بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيم

In the name of Allah, The Most Gracious, The Most Merciful

28 November 2023 | 15 Jml. I 1445 AH

SHARIAH STATUS FOR INITIAL PUBLIC OFFERING (IPO) OF K CASH CORPORATION LIMITED (2483)

We, Sharlife Sdn Bhd, a Registered Shariah Advisers (Corporation) under the Securities Commission Malaysia, focusing on Islamic Capital Market products, alternative assets as well as Islamic Social Finance, we hereby acknowledge as follows:

- Name: K Cash Corporation Limited
- Stock Code: 2483
- IPO: Global Offering
- Exchange: Hong Kong Exchange
- Financial Statement Year Ended: 2022

We have conducted a comprehensive Shariah Screening of K Cash Corporation Limited to determine the Shariah Status of its IPO. Due to the absence of a localized Shariah Screening Methodology in the region, we have adopted the Shariah Screening Methodology of the Shariah Advisory Council of the Securities Commission Malaysia which adopts a two-tier quantitative approach, which applies the business activity benchmarks and financial ratio benchmarks.

Based on our assessment conducted on the publicly available prospectus and to the best of our knowledge, we are of the opinion that the IPO of **K Cash Corporation Limited (2483)** is **Non-Compliance with Shariah.**

Details of our assessment can be reviewed in **Appendix I.**

والله أعلمُ

Issued by,
Sharlife Sdn. Bhd.

Ustaz Arham Merican
Shariah Officer

APPENDIX I

Business Activity Benchmark Assessment

The contribution of Shariah non-compliant (SNC) activities to the Group revenue before taxation of the company will be computed and compared against the relevant business activity benchmarks.

K Cash Corporation Limited is the fourth largest licensed money lender in Hong Kong in respect of the overall unsecured loan market in terms of revenue in 2022. The loan products are tailored to meet the needs of subprime borrowers who face financial hardships, emergencies or unexpected expenses. The loan products can be classified into three categories which are unsecured property owner loans, personal loans and SME loans.

Operating Revenue

Segment	Segment Revenue (RMB '000)	SNC Revenue	% SNC	Classification	Results
Unsecured property loans	3,217	3,217	100.0%	Offered to borrowers who are property owners in Hong Kong, mostly owners of HOS Properties, without the need to provide any collaterals - subject to 5% benchmark	Failed
Personal loans	65	65	100.0%	Unsecured loans offered to individuals - subject to 5% benchmark	Failed
SME loans	8,994	8,994	100.0%	Unsecured loans offered to SMEs, with a personal guarantee typically provided by a director or a shareholder of the SME borrower - subject to 5% benchmark	Failed
TOTAL	**3,282**	**3,282**	**100.0%**	**Licensed money lender**	**Failed**

Non-Operating Revenue

Segment	Segment Revenue (RMB '000)	SNC Revenue	% SNC	Classification	Results
Rental income from fellow subsidiaries	8,300	0	0.0%	N/A	Passed
Government grant	1,800	0	0.0%	N/A	Passed
TOTAL	**10,100**	**0**	**0.0%**	**-**	**Passed**

Revenue Classification	SNC Revenue
SNC Operating Revenue	3,282
SNC Non-operating Revenue	0
Total SNC Revenue	3,282
Total Revenue (Gross)	13,382
% SNC Revenue	24.5%
STATUS	**FAILED**

Financial Ratio Benchmark Assessment

Cash over total assets: Cash in Conventional Account or any prohibited Financial Instrument

<table>
<tr><th>Segment</th><th>Segment Amount (HK$ ‘million)</th><th>Total Assets</th><th>% Ratio</th><th>Result</th></tr>
<tr><td>Cash and cash equivalents</td><td>24.1</td><td rowspan="2">1,087.3</td><td rowspan="2">2.2%</td><td>Within 33% limits</td></tr>
<tr><td>TOTAL</td><td>24.1</td><td>PASSED</td></tr>
</table>

Debt over total assets: Interest-Bearing Debt

<table>
<tr><th>Segment</th><th>Segment Amount (HK$ ‘million)</th><th>Total Assets</th><th>% Ratio</th><th>Result</th></tr>
<tr><td>Bank borrowings</td><td>303.1</td><td rowspan="3">1,087.3</td><td rowspan="3">29.6%</td><td rowspan="2">Within 33% limits</td></tr>
<tr><td>Lease liabilities</td><td>19.1</td></tr>
<tr><td>TOTAL</td><td>322.2</td><td>PASSED</td></tr>
</table>

IPO Shariah Status

<table>
<tr><th colspan="2">Segment</th><th>Status</th></tr>
<tr><td colspan="2">Business Activity Benchmark</td><td>FAILED</td></tr>
<tr><td rowspan="2">Financial Ratio Benchmark</td><td>Cash</td><td>PASSED</td></tr>
<tr><td>Debt</td><td>PASSED</td></tr>
<tr><td colspan="2">Result</td><td>FAILED</td></tr>
</table>

Sharlife Sdn. Bhd. (202301018516)
18A, Jalan Pinggiran Putra 4A/4, Desa Pinggiran Putra, 43000 Kajang, Selangor, MALAYSIA
admin@sharlife.my | www.sharlife.my

Disclosure

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