بسم الله الرحمن الرحيم

SHARI'AH SUPERVISORY BOARD ANNUAL REPORT

For the Financial Year Ended 31 March 2026

To the Stakeholders of Peoples Leasing Al-Safa (PLAS)

Assalamu Alaikum Wa Rahmatullahi Wa Barakatuh,

Alhamdulillah, Peoples Leasing Al-Safa ("PLAS") has successfully completed twenty (20) years of operations in Islamic finance. By the grace and blessings of Allah Almighty, the year under review was marked by continued progress in business growth, operational expansion, profitability, and market penetration.

The Board of Directors and Management are responsible for ensuring that the operations and activities of PLAS are conducted in accordance with the principles and requirements of Shari'ah. The responsibility of the Shari'ah Supervisory Board ("SSB") is to provide independent oversight and express its opinion on the Shari'ah compliance of PLAS's operations based on the reviews, assessments, and information presented to it.

Accordingly, this report presents the SSB's assessment of the overall Shari'ah compliance framework of PLAS, together with the key Shari'ah-related developments and activities undertaken during the financial year under review.

SHARI'AH SUPERVISORY BOARD MEETINGS

In accordance with its Terms of Reference, the SSB is required to convene at least once every two months. During the year under review, the SSB convened a total of eleven (11) meetings, comprising formal Shari'ah Supervisory Board meetings and product development meetings. These meetings were conducted both physically and virtually, with the participation of most of the members of the SSB.

The deliberations, decisions, and recommendations arising from these meetings were appropriately communicated to Management for implementation and necessary follow-up. In addition, matters relating to product development, operational practices, and other Shari'ah compliance requirements were continuously deliberated through consultations and teleconferences held between the formal meetings, thereby ensuring ongoing Shari'ah guidance and oversight.

SHARI'AH COORDINATION UNIT (SCU)

Shari'ah compliance continued to remain a key priority across all activities and operations of PLAS. The Shari'ah Coordination Unit ("SCU") continued to serve as the principal coordination and communication channel between Management and the SSB.

During the year, the SCU conducted regular Internal Shari'ah Reviews covering matters directly and indirectly related to Shari'ah compliance. The observations and findings arising from such reviews were presented to the SSB for its deliberation, ratification, and opinion, where necessary.

The SCU continued to play a vital role in monitoring Shari'ah compliance, identifying and escalating potential Shari'ah-related issues, facilitating the implementation of SSB decisions and recommendations, and maintaining effective communication between the SSB and Management.

PRODUCTS AND SERVICES — LAUNCHED AND REVISED

During the year under review, the following product concepts, documentation, processes, and policies relating to both new and existing products were introduced, reviewed, revised, or approved, following the consideration and approval of the SSB:

Asset — Business Products

- Introduction of **Wakalah-Bil-Istithmar — Wakalah Fast Track**.
- Revision of the process flow and transaction documentation relating to **Musharakah** financing.
- Streamlining and enhancement of **Ijarah** documentation and operational processes.
- Review and revision of relevant **Murabaha** documentation.
- Deliberation on the proposed **"Wadi'ah Gold Card"** concept

Liabilities

- Deliberation on the proposed **"Selfie Cash" Savings** concept.

Policies and Other Manuals in Review

The following policies are in review:

- Fixed Deposit Policy
- Mudaraba Savings Policy
- Recovery Cost Policy from the Charity Account

GRANTING, PROFIT & LOSS DISTRIBUTION AND POOL MANAGEMENT

During the year under review, PLAS recorded significant growth in its granting activities, as summarised below:

Details	2024/25	2025/26	% Growth
Assets	6,540.89	16,807.24	157%
Wadi'ah	1,656.76	5,371.75	224%
Total	**8,197.64**	**22,178.99**	**171%**

The profit distribution mechanism, including the relevant pool calculations, weightages, and allocation methodology, was reviewed and verified by the SSB to ensure consistency with the approved Shari'ah principles, policies, and procedures.

In addition, the SCU conducted post-distribution reviews and audits of the profit distribution process. The findings and observations arising from such reviews were presented to the SSB for its consideration and opinion, where required.

TRAINING

During the year under review, a total of forty (40) training sessions were conducted for approximately 1,421 members of staff across PLAS.

The training programmes covered key areas including the fundamental principles of Islamic banking and finance, Islamic banking products and services, and operational aspects of Islamic banking at branch level. The sessions were conducted by members of the SCU as well as members of the SSB, thereby providing employees with both practical and Shari'ah-based perspectives.

Relevant training materials and presentations were shared with participants for future reference. In addition, post-training assessments have been incorporated into the performance appraisal process for relevant staff, further strengthening accountability and reinforcing the importance of continuous knowledge development in Shari'ah-compliant operations.

OTHER ACTIVITIES

Branch Visits- During the year under review, members of the SSB, together with representatives of the SCU, conducted a visit to the Park Street Branch. The visit provided an opportunity to observe branch-level operations and engage with relevant staff on matters relating to the implementation of Shari'ah requirements and operational practices.

Capacity Development of SSB Members. In the recent past, the SSB members attended several international conferences and symposiums such as Islamic Economics in Banking and Finance-Intellectual Disclose- conducted by Markfield Institute UK, INCEIF- Malaysia, Al-Barakah Symposium- in Saudi Arabia etc.

SHARI'AH OPINION

In forming the opinion expressed in this report, the SSB reviewed selected transactions, relevant documentation, policies, procedures, and operational practices adopted by PLAS during the financial year under review.

The SSB planned and performed its reviews and audit activities based on the information, records, explanations, and representations made available to it, with the objective of obtaining reasonable assurance as to whether the relevant business activities and operations of PLAS were conducted in accordance with the principles and requirements of Shari'ah and the resolutions, guidelines, and approvals issued by the SSB.

Based on the reviews conducted and the information made available to the SSB, the SSB is of the opinion that:

A. The contracts, transactions, and dealings relating to the activities of PLAS during the year ended 31 March 2026, which were reviewed by the SSB, were generally conducted in compliance with Shari'ah principles and the relevant Shari'ah guidelines and approvals issued by the SSB.

B. The SSB has, however, identified certain areas relating to the operational practices and documentation of specific financing transactions that require further rectification and improvement. These matters have been highlighted in the Annual Shari'ah Audit Report, together with the relevant recommendations and guidance for the implementation of necessary corrective measures.

C. With regard to the management of the Mudaraba Pool on the liabilities side, the SSB is satisfied that the allocation and distribution of profits, as well as the treatment of losses relating to Mudaraba investment accounts, generally conform to the policies, procedures, and principles approved by the SSB.

D. During the year under review, charity payment amount are to be finalised arising from customer undertakings in respect of late payment. Such amounts will be credited to the designated Charity Account and are maintained separately from the income and funds of PLAS.

Based on the overall Shari'ah governance framework in place, the role and oversight of the SSB, the monitoring and coordination undertaken by the SCU, and the policies, procedures, and guidelines established to support Shari'ah compliance, the SSB is satisfied that PLAS has established an appropriate mechanism to promote and monitor Shari'ah compliance across its overall operations.

The SSB acknowledges that Shari'ah compliance is a continuous process requiring ongoing vigilance, review, and improvement. Accordingly, the SSB will continue to provide guidance and oversight to Management and the SCU in strengthening the Shari'ah governance and compliance framework of PLAS.

May Allah grant us the best in fulfilling our responsibilities, guide us in all our endeavours, make us successful in this world and in the Hereafter, and forgive us for our shortcomings.

Mufthi M.I.M Rizwe
Chairman, Shariah Supervisory Board

Ash Sheikh M.H.M.Huzaifah
Member, Shariah Supervisory Board

Date:
2026/08/28