

ANNEXURE A(III): REPORTING ACCOUNTANTS' REPORT ON THE CONSOLIDATED PROFIT FORECAST FOR THE YEAR ENDING 31 DECEMBER 2024



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11 October 2023

The Board of Directors
Projek Lintasan Kota Holdings Sdn. Bhd., and
Prolintas Managers Sdn. Bhd.
12th Floor, Menara PNB
201-A, Jalan Tun Razak
50400 Kuala Lumpur.

Dear Sirs,

Report on the consolidated profit forecast for the year ending 31 December 2024 in relation to the submission to Securities Commission Malaysia ("SC") for the proposed initial public offering and proposed listing of units of Prolintas Infra Business Trust ("Proposed Listing of Prolintas Infra BT") ("Proposed Submission")

We have been engaged to examine the consolidated profit forecast (the "Prospective Financial Information") of Prolintas Infra Business Trust Group (the "Group" or before establishment of the business trust known as "Prolintas Prime Group") comprising Projek Lintasan Kota Sdn Bhd, Prolintas Expressway Sdn Bhd, Projek Lintasan Shah Alam Sdn Bhd, Sistem Lingkaran – Lebuhraya Kajang Sdn Bhd and Manfaat Tetap Sdn. Bhd. for the financial year ending 31 December 2024 respectively (the "Consolidated Profit Forecast") in connection with the Proposed Submission as set out in Appendix I and the assumptions thereon as set out in Appendix II (the "Assumptions").

Responsibilities of the Directors on the Prospective Financial Information

The Prospective Financial Information has been prepared by the management of Prolintas Kota Holding Sdn. Bhd. ("PLKH") ("the Directors"), for the purpose of the Proposed Submission. The Directors are solely responsible for the preparation and presentation of the Prospective Financial Information and the assumptions on a basis consistent with the format of financial statements and accounting policies to be adopted by the Group and the requirements of the Prospectus Guidelines for Business Trust issued by the Securities Commission Malaysia (the "Prospectus Guidelines").



Our Independence and Quality Management

We have complied with the independence and other ethical requirement of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Malaysian Approved Standard on Quality Management 1, ISQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our examination has been undertaken to enable us to form an opinion as to whether the Prospective Financial Information, for which the Directors are solely responsible, in all material respects, are properly prepared on the basis of the assumptions made by the Directors as set out on Appendices I and II, and are presented on a basis consistent with the format of financial statements and accounting policies to be adopted by the Group and the requirements of the Prospectus Guidelines.

A forecast, in this context, mean prospective financial information prepared on the basis of assumptions as to future events which management and Directors expect to take place and the actions which management and Directors expect to take as of the date the information is prepared (best-estimate assumptions). While information may be available to support the assumptions on which the forecast are based, such information is generally future oriented and therefore uncertain. Thus, actual performance is likely to be different from the forecast since anticipated events frequently do not occur as expected and the variations could be material. We do not express any opinion as to the possibility of achievement of the profit forecast.

We have examined the forecast in accordance with the *Malaysian Approved Standards on Assurance Engagement, ISAE 3400: The Examination of Prospective Financial Information* issued by Malaysian Institute of Accountants.



Opinion

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the forecast. The Prospective Financial Information has been prepared on the basis of the best-estimate assumptions made by the Directors. Further, the Prospective Financial Information are presented in a manner consistent with both the format of the financial statements and the accounting policies of the business trust.

Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material. Further, we emphasise that the Prospective Financial Information is not intended to, and does not, provide all the information and disclosures necessary to give a fair presentation in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Attention is drawn, in particular, to the risk factors set out in Section 5 of the Prospectus which describe the principal risks associated with the Proposed Submission, to which the Prospective Financial Information is related.

For the reasons set out above, we do not express any assurance as to the possibility of achievement of the Prospective Financial Information.

Emphasis of Matter

We draw attention to the bases and assumptions stated in Note 3(4) of the Profit Forecast in Appendix II, which describes the judgment applied by the Board of Directors in respect of the application of extended concession period for the purposes of impairment assessment and for amortisation of the highway development expenditure of the Group. We consider these matters significant for the understanding of the financial statements. Our opinion is not modified in respect of this matter.

Restriction on Distribution and Use

The report is addressed to the Board of Directors of the Company in connection with the Proposed Submission and should not be used or relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

**ANNEXURE A(III): REPORTING ACCOUNTANTS' REPORT ON THE CONSOLIDATED PROFIT
FORECAST FOR THE YEAR ENDING 31 DECEMBER 2024 (Cont'd)**



Yours faithfully,

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia

**ANNEXURE A(III): REPORTING ACCOUNTANTS' REPORT ON THE CONSOLIDATED PROFIT
FORECAST FOR THE YEAR ENDING 31 DECEMBER 2024 (Cont'd)**

Prolintas Prime Group

Appendix I

FORECAST CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Forecast Year 2024 (RM'000)
Revenue	3.1	306,879
Construction costs	3.2	(2,200)
Other income	3.3	8,041
Staff costs	3.5	(24,045)
Amortisation of highway development expenditure	3.4	(43,983)
Other operating expenses	3.5	(77,418)
Trustee-Manager fee	3.6	(8,000)
Trust expenses	3.7	(500)
Profit from operations		158,774
Finance costs	3.8	(132,507)
Profit before tax		26,267
Income tax expense	3.9	(18,072)
Profit for the financial year, representing total comprehensive income for the financial year		8,195

Prolintas Prime Group

Appendix II

1. INTRODUCTION

Projek Lintasan Kota Holdings Sdn. Bhd. ("PLKH") is planning for an initial public offering ("IPO") and proposed listing on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing") via the establishment of a business trust involving certain subsidiaries of the PLKH Group (collectively to be called Prolintas Infra Business Trust).

Prolintas Infra Business Trust ("Prolintas Infra BT") will be a business trust constituted by a trust deed under the laws of Malaysia ("Trust Deed"). The Trust Deed will come into effect after registration with the Securities Commission Malaysia ("SC"), and Prolintas Infra BT will be established on 31 December 2023 upon the execution of the Trust Deed by the Trustee-Manager, Prolintas Managers Sdn Bhd ("Prolintas Managers").

All references to "Prolintas Infra BT" include references to the Trustee-Manager, in its capacity as the trustee-manager of Prolintas Infra BT, unless the context otherwise requires. All references to "Prolintas Infra BT Group" are to Prolintas Infra BT and its subsidiaries, taken as a whole.

Pre-IPO restructuring

The Proposed Listing involves an acquisition of the entire equity interest in the following four concession companies ("Concession Companies") by Prolintas Managers (on behalf of Prolintas Infra BT) from PLKH ("Pre-IPO Acquisition") thereby forming the Prolintas Infra BT Group:

No.	Companies	Concession highways
1.	Projek Lintasan Kota Sdn Bhd ("AKLEH Co")	Ampang - Kuala Lumpur Elevated Highway ("AKLEH")
2.	Prolintas Expressway Sdn Bhd ("GCE Co")	Guthrie Corridor Expressway ("GCE")
3.	Projek Lintasan Shah Alam Sdn Bhd ("LKSA Co")	Lebuhraya Kemuning - Shah Alam Highway ("LKSA")
4.	Sistem Lingkaran-Lebuhraya Kajang Sdn Bhd ("SILK Co")	Sistem Lingkaran Lebuhraya Kajang ("SILK")
5.	Manfaat Tetap Sdn Bhd ("Manfaat Tetap")*	Principal activity Special purpose vehicle set up to facilitate Sukuk Mudharabah for the purpose of refinancing the debt of its immediate holding company, SILK Co.

* Entity that is held through a direct parent-subsidiary relationship through SILK Co. The Sukuk Mudharabah will be redeemed as part of the Debt Financing and thereafter, Manfaat Tetap will be dormant.

Collectively, the five entities above are referred to as Prolintas Prime Group.

Prolintas Prime Group

Appendix II

1. INTRODUCTION (CONT'D.)

Pre-IPO Acquisition

As at 31 December 2022, 10% of the equity interest in LKSA Co is held by Permodalan Nasional Berhad ("PNB"). Prior to the Pre-IPO Acquisition, the 10% equity interest will be disposed to PLKH for a cash consideration of RM500,000.

After the disposal of the 10% equity interest of LKSA Co by PNB to PLKH, the proposed acquisition would be executed by Prolintas Infra BT via a conditional Sale of Business Agreement with PLKH to acquire the issued share capital of the respective Concession Companies for an aggregate purchase consideration of [•] which will be fully satisfied via the issuance of 1,100,000,000 new undivided interest in Prolintas Infra BT as provided in the Trust Deed ("Units") at an issue price of [•] per Unit in connection with the Pre-IPO Acquisition, and is conditional upon, amongst others, the approval of the proposed listing by the SC and other relevant regulatory bodies for the Proposals, if required.

Pre-IPO Reorganisation

Prior to the Pre-IPO Acquisition, AKLEH Co, GCE Co and LKSA Co outsource majority of the operation and maintenance ("O&M") services of their respective highways to Turnpike Synergy Sdn Bhd ("Turnpike"), a wholly-owned subsidiary of PLKH. As a way to reflect better organisational accountability, PLKH will undertake an employee reorganisation exercise ("Pre-IPO Reorganisation"). The Pre-IPO Reorganisation involves the transfer of relevant operational and technical employees performing the O&M services between Turnpike and the respective Concession Companies. Following the completion of the Pre-IPO Reorganisation, the existing O&M arrangements and agreements between AKLEH Co, GCE Co and LKSA Co and Turnpike will be mutually terminated. All O&M Services including liaison with relevant suppliers and/or sub-contractors in relation to the provision of O&M Services as and when required, will be carried out by the respective Concession Companies.

Debt Financing

In connection with the Proposed Listing, Prolintas Managers (on behalf of Prolintas Infra BT) intends to raise up to RM2,700 million of debt financing via the Tawarruq financing facility - Term 1 and Term 2.

Term 1: Up to RM2,400 million is to be utilised for the purposes of refinancing of the existing debts of the Concession Companies, including the payment of any amount due to the related parties.

Term 2: Up to RM300 million is to be utilised for the capital expenditure in relation to the construction of a new interchange for GCE and lane widening for SILK.

Collectively, the pre-IPO restructuring exercises above are referred to as ("Pre-IPO Restructuring").

Prolintas Prime Group

Appendix II

2. SUMMARY OF BASIS PREPARATION

The Profit Forecast has been prepared on the bases and accounting principles consistent with those to be adopted in the preparation of the consolidated financial statements of the Prolintas Infra BT Group. The financial year end of the Prolintas Infra BT Group is 31 December. The Profit Forecast has been prepared on the assumption that:

- a) the establishment of Prolintas Infra BT Group will be completed on 31 December 2023 ("Establishment Date");
- b) the Pre-IPO Acquisition and Debt Financing will be completed on 31 December 2023 ("Completion Date");
- c) the Government confirms that the conditions precedents for the respective Supplemental Concession Agreement 2022 ("SCAs 2022") have been met and the effective date for the respective SCAs 2022 will be on 31 December 2023;
- d) the Pre-IPO Reorganisation will be completed on 31 December 2023; and
- e) the Proposed Listing of Prolintas Infra BT will be completed on 1 March 2024.

The Prolintas Managers and PLKH have prepared the Profit Forecast based on the material bases and assumptions listed below. The Prolintas Managers and PLKH consider these bases and assumptions to be appropriate and reasonable. However, investors should consider these bases and assumptions as well as the Profit Forecast and make their own assessment of the future performance of the Prolintas Infra BT Group.

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ASSUMPTIONS

(1) Revenue

The Prolintas Infra BT Group's revenue comprises revenue from toll collection revenue, non-toll revenue and construction revenue as set out below:

		Forecast Year 2024	
	Note	(RM'000)	%
Toll collection revenue	(i)	302,332	98.5
Non-toll revenue	(ii)	2,347	0.8
Construction revenue	(iii)	2,200	0.7
Total		306,879	100.00

(i) Toll collection revenue

The Concession Companies operate via open toll system where road users are charged fixed toll rates according to their vehicle classes regardless of travelling distance. The toll revenue is recognised as and when the toll is charged for the usage of the highways based on gazetted toll rates as stipulated in SCAs 2022. The toll revenue is recognised after deducting the commission charged by Touch 'n Go Sdn Bhd.

**ANNEXURE A(III): REPORTING ACCOUNTANTS' REPORT ON THE CONSOLIDATED PROFIT
FORECAST FOR THE YEAR ENDING 31 DECEMBER 2024 (Cont'd)**

Prolintas Prime Group

Appendix II

**3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ASSUMPTIONS
(CONT'D.)**

(1) Revenue (cont'd.)

(i) Toll collection revenue (cont'd.)

The toll collection revenue, which is a function of traffic volume and gazetted toll rates for the financial year indicated is as set out below:

Highway	Forecast Year 2024 (RM'000)
AKLEH	32,010
GCE	92,314
LKSA	43,615
SILK	134,393
Total	302,332

The following are the key drivers for toll collection revenue:

a. Traffic

Perunding Trafik Klasik Sdn Bhd was engaged to prepare the traffic study in its capacity as the Traffic Consultant.

The traffic volume projections for each Highway based on the key bases and assumptions as set out in the Traffic Consultant's Report for the Forecast Year 2024 are as follows:

Highway	Annual average daily traffic volume (AADT)
	Forecast Year 2024
AKLEH	41,349
GCE	128,530
LKSA	88,374
SILK	210,497
Total	468,750

b. Toll rate

The toll rates assumed for the Forecast Year 2024 charged to road users are based on the gazetted toll rates which are currently same as the toll rate stipulated in the respective SCAs 2022 as follows:

	Gazetted toll rates from 2023⁽¹⁾ to 2032 (RM)				
Highways	Class 1	Class 2	Class 3	Class 4	Class 5
AKLEH	2.13	7.00	10.50	1.53	1.28
GCE	1.75	3.80	5.70	0.83	1.29
LKSA (Alam Impian)	0.83	1.80	2.70	0.83	0.55
LKSA (Seri Muda)	1.56	3.40	5.10	0.83	1.10
SILK	1.66	3.60	5.40	0.83	0.92

Note:

(1) The toll rates were gazetted on 20 October 2022.

Prolintas Prime Group

Appendix II

**3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ASSUMPTIONS
(CONT'D.)**

(1) Revenue (cont'd.)

(ii) Non-toll revenue

Concession Companies	Forecast Year 2024 (RM'000)
AKLEH Co	414
GCE Co	1,014
LKSA Co	720
SILK Co	199
Total	2,347

Non-toll revenue includes rental income of billboard space, space rental for telco towers and rental from stall operators in rest service areas.

Non-toll revenue is projected by the Trustee-Managers based on the revenue-sharing arrangement as stipulated in the service level agreement with Prolintas Highway Services Sdn. Bhd. ("PHSSB"), a wholly-owned subsidiary of PLKH.

(iii) Construction revenue

The construction revenue is forecasted based on the approved capital expenditure plan prepared by the in-house engineers based on industry experience with projects that are of the same nature.

These revenues are mainly from projects such as upgrading works for SILK lay-bys in Forecast Year 2024.

(2) Construction costs

The construction costs are forecasted based on the approved capital expenditure plan prepared by the in-house engineers based on industry experience with projects that are of the same nature.

(3) Other income

Other income is forecast based on the historical 3-years average deposit balance of the year amounting to approximately RM241 million multiplied by average actual interest/profit rate of 3.35% per annum of respective concession companies.

The average interest/profit rate 3.35% per annum used for projection is based on actual average interest/profit rate from the actual fixed deposit for the respective Concession Companies from 1 January 2023 to 30 June 2023.

Prolintas Prime Group

Appendix II

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ASSUMPTIONS
(CONT'D.)

(4) Amortisation of highway development expenditure

Highway development expenditure ("HDE") comprises construction, development and upgrading expenditure incurred in relation to the concession highways and bridge (including finance costs relating to the financing of the development of the highways and bridge). HDE is stated at cost less amortisation and impairment losses.

HDE is amortised over the toll collection period under the intangible asset model based on a formula which directly relates to the traffic volume (both actual and expected), as follows:

$$\left[\frac{\text{Actual traffic volume for the year}}{\text{(Forecast traffic volume over remaining concession period + Actual traffic volume for the year)}} \times \left[\begin{array}{l} \text{(Opening net book value} \\ \text{+ Additions} \\ \text{during the year)} \end{array} \right] \right]$$

The computation is updated on an annual basis to incorporate actual and forecasted traffic volume for the year and remaining highway concession period.

On 12 October 2022, the Concession Companies entered into SCAs 2022 with the Government, whereby the toll rate structure was revised and with extended concession period. From 1 January 2023 onward, the Concession Companies are no longer entitled to receive toll compensation from the Government in view that the agreed toll rates pursuant to the SCAs 2022 and the gazetted toll rates are identical. The management has amortised its highway development expenditure based on the Extended Concession Period as lower toll rates have been gazetted and no compensation was recognised starting from 1 January 2023.

(5) Staff costs and other operating expenses

	Note	Forecast Year 2024 (RM'000)
Staff costs	a	24,045
Highway repair and maintenance costs	b	29,340
Corporate shared service fees	c	9,040
Provision for replacement costs	d	2,928
Provision for road and pavement resurfacing costs	e	5,085
Utilities	f	7,517
Listing expenses	g	9,480
Other expenses	h	14,028
Total		101,463

Prolintas Prime Group

Appendix II

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ASSUMPTIONS
(CONT'D.)

(5) Staff costs and other operating expenses

a. Staff costs

Staff costs consist of salaries and wages of permanent and contract staff, employer's contribution to defined contribution plans, social security contributions, medical costs, training, and other staff-related expenses. The amount is forecasted based on the historical trend of actual staff costs incurred with an adjustment for average Malaysia's inflation rate at 3.5% per annum.

The forecasted staff costs in 2024 includes the assumption of additional headcount pursuant to the Pre-IPO Reorganisation whereby the relevant technical and operational employees from Turnpike, i.e. the personnel that operate AKLEH Co, GCE Co and LKSA Co will be transferred to the concession companies to perform the services in-house.

b. Highway repair and maintenance costs

	Note	Forecast Year 2024 (RM'000)
Operation overhead costs	i	5,193
Engineering overhead costs	ii	21,897
Heavy repairs costs	iii	2,250
Total		29,340

- i. Repair and maintenance costs for toll plaza and toll collection system.
- ii. Repair and maintenance costs for highway structure such as road sign, electrical components, and rails.
- iii. Costs for repair works such as reinstatement of toll plaza, bridge, structure repair of highways and pavement repairs. Heavy repairs costs are one-off in nature.

The highway repair and maintenance costs are forecasted based on the Prolintas Manager's industry experience and trend of historical cost adjusted for one-off costs with an adjustment for average Malaysia's inflation rate at 3.5% per annum.

Prolintas Prime Group

Appendix II

**3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ASSUMPTIONS
(CONT'D.)**

(5) Staff costs and other operating expenses (cont'd.)

c. Corporate shared services fees

Corporate shared service fees represent shared services subcontracted to (i) Prolintas Corporate Shared Services Sdn Bhd ("PCSSB") for certain management support services, such as finance, legal, innovation and technology, human capital management, corporate communications, administration and company secretarial services and (ii) PLKH for company secretary, integrity, risk management and compliance and internal audit functions.

The fees forecasted are allocated to the respective companies managed by PCSSSB and PLKH based on proportion of time spent for each entity.

d. Provision for replacement costs

Provision for replacement costs is recognised at the forecasted present value of the future replacement cost expected to be incurred over a 5-year replacement cycle. The forecasted present value amount is discounted using a risk-free rate which is the rate of government bond with similar remaining term as the provision.

e. Provision for road and pavement resurfacing costs

In accordance with the SCAs 2022, the Concession Companies have an obligation to perform road and pavement resurfacing to maintain the highway. The Prolintas Managers forecasted the road and pavement resurfacing costs based on a 7-year cycle, with pavement condition assessment ("PCA") conducted on a yearly basis to assess the road conditions. During the 7-year cycle, the Concession Companies will perform partial PCA in every year except in the 7th year whereby a full PCA will be performed, of which the Concession Companies are expected to incur a higher cost for resurfacing during that particular year.

Provision for road and pavement resurfacing is forecasted based on historical cost and agreed capital expenditure plan prepared by in-house engineers based on their past experience. Provision for road and pavement resurfacing is projected based on present value of future costs to be incurred over the road resurfacing cycle and discounted at a risk-free rate.

f. Utilities

Utilities which include electricity charges, connectivity charges, and water usage are forecasted by the Prolintas Managers based on historical cost with an adjustment for average Malaysia's inflation rate at 3.5% per annum.

Prolintas Prime Group

Appendix II

**3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ASSUMPTIONS
(CONT'D.)**

(5) Staff costs and other operating expenses (cont'd.)

g. Listing expenses

Prolintas Infra BT Group forecasted to incur listing expenses which comprises advisers fee during the Pre-IPO Restructuring and listing process, as well as the expenses to prepare the necessary documents and filings required by regulatory authorities.

The amount is forecasted by the Prolintas Managers based on the contract with the respective advisers.

h. Other expenses

Other expenses comprise legal and professional fees, public relation activities, and others. Other expenses are forecasted by the Trustee-Manager based on historical cost with an adjustment for average Malaysia's inflation rate at 3.5% per annum. From 1 January 2024 onwards, Turnpike is expected to be engaged as consultant to the Concession Companies with estimated fee of approximately RM1.66 million per annum.

(6) Trustee-Manager Fee

Trustee-Manager fee is forecasted based on the Trust Deed which entitles the Trustee-Manager to base fee, performance fee, acquisition fee and divestment fee.

Base fee is a fixed fee of RM8.0 million per annum. The base fee is forecasted to be charged effective from the 1 January 2024 amounting to RM8.0 million in 2024 pursuant to the Trust Deed.

Trustee-Manager is entitled to receive a performance fee of 10% per annum of the increase in dividend per unit ("DPU") in a financial year as compared to the DPU in the preceding financial year. There is no performance fee to be incurred in 2024 as it is Prolintas Infra BT Group's first year of operations.

No acquisition fee and divestment fee were forecasted in 2024 as there is no potential asset acquisition or any divestment plan at this juncture.

(7) Trust expenses

Trust expenses which include cost for periodical statutory audit, external corporate secretary, annual general meeting and other miscellaneous expenses. The expenses will be incurred in Forecast Year 2024, following the formation of the Prolintas Infra BT Group on 31 December 2023.

**ANNEXURE A(III): REPORTING ACCOUNTANTS' REPORT ON THE CONSOLIDATED PROFIT
FORECAST FOR THE YEAR ENDING 31 DECEMBER 2024 (Cont'd)**

Prolintas Prime Group

Appendix II

**3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ASSUMPTIONS
(CONT'D.)**

(8) Finance costs

Financing facilities	Forecast Year 2024 (RM'000)
Tawarruq financing facility	120,409
Amortisation of debt issuance expenses	242
Unwinding of discount for provisions	11,856
Total	132,507

Finance costs for financing facilities post Debt Financing are forecasted based on the indicative term sheet obtained from Bank Pembangunan Malaysia Berhad as follows:
Below are the assumptions used in the facility:

Financing facilities	Profit rate and assumptions
Tawarruq financing facility – Term 1	i) Profit rate of 5.18% based on the indicative term sheet from Bank Pembangunan Malaysia Berhad, payable on a semi-annual basis. ii) Drawdown of financing is expected to be on 31 December 2023 as payment for the existing debts of the respective Concession Companies as at 31 December 2023.
Tawarruq financing facility – Term 2	i) Profit rate of 4.28% based on the indicative term sheet from Bank Pembangunan Malaysia Berhad, repayable on a semi-annual basis. ii) Drawdown of financing is expected to commence based on the approved capital expenditures schedule for lane widening for SILK and construction of Strathairlie Interchange for GCE.

Prolintas Prime Group

Appendix II

**3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ASSUMPTIONS
(CONT'D.)**

(9) Income tax expenses

The forecasted chargeable income is derived after the deduction of allowable expenses and permitted allowances. The amounts are calculated based on Malaysian statutory tax rate of 24% for the Forecast Year 2024.

	Forecast Year 2024
	(RM'000)
Concession Companies	
AKLEH Co	(7,071)
GCE Co	(7,704)
LKSA Co	9,996
SILK Co	(13,293)
Total	(18,072)

4. OTHERS

(1) Accounting standards

The Prolintas Managers has assumed that there will be no material change in applicable accounting standards or other financial reporting requirements that may have a material effect on the Profit Forecast for Forecast Year 2024.

(2) Other assumptions

The Prolintas Managers has made the following additional assumptions in preparing and the Consolidated Profit Forecast:

- (i) the asset portfolio of the Prolintas Infra BT Group remains unchanged;
- (ii) no further capital will be raised during Forecast Year 2024 apart from the above-mentioned;
- (iii) the Prolintas Infra BT Group will not be required to incur additional material capital and operating expenditure, other than those identified in the Profit Forecast;
- (iv) there will be no change in applicable accounting standards or tax treatment or other financial reporting requirements that may have a material effect on and the Profit Forecast;
- (v) there will be no material changes in the cost of supplies, inflation rates and interest/profit rates from those currently prevailing in the context of the Prolintas Infra BT Group's operations, other than those which are discussed in this section of this document;

Prolintas Prime Group

Appendix II

4. OTHERS (CONT'D.)

(2) Other assumptions (cont'd.)

The Prolintas Managers has made the following additional assumptions in preparing and the Consolidated Profit Forecast (cont'd.):

- (vi) there will be no material changes in the bases or applicable rates of taxation, surcharges or other government levies;
- (vii) there will be no economic crisis, industrial disputes, political changes, wars, military incidents, pandemic diseases or natural disasters or any unforeseeable factors that are beyond the Prolintas Infra BT Group's control, that would have a material impact on the Prolintas Infra BT Group's business and operating activities;
- (viii) there will be no material changes in the management and business policies currently practiced by the Prolintas Infra BT Group;
- (ix) the Prolintas Infra BT Group and the Government will be in compliance at all times with the agreements and arrangements entered into in connection with the Concession Agreements;
- (x) there will be no material changes in present legislation and government regulations, including taxation and guidelines of regulatory authorities which will affect the Prolintas Infra BT Group's activities or the market in which the Prolintas Infra BT Group operates;
- (xi) there will be no significant effects on the projections of toll revenue resulting from alternative expressways or alternative forms of transportation in Peninsular Malaysia;
- (xii) there will be no significant changes in the terms and conditions of material contracts and agreements, including but not limited to, the Concession Agreements, the Trust Deed and the financing agreements;
- (xiii) there will be no material contingent liabilities or litigations, which are likely to give rise to any proceedings that may adversely affect the assets, financial position and operations of the Prolintas Infra BT Group; and
- (xiv) there will be no material deviation in actual expenses incurred from the forecasted expenses to be incurred for the and Forecast Year 2024.