بِسْمِ اللهِ الرَّحْمَنِ الرَّحِيم

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

16th Apr 2024 | 7 Shwl. 1445 AH

SHARIAH STATUS FOR INITIAL PUBLIC OFFERING (IPO) OF TIANJIN CONSTRUCTION DEVELOPMENT GROUP CO., LTD (2515)

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: **Tianjin Construction Development Group Co., Ltd**
- Stock Code: **2515**
- IPO: Global Offering
- Exchange: Hong Kong Exchange
- Financial Statement Year Ended: 2023

We have conducted a comprehensive Shariah Screening of **Tianjin Construction Development Group Co., Ltd** 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 **Tianjin Construction Development Group Co., Ltd (2515)** is **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.

Tianjin Construction Development Group Co., Ltd. is a construction group based in Tianjin, China. They have a strong presence in the Tianjin construction market, with a market share of 0.1% in terms of construction revenue. They have undertaken 151 construction projects and served 71 customers, including government authorities, state-owned enterprises, and private enterprises.

Operating Revenue

Segment	Segment Revenue (RMB '000)	SNC Revenue	% SNC	Description	Results
Municipal public construction works	186,201	0	0.00%	Primarily consist of traffic facilities construction and road construction	Passed
Foundation works	83,265	0	0.00%	Primarily consist of foundation construction and earthwork	Passed
Building construction related works	41,155	0	0.00%	Mainly including building renovation and decoration, and intelligent building construction	Passed
Petrochemical engineering works	8,195	0	0.00%	Mainly including filling station upgrading and renovation, equipment installation and oil tank overhaul	Passed
Other	621	0	0.00%	Included service income generated from the provision of software services such as Jiexiao System	Passed
TOTAL	**319,437**	**0**	**0.00%**	**Construction services**	**Passed**

Non-Operating Revenue

Segment	Segment Revenue (RMB '000)	SNC Revenue	% SNC	Description	Results
Property management services	572	0	0.00%	N/A	Passed
Interest income on finance lease	534	534	100.0%	Subject to 5% benchmark	Failed
Interest income on bank deposits	20	20	100.0%	Subject to 5% benchmark	Failed

Government grants	26	0	0.00%	N/A	Passed
TOTAL	**1,152**	**554**	**48.1%**	**-**	**Failed**

Revenue Classification	SNC Revenue
SNC Operating Revenue	0
SNC Non-operating Revenue	554
Total SNC Revenue	554
Total Revenue (Gross)	320,589
% SNC Revenue	0.17%
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	Description	Result
Restricted bank deposits	4,369	564,711	1.9%	Subject to 33% benchmark	Within 33% limit
Cash and cash equivalents	6,422				
TOTAL	**10,791**				**PASSED**

Debt over total assets: Interest-Bearing Debt

Segment	Segment Amount (RMB '000)	Total Assets	% Ratio	Description	Result
Lease liabilities	28,370	564,711	5.0%	Subject to 33% benchmark	Within 33% limit
TOTAL	**29,107**				**PASSED**

IPO Shariah Status

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

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.