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SORENTO CAPITAL BERHAD
(Registration No. 202301018305 (1512227-W))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING (“IPO”) OF 229,000,000 ORDINARY SHARES IN SORENTO CAPITAL BERHAD (“SORENTO CAPITAL” OR “COMPANY”) (“IPO SHARES”) IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ISSUED SHARE CAPITAL OF SORENTO CAPITAL ON THE ACE MARKET OF BURSA SECURITIES COMPRISING:

- I. PUBLIC ISSUE OF 155,000,000 NEW ORDINARY SHARES IN SORENTO CAPITAL (“SHARES”) IN THE FOLLOWING MANNER:**
- (A) 43,000,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;**
 - (B) 16,000,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY OUR ELIGIBLE DIRECTORS, EMPLOYEES AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF SORENTO CAPITAL GROUP; AND**
 - (C) 96,000,000 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY;**
- AND**
- II. OFFER FOR SALE OF UP TO 74,000,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS IN THE FOLLOWING MANNER:**
- (A) 62,500,000 EXISTING SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS; AND**
 - (B) 11,500,000 EXISTING SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY;**

AT AN IPO PRICE OF RM[•] PER SHARE PAYABLE IN FULL UPON APPLICATION.

Principal Adviser, Sponsor, Underwriter and Placement Agent



NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER SIX MONTHS FROM THE DATE OF THIS PROSPECTUS.

[BURSA SECURITIES HAS APPROVED OUR IPO AND THIS PROSPECTUS HAS BEEN REGISTERED BY BURSA SECURITIES. THE APPROVAL FOR THE ADMISSION OF OUR COMPANY TO THE OFFICIAL LIST OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR OUR ENTIRE ENLARGED ISSUED SHARE CAPITAL ON THE ACE MARKET OF BURSA SECURITIES, AND THE REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE OFFERING OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. BURSA SECURITIES HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE SECURITIES BEING OFFERED FOR INVESTMENT.]

BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS SET OUT IN SECTION 9 OF THIS PROSPECTUS.

THE ACE MARKET IS AN ALTERNATIVE MARKET DESIGNED PRIMARILY FOR EMERGING CORPORATIONS THAT MAY CARRY HIGHER INVESTMENT RISK WHEN COMPARED WITH LARGER OR MORE ESTABLISHED CORPORATIONS LISTED ON THE MAIN MARKET. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.

THIS ISSUE, OFFER OR INVITATION FOR THE OFFERING IS A PROPOSAL NOT REQUIRING APPROVAL, AUTHORISATION OR RECOGNITION OF THE SECURITIES COMMISSION MALAYSIA (“SC”) UNDER SECTION 212(8) OF THE CAPITAL MARKETS AND SERVICES ACT 2007 (“CMSA”).

THIS PROSPECTUS IS DATED [•]

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Offeror (as defined in this Prospectus) have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in the Prospectus false or misleading.

Alliance Islamic Bank Berhad, being our Principal Adviser, Sponsor, Underwriter and Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the offering.

STATEMENTS OF DISCLAIMER

[Approval has been granted by Bursa Securities for the listing of and quotation for the securities being offered.] Admission to the Official List of ACE Market of Bursa Securities is not to be taken as an indication of the merits of the offering, our Company or our Shares.

Bursa Securities is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

[This Prospectus, together with the Application Form (as defined in this Prospectus), has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.]

OTHER STATEMENTS

You should note that you may seek recourse under Sections 248, 249 and 357 of the CMSA (as defined in this Prospectus) for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Company.

Shares listed on Bursa Securities are offered to the public on the premise of full and accurate disclosure of all material information concerning the offering, for which any person set out in Section 236 of the CMSA, is responsible.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection herewith.

This Prospectus is prepared and published solely for our IPO in Malaysia under the laws of Malaysia. Our IPO Shares are issued/ offered in Malaysia solely based on the contents of this Prospectus. Our Directors, Promoters, Principal Adviser, Sponsor, Underwriter and Placement Agent take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Directors, our Promoters and our Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide you with information which is not contained in this Prospectus.

It shall be your sole responsibility, if you are or may be subject to the laws of any country or jurisdiction other than Malaysia, to consult your legal and/ or other professional advisers as to whether your application for our IPO would result in the contravention of any law of such country or jurisdiction which you may be subject to. Neither we nor our Principal Adviser nor any other advisers in relation to our IPO shall accept any responsibility or liability in the event that any other application made by you shall be illegal, unenforceable, voidable or void in any such country and jurisdiction.

Further, it shall also be your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of our IPO and would not be in contravention of any law of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you have accepted our IPO in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus (as defined in this Prospectus) and the copy of this Prospectus registered by Bursa Securities are the same.

You are advised that the internet is not a fully secured medium. Your Internet Share Application (as defined in this Prospectus) may be subject to risks or problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions (as defined in this Prospectus). These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt as to validity or integrity of the Electronic Prospectus, you should immediately request a paper/ printed copy of this Prospectus from us, our Principal Adviser or our Issuing House.

In the event of any discrepancy arising between the contents of the Electronic Prospectus and the contents of the paper/ printed copy of this Prospectus for any reason whatsoever, the contents of the paper/ printed copy of this Prospectus, which is identical to the copy of the Prospectus registered with Bursa Securities, will prevail.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**Third Party Internet Sites**") whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:-

- (i) we and our Principal Adviser do not endorse and are not affiliated in any way to the Third Party Internet Sites. Accordingly, we are not responsible for the availability of, or the content or any data, information, files or other materials provided on the Third Party Internet Sites. You shall bear all risks associated with the access to or use of the Third Party Internet Sites;
- (ii) we and our Principal Adviser are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or costs that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, information, files or other material provided by such parties; and
- (iii) any data, information, files or other materials downloaded from the Third Party Internet Sites is done at your own discretion and risk. We and our Principal Adviser are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, files, information or other materials.

Where an electronic Prospectus is hosted on the website of the Internet Participating Financial Institutions, you are advised that:-

- (i) the Internet Participating Financial Institutions are liable in respect of the integrity of the contents of an electronic Prospectus, to the extent of the contents of the electronic Prospectus situated on the web server of the Internet Participating Financial Institutions which may be viewed via your web browser or other relevant software;

- (ii) the Internet Participating Financial Institutions shall not be responsible in any way for the integrity of the contents of an electronic Prospectus which has been downloaded or otherwise obtained from the web server of the Internet Participating Financial Institutions and thereafter communicated or disseminated in any manner to you or other parties; and
- (iii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an electronic Prospectus, the accuracy and reliability of an electronic Prospectus cannot be guaranteed as the internet is not a fully secured medium.

The Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or cost, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an electronic Prospectus which may arise in connection with or as a result of any fault or faults with web browsers or other relevant software, any fault or faults on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institutions, and/ or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

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INDICATIVE TIMETABLE

The following events are intended to take place on the following tentative dates:-

Event(s)	Tentative Date(s)
Opening of the application period for our IPO	[•]
Closing of the application period for our IPO	[•]
Balloting of applications	[•]
Allotment of Issue Shares/ Transfer of Offer Shares to successful applicants	[•]
Listing on the ACE Market of Bursa Securities	[•]

In the event there is any change to the indicative timetable above, we will advertise a notice of change in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia and will also announce it on Bursa Securities' website accordingly.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “our Company” or “Sorento Capital” in this Prospectus are to Sorento Capital Berhad, while references to “our Group” or “Sorento Capital Group” are to our Company and our subsidiaries. References to “we”, “us”, “our” and “ourselves” are to our Company or our Group or any member of our Group, as the context requires. Unless the context otherwise requires, references to “Management” are to our Managing Director, Executive Director and our Key Senior Management as disclosed in this Prospectus and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

All references to “you” are to our prospective investors.

Certain abbreviations, acronyms and technical terms used are defined in the “Definitions” and “Glossary of Technical Terms” sections of this Prospectus. Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include companies and corporations.

In this Prospectus, references to the “Government” are to the Government of Malaysia; and references to “RM” and “sen” are to the lawful currency of Malaysia. The word “approximately” used in this Prospectus is to indicate that a number is not an exact one, but that number is usually rounded off to the nearest hundredth or two decimal places. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding.

Unless otherwise stated, any reference to dates and times in this Prospectus shall be a reference to dates and times in Malaysia.

Any reference to any provisions of the statutes, rules, regulations, enactments or rules of stock exchange in this Prospectus shall (where the context admits) be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactments to the statutes, rules, regulations, enactments or rules of stock exchange for the time being in force.

This Prospectus includes statistical data provided by our Management and various third parties and cites third party projections regarding growth and performance of the industry in which our Group operates or is exposed to. This data is taken or derived from information published by industry sources and from our internal data. In each such case, the source is stated in this Prospectus. Where no source is stated, it can be assumed that the information originates from our Management.

In particular, certain information in this Prospectus is extracted or derived from the IMR Report (as defined in this Prospectus) included in Section 8 of this Prospectus, prepared by Smith Zander (as defined in this Prospectus), an independent market researcher. We have appointed Smith Zander to provide an independent market and industry review. In compiling its data for the review, Smith Zander had relied on their research methodology, industry sources, published materials, their own private databases and direct contacts within the industry. We believe that the information on the industry and the statistical data and projections cited in this Prospectus are useful in helping you to understand the major trends in the industry in which we operate. Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot assure you that the projections will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

If there are any discrepancies or inconsistencies between the English and Bahasa Malaysia versions of this document, the English version shall prevail.

The information on our website, or any website directly and indirectly linked to such website does not form part of this Prospectus and should not be relied upon.

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements, which include all statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, prospects, plans and objectives of our Management for future operations. Some of these statements can be identified by words that have a bias towards or are forward-looking such as “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “estimate”, “aim”, “plan”, “forecast”, “project” or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond our Group’s control that could cause our actual results, performances or achievements to be materially different from future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements include, without limitation, statements relating to:-

- (i) our business strategies, trends and competitive position;
- (ii) our plans and objectives for future operations;
- (iii) our future potential growth opportunities;
- (iv) our future financial position, earnings, cash flows and liquidity;
- (v) our ability to pay dividends; and
- (vi) the regulatory environment and the effects of future regulation.

Such forward-looking statements are based on numerous assumptions regarding our Group’s present and future business strategies and the environment in which we operate. Our actual results may differ materially from information contained in the forward-looking statements as a result of a number of factors beyond our control, including, without limitation:-

- (a) the general economic, business, social, political and investment environment in Malaysia and globally;
- (b) government policy, legislation and regulation;
- (c) interest rates, tax rates and exchange rates;
- (d) the competitive environment in the industry in which we operate;
- (e) reliance on approvals, licences and permits;
- (f) availability and fluctuations in prices of raw materials;
- (g) fixed and contingent obligations and commitments; and
- (h) any other factors beyond our control.

Additional factors that could cause our actual results, performances or achievements to differ materially include, but are not limited to those discussed in Section 9 – Risk Factors and Section 12.3 – Management’s Discussion and Analysis of Financial Conditions and Results of Operations of this Prospectus. We cannot assure you that the forward-looking statements in this Prospectus will be realised.

These forward-looking statements are based on information available to us as at the LPD and are made available only as at the LPD. Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment of the IPO Shares, we shall further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provision of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6) of the Prospectus Guidelines (Supplementary and Replacement Prospectus).

DEFINITION

The following definitions shall apply throughout this Prospectus unless the definitions are defined otherwise or the context requires otherwise:-

COMPANIES WITHIN OUR GROUP

BBSB	: Beyond Bath Sdn Bhd (Registration No. 201401007432 (1083510-T))
IBSB	: Ideal Bath Sdn Bhd (Registration No. 201801038126 (1300157-D))
MSB	: Mocha Sdn Bhd (Registration No. 202301027110 (1521033-A)), a wholly-owned subsidiary of SSB
NSSB	: Nautical Sanitaryware Sdn Bhd (Registration No. 201401023343 (1099430-P))
SSB	: Sorento Sdn Bhd (Registration No. 200501017483 (694526-P))
Sorento Capital or Company	: Sorento Capital Berhad (Registration No. 202301018305 (1512227-W))
Sorento Capital Group or Group	: Sorento Capital and our Subsidiaries, collectively
Subsidiaries	: BBSB, IBSB, MSB, NSSB and SSB, collectively

GENERAL

ACE Market	: ACE Market of Bursa Securities
Acquisitions	: The acquisitions of BBSB, IBSB, NSSB and SSB, collectively
Act	: Companies Act 2016, as may be amended from time to time
ADA	: Authorised Depository Agent, a person appointed by Bursa Depository under the Rules of Bursa Depository
AGM	: Annual General Meeting
AIS or Principal Adviser or Sponsor or Underwriter or Placement Agent	: Alliance Islamic Bank Berhad (Registration No. 200701018870 (776882-V))
Application(s)	: The application(s) for our Issue Shares by way of Application Form, Electronic Share Application and/ or Internet Share Application
Application Form(s)	: The printed application form(s) for the Application of our Issue Shares
ATM	: Automated Teller Machine
Board	: Board of Directors of Sorento Capital
Bukit Raja Facility	: The head office and warehouse rented by the Group located at No. 5, Jalan Astana 2/KU2, Bandar Bukit Raja, 41050 Klang, Selangor
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))

DEFINITION (Cont'd)

Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CCC	: Certificate of completion and compliance
CDS	: Central Depository System
CDS Account(s)	: Account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
CIDB	: Construction Industry Development Board
CIDB Act 1994	: Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994, as may be amended from time to time
CMSA	: Capital Markets and Services Act 2007, as may be amended from time to time
Constitution	: The constitution of Sorento Capital
Depositor	: A holder of a CDS Account
Director(s)	: Director(s) of our Company and within the meaning given in Section 2 of the CMSA
EIS	: Employment Insurance System
Electronic Prospectus	: A copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/ or an electronic storage medium, including but not limited to CD-ROMs (compact disc read-only memory)
Electronic Share Application	: An application for our Issue Shares through Participating Financial Institutions' ATM
Eligible Persons	: Eligible Directors, employees and persons who have contributed to the success of our Group, as further detailed in Section 4.1.2 (ii) of this Prospectus
EPF	: Employees Provident Fund
EPS	: Earnings per Share
Executive Director(s)	: Non-independent executive director(s) of Sorento Capital, namely Loo Chai Lai, Loo Jing Kai and Lee Chee Keong
FHSB	: Fantastic Hectares Sdn Bhd (Registration No. 200701033931 (791960-X))
Financial Years Under Review	: FYE 2021, FYE 2022 and FYE 2023, collectively
FYE	: Financial year ended/ ending 30 June, as the case may be
GP	: Gross profit
GRS 2024	: Guidelines for Registration of Suppliers (Revision 16) issued by the Industry Development & Audit Division of SPAN dated 1 January 2024, as may be amended from time to time

DEFINITION (Cont'd)

IKRAM	: IKRAM QA Services Sdn Bhd (Registration No. 199901004665 (479565-A))
IMR Report	: The independent market research report titled “Independent Market Research Report on the bathroom and kitchen sanitary wares industry in Malaysia” and dated 26 March 2024, prepared by Smith Zander, as set out in Section 8 of this Prospectus
Internet Participating Financial Institution(s)	: Participating financial institution(s) for the Internet Share Application, as listed in Section 15 of this Prospectus
Internet Share Application	: Application for our IPO Shares through an online share application service provided by the Internet Participating Financial Institution(s)
IPO	: Initial public offering of our IPO Shares in conjunction with the listing of and quotation for our entire enlarged issued share capital on the ACE Market comprising the Public Issue
IPO Price	: The price of RM[●] per IPO Share
IPO Share(s)	: The Issue Share(s) and Offer Share(s), collectively
IRB	: Inland Revenue Board of Malaysia
Issue Share(s)	: 155,000,000 new Shares, representing approximately 18.02% of our enlarged issued share capital, which are to be issued pursuant to the Public Issue and subject to the terms and conditions of this Prospectus
Issuing House or Share Registrar	: Tricor Investor & Issuing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))
Jalan Meru Facility	: A warehouse and office rented by the Group, located at Lot 5074, Off 5 ½ Miles, Jalan Meru, 41050 Klang, Selangor
KCBS	: Kedai Cat Boon Seng Sdn Bhd (Registration No. 199401004550 (290229-K))
LCL Success	: LCL Success Sdn Bhd (Registration No. 202401007057 (1552907-K))
Listing	: The admission of Sorento Capital to the Official List and the listing of and quotation for our entire enlarged issued share capital of RM[●] comprising 860,000,000 Shares on the ACE Market
Listing Requirements	: ACE Market Listing Requirements of Bursa Securities, as may be amended from time to time
Listing Scheme	: Comprising the Acquisitions, Public Issue, Offer for Sale, Share Transfer and Listing, collectively
LPD	: 29 February 2024, being the latest practicable date prior to the issuance of this Prospectus
Malaysian Public	: Citizens of Malaysia and companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Market Day(s)	: Any day(s) on which Bursa Securities is open for trading of securities

DEFINITION (Cont'd)

MBS Home	: MBS Home Decorations Sdn Bhd (Registration No. 200701040362 (798394-U))
MBS Paints	: MBS Paints Sdn Bhd (Registration No. 199301023907 (278645-W))
MBS Tools	: MBS Tools Sdn Bhd (Registration No. 200701040363 (798395-V))
MFRS	: Malaysian Financial Reporting Standards
MITI	: Ministry of Investment, Trade and Industry of Malaysia, as may be amended from time to time
N/A	: Not applicable or not available
NA	: Net assets
NBV	: Net book value
Offer for Sale	: Offer for sale of the Offer Shares at the IPO Price by the Offerors comprising:- <ul style="list-style-type: none"> (i) 62,500,000 Offer Shares, representing 7.27% of our enlarged issued share capital, made available by way of private placement to selected investors; and (ii) 11,500,000 Offer Shares, representing 1.33% of our enlarged issued share capital, made available by way of private placement to selected Bumiputera investors approved by the MITI.
Offer Share(s)	: 74,000,000 existing Shares, representing approximately 8.60% of our enlarged issued share capital, which are to be offered pursuant to the Offer for Sale and subject to the terms and conditions of this Prospectus
Offeror	: Loo Chai Lai
Official List	: A list specifying all securities which have been admitted for listing on the ACE Market and not removed
Participating Financial Institution(s)	: Participating financial institution(s) for the Electronic Share Application, as listed in Section 15 of this Prospectus
PAT	: Profit after taxation
PBT	: Profit before taxation
PE Multiple	: Price earnings multiple
Pink Form Allocation	: The allocation of 16,000,000 Issue Shares to the Eligible Persons pursuant to the Public Issue
Prescribed Security(ies)	: Security(ies) of a company that is(are) prescribed by Bursa Securities to be deposited in the CDS subject to the provision of the SICDA and the Rules
Promoter(s)	: Loo Chai Lai and Loo Jing Kai, collectively
Prospectus	: This Prospectus dated [●] in relation to the IPO

DEFINITION (Cont'd)

Prospectus Guidelines	: Prospectus Guidelines issued by the SC
PSM	: PSM Home Centre Sdn Bhd (Registration No. 200301035519 (637940-P))
Public Issue	: Public issue of 155,000,000 new Shares at the IPO Price comprising:- <ul style="list-style-type: none"> (i) 43,000,000 new Shares, representing 5.00% of our enlarged issued share capital, made available for application by the Malaysian Public; (ii) 16,000,000 new Shares, representing 1.86% of our enlarged issued share capital, made available for application by the Eligible Persons; and (iii) 96,000,000 new Shares, representing 11.16% of our enlarged issued share capital, made available by way of private placement to selected Bumiputera investors approved by the MITI.
Record of Depositors	: A record provide by Bursa Depository to the Company under Chapter 34 of the Rules
Rules	: Rules of Bursa Depository, as may be amended from time to time
SAC	: Shariah Advisory Council of the SC
SC	: Securities Commission Malaysia
Share Transfer	: Transfer by Loo Chai Lai and Loo Jing Kai of an aggregate of 516,000,000 Shares (representing 60.00% equity interests in Sorento Capital) to LCL Success, an investment holding company held by Loo Chai Lai and Loo Jing Kai during the prescribed period
SICDA	: Securities Industry (Central Depositories) Act 1991, as may be amended from time to time
Smith Zander or IMR	: SMITH ZANDER INTERNATIONAL SDN BHD (Registration No. 201301028298 (1058128-V)), our independent market researcher
SOCISO	: Social Security Organisation, Malaysia, also known as PERKESO (Pertubuhan Keselamatan Sosial)
SPAN	: National Water Services Commission (Suruhanjaya Perkhidmatan Air Negara)
Specified Shareholders	: Loo Chai Lai, Loo Jing Kai and LCL Success, collectively
Time IT	: Time IT In E (Penang) Sdn Bhd (Registration No. 200201019666 (587329-P))
Underwriting Agreement	: The underwriting agreement dated [●] entered into between our Company and AIS pursuant to our IPO
WSIA 2006	: Water Services Industry Act 2006, as may be amended from time to time, as may be amended from time to time
WSIR 2014	: Water Services Industry (Water Reticulation and Plumbing) Rules 2014, as may be amended from time to time

DEFINITION (*Cont'd*)

WSIR 2023 : Water Services Industry (Registration of Supplier) Rules 2023, as may be amended from time to time

CURRENCIES AND UNITS

RM and sen : Ringgit Malaysia and sen, the lawful currency of Malaysia

RMB : Renminbi, the lawful currency of the People's Republic of China

USD : United States Dollar, the lawful currency of United States of America

sq. ft. : Square feet

sq. mt. : Square metres

% : Per centum

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GLOSSARY OF TECHNICAL TERMS

This glossary contains explanation of certain terms used in this Prospectus in connection with our Group and business. The terminologies and their meanings may not correspond to the standard industry meanings or usage of those terms:-

Authorised distributor	: Companies that are engaged by brand principals to distribute products
B2B	: Business-to-business or transactions between business to business
B2C	: Business-to-consumer or transactions between business to individual end-consumer
Brand principals	: The owner of a brand. Brand principals have the right to use the brand and distribute and sell products under their brand
SKU(s)	: Stock keeping unit(s), an identification of a particular product that is used in inventory management to measure the distinct types of items for sale. Each SKU is distinguished based on attributes such as brand, product category, size and colour
Trading house	: A trading house may act as the intermediary to purchase goods from overseas on behalf of its customers to facilitate transactions between a home country and foreign countries. This includes the arrangement of logistics services and custom clearance

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