بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيم

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

2nd January 2024 | 20 Jml. II 1445 AH

SHARIAH STATUS FOR INITIAL PUBLIC OFFERING (IPO) OF CHANGJIU HOLDINGS LIMITED (6959)

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: **Changjiu Holdings Limited**
- Stock Code: **6959**
- IPO: Global Offering
- Exchange: Hong Kong Exchange
- Financial Statement Year Ended: 2022

We have conducted a comprehensive Shariah Screening of **Changjiu Holdings 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 **Changjiu Holdings Limited (6959)** 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.

Changjiu Holdings Limited is a leading provider of pledged vehicle monitoring services and automobile dealership operation management services in China. They offer efficient monitoring of pledged vehicles to financial institutions, ensuring the security of the vehicles. They also provide operation management services to automobile dealerships, aiming to enhance their business and financial performance.

Operating Revenue

Segment	Segment Revenue (RMB '000)	SNC Revenue	% SNC	Classification	Results
Pledged vehicle monitoring services	505,049	0	0.00%	Primarily to financial institutions that provide secured financing to automobile dealerships for their purchase of vehicles	Passed
Automobile dealership operation management services	42,818	0	0.00%	Consist of automobile dealerships operational support, data system and managerial services	Passed
TOTAL	**547,867**	**0**	**0.00%**	**Automobile sales and distribution**	**Passed**

Non-Operating Revenue

Segment	Segment Revenue (RMB '000)	SNC Revenue	% SNC	Classification	Results
Government grants	416	0	0.00%	N/A	Passed
Extra deduction of input VAT	843	0	0.00%	N/A	Passed
On-board diagnostics related compensation	176	0	0.00%	N/A	Passed
Others	117	0	0.00%	N/A	Passed
TOTAL	**1,552**	**0**	**0.00%**	**-**	**Passed**

Revenue Classification	SNC Revenue
SNC Operating Revenue	0
SNC Non-operating Revenue	0
Total SNC Revenue	0
Total Revenue (Gross)	549,419
% SNC Revenue	0.00%
STATUS	**PASSED**

Financial Ratio Benchmark Assessment

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

Segment	Segment Amount (RMB '000)	Total Assets	% Ratio	Result
Cash and cash equivalents	119,341	261,164	45.7%	Over 33% limit
TOTAL	**119,341**			**FAILED**

Debt over total assets: Interest-Bearing Debt

Segment	Segment Amount (RMB '000)	Total Assets	% Ratio	Result
Bank loans	75,000	261,164	31.2%	Within 33% limit
Lease liabilities	6,417			
TOTAL	**81,417**			**PASSED**

IPO Shariah Status

Segment		Status
Business Activity Benchmark		PASSED
Financial Ratio Benchmark	Cash	FAILED
	Debt	PASSED
Result		FAILED

Disclosure

This research is free to our clients and is grounded in presently available public information that we deem reliable. It is crucial to note that this research does not constitute an offer to sell or a solicitation of an offer to buy any security, particularly in jurisdictions where such actions would be considered illegal. Furthermore, it does not serve as a personalized recommendation and does not consider the individual investment objectives, financial situations, or needs of specific clients.