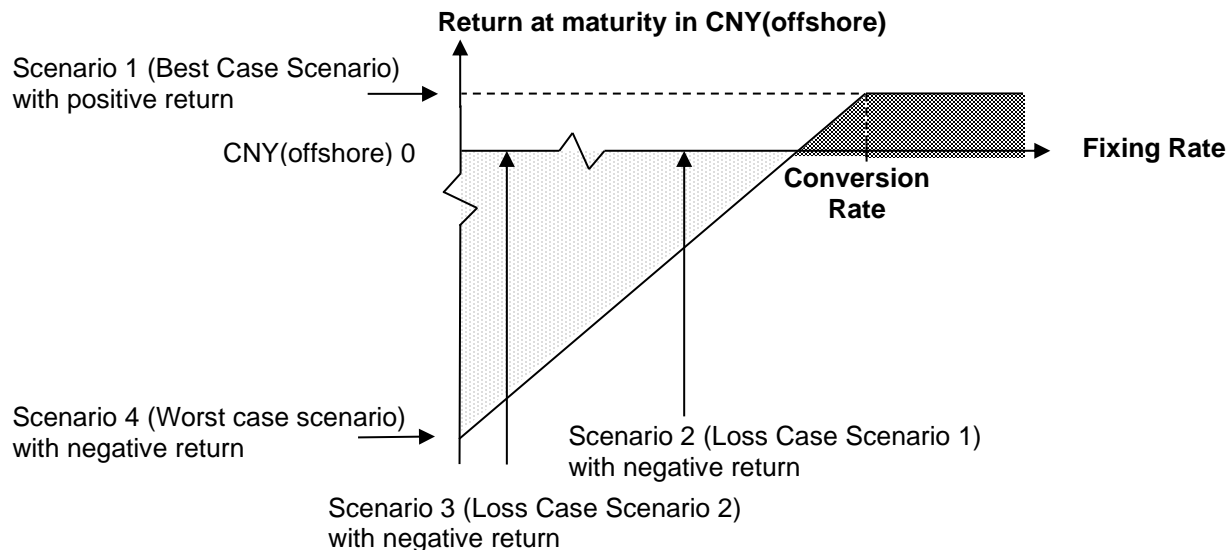
Scenario	1	2	3	4	5
	Best Case	Loss Case 1	Loss Case 2	Worst Case	Loss Case 3
Fixing Rate is	Stronger than or equal to Conversion Rate	Weaker than Conversion Rate		N.A.	N.A.
Fixing Rate	5.0000	4.6000	0.0001	N.A.	N.A.
Settlement result	Investment Currency	Converted to Linked Currency		N.A.	N.A.
What you will receive	CNY(offshore) 502,083.33	AUD 106,826.24		Nil (the worst case)	CNY(offshore) 502,083.33
Market value of what you will receive	CNY(offshore) 502,083.33	CNY(offshore) 491,400.70	CNY(offshore) 10.68	CNY(offshore) 0 (in worst case)	HKD 502,083.33 (if converted CNY(offshore) back to HKD (customer's home currency))
Return or loss	CNY(offshore) 2,083.33	- CNY(offshore) 8,599.30	- CNY(offshore) 499,989.32	-CNY(offshore) 500,000.00 (the worst case)	-HKD 97,916.67
Return / loss % (Actual %)	0.41%	-1.72%	-100%	- 100% (the worst case)	-16.32%

This is the maximum return of this CLI.

This is the maximum loss you will suffer.

Diagram Illustration

The following diagram illustrates the potential return/loss for the CLI under scenarios 1 to 4 above:



How can you buy this product?

- You can visit any of our branches, , call our Treasury Sales Manager on 3668 9388, call our Customer Service Hotline on 2290 8888 (press 3 after language selection) or access DBS digibank HK app or DBS iBanking to inquire about the CLI.
- Choose the Investment Currency, the Linked Currency and the Tenor. We will then quote the relevant Interest Rate and the Conversion Rate when you place an order for the CLI. To place an order for the CLI, you must complete a CLI order form for the Bank (by submitting the completed CLI order form either to the Bank, over the phone with the Bank; or via DBS digibank HK app or DBS iBanking) (the “**CLI Order Form**”). The amount you wish to place in the CLI must be deposited with the Bank on or before the submission of the CLI Order Form.
- The Bank will, as soon as practicable, issue to you a confirmation confirming its acceptance of your investment of the Principal Amount (or part thereof, as the case may be) in the CLI (the “**CLI Confirmation**”).

Fees and charges

- No **subscription fees or other upfront charges** - Fees and charges incurred by the Bank for operational and administrative purposes in relation to CLI, if any, as well as the Bank's margins have been incorporated into the calculation of the Interest Rate and other variables under CLI.
- **No** past due interest for the period from (and including) the Maturity Date to and including the date immediately preceding the day when the Bank reopens for business will be paid if the Bank is not open for business on the Maturity Date due to unexpected circumstances like rainstorm or typhoon signal.

Pre-Investment Cooling-off Period for retail customers

Pre-Investment Cooling-off Period (PICOP) is applicable to each particular dealing of this product if you are one of the following retail customer types:

- 1) An elderly customer aged 65 or above, and you are a first-time buyer of the SIP, AND
 - a) Your asset concentration is 20% or above; or
 - b) your asset concentration is below 20% AND you do not choose to opt out from the PICOP arrangement; or
- 2) A non-elderly customer who is a first-time buyer of the SIP AND your asset concentration is 20% or above.

For the purpose of determining whether PICOP is applicable, asset concentration refers to the percentage of total net worth (excluding real estate properties) to be invested in this product.

Can the Bank adjust the terms or early terminate this product?

Under the Applicable Account Terms and Conditions (as defined below), the Bank may, in certain circumstances, amend, suspend or terminate the CLI. Such circumstances include, without limitation, the occurrence of force majeure events, illegality, the occurrence of an event of default committed by the customer, or upon any insolvency or bankruptcy proceedings being commenced against the customer. For details, please refer to the Applicable Account Terms and Conditions.

Offering Documents for this product

- The following documents for this CLI (“Offering Documents”) contain detailed information about the terms of the CLI. You should read and understand all of the Offering Documents before deciding whether to invest in the CLI.
- This Important Facts Statement which highlights the key features and key risks of the CLI.
- The “Applicable Account Terms and Conditions” means the Investment Products Consolidated Terms and Conditions or Terms and Conditions for Accounts under Wealth Management Investment Portfolio (Wealth Management Accounts) (as appropriate, depending on through which account the Customer trades the CLI), a copy of which has been provided to the customer before or when the customer opened an investment account with the Bank or when the customer places an order for CLI.
- You should note that the CLI will be governed by the “CLI Documents” which include the CLI Confirmation, the CLI Order Form, the Applicable Account Terms and Conditions and this Important Facts Statement. In the event of any inconsistency, the inconsistency will be resolved in favour of the document ranking higher in the following order of priority: (a) the CLI Confirmation, (b) the CLI Order Form, (c) the Applicable Account Terms and Conditions and (d) this Important Facts Statement.
- Terms used in this Important Facts Statement but not otherwise defined herein shall have the meaning provided to it in the other CLI Documents.

Important legal information

The information provided in this Important Facts Statement does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person. The Bank is acting on a principal-to-principal basis and not acting as your advisor or agent or in any fiduciary capacity to you. This Important Facts Statement does not purport to identify all the risks (direct or indirect) or other material considerations which may be associated with you entering into the transaction. Prior to entering into the transaction, you should have determined (after consultation with your own advisors if you deem fit), without reliance upon the Bank or its affiliates, the economic risks and merits, as well as the financial, legal, tax, accounting or other material characterisations and consequences of the transaction and that you are able to assume these risks.