بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيم
In the name of Allah, The Most Gracious, The Most Merciful

24 June 2024 | 17 Dhu'l-H. 1445 AH

SHARIAH STATUS FOR INITIAL PUBLIC OFFERING (IPO) OF METASURFACE TECHNOLOGIES HOLDINGS LIMITED (8637)

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: **Metasurface Technologies Holdings Limited**
- Stock Code: **8637**
- IPO: Global Offering
- Exchange: Hong Kong Exchange
- Financial Statement Year Ended: 2023

We have conducted a comprehensive Shariah Screening of **Metasurface Technologies 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 **Metasurface Technologies Holdings Limited (8637)** 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 Consultant

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.

Metasurface Technologies Holdings Limited is a precision engineering services provider based in Singapore, offering precision machining and welding services to customers in the semiconductor, aerospace, and data storage industries. They have a proven track record in providing quality services to well-recognized international companies, such as Customer A from the U.S.

Operating Revenue

Segment	Segment Revenue ($'000)	SNC Revenue	% SNC	Description	Result
Precision machining	15,545	0	0.00%	Manufacture parts and components by machining raw materials using high precision CNC machines according to the Customer Production Drawings	Passed
Precision welding	23,224	0	0.00%	Provide welding and mechanical assembly services of gas line, mainly for semiconductor industry	Passed
TOTAL	**38,769**	**0**	**0.00%**	**Engineering services provider**	**Passed**

Non-Operating Revenue

Segment	Segment Revenue ($'000)	SNC Revenue	% SNC	Description	Result
Rental income	1,299	0	0.00%	N/A	Passed
Service income	1,190	0	0.00%	N/A	Passed
Scrap material sales income	134	0	0.00%	N/A	Passed
Government grants	87	0	0.00%	N/A	Passed
Others	21	21	100.0%	Refer to insurance claim	Failed
TOTAL	**2,731**	**21**	**0.77%**	**-**	**Passed**

Revenue Classification	SNC Revenue
SNC Operating Revenue	0
SNC Non-operating Revenue	21
Total SNC Revenue	21
Total Revenue (Gross)	41,500
% SNC Revenue	0.051%
STATUS	**PASSED**

Financial Ratio Benchmark Assessment

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

Segment	Segment Amount ($ '000)	Total Assets	% Ratio	Description	Result
Cash and bank balances	9,225	69,860	13.20%	Subject to 33% benchmark	Within 33% limit
TOTAL	**9,225**				**PASSED**

Debt over total assets: Interest-Bearing Debt

Segment	Segment Amount ($ '000)	Total Assets	% Ratio	Description	Result
Borrowings	4,237	69,860	47.38%	Subject to 33% benchmark	Over 33% limit
Lease liabilities	28,866				
TOTAL	**33,103**				**FAILED**

IPO Shariah Status

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