بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيم

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

18 December 2023 | 5 Jml. II 1445 AH

SHARIAH STATUS FOR INITIAL PUBLIC OFFERING (IPO) OF BATELAB CO., LTD (2149)

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: **BaTeLab Co., Ltd**
- Stock Code: **2149**
- IPO: Global Offering
- Exchange: Hong Kong Exchange
- Financial Statement Year Ended: 2022

We have conducted a comprehensive Shariah Screening of **BaTeLab 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 **BaTeLab Co., Ltd (2149)** 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

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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.

BaTeLab Co., Ltd is one of the analog IC patterned wafer providers with a prominent market position in China. Their deliverable products are analog IC patterned wafers with completed built-on circuits, which can then be fabricated into individual IC chips after standard and straightforward packaging and testing steps performed by their downstream customers at their discretion or using the available packaging and testing solutions.

Operating Revenue

Segment	Segment Revenue (RMB '000)	SNC Revenue	% SNC	Classification	Results
Power management products	131,129	0	0.00%	Mainly include switching regulators, multi-channel ICs and PMICs and linear regulators, battery management ICs, monitoring and modulating ICs and driver ICs.	Passed
Signal chain products	22,057	0	0.00%	Include products that sense, condition and measure real-world signals to allow information or signal to be transferred or converted for further processing and control.	Passed
TOTAL	**153,186**	**0**	**0.00%**	**IC patterned wafer**	**Passed**

Non-Operating Revenue

Segment	Segment Revenue (RMB '000)	SNC Revenue	% SNC	Classification	Results
Government grants	672	0	0.00%	N/A	Passed
Interest income	495	495	100.0%	Subject to 5% benchmark	Failed
Rental income	710	0	0.00%	N/A	Passed
Net realized and unrealized gains on financial assets measured at FVPL	1,730	0	0.00%	N/A	Passed
R&D service income	6,184	0	0.00%	N/A	Passed
TOTAL	**9,791**	**495**	**5.1%**	**-**	**Failed**

Revenue Classification	SNC Revenue
SNC Operating Revenue	0
SNC Non-operating Revenue	495
Total SNC Revenue	495
Total Revenue (Gross)	162,977
% SNC Revenue	0.30%
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	162,507	595,528	27.3%	Within 33% limits
Pledged bank deposits	21,151			
TOTAL	**162,507**			**PASSED**

Debt over total assets: Interest-Bearing Debt

Segment	Segment Amount (RMB in thousand)	Total Assets	% Ratio	Result
Loans and borrowings	95,512	595,528	17.1%	Within 33% limits
Lease liabilities	6,570			
TOTAL	**102,082**			**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.