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April 2018

**IFN**  
*Awards*  
— 2017 —

## Special Awards Report



## 2017 Winners

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the Year

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# Islamic Finance news

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## Bringing you the best

As the year gets into full swing, IFN is once again delighted to bring you our annual Awards Report, detailing the very best of 2017 and listing the top performers and leading players in every category across our four industry-leading awards: Deals of the Year, Best Banks, Service Providers and Law. Last year was another exceptional year for Islamic finance, with innovations and advances across the global marketplace, and we are honored and proud to yet again recognize, reward and respect all the dedicated stakeholders who play such a fundamental role in developing our industry.

2017 was a challenging but rewarding year, with some high peaks compensating for the steep troughs. From landmark issuances and geopolitical dramas to the explosion of interest in ethical products and the fascinating popularity of fintech, the volatility of the global financial markets also continued, with three Federal Reserve rate hikes challenging emerging markets performance yet failing to dampen investor enthusiasm for Islamic issuance, while equity markets continued to soar across the board.

We saw a number of unique firsts throughout the year – from Saudi Arabia's debut Sukuk in April 2017 to SkyWorld's first Islamic securitization of real estate progress billings in December, while sovereigns and corporates alike continued to flock to market. Our Deals of the Year awards showcased the resilience of the Islamic markets, with a record number of entrants and a tough choice for our independent panel of judges across the 35 product and country categories. Corporate finance emerged as a strong category, in comparison to the usual Sukuk dominance, while the twin themes of social responsibility and alternative energy also took center stage, and Tawarruq remained popular across the board. The Deals of the Year in 2017 also showcased the increasing globalization of Islamic finance, with impressive performances from a number of local players punching above their weight to achieve international status – such as Malaysia's Adnan Sunda and Low, who took home an impressive clutch of awards across multiple categories. Read the full results on Page 29.

Our Best Banks Poll entered its 13<sup>th</sup> year, with a positive showing across 36 impressive categories confirming the health and strength of the Shariah compliant banking sector. External pressures continued to squeeze Islamic banks in 2017, with tightening liquidity, low oil prices, US rate hikes and geopolitical dramas presenting their own challenges. Nevertheless, the industry still managed to deliver exceptional results – with 2017 seeing repeat performances from long-standing pillars as well as new challenges from innovative entrants. Special mention must go to Dubai Islamic Bank, who swept the board after an astounding year that saw it achieve the highest profitability in its history. Read who else stormed the boards on Page 48.

The IFN Law Awards demonstrated the continued innovation in the industry as the legal sector drove forward with pioneering new products and services. King & Spalding showcased its expertise in the private equity sector, Winston & Strawn dominated in project finance, Linklaters nailed the capital markets category while Clyde & Co won the real estate battle. For the full list of winners, head to Page 54.

And finally, we come to the unsung heroes of the industry – our tribute to the wonderful workers behind the scenes, the supporters and service providers without whom none of this would be possible. From advisors to indices, research to re-Takaful, the IFN Service Providers Poll 2017 once again rewarded the players facilitating the industry through their hard work and tireless dedication. Turn to Page 60 to explore the full list of winners across the top 10 categories.

This Special Awards Report contains within its pages the very best and brightest of the Islamic finance industry, representing not only the illustrious performers of the past year but our brightest hopes for the future. I hope you enjoy this outstanding illustration of an industry at its best.

*Lauren McAughtry*  
Group Managing Editor  
Islamic Finance news

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# AFC's Sukuk: The first from an African supranational



## Africa Deal of the Year

The Africa Finance Corporation (AFC) in January 2017 issued its maiden US\$150 million Sukuk, also the highest-ever by an African entity. Speaking to the AFC and Emirates NBD Capital, one of the lead managers and bookrunners, DURGAHYENI MOHGANA SELVAM takes a closer look.

The issuance, a Murabahah structure with a three-year tenor, was a privately placed, Reg S Sukuk facility. The structure was selected on the basis of the corporation's needs.

"The structure was best suited for the corporation's funding needs," the AFC said.

Though the transaction was issued for general corporate purposes, the underlying aim was to introduce the AFC to global investors and further diversify the corporation's investor base. The Nigeria-based corporation also said: "We expect this transaction to pave the way for a benchmark Sukuk issuance in the future. The AFC intends to continue engaging Sukuk-affinity investors through similar transactions in the future."

**“ We expect this transaction to pave the way for a benchmark Sukuk issuance in the future ”**

With many attractive highlights, the issuance received a healthy dose of response from investors, domestic and international alike. Approximately 63% of the investors hailed from Asia, 23% from the Middle East, 13% from Africa and the other regions making up the remaining 1%. "Strong demand from global investors and a high-quality orderbook enabled the AFC to upsize the transaction from US\$100 million to US\$150 million," Emirates NBD Capital said. The AFC also said that the issuance's return exceeded their expectations as it was more than twice oversubscribed.


The AFC's pilot Sukuk did not come without challenges of its own. As a newcomer to the market, the AFC had difficulties in ensuring a seamless and Shariah compliant execution. The corporation credits its team for meticulous planning and a successful transaction.

"We were guided by an excellent team of advisors who were diligent in ensuring the AFC understood the transaction structure as well as the operational mechanics involved," the corporation quipped.

### Summary of terms & conditions

<b>Issuer</b>	AFC Sukuk Company
<b>Obligor</b>	Africa Finance Corporation
<b>Size of issue</b>	US\$150 million
<b>Mode of issue</b>	Private, Reg S
<b>Purpose</b>	General corporate purposes
<b>Tenor</b>	Three years
<b>Issuance price</b>	100%
<b>Profit rate</b>	Six-month USD LIBOR + 200bps
<b>Payment</b>	Semi-annual
<b>Currency</b>	US dollar
<b>Maturity date</b>	24 <sup>th</sup> January 2020
<b>Lead manager(s) and bookrunner(s)</b>	Emirates NBD Capital, MUFG (B&D), Rand Merchant Bank
<b>Governing law</b>	English law
<b>Legal advisor(s)/counsel</b>	Dentons King & Spalding
<b>Listing</b>	Unlisted
<b>Underlying assets</b>	NASDAQ Dubai certificates
<b>Rating</b>	'A3' by Moody's
<b>Shariah advisor(s)</b>	Emirates NBD
<b>Structure</b>	Murabahah
<b>Tradability</b>	Tradable at par
<b>Investor breakdown</b>	Asia: 63%, Middle East: 23%, Africa: 13%, Others: 1%
<b>Face value/minimum investment</b>	US\$200,000

The transaction opened doors for the AFC's foray into the Islamic issuance market, and brought with it many unique features that largely contributed to its immense success. It was the debut Sukuk by the AFC, the first and highest rated supranational US dollar Sukuk from the continent and the first Sukuk transaction of 2017.

"This issuance helps the AFC to not only diversify its funding base by enabling it to tap liquidity from Sukuk-affinity investors from the Middle East and Asia but also further raise its profile within these regions," both the AFC and Emirates told IFN. 



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# Al Baraka Banking Group's Sukuk: Capitalizing on its many firsts



## Bahrain & Regulatory Capital Deal of the Year

**Al Baraka Banking Group issued a US\$400 million perpetual Sukuk facility in the last week of May. The paper, which was oversubscribed five times, has a string of many firsts. Speaking to Emirates NBD, one of the joint lead managers for the transaction, DURGAHYENI MOHGANA SELVAM has the exclusive.**

The Sukuk paper was an additional Tier 1 Perpetual Sukuk in compliance with Basel III as per the rules of the Central Bank of Bahrain. The paper, which was originally planned for US\$300 million, was later increased to US\$400 million due to strong demand.

"Al Baraka was able to take advantage of a very strong market backdrop and conclude the issuance via an intraday execution post a global investor roadshow," explained Emirates NBD.

The market also saw pricing tightened from initial thoughts at the 8% area to the final price of 7.88%, at 62.5bps over the midswap area. The issuance was oversubscribed by more than five times at a total of US\$1.6 billion against the initial size of US\$300 million.

The issue was well received in the GCC, Asian and European markets, with a profit rate set at an expected return of 7.88% per annum for an initial five-year term, with five-year resets thereafter.

Banks and private banks made up 75% of the investor breakdown; asset managers made up 18%; hedge funds 5% and insurance and pension funds made up the remaining 2%. Geographically, the Middle East took a large portion at 75%, Asian investors took up 16% and Europe covered the remaining 9%.

The transaction was deemed successful by Al Baraka not only because of the market response and strong demand, but also due to its accomplishments.

The Sukuk facility is the banking group's first foray into the Islamic debt capital market, the first Tier 1 Sukuk issuance from Bahrain, the first perpetual Sukuk from the country in 2017, the first of its kind in terms of size to be issued by a Bahraini private sector institution; and the first issuance from a non-investment grade Gulf bank.

"As part of our strategy to expand our capital base, to grow in our existing and new markets and to strengthen the business of our banking units, we successfully issued the Sukuk," said Adnan Ahmed Yousif, the president and CEO of the banking group.

### Summary of terms & conditions

<b>Issuer</b>	Al Baraka Banking
<b>Size of issue</b>	US\$400 million
<b>Mode of issue</b>	Mudarabah
<b>Purpose</b>	For general purposes
<b>Tenor</b>	Perpetual
<b>Profit rate</b>	7.88%
<b>Payment</b>	Per annum
<b>Currency</b>	US dollar
<b>Global coordinator</b>	Standard Chartered Bank
<b>Joint lead manager(s)</b>	Emirates NBD Capital, Bank ABC, Dubai Islamic Bank, KFH Capital, Noor Bank, QInvest and Standard Chartered Bank
<b>Rating</b>	Islamic International Rating Agency: 'BBB+ (long-term)/A3 (short term)'  Dagong Global Credit Rating Company :  'A+ (bh) (long term)/A2 (bh) (short term)'  S&P: 'BB+/B'
<b>Structure</b>	Mudarabah
<b>Investor breakdown</b>	<b>Investors:</b> Banks/private banks – 75% Asset managers – 18% Hedge funds – 5% Insurance/pension funds – 2% <b>Geography:</b> Middle East – 75% Asia – 16% Europe 9%

The bank was rated 'BBB+ (long-term)/A3 (short-term)' on the international scale and 'A+ (bh) (long-term)/A2 (bh) (short-term)' on the national scale by Islamic International Rating Agency and Dagong Global Credit Rating Company. S&P Global Ratings affirmed its 'BB+/B' rating on the bank with a negative outlook, attributed to its capitalization.

The group had a Tier 1, risk-based capital ratio of 14.35% at the end of 2016, according to its annual report. The percentage increased from 2015's 13.79%. As per the Basel Committee's regulations, banks are limited to a maximum of 15% of total Tier 1 capital. S&P believes that the paper would help the bank improve its capitalization.

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### Islamic Finance News Deals Of The Year Awards 2017

Winner, Commodity Murabahah, Equity, Structured Finance and  
Project & Infrastructure  
Deals of the Year

### Islamic Finance News Deals Of The Year Awards 2016

Winner, Commodity Murabahah and Regulatory Capital Deals Of The Year

### Islamic Finance News Deals Of The Year Awards 2015

Winner, Equity & IPO, Project & Infrastructure Finance, Real Estate, Wakalah, Ijarah & Turkey  
Deals Of The Year

### ALB Malaysia Law Awards 2016, 2017 & 2018

Islamic Finance Law Firm Of The Year

### IFLR Asia Awards 2014

National Law Firm Of The Year (Malaysia)

### ALB Malaysia Law Awards 2016

Malaysia Law Firm Of The Year

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# Danajamin's Sukuk: Expanding footprint in the domestic debt capital markets



## Commodity Murabahah Deal of the Year

Danajamin, which is known as a guarantor to various debt capital market issuances in Malaysia, has floated its debut Sukuk for the amount of RM500 million (US\$120.25 million). Originally issued for RM300 million (US\$71.74 million), the paper witnessed an upsize following strong demand. Maybank Investment Bank speaks to DURGAHYENI MOHGANA SELVAM on the makings of the deal.

The paper was issued under the Murabahah structure via a Tawarruq arrangement. The reason for the choice of structure was that it did not require Danajamin to commit identified tangible assets for the Sukuk.

The issuer used commodities purchased and sold from or to commodity brokers via Bursa Suq Al Sila' as underlying assets for the paper. "In addition, the Murabahah (via Tawarruq arrangement) was chosen due to its familiarity by investors in the Malaysian Sukuk market," Maybank investment Bank told IFN.

The journey in making the deal wasn't an easy one. The joint lead managers (JLMs) had to educate the investors on Danajamin's business model, the regulatory framework governing the issuer, the guarantee portfolio composition, the risk profile and risk management framework and the issuer's financials as this was the financial guarantee insurer's first issuance. They also had to convince investors of the need for the company to raise debt as Danajamin has a robust capital ratio of above 300% and RM1 billion (US\$240.5 million) in callable capital from the government which can be injected should the need arises.

Competition in the market also posed a challenge. There were other papers issued around the same time, such as MMC Corporation's US\$106.57 million Sukuk, Bank Rakyat's US\$165.19 million deal and Tenaga Nasional's US\$868.79 million facility.

Other than that, investors also compared Danajamin's paper against some of those guaranteed by Danajamin, which were trading at higher yields. "However, the JLMs managed to enlighten the investors that the Sukuk carry Danajamin's risk profiles while the guaranteed bonds/Sukuk carry its underlying credit on top of Danajamin's credit strength," Maybank Investment Bank expounded.

To curb these challenges, the JLMs undertook several efforts, including conducting a marketing and distribution program which included a presentation to investors via a townhall session and one-on-one meetings to address their queries.

The deal, launched under Danajamin's senior and subordinated Sukuk Murabahah program of up to RM2 billion (US\$478.28

### Summary of terms & conditions

<b>Issuer</b>	Danajamin Nasional
<b>Size of issue:</b>	RM500 million
<b>Mode of issue</b>	Private placement and book-building
<b>Purpose</b>	For Shariah compliant investments and Shariah compliant corporate purposes
<b>Tenor</b>	10 years with a non-callable option of five years
<b>Profit rate</b>	4.8%
<b>Payment</b>	Semi-annual
<b>Currency</b>	Malaysian ringgit
<b>Maturity date</b>	6 <sup>th</sup> October 2027
<b>Lead managers, principal advisors</b>	AmlInvestment Bank, Maybank Investment Bank
<b>Principal advisor(s)</b>	AmlInvestment Bank, Maybank Investment Bank
<b>Bookrunner(s)</b>	AmlInvestment Bank, Hong Leong Investment Bank, Maybank Investment Bank
<b>Governing law</b>	Malaysian law
<b>Legal advisor(s)/ counsels</b>	Adnan Sundra & Low, Albar & Partners
<b>Listing</b>	Bursa Malaysia
<b>Underlying assets</b>	Shariah compliant commodities
<b>Rating</b>	Malaysian Rating Corporation: 'AA+', RAM Ratings: 'AA1'
<b>Shariah advisor(s)</b>	Amanie Advisors, AmBank Islamic, Maybank Islamic
<b>Structure</b>	Commodity Murabahah (via Tawarruq arrangement)
<b>Tradability</b>	Yes
<b>Investor breakdown</b>	Asset managers: 42%, Financial institutions: 35%, Government agencies: 22%, Insurance companies: 1%

million), saw an upsize to allow participation from a wide range of investors, including asset managers, insurance companies and financial institutions, and subsequently received an oversubscription of 1.6 times more than the issuance size.

The paper was issued at an initial price guidance range of 4.75-4.85% and was revised and finalized at 4.8%. "The JLMs were able to garner a strong orderbook amounting to RM800 million (US\$191.31 million)," the bank quipped.

The Sukuk issuance marks Danajamin's foray into the capital markets as an issuer and guarantor, and serves as an initiative to diversify its capital base in line with Bank Negara Malaysia's regulatory Internal Capital Adequacy Assessment Process requirement.





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# Egypt's solar PV plant financing: Taking on many firsts



## Egypt Deal of the Year

In a string of initiatives to encourage clean energy projects, a consortium of multilateral banks extended a financing package to fund six utility scale solar photovoltaic (PV) projects. DURGAHYENI MOHGANA SELVAM speaks to the Islamic Corporation for the Development of the Private Sector (ICD) to find out more about the projects and their financing.

The projects are being developed by an international consortium of companies, namely Scatec Solar and its development partners, Norfund and Africa50. The projects, which will have an aggregate generation capacity of 300 MW, are being developed under the Egyptian government's feed-in-tariff program; and will be situated in the Benban Solar Park, close to the city of Aswan. The solar park has a planned total capacity of 1.8 GW, and is expected to be the largest of its kind in Africa. The banks involved are the ICD, the IDB, the EBRD, the GCF and the FMO.

**“The transaction marks a new milestone in [the] ICD's continued progress in expanding the scope of cooperation with strategic international DFIs [development finance institutions] where there is significant geographic overlap in operations and substantial future collaboration potential”**

The total cost of the project portfolio will be approximately US\$450 million, financed on the basis of a 75:25 debt to equity participation. The debt of US\$335 million will be provided by the ICD for US\$25 million, the IDB for US\$75 million, the EBRD for US\$115 million, the FMO for US\$72 million and the GCF for US\$48 million.

This financing has added a feather to the caps of the various parties involved. The transaction represents the ICD's second participation in the financing of renewable energy projects in its member countries. It is also the IDB's second major solar power transaction in recent times under its public-private

### Summary of terms & conditions

<b>Obligor</b>	Scatec Solar, Norfund and Africa50
<b>Project size</b>	US\$450 million
<b>Aggregate principal amount</b>	ICD: US\$25 million IDB: US\$75 million EBRD: US\$115 million FMO: US\$72 million GCF: US\$48 million
<b>Type of facility</b>	Non-recourse project financing
<b>Structure</b>	Senior financing
<b>Use of proceeds</b>	To finance a portfolio of six utility scale solar PV projects in the Arab Republic of Egypt
<b>Debt to equity participation</b>	75:25
<b>Debt size</b>	US\$335 million
<b>Equity size</b>	US\$115 million
<b>Equity provider</b>	Scatec Solar, Norfund and Africa50
<b>Mandated lead arranger(s)</b>	Islamic Corporation for the Development of the Private Sector (ICD), IDB, the European Bank for Reconstruction and Development (EBRD), the Green Climate Fund (GCF) and the Dutch Development Bank (FMO)
<b>Project supported by:</b>	25-year power purchase agreements with Egyptian Electricity Transmission Company, backstopped by a sovereign guarantee
<b>Governing law</b>	Egyptian law

partnership operation, the first being a syndicated financing for Shuaa Energy 2, an 800 MW solar project in Dubai.

It is the IDB's first non-sovereign financing in the power sector of Egypt. It is also the GCF's highest contribution to a single recipient and the first under its cooperation agreement with the EBRD signed in April this year.

Many things are expected from the financing. "The transaction marks a new milestone in [the] ICD's continued progress in expanding the scope of cooperation with strategic international DFIs [development finance institutions] where there is significant geographic overlap in operations and substantial future collaboration potential," the ICD told IFN. As for the project, it is expected to create of up to 2,000 jobs during the construction stage. Each project under the portfolio is anticipated to reduce 62,120 tonnes of carbon dioxide-equivalent per year.☺

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# EQUATE's US\$500 million facility: A triumphant maiden Sukuk issuance



## Hybrid Deal of the Year

**EQUATE Petrochemical in February issued its maiden Sukuk worth US\$500 million under its US\$2 billion Sukuk certificate program to overwhelming success, attracting over 270 investors and an orderbook of US\$3.7 billion. Speaking to Kuwait Finance House (KFH) investment arm KFH Capital, one of the global coordinators, DURGAHYENI MOHGANA SELVAM delves deeper into the exciting deal.**

The well-received paper achieved favorable pricing with initial price thoughts set at MS+210bps and finally priced at 3.94%, payable semi-annually and a spread to benchmark of 175bps.

Despite this being EQUATE's first Islamic issuance, the firm's solid branding on the international stage and strong presence in the capital market paved the way for a smooth sale.

"The curve was already there. The Sukuk only needed to tap the international liquidity EQUATE presented," KFH Capital explained. This was further underscored by the petrochemical company's latest bond issuance under the US\$4 billion global medium-term note program established in October last year which contributed to the demand and expectations for the Sukuk. "Investors have monitored EQUATE's recent successful bond issuance and were confident that the debut Sukuk will follow the same success," KFH Capital said.

Issued on the 21<sup>st</sup> February 2017, the paper was oversubscribed 7.4 times, with exceptionally high orders from international high-grade and emerging markets investors. "Being a leading player in the petrochemical industry, [a] majority of the Sukuk orders were placed by Kuwaiti and GCC investors," KFH Capital noted.

The investor pool was also significantly diverse in terms of geography and type. "In terms of the geographical distribution, more than half of the Sukuk issuance was distributed to the Middle East investor base (65%), while Europe (including the UK) accounted for 23%, Asia formed 11% and other regions formed the remaining 1%," said KFH Capital. Banks, financial institutions and private banking collectively formed the largest portion of the investor type at 63%, followed by fund managers and hedge funds at 31%, insurance and pension funds at 2% and others at 4%.

The issuance was a unique initiative for KFH Capital. "In regards to [the] domestic market, most of the transactions were from government or financial institutions. Working with a corporate institution was definitely an interesting endeavor for KFH Capital," the finance house quipped.

### Summary of terms & conditions

Issuer and trustee	EQUATE Sukuk SPC
Obligor	EQUATE Petrochemical Company and The Kuwait Olefins Company
Guarantor	The Kuwait Olefins Company
Size of issue	US\$500 million under EQUATE's US\$2 billion Sukuk certificate program
Mode of issue	Reg S, senior unsecured
Purpose	General corporate purposes
Tenor	Seven years
Issuance price	100%
Profit rate	3.94%
Payment	Semi-annually (21 <sup>st</sup> August, 21 <sup>st</sup> February)
Currency	US dollar
Maturity date	21 <sup>st</sup> February 2024
Global coordinators	KFH Capital, NBK Capital, Citigroup Global Markets, HSBC Bank and JPMorgan Securities
Joint arrangers	KFH Capital Investment Company, NBK Capital, Citigroup Global Markets, HSBC Bank, JPMorgan Securities, MUFG Securities EMEA, Mizuho International, National Bank of Abu Dhabi, SMBC Nikko Capital Markets
Governing law	English law
Listing	Irish Stock Exchange
Rating	Obligor: 'Baa2 (Stable)'/ 'BBB+ (Stable)' (Moody's/S&P)  Issuer: 'Baa2 (Stable)'/ 'BBB+ (Stable)' (Moody's/S&P)
Structure	Ijarah and Murabahah
Investor breakdown	Investor base: Middle East 65%, Europe (including the UK) 23%, Asia 11%, other regions 1%.  Investor type: Banks, financial institutions and private banking 63%, fund managers and hedge funds 31%, insurance and pension funds 2% and others 4%.

# Mazoon's maiden Sukuk: Tapping global demand



## Ijarah Deal of the Year

This year saw a few memorable maiden issuances from the Sultanate of Oman, including the sovereign's debut public US dollar Sukuk and Meethaq Islamic Bank's inaugural Islamic paper. Another maiden paper, from Mazoon Electricity Company, was floated earlier this month. **DURGAHYENI MOHGANA SELVAM** speaks to Bank Muscat, one of the joint lead managers of the transaction, to provide an overview of the issuance.

The Ijarah principle was used to structure the deal. This was because of the assets that were available due to Mazoon's nature of business. The paper was leveraged against electricity distribution assets. "Given the nature of the issuer's business, it had suitable assets that could be used for the Ijarah structure," confirmed Bank Muscat. Another reason for choosing Ijarah was the familiarity of the structure among investors in the region.

**“ More corporates might choose to tap into the Sukuk market in the future to raise financing for their requirements and to diversify their sources of funding ”**

Despite this paper being the first from among the subsidiaries of Electricity Holding Company to tap the Islamic debt capital market, the first international corporate Sukuk issuance out of Oman as well as from one of the first corporates from Oman to issue a Rule 144A/Reg S benchmark-sized Sukuk, there were no challenges faced during the structuring and pricing process, according to Bank Muscat.

A global roadshow was conducted in Asia, the UAE, London, Boston and New York before pricing the 10-year paper on the 8th November 2017. Aimed at financing the group's electricity transmission and distribution network investments, the issuance received a final orderbook of approximately US\$5 billion from 300 orders, oversubscribed 10 times.

The final orderbook distribution by geography was made up of 47% from the MENA region, 17% from Asian investors, 23% from European investors and 13% from the US. As per the composition of investors by type, banks and private banks were at 52%, asset managers at 46% and

### Summary of terms & conditions

Issuer	Mazoon Assets Company
Obligor	Mazoon Electricity Company
Size of issue	US\$500 million
Mode of issue	Rule 144A/Reg S Sukuk
Tenor	10 years
Profit rate	5.2%
Currency	US dollar
Maturity date	8 <sup>th</sup> November 2027
Joint lead managers	Bank Muscat, JPMorgan, First Abu Dhabi Bank and KFH Capital
Bookrunner	JPMorgan
Legal advisor/counsel	JLM and delegate: Allen & Overy
Issuer: Dentons	25-year power purchase agreements with Egyptian Electricity Transmission Company, backstopped by a sovereign guarantee
Listing	Irish Stock Exchange
Underlying assets	Electricity distribution assets
Rating	Moody's: 'Baa2 (negative)' Fitch: 'BBB (negative)'
Structure	Ijarah
Tradability	Listed on Irish Stock Exchange
Investor breakdown	MENA, Europe, Asia and the US
Denominations	Minimum investment of US\$200,000 in multiples of US\$1,000

sovereigns, supranationals and agencies as well as pension and insurance at 2%.

Bank Muscat believes that this paper would spur more Islamic debt capital market taps in the future. "More corporates might choose to tap into the Sukuk market in the future to raise financing for their requirements and to diversify their sources of funding," the bank quipped. [@](#)

# Hong Kong's US\$1 billion Sukuk: Setting the pace for the 2017 Sukuk issuance race



## IPO (Sukuk) Deal of the Year

The government of Hong Kong recently issued its third sovereign Sukuk worth US\$1 billion, effectively strengthening its position in the Islamic finance market. **DURGAHYENI MOHGANA SELVAM** writes on the making and success of this deal.

The issuance, with a tenor of 10 years, is a Wakalah structure with one-third of the assets represented by selected units in commercial properties in the Asian country, and the remaining two-thirds underpinned by Shariah compliant commodities. A global roadshow was initiated on the 13<sup>th</sup> February 2017 with the stops being Riyadh, Jeddah, Dubai, Abu Dhabi, Kuala Lumpur, Singapore, Hong Kong and London.

The issuance was priced on the 21<sup>st</sup> February 2017 at 3.13%. Despite the unsteady global environment and the risk surrounding a longer tenor as Hong Kong's previous issuances were all five-year tenors, the Sukuk saw strong demand and expectations from global investors by extending its yield curve, attracting orders of US\$1.72 billion; 1.72 times the issuance size. This allowed the final pricing to be tightened by 7bps from the mid-point of its initial price guidance.

**“ I hope that the Sukuk issuance will provide momentum for further growth of the Sukuk market in Hong Kong and attract more issuers and investors to participate in our bond market ”**

The deal attracted interest from a diverse group of investors: 57% of the Sukuk was distributed to Asia, 25% to the Middle East and 18% to Europe. By investor type, more than 88 global institutional investors were involved, with 53% distributed to banks; 36% to fund managers, private banks and insurance companies; and 11% to sovereign wealth funds, central banks and supranational entities. The transaction also made its name when it attracted new investors, with over half of them not having participated in previous issuances.

Issued under the government bond program, it is aimed to facilitate the program's efforts to promote sustainable development of the local capital market. It is the first Sukuk from Hong Kong after a gap of almost two years, the last one

### Summary of terms & conditions

Issuer	Hong Kong Sukuk
Obligor	The government of Hong Kong
Size of issue	US\$1 billion
Mode of issue	Reg S US\$ Sukuk
Tenor	10 years
Issuance price	68bps over 10-year US Treasuries
Profit rate	3.13%
Currency	US dollar
Lead manager(s) and bookrunner(s)	HSBC, Standard Chartered, CIMB, National Bank of Abu Dhabi
Governing law	Hong Kong
Listing	Hong Kong Stock Exchange, NASDAQ Dubai, Bursa Malaysia
Underlying assets	One-third of assets: commercial properties Two-thirds of assets: Shariah compliant commodities
Rating	'AAA' by S&P and 'AA+' by Fitch
Structure	Wakalah
Tradability	Yes
Investor breakdown	Region: Asia 57%, Middle East 25%, Europe 18%  Investor type: 53% banks; 36% fund managers, private banks and insurance companies; 11% sovereign wealth funds, central banks and supranational entities

issued in 2015, and the first one in 2014. It is also the first issuance where an 'AAA'-rated government launches a 10-year Sukuk facility.

"The success of the transaction is testament to investor confidence in Hong Kong's credit strengths and economic fundamentals. I hope that the Sukuk issuance will provide momentum for further growth of the Sukuk market in Hong Kong and attract more issuers and investors to participate in our bond market," Financial Secretary of Hong Kong Paul Chan said. ☺



# Warba Bank's US\$250 million Sukuk: A maiden success



## Kuwait Deal of the Year

Last week, Warba Bank successfully issued its Sukuk worth US\$250 million. The issuance brought in significant returns of more than five times the issuance, amounting to approximately US\$1.3 billion. DURGAHYENI MOHGANA SELVAM has the exclusive.

The Sukuk, issued to boost the bank's equity capital, is a Mudarabah structure. The bank chose this structure because in its view, the structure was the most optimal. "Several issuances in the past in the region followed the said structure. Moreover, Kuwait Central Bank is well versed with the Mudarabah structure and [a] couple of issuances have also been approved on the said structure. Warba Bank did not want to turn the wheel toward any other structure, which will open further gates of discussion and negotiation from the regulatory authorities," the bank said.

**“As the bank is relatively smaller and younger than its peers in the region, attracting investors was a prominent obstacle”**

Being its first issuance, the Kuwait-based bank had to endure its own set of challenges as well. As the bank is relatively smaller and younger than its peers in the region, attracting investors was a prominent obstacle. "The joint lead managers wanted to wait until the financial statements of December 2016 were issued because it would be better to meet the investors with audited financial statements," the bank quipped.

The five-year paper was initially priced at 6%. However, the price was later adjusted to 6.5% in consideration of 5.1 times oversubscription to reach an orderbook of US\$1.28 billion. "The Sukuk received an extensive demand from [a] broad spectrum of geographical diversified investors. The final allocation of the issuance consists of Kuwait (27%), the rest of MENA (43%), Europe and US offshore (22%) and Asia (8%). The Sukuk was priced within the senior management's expectation range," Warba Bank told IFN.

The bank credits many parties for the success of this issuance. "The market's response was overwhelming, backed up by a strong shareholder support/ownership. The bank received extreme solid support from [the] Kuwait Investment Authority in terms of management and deposits; and strong governmental support as

Summary of terms & conditions	
Issuer	Warba Bank Tier 1 Sukuk
Obligor	Warba Bank
Size of issue	US\$250 million
Mode of issue	Reg S
Purpose	Boost equity capital
Tenor	Five years
Issuance price	100%
Profit rate	6.5%
Payment	Semi-annual payments
Currency	US dollar
Maturity date	Perpetual
Lead manager(s)	Bank ABC, Emirates NBD Capital, KAMCO, KFH Capital, Noor Bank and Standard Chartered Bank
Global coordinator	Standard Chartered Bank
Governing law	English law
Listing	Irish Stock Exchange and NASDAQ Dubai
Rating	Moody's: 'Baa2 (Stable)' Fitch: 'A+ (Stable)'
Structure	Mudarabah
Investor breakdown	Kuwait (27%), rest of MENA (43%), Europe and US offshore (22%) and Asia (8%)
Face value/ minimum investment	US\$200,000 and integral multiples of US\$1,000 in excess thereof

well. The senior management also presented extremely well at the roadshow," Warba Bank said.

Though this is the bank's first issuance, it is no stranger to the Islamic capital markets. Warba Bank has been involved in 16 transactions since 2011, of which eight were carried out in the last year. Among the issuers were Emirates, Ajman Bank, the Islamic Corporation for the Development of the Private Sector, Kuveyt Turk and Etihad Airways.

Warba Bank has high hopes for this issuance. "The Sukuk will support the bank in terms of its growth strategy in the local and international market," it said.

# ADIB Capital advises on Al Marasem Real Estate Development Company's syndicated Musharakah financing



## Musharakah Deal of the Year


IFN Deals of the Year 2017 saw a myriad of innovative and diversified Islamic facilities taking center stage. One of them was a syndicated Musharakah financing facility for Al Marasem Real Estate Development Company. The deal was participated by five banks.

The facility, arranged for EGP900 million (US\$50.97 million), has a tenor of one year. "The structure was selected as it fits the purpose for Al Marasem Company," ADIB Capital told IFN. The facility, winning IFN Musharakah Deal of the Year, is Egypt's first-ever syndicated Musharakah financing for real estate developer. It is also designed as an Islamic bridge financing facility. "The instrument is also the first Islamic syndicated financing for Al Marasem under the hat of a developer," the bank said.

Despite this, the facility was not realized without challenges. ADIB Capital said that as it was the debut syndicated financing for the real estate developer, choosing the right structure took time. But the banks, after thorough research and analysis, decided to adopt the Musharakah structure for the facility. Currently, the bank is working on arranging a medium-term loan for up to EGP2.8 billion (US\$158.55 million) with a tenor of eight years. This loan will refinance the EGP900 million borrowed via the bridge facility. The remaining of the EGP2.8 billion will be channeled to finance Al Marasem's upcoming real estate projects.

ADIB Capital is the investment arm of ADIB Egypt, a leading customer-centric universal Islamic bank that focuses on serving a diverse customer base through its strong network of 70 branches across the nation. At the end of 2017, ADIB Egypt posted EGP632 million (US\$35.79 million) in net profit, representing a 59% increase compared with 2016. The bank offers world-class Shariah compliant products and services to serve corporate, retail and SME segments and its subsidiaries (ADIB Capital, ADILease and ADIB Invest (under establishment)) cater to the other market segments.

ADIB Capital is not a stranger to the Islamic financing world, having been around since 2012. Since then, ADIB Capital has executed transactions worth EGP18 billion (US\$1.02 billion). ADIB Capital is focused on three lines of business in Egypt: mergers and acquisitions and the debt and equity capital markets. The company also advises and arranges Shariah compliant financing, including syndications, with an emphasis on supporting national infrastructure projects.

Helmed by Zeinab Hashim, the managing director and CEO of ADIB Capital, the investment arm is run by a team whose members have in-depth market knowledge and who are able to gauge market sentiment from a conventional banking perspective and apply this knowledge to utilize Shariah compliant products that provide equal, or more effective, market solutions compared to conventional alternatives. 



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# Oman's public dollar Sukuk debut: Defying the odds and skeptics



## Oman Deal of the Year

In May, the industry saw the Sultanate of Oman float its US dollar Sukuk worth US\$2 billion. The Sukuk brought in strong results despite the odds stacked against the Gulf country. DURGAHYENI MOHGANA SELVAM finds out more.

The Sukuk facility, with a seven-year tenor, is a 144a/Reg S format senior unsecured paper. The initial price guidance for the transaction was released in the 270bps area above the midswaps. The pricing was then revised to the 250bps area with orders peaking at US\$5.2 billion. The final spread saw orders exceeding US\$6.9 billion, causing the deal to be printed at 235bps over the midswaps. This is the second dollar Sukuk facility from the Sultanate, although the first one (issued in 2016) was privately placed.

The debt was issued in the midst of Oman's economic vulnerabilities and a rating downgrade. Earlier in May, S&P downgraded the sovereign to below investment grade (to 'BB+' from 'BBB-') with a negative outlook, citing uncertain export revenue and increased external financial needs.

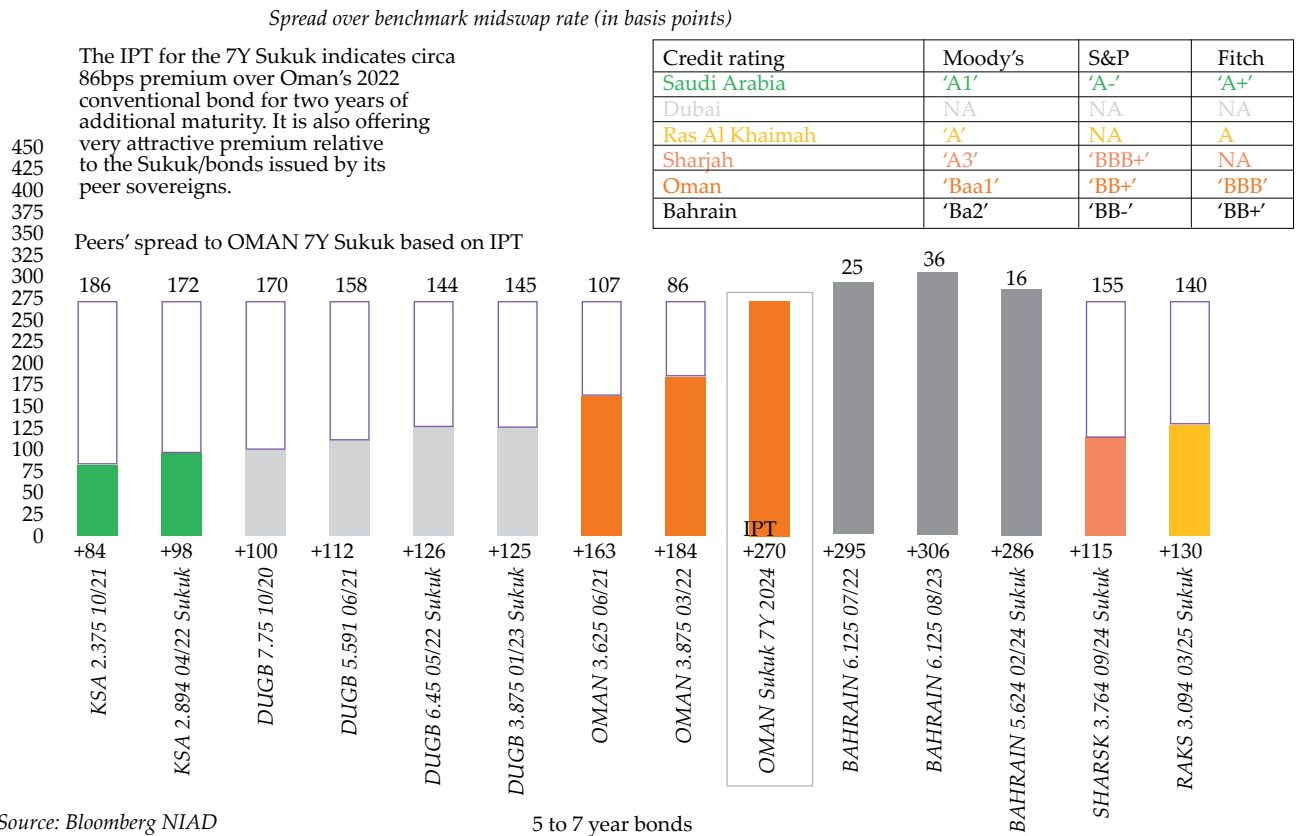
Despite this, the Sultanate managed to garner an oversubscription of more than three times for the paper. The initial price thought for the Sukuk was higher than that received for Oman's previous foray into the debt capital market, a conventional bond worth US\$5 billion in March 2017 which was initially priced in the 184bps area over midswaps. Oman's Sukuk also recorded competitive demand relative to five and seven-year issuances by other sovereigns in the region.

There are many reasons for the success of the sale. One of the reasons, according to National Bank of Abu Dhabi (NBAD), is that the market seemed unfazed by the rating action because Oman was supported by ratings from Moody's Investors

### Summary of terms & conditions

Issuer	The Sultanate of Oman
Type of placement	Public
Size of issue	US\$2 billion
Mode of issue	144a/Reg S format senior unsecured Sukuk
Purpose	To fund budget deficit
Tenor	Seven years
Issuance price	US\$100
Profit rate	4.4%
Payment	Semi-annually
Currency	US dollar
Maturity date	1 <sup>st</sup> June 2024
Depository	Euroclear Bank, Clearstream Banking
Bookrunner(s)	Citigroup, Dubai Islamic Bank, Gulf International Bank, HSBC, JPMorgan, Standard Chartered Bank
Listing	Irish Stock Exchange
Ratings	Issuer: S&P – 'BB+'  Moody's – 'Baa1' Fitch: 'BBB'
Tradability	Yes
Face value/ minimum investment	US\$200,000 with minimum investment of US\$1,000

Chart 1: Relative value (based on initial price thought)



Service and Fitch Ratings. “Moody’s and Fitch both rated Oman’s investment grade at ‘Baa1’ and ‘BBB’ respectively. The Sukuk [facility] itself [is] expected to carry the same rating from Moody’s and Fitch”, explained NBAD. Moreover, both rating agencies maintained a stable outlook for their ratings.

Data from Bloomberg and NBAD revealed that there was minimal effect on Oman’s sovereign bond cash price performance after the announcement by S&P, further proving that the rating action had no drastic effect on the industry. The paper’s healthy demand was also due to the fact that the Sukuk facility is EMBI-eligible (EMBI — Emerging Markets Bond Index), possibly giving confidence to index buyers.

The sovereign had planned an additional 12-year Sukuk, but the idea was eventually dropped in order to focus on the

seven-year facility. “The issuer was always targeting US\$2 billion,” said Khalil Belhimeur from Standard Chartered. “It was [as] though they may need two tranches to reach the target, but it became abundantly clear from the regional investors’ indication of interest that the seven-year [facility] could achieve it.”

Oman’s economy experienced sluggish growth last year as the uncertainty in oil prices saw a budget gap of almost 22% of economic output in 2016, according to the IMF. Standard Chartered also projected that the Sultanate’s debt is expected to increase from 4.8% of GDP in 2014 to 35% in 2017; funding needs are expected to stay high this year because of “slow fiscal consolidation and a widening account deficit”. To curb this problem, Oman is also in the process of acquiring a syndicated loan worth US\$3.6 billion from Chinese banks.®

**IFN FORUM**  
**ASIA**  
**2018**

Acknowledged by the global industry as the premier Shariah finance gathering in the region, IFN Asia Forum will be back in Kuala Lumpur in May 2018. Adopting a new one-day format, the biggest Shariah finance event in Asia will deliver greater impact through a mix of panel sessions, onstage interviews and interactive sessions running concurrently with multiple streams dedicated to the most pertinent and talked-about segments of the industry.

Date: 7<sup>th</sup> May 2018  
Venue: Mandarin Oriental Hotel,  
Kuala Lumpur



# Tanjung Bin Energy's Sukuk Wakalah: Meeting a diverse set of purpose



## Perpetual Deal of the Year

Just a week ago, Tanjung Bin Energy (TBE), a subsidiary of Malakoff Corporation, issued RM800 million (US\$180.54 million)-worth of Sukuk Wakalah. DURGAHYENI MOHGANA SELVAM takes a closer look at the facility.

The Sukuk, issued with an unconditional and irrevocable subordinated cash deficiency support from Malakoff Corporation, has a profit rate of 5.9%. Issued under the Wakalah Bi Al Istithmar contract, the issuance comprises Ijarah assets and commodity Murabahah investment. The structure's Ijarah assets will hold a minimum of 33% of the value of the Wakalah issuance. Under this structure, a 'Wakeel', which translates to an advocate, will be authorized to utilize the proceeds arising from the issuance for investment purposes. The Sukuk will be classified as equity in the financial statements of both TBE as well as Malakoff.

**“The Sukuk facility is expected to have a positive impact on the net assets and gearing of Malakoff Group”**

The issuance is expected to assist TBE in managing its debt profile, and subsequently Malakoff's performance for the year. For one, proceeds from this offering will be used to redeem an outstanding junior term loan valued at RM1.29 billion (US\$291.12 million) for a turnkey contract made between TBE and TBE Issuer. The issuance is also expected to repay Malakoff's RM1.3 billion (US\$292.79 million) equity bridge loan, which was raised to fund the equity portion of the TBE power plant project.

Other than that, the issuance is also aimed to defray costs and expenses incurred throughout the issuance process. TBE also plans to utilize the Sukuk for general working capital purposes.

Though the latest issuance is not rated, MARC assigned an 'AA-IS' rating on Malakoff's previous RM5.4 billion (US\$1.22 billion) Sukuk Murabahah with a stable outlook, which according to the rating agency, shows that the group's debt obligations will be supported by TBE's satisfactory operational and financial performances.

CIMB Investment Bank and Maybank Investment Bank are the joint principal advisors and joint lead arrangers while

### Summary of terms & conditions

Issuer	Tanjung Bin Energy
Obligor	Malakoff Corporation
Size of issue	RM800 million (US\$180.18 million)
Mode of issue	Reg S, unsecured
Tenor	Perpetual
Issuance price	100%
Profit rate	5.9%
Payment	Semi-annual in arrears; in multiples of RM1,000 (US\$225.23)
Currency	Ringgit Malaysia
Maturity date	15 <sup>th</sup> March 2024
Joint lead advisors (JLAs)	CIMB Investment Bank and Maybank Investment Bank
Joint principal advisors (JPAs)	CIMB Investment Bank, RHB Investment Bank and Maybank Investment Bank
Governing law	Malaysian law
Legal advisor(s)/counsel	For JPAs and JLAs: Albar & Partners For issuer: Shearn Delamore
Rating	Not rated
Shariah advisor(s)	CIMB Islamic Bank and Maybank Islamic
Structure	Wakalah Bi Al Istithmar
Distribution rate	1%

CIMB Investment Bank, Maybank Investment Bank and RHB Investment Bank are the joint lead managers for the perpetual Sukuk. CIMB Islamic Bank and Maybank Islamic are also the joint Shariah advisors.

The Sukuk facility is expected to have a positive impact on the net assets and gearing of Malakoff Group.📌

# QSPM's green SRI Sukuk: Malaysia sets yet another benchmark



## Project & Infrastructure Finance Deal of the Year

Malaysia made the headlines once more as Quantum Solar Park Malaysia (QSPM) issued the largest green SRI Sukuk for the amount of RM1 billion (US\$236.55 million). The facility, which will fund the construction of the largest solar power project of its kind in Southeast Asia, is the second paper to be floated under the Securities Commission Malaysia (SC)'s SRI Sukuk framework. DURGAHYENI MOHGANA SELVAM speaks to Lee Choo Boo, the executive director of QSPM, to bring you the exclusive.

The paper, which consists of 33 tranches, follows the Murabahah structure. The decision to use the structure stemmed from QSPM's plan to develop a portfolio of three power plants concurrently. Lee told IFN that after a discussion with CIMB, it was decided that all three power plants would be consolidated into a single holding company to issue the Sukuk as it was more efficient to consolidate all three power plants into a single holding company.

"This achieves scale and makes it feasible to tap Sukuk financing which provides longer tenors at competitive pricing. The portfolio structure also provides greater comfort to investors in terms of construction and operations risks," Lee expounded.

IFN previously reported that the three large-scale solar photovoltaic plants, to be built in the states of Kedah, Melaka and Terengganu at a total cost of approximately RM1.25 billion (US\$295.68 million), will have an aggregate capacity of 150 MWac or 197 MWp.

As the largest green SRI Sukuk to fund the largest solar power project of its kind in the region, and only the second to tap the SC's Sri Sukuk framework after Tadau Energy in July, the paper did not materialize without struggles. As the first large-scale solar power project to sign a power purchase agreement with Tenaga Nasional, the country's government-owned power utility company, QSPM had to develop operational mechanisms which are acceptable to TNB as the offtaker, QSPM as the developer and the Sukukholders as well.

During development, QSPM also conducted constant briefings to various government agencies and private sector entities in an aim to ensure all stakeholders were moving in the right direction. "Sukuk investors and rating agencies are very familiar with gas and coal fired IPPs [independent power producers] but are entirely new to solar IPPs. So there has to be a detailed process to explain the risk profile of solar plants to get the financial community comfortable with solar IPPs," Lee said.

### Summary of terms & conditions

Issuer and obligor	Quantum Solar Park (Semenanjung)
Size of issue	RM1 billion
Mode of issue	Bought deal
Purpose	To finance the development of three 50 MWac solar power plants in Malaysia
Tenor	1.5 to 17.5 years
Profit rates	4.81-6.16%
Payment	Semi-annual basis
Currency	Malaysian ringgit
Maturity date	6 <sup>th</sup> April 2019 to 6 <sup>th</sup> April 2035
Lead manager(s)	CIMB Investment Bank and Maybank Investment Bank
Principal advisor and bookrunners	CIMB Investment Bank
Governing law	Malaysian law
Legal advisor(s)/counsel	For lenders: Adnan Sundra & Low For sponsors: Zaid Ibrahim & Co
Listing	Bursa Malaysia Islamic Services
Underlying assets	Rubber SMR-20
Rating	'AA'
Shariah advisor(s)	CIMB Islamic Bank
Structure	Murabahah structure (Tawarruq arrangement)
Tradability	Yes
Face value/minimum investment	RM1,000 (US\$236.55)

The challenges did not hinder the issuer from receiving an enthusiastic response for the facility. "We believe the pricing achieved is competitive especially considering that this is by far the largest solar IPP in the country," Lee quipped. QSPM is optimistic of tapping the Islamic debt capital market again, citing that Sukuk offers long tenors and competitive pricing and receive support from regulators like Bank Negara Malaysia and the SC.📌

# Emirates REIT's Sukuk: A precedent for the MENA region



## Real Estate Deal of the Year

In a first, Emirates REIT, the world's largest listed Shariah compliant REIT, issued its debut dollar-denominated Sukuk paper as 2017 closed. The paper proved a successful transaction, more than twice oversubscribed. Speaking to Stuart Ure, the Middle East head of capital markets for Clifford Chance, the legal advisor of the issuance, DURGAHYENI MOHGANA SELVAM brings you the exclusive.

The maiden offering was a hybrid structure, made up of 55% Wakalah and 45% Murabahah. Ure opines that the hybrid structure resulted from a need to structure the transaction in a way which offered maximum flexibility and made the best use of the REIT's high-quality real estate asset base. "The adoption of the hybrid structure, in line with a number of recent regional transactions, enabled the REIT to utilize a more 'asset-light' structure — this way, Emirates REIT was able to preserve its ability to utilize a substantial part of its real estate asset base in its business going forward," Ure told IFN.

The strict regulatory nature on REITs in the UAE is considered a challenge, and ironically a unique feature of the transaction. The REIT is classified as a domestic fund, an Islamic fund, a property fund and a REIT by the Dubai Financial Services Authority. As it is subject to a number of rules and regulations, one of them being a maximum leverage ratio of 50% of its gross asset value on the REIT, many negotiations and initiatives were taken. "It was necessary to engage in multiple parallel negotiations with the REIT's lender group to arrange the prepayment of its existing bank debt from the proceeds of the Sukuk," Ure explained.

Investor meetings were held in Hong Kong, Singapore and London. The transaction attracted demand from a geographically diverse range of 90 accounts, with international orders comprising 51% of the final US\$1.1 billion orderbook, representing a two and a half times oversubscription for the transaction. Domestic orders accounted for 49% of the transaction.

The REIT's expectations were also met in terms of pricing with the issuance achieving the tightest credit spread of any debut issuance by a Dubai real estate entity. Ure said that investors acknowledged the REIT's high-quality real estate asset base and long-term stable cash flows, as well as the management's ability to implement its business strategy.

The transaction represents the first REIT from the MENA region to access the international capital markets and the paper is anticipated to provide a template for other REIT transactions to follow.

### Summary of terms & conditions

<b>Issuer</b>	Emirates REIT Sukuk, an exempted company incorporated with limited liability under the laws of the Cayman Islands
<b>Obligor</b>	Emirates REIT (CEIC)
<b>Size of issue</b>	US\$400 million
<b>Mode of issue</b>	Regulation S trust certificates
<b>Purpose</b>	Prepay existing secured and unsecured indebtedness and general corporate purposes
<b>Tenor</b>	Five years
<b>Issuance price</b>	100%
<b>Profit rate</b>	5.13%
<b>Payment</b>	Fixed rate payable semi-annually
<b>Currency</b>	US dollar
<b>Maturity date</b>	12 <sup>th</sup> December 2022
<b>Sole global coordinator</b>	Standard Chartered Bank
<b>Joint lead managers</b>	Dubai Islamic Bank, Emirates NBD, Standard Chartered Bank and Warba Bank
<b>Governing law</b>	English, Dubai and DIFC law
<b>Legal advisor(s)/counsel</b>	Clifford Chance, Dentons and Maples and Calder (Dubai)
<b>Listing</b>	Irish Stock Exchange
<b>Underlying assets</b>	Real estate/commodity Murabahah
<b>Rating</b>	Fitch Ratings: 'BB+' (Stable)
<b>Shariah advisor(s)</b>	Dar Al Sharia
<b>Structure</b>	55% Wakalah and 45% Murabahah
<b>Tradeability</b>	Tradeable
<b>Investor breakdown</b>	Non-UAE: 51% UAE: 49%

With the regulations on its leverage ratio in place, Emirates REIT has reached a "regulatory brake" from issuing further. Ure explains that as the asset base of the REIT grows, more leverage is allowed, so asset growth would allow further financing. "This inaugural offering has enabled the REIT to enter the next stage of its growth-strategy with the expectation that it continues to grow its portfolio, making further debt capital markets activity a possibility in the medium term," he envisioned. ☺



# Saudi Arabia's debut Sukuk: Opening the floodgates?



## Saudi Arabia & Sovereign Deal of the Year

The Islamic finance industry had its eyes all focused on a Gulf country earlier this month for its long-awaited, inaugural Sukuk. Saudi Arabia launched its dual tranche US\$9 billion Sukuk after months of preparations to much fanfare and its highly anticipated offering exceeded targets. DURGAHYENI MOHGANA SELVAM provides a rundown of the deal.

The Kingdom originally planned a hybrid structure for the issuance, with a Mudarabah agreement and a Murabahah facility that would trade commodities with an SPV, similar to Saudi Aramco's debut Sukuk structure. But soon after that, changes in the structure were considered.

Changes were said to be necessary as the Kingdom wanted to opt for a more easily tradable and less complex to understand structure, to benefit international investors. The debate over the structure of the instruments was said to be the reason for the delay in the issuance, given the favorable market conditions during the discussion.

One banker who was involved in the debate said that a hybrid structure may be too complex for some international investors, which could be a deciding factor in their appetite for the issue. An Ijarah structure was considered, as it was more common and well-known internationally.

After some considerations, the Kingdom eventually settled for the hybrid structure, staying true to its original plans of a Mudarabah agreement and a Murabahah facility under KSA Sukuk, an SPV set in Cayman Islands.

The Kingdom also ruffled some feathers in its preparation for the Sukuk when it decided to include a disclosure on credit risk retention requirements from the US Dodd-Frank Act which marks the first time the Act is included in a sovereign issuance.

Another debate ensued; Sukuk are supposedly asset-based but the Dodd-Frank Act works to align the interests of issuers and investors of asset-backed securities (ABS) by asking the sponsor of an ABS securitization to retain 5% of the credit risk. Saudi then announced in its prospectus that it will purchase 5% of the aggregate principal amount of each tranche it issues.

Despite all the hurdles faced by the sovereign, Saudi Arabia successfully raised US\$9 billion from the sale, marking an increase of US\$1 billion from the initial target.

The government sold a US\$4.5 billion five-year Sukuk tranche at 2.93% and 100bps over the mid-swap rate; and an equally-sized 10-year tranche with a profit rate of 3.65% and a spread

### Summary of terms & conditions

Issuer	KSA Sukuk
Obligor	Kingdom of Saudi Arabia
Mode of issue	Reg S, 144A Sukuk
Size	US\$9 billion
Purpose	To plug budget deficit
Tenor	Five years and 10 years
Profit rate	Five-year tranche: 2.39% 10-year tranche: 3.65%
Yield	Five-year tranche: 100bps over midswaps 10-year tranche: 140bps to the benchmark
Currency	US dollar
Dealer(s)	BNP Paribas, Deutsche Bank, NCB Capital
Arranger(s)	Citigroup, HSBC, JPMorgan Securities
Legal advisor	White & Case
Listing	Irish Stock Exchange
Governing law	English law
Rating	Moody's: 'A1' Fitch: 'A+'
Structure	Hybrid: Mudarabah agreement: 51% Murabahah facility: 49%
Tradability	Yes

of 140bps to the benchmark, with investors submitting more than US\$33 billion in bids.

The issuance stemmed from renewed interest of the Middle Eastern country to mobilize its funds following a long-standing battle to stabilize its oil prices and subsequently its economy. Last October, Saudi Arabia raised US\$17.5 billion in a record-breaking conventional bond sale, which was the biggest from an emerging-market nation. Saudi Aramco also made US\$3 billion from its debut Sukuk in March. The efforts are expected to help finance a budget deficit that may reach US\$53 billion this year, according to estimates.<sup>3</sup>

# World's first Islamic securitization of real estate progress billings



## Structured Finance Deal of the Year

**SkyWorld has issued Malaysia's first Sukuk paper which monetizes progress billings, securitizing future payments received from the sale of yet-to-be completed units in a mixed development project located in Kuala Lumpur. The transaction is also a first globally from a Shariah compliant perspective.**

The RM1 billion (US\$255.25 million) Sukuk, comprising RM600 million (US\$153.15 million)-worth of Islamic medium-term notes under a Sukuk Musharakah program and RM400 million (US\$102.1 million)-worth of notes under a Sukuk Murabahah program, will be used to fund the property developer's ongoing projects. The Sukuk Musharakah program is to facilitate extraction of progress billings upfront while the Sukuk Murabahah program is designed to ensure project completion in a timely manner. The Sukuk Murabahah program is subordinated to the Musharakah one, and is guaranteed by Malaysian monoline insurer Danajamin. The Sukuk Musharakah program will carry a credit rating with the first tranche accorded 'AA3', while the Sukuk Murabahah program will be unrated.

The Sukuk paper is structured to mitigate revenue, construction and liquidity risks associated with real estate development projects by placing progress billings upfront. The structure facilitates a relatively more efficient management of project cash flows. The financial program is structured on a limited recourse basis and a key feature of this structure is that the promoter is not rated and the rating is actually focused on the relevant development project to be securitized.

Key risk mitigation from a revenue perspective is the requirement for end-financing secured for end-purchasers to substantially reduce the buyers' default risk on progress payments.

### Legal and structural challenges

Because the structure is so unique, from a structuring perspective there were several legal challenges, ie compliance with both the Malaysian Housing Development Regulations 1991 and Housing Development Act 2012. The application of progress billings is strictly governed by the Act, where it may only be utilized for the completion of construction and servicing of any borrowings undertaken for the development project. In addition, repayment of the principal can only be done upon completion of the relevant development.

Another challenge was making the rated and unrated Sukuk work together. This was facilitated by the priority of payment under a waterfall account which in turn was differentiated between an ongoing concern basis and an event of default basis. The security trustee of the project will be granted step-in rights to appoint a new contractor or help the independent

### Summary of terms & conditions

Deal size:	RM50 million (US\$12.64 million) tranche under RM600 million (US\$151.62 million) Musharakah program and RM41 million (US\$10.36 million) under RM400 million (US\$101.08 million) Murabahah program
Arrangers:	NewParadigm Capital Markets and United Overseas Bank (Malaysia)
Lawyers:	Adnan Sundra & Low for the arrangers
Rating:	RM600 million (US\$151.62 million) Sukuk Musharakah Islamic medium-term note program rated 'AA3/Stable' by RAM Ratings RM400 million Sukuk Murabahah Islamic commercial paper program unrated
Guarantor:	Danajamin Nasional for the Sukuk Murabahah
Date closed:	8 <sup>th</sup> December 2017
Shariah advisor:	Dr Mohd Daud Bakar

project certifier take over the role as developer as a way to further mitigate the potentially uncertain development process. The Sukuk Murabahah program is able to mitigate any shortfall in meeting payment milestones, as well as the redemption of principal by the legal maturity date. In addition, the issuer can draw against the Sukuk Murabahah, which further reduces the risk of cost overruns and addresses timing mismatches between progress billing receipts and ongoing construction costs.

There were several additional risks to account for: performance risks associated with the issuance, the status of SkyWorld as a new player in the industry and a single-site risk, vulnerable to cash flow timing mismatches.

A point to note is that each individual tranche under the issuance is secured against a specific single development project and, as a result, any adverse cash flow impact is likely to be more pronounced than for other transactions backed by multiple projects at differing stages of construction and locations. These risks are, however, mitigated in part by the contingent commodity-based Murabahah program.

The financial structure was developed, arranged and advised by NewParadigm Capital Markets, a boutique corporate finance firm licensed by the Securities Commission Malaysia. <sup>(3)</sup>



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# IFN Deal of the Year 2017: FINCO financing facility for Dubai Airports expansion



## Deal of the Year, UAE & Syndicated Deal of the Year

Last year, Airport Financing Company FZE (FINCO), an SPV owned by the government of Dubai and the Investment Corporation of Dubai, obtained an Islamic financing facility to fund the expansion of Dubai Airports. The deal was touted as innovative and groundbreaking, so much so that it won the coveted IFN Deal of the Year 2017 award.

The facility is a dual tranche US\$3 billion commercial facility, consisting of a US dollar conventional tranche of US\$1.63 billion and a UAE dirham Islamic tranche of AED5.05 billion (US\$1.37 billion), both of which formed the first phase of a larger funding program for the expansion of Dubai Airports.

The facility, which has a tenor of seven years, was structured under the principle of Ijarah. The design of the funding was a novel concept, which was the first debt platform transaction done in the Middle East, leveraging similar legal innovation that has been employed in European markets.

The deal leverages on Dubai Airport's strength of passenger traffic-linked concession payments. While the structure would mean that investors take traffic risk, significant comfort is derived from the robust traffic volumes through Dubai Airports and the fact that the counterparty to the concession agreement is the Department of Finance itself. In addition, the underlying contractual arrangements also include robust concession termination provisions.

### Summary of terms & conditions

Deal size:	AED5.05 billion (US\$1.37 billion)
Mandated lead arrangers and bookrunners:	Abu Dhabi Commercial Bank, Abu Dhabi Islamic Bank, Citibank UAE, Dubai Islamic Bank, First Abu Dhabi Bank, Noor Bank, Standard Chartered Bank (UAE branch)
Lawyers:	Allen & Overy for the issuer and Linklaters for the arrangers
Rating:	Unrated
Guarantor:	Investment Corporation of Dubai, Department of Finance for the Government of Dubai and the Dubai Aviation City Corporation
Date closed:	24 <sup>th</sup> July 2017
Shariah advisors:	Shariah Supervisory Board of Abu Dhabi Islamic Bank and Dar Al Sharia

The transaction, which closed within six months of official launch, garnered a healthy response from the consortium of 12 banks – it was oversubscribed more than 50% – and it was able to allow tight pricing and a healthy tenor due to the underlying existing cash flow, among others.

The deal, with its risk allocation and security structure, allows FINCO optimum flexibility and protection of lenders' interest. The financing paves the way for future debt-raising by FINCO on the same underlying structure. The government of Dubai intends to finance the expansion through various debt tranches (bonds and commercial facilities and facilities backed by export credit agencies), all of which can be done under the same structure. 📌







## Interview with Mohammed Kateeb, the group chairman and CEO of Path Solutions

There is a tendency to equate blockchain with solely cryptocurrencies, eg bitcoin – but blockchain is of course more than that. What potential does blockchain technology hold for Islamic banking and finance? Is the technology even more significant for the Shariah finance industry? If so, why?

Blockchain is the technology infrastructure that is used to create applications such as cryptocurrency, but it can be used for so many more applications. A parallelism I like to use to explain the difference between blockchain and cryptocurrency is that if we think of blockchain as a value-based internet, then cryptocurrency is an application that uses this internet just like Amazon uses the current internet.

**“ Building Islamic finance applications on the wrong platform could be costly to financial institutions ”**



As a value-based internet, blockchain is used to track anything with value (any asset) through Distributed Ledger Technology (DLT) which gives it credibility because there is no single authority that controls it. Islamic finance is asset-based finance and heavily documented which means blockchain is a perfect fit for Islamic finance as it allows the tracking of all the real assets that Islamic finance is based on, and ensures all documentations are not tampered with or corrupted.

**“ It is important that key Shariah scholars in the industry are educated on these technologies and we get clear Fatwas on what can and can't be done ”**

**There is plenty of debate surrounding the utilization of cryptocurrencies in the Shariah space. But Shariah compliance aside, what role do you think cryptocurrencies can play in the Islamic investment universe, especially as an asset class?**

As you stated, there is still a good deal of debate surrounding cryptocurrencies in Shariah and it is very important that this issue is resolved quickly as it is a distraction. I believe as a pure virtual asset, cryptocurrencies will struggle to find their value in Islamic finance which is based on real assets by definition, but we see some fintechs are trying to resolve this dilemma by backing cryptocurrencies with real assets such as gold, silver and other assets; in addition, many Islamic countries are trying to use cryptocurrencies as a virtual form of their real currencies, and this will definitely make it more acceptable to Islamic finance and valuable moving forward.

**What challenges do you foresee when it comes to the implementation of blockchain technology? Are Islamic financial institutions ready for it?**

As any technology in its infancy, there are many challenges facing blockchain technology. Of course, the first and most important challenge is that there are so many competing standards and platforms of which only a few will survive and come out as winners. Building Islamic finance applications on the wrong platform could be costly to financial institutions.

Another major challenge to this industry is the availability of technical and business resources who understand this technology and its applications and how to deploy it to maximize its value. Add to that the challenge of finding Shariah scholars who understand this new technology and can guide their institutions on its compliance.

Finally, the speed of the development of regulations is the most important element to empower the deployment of this new technology. The regulating bodies need to understand blockchain technology and issue regulations allowing for its usage.

**What about cryptocurrencies? Should they be readily embraced? What do you think would be the biggest cause for apprehension among market players?**

As for cryptocurrencies, it is a different matter as we said before. The Shariah compliance issue must be resolved first before full adoption. I believe initiatives such as OneGram and other central banks representing their currencies with virtual currencies are important initiatives for the development of this segment. But again which platform to use to issue an Initial Coin Offering (ICO) or whether we should use an existing virtual currency is still a matter that needs to be carefully explored.

**What do you think needs to be done – what support do you think needs to be in place to facilitate the adoption of blockchain technology and cryptocurrencies?**

A few things need to be done, and I will start with our Shariah scholars. It is important that key Shariah scholars in the industry are educated on these technologies and we get clear Fatwas on what can and can't be done.

Secondly, I believe our regulators need to issue regulations that govern both the underlying blockchain infrastructure and the usage of cryptocurrencies. In addition, central banks should get involved in a few related initiatives to give the market comfort and confidence in these technologies. Initiatives such as the one that the Saudi government did with Ripple and also the one involving the UAE virtual currency are important initiatives.

Third, we, as an industry advocate, should start developing the resources to have the knowledge and the understanding of these technologies.

Finally, we, as technology providers and leaders in the segment, need to build the system in a very intuitive way which can empower financial institutions to use such technologies.

**Is Path Solutions getting itself involved in the blockchain and cryptocurrency space? What can we expect from the firm over the next 12 months?**

As we believe that the blockchain technology will change the world as we know it, Path Solutions is involved in a few projects that will be announced soon. All our work is around utilizing the technology to create transparency and trust between parties. On the other hand, because of the current debate around cryptocurrencies, we are still in the initial phases of research on how we can get involved in the space of virtual currencies and what value they can add to our clients. 📌



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# IFN *Awards* DEALS OF THE YEAR 2017

## IFN Deals of the Year 2017

The results are in, and IFN is delighted to announce the final winners of our Deals of the Year (DOTY) 2017, as judged by our independent panel of industry experts. We wish all winners the sincerest congratulations.

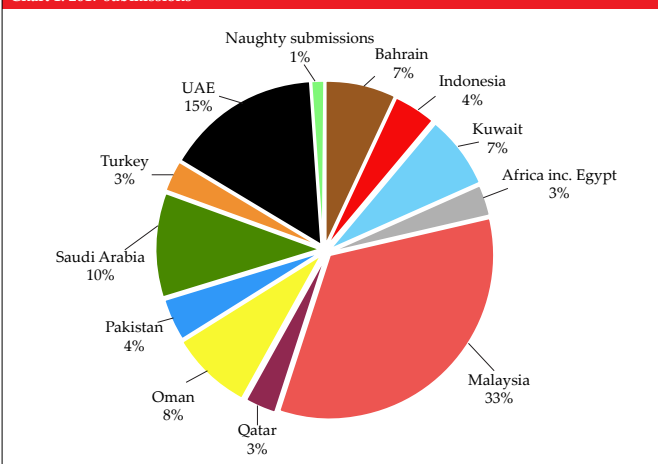
The past 12 months have showcased the resilience of the Islamic finance market. Submissions increased by 5% and recovered to the 2015 record level of 425 unique submissions. The pattern of market development continued, and the dominance of Malaysia among submissions continued to erode slowly.

The big three Islamic finance markets are rounded out by the UAE and Saudi Arabia. Oman and Kuwait punched above their weight with innovative new transactions. The course was steady in Bahrain, Indonesia, Pakistan and Turkey. In sub-Saharan Africa, the International Islamic Trade Finance Corporation (ITFC) continued to open new markets while the Islamic Corporation for the Development of the Private Sector (ICD), Banque Misr and Abu Dhabi Islamic Bank-Egypt (ADIB-Egypt) expanded the Egyptian market. Oh, the naughty submissions, some of you were so excited about next year's deals that you submitted them this year!

Energy is a theme. In 2017, both traditional hydrocarbon transactions featured with the ITFC financing crude shipments to the Maldives, as well as Sukuk issuances by Saudi Aramco and Kuwait's Equate. Alternative energy figures notably in the 2017 list with the UAE, Egypt and Malaysia featuring prominently.

We are still big on Tawarruq. Deals considered purely commodity Murabahah or Tawarruq were 28% of the submissions.

Chart 1: 2017 submissions



But this is a misleading number. Almost all of the hybrid submissions involved a Tawarruq feature. As a result, Tawarruq featured in almost 40% of the submissions. Ijarah remains the second-most popular workhorse among the submitted transactions. Musharakah and Mudarabah submissions have increased in the area of corporate finance with new applications in the UAE and Egypt, beyond the common South Asian submissions.

The 2017 submissions brought a wider range of Corporate Finance deals. So often, we focus on Sukuk, but this year the deals included a corporate finance exercise that included tendering for the redemption of Sukuk. Mergers and acquisitions (M&A) and IPO submissions increased.

Hand in hand with alternative energy submissions, the Social Responsibility category was active. All of the alternative energy deals were presented in this space. In addition, the African Finance Company's debut Sukuk joined Ihsan's retail launch and Bank Islam's fintech-based approach to offering restricted investment accounts.

**“The past 12 months have showcased the resilience of the Islamic finance market. Submissions increased by 5% and recovered to the 2015 record level of 425 unique submissions. The pattern of market development continued”**

The DOTY always enjoy a strong real estate showing. This is not the case in 2017. There is a small Brexit effect with opportunistic investment in UK real estate. But privacy informed the lack of US and European deals.

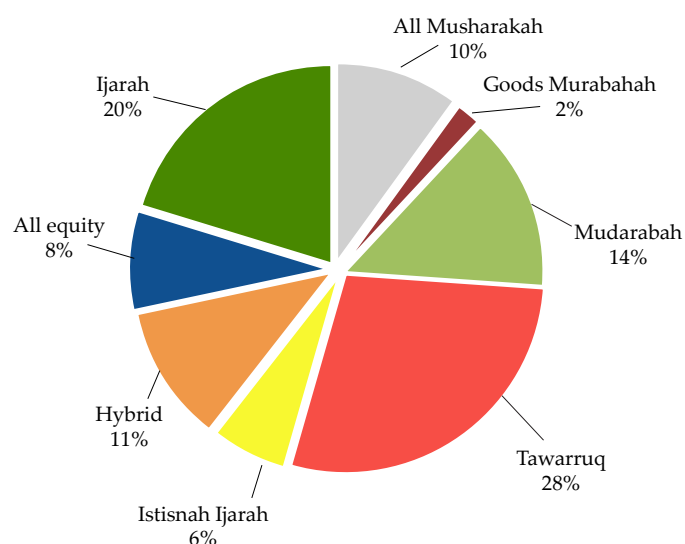
The distribution of currencies by transaction (not volume) reveals two important market realities. The first is that US dollar liquidity is still high and rates have risen very much over the course of 2017. As a result, emerging and frontier markets continue to enjoy access to the US dollar at favorable rates. Nonetheless, ongoing budget deficits have affected local currency access in many countries, hence local currency transactions may have been subdued. This will likely feature into 2018.

Malaysia's market dominance continues to show with 30% of all transactions submitted in the Malaysian ringgit. The US dollar is the dominant currency with a 50% market share. Keep in mind that Saudi Arabian, Malaysian, UAE, Pakistani and Turkish deals were often executed in US dollars.

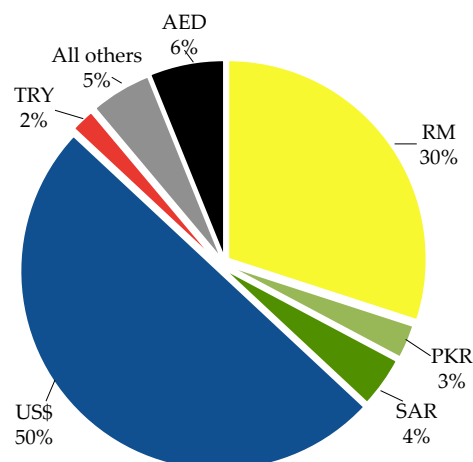
Seventeen of the winners were Sukuk. The DOTY are not limited to Sukuk. Nonetheless, the DOTY is a good tool to diagnose the progress of Sukuk. One continues to ask when and how the Sukuk market will break out. The answer lies in the adoption of Sukuk into corporate finance strategies. This has not happened as quickly as hoped. Despite Jordan's benchmark Sukuk in 2016, neither agencies nor corporates have followed. The pattern is repeated in almost all Sukuk markets, well established or newly launched.

Nominations represented 35 product and country categories. Winners came from 12 countries of the 20 submitting. 2017 proved to be an active and robust year. With steady growth and no deterioration in hydrocarbon prices, we expect to see a continuation in the 2018 trend.

**Chart 2: Deal types**



**Chart 3: Currency distribution by deals**





<b>AFRICA: AFC SUKUK COMPANY</b>	
Obligor:	Africa Finance Corporation
Deal size:	US\$150 million
Arrangers:	Emirates NBD Capital, Rand Merchant Bank (a division of FirstRand Bank) and Bank of Tokyo Mitsubishi MUFG Securities EMEA
Lawyers:	Walkers advising the issuer, Dentons advising the obligor for the issuer and King & Spalding advising the arrangers
Rating:	'A3' by Moody's Investors Service
Date closed:	17 <sup>th</sup> January 2017
Shariah advisors:	Emirates Islamic

The ITFC sponsored most of the nominations from Africa. Each of these brought capital and innovation to some of the continent's most impoverished countries. On the continental level, the Africa Finance Corporation (AFC)'s debut Sukuk facility represents several important achievements.

Beyond starting 2017's Sukuk activity, the AFC is the first African multilateral to issue Sukuk. Representing the aspirations of the continent, the Lagos-based entity enjoyed high demand and the deal was increased from a planned US\$100 million to US\$150 million. Rated 'A3' by Moody's, it is among the highest-rated Sukuk ever issued by an African institution.

One important factor is that the AFC deal demonstrates that multilateral organizations are not necessarily tied to the economy or the rating of their host country. And, like the IDB, Asian Development Bank and others, the AFC has investment grade credit, even if many of its members do not.

The deal is based on Tawarruq delivered through the NASDAQ Murabahah platform as follows:

1. The SPV uses the issuance proceeds to acquire illiquid portfolio certificates listed on the NASDAQ Dubai Murabahah platform.
2. The SPV then, through a Wakeel/agent on-sells such portfolio certificates to the obligor at their cost price plus profit on a spot and deferred payment basis.
3. The obligor then immediately on-sells such portfolio certificates to market participants for an amount equal to the Sukuk issuance proceeds.

On the one hand, the Tawarruq deal is the easiest point of entry for a conservative multilateral body to enter the Islamic finance market. On the other hand, the transaction itself demonstrates the effectiveness of the NASDAQ Dubai platform.

*Honorable mention: Société Burkinabé des Fibres Textiles and Chad Industries Company*

<b>Shortlisted for DOTY 2017</b>	
<b>BAHRAIN: ABG SUKUK</b>	
Obligor:	Al Baraka Banking Group
Deal size:	US\$400 million
Joint lead managers:	Standard Chartered Bank (also acting as global coordinator), Dubai Islamic Bank, Arab Banking Corporation, Emirates NBD, KFH Capital, Noor Bank and QInvest
Lawyers:	Linklaters and Zu'bi Partners Attorneys & Legal Consultants for the issuer and Allen & Overy and Hassan Radhi & Associates for the arrangers
Rating:	'BB+' (Negative) by S&P
Date closed:	23 <sup>rd</sup> May 2017
Shariah advisors:	Standard Chartered Bank, Dubai Islamic Bank, KFH Capital, Noor Bank, QInvest and Dar Al Sharia

Like Malaysia and the UAE, Bahrain hosts one of the key global centers for Islamic finance. This generates a wealth of excellent transactions. Even the domestic real economy is active with Alba and Viva generating attractive deals. In difficult times, the ABG Sukuk reaffirm confidence in Bahrain and its international Islamic finance sector. Al Baraka, a holding company in all but name, not only issued the first Bahraini Tier 1 US dollar Sukuk, it issued the first non-investment grade Sukuk from the GCC.

*Honorable mention: Alba and Viva*

*Shortlisted for DOTY 2017*

**EGYPT: SCATEC SOLAR FOR SIX COMPANIES: ASWAN PV POWER, KOM OMBO FOR RENEWABLE ENERGY, RED SEA SOLAR POWER, UPPER EGYPT SOLAR POWER, ZAFARANA SOLAR POWER, DARAW SOLAR POWER; AND BANQUE MISR**

Deal size:	US\$335 million
Arrangers:	IDB, European Bank for Reconstruction and Development, ICD, Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden and The Green Climate Fund
Lawyers:	Eversheds for the obligors and Clifford Chance for the financiers
Guarantor:	Scatec Solar
Rating:	Unrated
Date:	19 <sup>th</sup> October 2017
Shariah advisors:	Shariah advisory boards of the IDB and ICD

Egypt is starting to show its potential for the Islamic finance market. ADIB-Egypt and Banque Misr brought forward the Al Marasem deal. In 2017, the ICD added its weight to support the market with its role in the Scatec deal, as well as Alpha Solar. Scatec, the winner, jumps to the fore as an Islamic structured project finance deal for a Norwegian company applying Istisnah-Ijarah in support of six Egyptian solar projects.

One of Scatec's missions is to deliver affordable solar power. In Egypt, Scatec achieved this by guaranteeing a diverse multilateral and multisource (there is a conventional tranche) coalition including the IDB and its affiliate the ICD, as well as a Dutch fund and the Green Climate Fund. The Green Climate Fund's contribution of US\$48 million is their largest to date and its first under its agreement with the European Bank for Reconstruction and Development. The solar projects form part of the 2 GW solar FiT program launched by the Egyptian government in 2015, and represent the largest portfolio of projects developed by the same sponsor group as part of that Egyptian Phase 2 FiT program.

*Honorable mention: Al Marasem and Alfanar*

**INDONESIA: SUMBERDAYA SEWATAMA**

Deal size:	IDR1.8 trillion (US\$135.3 million)
Underwriter:	Bank CIMB Niaga for bonds and Sukuk, Bank Syariah Mandiri for Islamic financing
Lawyers:	Assegaf Hamzah & Partners for the obligor and Hadiputranto, Hadinoto & Partners (member firm of Baker McKenzie) for the financiers
Rating:	Unrated
Date closed:	June 2017
Shariah advisors:	Not stated

The Republic of Indonesia keeps pushing frontiers and experimenting with new forms. An important factor in the Republic's structuring efforts is the ban on Tawarruq. The 2017 series blends Ijarah and the sale of beneficial rights to property under development. Persero raised the largest-ever Indonesian rupiah funding in a Musharakah arrangement.

Sumberdaya Sewatama had three creditor groups in the restructuring. The creditors were mostly bilateral conventional lenders and Bank Syariah Mandiri, and Sukuk and bondholders. The bilateral lenders were restructured into a single syndication. The three classes did not cost at the same time, which required non-discriminatory undertakings and a standstill period to ensure that the creditors who signed first have the right to amend the terms of the deal on the basis of discriminatory treatment and to freeze certain cross defaults from occurring until all restructuring phases were completed.

As much as the creditors were predominately conventional, the process included Indonesia's first restructuring of a Shariah financing and a Sukuk issuance. This should set precedents for future restructuring of Islamic deals whether stand-alone or part of multi-party financings with conventional and Islamic financiers.

*Honorable mention: Perusahaan Penerbit SBSN Indonesia III and Perusahaan Listrik Negara*

**KUWAIT: WARBA TIER 1 SUKUK**

Obligor:	Warba Bank
Deal size:	US\$250 million
Arrangers:	Standard Chartered Bank (global coordinator), Emirates NBD, KAMCO Investment Company, Noor Bank, Arab Banking Corporation, KFH Capital Investment Company
Lawyers:	Dentons & Co, Maples and Calder (Dubai) and Al Tamimi & Company for the issuer and Linklaters, Dentons & Co, Maples & Calder (Dubai) and Meysan Partners for the arrangers
Rating:	Moody's: 'Baa2' (Stable)/Fitch: 'A+' (Stable)
Date closed:	7 <sup>th</sup> March 2017
Shariah advisors:	Standard Chartered Bank, KFH Capital and Noor Bank

In 2017, Kuwait nominees stood out. Equate issued the first corporate international Sukuk from Kuwait. Americana's buyout was leveraged. And Delivery Hero doubled down on the Kuwait market with the acquisition of trycarriage.com.

Warba Bank came to market twice during the year with a US\$400 million syndication and its inaugural regulatory capital issuance. The five-year non-callable subordinated Sukuk qualify as additional Tier 1 capital under the Central Bank of Kuwait's Basel III framework.

The Mudarabah certificates are listed on the Irish Stock Exchange and NASDAQ Dubai. Not only did Warba open the Tier 1 issuances in 2017, but it demonstrated the viability of a smaller, newer regional bank as well as global investor confidence in the Kuwait market. The structure includes a unique approach to the mechanics of non-payment events and definition of distributable funds based on the youth of the bank.

*Honorable mention: Equate, Americana, and Delivery Hero*

**MALAYSIA: CMC GROUP**

Deal size:	RM12 million (US\$3.03 million)
Sponsoring bank:	Bank Islam Malaysia
Lawyers:	Kadir Andri & Partners for Bank Islam Malaysia
Rating:	'a3' by RAM Ratings
Date:	26 <sup>th</sup> July 2017
Shariah advisors:	Bank Islam Malaysia/IAP Platform

Malaysia offers a cornucopia of best deals, and contested most categories with excellent nominations. In 2017, Bank Islam Malaysia offered proof of concept of the national fintech-based Investment Account Platform (IAP or iaplatform.com).

Bank Islam sponsored the CMC transaction on the platform as part of its adjustment to the Islamic Financial Services Act 2013. The Act requires Musharakah, Mudarabah and Wakalah 'deposits' to reflect the underlying investment performance. This moves these transactions to be more like investments than deposits. Nonetheless, even on the IAP, these investments reflect the reputation of the sponsoring bank and Bank Islam still pays attention to the transactions as if it was a traditionally intermediated transaction.

On the one hand, CMC accesses the IAP as an alternative means to secure financing. CMC is able to access a broad range of investors. On the other hand, the investors gain financial exposure to a specific CMC lead project in Vietnam.

*Honorable mention: Tadau Energy, Quantum and Ihsan*

**OMAN: OMAN SOVEREIGN SUKUK (MINISTRY OF FINANCE OMAN)**

Deal size:	US\$2 billion
Bookrunners:	Standard Chartered Bank DIFC Branch, Alizz Islamic Bank, Citigroup Global Markets, Dubai Islamic Bank, Gulf International Bank, HSBC Bank and JPMorgan Securities.
Lawyers:	Al Busaidy Mansoor Jamal & Co in Oman, Clifford Chance Europe in France, Clifford Chance in Dubai, Maples & Calder for the issuer and Linklaters, Dentons and Co (Oman branch) in Oman for the arrangers
Guarantor:	Ministry of Finance, Sultanate of Oman
Rating:	'Baa1' (Stable)/'BB+' (Negative)/'BBB' (Stable)
Date closed:	23 <sup>rd</sup> May 2017
Shariah advisors:	Gulf International Bank

In 2017, Bank Muscat's Meethaq issued their first Sukuk based on a diminishing Musharakah participating in a pool of the bank's assets.

Competing for honors was the Mazoon Assets Company deal. Each would stand out were it not for the first-ever international public Sukuk issuance by the Sultanate of Oman. The deal is also the second-largest US dollar Sukuk issued out of the GCC since July 2012.

The Ijarah certificates were the Sultanate's first-ever trust certificates issuance program. The Sukuk assets comprised a share of the government's interest in a plot of land earmarked for development. The assets were selected after extensive due diligence by the legal counsel and Shariah advisors.

As with similar cases, the structure required consideration of restrictions on the sale of national assets.

The deal was issued in 144A and Reg S forms. Despite S&P's recent downgrade of Oman to sub-investment grade, the certificates were well received.

This demonstrates the attractiveness of Oman for future transactions and helps to support Omani agencies and corporates should they wish to approach the global market.

*Honorable mention: Meethaq Islamic Banking and Mazoon Assets Company*

**PAKISTAN: WAPDA — DASU — I (GOVERNMENT OF PAKISTAN)**

Deal size:	PKR144 billion (US\$1.3 billion)
Arrangers:	Habib Bank, National Bank of Pakistan, United Bank, Bank Alfalah, Askari Bank, Faysal Bank and Meezan Bank
Lawyers:	Mohsin Tayebaly & Co. for the financiers
Rating:	Unrated
Date closed:	March 2017
Shariah advisors:	Habib Bank and Meezan Bank

Pakistan is one of the most active Islamic finance markets. The Islamic Republic returned to the market with a new international Sukuk. The ITFC was active in the hydrocarbon sector. And Meezan Bank sustained their traditional high level of activity.

WAPDA is a continuous participant in the financial markets as it expands power and water access throughout Pakistan. WAPDA — DASU — I is a dual tranche conventional and Islamic sourced project financing.

The Islamic portion of the facility was structured with two tranches. The first was a privately placed government of Pakistan-backed Sukuk of PKR52.8 billion (US\$478.3 million). The second was an asset-backed syndicated Islamic facility of PKR33.6 billion (US\$304.4 million) structured as a diminishing Musharakah.

Through this, the syndicate purchases undivided ownership shares from time to time in the underlying Musharakah assets and pays the purchase price to WAPDA. This creates the staged project financing.

*Honorable mention: The Third Pakistan International Sukuk Company and Power Holdings*



**QATAR: AL JABER ENGINEERING CO**

Deal size:	QAR1.68 billion (US\$458.23 million)
Arrangers:	Qatar Islamic Bank
Lawyers:	Qatar Islamic Bank's internal counsel
Rating:	Unrated
Guarantee:	Corporate and personal guarantees of all partners including: Al Jaber Holding.
Date closed:	August 2017
Shariah advisors:	Qatar Islamic Bank

The Qatari market showed resilience given many challenges in 2017. Ezdan was able to return to the market as were Qatar Islamic Bank and QIIB. Underpinning the Qatar market is the massive preparation for the 2022 FIFA World Cup. Companies like Al Jaber Engineering Co (a general contractor established in 1995 as part of Al Jaber Group) are an important part of the process.

Qatar Islamic Bank provided project facilities including goods Murabahah letters of credit, Musawwamah and commodity Murabahah. The Al Jaber facilities demonstrate the key role that Islamic finance plays in the real economy.

*Honorable mention: Ezdan Sukuk Company and QIB Sukuk (Qatar Islamic Bank)*

**SAUDI ARABIA: KSA SUKUK (MINISTRY OF FINANCE SAUDI ARABIA)**

Deal size:	US\$9 billion in two tranches of US\$4.5 billion — one for five years and one for 10. Each tranche was made available to US investors via a 144A offering
Joint global coordinators, lead managers and bookrunners:	Citigroup, HSBC and JPMorgan
Joint lead managers and bookrunners:	BNP Paribas, Deutsche Bank and NCB Capital
Lawyers:	Latham & Watkins (English law and US law), Law Office of Salman Al-Sudairi in association with Latham & Watkins (Saudi law) and White & Case (English law and US law), White & Case in association with the Law Firm of Al Salloum and Al Toami (Saudi law)
Rating:	Moody's: 'A1'/Fitch: 'A+'
Date closed:	13 <sup>th</sup> April 2017
Shariah advisors:	Shariah boards of the arrangers

Economists call it crowding out. In 2017, the Kingdom of Saudi Arabia had a large number of exciting deals. Saudi Aramco issued their first-ever Sukuk. Dar Al-Arkan came back to market with an innovative deal. But the government pushed these and other meritorious deals aside with its own super-sized, innovative deal.

The transaction is based on the hybrid Mudarabah/Murabahah structure. This avoids identification and transfer of asset ownership. The structure is designed to be scalable and allow for new issuances without changing the asset structure. The deal was well received by the scholarly community and the investor community. The latter assured that the deal would have the largest-ever orderbook for a two-tranche deal. One of the important investor issues was management of new US asset retention rules.

The deal was followed in July with the largest-ever domestic Sukuk issuance.

*Honorable mention: Dar Al-Arkan and Saudi Aramco*

**TURKEY: KT SUKUK VARLIK KIRALAMA**

Obligor:	Toprak Mahsulleri Ofisi (Turkish Grain Board)
Deal size:	TRY100 million (US\$26.7 million)
Bookrunner:	Halk Yatirim Menkul Degerler
Lawyers:	Not stated
Date closed:	27 <sup>th</sup> November 2017
Rating:	TURKrating - TR 'A1'
Shariah advisors:	Isfa Academy

Turkey is slowly but surely emerging as a key player for the global Islamic finance market. Certainly, the well-received Republic of Turkey (Hazine) deal demonstrates that. GAP Insaat also shows greater private sector openness to Islamic finance as well as innovation. It is the domestic acceptance of Islamic finance in G20 economies like Turkey, Saudi Arabia and Indonesia that is critical for market growth.

An important development for the domestic Turkish Islamic finance market is the launch by the Turkish Grain Board - Toprak Mahsulleri Ofisi's first Sukuk. This shows a growth of agriculture-related activities supported by Islamic finance (the ITFC has pioneered transactions with Turk Eximbank). It also shows the greater acceptance among government agencies to apply Islamic finance in their capital structures and purchasing activities. The Toprak Mahsulleri Ofisi is structured as Wakalah Bil Istithmar. The deal represents continued expansion for domestic Sukuk beyond the participation banks.

*Honorable mention: Hazine Mustesarligi Varlik Kiralama Anonim Sirketi (Republic of Turkey) and GAP Insaat Yatirim ve Dis Ticaret*

**CORPORATE FINANCE: DELIVERY HERO**

Counterparties:	Delivery Hero and TryCarriage.com
Lawyers:	King & Spalding advising Delivery Hero, Sullivan & Cromwell advising on the IPO, Freshfields advising the sellers on trycarriage.com, Hourani & Associates advising the sellers of Talabalat.com and Dentons advising the sellers of Yemeksepeti
Rating:	Unrated
Date closed:	29 <sup>th</sup> May 2017
Shariah advisors:	Maybank Islamic

The corporate finance market was much more varied in 2017. Kuwait comes front and center. In 2017, Kuwait's pioneering food group Kuwait Food Company (Americana) was acquired by prominent Dubai businessman Mohammed Alabbar. The deal was funded in part with a US\$592 million syndicated facility. Another important deal was the Toprak Mahsulleri Ofisi (Turkish Grain Board) via SPV — KT Sukuk Varlik Kiralama TRY100 million (US\$26.47 million) maiden Sukuk which introduced Islamic finance into the government agency sector.

But the tech frontier comes to the fore with Delivery Hero's ongoing expansion in the MENA region. King & Spalding has guided Delivery Hero previously. They advised the German group on the acquisition of Foodpanda, Kuwait's talabat.com and Turkey's Yemeksepeti.

King & Spalding advised Delivery Hero, one of Europe's largest and fastest-growing tech start-ups, on its acquisition of the online and mobile food ordering and delivery company Carriage. This significantly builds Delivery Hero's competitive position opposite its competitor Deliveroo. Delivery Hero CEO Niklas Östberg said: "Carriage is an innovative player in the Middle Eastern food delivery market with an excellent management team. It will be a perfect addition to our current offering under the Talabat brand and strengthen our foothold in this region, where we see significant growth potential." This is because Talabat is an app without its own delivery and Carriage includes delivery service.

trycarriage.com itself is a great story as the company was founded just in 2016 by Abdallah and Musab Al Mutawa, Jonathan Lau and Khaled Al Qabandi. Musab and Lau met during their studies at Stanford University.

The transaction had a complex earn-out mechanism. The Mudarabah was structured through the Abu Dhabi Global Market (ADGM) and the Dubai International Financial Center. The ADGM tranche provided flexibility to entrench a redemption right of certain management shares following the completion of the earn-out.

*Honorable mention: Kuwait Food Company (Americana) and Toprak Mahsulleri Ofisi (Turkish Grain Board)*

**UAE: AIRPORT FINANCING CORPORATION FZE (FINCO)**

Deal size:	AED5.05 billion (US\$1.37 billion)
Mandated lead arrangers and bookrunners:	Abu Dhabi Commercial Bank, Abu Dhabi Islamic Bank, Citibank UAE, Dubai Islamic Bank, First Abu Dhabi Bank, Noor Bank, Standard Chartered Bank (UAE branch)
Lawyers:	Allen & Overy for the issuer and Linklaters for the arrangers
Rating:	Unrated
Guarantor:	Investment Corporation of Dubai, Department of Finance for the Government of Dubai and the Dubai Aviation City Corporation
Date closed:	24 <sup>th</sup> July 2017
Shariah advisors:	Shariah Supervisory Board of Abu Dhabi Islamic Bank and Dar Al Sharia

Airport Financing Company FZE, a structured Islamic and conventional financing platform to fund the expansion and development of Dubai International Airport, as well as the transformation of Al Maktoum International Airport. This transaction involved the development of a flexible funding platform, which allows for the piecemeal integration of multiple Shariah compliant financing products (including Ijarah, Murabahah, Wakalah and various Sukuk structures) into an overall multisource financing structure. The platform can also support conventional debt. The Islamic facility is an Ijarah facility backed by a sub-Musatahah right.

*Honorable mention: Emirates REIT and Tabreed*

**CROSS-BORDER: SOUQALMAL HOLDING, A MAURITIUS-BASED HOLDING COMPANY FOR SOUQALMAL.COM**

Deal size:	US\$1.5 million
Counterparties:	Riyad TAQNIA and GoCompare
Financiers:	Riyad Capital providing venture capital for Riyadh TAQNIA Fund (RTF); Saudi Technology Development and Investment Company (TAQNIA) providing venture capital for Riyadh TAQNIA Fund
Co-investors:	GoCompare, UAE Exchange, Hummingbird Ventures
Lawyers:	King & Spalding advising Riyadh TAQNIA Fund (lead investor), Simmons & Simmons advising GoCompare
Date:	3 <sup>rd</sup> October 2017
Shariah advisors:	Riyad Capital's Shariah board

Trowers & Hamblins worked for Warba Bank of Kuwait on a UK real estate acquisition that included an innovative Takaful solution.

Adl Capital of Sri Lanka successfully secured a US\$10 million funding line for LOLC Finance's Islamic business unit, Al-Falaah, from the ICD. This was the single largest bilateral transaction between an Islamic financial institution based overseas and an Islamic finance unit in the non-banking sector in Sri Lanka.

King & Spalding advised its client RTF as leader of the US\$10 million Series B round for souqalmal.com, one of the leading financial services comparison websites in the Middle East. Souqalmal Holding, based in Mauritius, received the funds in the form of common and preferred share issuances.

RTF is a venture capital fund established by Riyadh Capital (the investment banking subsidiary of Riyadh Bank) and TAQNIA, which is owned by the Public Investment Fund (PIF, Saudi Arabia's sovereign wealth fund). In addition to the PIF, the investors in RTF include the Saudi Arabian Public Pension Authority and Saudi Credit and Savings Bank. Co-investors in the transaction included UK financial services comparison website GoCompare which is listed on the London Stock Exchange and regulated by the UK Financial Conduct Authority; UAE Exchange, the largest financial exchange and remittance company in the UAE; and Hummingbird Ventures, the Belgium-based venture capital firm.

The transaction is a key Shariah compliant Middle Eastern fintech transaction. It brings together UK, European, Mauritian, Saudi and UAE counterparties, most of which are regulated, into a cutting-edge transaction geared toward the GCC's tech literate millennials. The transaction funds the growth of operations in the UAE and planned expansion into Saudi Arabia, where the company has entered into an MoU to launch a branch which would be regulated by the Saudi Arabian Monetary Authority.

*Honorable mention: KIA Distribution and Al Falaah*

**COMMODITY MURABAHAH/TAWARRUQ: DANAJAMIN NASIONAL**

Deal size:	RM500 million (US\$126.35 million) under a RM2 billion (US\$503.8 million) program
Arrangers:	Maybank Investment Bank and AmInvestment Bank
Lawyers:	Albar & Partners for the issuer and Adnan Sundra & Low for the arrangers
Rating	'AA1' by RAM Ratings and 'AA+' by Malaysian Rating Corporation
Date:	6 <sup>th</sup> October 2017
Shariah advisors:	Amanie Advisors, AmBank Islamic and Maybank Islamic

The Tawarruq deals kicked off in 2017 with the African Finance Company's first Islamic finance issuance via AFC Sukuk Company. The deal was an African multilateral first, and the first cross-border US dollar Sukuk from a Nigeria-based entity. Daewoo Engineering and Construction raised facilities of QAR1 billion (US\$275.1 million) from Qatar Islamic Bank. Linked to national infrastructure projects, the transaction is one of the first Islamic finance deals for a major Korean contractor.

Danajamin Nasional is Malaysia's only monoline guarantor and first financial guarantee insurer. Danajamin is regulated under the Malaysian Financial Services Act 2013. Danajamin issued Tier 2 subordinated Sukuk Murabahah in the company's inaugural Sukuk issuance. The transaction is part of a RM2 billion senior and subordinated Sukuk Murabahah (Tawarruq) program. The subordinated Sukuk facility has a tenor of 10 years and a callable option from Year 5.

Not only does the program provide new capital resources to the company, it supports Danajamin's mandate to assist new and viable companies to participate in Malaysia's debt capital market.

*Honorable mention: AFC Sukuk Company and Daewoo Engineering and Construction*

**EQUITY: ALPHA REAL ESTATE INVESTMENT TRUST**

Size:	RM334 million (US\$84.4 million)
Arranger and bookrunner:	Maybank Investment Bank
Lawyers:	Adnan Sundra & Low for Maybank Investment Bank.
Financial advisor:	Nomura Securities Malaysia
Date:	29 <sup>th</sup> June 2017
Trustee:	RHB Trustees
Shariah advisor:	IBFIM

Equity had a real estate flavor with Eco World's IPO. Meezan Bank's financing of Pakistan's Orient Rental Modaraba brought the service sector forward. Among the outstanding deals in Malaysia is the Alpha REIT.

Alpha is Malaysia's first Shariah compliant private REIT, dealing with purely education-related properties. Most REITs are listed, but the Malaysian REIT Guidelines allow for the establishment of unlisted REITs. The Securities Commission Malaysia allows the establishment of unlisted REITs based upon the management company's purpose, as well as demonstration that the REIT managers are able to scale up their portfolio of income-generating assets. The market typically views unlisted REITs as illiquid and less transparent than public-listed REITs.

Alpha as a private REIT was distributed to institutional investors only. The Alpha REIT has been established to invest in Shariah compliant income-producing real estate used substantially for education or education-related purposes. Alpha is unusual in that its assets are sourced from multiple vendors, not the REIT's sponsors.

*Honorable mention: Eco World and Orient*



**HYBRIDS: EQUATE SUKUK SPC**

Obligors:	EQUATE Petrochemical Company and the Kuwait Olefins Company
Deal size:	US\$500 million
Arrangers:	Citi, HSBC, JPMorgan, KFH Capital and National Bank of Kuwait
Bookrunners:	First Abu Dhabi Bank, Bank of Tokyo Mitsubishi MUFG, Mizuho and SMBC Nikko
Lawyers:	White & Case for the issuer and Clifford Chance for the arrangers
Rating:	Moody's: 'Baa2'/S&P: 'BBB+'
Date closed:	13 <sup>th</sup> February 2017
Shariah advisors:	Shariah advisory boards of HSBC and KFH Capital

The traditional hybrid Sukuk facility is structured in a manner similar to Sunway Treasury Sukuk. This program allows for periodic issuances under Wakalah Bil Istithmar or Tawarruq. The uniqueness of the program is that the tranches do not have to be balanced in a particular way.

Another hybrid is more common in the construction sector and demonstrated by Tadau Energy. This pairs Istisnah with a described lease (Ijarah Mawsufah Bi Dhimmah).

EQUATE represents the largest-ever corporate Sukuk issued out of Kuwait and the largest-ever international eurobond wholly guaranteed by Kuwaiti entities. It is also the first Sukuk for a Kuwaiti corporate. In itself, the transaction is unique as a hybrid.

Most hybrids are 'asset invisible' with a Wakalah, Mudarabah or Musharakah in some business operation and then Tawarruq to raise funds and guarantee the transaction repayment in the flow. In this transaction, the Sukuk are based on Ijarah Muntahiya Bil Tamleek (lease ending in ownership) for 52% and Tawarruq for the remainder. As a result, the company receives funding from both sale and leaseback as well as Tawarruq. But the Ijarah wing produces a clear claim on capital from the obligor's promise to purchase. And the Tawarruq wing's Murabahah outstanding covers the remainder. Therefore, there is no need to stretch the Murabahah debts to cover all of the capital and periodic payments.

*Honorable mention: Sunway and Tadau*

**IJARAH: MAZOOON ASSETS COMPANY**

Size:	US\$500 million
Joint lead managers:	Bank Muscat, JPMorgan Securities, First Abu Dhabi Bank and KFH Capital Investment Company
Co-managers:	Warba Bank and Noor Bank
Legal counsel:	For the issuer: Dentons (English law), Dentons UKMEA (US federal law) and Dentons Oman Branch (Omani law). For the joint lead managers: Allen & Overy (English law), Allen & Overy (US federal law) and Al Busaidy Mansoor Jamal & Co (Omani law).
Rating:	Moody's: 'Baa2' (Negative)/Fitch: 'BBB' (Negative)
Date:	8 <sup>th</sup> November 2017
Shariah advisors:	JPMorgan Securities

Pinsent Masons and Dar Al Sharia advised the financiers supporting the ABTEC Group parties on a complex described lease with Istisnah. Another top contender was Airport Financing Company FZE and its structured Master Musatahah Rights Purchase Agreement and Master Ijarah Agreement. Each transaction demonstrated greater sophistication in the adoption of Ijarah structures. Mazoon Assets Company achieved several landmarks for Sukuk Ijarah.

Listed on the Irish Stock Exchange, Mazoon Assets Company marks the first international corporate Sukuk issue out of Oman. The deal is the first corporate Sukuk with Reg S and 144A tranches out of MENA since May 2016.

The deal is the first-ever Sukuk from the regulated electricity distribution sector which required structuring the transaction within the restrictions of the Sector Law of Oman. This law limits creation of security interests and subsidiaries by licensed distributors like Mazoon Electricity Company. The transaction required intense discussions with the regulator on structuring the transaction such that it was compliant with the Sector Law.

The deal also demonstrated the efficacy of Oman's Sukuk law, which uses an SPV in lieu of a trust. The concept and structure were not deterrents to global and US investors who respectively took up 30% and 13% of the deal.

*Honorable mention: Airport Finance Co and ABTEC*

**Shortlisted for DOTY 2017**

**PROJECT & INFRASTRUCTURE FINANCE: QUANTUM SOLAR PARK (SEMENANJUNG)**

Size:	RM1 billion (US\$251.9 million)
Arranger:	CIMB Investment Bank
Bookrunners:	CIMB Investment Bank and Maybank Investment Bank
Legal counsel:	Zaid Ibrahim & Co. for the issuer and Adnan Sundra and Low for the arranger
Rating:	'AA-' by Malaysian Rating Corporation
Shariah advisor:	CIMB Islamic Bank

Dubai's Airport Finance Company brings a novel platform style approach to the market in support of the ongoing expansion and modernization of Dubai's two airports. Solar is the leading theme in this year's alternative energy submissions. Malaysia and Egypt were very active with solar. Quantum Solar and Tadau Energy stand out in Malaysia and Alfanar and Scatec for Egypt. Scatec represents a Norwegian company engaging in six Egyptian solar projects. Quantum Solar or 'QSP Semenanjung' is a green SRI Sukuk and the world's largest green sustainable and responsible investment Sukuk issuance to date.

The Sukuk finance three solar photovoltaic plants of 50 MWac each in Gurun (Kedah), Merchang (Terengganu) and Jasin (Projects) on a 'build-own-operate' scheme. With a combined capacity of 150 MWac, QSP Semenanjung will be the largest solar power producer in Malaysia. The Projects are expected to be instrumental in helping Malaysia reach its ambition of 1 GWac from large-scale solar by 2020 and contribute toward sustainable electricity supply and the reduction of carbon emission in Malaysia in line with the National Renewable Energy Policy and National Green Technology Policy of Malaysia.

Even if the method of finance is Tawarruq, the QSP Semenanjung Green Bond Framework received a Dark Green shading from the Center for International Climate Research. The Dark Green shading is for projects and solutions that entail zero emission solutions and governance structures that integrate environmental concerns into all activities.

*Honorable mention: Scatec, Tadau, Airport Finance*

**IPO (SUKUK): IHSAN SUKUK**

Size:	RM100 million (US\$25.67 million)
Arranger:	CIMB Investment Bank
Bookrunners:	CIMB Investment Bank, Maybank Investment Bank and RHB Investment Bank
Lawyers:	Zaid Ibrahim & Co (a member of ZICO Law) for the arranger
Guarantor:	Khazanah Nasional (obligor)
Shariah advisor:	Amanie Advisors and CIMB Islamic
Rating:	'AAA(s)' by RAM Rating Services
Date:	8 <sup>th</sup> August 2017

Abu Dhabi National Oil Company for Distribution listed on the Abu Dhabi Securities Exchange. This is the first IPO in six years and the largest since 2007. Orient Rental Modaraba brought a new approach to Mudarabah investing to the market with its equipment leasing focus. Ihsan Sukuk returned with a new issuance of RM100 million (US\$25.67 million). This included a retail tranche. This is the first-ever to be offered via reward crowdfunding platforms, allowing participation from the Malaysian public with investments as small as RM10 (US\$2.56). Ihsan demonstrates that socially aware investing can succeed in the retail market among small investors. The Ihsan model is a pay-for-performance model under which the investors earn less if the underlying schools perform to specified key performance indicators. Otherwise, the investors are entitled to the full value of their investment at maturity.

*Honorable mention: Orient Rental Modaraba and ADNOC*

**Footnote:**

*'Initially, Eco World International was announced as the winner of this category. However, after further due diligence, it was determined not to be fully Shariah compliant and the accolade passed to the rightful winner.'*

**MOST INNOVATIVE: KIA DISTRIBUTION CENTER, IMMINGHAM**

Size:	GBP25 million (US\$34.43 million)
Financier:	National Bank of Kuwait (London branch)
Ultimate investor:	Warba Bank
Counterparties:	(1) Oxenwood Catalina (Guernsey) and (2) Al Kout Estate Holdings (Jersey)
Legal counsel:	Trowers & Hamblins for the buyer and Jones Day for the seller
Rating:	Unrated
Date:	16 <sup>th</sup> March 2017
Shariah advisors:	Shariah supervisory board of Warba Bank

In 2017, innovative deals and new thinking abounded. One example is Airport Financing Company - FINCO (Dubai Airports). The Elaaj, Saudi Healthcare Investment Company and Boubyan Petrochemical. transaction was a highly complex equity deal involving foreign ownership in the Saudi Arabian company. And in the UK, Warba Bank sponsored an innovation in the UK Shariah compliant real estate sector. Warba acquired, through a newly established offshore holding structure, 100% of the issued share capital of the corporate owner of the property known as the KIA Distribution Center, Immingham. Trowers & Hamblins represented the bank. The deal was financed on a Shariah compliant basis by the National Bank of Kuwait (London branch).

As Warba's first entry into the UK commercial property market, the deal utilized a tax driven offshore structure to optimize the acquisition and holding of the asset. As an acquisition of an existing property-owning offshore SPV, rather than the property itself, and in view of the seller's desire to limit its liability in respect of any warranties provided to the purchaser, the transaction required the first Shariah compliant warranty and indemnity insurance policy ever issued by a UK insurer in the London M&A market to be put in place at completion. The policy was taken out with AIG UK and its strategic partner Cobalt Underwriting.

For the first time ever, Shariah compliant investors into the UK have a Takaful product which levels the playing field with conventional investors.

*Honorable mention: Airport Finance Co, Elaaj and KIA Distribution Center*

**MUDARABAH: PNC INVESTMENTS**

Deal size:	AED1.65 billion (US\$449.17 million)
Bookrunner and mandated lead arranger:	Dubai Islamic Bank
Obligor:	PNC Investments
Lawyers:	Pinsent Masons for Dubai Islamic Bank
Date:	January 2017
Guarantor:	Corporate guarantee from Sobha Capital
Shariah advisors:	Dar Al Sharia

Most Mudarabah deals in 2017 were part of a hybrid structure in which the second wing of the deal is Tawarruq. This left a very limited number of Mudarabah deals. Bank capital deals like Al Baraka's ABG Sukuk and Warba's Tier 1 Sukuk followed the model of the increasingly familiar Tier 1 structures. The Orient Rental Mudaraba was also an excellent proposition from Meezan Bank for Pakistan's services sector.

Dubai Islamic Bank organized this bilateral Mudarabah financing transaction for PNC Investments. The obligor is the ultimate parent company of Sobha developers engaged in the Meydan Sobha joint venture. The deal was structured based on an assignment of the profit/dividend escrow accounts for specific real estate projects. These escrow accounts are regulated by Dubai Real Estate Regulatory Authority (RERA) and withdrawals are only allowed based on the completion of the project or through the approval of the RERA. Due to the nature of the underlying cash flows, the facility was structured with no fixed repayment schedule and the facility repayment was done through a cash sweep as and when funds are released from these escrow accounts. Additionally, the transaction was secured by mortgages and guarantees. The transaction allowed the company to monetize their future cash flows through a Mudarabah injection.

*Honorable mention: ABG, Warba and Orient Rental Mudaraba*

**MUSHARAKAH: AL MARASEM REAL ESTATE DEVELOPMENT COMPANY**

Deal size:	EGP900 million (US\$50.78 million)
Arrangers:	ADIB-Egypt and Banque Misr
Lawyers:	Dr Darwish Law Office for the obligor and Sarie El Din Law Office for the arrangers
Date:	August 2017
Shariah advisor:	Banque Misr Shariah Team

Standard Chartered led the syndication for KSRM Billet Industries which included a fixed rate BDT2.4 billion (US\$28.79 million) Islamic tranche based on diminishing Musharakah. SkyWorld Capital, the funding vehicle for SkyWorld Development, included a Musharakah tranche. Meezan Bank structured its go-to diminishing Musharakah for Martin Dow's acquisition of the Pakistan operations of Merck Network.

Banque Misr and ADIB-Egypt co-arranged the first syndicated Musharakah deal in the Egyptian market. The deal is the first Islamic finance transaction for an Egyptian real estate developer. In this deal, the ultimate sponsor of Al Marasem is Saudi Binladen Group. The Musharakah is a co-ownership of Al Marasem which already owns two plots in the Fifth Settlement district in New Cairo structured as a bridge facility. The deal demonstrates the continued penetration of Shariah compliant finance among private sector companies.

*Honorable mention: KSRM and Martin Dow*

**PERPETUAL: TANJUNG BIN ENERGY ISSUER**

Deal size:	RM800 million (US\$202.16 million)
Arrangers:	CIMB Investment Bank and Maybank Investment Bank
Lawyers:	Shearn Delamore for the issuer and Albar & Partners for the arrangers
Rating:	Unrated
Date closed:	March 2017
Shariah advisors:	Maybank Islamic and CIMB Islamic Bank

Typically, we see perpetual Sukuk issued by banks, as seen with ABG and Warba. An issuance by a non-financial services company is somewhat unusual.

Tanjung Bin Energy raised funds via its wholly-owned subsidiary Tanjung Bin Energy Issuer, which is a financing vehicle for the owner-operator of the Tanjung Bin power plant in Johor, Malaysia.

The issue is for unrated perpetual Sukuk Wakalah of up to RM800 million (US\$202.16 million). The issuer is appointed and acts as the Wakeel of the holders of the Sukuk Wakalah to invest the proceeds of the Sukuk Wakalah into Ijarah assets of the issuer and the balance to be applied to a Tawarruq transaction.

The distinct feature of this Sukuk Wakalah facility is that it is backed by an unconditional and irrevocable subordinated cash deficiency support. Generally, perpetual Sukuk are not backed by any guarantee so this 'unconditional and irrevocable subordinated cash deficiency support' feature makes this deal notable. Nonetheless, the Sukuk Wakalah facility is expected to be classified as equity in the financial statements of the issuer, as well as Malakoff (the ultimate project sponsor) in accordance with the Malaysian Financial Reporting Standards.

With this unique structure, the Sukuk Wakalah will not have any effect on the issued and paid-up share capital of Malakoff and/or the substantial shareholders' shareholdings in Malakoff. The effects of the issuance of the Sukuk Wakalah on the consolidated earnings and consolidated earnings per share of Malakoff are not expected to be material.

*Honorable mention: ABG and Warba*



**REAL ESTATE: EMIRATES REIT (MANAGED BY EQUITATIVA)**

Size:	US\$400 million
Arranger:	Standard Chartered Bank
Bookrunners:	Dubai Islamic Bank, Emirates NBD Capital, Standard Chartered Bank and Warba Bank
Legal counsel:	Clifford Chance for the issuer and Dentons for the financiers
Rating:	'BB+' by Fitch
Date:	November 2017
Shariah advisors:	Dar Al Sharia

Even if the 2017 real estate submissions were surprisingly light, they were of high quality. ADIB-Egypt's Al Marasem and Warba's KIA Distribution Center each brought something new to the broader Islamic market. But Emirates REIT came forward with a major milestone.

In December 2017, Emirates REIT successfully closed a US\$400 million five-year Sukuk issuance. The Sukuk represent the first MENA REIT Sukuk issuance. The transaction allowed the REIT to restructure its liabilities while expanding its funding base. The REIT was able to reach investors in Europe, the GCC and Asia.

*Honorable mention: Al Marasem and KIA Distribution Center*

**RESTRUCTURING: UNITED ARAB SHIPPING COMPANY**

Deal size:	US\$14 billion merger between United Arab Shipping Company (UASC) and Hapag-Lloyd.
Islamic financiers:	Qatar Islamic Bank (QIB) — Tawarruq facility Bank of London and The Middle East (BLME) — Containers Ijarah
Lawyers:	White & Case — legal counsel to UASC; Freshfields - legal counsel to Hapag-Lloyd on the M&A side; Allen & Overy — legal counsel to Hapag-Lloyd on the bank finance side; Watson Farley & Williams for the financiers
Date closed:	May 2017
Shariah advisors:	Shariah advisory boards of QIB and BLME

In 2017, Sime Darby restructured itself into three listed companies. This required a tender offer and consent from the domestic and international markets. In Indonesia, Sumberdaya Sewatama, as part of their overall debt restructuring, completed the first-ever Sukuk restructuring in that country.

White & Case advised UASC and its major shareholders Qatar Investment Authority and the Public Investment Fund of Saudi Arabia (PIF) on UASC's multi-billion dollar merger with Hapag-Lloyd, a listed company headquartered in Hamburg, Germany. The new combined company is the world's fifth-largest container shipping line, with a fleet of 230 ships and annual turnover of around US\$12 billion.

The transaction required amendments and restatements of UASC's existing debt and a significant new refinancing facility. The negotiation process for the merger, including agreeing terms that fit comfortably within Hapag-Lloyd's overall debt financing practices, was both challenging and complicated. Two of the key facilities were the QIB commodity Murabahah facility and BLME's container leasing program.

This deal is the largest cross-border M&A deal involving a Middle East-headquartered company in the last 10 years and the largest-ever M&A deal involving a Dubai International Financial Center (DIFC) company. The transaction involved a range of innovative structures, and even required the DIFC to amend the legislation and create a new corporate structure, the intermediate SPV regime.

In addition, to make the transaction possible, UASC was first re-domiciled from an international state treaty-created company to a regular DIFC company. This was the first ever re-domiciliation of this type.

*Honorable mention: Sumberdaya Sewatama and Sime Darby.*

<i>Shortlisted for DOTY 2017</i>	
<b>REGULATORY: ABG SUKUK</b>	
Obligor:	Al Baraka Banking Group
Deal size:	US\$400 million
Joint lead managers:	Standard Chartered Bank (also acting as global coordinator), Dubai Islamic Bank, Arab Banking Corporation, Emirates NBD, KFH Capital, Noor Bank and QInvest
Lawyers:	Linklaters and Zu'bi Partners Attorneys & Legal Consultants for the issuer and Allen & Overy and Hassan Radhi & Associates for the arrangers
Rating:	S&P: 'BB+' (Negative)
Date closed:	23 <sup>rd</sup> May 2017
Shariah advisors:	Standard Chartered Bank, Dubai Islamic Bank, KFH Capital, Noor Bank, QInvest and Dar Al Sharia

Many Islamic banks went to market in 2017 for regulatory capital. Some of them operate in markets that require domestic ratings like Hong Leong Islamic Bank and Maybank Islamic Bank. Others like Warba have an investment grade rating.

Despite Bahrain's importance as an Islamic banking center, Al Baraka issued the first Tier 1 US dollar Sukuk from that country. This was also the first such deal by a non-investment grade issuer from the GCC. The transaction was also Al Baraka's first international debt capital markets deal. The transaction was supported by the successful capital issuances for one of the banks of Al Baraka Group: Al Baraka Turk Katilim Bankasi.

Another feature of the transaction was that it was issued for a holding company. Al Baraka owns and operates 11 banks.

*Honorable mention: Hong Leong, Maybank and Warba*

<b>SOCIAL IMPACT: SOCIÉTÉ BURKINABÉ DES FIBRES TEXTILES (SOFITEX) (GOVERNMENT OF BURKINA FASO)</b>	
Deal size:	EUR107 million (US\$131.01 million)
Arranger:	ITFC
Lawyers:	Not stated
Guarantee:	Government of Burkina Faso
Rating:	Unrated
Date closed:	December 2017
Shariah advisors:	ITFC

There is no doubt that the solar projects nominated from Egypt and Malaysia are going to achieve long-term social impact through the generation of green energy. Yet, the ITFC has a core mission to support IDB member countries and provide credit where it is often difficult to establish.

In the case of Burkina Faso, cotton is not only the major export product, but one that touches the lives of almost every citizen. Earlier in the decade, the country had been convinced to try genetically engineered seeds in response to a serious threat to the country's native plants. Although the pest infecting the plants was staved off, the luxuriant long-fibered Burkinabe cotton was not replicated. As a result, the country had to reinvent their industry in order to protect the livelihood of millions by restoring their lustrous cotton.

Through the introduction of pre-export finance, the ITFC ensures farmers that they will be paid on time and fairly. Consequently, motivation is enhanced and producers are ready to allocate more land to the cotton culture.

The ITFC has also customized a solution for foreign exchange risk management. On the one hand, cotton trades in the US dollar and the IDB Group operates in the US dollar. On the other hand, Burkina Faso is a CFA country and the CFA is pegged to the euro. The ITFC's solution provided protection against USD/EUR fluctuation.

*Honorable mention: Tadau Energy and Scatec*

*Shortlisted for DOTY 2017*

**SOVEREIGN: KSA SUKUK COMPANY (MINISTRY OF FINANCE SAUDI ARABIA)**

Size:	US\$9 billion in two equal tranches of five and 10 years
Arrangers:	Citi, HSBC, JPMorgan
Bookrunners:	Citi, HSBC, JPMorgan, BNP Paribas, Deutsche Bank, NCB Capital
Lawyers:	For the issuer: Latham and Watkins; Law Office of Salman M Al-Sudairi in association with Latham & Watkins and for the arrangers: White & Case; Law Firm of AlSalloum and AlToaimi in association with White & Case
Rating:	Fitch: 'A+' (Stable outlook)/Moody's: 'A1' (Stable outlook)
Date closed:	20 <sup>th</sup> April 2017
Shariah advisors:	Shariah advisory boards of Citi Islamic Investment Bank, HSBC Saudi Arabia, JPMorgan Securities, Deutsche Bank, London Branch, BNP Paribas and NCB Capital Company

Oman, Turkey and Indonesia all came back to the market in 2017. Oman's new sovereign Sukuk issuance was notable for both being a US dollar issuance and an Ijarah. In addition to their pure sovereign issue, the Turkish Grain Board accessed the market with its first Islamic security.

The standout deal in 2017 was the Saudi Arabian US dollar issuance in Reg S and 144A formats. Saudi Arabia's maiden international Islamic offering is the largest global Sukuk ever launched. Counsel White & Case worked to assure that the hybrid (Tawarruq and Mudarabah) transaction would take into account the new risk retention rules affecting US investors. The Mudarabah wing allowed participating in national assets without violating foreign ownership restrictions.

*Honorable mention: Oman and Toprak Mahsulleri Ofisi (Turkish Grain Board) via SPV — KT Sukuk Varlik Kiralama*

**STRUCTURED FINANCE: SKYWORLD CAPITAL**

Deal size:	RM50 million (US\$12.64 million) tranche under RM600 million (US\$151.62 million) Musharakah program and RM41 million (US\$10.36 million) under RM400 million (US\$101.08 million) Murabahah program
Arrangers:	NewParadigm Capital Markets and United Overseas Bank (Malaysia)
Lawyers:	Adnan Sundra & Low for the arrangers
Rating:	RM600 million (US\$151.62 million) Sukuk Musharakah Islamic medium-term note program rated 'AA3/Stable' by RAM Ratings RM400 million Sukuk Murabahah Islamic commercial paper program unrated
Guarantor:	Danajamin Nasional for the Sukuk Murabahah
Date closed:	8 <sup>th</sup> December 2017
Shariah advisor:	Dr Mohd Daud Bakar

There were a large number of structured transactions that tinkered at the margins with proven concepts such as Abu Dhabi Islamic Bank's Wakalah structure based on Tabreed's refrigeration capacity. There was also Dubai Islamic Bank (DIB)'s novel approach to work in progress finance via Mudarabah for PNC Investments.

SkyWorld Capital is a subsidiary and special-purpose funding vehicle for SkyWorld Development. The SkyWorld transaction goes beyond the Mudarabah concept tested by DIB and applies a hybrid structure. The Musharakah covers the work in progress elements whereas a Tawarruq wing covers working capital aspects of the project.

The Musharakah note program is structured to participate in the affordable housing sector and allows SkyWorld to unlock capital relating to unbilled housing transactions. Proceeds from the Sukuk Musharakah are used to purchase the beneficial interest to the sales and purchase agreements signed in relation to the units in a development project and defray transaction expenses.

As and when required, proceeds from the Sukuk Murabahah will be used to cover cost overruns and bridge any timing mismatch between progress billing receipts and ongoing construction costs under the development project, as well as any shortfall in the payment of the Sukuk Musharakah senior profits and senior expenses, including contingent fees.

This landmark Islamic Sukuk transaction is a synthetic securitization of progress billings. The issuance is in support of a specific residential development project. Instead of the traditional approach of relying on the developer's credit, this transaction focuses on the end user's payments.

*Honorable mention: PNC Investments and National Central Cooling Company (Tabreed)*

<b>SUKUK: GAP INSAAT YATIRIM VE DIS TICARET</b>	
Deal size:	US\$118 million
Arranger:	Aktif Bank Sukuk Varlik Kiralama
Lawyers:	Hogan Lovells (Middle East)
Rating:	Unrated
Date closed:	May 2017
Shariah advisors:	Assistant Professor Dr Ishak Emi Aktepe

Sukuk is always a highly contested sector. 2017 showed the largest-ever issuance from Saudi Arabia, the novel Mazoon Ijarah from Oman, Equate's unique hybrid and Saudi Aramco's debut transaction. And then there is Aktif Bank in Turkey always testing new concepts.

This Mudarib is Turkish construction company GAP Insaat Yatirim ve Dis Ticaret. The Mudarabah invests in an office building under construction and its land in Istanbul. The well-located property is under construction. Upon completion, the building will have 30 stores as well as corporate office space. Not only is the use of a Sukuk Mudarabah for construction unusual, but Hogans Lovells also advised Aktif Bank on the first Sukuk ever to be listed on the Global Exchange Market (GEM) of the Irish Stock Exchange. While the Irish Stock Exchange has listed many Sukuk, this is the first Sukuk for the GEM, which is one of the fastest-growing debt listing markets in Europe.

*Honorable mention: Equate, Aramco, Mazoon Assets and KSA Sukuk*

<b>Shortlisted for DOTY 2017</b>	
<b>SYNDICATED: AIRPORT FINANCING COMPANY FZE (FINCO)</b>	
Deal size:	AED5.05 billion (US\$1.37 billion)
Arrangers and bookrunners:	Islamic tranche: Abu Dhabi Islamic Bank, Dubai Islamic Bank, Abu Dhabi Commercial Bank, First Abu Dhabi Bank, Noor Bank, Citibank, Standard Chartered Bank
Lawyers:	Allen & Overy for the obligor and Linklaters for the banks
Traffic consultants:	Nyras
Rating:	Unrated
Date closed:	17 <sup>th</sup> May 2017
Shariah advisors:	Shariah supervisory board of Abu Dhabi Islamic Bank and Dar Al Sharia

Etihad Etisalat Company (Mobily) raised SAR7.9 billion (US\$2.1 billion) via Tawarruq in a complex refinancing syndication that included export credit agencies. Bank Maybank Indonesia led the largest Shariah compliant financing ever for Indonesia with the IDR4.3 trillion (US\$323.3 million) Musharakah with Perusahaan Listrik Negara (Persero), the national infrastructure development company. Abu Dhabi Islamic Bank also took on the capacity re-marketing challenge with National Central Cooling Company (Tabreed).

FINCO represented a creative approach to multi-source syndicated financing for the ongoing improvements at Dubai's two airports Dubai International Airport as well as the Al Maktoum International Airport. In May 2017, FINCO launched its debut financing with a US\$1.63 billion seven-year conventional syndication and an AED5.05 billion (US\$1.37 billion) seven-year Ijarah/ Islamic parallel syndication. The Ijarah facility is backed by a sub-Musatahah right.

The final bank group consisted of 12 international and local banks which acted as joint mandated lead arrangers and joint bookrunners. The facilities were heavily oversubscribed by more than 50%, which is a continued demonstration of the support for the Dubai government initiatives and confirming the strength of the Department of Finance's bank relationships and credit profile. The platform is flexible and allows for the piecemeal integration of multiple Shariah compliant financing products including Ijarah, Murabahah, Wakalah and various Sukuk structures.

*Honorable mention: Tabreed, Mobily and Perusahaan Listrik Negara*



**TRADE FINANCE: CHAD INDUSTRIES COMPANY (ABBASSI GROUP)**

Deal size:	EUR5 million (US\$6.12 million)
Financier:	ITFC
Lawyers:	In-house
Guarantor:	Societe Generale
Trustee:	GAFCO/Abbassi Group
Rating:	Unrated
Date closed:	June 2017
Shariah advisors:	Shariah supervisory board of ITFC

In 2017, the ITFC led the way. As is their habit, they keep pushing frontier markets. Turkey too featured with important trade-related transactions for the Turkish Grain Board and Yildirim Holding. Chad has not yet featured in the international Islamic market. Therefore, the ITFC's facility to finance raw materials for Chad Industries Company's production of carbonated soft drinks, bottled water, seasoning products and powdered milk features at the top of a well-contested group. Founded in 2012 by the Abbassi family, the company is seeking to move food processing to Chad. Chad is a land-locked country where trading is vital for the economy. Developing its own food processing helps to control the value chain. The transaction also supports the diversification of foodstuff producers within the country. The transaction is guaranteed by Societe Generale Tchad. The sales proceeds are deposited in a collection account in the local currency (XAF) and then transferred to the ITFC in euros.

*Honorable mention: Toprak Mahsulleri Ofisi (Turkish Grain Board) and Societe Burkinabe des Fibres Textiles*

### DOTY Shortlist

Nearly 30 transactions were nominated for Deal of the Year. SOFITEX, Scatec and FINCO and many more acronyms represented new frontiers for Islamic finance. SOFITEX for bringing Islamic pre-export finance to a new country, Scatec for bringing new global parties to Egypt for solar finance and FINCO for introducing platform financing to the GCC.

New sovereigns like Saudi Arabia joined returning sovereigns like Oman and Indonesia. The former broke records while the latter two tweaked their models.

Technology was ever present. Delivery Hero acquired another Kuwaiti app. Parties in London, Riyadh, Dubai and Mauritius cooperated to launch Souqalmaal.

Malaysia's Sime Darby brought three landmark deals to bear. In a deleveraging exercise, the diversified corporation issued perpetual Sukuk and new shares. Sime Darby also entered the renewable and sustainable energy field.

The banks were hyperactive. Warba issued a Tier 1 Sukuk facility that accommodated the newness of the bank. Al Baraka Banking Group issued the first sub-investment grade Tier 1 capital Sukuk facility from the GCC, which was also the first Tier 1 Sukuk for a Bahraini Islamic bank.

Alternative energy was prominent. Real estate was somewhat less prominent. Several real estate nominations highlighted their greenness. 🌱

### IFN Deal of the Year 2017: Shortlist

2017 was an exceptional year for the Islamic capital market, and there were numerous deals worthy of consideration for the final shortlist. This year, the winning transaction will be announced with due ceremony at the IFN Awards Gala held at the Ritz-Carlton DIFC on the 11<sup>th</sup> March 2018. The five included on this prestigious shortlist are:

- **ABG Sukuk:** This regulatory capital Sukuk for the Al Baraka Banking Group was a testament to the resilience of Bahrain. It was also an affidavit for the importance of unrated emerging market banking groups.
- **Quantum Solar Park (Semenanjung):** The project financing contributed to national sustainable energy goals in Malaysia as a green socially responsible Sukuk. It also won recognition as a zero emission project.
- **KSA Sukuk:** The GCC's G20 champion came to market with an inventive approach to the hybrid asset-light structure. And it came out with the biggest issuance of any Sukuk ever.

- **Airport Financing Company FZE (FINCO):** FINCO represents an ingenious combination. The importation of platform-based syndication in tandem with the adoption of a novel Ijarah-based concept.
- **Scatec Solar for six companies:** Aswan PV Power, Kom Ombo for Renewable Energy, Red Sea Solar Power, Upper Egypt Solar Power, Zafarana Solar Power, Daraw Solar Power; and Banque Misr: Scatec is green-squared: solar power and Islamic finance. The deal brings European green energy investors and producers together with development banks to address Egypt's power needs in a clean and sustainable way.

Each of these transactions represented innovation, new players, and thinking out of the box. Each brought something new to the global and local Islamic finance markets and each has a worthy claim to the crown. However, only one deal can win the ultimate honor. Find out in March which deal came top for 2017.

# IFN Best Banks Poll 2017: A new firmament of stars



widest-ever range of votes, IFN is delighted to announce the winners of the Best Banks Poll 2017.

## Regulatory strength

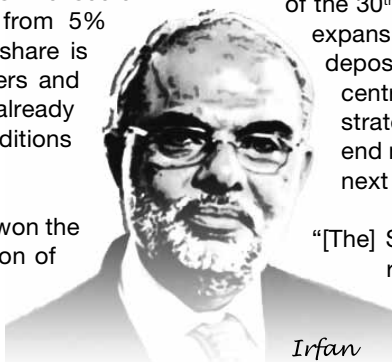
The regulators play an essential part in supporting, developing and encouraging a country's Islamic finance industry, and the role of the central bank is vital to creating a conducive environment for growth. Always a closely fought contest, this year the crown of **Best Central Bank in Promoting Islamic Finance** goes to last year's runner-up: the State Bank of Pakistan (SBP).

The results are in, the ballots have been counted and we can finally reveal the top names for 2017 — as voted for by the industry itself. The IFN Best Banks Poll honors the leading players across 36 categories and countries, representing the very best of global Shariah compliant performance. Now in its 13<sup>th</sup> year, we are proud to once again announce the annual results of these prestigious awards.

It has been another turbulent year for the Islamic banking industry, with a few curveballs thrown in to create challenges both expected and surprising. In some jurisdictions, the banking landscape has undergone a seismic shift with mergers and acquisitions altering the financial landscape. In others, geopolitical tensions have impeded operations, or political tumult has altered expectations. And of course, Islamic banks continue to face external pressures. The continued pressure on oil prices, the gradual hiking of the Federal Reserve rate, the tightening liquidity across key markets have all contributed to a challenging operating environment.

Yet despite these challenges, Islamic banks have continued to deliver impressive results and exceptional progress — in many cases performing better than their conventional counterparts. In the UAE, the assets of Islamic banks grew by 8.5% in 2017 compared to just 3% for conventional banks. In Turkey, Fitch expects Islamic banking growth to outpace the overall sector in 2018 as the sector strives to increase its market share from 5% to 15% by 2025. In Malaysia, market share is touching 30% while the slew of mergers and acquisitions activity could reshape an already robust market. Clearly, economic conditions are not impacting financial ambitions.

So who came out on top in 2017? Who won the support of their peers and the admiration of their competitors? Which banks led the market amid such turbulent times? With an excellent response and our



“ **ADIB has committed significant time and resources to introduce new innovative ways that can enable clients to conduct their private banking transactions in a flexible, convenient and effective manner** ”

The SBP has demonstrated impressive dedication toward rebuilding Pakistan's Islamic banking sector, providing strong support and building deep foundations on which the industry can now stand. In 2017, the bank introduced a wide range of new measures designed to encourage growth — such as issuing detailed guidelines on how to convert from a conventional to an Islamic bank, amending the Shariah governance framework to require external auditing, implementing tax neutrality for Islamic transactions and launching a new SME finance policy to support entrepreneurship. According to its Islamic Banking Bulletin of the 30<sup>th</sup> June 2017, Islamic banking witnessed a 16.6% expansion in assets in the first half of the year while deposits increased by 17.7% — a representation of the central bank's success. With the country's four-year strategic plan for the Islamic banking industry due to end next year, it will be interesting to see what comes next for this pioneering regulator.

“[The] SBP is undertaking a number of initiatives for a robust Shariah governance framework and an enabling regulatory environment for the Islamic banking industry. Developing Islamic banking

is also an integral part of Pakistan's National Financial Inclusion Strategy," said Ghulam Muhammad Abbasi, the SBP's director of Islamic banking. "This IFN award is an acknowledgment of [the] SBP's efforts for the development and promotion of Islamic banking in Pakistan."

In second place came the legendary Bank Negara Malaysia, winner in 2016. Over the last year, the Malaysian central bank has continued to demonstrate the innovation, integration and industry optimization for which it has achieved worldwide renown. Most recently, the bank issued a new exposure draft for its Shariah governance framework for Islamic financial institutions, while 2017 also saw draft regulations on cryptocurrencies, the launch of a new affordable Takaful scheme, a compendium of regulatory standards for Islamic products, the establishment of a regulatory sandbox for fintech firms, and much more.

**“ Standard Chartered Bank, through its Islamic arm Saadiq, continues to play a leading role in Islamic finance globally and in the region, being the only international bank offering Shariah compliant products and services ”**

### Commercial coverage

The support of Pakistan's central bank has clearly made an impact, and the country's Islamic institutions are thriving. This year, Meezan Bank took the crown for **Best Islamic Retail Bank**, while it also won the award for **Best Islamic Bank in Pakistan** (runner-up: Dubai Islamic Bank Pakistan). The bank is one of the leading Islamic institutions in Pakistan, with a network of 600 branches in over 150 cities.

"Meezan Bank started with a dream of making Islamic banking as banking of first choice. Ever since our inception, our energies have been dedicated toward establishing Meezan as the pioneer — and indeed, as the gold standard — in an ever-widening array of Islamic financial services, through constant innovation, outstanding service and an unwavering commitment to Shariah standards," said president and CEO Irfan Siddiqui. "As we commemorate 15 years of Meezan Bank, it is truly humbling for us to be recognized as not only the Best Islamic Bank in Pakistan, but also the Best Retail Bank in the global Islamic banking industry. All praise is to Allah Almighty for all what we have achieved. We hope and pray

that our efforts at Meezan Bank inspire, enable and foster many more endeavors across the globe, toward better financial solutions for all."

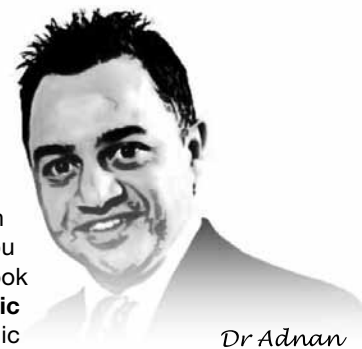
However, Gulf banks also put in a strong showing this year. Abu Dhabi Islamic Bank (ADIB) took home the prize for **Best Islamic Private Bank**, with ADCB Islamic Banking coming in second place.

Despite a changing industry landscape, ADIB has remained a perennial top performer and reassuring presence in the GCC market. With a focus on new technologies and digital presence, the bank has stayed ahead of the pack by delivering top-notch customer service and innovative solutions to essential requirements.

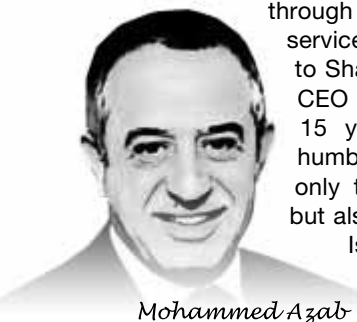
"We are delighted to be named Best Private Bank by IFN readers from around the world," said Mohammed Azab, ADIB's head of private banking. "ADIB has committed significant time and resources to introduce new innovative ways that can enable clients to conduct their private banking transactions in a flexible, convenient and effective manner. When combined with a highly personalized service delivered by industry-leading experts, clients are presented with a compelling offering enabling them to attain their financial goals. We look forward to building on this success in 2018 as we continue to unveil new innovative products and services to meet evolving customer needs."

Dubai Islamic Bank (DIB) also came up trumps this year, sweeping an impressive slew of awards including **Most Innovative Islamic Bank**, **Best Islamic Bank for Treasury Management** and **Best Islamic Bank in the UAE**, as well as runner-up for Best Islamic Retail Bank. DIB has transformed itself into one of the foremost Islamic institutions in the region, distinguished by its firm leadership, shrewd strategy and tactical expansion plans. In August, this success was rewarded with a ratings upgrade from Moody's Investors Service, up to 'A3' from 'Baa1', based on "significantly improved asset quality and provisioning coverage, solid and improving profitability, driven by the bank's strong Islamic franchise and lower impairments and sound capitalization and liquidity." The bank also recorded a 10% increase in net profits for 2017, marking a strong start to the year.

"DIB has been on an incredible journey of transformation over the last few years," said Group CEO Dr Adnan Chilwan. "Despite the challenges in the macroeconomic landscape in the recent past, the bank has delivered the best financial performance and results in its history. We focused on what we could control, rebuilt our brand and, today it makes us all proud and happy that the market is recognizing our accomplishments as well. Our growth strategy was built on the premise that opportunities exist, even in the most mundane of economic environments. This philosophy, approach and attitude is deeply ingrained within the franchise and will continue to drive us forward in the years to come."



*Dr Adnan*



*Mohammed Azab*



Finally, in our last global category, Standard Chartered emerged victorious to win **Best Islamic Trustee/Custodian**, followed closely by runner up CIMB Islamic Trustee. Since the launch of regional custody services in the Middle East in 2011, Standard Chartered has been one of the largest and most trusted providers, offering innovative solutions to keep customer assets safe.

*Asad*

"We are delighted to receive the 'Best Trustee/Custodian' award

in the 2017 IFN Best Banks Poll," said Rehan Shaikh, CEO of Standard Chartered Saadiq. "Standard Chartered Bank, through its Islamic arm Saadiq, continues to play a leading role in Islamic finance globally and in the region, being the only international bank offering Shariah compliant products and services covering retail, corporate and institutional clients across several geographies."

**“UIF is honored to have been voted Best Islamic Bank in the US three years in a row. The credit goes to our hardworking employees and our committed management team to deliver outstanding service to our customers”**

In October 2017, the bank took the next step in its journey by becoming the first custodian to join the blockchain user group of London-based fintech firm EquiChain. "Technology has the ability to bring seamless efficiency to capital markets and securities processing," said the global head of securities services, transaction banking, Margaret Harwood-Jones. "Having a major custodian like Standard Chartered Bank work together with a leading fintech, such as EquiChain, enables us to better utilize these technologies to co-develop innovative value propositions for our clients."

## Country champions

Moving on from our global categories, our comprehensive country awards recognize the top institutions in 29 Islamic finance jurisdictions around the globe. From global pioneers and industry stalwarts to new entrants in emerging markets, these winners represent the very best performances from domestic players — as voted for by their peers.

In Southeast Asia, one bank dominated the year. CIMB Islamic was voted **Best Islamic Bank in Malaysia** for the second

year running, while CIMB Niaga won **Best Islamic Bank in Indonesia** — confirming the success of the bank's regional expansion strategy. In both markets, Maybank Islamic (in Indonesia, Maybank Syariah Indonesia) took second place in a closely-fought contest that highlighted the strength of competition in both markets.

CIMB's success is a tribute to its new leader, Mohamed Rafe Mohamed Haneef, who took the reins as CEO of CIMB Islamic in 2015 and has steered the bank through the turbulent waters of the past two years. Since taking over, the bank has focused on financial inclusion — launching, enhancing or converting over 80 products to Shariah compliance and raising awareness as to their benefits. With the announcement in December 2017 of a RM10 billion (US\$2.5 billion) Sukuk program, the bank looks poised for further success in the coming year.

In Brunei, it will come as no surprise that once again Bank Islam Brunei Darussalam won the top spot for **Best Islamic Bank in Brunei** by a comfortable margin, with Perbadanan Tabung Amanah Islam Brunei (TAIB) coming second.

Islamic Bank of Thailand once again came top in its own market, winning **Best Islamic Bank in Thailand** with CIMB Thai again in second place. In **Australia**, Best Islamic Financial Institution went to Amanah Islamic Finance, a pioneering mortgage manager that has worked tirelessly to fill the gap for Shariah compliant mortgages in the Australian marketplace, while second place was won by National Australia Bank. "The cornerstone of our business is home finance based on global Shariah standards which is delivered through customer service excellence. We're very pleased the market has recognised us as the best Islamic finance institution in Australia," said Amanah Islamic Finance CEO Asad Ansari.

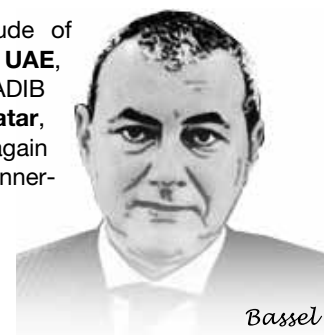
In Japan, Bank of Tokyo Mitsubishi UFJ yet again took home the prize for **Best Japanese Islamic Bank**, chased once more by Sumitomo Mitsui Banking Corporation.

Over in South Asia, LOLC Al-Falaah won the top prize for Sri Lanka (**Best Islamic Bank in Sri Lanka**) while Amana Bank took second place. Islami Bank Bangladesh won the Bangladesh award (**Best Islamic Bank in Bangladesh**) for the 10<sup>th</sup> time, marking a full decade of unbroken success, which deserves sincere and hearty congratulations, while Al Arafah Islamic Bank was voted runner-up.

## Gulf glory

The Middle East saw a multitude of repeat winners this year. In the **UAE**, DIB retained its 2016 title while ADIB again came second place. In **Qatar**, Qatar Islamic Bank (QIB) once again took the top spot, with QIIB as runner-up.

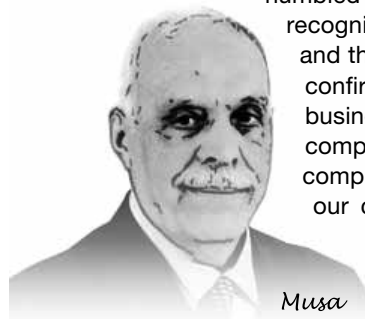
Commenting on the award, QIB's Group CEO Bassel Gamal stated: "We are always



*Bassel*



humbled by the recognition we receive from recognized, independent publications and their readers. This award is another confirmation to the success of our business strategy which is to offer a complete, modern and efficient Shariah compliant banking proposition keeping our customers' interests at the heart of everything we do. Our success stems from our core belief that we are here to support the country's economy, all



Musa

companies operating and all individuals living and working in Qatar."

In **Saudi Arabia**, Al Rajhi Bank was again voted number one, while Bank AlBilad came in second. In **Kuwait**, Kuwait Finance House deserves a cheer for maintaining its unbroken winning streak to achieve 13 consecutive years at the top of the charts, while Al Rajhi Bank Kuwait took second place.

There were some changes, however. This year, the National Bank of Oman's Islamic banking arm Muzn took the crown from 2016 winner Meethaq Islamic Banking by Bank Muscat, while Bank Nizwa was again voted second. In **Bahrain**, a role reversal saw 2016 runner-up Al Baraka Islamic Bank overtake Bahrain Islamic Bank for the top spot.

In the wider Middle East, Albaraka Bank Syria won **Best Islamic Bank in Syria** while in **Yemen** the prize was won by the Islamic Bank of Yemen. In the Palestine Territories, Arab Islamic Bank took the top spot (runner-up: Palestine Islamic Bank) and in **Lebanon**, Al Baraka Lebanon took back the prize it lost last year, with Lebanese Islamic Bank coming in second.

Once again, Jordan Islamic Bank was voted **Best Islamic Bank in Jordan** with Islamic International Arab Bank again coming second. "We consider this award a recognition of the success of Jordan Islamic Bank, which will assist our plans to enhance our Islamic banking services," said CEO Musa Shihadeh.

In **Iran**, a shake-up saw Bank Mellat knocked off the top spot by newcomer Ansar Bank, with Iran Zamin Bank coming second.

## Out of Africa

The African continent is one of the most exciting regions for Islamic finance growth, and has become increasingly prominent over the past few years as more and more industry players become aware of its impressive potential and vast opportunities for Islamic banking. As the marketplace becomes more competitive, new jurisdictions jump on the bandwagon and new players emerge to challenge the status quo.

In **Sudan**, 2016 winner Al Baraka Sudan was knocked into second place this year by Faisal Islamic Bank, one of the country's oldest and most venerable institutions and a stalwart of the Islamic banking landscape.

The Egyptian arm of Albaraka won **Best Islamic Bank in Egypt** yet again, with ADIB Egypt coming a close second, while at the tip of the continent Al Baraka Bank South Africa took top position with Standard Bank as runner-up.

In **Kenya**, Gulf African Bank held onto its crown while surprise entrant Barclays Kenya was voted into second place, suggesting that the big international players could also now be looking at the Islamic market with renewed interest.

Finally, in a new category this year following the long-awaited approval of five Islamic banks at the start of 2017, the award for **Best Islamic Bank in Morocco** goes to Attijariwafa Bank (Bank Assafaa), with Umnia Bank in second place.

## Western wins

Moving in a westerly direction, **Turkey** also saw a shakeup in 2017 with Kuveyt Turk Katilim Bankasi taking the top spot, beating last year's winner Al Baraka Turk into second place. The bank has had a robust year, building on past successes to become one of the most influential pioneers in the Islamic marketplace.

"We are delighted to be honored with this award as a sign of our leadership in the sector and the trust of our customers," said CEO Ufuk Uyan. "We have been providing innovative banking services to our customers for nearly 30 years and we endeavor to continuously improve these services. In addition to providing our customers with the best solutions, we continue to provide innovative products and services to our sector with the aim of continuing the development of participation banking. I would like to thank all of our employees who have contributed to this achievement of our bank, which possesses Turkey's first R&D Center, established the first portfolio company that manages participation funds in a special structure, introduced the participation banking concept to Europe, and supports innovative ideas through our newly established Entrepreneurship Center with the aim of providing added value to [the] Turkish economy."

In the **UK**, Bank of London and The Middle East (BLME) fell to second place as Al Rayan Bank stormed in to take the crown for the first time. The Qatar-owned bank is the oldest and largest in the country, now serving over 80,000 customers. It had an exceptional year in 2017, including the milestone in November of becoming the first ever Islamic bank in the UK to receive a public credit rating — 'Aa3' from Moody's — and announcing plans for a potential Sukuk in 2018. A plethora of new products was introduced including a new 24-month cash individual savings account and a new 90-day notice account and the bank regularly tops UK-wide league tables.

"I'm delighted that Al Rayan Bank has been named



Sultan

the Best Islamic Bank in the UK by IFN,” said CEO Sultan Choudhury. “In an increasingly competitive environment, awards such as this are testament to the longevity and enduring appeal of the bank, as well as its ability to succeed in a range of markets. The next 12 months will see the bank continue to grow, launch innovative new products and move into the new and exciting markets. So I very much hope that we are able to retain this prestigious title in 2019.”

Finally, in the **US** the title of Best Islamic Bank was awarded to UIF Corporation, the parent of 2016 winner University Islamic Financial (UIF), while Guidance Financial came in second. With average annual revenue growth of 23.1% over the past five years, the bank has been growing in leaps and bounds — and in 2016, American Banker listed it as the most profitable publicly traded bank in the whole of the US, based on its return on equity of 25.25%.

“UIF is honored to have been voted Best Islamic Bank in the US three years in a row,” said Aijaz Hussain, UIF’s senior vice-president and sales director. “The credit goes to our hardworking employees and our committed management team to deliver outstanding service to our customers. In the end, this honor is bestowed upon us by our customers who took the time to recognize our efforts. Thank you IFN for creating a platform that allows customers to distinguish top performers in our industry!”

## The one we’ve all been waiting for...

Of course, there is one final award that has not yet been revealed... the crème de la crème, the king of the hill, the crown of crowns: IFN Best Overall Islamic Bank 2017.



IFN is delighted to reveal that **Dubai Islamic Bank** for the

third year running has scooped the top prize, making it not only our Best Overall Islamic Bank 2017 but our most prolific winner across the board with a total of four wins in this year’s categories. One of the industry’s shining stars, DIB has surpassed itself amid challenging circumstances this year to achieve yet another thoroughly well-deserved success.

IFN extends its most sincere congratulations to all the successful institutions, and it is a privilege to recognize your immense achievements over the past 12 months. We thank you for your commitment, your dedication, your support and your service, and we look forward to seeing all the winners at our Awards Ceremony in Dubai on the 11<sup>th</sup> March to honor you in a whole-hearted celebration of your success. 🎉

### Best Islamic Bank by Sector

#### BEST CENTRAL BANK IN PROMOTING ISLAMIC FINANCE

**1<sup>st</sup>: State Bank of Pakistan** 2<sup>nd</sup>: Bank Negara Malaysia

#### BEST ISLAMIC PRIVATE BANK

**1<sup>st</sup>: Abu Dhabi Islamic Bank** 2<sup>nd</sup>: ADCB Islamic Banking

#### BEST ISLAMIC RETAIL BANK

**1<sup>st</sup>: Meezan Bank** 2<sup>nd</sup>: Dubai Islamic Bank

#### MOST INNOVATIVE ISLAMIC BANK

**1<sup>st</sup>: Dubai Islamic Bank**

#### BEST ISLAMIC TRUSTEE/CUSTODIAN

**1<sup>st</sup>: Standard Chartered** 2<sup>nd</sup>: CIMB Islamic Trustee

#### BEST ISLAMIC BANK FOR TREASURY MANAGEMENT

**1<sup>st</sup>: Dubai Islamic Bank**

**Note: Red, Bold: winner; Unbold: Runner-up**

**IFN FORUM**  
**ASIA**  
**2018**

Acknowledged by the global industry as the premier Shariah finance gathering in the region, IFN Asia Forum will be back in Kuala Lumpur in May 2018. Adopting a new one-day format, the biggest Shariah finance event in Asia will deliver greater impact through a mix of panel sessions, onstage interviews and interactive sessions running concurrently with multiple streams dedicated to the most pertinent and talked-about segments of the industry.

REDmoneyevents.com

Date: 7<sup>th</sup> May 2018  
Venue: Mandarin Oriental Hotel,  
Kuala Lumpur

### Best Islamic Bank by Country

#### EUROPE

##### TURKEY

**Kuveyt Turk Katilim Bankasi**

*Al Baraka Turk*

##### UK

**Al Rayan Bank**

*Bank of London and The Middle East*

#### INDIAN SUBCONTINENT

##### BANGLADESH

**Islami Bank Bangladesh**

*Al Arafah Islamic Bank*

##### PAKISTAN

**Meezan Bank**

*Dubai Islamic Bank Pakistan*

##### SRI LANKA

**LOLC Al-Falaah**

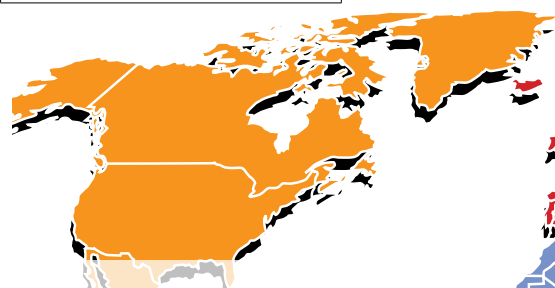
*Amana Bank*

#### THE AMERICAS

##### US

**UIF Corporation**

*Guidance Financial*



#### AFRICA

##### EGYPT

**Al- Baraka Bank (Egypt)**

*ADIB Egypt*

##### KENYA

**Gulf African Bank**

*Barclays Kenya*

##### SUDAN

**Faisal Islamic Bank**

*Al Baraka Bank Sudan*

##### SOUTH AFRICA

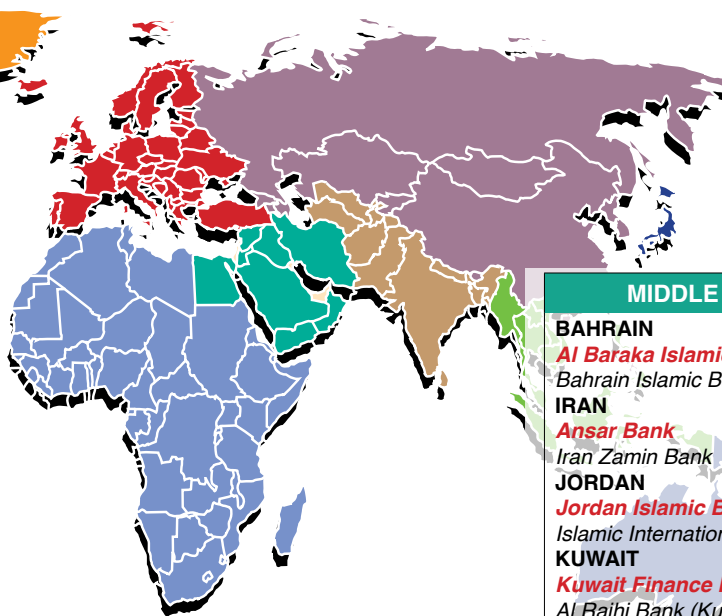
**Al Baraka Bank**

*Standard Bank*

##### MOROCCO

**Bank Assafaa**

*Umnia Bank*



#### MIDDLE EAST

##### BAHRAIN

**Al Baraka Islamic**

*Bahrain Islamic Bank*

##### IRAN

**Ansar Bank**

*Iran Zamin Bank*

##### JORDAN

**Jordan Islamic Bank**

*Islamic International Arab Bank*

##### KUWAIT

**Kuwait Finance House**

*Al Rajhi Bank (Kuwait)*

##### LEBANON

**Al Baraka Lebanon**

*Lebanese Islamic Bank*

##### OMAN

**Muzn Islamic Banking**

*Bank Nizwa*

##### PALESTINE

**Arab Islamic Bank**

*Palestine Islamic Bank*

##### QATAR

**Qatar Islamic Bank**

*QIIB*

##### SAUDI ARABIA

**Al Rajhi Bank**

*Bank Al Bilad*

##### SYRIA

**Albaraka Bank Syria**

##### UAE

**Dubai Islamic Bank**

*Abu Dhabi Islamic Bank*

##### YEMEN

**Islamic Bank of Yemen**

#### SOUTHEAST ASIA

##### BRUNEI

**Bank Islam Brunei Darussalam**

*Perbadanan Tabung Amanah*

*Islam Brunei*

##### INDONESIA

**CIMB Niaga**

*Maybank Syariah*

##### MALAYSIA

**CIMB Islamic**

*Maybank Islamic*

##### THAILAND

**Islamic Bank of Thailand**

*CIMB*

#### ASIA PACIFIC

##### AUSTRALIA

**Amanah Islamic Finance Australia**

*National Australia Bank*

##### JAPAN

**Bank of Tokyo Mitsubishi UFJ**

*Sumitomo-Mitsui Banking Corporation*

Note: Red, Bold: winner; Unbold: Runner-up

# IFN Law Awards 2017: A triumphant return to glory



**Finding 2017's best law firm involved analyzing the performance of the Magic Circle and White Shoe firms and some very strong upstarts. Firms which were once quite parochial have used Islamic finance to go global. Some firms have taken a leading role in building new markets. Others have made dramatic contributions as the pioneers of new products and services.**

Following two years of political and economic uncertainty, 2016 ended better than 2015. So far, 2017 has had a robust start thanks to Saudi Arabia's maiden Sukuk. The business of business has come front and center. Banking nominations led the way and capital markets trailed with a new twist. In addition to Sukuk, firms hoisted the REIT flag in Saudi Arabia and Malaysia. Project finance nominations slipped a bit compared to 2016. Real estate remained robust with more nominations than the REIT category. Surprisingly, energy and natural resource nominations flagged.

Some categories, such as fintech, displayed their novelty — while others, like private equity, showed innovation. The expansion of new markets was prevalent. A big challenge for legal nominees was cross-border restructuring: with Singaporeans collecting in Saudi Arabia and Qataris reorganizing Spanish deals, among others. Mergers and acquisitions required complex global consents as regulated entities in the UAE combined.

As the importance of moving forward weighed on the markets, Saudi Arabia spearheaded the revival of 2016-17. Perhaps each firm feels that the last year has been tough on transaction volumes. Nonetheless, the year allowed each firm to address complex and challenging client needs successfully. Even if Malaysia, the UAE and Saudi Arabia remain the pillars of the market, the new horizons in Africa, Australia and North America were touched upon with models for future growth.

Pakistani projects also helped Chinese financiers to touch base with Islamic finance. Perhaps, the 'One Belt, One Road' projects

will take the Chinese from an inter-creditor status to a co-Islamic financier status. Many of the contenders are globally positioned to support Islamic finance.

## Asset Management & Funds: Herbert Smith Freehills

King & Spalding seems to have single-handedly built the Saudi Arabian REIT market. Linklaters worked on a unique UCITS product designed to be sold in Malaysia. Simmons & Simmons continued its thought leadership role with SEDCO while expanding into multilateral infrastructure funds focused on Africa.

In 2017, Herbert Smith Freehills achieved two outstanding benchmarks. The first was to support Griffon Capital (Cayman Islands) in launching an open-ended fund focused on investment in publicly traded securities listed on the Tehran Stock Exchange. Griffon Capital was one of the very first fund managers to successfully launch a fund focused on investment in Iran, following the lifting of a majority of the EU and US secondary sanctions on Iran in January 2016.

The second was to guide Arqaam Islamic Funds (OEIC) on the establishment of a Shariah compliant open-ended investment fund incorporated in the Dubai International Financial Center (DIFC). The fixed income fund aims to provide the investors with Shariah compliant returns from Sukuk and other instruments. The fund by Arqaam Islamic Funds is a Shariah compliant open-ended investment fund incorporated in the DIFC. As a DIFC public fund, it is subject to the highest level of regulation by the Dubai Financial Services Authority (DFSA). The fund's umbrella structure allows for the addition of sub-funds. This fund is one of only four public funds registered and approved by the DFSA.

The Griffon and Arqaam achievements follow Herbert Smith Freehills's work with Rasmala in 2016. The firm advised Rasmala on the corporate, finance and real estate aspects of setting up a Shariah compliant real estate fund.

*Honorable Mention: King & Spalding, Simmons & Simmons and Linklaters.*

## Banking & Finance: Allen & Overy

Clyde & Co made a significant leap into the rankings with deals for Natixis/Alhokair, Costra, British Arab Bank and Qatar First Bank. The firm's footprint has enjoyed qualitative expansion. This allowed Clyde & Co to expand its geographic presence and attract new client types. White & Case soldiered on with Saudi,



Nasser Al-Hamdan, managing partner and global head of Islamic finance, Herbert Smith Freehills



UAE and Egyptian transactions. Hammad & Al-Mehdar Law Firm supported Malaysia's EXIM Bank in a Saudi transaction, worked on Saudi home loans and other notable, diversified Saudi Arabian deals. Last year, Australia was represented by a number of Tawarruq deals. It still flies high with Madison Marcus. Al Hossam Legal in Kuwait is the one to watch in the future: they worked on more than 80 deals, notably in M&A, during their first year of operation.

Allen & Overy played the lead in advising the Department of Finance for the government of Dubai, the Investment Corporation of Dubai and Dubai Aviation City Corporation as the sponsors on the establishment of Airport Financing Company FZE (AFC). AFC is a structured Islamic and conventional financing platform and is designed to fund the expansion and development of Dubai International Airport, as well as the transformation of Al Maktoum International Airport into the primary airport for Dubai.

The AFC transaction involved the development of a flexible funding platform. The platform can facilitate the piecemeal integration of multiple financing products including Ijarah, Murabahah, Wakalah and various Sukuk structures. The multisource platform is designed to potentially involve conventional debt and capital market products as well as Islamic. The first phase of financing was signed in May 2017 and included a AED5.05 billion (US\$1.37 billion) Ijarah facility backed by a sub-Musataha right. This is not the first Musataha deal in the UAE, but it is certainly the most complex.

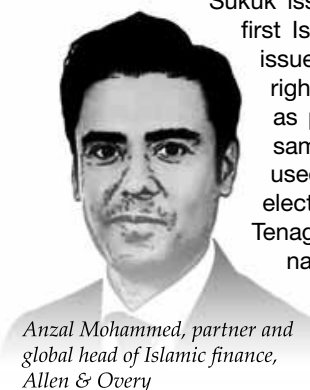
Allen & Overy was very active in the UAE and also supported the complex restructuring of a Spanish transaction for QInvest.

*Honorable Mention: Clyde & Co, White & Case, Hammad & Al-Mehdar Law Firm and Marcus Madison Law Firm.*

## Capital Markets: Linklaters

The talk of 2017 is the Kingdom of Saudi Arabia's maiden Sukuk. White & Case advised on this as well as the Sukuk issuances of Saudi Aramco, ICD (IDB Group) and Kuwait's EQUATE. King & Spalding broke new ground with the first South American Sukuk for Suriname and seemingly countless Saudi Arabian REITs. Norton Rose Fulbright showed depth from Turkey to Bahrain to Malaysia.

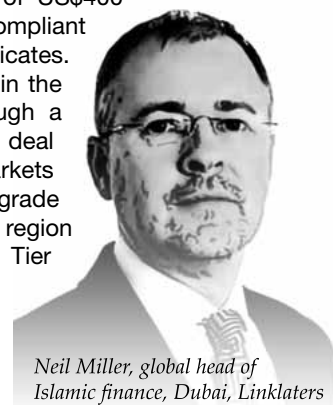
Linklaters showed a remarkable global reach. Transactions included TNB Global Venture Capital's US\$750 million Sukuk due 2026 under their US\$2.5 billion multicurrency Sukuk issuance program. The deal is the first Islamic program from a Malaysian issuer to include Ijarah assets, shares, rights to services and receivables as possible asset classes under the same program. The initial issuance used a 100% rights to provide electricity services in Malaysia by Tenaga Nasional, the Malaysian national electricity company.



*Anzal Mohammed, partner and global head of Islamic finance, Allen & Overy*

The firm also helped Bahrain's Al Baraka Banking Group

(Al Baraka) in the issuance of US\$400 million-worth of Shariah compliant additional Tier 1 capital certificates. The proceeds were invested in the business of Al Baraka through a Mudarabah structure. The deal was the first debt capital markets offering by a non-investment grade bank established in the Gulf region and was also the first-ever Tier 1 Sukuk to be issued in the Kingdom of Bahrain.



*Neil Miller, global head of Islamic finance, Dubai, Linklaters*

Tier 1 Sukuk were important to Linklaters which also worked on Qatar International Islamic Bank's QAR100 million (US\$26.53 million) additional Tier 1 capital Sukuk issuance. This is the first-ever Tier 1 Sukuk in the form of a Musharakah in the GCC. And the firm also advised on the issuance of US\$250 million-worth of Tier 1 capital certificates by Warba Tier 1 Sukuk with Warba Bank as the obligor as well as the National Commercial Bank's SAR1.3 billion (US\$346.25 million) fixed rate reset Tier 1 capital Sukuk issuance.

Linklaters supported First Gulf Bank prior to its merger with National Bank of Abu Dhabi by assisting with the global consent solicitation in relation to 28 series of outstanding bonds and Sukuk with an aggregate nominal amount of approximately US\$3 billion issued by the merging banks.

There were many more deals including those for Emaar Properties, Barwa Bank, Ezdan Sukuk Company, QIB Sukuk, Bagan Capital (Khazanah Nasional), Hong Kong Sukuk 2017 and Sime Darby.

Linklaters joined the all-star team of Al Busaidy, Mansoor Jamal & Co, Clifford Chance and Dentons & Co (Oman Branch) to work on the May 2017 establishment of a Sukuk Ijarah issuance program by the government of the Sultanate of Oman. The first issuance of US\$2 billion was funded in June 2017 and was the first international public Sukuk issuance by the Sultanate of Oman. The trust certificates were from the Sultanate's first-ever trust certificates issuance program. The transaction took place in the context of challenging macroeconomic circumstances in the Gulf. Many analysts argue that Oman is the most affected by the decline in oil prices. This has caused the Sultanate to become one of the biggest debtors as it seeks to reposition its economy and manage budget shortfalls. The Sukuk issue was the Oman's debut US dollar, Reg S/144A Sukuk. Linklaters has advised on all of Oman's public debt issues.

*Honorable Mention: White & Case, King & Spalding and Norton Rose Fulbright.*

## Energy & Natural Resources: Clifford Chance

Latham & Watkins worked on project deals including the mixed US\$882 million conventional credit facility and a US\$618 million Ijarah facility financing for Aluminium Bahrain (Alba). Latham also worked on the combined facilities for Kuwait National Petroleum Company (KNPC) on the US\$10 billion financing

of the KPNC Clean Fuels Project. The project included US\$4 billion-worth of conventional and Islamic facilities along with US\$6 billion ECA-supported facilities. Allen and Overy was active with Arab Petroleum Investments Corporation's 2017 Sukuk program update, Abu Dhabi Future Energy Company, Saudi Aramco's debut Sukuk, Aluminium Bahrain's Line 6 Expansion Project and Saudi Electricity Company's syndicated Murabahah financing.

But Clifford Chance retains their title as the leading Islamic finance firm involved in energy and natural resources. The firm supported Yinson Production's US\$780 million Islamic refinancing for the construction of a FPSO unit, SEC's SAR5 billion (US\$1.33 billion) financing and upsize, Ma'aden's SAR1 billion (US\$266.35 million) financing, Arab Petroleum Investments Corporation (APICORP)'s US\$3 billion Sukuk program and EQUATE's Sukuk program acquisition refinancing.

The jewel in Clifford Chance's energy and natural resources crown is the DEWA III Solar PV Project completed in June 2017. Clifford Chance advised the financiers on all construction and operation and maintenance aspects for the 800 MW third phase of the Mohammed Bin Rashid Al Maktoum Solar Park in Dubai.

The transaction included Islamic financing led by the Union National Bank, the IDB, APICORP, Natixis, Siemens Bank, Korea Development Bank and Export Development Canada.

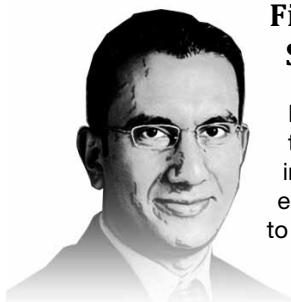
The third phase of the Mohammed bin Rashid Al Maktoum Solar Park is the largest renewable energy project in the Middle East to benefit from Shariah compliant financing.

One anticipates that this sophisticated deal in a fast-growing segment of the global financial market will be at the leading edge of Islamic financing for clean energy.

The Mohammed bin Rashid Al Maktoum Solar Park is the largest single-site solar park in the world. The park is based on the IPP model. Instrumental to the Dubai Clean Energy Strategy 2050, the solar park's production capacity will reach 5,000 MW by 2030 with investments totaling AED50 billion (US\$13.61 billion). The park is expected to support Dubai's objectives to meet its sustainable goals and reduce over 6.5 million tonnes of carbon emissions annually.

*Honorable Mention: Latham & Watkins and Allen & Overy.*

## **Fintech: Simmons & Simmons**



*Qudeer Latif, head of global Islamic finance practice, Clifford Chance*

Fintech — this is the most hyped term of 2017. It conjures the image of small teams of highly entrepreneurial geeks collaborating to overthrow the world's banks. The reality is quite different. Goliaths sponsor substantial investment into improving their capabilities, as much as or more than the geeks prove to be victorious Davids.

Some fintech exposure is indirect like Adnan Sundra & Low's work for Digi Telecommunications's Sukuk, a deal which supports digital transformation, among other objectives.

Simmons & Simmons strode across this digital desert with ease. With a dedicated fintech team, the firm has integrated the specialist legal practice areas of technology, financial

services regulation and transactional law. As an important firm involved in Islamic finance, Simmons & Simmons has made sure that its fintech expertise is availed in the Islamic finance ecosystem. Simmons & Simmons's work has put the firm at the forefront of projects that are accelerating digital innovation in Islamic financial services including equity and debt-based peer-to-peer platforms in Europe, digital wallets in the Middle East, financial inclusion through open API projects in Africa and robo-advisory in Asia and North America.

Over the past year, Simmons & Simmons has worked on products like the Emirates Digital Wallet. This new digital wallet platform creation must address intellectual property, commercial and regulatory matters. The first-of-its-kind wallet, developed and implemented under the UAE Banks Federation, is fully supported by a consortium of 16 UAE banks, including major Islamic banks, and marks a true innovative milestone in the country's aim toward a cashless future. Simmons & Simmons advised on successful GCC patent revocation action concerning a fintech business method/software patent relating to the digital wallet solution.

Some of Simmons & Simmons's work has been more mundane, like supporting Qatar Islamic Bank on the terms and conditions of its mobile banking and internet banking channels. The firm also advised Abu Dhabi Islamic Bank (ADIB) on a digital transformation project affecting a number of wholesale banking lines of business. The work for ADIB includes IP protection issues arising from e-banking and ATM solutions. Simmons & Simmons is engaged with ADCorp, the first Islamic finance institution in the Abu Dhabi Global Market, on outsourcing and technology arrangements.

Cutting-edge work has been done for Wahed Investment, a client which has also been supported by Allen & Overy. Wahed is the world's first regulated up-and-running Shariah compliant robo-advisor on regulatory issues.

Outstanding among Simmons & Simmons's fintech efforts has been the work done for QardHasan.com which is the first Shariah-based crowdsourced student financing provider in the UK. Some of the beneficiaries could be students of the Student Support program that Simmons & Simmons is working on at the Center for Commercial Law Studies, Queen Mary University, London.

Even if this category had been more highly contested, Simmons & Simmons would still have easily deflected the slings of the competition.



*Muneer Khan, partner and head of Islamic finance, Simmons & Simmons*

## Insolvency & Restructuring: Allen & Overy

Allen & Gledhill represented Sukukholders before the Singapore High Court in the case of the Swiber Sukuk default. Swiber is believed to be the first Sukuk default in Singapore. Dentons Rodyk & Davidson was deeply engaged in the cross-border arbitration on behalf of Singapore-based clients and Saudi Arabian debtors.

Allen & Overy advised QInvest and the Islamic finance parties in the Marina Port Vell restructuring. This was the complex Spanish transaction which required the firm to address issues raised by creditor protections conferred by Article 71 bis. Spanish law 22/2003 on insolvency in relation to the marina operating company together with a group reorganization. The original transaction was for the acquisition, development and operation of a Barcelona super yacht marina. The restructuring required management of conventional and Islamic creditors. An important step was the incorporation of a double Luxembourg company structure for creditor protection.

The restructuring involved Allen & Overy lawyers from the Doha, Dubai, London, Madrid, Amsterdam, and Luxembourg offices. The successful restructuring allowed the creditors and the Salamanca Group to work together toward a common operating strategy in relation to the super yacht marina with the aim of achieving the full potential of this important asset. It further consolidated Qatar's continued good relations with Spain.

*Honorable Mention: Allen & Gledhill and Dentons Rodyk & Davidson.*

## Mergers & Acquisitions: Hammad & Al-Mehdar Law Firm

Members of the Tamimi Law Group were active with Kuwaiti and Jordanian transactions. Adnan Sundra & Low worked on PETRONAS and Saudi Aramco's proposed refinery in Malaysia. King & Spalding was active in the GCC with a number of marquee and confidential deals.

Ahead of this impressive class stood Hammad & Al-Mehdar Law Firm with an impressive list of Saudi Arabian and MENA deals. The firm supported GlaxoSmithKline on various complex issues arising from its mega merger with Novartis.

This included post-integration matters. Hammad & Al-Mehdar also advised Loai Reda Hakeem Trading on a hospital acquisition.

An important client is Binladen Holding Co. Hammad & Al-Mehdar has assisted the group on the restructuring of its Saudi Arabian business. This means dealing with over 300 portfolio companies.

The firm's standout deal was the cross-border work for

Hyat Abdulatif Jameel Group of Companies on the sale of shares in Biopharm for Scientific Research and Pharmaceutical Manufacturing, a pharmaceutical company listed on the Egyptian stock market.

*Honorable Mention: Adnan Sundra & Low, Tamimi Law Group and King & Spalding.*

## Offshore Finance: Maples & Calder

Modern Islamic finance is seen widely in cross-border transactions. These are typically led by giants like Simmons & Simmons, Herbert Smith Freehills and Linklaters. All of these Magic Circle firms did well. Malaysia's Zul Rafique also did well as it advised Maybank Investment Bank on Yinson in Africa and engaged in Hong Kong-Malaysia linked deals.

Maples, long a leader in cross-border finance and investment, was again a clear winner. The firm's Dubai office has been deeply involved in transactions like the one by Unity 1 Sukuk for Etihad. This Sukuk program and issuance for Etihad Airways was the largest ever Sukuk issuance in the aviation industry in the MENA region and was Etihad Airways's first-ever debt capital markets issuance. Maples acted as Cayman Islands legal advisors to the issuer.

In addition, Maples advised Emaar Sukuk (Emaar Properties) on Cayman Islands law. This issue bears the lowest coupon ever achieved for a 10-year international Sukuk facility by a UAE corporate issuer as well as the longest dated senior Sukuk from the MENA region in 2016. The structure blends Ijarah (51% of the deal) and Tawarruq legs under a Wakalah. These Sukuk Wakalah incorporated the Tawarruq leg to allow the deal to be upsized and to reduce reliance on the firm's tangible assets. This eases the way for Emaar to apply the proceeds with greater flexibility.

This list continues with advice on Tier 1 deals for Warba Bank, Ahli United Bank of Kuwait and Albaraka Banking Group. Maples also acted on issuances by BBG Sukuk (Barwa Bank), ICD Sukuk Company (Investment Corporation of Dubai), Masraf Al Rayan and AHB Sukuk Company (Al Hilal Bank). The work extended beyond Cayman Islands law and the GCC to the Irish Stock Exchange.

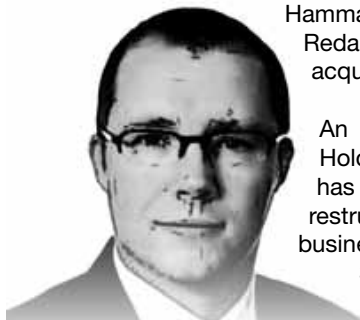
*Honorable Mention: Zul Rafique, Simmons & Simmons, Herbert Smith Freehills and Linklaters.*

## Private Equity: King & Spalding

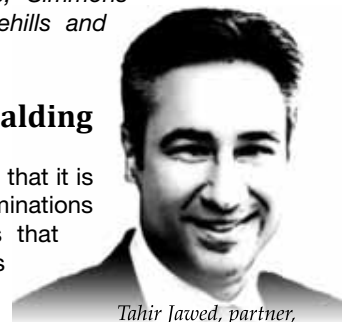
The problem with private equity is that it is private. Each year, we receive nominations for an endless stream of deals that cannot be disclosed. This makes it a challenge to showcase the talent of certain firms. In 2017,



*Dr Adli Hammad, senior partner, Islamic finance and banking, Hammad & Al-Mehdar Law Firm*



*Christian Saunders, partner, Allen & Overy*



*Tahir Jawed, partner, Maples & Calder*



we know that many deals were closed. The GCC, especially Saudi Arabia, has enjoyed a significant transaction level of business owners repositioning themselves. Hammad & Al-Mehdar was extensively engaged in Saudi deals. KL Gates worked with Qatar Development Bank to develop tools for seed funding in this sector.

King & Spalding was a clear winner, even taking into account those who cannot share their deals. For instance, King & Spalding advised Gulf Capital, a well-respected private equity firm, on their acquisition of MultiBrands, a large Saudi-based food and beverage distribution business. This transaction is one of Gulf Capital's largest transactions in the region to date, and their largest in Saudi Arabia. The structure is unique in its ability to allow Gulf Capital to act as a registered distributor post-acquisition.

King & Spalding also worked with Greenstone Equity Partners to establish a new entity supervised by the Saudi Arabian Capital Market Authority, the Saudi Arabian General Investment Authority and the Ministry of Commerce and Investment. The new company will engage in the highly regulated activities of arranging and advising. Greenstone would be the first institutional placement firm to have a presence in Saudi Arabia. At the same time, King & Spalding are also assisting Greenstone to set up the first newly-established foreign-owned entity regulated by the Kuwait Capital Market Authority and advising on certain UAE regulatory matters. When this is complete, Greenstone will have the largest regulated presence of any placement agent in the region.

On the confidential front, King & Spalding worked on private equity divestments for several leading GCC firms. These included fitness centers and the education, retail, hospitality and food service and telecoms sectors.

*Honorable Mention: Hammad & Al-Mehdar and KL Gates.*

## Project Finance: Winston & Strawn

The Japan International Cooperation Agency supported the Hashemite Kingdom of Jordan with technical advice leading to its first sovereign Sukuk issuance. Linklaters made its expected strong showing with work on a horde of UAE deals as well as the King Abdullah Port in Saudi Arabia.

Winston & Strawn leaps to the fore with a substantial increase in their project financings. These included the syndicated financing for Tabreed (UAE), financing for the Paragon Bay Mall (UAE), aircraft financing for a leading GCC airline, infrastructure finance in Turkey and an LNG project in Malta.

At the head of Winston & Strawn's list is work for the mandated lead arrangers (Abu Dhabi Islamic Bank, Abu Dhabi Commercial Bank, and Mashreqbank) on the Tabreed syndication. The AED1.5 billion (US\$408.29 million) syndicated Islamic financing for National Central Cooling Company

(Tabreed) refinances part of its existing senior debt and funds expansion capital expenditure.

The transaction is structured around cash flows generated by district cooling capacity sold under a cooling services contract between Tabreed and a major UAE government entity in respect of 18 district cooling plants. The innovative Islamic financing structure is based on the sale

and purchase of refrigeration capacity and the appointment of Tabreed as a service agent to sell that capacity to generate revenue to service the debt and repay the financiers. The transaction structure represents an adaptation of the airtime and ATKM model in a new arena. The product is asset-light, but retains the minimum level of tangibility required by Islamic banks.

*Honorable Mention: Japan International Cooperation Agency (JICA) and Linklaters.*

## Real Estate: Clyde & Co

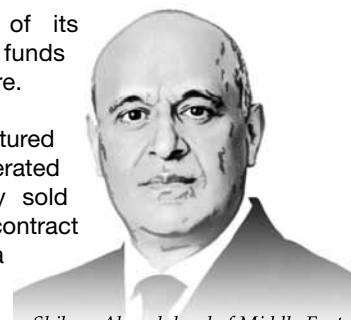
Year in and year out, real estate is the coveted investment for MENA and Islamic investors. As a result, this asset class is always highly contested. In 2016-17, King & Spalding invented a Saudi REIT market when there wasn't one. White & Case was the challenger to King & Spalding as the top advisor on GCC REITs. While Clyde & Co took a top role for real estate, Trowers & Hamlin was frequently on the opposite side of the deal.

Clyde & Co worked on real estate-related transactions for a GCC education group. The firm engaged with Costra Group FZ-LLC for a real estate development in the Dubai Creative Clusters Authority (a Dubai free zone) for which the governing authority (TECOM) will also be involved in subleasing units.

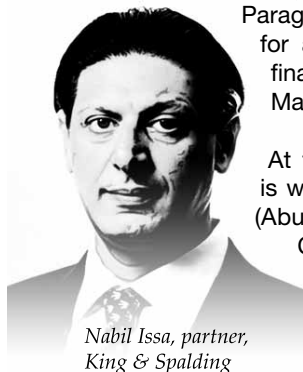
Beyond their GCC engagements, Clyde & Co worked with ABC International Bank on the London financing to purchase the grant of a head lease of a retail park in Morecambe. Clyde & Co secured the mandate from the incumbent law firm due to its breadth of experience in structuring Shariah compliant real estate financings, along with the required Shariah compliant hedging arrangements.

As expected, Clyde & Co is strong in their home market. Hence, Investra Capital entrusted them to act on a project involving a Shariah compliant investor from Qatar on UK real estate acquisition. In another UK deal, the firm worked on the Bank of London and The Middle East's recovery on a complex UK deal that had fallen into delinquency.

The keystone of Clyde & Co's achievements was their work supporting QFB First Bank (QFB) in its GBP50 million (US\$67.89 million) Islamic finance transaction involving the purchase of freehold/leasehold titles of five Marks & Spencer branches as part of 'mixed source' financing with conventional lending



*Shibeer Ahmed, head of Middle East banking and Islamic finance practice, Winston & Strawn*



*Nabil Issa, partner, King & Spalding*





*Adil Hussain, partner and global head of Islamic finance practice, Clyde & Co*

coming from a Chinese bank. The transaction raised a number of structuring and cross-border issues particularly between Qatar and China. The firm addressed these issues through the deployment of a number of Shariah compliant techniques including Waad, Qard Hasan and Murabahah. Due to the business activities of the tenant, the Shariah prevented QFB from holding a direct or indirect ownership of interest in the property. Notwithstanding this, Clyde & Co structured additional protection for QFB through negotiating controls which are triggered on the occurrence of an event of default, along with the acknowledgment of the requirement for 'purification/charitable donation' of a portion of any funds subsequently received. This requirement added to the complexity of the transaction. This was QFB's first transaction in the UK real estate market.

*Honorable Mention: King & Spalding, White & Case, Trowers.*

## And, the big winner is...

Response for this edition of the IFN Law Awards was excellent. Five firms contested for the Best Law Firm award. Hammad & Al-Mehdar was the best new firm; Simmons & Simmons

performed well and established a crushing presence in the new category of fintech; Linklaters showed even more breadth while Allen & Overy not only performed well across multiple categories but the firm was also the only multiple winner. For these firms, they earned honorable mentions. Malaysian firms showed more reach and upstarts like Clyde & Co built on their 2016 success. There is no doubt that the Islamic finance industry is back after two disappointing years.

Despite winning only a single category, one firm showed up in more categories than any other. King & Spalding was a strong contender in categories like real estate, project finance, mergers and acquisitions and capital markets. Frankly, the firm's leadership in developing the Saudi REIT market is a major achievement and its role in regional mergers and acquisitions is unquestioned. King & Spalding demonstrated that extra trust that made it a market leader in Islamic finance. One wonders if Don Knight, who first brought the firm to Islamic finance 30 years ago, would be able to imagine the breadth and strength of the firm today.

## Best Law Firm: King & Spalding

*Honorable Mention: Hammad & Al-Mehdar, Simmons & Simmons, Linklaters, Allen & Overy and Clifford Chance.*



*Jawad Ali, managing partner, King & Spalding*

**Table 1: IFN Law Awards 2017 — categories and winners**

Categories	Winners
Asset Management & Funds	Herbert Smith Freehills
Banking & Finance	Allen & Overy
Capital Markets	Linklaters
Energy & Natural Resources	Clifford Chance
Fintech	Simmons & Simmons
Insolvency & Restructuring	Allen & Overy
Mergers & Acquisitions	Hammad & Al-Mehdar Law Firm
Offshore Finance	Maples & Calder
Private Equity	King & Spalding
Project Finance	Winston & Strawn
Real Estate	Clyde & Co
Best Law Firm	King & Spalding

# Top of the charts: The IFN Service Providers Poll 2017



For the 12<sup>th</sup> year running, IFN is proud and pleased to announce the results of our industry-leading poll to determine the unsung heroes of the global Islamic finance market — the service providers who support operations, facilitate transactions, set the standards and rate the results. From advisors to indices, research to re-Takaful, the IFN Service Providers Poll recognizes and rewards the wide range of essential building blocks behind the scenes working to support the Islamic finance industry as it grows ever upwards.

The IFN Service Providers Poll prides itself on being the only comprehensive and unbiased guide to the top providers of the Islamic financial services industry — and this year is no exception, showcasing the best and brightest of a brilliant bunch in a year characterized by big performances.

Notably for 2017, the Poll has changed format slightly to ensure the utmost in independence. With a new and impermeable voting verification system designed to eliminate any opportunity for error, the survey has this year seen a substantial swing: with the received votes representing a



rock Dr Hamed

solid review of the real state of the industry and the views of its participants.

In a turbulent year that had its ups and downs — from the geopolitical tensions in the GCC and the ongoing effects of the US elections to giant debut sovereign issuances and oil prices bouncing back to top US\$60 — the Islamic finance industry has sailed through with the support of its stalwart service providers. So without further ado, let us launch into the main event, and see which legends made the cut this year.

## Best Standard-Setting Body

For the seventh year in a row, AAOIFI won the prize, with a comfortable margin of almost double its nearest competitor. Established in 1991 and based in Bahrain, AAOIFI is a leading international not-for-profit organization working toward the development and issuance of standards for the global Islamic finance industry. As of October 2017, the organization has issued a total of 100 standards in the areas of Shariah, accounting, auditing, ethics and governance for international Islamic finance. It is supported by over 200 institutional members in over 45 countries: including central banks and regulatory authorities, financial institutions, accounting and auditing firms and legal firms. AAOIFI's standards are followed in numerous jurisdictions as a legal requirement or as guidelines by leading Islamic financial institutions across the world, and have introduced a progressive degree of harmonization of international Islamic finance practices.

Over the past year, AAOIFI has been very busy: launching into 2017 with a new standard on gold in December 2017 and continuing with new standards or draft standards on repurchase, impairment and credit losses, accounting and financial reporting guidance for Sukukholders, risk reserves, the sale of debt and the role of investment agencies.

Award	2017 Winner	2016 Winner
Best Standard-Setting Body	<b>AAOIFI</b>	AAOIFI
Best Islamic Consultancy Firm	<b>Dar Al Sharia</b>	Dar Al Sharia
Best Takaful Provider	<b>Abu Dhabi National Takaful Co</b>	Pak Qatar Family & General Takaful (Pakistan)
Best Re-Takaful Provider	<b>Munich Re ReTakaful</b>	Dubai Islamic Insurance & Reinsurance Co (AMAN) (UAE)
Best Interbroker for Islamic transactions	<b>DDCAP</b>	Bursa Suq Al-Sila
Best Islamic Rating Agency	<b>Moody's Investors Service</b>	RAM Ratings
Best Islamic Research Firm	<b>International Shari'ah Research Academy for Islamic Finance (ISRA)</b>	International Shari'ah Research Academy for Islamic Finance (ISRA)
Best Islamic Advisory Firm	<b>Dar Al Sharia</b>	Dar Al Sharia
Best Islamic Index Provider	<b>S&amp;P Dow Jones Indices</b>	S&P Dow Jones Indices
Best Islamic Technology Provider	<b>Path Solutions</b>	Path Solutions

“AAOIFI’s success is not only the success of a person or a small team working at the secretariat working day and night for serving the Islamic finance industry in the best possible manner,” said Dr Hamed Hassan Merah, AAOIFI’s secretary-general. “It would not have happened if all those who are associated with AAOIFI as its trustees, its technical board members, its working groups and subcommittee members and consultants had not worked mostly voluntarily and contributed to AAOIFI’s core functions. It would not have happened if the banking, capital markets, insurance and accounting regulators around the world had not supported in AAOIFI’s cause by adopting its standards. We would like to thank all of them for the splendid work done over [the] recent past and look forward toward their continuous support in a similar manner over times to come.

“Entering into 2018, we promise to keep building upon the same path, spirit and enthusiasm, In Shaa Allah, by contributing to the industry more knowledge toward achieving our main goal of global harmonization between all the Islamic finance institutions. Our core functions are working very hard ... there are numerous projects in [the] pipeline for the technical standards, some of which have already taken [the] form of exposure drafts. You will, In Shaa Allah, see more standards, with improved quality coming to the market at an unprecedented rate particularly in the areas of Shariah, accounting and governance.”

The IFSB was runner-up, while International Islamic Financial Markets (IIFM) came third.

### **Best Shariah Consultancy/Advisory**

By a landslide this year, industry stalwart Dar Al Sharia took the top spot, demonstrating the continued confidence in this market-leading consultant despite a recent change in leadership that saw founding CEO Sohail Zubairi take a well-earned retirement in January 2017. With COO Mian Muhammad Nazir stepping up to provide a firm hand on the tiller as the new CEO, the firm has sailed through the stormy waters of 2017 with great success. As one of the pioneering consultancy firms in the Islamic finance space, Dar Al Sharia combines keen commercial insight with contemporary and relevant scholarly knowledge to provide a unique service for Islamic institutions.

In a slight twist however, ZEMYD Consultancy took second place in a tight finish that saw Amanie Advisors come in third. Based in Dubai, ZEMYD is a boutique firm offering enterprise consulting, business intelligence, talent solutions and technology advice as well as risk and governance consulting. With a focus on corporate social responsibility, the firm represents a new breed of consulting firms that are springing up to challenge the status quo.

Moving on to the advisory side, Dar Al Sharia once again takes pole position, followed by Amanie Advisors and ISRA Consultancy in a close contest with an almost photo-finish for second place seeing Amanie just edge out in front.



*Sohail*

In a much closer race than previous years, the competition for Shariah advice is clearly hotting up as structures become more sophisticated and stakeholders more ambitious.

“We are delighted for the reinforced vote of confidence from the industry in selecting Dar Al Sharia as the leading Shariah consultancy and advisory firm,” said Mian. “Dar Al Sharia continues to provide innovative and efficient Shariah compliant solutions to its clients, enabling them to position themselves ahead of their peers in adopting robust Shariah governance practices and offering qualitative products and services.

“Dar Al Sharia believes that the true outreach of Islamic finance can be achieved through collaboration among the various stakeholders for financial inclusion, capacity-building and standardization. For 2018 and beyond, Dar Al Sharia will focus on being an innovation catalyst enabling growth in Islamic finance through embracing fintech.”

**“ In AAOIFI, we are particularly keen to achieve higher degrees of harmonization and standardization in Islamic finance products and practices worldwide, and this would add to the industry’s transparency, reliability and credibility ”**

### **Best Takaful and re-Takaful Provider**

The Best Takaful Provider category is always one of the most closely-fought in the contest, and often brings in new blood and throws up new surprises. In 2016, Pakistan’s Pak Qatar surged ahead to take top place, with Etiqa Takaful in second place and Abu Dhabi National Takaful Co coming third. In 2017 however, this was all turned on its head.

At the head of the pack was last year’s third-place winner Abu Dhabi National Takaful Co, in an extremely tight contest that saw the UAE’s Dar Al Takaful take second place and Qatar Islamic Insurance Co (Qatar) come third.

Established in 2003, Abu Dhabi National Takaful Co is one of the GCC’s leaders in the Islamic insurance industry, and has been in and out of the top three in the IFN Service Providers Poll for over a decade. With a wide range of products covering General, Family, medical and

bancaTakaful, the firm saw profits grow by 53% in 2016 and in the second quarter of 2017, saw gross Takaful contributions rise by 8% compared with the same period in 2016 while net profits saw a 13% increase. The company was rated 'A-' (Excellent) by AM Best in August 2017, noting: "An exceptional track record of technical profitability, highlighted by its five-year average combined ratio of 69%." During 2016, the company produced an excellent return on equity of 17.4%, with the majority of the company's earnings attributed to technical income. Although the firm holds a share of just 2% in the UAE, it benefits from a strong reputation as one of the most successful Takaful firms in the market, with a reassuringly well-diversified portfolio and strong relationships with local banks.

**“The strong growth in BSAS trading was mainly driven by the adoption of [the] Islamic Financial Services Act (IFSA) in Malaysia and conversion of bank deposits from Mudarabah to Murabahah contracts”**

On the re-Takaful side, again a whole new array of winners takes the stage. For 2017, Munich Re ReTakaful (Malaysia) took home the win by a very narrow margin, with Emirates Takaful (UAE) and Takaful Re (UAE) snapping at its heels in second and third place respectively.

Munich Re is one of Malaysia's leading re-Takaful operators as well as a strong global player, and has been active in the Malaysian market since 2007. With a global remit focusing on Southeast Asia, Pakistan, the Gulf and North Africa, the group focuses on Family Takaful using the Wakalah model. In an increasingly competitive marketplace with a number of international players (including AIG and Swiss Re) joining the race in recent years, Munich Re maintains the lead through its innovation, staunch Shariah values and strong support from satisfied clients.

### Best Index Provider

Continuing its strong tradition of Islamic excellence, S&P Dow Jones Indices once again won the award for Best Islamic Index Provider, continuing its unbroken streak of success for 11 years and consolidating the longest-running unbroken win in the history of the poll.

"S&P Dow Jones is committed to providing transparent, well-designed indices and benchmarks for Shariah investors. Our endeavor is to continue to build new indices which reflect evolving market

trends while retaining complete integrity toward Shariah compliance," said Alka Banerjee, the managing director of product management at S&P Dow Jones Indices. "We are pleased and honored to be recognized 11 years in a row for our efforts."

However, the race this year was exceptionally tight with new players moving up the leadership board — and although S&P Dow Jones won out in the end, IdealRatings ran it an extremely close second while MSCI chased both the top two with a strong third. This will be an interesting category to watch for next year, as the gap closes between the leaders and new players emerge to challenge the traditional dominance of the big boys.

### Best Ratings Agency

Speaking of traditional dominance, a repeat winner took the Ratings Agency crown once again for 2017. Following on from its success in 2015, Moody's Investors Service took the top spot for this year with a strong win, followed by S&P Ratings, and Fitch Ratings in third place. Notably, the top three this year were all international firms, compared to the strong regional showing of 2016, when Malaysia's RAM Ratings took the crown. Although the field of winners throws up no surprises in the global ratings field, it demonstrates how seriously the top international players are now taking the Islamic finance space — competition is heating up, and it will be interesting to see how next year stacks up.

### Best Interbroker

In an exciting turn of events, DDCAP has finally regained the top spot as Best Islamic Interbroker from Malaysia's Bursa Suq Al Sila — snatching back the crown they lost in 2015 after an unbroken winning streak since the poll's inception. In 2017, the behemoth broker regained its throne, pushing Bursa Suq Al Sila to third place with the UK-based Eiger Trading Advisors occupying the second spot.

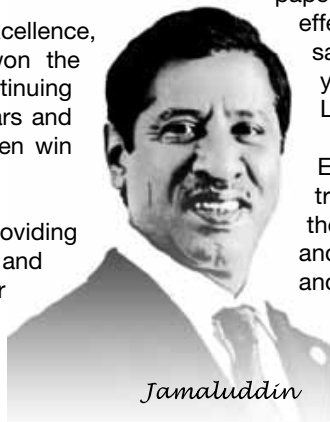
The win stands as testimony not only to DDCAP's influence in the market, but to the success of its new Ethos Asset Facilitation Platform (ETHOS AFP), launched in October 2016.

"Historically, one of the biggest issues with Shariah compliant transactions is that they are very cumbersome with a lot of paperwork involved. The Ethos platform enables you to effectively arrange transactions in seconds while at the same time, full documentation is available ensuring you're still adhering to Shariah stipulations," explained Lawrence Oliver, a director and deputy CEO of DDCAP.

ETHOS AFP accommodates specific trade and post-trade requirements relating to financial contracts within the Shariah compliant and responsible finance universe and employs stringent governance, risk management and compliance mechanisms — and this technological strength has given DDCAP the edge this year over plucky rival Eiger, which has expanded rapidly to



Alka Banerjee



Jamaluddin



become a real competitor in core markets over the past year, as well as beating back traditional stock exchange rivals such as Bursa Suq Al Sila and NASDAQ Dubai.

“DDCAP Group is honored to be voted Best Interbroker in this year’s IFN Service Providers Poll,” said Stella Cox, the managing director of DDCAP. “Our effective personnel are dedicated to providing our customers with top-class intermediary service, which we have been doing since 1998. Additionally, we are told by our clients that ETHOS AFP ... has significantly improved the efficiency of their transactional requirements. We see application for ETHOS AFP to our clients and partners across the Islamic financial markets. Therefore, we view this prestigious award as their vote of confidence in the interbrokerage offering that DDCAP and ETHOS have made to treasury and other Shariah compliant financial products and services. Having launched several, first-mover features during the past year, I am pleased to say there are still more that are currently in final development. We look forward to making some additional announcements in that regard in early 2018.”

### Best Research Firm

This year, the award for Best Islamic Research Provider once again went to the International Shariah Research Academy (ISRA), continuing its unbroken streak of success since 2014.

“ISRA is proud to receive the accolade of ‘IFN Best Research Provider’ for the fourth consecutive year starting from 2014,” said Dr Mohamed Akram Laldin, the executive director of ISRA. “Thanks to our dedicated management team, outstanding researchers and loyal support staff who have been working incredibly hard to maintain this remarkable achievement. Their relentless commitment and tireless efforts in ensuring the highest quality of work is the key for this success. With 2018 just around the corner, ISRA has already set forth its strategic business plan to ensure its continuous relevance to the Islamic finance industry by focusing more on international recognition and impactful research.”

Once again the Islamic Research and Training Institute came a close second, while new entrant the Pakistan-based Center for Excellence in Islamic Finance took third place.

### Best Technology Firm

Finally, to round up the roll call of winners, IFN is delighted to announce that for the 10<sup>th</sup> year

in a row (and 11<sup>th</sup> year in total), Path Solutions takes home the prize for Best Islamic Technology Firm. An extremely close-run competition, this year was notable for its tight finish — with Codebase Technologies giving Path Solutions a hard run for its money and 3i Infotech also finishing up a strong third, in a race that highlights the increasing competitiveness of the tech space and should make for interesting viewing next year as the fintech offering heats up.



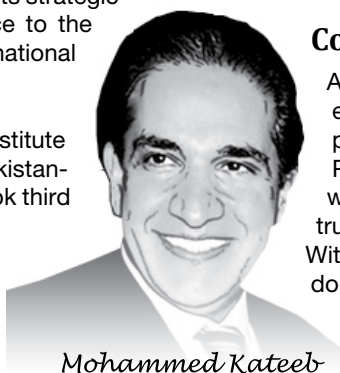
*Banerjee*

“We are honored to be recognized year after year by IFN readers and the industry for our innumerable accomplishments,” said Mohammed Kateeb, the group chairman and CEO of Path Solutions. “We attribute this success to several key factors, our exclusive focus on developing cutting-edge Islamic banking software applications, our strong team excellence, dedication and commitment, and to the tremendous support we get from our clients worldwide.

“Path Solutions provides the power of digital transformation, enabling the unbanked to access financial services, improve their lives and secure a better future for them. Our strategy toward 2018 is driven by the ambition to become our clients’ trusted partner in digital life, creating long-term value for them. We will allow them to be ahead of the curve by implementing a digital-first strategy, leveraging new technologies such as big data, advanced analytics, a 360-degree view of the customer and a personalized engagement, thus providing instant fulfillment to their customers. In today’s increasingly digital world, failing to invest in and prioritize technology will come at a cost. We believe it’s time to move into the future.”

### Congratulations

As always and in the most sincere terms, IFN extends our warmest congratulations to all participants in this year’s IFN Service Providers Poll, as well as our hearty thanks to the voters who make the survey such a valid, reliable and trustworthy yardstick for market performance. Without you, we could not provide the service we do — so as one service provider to another, we offer a round of applause to everyone who participated in this year’s Poll.👏



*Mohammed Kateeb*



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# IFN Awards ceremony

Date: 11<sup>th</sup> March 2018

Venue: Ritz Carlton Hotel, DIFC, Dubai



*Africa DOTY*



*Ijarah DOTY*



*Hybrid DOTY*



*Cross Border DOTY*



*Pakistan DOTY*



*Oman DOTY*



*Corporate Finance DOTY*



*Kuwait DOTY*



*Egypt DOTY*



*Mudarabah DOTY*



*Real Estate DOTY*



*Musharakah DOTY*



# IFN Awards ceremony

Date: 19<sup>th</sup> March 2018

Venue: Shangri-La Hotel, Kuala Lumpur



*Perpetual DOTY*



*Equity DOTY*



*Structured Finance DOTY*



*Project & Infrastructure Finance DOTY*



*IPO (Sukuk) DOTY*



*Malaysia DOTY*



*Indonesia DOTY*



*Commodity Murabahah DOTY*



*Best Islamic Technology Provider*



*Best Islamic Research Firm*



*Best Islamic Index Provider*



*Best Interbroker for Islamic Transactions*

# IFN Awards 2017

## Winners' List



COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
Abbassi Group	Trade Finance Deal of the Year	Chad Industries EUR5 million Financing	DOTY
Abu Dhabi Commercial Bank	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Abu Dhabi Commercial Bank	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Abu Dhabi Islamic Bank	Best Islamic Private Bank		Best Banks
Abu Dhabi Islamic Bank	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Abu Dhabi Islamic Bank	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Abu Dhabi National Takaful Company	Best Takaful Provider		Service Providers
Accounting & Auditing Organization for Islamic Financial Institutions (AAOIFI)	Most Outstanding Standard Setting Body		Service Providers
Abu Dhabi Islamic Bank Egypt	Musharakah Deal of the Year	Al Marasem Real Estate Development Company EGP900 million Syndicated Musharakah Financing	DOTY
Adnan Sundra & Low	Commodity Murabahah Deal of the Year	Danajamin RM500 million Tier 2 Subordinated Sukuk Murabahah	DOTY
Adnan Sundra & Low	Equity Deal of the Year	Alpha RM334 million Real Estate Investment Trust	DOTY
Adnan Sundra & Low	Structured Finance Deal of the Year	SkyWorld Capital RM600 million Musharakah program & RM400 million Murabahah program	DOTY
Adnan Sundra and Low	Project & Infrastructure Finance Deal of the Year	Quantum Solar Park RM1 billion Green SRI Sukuk	DOTY
Africa Finance Corporation	Africa Deal of the Year	Africa Finance Corporation US\$150 million Sukuk	DOTY
Airport Financing Company	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Airport Financing Company	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Aktif Bank	Sukuk Deal of the Year	GAP Insaat Yatirim ve Dis Ticaret US\$118 million Sukuk Mudarabah	DOTY
Al Baraka Bank (Egypt)	Best Islamic Bank in Egypt		Best Banks
Al Baraka Bank Lebanon	Best Islamic Bank in Lebanon		Best Banks
Al Baraka Bank South Africa	Best Islamic Bank in South Africa		Best Banks



# IFN Awards 2017

## Winners' List

COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
<b>Al Baraka Bank Syria</b>	Best Islamic Bank in Syria		Best Banks
<b>Al Baraka Banking Group</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Al Baraka Banking Group</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Al Baraka Islamic Bank</b>	Best Islamic Bank in Bahrain		Best Banks
<b>Al Busaidy Mansoor Jamal &amp; Co</b>	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
<b>Al Busaidy Mansoor Jamal &amp; Co</b>	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
<b>Al Jaber Engineering Co.</b>	Qatar Deal of the Year	Al Jaber QR1.68 billion Financing	DOTY
<b>Al Kout Estate Holdings Limited (Jersey)</b>	Most Innovative Deal of the Year	KIA Distribution Centre GBP25 million Acquisition	DOTY
<b>Al Marasem Real Estate Development Company</b>	Musharakah Deal of the Year	Al Marasem Real Estate Development Company EGP900 million Syndicated Musharakah Financing	DOTY
<b>Al Rajhi Bank</b>	Best Islamic Bank in Saudi Arabia		Best Banks
<b>Al Rayan Bank</b>	Best Islamic Bank in the UK		Best Banks
<b>Albar &amp; Partners</b>	Commodity Murabahah Deal of the Year	Danajamin RM500 million Tier 2 Subordinated Sukuk Murabahah	DOTY
<b>Albar &amp; Partners</b>	Perpetual Deal of the Year	Tanjung Bin Energy RM800 million Perpetual Sukuk Wakalah	DOTY
<b>Alizz Islamic Bank</b>	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
<b>Allen &amp; Overy</b>	Best Law Firm in Banking & Finance		Law
<b>Allen &amp; Overy</b>	Best Law Firm in Insolvency & Restructuring		Law
<b>Allen &amp; Overy</b>	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
<b>Allen &amp; Overy</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Allen &amp; Overy</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Allen &amp; Overy</b>	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
<b>Allen &amp; Overy</b>	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
<b>Allen &amp; Overy</b>	Restructuring Deal of the Year	United Arab Shipping Company US\$14 billion merger with Hapag-Lloyd	DOTY
<b>Alpha REIT Managers</b>	Equity Deal of the Year	Alpha RM334 million Real Estate Investment Trust	DOTY
<b>Amanah Islamic Finance</b>	Best Islamic Financial Institution in Australia		Best Banks

# IFN Awards 2017

## Winners' List

COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
<b>Amanie Advisors &amp; the Shariah Supervisory Board of Maybank and AmlInvestment Bank</b>	Commodity Murabahah Deal of the Year	Danajamin RM500 million Tier 2 Subordinated Sukuk Murabahah	DOTY
<b>AmlInvestment Bank</b>	Commodity Murabahah Deal of the Year	Danajamin RM500 million Tier 2 Subordinated Sukuk Murabahah	DOTY
<b>Ansar Bank</b>	Best Islamic Bank in Iran		Best Banks
<b>Arab Banking Corporation</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Arab Banking Corporation</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Arab Banking Corporation</b>	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
<b>Arab Islamic Bank</b>	Best Islamic Bank in Palestine Territories		Best Banks
<b>Askari Bank</b>	Pakistan Deal of the Year	WAPDA PKR144 Billion Islamic Project Financing	DOTY
<b>Assegaf Hamzah &amp; Partners</b>	Indonesia Deal of the Year	Sumberdaya Sewatama IDR1.8 trillion Restructuring	DOTY
<b>Assistant Professor Dr Ishak Emi Aktepe</b>	Sukuk Deal of the Year	GAP Insaat Yatirim ve Dis Ticaret US\$118 million Sukuk Mudarabah	DOTY
<b>Attijariwafa Bank (Bank Assafaa)</b>	Best Islamic Bank in Morocco		Best Banks
<b>Bank Alfalah</b>	Pakistan Deal of the Year	WAPDA PKR144 Billion Islamic Project Financing	DOTY
<b>Bank Islam Brunei Darussalam</b>	Best Islamic Bank in Brunei		Best Banks
<b>Bank Islam Malaysia</b>	Malaysia Deal of the Year	CMC Group RM12 million Financing	DOTY
<b>Bank Muscat</b>	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
<b>Bank of London and The Middle East</b>	Restructuring Deal of the Year	United Arab Shipping Company US\$14 billion merger with Hapag-Lloyd	DOTY
<b>Bank of Tokyo Mitsubishi MUFG</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
<b>Bank of Tokyo Mitsubishi MUFG Securities EMEA</b>	Africa Deal of the Year	Africa Finance Corporation US\$150 million Sukuk	DOTY
<b>Bank of Tokyo-Mitsubishi</b>	Best Islamic Bank in Japan		Best Banks
<b>Bank Syariah Mandiri</b>	Indonesia Deal of the Year	Sumberdaya Sewatama IDR1.8 trillion Restructuring	DOTY
<b>Banque Misr</b>	Musharakah Deal of the Year	Al Marasem Real Estate Development Company EGP900 million Syndicated Musharakah Financing	DOTY
<b>BNP Paribas</b>	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY

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COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
<b>BNP Paribas</b>	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>CIMB Investment Bank</b>	Project & Infrastructure Finance Deal of the Year	Quantum Solar Park RM1 billion Green SRI Sukuk	DOTY
<b>CIMB Investment Bank</b>	Perpetual Deal of the Year	Tanjung Bin Energy RM800 million Perpetual Sukuk Wakalah	DOTY
<b>CIMB Investment Bank</b>	IPO (Sukuk) Deal of the Year	Sukuk Ihsan RM100 million Wakalah Bi Al-Istithmar Sukuk	DOTY
<b>CIMB Islamic</b>	Best Islamic Bank in Malaysia		Best Banks
<b>CIMB Niaga</b>	Best Islamic Bank in Indonesia		Best Banks
<b>CIMB Niaga</b>	Indonesia Deal of the Year	Sumberdaya Sewatama IDR1.8 trillion Restructuring	DOTY
<b>Citigroup</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
<b>Citigroup</b>	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>Citigroup</b>	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>Citigroup</b>	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
<b>Citigroup</b>	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
<b>Citigroup</b>	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
<b>Clifford Chance</b>	Best Law Firm in Energy & Natural Resources		Law
<b>Clifford Chance</b>	Egypt Deal of the Year	Scatec Solar US\$335 million Project Financing	DOTY
<b>Clifford Chance</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
<b>Clifford Chance</b>	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
<b>Clifford Chance</b>	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
<b>Clyde &amp; Co</b>	Best Law Firm in Real Estate		Law
<b>CMC Group</b>	Malaysia Deal of the Year	CMC Group RM12 million Financing	DOTY
<b>Danajamin</b>	Commodity Murabahah Deal of the Year	Danajamin RM500 million Tier 2 Subordinated Sukuk Murabahah	DOTY
<b>Dar Al Sharia</b>	Best Islamic Consultancy Firm		Service Providers
<b>Dar Al Sharia</b>	Best Shariah Advisory Firm		Service Providers
<b>Dar Al Sharia</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Dar Al Sharia</b>	Mudarabah Deal of the Year	PNC Investments AED1.65 billion Bilateral Financing Facility	DOTY
<b>Dar Al Sharia</b>	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
<b>Dar Al Sharia</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY

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COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
<b>Dar Al Sharia</b>	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
<b>Dar Al Sharia</b>	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
<b>DDCap</b>	Best Interbroker for Islamic Transactions		Service Providers
<b>Delivery Hero</b>	Corporate Finance Deal of the Year	Delivery Hero Acquisition of Trycarriage.com	DOTY
<b>Dentons</b>	Africa Deal of the Year	Africa Finance Corporation US\$150 million Sukuk	DOTY
<b>Dentons</b>	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
<b>Dentons</b>	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
<b>Dentons</b>	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
<b>Dentons</b>	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
<b>Deutsche Bank</b>	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>Deutsche Bank</b>	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>Dr. Darwish Law Office</b>	Musharakah Deal of the Year	Al Marasem Real Estate Development Company EGP900 million Syndicated Musharakah Financing	DOTY
<b>Dubai Islamic Bank</b>	Best Islamic Bank for Treasury Management		Best Banks
<b>Dubai Islamic Bank</b>	Best Overall Islamic Bank		Best Banks
<b>Dubai Islamic Bank</b>	Most Innovative Islamic Bank		Best Banks
<b>Dubai Islamic Bank</b>	Best Islamic Bank in the UAE		Best Banks
<b>Dubai Islamic Bank</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Dubai Islamic Bank</b>	Mudarabah Deal of the Year	PNC Investments AED1.65 billion Bilateral Financing Facility	DOTY
<b>Dubai Islamic Bank</b>	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
<b>Dubai Islamic Bank</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Dubai Islamic Bank</b>	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
<b>Dubai Islamic Bank</b>	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
<b>Dubai Islamic Bank</b>	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
<b>Emirates NBD Capital</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Emirates NBD Capital</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY



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COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
Emirates NBD Capital	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
Emirates NBD Capital	Africa Deal of the Year	Africa Finance Corporation US\$150 million Sukuk	DOTY
Emirates NBD Capital	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
EQUATE Petrochemical Company	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
Equitativa	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
European Bank for Reconstruction and Development	Egypt Deal of the Year	Scatec Solar US\$335 million Project Financing	DOTY
Eversheds	Egypt Deal of the Year	Scatec Solar US\$335 million Project Financing	DOTY
Faisal Islamic Bank	Best Islamic Bank in Sudan		Best Banks
Faysal Bank	Pakistan Deal of the Year	WAPDA PKR144 Billion Islamic Project Financing	DOTY
First Abu Dhabi Bank	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
First Abu Dhabi Bank	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
First Abu Dhabi Bank	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
First Abu Dhabi Bank	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Freshfields	Corporate Finance Deal of the Year	Delivery Hero Acquisition of Trycarriage.com	DOTY
Freshfields	Restructuring Deal of the Year	United Arab Shipping Company US\$14 billion merger with Hapag-Lloyd	DOTY
GAP İnşaat Yatırım ve Dış Ticaret	Sukuk Deal of the Year	GAP İnşaat Yatırım ve Dış Ticaret US\$118 million Sukuk Mudarabah	DOTY
GoCompare	Cross Border Deal of the Year	Souqalmal Holding US\$1.5 million Venture Capital Investment	DOTY
Government of Burkina Faso/SOFITEX	Social Impact Deal of the Year	SOFITEX EUR107 million Pre-Export Financing	DOTY
Government of Pakistan - WAPDA	Pakistan Deal of the Year	WAPDA PKR144 Billion Islamic Project Financing	DOTY
Gulf African Bank	Best Islamic Bank in Kenya		Best Banks
Gulf International Bank	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
Habib Bank	Pakistan Deal of the Year	WAPDA PKR144 Billion Islamic Project Financing	DOTY
Hadiputranto, Hadinoto & Partners	Indonesia Deal of the Year	Sumberdaya Sewatama IDR1.8 trillion Restructuring	DOTY
Halk Yatırım Menkul Degerler	Turkey Deal of the Year	KT Sukuk Varlik Kiralama TRY100 million Sukuk Wakalah	DOTY

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## Winners' List

COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
<b>Hammad &amp; Al Mehdar Law Firm (in association with Simmons &amp; Simmons)</b>	Best Law Firm in Mergers & Acquisitions		Law
<b>Hapag-Lloyd</b>	Restructuring Deal of the Year	United Arab Shipping Company US\$14 billion merger with Hapag-Lloyd	DOTY
<b>Hassan Radhi &amp; Associates</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Hassan Radhi &amp; Associates</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Herbert Smith Freehills</b>	Best Law Firm in Asset Management		Law
<b>Hogan Lovells</b>	Sukuk Deal of the Year	GAP Insaat Yatirim ve Dis Ticaret US\$118 million Sukuk Mudarabah	DOTY
<b>Hong Leong Investment Bank Bhd</b>	Commodity Murabahah Deal of the Year	Danajamin RM500 million Tier 2 Subordinated Sukuk Murabahah	DOTY
<b>HSBC</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
<b>HSBC</b>	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>HSBC</b>	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>HSBC</b>	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
<b>Hummingbird Ventures</b>	Cross Border Deal of the Year	Souqalmal Holding US\$1.5 million Venture Capital Investment	DOTY
<b>International Islamic Trade Finance Company (ITFC)</b>	Trade Finance Deal of the Year	Chad Industries EUR5 million Financing	DOTY
<b>International Islamic Trade Finance Corporation (ITFC)</b>	Social Impact Deal of the Year	SOFITEX EUR107 million Pre-Export Financing	DOTY
<b>International Shariah Research Academy for Islamic Finance (ISRA)</b>	Best Islamic Research Firm		Service Providers
<b>Isfa Academy</b>	Turkey Deal of the Year	KT Sukuk Varlik Kiralama TRY100 million Sukuk Wakalah	DOTY
<b>Islami Bank Bangladesh</b>	Best Islamic Bank in Bangladesh		Best Banks
<b>Islamic Bank of Thailand</b>	Best Islamic Bank in Thailand		Best Banks
<b>Islamic Bank of Yemen</b>	Best Islamic Bank in Yemen		Best Banks
<b>Islamic Corporation for the Development of the Private Sector (ICD)</b>	Egypt Deal of the Year	Scatec Solar US\$335 million Project Financing	DOTY
<b>Islamic Development Bank</b>	Egypt Deal of the Year	Scatec Solar US\$335 million Project Financing	DOTY
<b>J.P. Morgan</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY

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## Winners' List

COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
<b>J.P. Morgan</b>	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>J.P. Morgan</b>	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>J.P. Morgan Securities</b>	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
<b>J.P. Morgan Securities</b>	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
<b>Jones Day</b>	Most Innovative Deal of the Year	KIA Distribution Centre GBP25 million Acquisition	DOTY
<b>Jordan Islamic Bank</b>	Best Islamic Bank in Jordan		Best Banks
<b>Kadir Andri &amp; Partners</b>	Malaysia Deal of the Year	CMC Group RM12 million Financing	DOTY
<b>KAMCO Investment Company</b>	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
<b>KFH Capital</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>KFH Capital</b>	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
<b>KFH Capital</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>KFH Capital</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
<b>KFH Capital</b>	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
<b>Khazanah Nasional</b>	IPO (Sukuk) Deal of the Year	Sukuk Ihsan RM100 million Wakalah Bi Al-Istithmar Sukuk	DOTY
<b>King &amp; Spalding</b>	Best Law Firm in Private Equity		Law
<b>King &amp; Spalding</b>	Best Overall Law Firm		Law
<b>King &amp; Spalding</b>	Cross Border Deal of the Year	Souqalmal Holding US\$1.5 million Venture Capital Investment	DOTY
<b>King &amp; Spalding</b>	Africa Deal of the Year	Africa Finance Corporation US\$150 million Sukuk	DOTY
<b>King &amp; Spalding</b>	Corporate Finance Deal of the Year	Delivery Hero Acquisition of Trycarriage.com	DOTY
<b>Kuveyt Turk Katilim Bankasi</b>	Best Islamic Bank in Turkey		Best Banks
<b>Kuwait Finance House</b>	Best Islamic Bank in Kuwait		Best Banks
<b>Kuwait Olefins</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
<b>Latham and Watkins</b>	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>Latham and Watkins</b>	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY

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COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
Law Firm of AlSalloum and AlToaimi in association with White & Case	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
Law Firm of AlSalloum and AlToaimi in association with White & Case	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
Law Office of Salman M. Al-Sudairi in association with Latham & Watkins	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
Law Office of Salman M. Al-Sudairi in association with Latham & Watkins	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
Linklaters	Best Law Firm in Capital Markets		Law
Linklaters	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
Linklaters	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
Linklaters	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
Linklaters	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
Linklaters	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Linklaters	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
LOLC Al-Falaah	Best Islamic Bank in Sri Lanka		Best Banks
Maples & Calder	Best Law Firm in Offshore Finance		Law
Maples & Calder	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
Maples & Calder	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
MaplesFS	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
MaplesFS	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
MaplesFS	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
Maybank Investment Bank	Perpetual Deal of the Year	Tanjung Bin Energy RM800 million Perpetual Sukuk Wakalah	DOTY
Maybank Investment Bank	Project & Infrastructure Finance Deal of the Year	Quantum Solar Park RM1 billion Green SRI Sukuk	DOTY
Maybank Investment Bank	Commodity Murabahah Deal of the Year	Danajamin RM500 million Tier 2 Subordinated Sukuk Murabahah	DOTY
Maybank Investment Bank	Equity Deal of the Year	Alpha RM334 million Real Estate Investment Trust	DOTY
Maybank Investment Bank	IPO (Sukuk) Deal of the Year	Sukuk Ihsan RM100 million Wakalah Bi Al-Istithmar Sukuk	DOTY



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COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
<b>Mazoon Electricity Company</b>	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
<b>Meezan Bank</b>	Pakistan Deal of the Year	WAPDA PKR144 Billion Islamic Project Financing	DOTY
<b>Meezan Bank Limited</b>	Best Islamic Retail Bank		Best Banks
<b>Meezan Bank Limited</b>	Best Islamic Bank in Pakistan		Best Banks
<b>Meysan Partners</b>	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
<b>Ministry of Finance Oman</b>	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
<b>Ministry of Finance Saudi Arabia</b>	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>Ministry of Finance Saudi Arabia</b>	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>Mizuho</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
<b>Mohsin Tayebaly &amp; Co</b>	Pakistan Deal of the Year	WAPDA PKR144 Billion Islamic Project Financing	DOTY
<b>Moody's Investors Service</b>	Best Ratings Agency in Islamic Finance		Service Providers
<b>Munich Re Retakaful</b>	Best Re-Takaful Provider		Service Providers
<b>National Bank of Kuwait</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
<b>National Bank of Kuwait, London Branch</b>	Most Innovative Deal of the Year	KIA Distribution Centre GBP25 million Acquisition	DOTY
<b>National Bank of Oman (Muzn)</b>	Best Islamic Bank in Oman		Best Banks
<b>National Bank of Pakistan</b>	Pakistan Deal of the Year	WAPDA PKR144 Billion Islamic Project Financing	DOTY
<b>NCB Capital</b>	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>NCB Capital</b>	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden</b>	Egypt Deal of the Year	Scatec Solar US\$335 million Project Financing	DOTY
<b>NewParadigm Capital Markets</b>	Structured Finance Deal of the Year	SkyWorld Capital RM600 million Musharakah program & RM400 million Murabahah program	DOTY
<b>Nomura Securities Malaysia</b>	Equity Deal of the Year	Alpha RM334 million Real Estate Investment Trust	DOTY
<b>Noor Bank</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Noor Bank</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY

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COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
Noor Bank	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Noor Bank	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Noor Bank	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
Noor Bank	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
Oxenwood Catalina Limited (Guernsey)	Most Innovative Deal of the Year	KIA Distribution Centre GBP25 million Acquisition	DOTY
Path Solutions	Best Islamic Technology Provider		Service Providers
Pinsent Masons	Mudarabah Deal of the Year	PNC Investments AED1.65 billion Bilateral Financing Facility	DOTY
PNC Investments/Sobha	Mudarabah Deal of the Year	PNC Investments AED1.65 billion Bilateral Financing Facility	DOTY
pwc	Mudarabah Deal of the Year	PNC Investments AED1.65 billion Bilateral Financing Facility	DOTY
Qatar Islamic Bank	Best Islamic Bank in Qatar		Best Banks
Qatar Islamic Bank	Qatar Deal of the Year	Al Jaber QR1.68 billion Financing	DOTY
Qatar Islamic Bank	Restructuring Deal of the Year	United Arab Shipping Company US\$14 billion merger with Hapag-Lloyd	DOTY
QInvest	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
QInvest	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
Quantum Solar Park	Project & Infrastructure Finance Deal of the Year	Quantum Solar Park RM1 billion Green SRI Sukuk	DOTY
Rand Merchant Bank	Africa Deal of the Year	Africa Finance Corporation US\$150 million Sukuk	DOTY
RHB Investment Bank	IPO (Sukuk) Deal of the Year	Sukuk Ihsan RM100 million Wakalah Bi Al-Istithmar Sukuk	DOTY
Riyad Capital	Cross Border Deal of the Year	Souqalmal Holding US\$1.5 million Venture Capital Investment	DOTY
Riyad Capital Shariah board	Cross Border Deal of the Year	Souqalmal Holding US\$1.5 million Venture Capital Investment	DOTY
S&P Dow Jones Indices	Best Islamic Index Provider		Service Providers
Sarie El Din Law Officer	Musharakah Deal of the Year	Al Marasem Real Estate Development Company EGP900 million Syndicated Musharakah Financing	DOTY
Saudi Technology Development and Investment Company (TAQNIA)	Cross Border Deal of the Year	Souqalmal Holding US\$1.5 million Venture Capital Investment	DOTY
Scatec Solar	Egypt Deal of the Year	Scatec Solar US\$335 million Project Financing	DOTY

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COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
Shahid Law Firm	Egypt Deal of the Year	Scatec Solar US\$335 million Project Financing	DOTY
Shearn Delamore	Perpetual Deal of the Year	Tanjung Bin Energy RM800 million Perpetual Sukuk Wakalah	DOTY
Simmons & Simmons	Best Law Firm in Fintech		Law
Simmons & Simmons	Cross Border Deal of the Year	Souqalmal Holding US\$1.5 million Venture Capital Investment	DOTY
Skyworld Development	Structured Finance Deal of the Year	SkyWorld Capital RM600 million Musharakah program & RM400 million Murabahah program	DOTY
SMBC Nikko	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
Standard Chartered Bank	Best Islamic Trustee		Best Banks
Standard Chartered Bank	Oman Deal of the Year	Government of Oman US\$2 billion 144A Sovereign Sukuk	DOTY
Standard Chartered Bank	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
Standard Chartered Bank	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
Standard Chartered Bank	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
Standard Chartered Bank	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
Standard Chartered Bank	Syndicated Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
Standard Chartered Bank	UAE Deal of the Year	FINCO AED5.05 billion Ijarah Syndication	DOTY
State Bank of Pakistan	Best Central Bank in Promoting Islamic Finance		Best Banks
Souqalmal	Cross Border Deal of the Year	Souqalmal Holding US\$1.5 million Venture Capital Investment	DOTY
Sumberdaya Sewatama	Indonesia Deal of the Year	Sumberdaya Sewatama IDR1.8 trillion Restructuring	DOTY
Tanjung Bin Energy (Malakoff Logo)	Perpetual Deal of the Year	Tanjung Bin Energy RM800 million Perpetual Sukuk Wakalah	DOTY
The Green Climate Fund	Egypt Deal of the Year	Scatec Solar US\$335 million Project Financing	DOTY
Toprak Mahsulleri Ofisi (Turkish Grain Board)	Turkey Deal of the Year	KT SUKUK Varlık Kiralama TRY100 million Sukuk Wakalah	DOTY
Trowers & Hamlins	Most Innovative Deal of the Year	KIA Distribution Centre GBP25 million Acquisition	DOTY
UAE Exchange	Cross Border Deal of the Year	Souqalmal Holding US\$1.5 million Venture Capital Investment	DOTY
United Arab Shipping Company	Restructuring Deal of the Year	United Arab Shipping Company US\$14 billion merger with Hapag-Lloyd	DOTY

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COMPANY	CATEGORY	DEAL NAME	AWARD TYPE
<b>United Bank</b>	Pakistan Deal of the Year	WAPDA PKR144 Billion Islamic Project Financing	DOTY
<b>United Overseas Bank (Malaysia)</b>	Structured Finance Deal of the Year	SkyWorld Capital RM600 million Musharakah program & RM400 million Murabahah program	DOTY
<b>University Bancorp</b>	Best Islamic Bank in the US		Best Banks
<b>Walkers</b>	Africa Deal of the Year	Africa Finance Corporation US\$150 million Sukuk	DOTY
<b>Warba Bank</b>	Ijarah Deal of the Year	Mazoon Electricity Company US\$500 million 144A/Reg S Sukuk	DOTY
<b>Warba Bank</b>	Kuwait Deal of the Year	Warba Bank US\$250 million Additional Tier 1 Capital Sukuk	DOTY
<b>Warba Bank</b>	Most Innovative Deal of the Year	KIA Distribution Centre GBP25 million Acquisition	DOTY
<b>Warba Bank</b>	Real Estate Deal of the Year	Emirates REIT US\$400 million Sukuk	DOTY
<b>Watson Farley &amp; Williams</b>	Restructuring Deal of the Year	United Arab Shipping Company US\$14 billion merger with Hapag-Lloyd	DOTY
<b>White &amp; Case</b>	Hybrid Deal of the Year	EQUATE US\$500 million Sukuk	DOTY
<b>White &amp; Case</b>	Restructuring Deal of the Year	United Arab Shipping Company US\$14 billion merger with Hapag-Lloyd	DOTY
<b>White &amp; Case</b>	Saudi Arabia Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>White &amp; Case</b>	Sovereign Deal of the Year	Kingdom of Saudi Arabia US\$9 billion Reg S and 144A Sukuk issuance	DOTY
<b>Winston &amp; Strawn</b>	Best Law Firm in Project Finance		Law
<b>Zaid Ibrahim &amp; Co</b>	Project & Infrastructure Finance Deal of the Year	Quantum Solar Park RM1 billion Green SRI Sukuk	DOTY
<b>Zaid Ibrahim &amp; Co</b>	IPO (Sukuk) Deal of the Year	Sukuk Ihsan RM100 million Wakalah Bi Al-Istithmar Sukuk	DOTY
<b>Zu'bi Partners Attorneys &amp; Legal Consultants</b>	Bahrain Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY
<b>Zu'bi Partners Attorneys &amp; Legal Consultants</b>	Regulatory Capital Deal of the Year	Al Baraka Banking Group US\$400 million Tier 1 Sukuk	DOTY





# Our People

# Our Achievements



# RULE #1

## Choose the right partner

# RULE #2

## Never forget Rule #1



### The Asset Triple A Country Awards 2017

- Best Loan Adviser
- Best IPO
- Best Bank Capital Bond

### The Asset Triple A Asia Infrastructure Awards 2017

- Project Finance House of the Year, Malaysia - 3rd Consecutive Year
- Project Finance Deal of the Year, Malaysia
- Transport Deal of the Year

### The Asset Triple A Islamic Finance Awards 2017

- Best Islamic Project Finance House, Malaysia
- Best Project Finance Deal
- Best Debut Sukuk
- Best Bank Capital Sukuk
- Best Securitisation Sukuk
- Best Government-Guaranteed Sukuk



RATINGS

### 14th Annual RAM League Awards 2017

- Lead Manager Award 2016 by Number of Issues (Joint first place)
- Lead Manager Award (Sukuk) 2016 by Number of Issues (Joint second place)
- Lead Manager Award 2016 by Programme Value (Third Placing)
- Lead Manager Award (Sukuk) 2016 by Programme Value (Third Placing)
- Lead Manager Award X 2016 by Programme Value (Third Placing)



Southeast Asia

### 11th Annual Alpha SEA Deal and Solution Awards 2017

- Best Assets-Backed Securitisation Deal
- Best Musharakah Deal
- Best Mid-Cap Equity Deal



### IFN Awards 2017

- Commodity Murabahah Deal of the Year



### Global Islamic Finance Award 2017

- Best Sukuk House



MALAYSIAN RATING CORPORATION BERHAD

### 2016 Lead Manager League Table Awards

- Issue Value (2nd runner up)



### IFR Asia Awards 2016

- Islamic Issue of the Year

