



SORENTO CAPITAL BERHAD

*(Registration No.: 202301018305 (1512227-W))
(Incorporated in Malaysia under the Companies Act 2016)*

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2025

SORENTO CAPITAL BERHAD

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.03.2025 RM'000	31.03.2024 ⁽²⁾ RM'000	31.03.2025 RM'000	31.03.2024 ⁽²⁾ RM'000
Revenue	41,125	N/A	135,879	N/A
Cost of sales	(22,682)	N/A	(78,351)	N/A
Gross profit	18,443	N/A	57,528	N/A
Other income	394	N/A	904	N/A
Administrative expenses ⁽³⁾	(7,234)	N/A	(23,687)	N/A
Selling and distribution expenses	(3,085)	N/A	(8,048)	N/A
Net gain on impairment of financial assets	*	N/A	9	N/A
Profit from operations	8,518	N/A	26,706	N/A
Finance costs	(427)	N/A	(1,533)	N/A
Profit before tax	8,091	N/A	25,173	N/A
Taxation	(1,777)	N/A	(6,833)	N/A
Profit after tax	6,314	N/A	18,340	N/A
Other comprehensive income	-	N/A	-	N/A
Total comprehensive income for the financial period	6,314	N/A	18,340	N/A
Total comprehensive income for the financial period attributable to:				
Owners of the Company	6,314	N/A	18,340	N/A
Non-controlling interest	-	N/A	-	N/A
	<u>6,314</u>	<u>N/A</u>	<u>18,340</u>	<u>N/A</u>
Basic earnings per share (sen) ⁽⁴⁾	<u>0.95</u>	<u>N/A</u>	<u>2.75</u>	<u>N/A</u>
Diluted earnings per share (sen) ⁽⁵⁾	<u>0.95</u>	<u>N/A</u>	<u>2.75</u>	<u>N/A</u>

Notes:

* Amount less than RM1,000.

N/A Not applicable.

(1) The basis of preparation of the unaudited condensed consolidated statement of profit or loss and other comprehensive income is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of Sorento Capital Berhad ("Sorento Capital" or the "Company") dated 7 October 2024 in relation to its initial public offering ("IPO") ("Prospectus") and the accompanying explanatory notes attached to this interim financial report.

(2) This is the third interim financial report announced by the Company in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements"). There are no comparative figures for the preceding year's corresponding individual and cumulative quarter as there is no interim financial report prepared for the comparative period concerned.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D) ⁽¹⁾

- (3) Administrative expenses included non-recurring listing expenses of approximately RM3.13 million for the cumulative financial quarter. For illustration purpose only, the Group's financial performance after adjusting for the non-recurring listing expenses is as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 RM'000
Profit before tax	8,091	N/A	25,173	N/A
Add: Listing expenses	-	N/A	3,131	N/A
Adjusted profit before tax	8,091	N/A	28,304	N/A

- (4) Computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares of 666,606,018 in issue as at the end of the financial period.
- (5) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible securities at the end of the reporting period.

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SORENTO CAPITAL BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾

	UNAUDITED 31.03.2025 RM'000	AUDITED 30.06.2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	48,123	48,754
Investment properties	351	724
Intangible asset	1,547	1,762
Deferred tax assets	47	47
	<u>50,068</u>	<u>51,287</u>
Current assets		
Inventories	30,449	29,277
Trade receivables	39,899	38,153
Other receivables	4,166	8,626
Tax recoverable	2,519	2,597
Fixed deposits with licensed banks	31,689	3,624
Cash and bank balances	24,972	8,560
	<u>133,694</u>	<u>90,837</u>
TOTAL ASSETS	<u>183,762</u>	<u>142,124</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	97,767	1
Invested equity	-	381
Merger deficit	(41,919)	-
Retained earnings	79,390	65,350
TOTAL EQUITY	<u>135,238</u>	<u>65,732</u>
LIABILITIES		
Non-current liabilities		
Loans and borrowings	263	2,544
Lease liabilities	38,579	39,201
Deferred tax liabilities	200	200
	<u>39,042</u>	<u>41,945</u>
Current liabilities		
Loans and borrowings	643	14,768
Lease liabilities	2,901	2,516
Trade payables	479	3,007
Other payables	4,316	12,803
Tax payable	1,143	1,353
	<u>9,482</u>	<u>34,447</u>
TOTAL LIABILITIES	<u>48,524</u>	<u>76,392</u>
TOTAL EQUITY AND LIABILITIES	<u>183,762</u>	<u>142,124</u>
Net assets per share (RM) ⁽²⁾	<u>0.16</u>	<u>0.08</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D) ⁽¹⁾

Notes:

- (1) The basis of preparation of the unaudited condensed consolidated statement of financial position is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) Computed based on total equity attributable to owners of the Company divided by 860,000,000 shares in issue as at 31 March 2025.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

	SHARE CAPITAL RM'000	INVESTED EQUITY RM'000	MERGER DEFICIT RM'000	RETAINED EARNINGS RM'000	TOTAL EQUITY RM'000
At 1 July 2024 (Audited)	1	381	-	65,350	65,732
Total comprehensive income for the financial period	-	-	-	18,340	18,340
Transactions with owners:					
- Issuance of shares	57,350	-	-	-	57,350
- Share issuance expense	(1,884)	-	-	-	(1,884)
- Effect of restructuring exercise	42,300	(381)	(41,919)	-	-
- Dividend paid	-	-	-	(4,300)	(4,300)
At 31 March 2025 (Unaudited)	<u>97,767</u>	<u>-</u>	<u>(41,919)</u>	<u>79,390</u>	<u>135,238</u>

Note:

- (1) The basis of preparation of the unaudited condensed consolidated statement of changes in equity is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.

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SORENTO CAPITAL BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾

	CUMULATIVE QUARTER	
	31.03.2025 RM'000	31.03.2024 ⁽²⁾ RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	25,173	N/A
Adjustments for:		
Depreciation of property, plant and equipment	3,357	N/A
Gain on disposal of property, plant and equipment	(11)	N/A
Depreciation of investment properties	8	N/A
Gain on disposal of investment properties	(30)	N/A
Amortisation of intangible asset	215	N/A
Interest expenses	1,533	N/A
Interest income	(74)	N/A
Reversal of expected credit losses ("ECLs") on trade receivables	(9)	N/A
Unrealised gain on foreign exchange	(18)	N/A
Operating profit before working capital changes	30,144	N/A
Changes in working capital:		
Inventories	(1,172)	N/A
Receivables	2,730	N/A
Payables	(8,005)	N/A
Cash generated from operations	23,697	N/A
Interest received	34	N/A
Tax paid	(6,965)	N/A
Net cash from operating activities	16,766	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(939)	N/A
Proceed from disposal of property, plant and equipment	38	N/A
Proceed from disposal of investment properties	395	N/A
Interest received	40	N/A
Net cash used in investing activities	(466)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(7,299)	N/A
Interest paid	(1,537)	N/A
Repayment of term loans	(2,367)	N/A
Drawdown of bankers' acceptance	7,401	N/A
Repayment of bankers' acceptance	(21,201)	N/A
Drawdown of invoice financing	7,068	N/A
Repayment of invoice financing	(7,307)	N/A
Repayment of lease liabilities	(2,051)	N/A
Proceed from issuance of share capital	57,350	N/A
Payment of listing expense	(1,884)	N/A
Net cash from financing activities	28,173	N/A
NET CHANGES IN CASH AND CASH EQUIVALENTS	44,473	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD		
	12,184	N/A
Effect of exchange translation differences on cash and cash equivalents	4	N/A
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	56,661	N/A

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D) ⁽¹⁾

	CUMULATIVE QUARTER	
	31.03.2025 RM'000	31.03.2024 ⁽²⁾ RM'000
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD		
COMPRISES:		
Cash and bank balances	24,972	N/A
Fixed deposits with licensed banks	31,689	N/A
	<u>56,661</u>	<u>N/A</u>

Notes:

N/A Not applicable.

- (1) The basis of preparation of the unaudited condensed consolidated statement of cash flows is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.
- (2) This is the third interim financial report announced by the Company in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding quarter as there is no interim financial report prepared for the comparative period concerned.

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A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim financial report of Sorento Capital and its subsidiaries (the “Group”) is unaudited and has been prepared in accordance with the requirements of the MFRS 134: Interim Financial Reporting and Appendix 9B of the Listing Requirements.

This is the third interim financial report on the Group’s unaudited condensed consolidated financial results for the third quarter ended 31 March 2025 announced by the Company in compliance with the Listing Requirements. As such, there are no comparative figures for the preceding corresponding period.

This interim financial report should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus and the accompanying explanatory notes attached to this interim financial report.

A2. Material accounting policies

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Accountants’ Report as disclosed in the Prospectus, save for the following:

MFRSs and amendments to MFRSs in issue and effective

The Group has adopted the following Standards and Amendments to MFRS effective for annual periods beginning on or after 1 January 2024:

- Amendments to MFRS 16 *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 *Presentation of Financial Statements – Clarification of Liabilities as Current or Non-current*
- Amendments to MFRS 101 *Presentation of Financial Statements – Non-current Liabilities with Covenants*
- Amendments to MFRS 107 *Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosure – Supplier Finance Arrangements*

The Group has adopted the following Standards and Amendments to MFRS effective for annual periods beginning on or after 1 January 2025:

- Amendments to MFRS 121 *Lack of Exchangeability*

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A2. Material accounting policies (Cont'd)

MFRSs and amendments to MFRSs in issue but not yet effective

The Group has not adopted the following MFRSs and amendments to MFRSs effective for financial periods beginning on or after the following:

		Effective for financial periods beginning on or after
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 1 Amendments to MFRS 7 Amendments to MFRS 9 Amendments to MFRS 10 Amendments to MFRS 107	Annual Improvements – Volume 11	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountabilities: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material effect on the financial statements of the Group upon their initial application.

A3. Auditors' report on preceding annual financial statements

There was no qualification on the audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2024.

A4. Seasonal or cyclical factors

The Group's business operations were not affected by any seasonal or cyclical factors.

A5. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows of the Group, that are unusual by reason of their nature, size or incidence for the financial quarter under review.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A6. Material changes in estimates

There were no material changes in estimates which have a material effect on the results for the financial quarter under review.

A7. Debt and equity securities

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial quarter under review.

A8. Dividend paid

A total interim dividend for the financial year ended 30 June 2024 amounting to RM2.999 million was paid to the owners of the combining entities on 5 July 2024, 26 July 2024 and 21 August 2024.

An interim single-tier tax-exempt dividend of 0.50 sen per ordinary share amounting to approximately RM4.30 million in respect of the financial year ending 30 June 2025 was declared on 27 February 2025 and paid on 21 March 2025 to shareholders whose names appeared in the Record of Depositors at the close of business on 14 March 2025.

A9. Segment information

Information about operating segment has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely marketing, distribution and sale of bathroom and kitchen sanitary wares.

A10. Valuation of property, plant and equipment, and investment properties

There was no valuation of property, plant and equipment, and investment properties undertaken during the financial quarter under review.

A11. Material events subsequent to the end of the interim financial period

There were no other material events subsequent to the end of the current financial quarter under review that have not been reflected in this interim financial report.

A12. Changes in the composition of the Group

There were no changes in the composition of the Group during the financial quarter under review.

A13. Fair value of financial instruments

There were no gain or loss arising from fair value changes of the Group's financial assets and liabilities for the financial quarter under review.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A14. Capital commitments

The Group's capital expenditure commitments for property, plant and equipment and investment properties are set out below:

	Unaudited 31.03.2025 RM'000	Audited 30.06.2024 RM'000
Capital expenditure		
Authorised and contracted for:		
- Motor vehicles	219	1,812
- Software development	130	130
- Investment properties	515	-
Total	864	1,942

A15. Contingent assets and contingent liabilities

There were no material contingent assets or contingent liabilities as at the end of the financial quarter under review.

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A. EXPLANATORY NOTES PURSUANT TO MFRS 134: INTERIM FINANCIAL REPORTING (CONT'D)

A16. Significant related party transactions

The related party transactions of the Group have been entered into in the normal course of business. Listed below are the significant transactions with related parties of the Group during the current financial quarter under review:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000
Transactions with related parties				
Sales of goods	42	N/A	162	N/A
Purchase of hardware for product maintenance	*	N/A	*	N/A
Rental paid to	900	N/A	2,700	N/A
Acquisition of property, plant and equipment from	-	N/A	1	N/A
Upkeep of warehouse paid to	*	N/A	*	N/A

Notes:

* Amount less than RM1,000.

N/A Not applicable.

(1) This is the third interim financial report announced by the Company in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding individual and cumulative quarter as there is no interim financial report prepared for the comparative period concerned.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1. Review of performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000
Revenue	41,125	N/A	135,879	N/A
Gross profit	18,443	N/A	57,528	N/A
Profit before tax	8,091	N/A	25,173	N/A
Profit after tax	6,314	N/A	18,340	N/A

Notes:

N/A Not applicable.

- (1) This is the third interim financial report announced by the Company in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding individual and cumulative quarter as there is no interim financial report prepared for the comparative period concerned.

The Group recorded revenue of RM41.13 million for the current financial quarter ended 31 March 2025, mainly derived from the sales to dealers which contributed RM26.28 million or 63.89% to the Group's revenue, followed by the project-based sales of RM14.56 million or 35.40%.

The Group registered gross profit of RM18.44 million with gross profit margin of 44.83%, profit before tax ("PBT") of RM8.09 million with PBT margin of 19.67% and profit after tax ("PAT") of RM6.31 million with PAT margin of 15.34%.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B2. Comparison with immediate preceding quarter's results

	INDIVIDUAL QUARTER		VARIANCE	
	CURRENT QUARTER 31.03.2025 RM'000	PRECEDING QUARTER 31.12.2024 RM'000	RM'000	%
Revenue	41,125	49,705	(8,580)	(17.26)
Gross Profit	18,443	20,664	(2,221)	(10.75)
PBT	8,091	9,771	(1,680)	(17.19)
PAT	6,314	7,009	(695)	(9.92)

The Group recorded revenue of RM41.13 million for the current financial quarter which is 17.26% lower than the revenue of RM49.71 million recorded in the preceding financial quarter. The decrease in revenue was mainly due to the decrease in sales to our dealers by RM7.07 million or 21.20% to RM26.28 million. This was mainly attributable to the long closure of business during the Chinese New Year festival holiday season.

Our project-based sales also decreased by RM1.45 million or 9.06% to RM14.56 million. The decrease in our project-based sales was mainly due to delay in the commencement of both construction and renovation project caused by the Chinese New Year holiday period. Our online sales similarly recorded a decrease of RM0.06 million or 17.14% to RM0.29 million in current quarter.

The Group's PBT has decreased by RM1.68 million or 17.19% to RM8.09 million for the current quarter which was due to decrease in sales revenue. PBT margin increased slightly to 19.67% for the current financial quarter as compared to 19.66% in the preceding financial quarter. The Group's PAT also decreased by RM0.70 million or 9.92% to RM6.31 million. The decrease in both PBT and PAT was mainly due to the lower gross profit recorded for the current financial quarter.

B3. Prospects

In 2025, Malaysia's bathroom and kitchen sanitary wares industry is poised for significant growth, driven by urbanization, rising disposable incomes, and a heightened focus on hygiene and aesthetics.

The Malaysia sanitary ware market size is estimated at USD14.45 billion in 2024, and is expected to reach USD18.88 billion by 2029, growing at a CAGR of over 5.50%. This growth is driven by factors such as increasing construction and infrastructure development, surge in concerns over personal hygiene and growth in the hospitality industry. The expansion of the hotel sector and growing awareness of maintaining a healthy lifestyle will drive the demand for hygiene and sanitation products. Additionally, the market is benefiting from increased construction activities, particularly in residential and commercial sectors which further contribute to the market's positive outlook.

(Source: GII Research – Malaysia Sanitary ware – Market Share Analysis, Industry Trends & Statistics, Growth Forecast (2024-2029))

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B3. Prospects (Cont'd)

Ongoing urban expansion and infrastructure projects are fueling demand for bathroom and kitchen sanitary wares. In addition, as disposable income grow, consumers are more inclined to invest in quality, aesthetically pleasing bathroom and kitchen products. The global focus on health and hygiene, especially post-pandemic, has heightened the importance of quality sanitary ware in residential and commercial spaces.

Barring any unforeseen circumstances, the Group believes that its prospects in bathroom and kitchen sanitary wares industry are favourable taking into consideration the Group's competitive strengths, business strength and industry outlook. Leveraging on the proceeds raised from the Group's IPO, the Group is confident that it will be able to execute its future plans and strategies as outlined in the Prospectus. The Group remains optimistic and positive about its prospect going forward.

B4. Profit forecast

The Group did not issue any profit forecast or guarantee during current financial quarter under review.

B5. Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000
Current tax				
- for the financial period	1,777	N/A	6,833	N/A
Total	1,777	N/A	6,833	N/A
Effective tax rate (%)	22	N/A	27	N/A

Notes:

N/A Not applicable.

(1) This is the third interim financial report announced by the Company in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding individual and cumulative quarter as there is no interim financial report prepared for the comparative period concerned.

The effective tax rate for the current financial quarter was lower than the statutory tax rate of 24% mainly due to:

- (i) an over provision of taxation in the prior quarter and prior financial year 2024; and
- (ii) the absence of non-recurring listing expenses, which were not deductible for tax purposes that had been recorded in the prior quarter.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B6. Status of corporate proposals

There are no corporate proposals announced but not completed as at the date of this interim financial report.

B7. Utilisation of proceeds raised from the public issue

The status of the utilisation of proceeds from the IPO as at 31 March 2025 is set out below:

DETAILS OF THE USE OF PROCEEDS	PROPOSED UTILISATION		ACTUAL UTILISATION	BALANCE UNUTILISED	ESTIMATED TIMEFRAME FOR UTILISATION
	RM'000	%	RM'000	RM'000	
Branding and promotional marketing	6,000	10.46	685	5,315	Within 36 months
Expansion of dealer network and enhancement of distribution reach	6,000	10.46	1,131	4,869	Within 36 months
Repayment of bank borrowings	9,000	15.69	9,000	-	Within 12 months
Working capital for purchase of inventories	31,350	54.67	31,350	-	Within 24 months
Estimated listing expenses	5,000	8.72	5,000	-	Within one month
Total	57,350	100.00	47,166	10,184	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B8. Loans and borrowings

The Group's loans and borrowings are as follows:

	Unaudited 31.03.2025 RM'000	Audited 30.06.2024 RM'000
Non-current liabilities		
Secured		
Term loans	263	2,544
Lease liabilities ⁽¹⁾	2,485	415
	<u>2,748</u>	<u>2,959</u>
Current liabilities		
Secured		
Bankers' acceptance	636	14,436
Invoice financing	-	239
Term loans	7	93
Lease liabilities ⁽¹⁾	713	1,490
	<u>1,356</u>	<u>16,258</u>
	<u>4,104</u>	<u>19,217</u>

The loans and borrowings and other facilities are secured by way of:

- (a) Corporate guarantee by the Company and a subsidiary; and
- (b) Joint and several guarantees by certain Directors of the Group.

The loans and borrowings and other facilities are denoted in local currency.

Note:

- (1) Refers to finance lease liabilities under hire purchase contracts owing to financial institution.

B9. Material litigation

As at the date of this report, the Group is not engaged in any material litigation.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B10. Proposed dividend

There was no dividend that has been declared or recommended for payment by the Board during the financial quarter under review.

B11. Basic and diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000
Profit attributable to owners of the Company (RM'000)	6,314	N/A	18,340	N/A
Weighted average number of shares in issue ('000)	666,606	N/A	666,606	N/A
Basic earnings per share (sen) ⁽²⁾	0.95	N/A	2.75	N/A
Diluted earnings per share (sen) ⁽³⁾	0.95	N/A	2.75	N/A

Notes:

N/A Not applicable.

- (1) This is the third interim financial report announced by the Company in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding individual and cumulative quarter as there is no interim financial report prepared for the comparative period concerned.
- (2) Computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue as at the end of the financial period.
- (3) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible securities at the end of the reporting period.

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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B12. Notes to the unaudited condensed consolidated statement of profit or loss and other comprehensive income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2024 ⁽¹⁾ RM'000
The following amounts have been included in arriving at profit before tax:				
Depreciation of property, plant and equipment	1,154	N/A	3,357	N/A
Depreciation of investment properties	2	N/A	8	N/A
Amortisation of intangible asset	72	N/A	215	N/A
Short-term leases	122	N/A	780	N/A
and after crediting:				
Gain on disposal of property, plant and equipment	-	N/A	11	N/A
Gain on disposal of investment properties	-	N/A	30	N/A
Interest income				
- Fixed deposits with licensed banks	13	N/A	40	N/A
- Cash and cash equivalents	19	N/A	34	N/A
Unrealised gain on foreign exchange	24	N/A	18	N/A
Realised gain on foreign exchange	145	N/A	407	N/A
Reversal of ECLs on trade receivables	*	N/A	9	N/A

Notes:

* Amount less than RM1,000.

N/A Not applicable.

(1) This is the third interim financial report announced by the Company in compliance with the Listing Requirements. There are no comparative figures for the preceding year's corresponding individual and cumulative quarter as there is no interim financial report prepared for the comparative period concerned.

By Order of the Board

Date: 20 May 2025