



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

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

4 March 2024 | 23 Shbn. 1445 AH

INTERIM SHARIAH STATUS FOR INITIAL PUBLIC OFFERING (IPO) OF ALPHA IVF GROUP BERHAD

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: **Alpha IVF Group Berhad**
- Market: **ACE**
- IPO: **MITI**
- Financial Statement Year Ended: **May 2023**

We have conducted a comprehensive Shariah Screening of **Alpha IVF Group Berhad** to determine the Shariah Status of its IPO. 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 **Alpha IVF Group Berhad** is **Non-Compliance with Shariah**.

All the information is based on the Prospectus provided by the company and published in the Bursa Malaysia's Exchange website but has not been registered with the Exchange under Rule 3.12A of the ACE Market Listing Requirements.

Kindly be advised that the final Shariah status will be issued by the Shariah Advisory Council of the Securities Commission Malaysia.

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

والله أعلم

Issued by,
Sharlife Sdn. Bhd.

Ustaz Arham Merican
Shariah Officer

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.

Alpha IVF is an investment holding company. Through its subsidiaries, Alpha IVF are primarily a fertility care specialist focusing on the provision of assisted reproductive services in Malaysia and Singapore. Alpha have two specialist centres in Malaysia and one specialist centre in Singapore which focuses on In-Vitro Fertilisation (IVF) services. In addition, Alpha IVF provide other assisted reproductive procedures including Intracytoplasmic Sperm Injection (ICSI), Intrauterine Insemination (IUI), various diagnostics, testing and screening procedures as well as cryopreservation of eggs, sperms and embryos to support our assisted reproductive services.

Operating Revenue

Segment	Segment Revenue (RM '000)	SNC Revenue	% SNC	Description	Result
Assisted reproductive services	56,268	0	0.00%	Included all types of fertility treatment and procedures treatment and procedures to assist people that have difficulties getting pregnant	Passed
Procedures	43,511	0	0.00%	Derived prior to performing the IVF services	Passed
Preimplantation Genetic Testings (PGT)	20,379	0	0.00%	Involve the screening of IVF-generated embryos to check for genetic conditions or chromosomal abnormalities before embryo transfer	Passed
Cryopreservation	9,037	0	0.00%	Fees are paid in advance prior to performing the freezing and storing mainly of eggs, sperm or embryos for future use	Passed
Others	8,284	0	0.00%	Include specialist medical services to patients at third-party medical service providers' premises, laboratory and related services	Passed
TOTAL	137,479	0	0.00%	Fertility care specialist centre	Passed

Non-Operating Revenue

Segment	Segment Revenue (RM '000)	SNC Revenue	% SNC	Description	Result
Fair value gain on other investment	11,280	0	0.00%	Arising from the revaluation of 26,000,000 RCCPS held by Alpha KL on 29 August 2022	Passed
Interest income	956	956	100.0%	Subject to 5% benchmark	Failed
Government grant income	47	0	0.0%	N/A	Passed
Sundry income	183	0	0.0%	N/A	Passed
Rental/leasing income	13	0	0.0%	Consist of rental of laboratory equipment, office space and utilities	Passed
Others	72	22	30.0%	Others include doctor administrative fees, sponsorship from vendors including milk distribution and COVID-19 vaccination, gain on disposal assets and realized gain on foreign exchanges	Failed
TOTAL	12,551	978	7.8%	-	Failed

Revenue Classification	SNC Revenue
SNC Operating Revenue (RM '000)	0
SNC Non-operating Revenue (RM '000)	978
Total SNC Revenue (RM '000)	978
Total Revenue (Gross) (RM '000)	150,030
% SNC Revenue	0.65%
STATUS	PASSED

Financial Ratio Benchmark Assessment

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

Segment	Segment Amount (RM '000)	Total Assets	% SNC	Description	Result
Fixed deposits with licensed banks	8,580	107,078	51.9%	Subject to 33% benchmark	Over 33% limit
Short-term investment	27,050				
Cash and bank balances	19,952				
TOTAL	55,582				FAILED

Debt over total assets: Interest-Bearing Debt

Segment	Segment Amount (RM '000)	Total Assets	% SNC	Description	Result
Lease liabilities	18,859	107,078	21.7%	Subject 33% benchmark	Within 33% limit
Borrowings	4,349				
TOTAL	23,208				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.

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