

11. SHARIAH ADVISER

11.1 SHARIAH ADVISER

Amanie Advisors Sdn Bhd ("**Amanie**") has been appointed as the Shariah adviser for the Trust.

Amanie was incorporated on 10 March 2005 under the Companies Act, 1965 and is deemed registered under the Act as a private company limited by shares. Amanie is principally involved in Shariah advisory and supervisory services and is a registered Shariah Adviser (Corporation) with the SC since inception. The registered office of the Shariah Adviser is at Unit 11-3A, 3rd Mile Square, No.151, Jln Klang Lama, Batu 3 ½, 58100 Kuala Lumpur and its business address is at Level 13A-2, Menara Tokio Marine Life, 189, Jalan Tun Razak, 50400 Kuala Lumpur.

Amanie was founded and led by Tan Sri Dr. Mohd Daud Bakar, who is also a registered Shariah Adviser (Individual) with the SC. As at the LPD, there is a total of 10 full-time consultants in Amanie representing dynamic and experienced professionals with a mixture of Shariah law, corporate finance, accounting, product development and education. Amanie has no prior experience in providing Shariah advisory and supervisory services for Islamic business trusts as Prolintas Infra BT shall be the first business trust to be listed in Malaysia.

11.2 FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE SHARIAH ADVISER

As the Shariah Adviser for the Trust, the role of Amanie is to ensure that the operations and investments of the Trust are in compliance with Shariah requirements.

The Shariah Adviser will review the portfolio of the Trust Group on a yearly basis to ensure that its operations and investments comply with Shariah. Upon completion of each review, the Shariah Adviser will deliver its opinion on the Trust Group's compliance with Shariah through the issuance of monthly confirmation reports. Further, a report on the Shariah compliance status of the Trust Group for the respective financial year will also be prepared to be included in the annual report of the Trust Group.

The general functions, duties and responsibilities of the Shariah Adviser, include but are not limited to the following:

- (a) advise and provide Shariah expertise and guidance on Prolintas Infra BT's structure, management, investment and other operational matters;
- (b) advise and provide Shariah expertise and guidance on Prolintas Infra BT's trust deed, offering documents, circular to Unitholders relating to acquisition or disposal of assets, reports and any other relevant documents;
- (c) ensure that Prolintas Infra BT is managed and operated in accordance with Shariah principles and relevant SC regulations and guidelines, including rulings and resolutions issued by the SAC;
- (d) prepare a report to be included in the annual report of Prolintas Infra BT stating its opinion that Prolintas Infra BT has been operated and managed in accordance with Shariah principles for the financial period concerned;
- (e) consult the SAC, where there is ambiguity or uncertainty with regard to any aspects of Prolintas Infra BT; and
- (f) inform the Trustee-Manager immediately where the Shariah Adviser has been deregistered by the SC.

Amanie also reviews the Islamic business trust on annual basis to ensure compliance with Shariah principles or any other relevant principles at all times.

11. SHARIAH ADVISER (Cont'd)

11.3 PROFILES OF SHARIAH PERSONNEL

The designated persons responsible for Shariah matters relating to Prolintas Infra BT are as follows:

Tan Sri Dr. Mohd Daud Bakar (“Tan Sri Dr. Mohd Daud”)

Tan Sri Dr. Mohd Daud Bakar is the designated person in-charge of all Shariah matters in Amanie.

Tan Sri Dr. Mohd Daud received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD in Conflict of Law and the Methodology of Tarjih: A Study in Islamic Legal Theory from University of St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya.

He is a registered individual Shariah Adviser with the SC and is the Chairman of the Shariah Advisory Council for the following entities:

- (a) Astana International Financial Centre (AIFC) in Kazakhstan;
- (b) First Abu Dhabi Bank in United Arab Emirates; and
- (c) PNB in Malaysia.

Previously, Tan Sri Dr. Mohd Daud was the Chairman of SAC at Bank Negara Malaysia and SC.

Tan Sri Dr. Mohd Daud is a Shariah board member of the National Bank of Oman in Oman, Amundi Asset Management in France, Bank of London and Middle East in London, BNP Paribas Najma in Bahrain, Natixis Bank in Dubai, Morgan Stanley in Dubai, Sedco Capital in Saudi Arabia and Luxembourg and Dow Jones Islamic Market Index in New York, amongst many others.

Currently, Tan Sri Dr. Mohd Daud is the Chairman of Federal Territory Islamic Religious Department (*Majlis Agama Islam Wilayah Persekutuan* (“**MAIWP**”)). and he is currently the Chairman of the Shariah Advisory Committee in PNB.

Tan Sri Dr. Mohd Daud has been conferred the esteemed Tokoh Maal Hijrah award by the State Government of Kedah in conjunction with the state-level Maal Hijrah celebration on July 2023. In 2022, Tan Sri Dr. Mohd Daud received the “Royal Award for Islamic Finance 2022” by His Majesty, the Yang Di-Pertuan Agong. In 2014, he received the “Most Outstanding Individual” award by, His Majesty, the Yang Di-Pertuan Agong, in conjunction with the national-level Prophet Muhammad’s birthday. Under his leadership, Amanie Advisors received the “Islamic Economy Knowledge Infrastructure Award” at the Global Islamic Economy Summit, Dubai in 2015 by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai. On 13 November 2021, he was conferred the Darjah Kebesaran Panglima Setia Mahkota (P.S.M.) by His Majesty, the Yang Di-Pertuan Agong which carries the title of “Tan Sri”.

11.4 SHARIAH COMPLIANCE CRITERIA

The following are the Shariah guidelines for the Prolintas Infra BT, which the Trustee-Manager is to strictly adhere to on a continuous basis. At all times, the Trustee-Manager shall manage Prolintas Infra BT according to the Shariah principles based on the parameters of the applicable Shariah Advisory Council, relevant Shariah advisory board, and the Shariah Adviser. Any potential departures from these guidelines due to certain unique conditions or unusual situations will require prior approval by Shariah Adviser before implementation.

11. SHARIAH ADVISER (Cont'd)

Prolintas Infra BT has been determined by the Shariah Adviser to be Shariah-compliant based on the following methodology:

- a) The following criteria to be employed in determining the Shariah compliant status of the Islamic business trust;

(1) Quantitative analysis

The core business of the business trust is not in the following Shariah non-compliant activities:

Business activity benchmarks

- Conventional banking and lending;
- Conventional insurance;
- Gambling and gaming;
- Manufacture or sale of non-halal products or related products;
- Shariah non-compliant entertainment;
- Manufacture or sale of tobacco-based products or tobacco-related activities;
- Stockbroking or share trading in Shariah non-compliant securities; and
- Other activities deemed non-compliant according to Shariah principles as determined by the SAC.

If the business trust comprises both Shariah-compliant and Shariah non-compliant activities, the contribution of Shariah non-compliant activities to the total revenue and profit before tax of the Islamic business trust must be less than the business activity benchmarks as follows:

(a) Business activity benchmarks

- i. The 5.0% benchmark would be applicable to the following business activities:

- Conventional banking and lending;
- Conventional insurance;
- Gambling;
- Liquor and liquor-related activities;
- Pork and pork-related activities;
- Non-halal food and beverages;
- Shariah non-compliant entertainment;
- Tobacco and tobacco-related activities;
- Interest income from conventional accounts and instruments (including interest income awarded arising from a court judgement or arbitrator);
- Dividends from Shariah non-compliant investments; and
- Other activities deemed non-compliant according to Shariah principles as determined by the SAC.

- ii. The 20.0% benchmark would be applicable to the following activities:

This benchmark is used to assess the level of mixed contributions from the activities that are generally permissible according to Shariah and have an element of *maslahah* (public interest), but there are other elements that may affect the Shariah status of these activities. Activities that fall under this category include but not limited to—

- Share trading;
- Stockbroking business;
- Rental received from Shariah non-compliant activities; and
- Other activities deemed non-compliant according to Shariah principles as determined by the SAC.

(b) Financial ratio benchmarks

In addition to the above requirement, a 33% benchmark is applicable in determining the Shariah-compliant status of an Islamic business trust. The 33% benchmark is used to assess the following financial ratios, which is intended to measure *riba'* and *riba'*-based elements in terms of investment, deposit and financing:

- Cash over total assets:
Cash will only include cash placed in conventional accounts and instruments, whereas cash placed in Islamic accounts and instruments will be excluded from the calculation.
- Debt over total assets:
Debt will only include interest-bearing debt whereas Islamic financing or sukuk will be excluded from the calculation.

Each of the above ratio must be less than 33 per cent.

(2) Qualitative analysis

The SAC of the SC and/or the Shariah Adviser may also take into account the public perception or image in assessing Shariah compliant status of the Islamic business trust.

In order to ensure compliance with the Shariah-compliance criteria, Prolintas Infra BT shall adhere to the following:

- (a) Prolintas Infra BT shall keep its cash in Islamic money market instruments. For investment in money market, Islamic money market instruments that are endorsed by the Shariah Adviser or approved by the Shariah Adviser upon review of the relevant documents e.g., principal terms and conditions and Shariah pronouncement or approvals.
- (b) For cash placement in deposit, Prolintas Infra BT is prohibited from investing in interest-bearing deposits and recognising any interest income.
- (c) All hedging activities and use of structured instruments shall only be used after written approval of the Shariah Adviser to ensure that they are Shariah compliant.

11. SHARIAH ADVISER (Cont'd)

- (d) Prolintas Infra BT may obtain cash financing to make investments or finance its operational activities by way of obtaining financing provided that the financing instrument adopted is a Shariah compliant instrument only and as approved by the Shariah Adviser.
- (e) Where Prolintas Infra BT intends to insure its assets or properties, it must procure a takaful scheme. Only if the takaful scheme is unable to provide the required and/or sufficient coverage, Prolintas Infra BT may procure a conventional insurance scheme to ensure sufficient coverage of the same.

Further, the Trustee-Manager must:

- (a) obtain the Shariah Adviser's prior approval for any proposal relating to transaction resulting in a significant change in the business direction or policy of the business trust; and
- (b) notify the Shariah Adviser in writing of any such acquisition or disposal of assets within seven days after which the acquisition or disposal was affected.

The Shariah Adviser vide its Shariah Pronouncement dated [] as set out in Annexure D, classified Prolintas Infra BT as Shariah-compliant based on the combined financial statements of AKLEH Co, GCE Co, SILK Co, LKSA Co and Manfaat Tetap, collectively known as the Prolintas Prime Group, for the FYEs 31 December 2020, 31 December 2021 and 31 December 2022. The Accountants' Report in relation to the Prolintas Prime Group for the Period Under Review is appended in Section 17 of the Prospectus.

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