

<p>Date :- 02nd May 2024</p> <p>Reference No :- TR 2024/009/A</p> <p style="text-align: center;"><b>ZAD HOLDING COMPANY</b> <b>Internal Memo - Treasury Operation - Murabaha Creation</b></p>				
<b>Facts</b>	We have to make the dividend payment for the FY 2023 as approved in AGM (QAR 0.65/Share). Total Dividend payable is QAR 186.82 mn. We intend to borrow murabaha loan from Mashreq Al Islami for dividend payment of QAR 70 mn balance QAR 116.82 amount we will arrange from internal funds.			
<b>Proposed Bank selection criteria</b>	Currently we have financing facility with mashreq bank & dukhan bank. Mashreq Al Islami Bank offers a profit rate of 5.70% per annum, which is lower than the profit rate offered by Dukhan Bank, i.e., 6% per annum.			
<b>Approval requested</b>	Borrow QAR 70 mn from Mashreq Al Islami Bank @5.70% p.a for dividend payments. Early settlement allowed without penalty charge.			
<b>Estimated Profit amount based on mashreq bank current rate. (Amount In Millions)</b>				<b>Value in QAR</b>
Type of Instrument	Amount in QAR (mn)	Total Profit in QAR (mn)	Rate p.a.	No of days
Murabaha Loan	70	2.00	5.70%	180 days
 				
Sr. Finance Manager Proposed By	Chief Financial Officer Recommended by		Board Member Approved by	

