

**Shari'a Report by the Shari'a Supervisory Board Submitted to the Annual General Assembly of Manazel PJSC (the "Company") about the activities of the Company during the Financial Year ending on 31<sup>st</sup> Dec, 2019**

The Shari'a Board for the Company obtained the agreements and documents used by the Company in its transactions, and reviewed, on a sample basis, the business and investment activities carried out by the Company, and replied to queries of the Company and provided solutions and structures for their intended transactions. It also issued necessary instructions for Shari'a compliance, and the Company expressed its desire for compliance. The Shari'a Board, therefore, confirms:

1. that the Company has used template documents approved by its Shari'a Board;
2. that it has directed the Company to submit all its agreements and documents, as well as transactions, activities and investments to the Shari'a Board for its approval prior to entering into them to ensure full compliance with the rules and principles of Shari'a as stipulated in its Articles of Association.
3. that the activities of the Company, its investments and transactions in general do not contravene the rules of Shari'a;
4. that the obligation of each shareholder to pay the Zakat of his shares is on the shareholder himself as the Articles of Association does not require the Company to pay the Zakat of the shares on behalf of the shareholders. Therefore, if someone is holding shares for trading purposes, he is required to pay 2.5% of the market price of his share at the end of his Zakat year as per the lunar calendar, or 2.5775% if he pays the Zakat as per the Gregorian calendar. However, if the shareholder is holding shares to get the annual dividend, he is required to pay 10% of the dividend, if any. The attached letter explains this further.
5. that the Shari'a Board has reviewed the annual accounts for the year ending on 31<sup>st</sup> December 2019 and has given its comments to the Company, which has undertaken to correct what needs to be corrected. However, the responsibility for accuracy of the information and the numbers in the annual accounts is that of the Management of the Company.

### **Shari'a Board's Opinion:**

The Shari'a Board, while emphasizing the fact that the responsibility of compliance with the rules of Shari'a and fatawa of the Shari'a Board in all the activities, transactions and investments of the Company lies with the Board of Directors, confirms that the activities of the Company, its agreements, transactions as well as investments entered into during the year are not in breach of the rules of Shari'a in general and that the Company has expressed its desire to comply with the principles and rules of Shari'a in all its transactions and activities.

**Dr. Hussain Hamid Hassan**

Chairman

**Dr. Abdul Hakim Zoeir**

Member

**Dr. Muhammad Qaseem**

Member