



## **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 2026**

# 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 <sup>(1)</sup>

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31.03.2026 RM'000	31.03.2025 RM'000	31.03.2026 RM'000	31.03.2025 RM'000
Revenue	43,380	41,125	134,709	135,879
Cost of sales	(24,512)	(22,682)	(74,649)	(78,351)
<b>Gross profit</b>	<b>18,868</b>	<b>18,443</b>	<b>60,060</b>	<b>57,528</b>
Other income	672	394	1,908	904
Administrative expenses	(8,313)	(7,234)	(21,823)	(23,687)
Selling and distribution expenses	(3,391)	(3,085)	(9,186)	(8,048)
Other expenses	*	-	(11)	-
Net gain on impairment of financial assets	-	*	*	9
<b>Profit from operations</b>	<b>7,836</b>	<b>8,518</b>	<b>30,948</b>	<b>26,706</b>
Finance costs	(402)	(427)	(1,225)	(1,533)
<b>Profit before tax</b>	<b>7,434</b>	<b>8,091</b>	<b>29,723</b>	<b>25,173</b>
Taxation	(1,657)	(1,777)	(7,240)	(6,833)
<b>Profit after tax</b>	<b>5,777</b>	<b>6,314</b>	<b>22,483</b>	<b>18,340</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the financial period</b>	<b>5,777</b>	<b>6,314</b>	<b>22,483</b>	<b>18,340</b>
<b>Total comprehensive income for the financial period attributable to:</b>				
Owners of the Company	5,777	6,314	22,483	18,340
Non-controlling interest	-	-	-	-
	<u>5,777</u>	<u>6,314</u>	<u>22,483</u>	<u>18,340</u>
Basic earnings per share (sen) <sup>(2)</sup>	<u>0.67</u>	<u>0.95</u>	<u>2.61</u>	<u>2.75</u>
Diluted earnings per share (sen) <sup>(3)</sup>	<u>0.67</u>	<u>0.95</u>	<u>2.61</u>	<u>2.75</u>

### Notes:

\* Amount less than RM1,000.

- (1) The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.
- (2) The basic earnings per share for the current financial quarter and financial year-to-date period ended 31 March 2026 is computed based on the respective profit attributable to owners of the Company for each period divided by the number of ordinary shares in issue of 860,000,000. For the corresponding quarter and year-to-date period ended 31 March 2025, they are calculated based on the weighted average number of ordinary shares in issue of 666,606,018 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.

# SORENTO CAPITAL BERHAD

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

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION <sup>(1)</sup>

	UNAUDITED 31.03.2026 RM'000	AUDITED 30.06.2025 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	42,860	43,822
Investment properties	1,273	873
Intangible asset	1,727	1,476
Deferred tax assets	168	168
	<u>46,028</u>	<u>46,339</u>
<b>Current assets</b>		
Inventories	34,749	32,063
Trade receivables	38,839	43,307
Other receivables	4,543	13,747
Tax recoverable	1,136	1,997
Other investment	25,633	15,141
Fixed deposits with licensed banks	-	26,251
Cash and bank balances	50,641	17,006
	<u>155,541</u>	<u>149,512</u>
<b>TOTAL ASSETS</b>	<b><u>201,569</u></b>	<b><u>195,851</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	97,767	97,767
Merger deficit	(41,919)	(41,919)
Retained earnings	101,170	87,287
<b>TOTAL EQUITY</b>	<b><u>157,018</u></b>	<b><u>143,135</u></b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	582	262
Lease liabilities	36,235	38,010
Deferred tax liabilities	186	186
	<u>37,003</u>	<u>38,458</u>
<b>Current liabilities</b>		
Loans and borrowings	15	2,451
Lease liabilities	3,164	2,972
Trade payables	461	274
Other payables	3,221	7,005
Tax payable	687	1,556
	<u>7,548</u>	<u>14,258</u>
<b>TOTAL LIABILITIES</b>	<b><u>44,551</u></b>	<b><u>52,716</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>201,569</u></b>	<b><u>195,851</u></b>
Net assets per share (RM) <sup>(2)</sup>	<u>0.18</u>	<u>0.17</u>

# **SORENTO CAPITAL BERHAD**

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

## **UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D) <sup>(1)</sup>**

### **Notes:**

- (1) The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.
- (2) Computed based on respective period's total equity attributable to owners of the Company divided by 860,000,000 shares in issue.

(The rest of this page is intentionally left blank)

# SORENTO CAPITAL BERHAD

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

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY <sup>(1)</sup>

	SHARE CAPITAL RM'000	INVESTED EQUITY RM'000	MERGER DEFICIT RM'000	RETAINED EARNINGS RM'000	TOTAL EQUITY RM'000
<b>At 1 July 2024 (Audited)</b>	1	381	-	65,350	65,732
Total comprehensive income for the financial period	-	-	-	26,237	26,237
Transactions with owners:					
- Effect of restructuring exercise	42,300	(381)	(41,919)	-	-
- Issuance of share capital	57,350	-	-	-	57,350
- Share issuance expenses	(1,884)	-	-	-	(1,884)
- Dividend to owners of the Company	-	-	-	(4,300)	(4,300)
<b>At 30 June 2025 (Audited)</b>	97,767	-	(41,919)	87,287	143,135
<b>At 1 July 2025 (Audited)</b>	97,767	-	(41,919)	87,287	143,135
Total comprehensive income for the financial period	-	-	-	22,483	22,483
Transaction with owners:					
- Dividend to owners of the Company	-	-	-	(8,600)	(8,600)
<b>At 31 March 2026 (Unaudited)</b>	97,767	-	(41,919)	101,170	157,018

**Note:**

- (1) The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

(The rest of this page is intentionally left blank)

# SORENTO CAPITAL BERHAD

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

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup>

	CUMULATIVE QUARTER	
	31.03.2026	31.03.2025
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	29,723	25,173
Adjustments for:		
Depreciation of property, plant and equipment	3,511	3,357
Gain on disposal of property, plant and equipment	*	(11)
Property, plant and equipment written off	*	-
Depreciation of investment properties	7	8
Gain on disposal of investment properties	(3)	(30)
Amortisation of intangible asset	230	215
Loss on early termination of lease contracts	2	-
Interest expenses	1,225	1,533
Interest income	(910)	(74)
Dividend income	(500)	-
Reversal of expected credit losses ("ECLs") on trade receivables	*	(9)
Unrealised gain on foreign exchange	(159)	(18)
Fair value loss on other investment	8	-
Operating profit before working capital changes	33,134	30,144
Changes in working capital:		
Inventories	(2,686)	(1,172)
Receivables	13,732	2,730
Payables	(3,615)	(8,005)
Cash generated from operations	40,565	23,697
Interest received	559	34
Tax paid	(9,090)	(6,965)
Tax refund	1,842	-
<b>Net cash from operating activities</b>	<b>33,876</b>	<b>16,766</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(1,879)	(939)
Proceed from disposal of property, plant and equipment	-	38
Acquisition of investment properties	(754)	-
Proceeds from disposal of investment properties	350	395
Acquisition of intangible asset	(481)	-
Placement of other investment	(10,500)	-
Interest received	351	40
Dividend received	500	-
Withdrawal of fixed deposits with maturity more than 3 months	10,198	-
<b>Net cash used in investing activities</b>	<b>(2,215)</b>	<b>(466)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(8,600)	(7,299)
Interest paid	(1,225)	(1,537)
Drawdown of term loans	600	-
Repayments of term loans	(272)	(2,367)
Drawdown of bankers' acceptance	-	7,401
Repayments of bankers' acceptance	(2,444)	(21,201)
Drawdown of invoice financing	-	7,068
Repayment of invoice financing	-	(7,307)
Repayments of lease liabilities	(2,255)	(2,051)
Proceed from issuance of share capital	-	57,350
Payment of listing expense	-	(1,884)
<b>Net cash (used in)/from financing activities</b>	<b>(14,196)</b>	<b>28,173</b>

# SORENTO CAPITAL BERHAD

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

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D) <sup>(1)</sup>

	CUMULATIVE QUARTER	
	31.03.2026 RM'000	31.03.2025 RM'000
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	17,465	44,473
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	33,059	12,184
Effect of exchange translation differences on cash and cash equivalents	117	4
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>50,641</u>	<u>56,661</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD COMPRISES:</b>		
Cash and bank balances	50,641	24,972
Fixed deposits with licensed banks	-	31,689
	<u>50,641</u>	<u>56,661</u>

### Notes:

\* Amount less than RM1,000.

(1) The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to this interim financial report.

(The rest of this page is intentionally left blank)

# SORENTO CAPITAL BERHAD

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

## 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 ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”).

This interim financial report should be read in conjunction with the Company’s audited financial statements for the financial year ended 30 June 2025 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 Company’s audited financial statements for the financial year ended 30 June 2025, 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 2025:

- Amendments to MFRS 121 – *Lack of Exchangeability*

#### 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:

		<b>Effective dates for financial periods beginning on or after</b>
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	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
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

# SORENTO CAPITAL BERHAD

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

## 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 (Cont'd)

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

		<b>Effective dates for financial periods beginning on or after</b>
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	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 2025.

### 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.

### 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 issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial quarter under review.

# SORENTO CAPITAL BERHAD

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

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

### A8. Dividend paid

RM'000

#### In respect of the financial year ending 30 June 2026:

Interim single-tier dividend of RM0.005 per ordinary share, paid on 19 September 2025	4,300
Interim single-tier dividend of RM0.005 per ordinary share, paid on 13 March 2026	4,300
<b>Total</b>	<b><u>8,600</u></b>

### 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 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

The carrying amounts of current financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

(The rest of this page is intentionally left blank)

# SORENTO CAPITAL BERHAD

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

## 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:

	<b>Unaudited</b>	<b>Audited</b>
	<b>31.03.2026</b>	<b>30.06.2025</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Capital expenditure</b>		
Authorised and contracted for:		
- Computers and software	-	130
- Investment properties	3,964	4,706
- Renovations	333	-
- Motor vehicles	927	-
<b>Total</b>	<b>5,224</b>	<b>4,836</b>

### 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.

### 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 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000
<b>Transactions with related parties</b>				
Sales of goods	48	42	86	162
Purchase of hardware for product maintenance	-	*	-	*
Rental paid to (MFRS 16)	900	900	2,700	2,700
Acquisition of property, plant and equipment from	-	-	-	1
Upkeep of warehouse paid to	*	*	*	*

#### Note:

\* Amount less than RM1,000.

# SORENTO CAPITAL BERHAD

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

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

### B1. Review of performance

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000
Revenue	43,380	41,125	134,709	135,879
Gross profit	18,868	18,443	60,060	57,528
Profit before tax ("PBT")	7,434	8,091	29,723	25,173
Profit after tax ("PAT")	5,777	6,314	22,483	18,340

#### (a) Comparison of the current quarter with preceding year's corresponding quarter (Q3 FY2026 vs Q3 FY2025)

For the Q3 FY2026, the Group recorded revenue of RM43.38 million representing an increase of RM2.25 million or 5.47% as compared to RM41.13 million in the Q3 FY2025. The increase was primarily attributable to higher contribution from project-based sales, which increased by RM3.61 million or 24.79% from RM14.56 million in Q3 FY2025 to RM18.17 million. This was partially offset by a decline in sales to dealers of RM1.31 million or 4.98% to RM24.97 million compared to RM26.28 million in Q3 FY2025.

Gross profit increased by RM0.43 million or 2.33% to RM18.87 million in line with higher revenue. However, the gross profit margin decreased slightly from 44.83% in Q3 FY2025 to 43.50% in Q3 FY2026, mainly due to changes in sales mix, with higher contribution from lower-margin products and project sales.

PBT decreased marginally by RM0.66 million or 8.16% to RM7.43 million as compared to RM8.09 million in Q3 FY2025, mainly due to higher operating expenses incurred during the current quarter. Accordingly, PAT decreased by RM0.53 million or 8.40% to RM5.78 million from RM6.31 million in Q3 FY2025.

#### (b) Comparison of current year-to-date with preceding year's corresponding year-to-date (9M FY2026 vs 9M FY2025)

For the nine (9)-month financial period ended 31 March 2026, the Group recorded revenue of RM134.71 million, representing a slight decrease of RM1.17 million or 0.86% as compared to RM135.88 million recorded in the 9M FY2025. The marginal decline was mainly attributable to lower revenue contribution from sales to dealers, which decreased by RM2.35 million from RM87.08 million in 9M FY2025 to RM84.73 million in 9M FY2026. This was partially offset by higher contribution from project-based sales, which increased by RM1.39 million from RM47.69 million to RM49.08 million in 9M FY2026.

Despite the lower revenue, gross profit increased by RM2.53 million or 4.40% to RM60.06 million attributable to improved cost management and operational efficiency.

The Group registered PBT of RM29.72 million for the 9M FY2026, representing an increase of RM4.55 million or 18.08% as compared to RM25.17 million recorded in 9M FY2025. The PAT also increased by RM4.14 million or 22.57% to RM22.48 million as compared to RM18.34 million in the 9M FY2025.

In summary, although revenue was marginally lower on a year-to-date basis, the Group delivered stronger overall financial performance driven by improved cost management and the absence of non-recurring initial public offering ("IPO") related expenses incurred in the prior financial year.

# SORENTO CAPITAL BERHAD

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

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

### B2. Comparison with immediate preceding quarter's results (Q3 FY2026 vs Q2 FY2026)

	INDIVIDUAL QUARTER		VARIANCE	
	CURRENT QUARTER 31.03.2026 RM'000	PRECEDING QUARTER 31.12.2025 RM'000	RM'000	%
Revenue	43,380	47,238	(3,858)	(8.17)
Gross profit	18,868	21,419	(2,551)	(11.91)
PBT	7,434	11,577	(4,143)	(35.79)
PAT	5,777	8,672	(2,895)	(33.38)

For Q3 FY2026, the Group recorded revenue of RM43.38 million representing a decrease of RM3.86 million or 8.17% as compared to RM47.24 million in Q2 FY2026. The lower revenue was primarily due to reduced sales volume during the quarter, mainly impacted by prolonged business closures during the Chinese New Year and Hari Raya festive periods. Delays in the commencement of construction and renovation projects during these holiday periods also contributed to the decline.

Correspondingly, gross profit decreased by RM2.55 million or 11.91% to RM18.87 million as compared to RM21.42 million in Q2 FY2026. This reflects the lower revenue and a slight compression in gross profit margin arising from a shift in sales mix, with a higher proportion of lower-margin products and project-based sales.

The Group's PBT decreased by RM4.14 million or 35.79% to RM7.43 million, mainly attributable to the lower gross profit and higher operating expenses incurred during the quarter. Consequently, PAT declined by RM2.90 million or 33.38% to RM5.78 million.

### B3. Prospects

In 2026, Malaysia's economy is projected to expand between 4% and 4.5%, supported by resilient domestic demand and a steady external sector. Growth will be anchored by private consumption, boosted by the implementation of the salary adjustment under Phase 2 of the Public Service Remuneration System, continuation of targeted assistance programmes and robust tourism activities in conjunction with Visit Malaysia 2026. In addition, strong investment performance will be supported by higher capital expenditures, particularly in high-impact strategic sectors. The services and manufacturing will remain key drivers of growth, complemented by sustained construction and agriculture sectors.

The construction sector is expected to remain stable in 2026 by recording a growth of 6.1%, underpinned by positive performance across all subsectors. The residential buildings subsector is expected to benefit from government-led affordable housing programmes and targeted home ownership initiatives supported by policy measures under the Thirteenth Plan as well as new projects by private sectors.

*(Source: Economic Outlook 2026, Ministry of Finance)*

# SORENTO CAPITAL BERHAD

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

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

### B3. Prospects (Cont'd)

On the other hand, developments in the Middle East have added another layer of uncertainty with potentially far-reaching spillovers, given implications on commodity prices and financial market conditions. The extent of impact on growth and inflation is highly contingent on the duration, intensity and severity of the conflict.

*(Source: Annual report 2025, Bank Negara Malaysia)*

Against the external backdrop, the Group is expanding its presence in the hardware retail segment through its "Sorento Lite" product range which is distributed via hardware stores and targets the large and relatively underpenetrated replacement market for plumbing and fitting products. This initiative enables the Group to broaden its distribution reach beyond its traditional dealer network.

Looking ahead, the Group will continue to focus on enhancing its product offerings, maintaining cost discipline, and capitalising on market opportunities to sustain its competitive advantages and deliver long-term value to shareholders.

### 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 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000
Current period income tax	1,657	1,777	7,240	6,833
<b>Total</b>	<b>1,657</b>	<b>1,777</b>	<b>7,240</b>	<b>6,833</b>
Effective tax rate (%) <sup>(1)</sup>	22.29	21.96	24.36	27.14

#### Note:

- (1) The effective tax rate for the current year-to-date period ended 31 March 2026 was slightly higher than the statutory tax rate of 24% mainly due to expenses including, amongst others, depreciation and amortisation, which are not deductible for tax purposes.

# SORENTO CAPITAL BERHAD

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

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

### B6. Status of corporate proposals

Save as disclosed below, there are no other corporate proposals announced but not yet completed as at the date of this interim financial report:

- (i) On 19 March 2026, the Company announced its intention to undertake the proposed transfer of the listing of and quotation for its entire issued share capital from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad (“Proposed Transfer”).

The application for the Proposed Transfer was submitted to the Securities Commission Malaysia on 30 March 2026.

### B7. Utilisation of proceeds raised from the public issue

The status of the utilisation of proceeds from the IPO as at 31 March 2026 is set out below:

DETAILS OF THE USE OF PROCEEDS	PROPOSED UTILISATION		ACTUAL UTILISATION RM'000	BALANCE UNUTILISED RM'000	ESTIMATED TIMEFRAME FOR UTILISATION FROM THE DATE OF LISTING
	RM'000	%			
Branding and promotional marketing	6,000	10.46	3,032	2,968	Within 36 months
Expansion of dealer network and enhancement of distribution reach	6,000	10.46	3,279	2,721	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
Listing expenses	5,000	8.72	5,000	-	Within one month
<b>Total</b>	<b>57,350</b>	<b>100.00</b>	<b>51,661</b>	<b>5,689</b>	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 7 October 2024 in relation to its IPO.

# SORENTO CAPITAL BERHAD

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

## 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 31.03.2026 RM'000	Audited 30.06.2025 RM'000
<b>Non-current liabilities</b>		
<b>Secured</b>		
Term loans	582	262
Lease liabilities <sup>(1)</sup>	1,874	2,477
	<u>2,456</u>	<u>2,739</u>
<b>Current liabilities</b>		
<b>Secured</b>		
Bankers' acceptance	-	2,444
Term loans	15	7
Lease liabilities <sup>(1)</sup>	798	763
	<u>813</u>	<u>3,214</u>
	<u><b>3,269</b></u>	<u><b>5,953</b></u>

The loans and borrowings are secured by way of corporate guarantee by the Company and a subsidiary.

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

#### Note:

(1) Refer 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.

### B10. Proposed dividend

On 21 May 2026, the Board has declared and approved an interim single-tier dividend of 0.25 sen per ordinary share in respect of the financial year ending 30 June 2026, to be paid on 26 June 2026 to shareholders whose name appeared on the Record of Depositors of the Company on 12 June 2026.

# SORENTO CAPITAL BERHAD

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

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

### B11. Basic and diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Unaudited 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000
Profit attributable to owners of the Company (RM'000)	5,777	6,314	22,483	18,340
Number of shares in issue ('000)	860,000	666,606	860,000	666,606
Basic earnings per share (sen) <sup>(1)</sup>	0.67	0.95	2.61	2.75
Diluted earnings per share (sen) <sup>(2)</sup>	0.67	0.95	2.61	2.75

#### Notes:

- (1) The basic earnings per share for the current financial quarter and financial year-to-date period ended 31 March 2026 is computed based on the respective profit attributable to owners of the Company for each period divided by the number of ordinary shares in issue of 860,000,000. For the corresponding quarter and year-to-date period ended 31 March 2025, they are calculated based on the weighted average number of ordinary shares in issue of 666,606,018 as at the end of the financial period.
- (2) 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.

(The rest of this page is intentionally left blank)

# SORENTO CAPITAL BERHAD

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

## 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 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000	Unaudited 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000
The following amounts have been included in arriving at profit before tax:				
Depreciation of property, plant and equipment	1,176	1,154	3,511	3,357
Depreciation of investment properties	5	2	7	8
Amortisation of intangible asset	87	72	230	215
Property, plant and equipment written off	-	-	*	-
Fair value loss on other investment	-	-	8	-
Loss on early termination of lease contracts	-	-	2	-
Short-term leases	(44)	122	535	780

and after crediting:

Dividend income	201	-	500	-
Gain on disposal of property, plant and equipment	-	-	*	11
Gain on disposal of investment properties	-	-	3	30
Interest income				
- Fixed deposits with licensed banks	-	13	351	40
- Cash and cash equivalents	267	19	559	34
Realised gain on foreign exchange	57	145	275	407
Reversal of ECLs on trade receivables	-	*	*	9
Fair value gain on other investment	*	-	-	-
Unrealised gain on foreign exchange	141	24	159	18

**Note:**

\* Amount less than RM1,000.

By Order of the Board

Date: 21 May 2026