

**NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF CARLO RINO GROUP BERHAD (REGISTRATION NO.: 200901037127 (880257-A)) (“CRG” OR “COMPANY”) DATED 28 NOVEMBER 2024 (“ELECTRONIC PROSPECTUS”)**

*(Unless otherwise indicated, specified or defined in this notice, the definitions in the Prospectus shall apply throughout this notice)*

**Website**

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad’s (“**Bursa Securities**”) website at <https://www.bursamalaysia.com/> (“**Website**”).

**Availability and Location of Paper/Printed Prospectus**

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, TA Securities Holdings Berhad (“**TA Securities**”), or Malaysian Issuing House Sdn Bhd. Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association. Prospective investors should note that the Application Forms are not available in electronic format.

**Jurisdictional Disclaimer**

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, TA Securities and the Company take no responsibility for the distribution of the Electronic Prospectus and/or the sale of ordinary shares in CRG (“**Share(s)**”) outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any Shares, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. Persons who may be in possession of the Prospectus are required to inform themselves of and to observe such restrictions.

**Close of Application**

Applications will be accepted from 10.00 a.m. on 28 November 2024 and will close at 5.00 p.m. on 5 December 2024. If there are any changes to the timetable, the Company will advertise a notice of the changes in a widely circulated English and Bahasa Malaysia newspaper within Malaysia, and make an announcement on the Website.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

**Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted**

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users’ access to the Website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.

# PROSPECTUS



## CARLO RINO GROUP BERHAD

(Registration No.: 200901037127 (880257-A))  
(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

**INITIAL PUBLIC OFFERING (“IPO”) IN CONJUNCTION WITH OUR TRANSFER OF LISTING FROM THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) TO THE ACE MARKET OF BURSA SECURITIES COMPRISING PUBLIC ISSUE OF 171,865,700 NEW ORDINARY SHARES IN OUR COMPANY (“SHARES”) (“ISSUE SHARES”) IN THE FOLLOWING MANNER:**

- (a) **48,876,000 ISSUE SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;**
- (b) **800,000 ISSUE SHARES MADE AVAILABLE FOR APPLICATION BY INDEPENDENT NON-EXECUTIVE DIRECTORS OF OUR COMPANY; AND**
- (c) **122,189,700 ISSUE SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO BUMIPUTERA INVESTORS AS APPROVED BY THE MINISTRY OF INVESTMENT, TRADE AND INDUSTRY**

**AT AN IPO PRICE OF RM0.27 PER ISSUE SHARE, PAYABLE IN FULL UPON APPLICATION.**

**Principal Adviser, Sponsor, Sole Underwriter and Placement Agent**

## TA SECURITIES

AN UNWAVERING COMMITMENT  
**TA SECURITIES HOLDINGS BERHAD**  
(Registration No.: 197301001467 (14948-M))  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**THE ACE MARKET OF BURSA SECURITIES 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 OF BURSA SECURITIES. THERE IS ALSO NO ASSURANCE THAT THERE WILL BE A LIQUID MARKET IN THE SHARES OR UNITS OF SHARES TRADED ON THE ACE MARKET OF BURSA SECURITIES. YOU SHOULD BE AWARE OF THE RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION.**

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

**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, COMMENCING ON PAGE 148.**

Bursa Securities has approved the listing of and quotation for our entire enlarged issued share capital on the ACE Market of Bursa Securities. 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. No securities will be allotted or issued based on this Prospectus after 6 months from the date of this Prospectus.

**THIS PROSPECTUS IS DATED 28 NOVEMBER 2024**

*All defined terms used in this Prospectus are defined under "Definitions" commencing on page x.*

### **RESPONSIBILITY STATEMENTS**

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

TA Securities Holdings Berhad, being the Principal Adviser, Sponsor, Sole 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 our IPO.

### **STATEMENTS OF DISCLAIMER**

Approval has been granted by Bursa Securities for the listing of and quotation for our Shares. The admission to the Official List of ACE Market is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

Bursa Securities is not liable for any non-disclosure of 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.

This Prospectus, together with the Application Forms, 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 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.

Our Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning our IPO, for which any person set out in section 236 of the CMSA, is responsible.

Our Shares are classified as Shariah compliant by the SAC. This classification remains valid from the date of issue of this Prospectus until the next Shariah compliance review undertaken by the SAC. The new status is released in the updated list of Shariah-compliant securities, on the last Friday of May and November.

Our Shares are offered in Malaysia solely based on the contents of this Prospectus. 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 with it. It is your sole responsibility to ensure that your application for our IPO would be in compliance with the terms of this Prospectus and 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 the country or jurisdiction which you may be subject to.

We will further assume that you have accepted our IPO in Malaysia and will 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.

This Prospectus is prepared and published solely for our IPO under the laws of Malaysia. Our Directors and Promoter, Principal Adviser, Sponsor, Sole Underwriter and Placement Agent have not authorised anyone and take no responsibility for the distribution of this Prospectus (in preliminary or final form) outside Malaysia. Our Directors and Promoter, Principal Adviser, Sponsor, Sole Underwriter and Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Directors and Promoter, Principal Adviser, Sponsor, Sole Underwriter and Placement Agent, any of their respective directors, or any other persons involved in our IPO. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our Shares in any jurisdiction or in any circumstances in which such an offer is not authorised or is unlawful or to any person to whom it is unlawful to make such offer or invitation.

### ELECTRONIC PROSPECTUS

This Prospectus can be viewed or downloaded from Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com). The contents of the Electronic Prospectus and the copy of this Prospectus registered with Bursa Securities are the same.

You are advised that the internet is not a fully secured medium. Your Internet Share Application may be subject to risks of 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. These risks cannot be borne by the Internet Participating Financial Institutions.

If you are in doubt of the validity or integrity of the Electronic Prospectus, you should immediately request a paper/printed copy of this Prospectus from us, our Principal Adviser or the Issuing House. If there is any discrepancy between the contents of the Electronic Prospectus and the paper/printed copy of this Prospectus for any reason whatsoever, the contents of the paper/printed copy of this Prospectus, which are 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 with the Third Party Internet Sites. Accordingly, we are not responsible for the availability of, or the content or any data, files, information or other material 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 cost 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, files, information or other material provided on the Third Party Internet Sites; and
- (iii) any data, files, information 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 only liable in respect of the integrity of the contents of the Electronic Prospectus, i.e., to the extent that the content of the Electronic Prospectus on the web server of the Internet Participating Financial Institutions may be viewed via web browser or other relevant software. The Internet Participating Financial Institutions are not responsible for the integrity of the contents of the Electronic Prospectus, which has been obtained from the web server of the Internet Participating Financial Institutions and subsequently communicated or disseminated in any manner to you or other parties;
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in the Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the internet is not a fully secured medium; and
- (iii) the Internet Participating Financial Institutions shall not be liable (whether in tort or contract or otherwise) for any loss, damage or costs that 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 the Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault 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 websites 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**

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An indicative timing of our IPO is set out below:

<b>Events</b>	<b>Indicative time/date</b>
Issuance of this Prospectus / Opening of Application	10.00 a.m. / 28 November 2024
Closing of Application	5.00 p.m. / 5 December 2024
Balloting of Application	9 December 2024
Allotment of our IPO Shares to successful applicants	16 December 2024
De-listing from the LEAP Market / Listing on the ACE Market	18 December 2024

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 within Malaysia, and make an announcement on Bursa Securities' website.

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## PRESENTATION OF INFORMATION

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All references to “our Company” or “CRG” in this Prospectus are to Carlo Rino Group Berhad. All references to “CRG Group” or “our Group” in this Prospectus are to our Company and our subsidiaries taken as a whole. All references to “we”, “us”, “our” or “ourselves” are to our Company and where the context otherwise requires, our Group. Unless the context otherwise requires, references to “Management” are to our Executive Directors and 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 existing and prospective investors.

In this Prospectus, references to “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 2 decimal places. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding adjustments.

Words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

References to persons, where applicable, include natural persons, firms, companies, bodies corporate and corporations.

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

References to a date and time shall be a reference to a date and time in Malaysia, unless otherwise stated.

This Prospectus includes statistical data provided by our Management and various third parties and cites third-party projections regarding growth and performance of the market and industry in which our Group operates or to which our Group 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 originated from our Management.

We have appointed Infobusiness Research & Consulting Sdn Bhd (“**Infobusiness Research**”) to provide an independent market and industry review of the industry in which our Group operates in. In compiling its data for the review, Infobusiness Research relied on its research methodology, industry sources, published materials, its in-house databases, internet research and online databases. 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.

The information on our website or any website directly or indirectly linked to our website does not form part of this Prospectus and you should not rely on such information for the purposes of your decision whether or not to invest in our Shares.

If there is any discrepancy between the contents of the English and Bahasa Malaysia versions of this Prospectus, the English version of this Prospectus shall prevail.

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## FORWARD-LOOKING STATEMENTS

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This Prospectus contains forward-looking statements. All statements other than statements of historical facts included in this Prospectus, including without limitation, those regarding our Group's financial position, business strategies, future plans and prospects, and objectives for future operations are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors which may cause our Group's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Group's present and future business strategies and the environment in which our Group will operate in the future. Such forward-looking statements reflect our current view with respect to future events and are not a guarantee of future performance.

Forward-looking statements can be identified by the use of forward-looking terminologies including words such as "expect", "believe", "plan", "intend", "estimate", "anticipate", "aim", "forecast", "may", "will", "would" and "could" or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

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

Our Group's 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:

- (i) general economic, business, social, political and investment environment in Malaysia and globally;
- (ii) Government's policy, legislation and regulation;
- (iii) interest rates, tax rates and foreign exchange rates;
- (iv) the competitive environment in the industry in which our Group operates;
- (v) availability and fluctuations in prices of materials; and
- (vi) fixed and contingent obligations and commitments.

Additional factors that could cause our Group's actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 9 of this Prospectus on "Risk Factors" and Section 12.4 of this Prospectus on "Management's discussion and analysis of financial condition and results of operations". We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the latest practicable date prior to the registration of this Prospectus with Bursa Securities.

In light of these uncertainties, the inclusion of such forward-looking statements in this Prospectus should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

Should we become aware of any subsequent material change or development affecting matters disclosed in this Prospectus arising from the date of registration of this Prospectus with Bursa Securities but before the date of allotment of our IPO Shares, we shall issue a supplementary or replacement prospectus, as the case may be, in accordance with the provisions of subsection 238(1) of the CMSA, Rule 3.12D of the ACE LR and Paragraph 1.02, Chapter 1 of Part II (Division 6 on Supplementary and Replacement Prospectus) of the Prospectus Guidelines of the SC.

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## **DEFINITIONS**

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

### **COMPANIES WITHIN OUR GROUP:**

CRB	:	CR Boutique Sdn Bhd
CRF	:	CRF Marketing Sdn Bhd
CRG or Company	:	Carlo Rino Group Berhad
CRG Group or Group	:	Our Company and our subsidiaries, collectively
CRI	:	CRI Sdn Bhd
CRL	:	CRL Marketing Sdn Bhd
CRV	:	CRV Sdn Bhd
IBS	:	Imbi Strada Sdn Bhd

### **GENERAL:**

%	:	Per centum
A&P	:	Advertising and promotion
ACE LR	:	ACE Market Listing Requirements of Bursa Securities
ACE Market	:	ACE Market of Bursa Securities
Act	:	Companies Act 2016
ADA	:	Authorised Depository Agent
AGM	:	Annual General Meeting of our Company
Application	:	Application for our IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Form	:	Printed application form for the application of our IPO Shares accompanying this Prospectus
ATM	:	Automated teller machine
Auditors or Reporting Accountants	:	BDO PLT
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application with respect to payments for our IPO Shares
AWAL	:	Able Wealth Assets Ltd
BHSB	:	Bonia Holdings Sdn Bhd
BIH	:	Bonia International Holdings Pte. Ltd.
Board	:	Board of Directors of our Company
Bonia Corporation	:	Bonia Corporation Berhad
Bonia Corporation Group	:	Bonia Corporation and its group of companies, collectively
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CAGR	:	Compounded annual growth rate
Carzo Holdings	:	Carzo Holdings Berhad
CB Marketing	:	CB Marketing Sdn Bhd
CDS	:	Central Depository System
CDS Account	:	An account established by Bursa Depository for a depositor for the recording of securities and for dealing in such securities by the depositor
Central Depositories Act or SICDA	:	Securities Industry (Central Depositories) Act 1991
CF or CCC	:	Certificate of fitness for occupation or certificate of completion and compliance or its equivalent issued by the local authorities or principal submitting person (whichever is applicable)
Closing Date	:	The date adopted in this Prospectus as the last date for acceptance and receipt of the Application
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
Corporate Exercise	:	Transfer of Listing and Withdrawal of Listing, collectively
COVID-19	:	An infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)

**DEFINITIONS (CONT'D)**

CRG Share or Share	:	Ordinary share in our Company
CRM	:	Customer relationship management
CSS	:	Chiang Sang Sem
D&D	:	Design and development
Director	:	Director (executive and non-executive) of our Company and shall have the meaning given in subsection 2(1) of the CMSA
DSCFY or Promoter	:	Dato' Sri Chiang Fong Yee
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
e-commerce	:	Electronic commerce
EGM	:	Extraordinary general meeting of our Company
Electronic Prospectus	:	A copy of this Prospectus that is issued, circulated or disseminated via the internet and/or an electronic storage medium
Electronic Share Application	:	Application for our Issue Shares under the Public Issue through a Participating Financial Institution's ATM
EPS	:	Earnings per Share
ERP	:	Enterprise resource planning
Exit Offer	:	Pre-conditional voluntary general offer by the Joint Offerors to acquire the remaining Shares not held by them at a cash exit offer price of RM0.215 per Share, which was completed on 3 October 2024
FTSB	:	Freeway Team Sdn Bhd
FYE	:	Financial year ended 30 June, as the case may be
FYE Under Review	:	FYE 2021 to FYE 2024, collectively
Government	:	Government of Malaysia
GP	:	Gross profit
IFRS	:	International Financial Reporting Standards, as issued by the International Accounting Standards Board
Imbi Property	:	A piece of freehold land held under Geran 34048, Lot 620 Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur, measuring approximately 9,174.5 sqft and bearing postal address of No. 217, Jalan Imbi, 55100 Kuala Lumpur
IMR or Infobusiness Research	:	Infobusiness Research & Consulting Sdn Bhd
IMR Report	:	Independent market research titled "Independent Market Research Report on the Fashion Industry in Malaysia", as prepared by Infobusiness Research
Information Memorandum	:	Information memorandum dated 28 September 2018 pursuant to our listing on the LEAP Market
Internet Participating Financial Institution	:	Participating financial institution for the Internet Share Application
Internet Share Application	:	Application for our IPO Shares under the Public Issue through an Internet Participating Financial Institution
IPO	:	Our initial public offering comprising the Public Issue
IPO Price	:	Issue price of RM0.27 per IPO Share
IPO Share or Issue Share	:	New Share to be issued under our IPO comprising the Public Issue
Issuing House or MIH	:	Malaysian Issuing House Sdn Bhd
IT	:	Information technology
Joint Offerors	:	DSCFY, CSS and FTSB, collectively (being the joint offerors for the Exit Offer)
KKSB	:	Kontrak Kosmomaz Sdn Bhd
LEAP LR	:	LEAP Market Listing Requirements of Bursa Securities
LEAP Market	:	LEAP Market of Bursa Securities
LPD	:	30 October 2024, being the latest practicable date prior to the registration of this Prospectus with Bursa Securities

**DEFINITIONS (CONT'D)**

Malaysian Public	:	Malaysian citizens as well as companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia
Management	:	Our Executive Directors and key senior management, collectively
Market Day	:	Any day between Monday and Friday (both days inclusive) which is not a public holiday and a day on which Bursa Securities is open for trading of securities which may include a day that is declared as public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as public holiday at the beginning of the calendar year
MCCG	:	Malaysian Code on Corporate Governance issued by the SC as at 28 April 2021
MCO	:	Movement control order, a series of national quarantine measures imposed by the Government in response to the COVID-19 pandemic
Melaka Property	:	1 unit of 3-storey pre-war shophouse erected on a piece of freehold land held under Geran 21151, Lot 43, Kawasan Bandar XVI, Daerah Melaka Tengah, Negeri Melaka measuring 947 sqft and bearing postal address of No. 11, Lorong Hang Jebat, 75200 Melaka
MFRS	:	Malaysian Financial Reporting Standards, as issued by the Malaysian Accounting Standards Board
MIA	:	Malaysian Institute of Accountants
MITI	:	Ministry of Investment, Trade and Industry
MLA 2018	:	Master Licence Agreement dated 4 May 2018 entered into between BIH and our Company, which was terminated and superseded by the MLA 2023
MLA 2023	:	Master Licence Agreement dated 25 May 2023 entered into between BIH and our Company, which was effective on 1 April 2023
MyIPO	:	Intellectual Property Corporation of Malaysia
N/A	:	Not applicable or not available
NA	:	Net assets
NBV	:	Net book value
OEM	:	Original equipment manufacturer
Official List	:	A list specifying all securities listed on Bursa Securities
Participating Financial Institution	:	Participating financial institution for the Electronic Share Application
PASB	:	Pasti Anggun Sdn Bhd
PAT	:	Profit after taxation
PBT	:	Profit before taxation
PE Multiple	:	Price-to-earnings multiple
POS	:	Point of sales, a technology system that combines the use of software (such as inventory management, processing of payment, generate sales report modules) and hardware (monitor, cash register, barcode scanner) to facilitate transactions between a business and customers
Prospectus	:	This prospectus dated 28 November 2024 in relation to our IPO in conjunction with our Transfer of Listing
Prospectus Guidelines	:	Prospectus Guidelines issued by the SC
PSSB	:	Purnama Sejahtera Sdn Bhd
Public Issue	:	The public issue of 171,865,700 Issue Shares at the IPO Price to the Malaysian Public, our Independent Non-Executive Directors and Bumiputera investors as approved by MITI
QC	:	Quality control
Rules	:	The Rules on Take-overs, Mergers and Compulsory Acquisitions, as issued by the SC
Rules of Bursa Depository	:	The rules of Bursa Depository as issued under the SICDA

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**DEFINITIONS (CONT'D)**

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SAC	:	Shariah Advisory Council of the SC
SC	:	Securities Commission Malaysia
Share Registrar	:	Bina Management (M) Sdn Bhd
SKU	:	Stock keeping unit, a unique code that a seller assigns to every type of item it sells
Specified Shareholder	:	Our shareholder as defined under the ACE LR and as set out in Section 2.2 of this Prospectus, collectively
sqft	:	Square feet
sqm	:	Square metre
SSSG	:	Same store sale growth
SST	:	Sales and services tax
Underwriting Agreement	:	Underwriting agreement dated 28 October 2024 entered into between our Company and TA Securities for the purpose of our IPO
TA Securities or Principal Adviser or Sponsor or Placement Agent or Sole Underwriter	:	TA Securities Holdings Berhad
Transfer of Listing	:	Transfer of the listing of and quotation for our enlarged share capital from the LEAP Market to the ACE Market
Withdrawal of Listing	:	Withdrawal of our listing from the Official List of the LEAP Market pursuant to Rules 8.05 and 8.06 of the LEAP LR

**CURRENCIES:**

RM and sen	:	Ringgit Malaysia and sen
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**1. CORPORATE DIRECTORY****BOARD OF DIRECTORS**

<b>Name (Gender)</b>	<b>Nationality</b>	<b>Designation</b>	<b>Address</b>
Vincent Loh (Male)	Malaysian	Independent Non-Executive Chairman	30-16-3, Jamnah View Condo Jalan Buluh Perindu Taman SA 59000 Kuala Lumpur Malaysia
Dato' Sri Chiang Fong Yee (Male)	Malaysian	Group Managing Director	Lot 121, Jalan Timah 3 The Mines Resort City 43300 Seri Kembangan Selangor Darul Ehsan Malaysia
Ong Boon Huat (Male)	Malaysian	Executive Director	1, Jalan Vista 6 Taman Cheras Vista 43200 Cheras Selangor Darul Ehsan Malaysia
Chin Peck Li (Female)	Malaysian	Independent Non-Executive Director	No. 5, Jalan PJ 28 Taman Pertam Jaya Padang Temu 75050 Melaka Malaysia
Lim Lay Ching (Female)	Malaysian	Independent Non-Executive Director	27, Jalan PE 11 Taman Paya Emas Paya Rumput 76450 Melaka Malaysia
Kam Sin Lin (Female)	Malaysian	Independent Non-Executive Director	No. 1, Lorong Seri Setali 102 Off Jalan Air Putih 25300 Kuantan Pahang Darul Makmur Malaysia

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**1. CORPORATE DIRECTORY (CONT'D)**

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**AUDIT & RISK MANAGEMENT COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Chin Peck Li	Chairperson	Independent Non-Executive Director
Lim Lay Ching	Member	Independent Non-Executive Director
Kam Sin Lin	Member	Independent Non-Executive Director

**REMUNERATION COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Lim Lay Ching	Chairperson	Independent Non-Executive Director
Chin Peck Li	Member	Independent Non-Executive Director
Kam Sin Lin	Member	Independent Non-Executive Director

**NOMINATION COMMITTEE**

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Kam Sin Lin	Chairperson	Independent Non-Executive Director
Chin Peck Li	Member	Independent Non-Executive Director
Lim Lay Ching	Member	Independent Non-Executive Director

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**1. CORPORATE DIRECTORY (CONT'D)**

- COMPANY SECRETARY** : Wong Yen Lee  
(SSM PC No. 202008001170)  
(MAICSA 7046106)  
Professional Qualification : Chartered Secretary and Fellow member of the Malaysian Institute of Chartered Secretaries and Administrators; and Professional Member of the Institute of Internal Auditors Malaysia
- C/o CORESec Advisory Sdn Bhd  
No. 5-1, Jalan Radin Bagus 9  
Bandar Baru Sri Petaling  
57000 Kuala Lumpur  
Tel no.: (603) - 9054 1498
- REGISTERED OFFICE** : No. 5-1, Jalan Radin Bagus 9  
Bandar Baru Sri Petaling  
57000 Kuala Lumpur  
Tel no.: (603) - 9054 1498
- HEAD OFFICE** : L2-05, 2<sup>nd</sup> Floor  
Ikon Connaught  
Lot 160, Jalan Cerdas  
Taman Connaught  
56000 Kuala Lumpur  
Wilayah Persekutuan, Malaysia  
Website: [www.carlorino.net](http://www.carlorino.net)  
Email address: [ir@carlorino.net](mailto:ir@carlorino.net)  
Tel no.: (603) – 9108 9600
- AUDITORS AND REPORTING ACCOUNTANTS** : BDO PLT  
(201906000013 (LLP0018825-LCA) & AF 0206)  
Chartered Accountants  
Level 8, BDO @ Menara CenTARa  
360, Jalan Tuanku Abdul Rahman  
50100 Kuala Lumpur  
Tel no.: (603) – 2616 2888  
Partner-in-charge : Law Kian Huat  
Approval No. : 02855/06/2026 J  
Professional : Chartered Accountant  
Qualification : Member of MIA  
(MIA Membership No.: 14633)  
Fellow Member of the Association of Chartered Certified Accountants (“ACCA”)  
(ACCA Membership No: 2548371)
- PRINCIPAL ADVISER, SPONSOR, SOLE UNDERWRITER AND PLACEMENT AGENT** : TA Securities Holdings Berhad  
32<sup>nd</sup> Floor, Menara TA One  
22, Jalan P. Ramlee  
50250 Kuala Lumpur  
Tel no.: (603) – 2072 1277

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**1. CORPORATE DIRECTORY (CONT'D)**

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**DUE DILIGENCE SOLICITORS  
FOR OUR IPO** : Olivia Lim & Co.  
41-3 Plaza Damansara  
Jalan Medan Setia 1  
Bukit Damansara  
50490 Kuala Lumpur  
Tel no.: (603) – 2011 1386

**INDEPENDENT MARKET  
RESEARCHER** : Infobusiness Research & Consulting Sdn Bhd  
C4-3A-3, Solaris Dutamas  
No.1 Jalan Dutamas 1  
50480 Kuala Lumpur  
Tel no.: (603) – 6205 3930  
Person-in-charge : Leow Hock Bee  
Qualification : Bachelor of Science (Hons) Geology  
from the University of Western  
Ontario and Masters of Business  
Administration from Massey  
University

*(Please refer to Section 8 of this Prospectus for the profile of the  
firm and person-in-charge)*

**SHARE REGISTRAR** : Bina Management (M) Sdn Bhd  
Lot 10, The Highway Centre  
Jalan 51/205  
46050 Petaling Jaya  
Selangor, Malaysia  
Tel no.: (603) – 7784 3922

**ISSUING HOUSE** : Malaysian Issuing House Sdn Bhd  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13  
46200 Petaling Jaya  
Selangor, Malaysia  
Tel no.: (603) – 7890 4700

**LISTING SOUGHT** : ACE Market

**SHARIAH STATUS** : Approved by the SAC

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## 2. APPROVALS AND CONDITIONS

### 2.1 APPROVALS AND CONDITIONS

#### 2.1.1 Bursa Securities

Bursa Securities had, via its letter dated 12 August 2024, approved our Transfer of Listing and the listing of and quotation for our entire enlarged issued share capital on the ACE Market, subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	Submit the following information with respect to the moratorium on the shareholdings of the Specified Shareholders to Bursa Depository:  (i) Name of shareholders; (ii) Number of Shares; and (iii) Date of expiry of the moratorium for each block of Shares.	To be complied with before our Transfer of Listing.
2.	Confirm that approvals from other relevant authorities have been obtained for implementation of the Transfer of Listing;	Complied.
3.	The Bumiputera equity requirements for public listed companies as approved / exempted by the SC including any conditions imposed thereon;	Complied.
4.	Make the relevant announcements pursuant to paragraphs 8.1 and 8.2 of Guidance Notes 15 of the ACE LR;	To be complied with before our Transfer of Listing.
5.	Furnish to Bursa Securities a copy of the schedule of distribution showing compliance with the public shareholding spread requirements based on the entire issued share capital of our Company on the first day of listing on the ACE Market;	To be complied with upon our Transfer of Listing.
6.	In relation to the public offering to be undertaken by our Company, to announce at least 2 Market Days prior to the listing date, the result of the offering including the following:  (i) level of subscription of public balloting and placement; (ii) basis of allotment / allocation; (iii) a table showing the distribution for placement tranche as per the format prescribed by Bursa Securities; and (iv) disclosure of placees who become substantial shareholders of our Company arising from the public offering, if any.  TA Securities must ensure that the overall distribution of our Company's securities is properly carried out to mitigate any disorderly trading in the secondary market; and	To be complied with before our Transfer of Listing.
7.	Our Company / TA Securities to furnish Bursa Securities with a written confirmation of our Company's compliance with the terms and conditions of Bursa Securities' approval upon the admission of our Company to the Official List of the ACE Market.	To be complied with upon our Transfer of Listing.

## 2. APPROVALS AND CONDITIONS (CONT'D)

Bursa Securities had also, vide its letter dated 22 August 2024, approved our Withdrawal of Listing, subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	TA Securities is required to furnish Bursa Securities with a letter confirming the following: <ul style="list-style-type: none"> <li>(i) that the requirements of Rule 8.06(1) of the LEAP LR have been complied with or waived by Bursa Securities, as the case may be;</li> <li>(ii) confirmation from TA Securities that all conditions, including conditions imposed by the relevant authorities which are required to be met prior to the Withdrawal of Listing have been met; and</li> <li>(iii) confirmation from TA Securities that there are no circumstances or facts which have the effect of preventing or prohibiting the Withdrawal of Listing including any order, injunction or any other directive issued by any court of law.</li> </ul>	Complied.
2.	Our Company is required to announce, 5 clear Market Days before the effective date of suspension, the following: <ul style="list-style-type: none"> <li>(i) the trading in our Shares on the LEAP Market will be suspended one day before the date of allotment of our new Shares to be issued pursuant to our listing on the ACE Market until the completion of our listing on the ACE Market; and</li> <li>(ii) the effective date of suspension.</li> </ul>	To be complied with before our Transfer of Listing.

### 2.1.2 SC

Our IPO is an exempt transaction under section 212(8) of the CMSA and is therefore not subject to the approval of the SC.

The SC had, via its letter dated 13 August 2024, approved the resultant equity structure of our Company under the Bumiputera equity requirement for public listed companies pursuant to our Transfer of Listing, subject to the following conditions:

No.	Details of conditions imposed	Status of compliance
1.	Our Company allocating Shares equivalent to 12.5% of our enlarged number of issued Shares to Bumiputera investors to be approved by MITI in conjunction with our Transfer of Listing; and	To be complied with before our Transfer of Listing.
2.	Our Company to make available at least 50% of Shares offered to the Malaysian public investors via balloting to Bumiputera public investors.	To be complied with before our Transfer of Listing.

The SAC had on 14 November 2024, classified our Shares as Shariah-compliant based on the Shariah criteria adopted by the SAC.

### 2.1.3 MITI

MITI had, via its letter dated 31 July 2024, agreed with the scheme for our IPO which will result in an enlarged share capital of 977,517,100 Shares and our Company has complied with the Bumiputera Equity Requirement for Public Listed Companies whereby 122,189,700 Shares, representing 12.50% of our Company's enlarged issued share capital to be allocated to Bumiputera investors approved by MITI.

## 2. APPROVALS AND CONDITIONS (CONT'D)

### 2.2 MORATORIUM ON OUR SHARES

#### 2.2.1 Specified Shareholders' Moratorium

2.2.1.1 As at the date of submission of our listing application to Bursa Securities, our Group has met the quantitative criteria for admission to the Main Market of Bursa Securities. Hence, pursuant to Rule 3.19(1A)(b) of the ACE LR, a moratorium will be imposed on the sale, transfer or assignment of our Shares held by the Specified Shareholders for a period of 6 months from the date of our admission to the ACE Market ("**Moratorium Period**") ("**Specified Shareholders' Moratorium**"), as set out below:

Specified Shareholders	Nature of relationship	Under Moratorium Period	
		No. of Shares	% <sup>(1)</sup>
DSCFY	Our Group Managing Director / Substantial shareholder	257,051,648	26.30
CSS	Our controlling shareholder	54,029,700	5.53
Chong See Moi	Spouse of CSS	3,950,600	0.40
Dato' Sri Chiang Fong Tat	Child of CSS	2,069,400	0.21
Datin Sri Tan Loo Yin	Spouse of Dato' Sri Chiang Fong Tat / Daughter-in-law of CSS	100,000	0.01
Dato' Sri Chiang Fong Seng	Child of CSS	3,827,800	0.39
Chiang May Ling	Child of CSS	700,000	0.07
Chiang Sang Bon	Sibling of CSS	1,550,000	0.16
Lau Yun Hwa	Spouse of Chiang Sang Bon / Sister-in-law of CSS	1,000,000	0.10
Chiang Heng Pang	Sibling of CSS	5,501,600	0.56
Datin Lim Teng Hong	Spouse of Datuk Chiang Heng Kieng (sibling of CSS) / Sister-in-law of CSS	176,000	0.02
Chiang Boon Tian	Sibling of CSS	4,078,000	0.42
Chiang Sang Ling	Sibling of CSS	36,000	Neg
BHSB	Companies controlled by CSS	202,875,868	20.75
FTSB		111,041,200	11.36
KKSB		22,333,736	2.28
AWAL		22,111,100	2.26
<b>TOTAL</b>		<b>692,432,652</b>	<b>70.84</b>

Notes:

Neg Negligible.

(1) Computed based on our enlarged share capital of 977,517,100 Shares after our IPO.

The moratorium has been fully accepted by the Specified Shareholders, who have provided written undertakings that they will not sell, transfer or assign their shareholdings under the moratorium during the abovementioned moratorium period.

2.2.1.2 Pursuant to Rule 3.19(2) of the ACE LR, where the specified shareholder is an unlisted corporation, all direct and indirect shareholders of the unlisted corporation (whether individuals or other unlisted corporations) up to the ultimate individual shareholders must give undertakings to Bursa Securities that they will not sell, transfer or assign their shares in the unlisted corporation for the period stipulated in Rule 3.19(1) of the ACE LR.

Accordingly, in compliance with Rule 3.19(2) of the ACE LR, all the shareholders of BHSB, FTSB, KKSB and AWAL<sup>(1)</sup> undertake that they will not sell, transfer or assign their shares in the respective companies during the Moratorium Period as set out in Section 2.2.1.1 of this Prospectus.

**2. APPROVALS AND CONDITIONS (CONT'D)**

Note:

(1) The shareholders of BHSB, FTSB, KKSB and AWAL (all Malaysians) and their shareholdings in respective companies as at the LPD are as follows:

Name of shareholders	Direct		Indirect	
	No. of shares	%	No. of shares	%
<b>BHSB</b>				
- CSS	3,649,174	59.63	-	-
- Chiang Sang Bon	732,687	11.97	-	-
- Datuk Chiang Heng Kieng	702,453	11.48	-	-
- Chiang Heng Pang	637,459	10.42	-	-
- Chiang Boon Tian	398,229	6.50	-	-
<b>FTSB</b>				
- CSS	250,000	100.00	-	-
<b>KKSB</b>				
- CSS	29,813	59.63	-	-
- Chiang Sang Bon	5,986	11.97	-	-
- Datuk Chiang Heng Kieng	5,739	11.48	-	-
- Chiang Heng Pang	5,208	10.42	-	-
- Chiang Boon Tian	3,254	6.50	-	-
<b>AWAL</b>				
- CSS	1	100.00	-	-

**2.2.2 Voluntary Shareholder's Moratorium**

In addition to the above, one of our shareholders who is a family member of DSCFY and CSS and holds Shares prior to our IPO, has voluntarily undertaken not to sell, transfer or assign his shareholdings in our Company during the Moratorium Period as set out in Section 2.2.1.1 of this Prospectus ("Voluntary Shareholder's Moratorium"), as follows:

Shareholder	Nature of relationship	No. of Shares	% <sup>(1)</sup>
Chiang Sing Ho	Child of DSCFY / Grand-child of CSS	24,169,542	2.47

Note:

(1) Computed based on our enlarged share capital of 977,517,100 Shares after our IPO.

The moratorium restrictions are specifically endorsed on our share certificates representing those Shares under Specified Shareholders' Moratorium and Voluntary Shareholder's Moratorium to ensure that our Share Registrar does not register any sale, transfer or assignment that contravenes the moratorium restrictions.

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### 3. PROSPECTUS SUMMARY

**This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.**

#### 3.1 PARTICULARS OF OUR IPO

Our IPO comprises the Public Issue of 171,865,700 Issue Shares at the IPO Price, payable in full on application and is subject to the terms and conditions of this Prospectus. In summary, our IPO Shares will be allocated in the following manner:

	No. of Shares	% <sup>(1)</sup>
<b>Public Issue to be allocated in the following manner:</b>		
(i) Malaysian Public	48,876,000	5.00
(ii) Our Independent Non-Executive Directors	800,000	0.08
(iii) Private placement to Bumiputera investors as approved by MITI	122,189,700	12.50
<b>TOTAL</b>	<b>171,865,700</b>	<b>17.58</b>

Note:

(1) Computed based on our enlarged share capital of 977,517,100 Shares after our IPO.

Please refer to Section 4.3 of this Prospectus for further details on our IPO.

A moratorium will be imposed on the sale, transfer or assignment of our Shares held by the Specified Shareholders, as disclosed under Section 2.2 of this Prospectus.

#### 3.2 OUR GROUP AND BUSINESS

Our Company was incorporated in Malaysia under the Companies Act 1965 as a private limited company on 23 November 2009 under the name of CRG Incorporated Sdn Bhd and is deemed registered under the Act. On 13 August 2018, our Company was converted into a public limited company and assumed the name of CRG Incorporated Berhad to facilitate the listing of our Company on the LEAP Market on 28 November 2018. On 23 December 2022, we changed our company name to Carlo Rino Group Berhad to better reflect our corporate identity and our Group's core business and products offering.

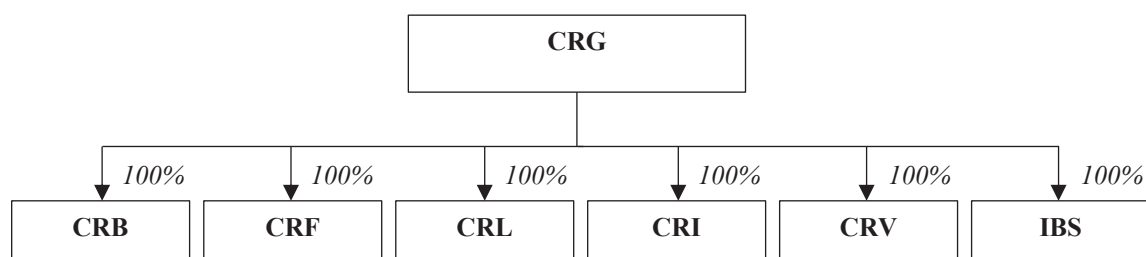
Our Company is an investment holding company and our subsidiaries are principally involved in the business of designing, promoting, marketing, distributing and retailing of women's handbags, footwear and accessories. Our Group is also involved in property development and property investment; investment holding of securities; and provision of management services. Currently, the brands which our Group carries are Carlo Rino and C.Rino (for eyewear only) and our products are targeted at young female working adults between the age of 18 and 35 years old in the middle income group.

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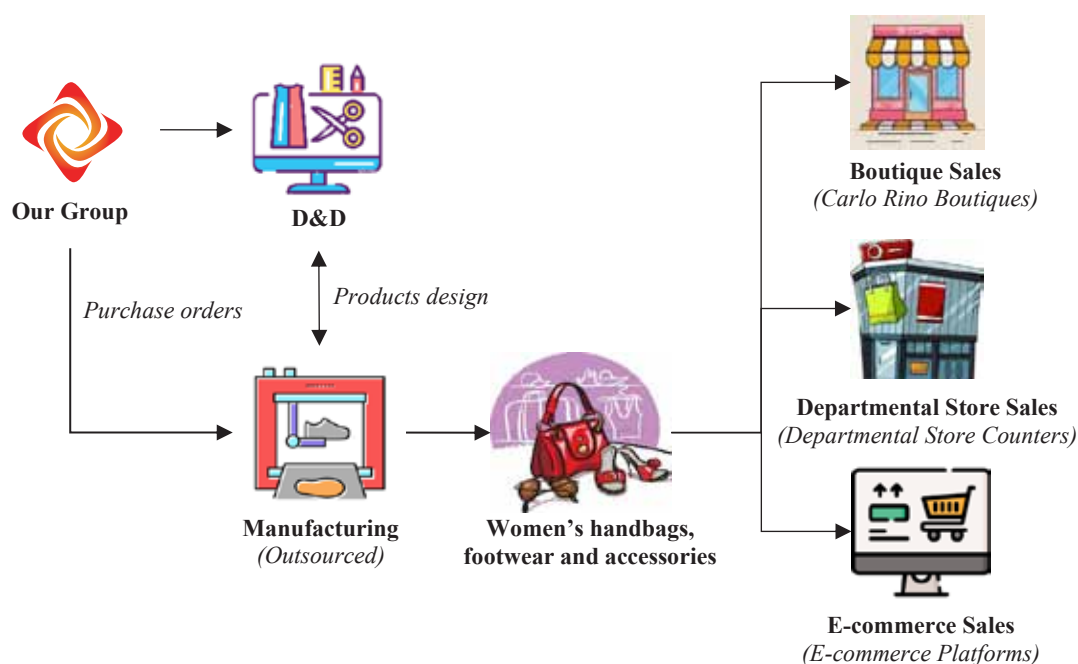


### 3. PROSPECTUS SUMMARY (CONT'D)

As at the LPD, our Group structure is as follows:



The business model for our principal business activities is as follows:



For the FYE Under Review, our Group generates revenue from 4 revenue channels, namely:

- (i) **Boutique sales** – as at the LPD, we manage and operate 34 boutiques in shopping malls and 6 boutiques at premium outlets in Malaysia to promote and retail our products.
- (ii) **Departmental store sales** - as at the LPD, we consign our Carlo Rino range of women’s handbags, footwear and selected accessories (i.e., scarves, perfumes, wallets, etc.) to 80 departmental store counters in AEON, Parkson, SOGO, GAMA, Pacific Group, Isetan and The Store, across Malaysia. Sales generated from departmental store counters are invoiced on a monthly basis. We are charged with a trade margin by the departmental stores based on the sales value of our merchandises sold.
- (iii) **E-commerce sales** – as at the LPD, we promote and sell our products on our Carlo Rino Online Store ([www.carlorino.net](http://www.carlorino.net)), which is accessible worldwide, and various third-party e-commerce marketplaces such as Zalora, Lazada, Shopee, and TikTok Shop in Malaysia.

### 3. PROSPECTUS SUMMARY (CONT'D)

- (iv) **Rental income** – we earned rental income from a property located at Desa Tun Razak, Cheras (which was subsequently disposed of during FYE 2023). However, rental income contribution is insignificant to our Group's total revenue for FYE 2021 to FYE 2023. No such revenue was recognised for FYE 2024 upon the disposal of the said property.

Malaysia, which contributes more than 99% of our Group's total revenue for each of the FYE Under Review, is the principal market for our Group's retailing segment for FYE Under Review.

Further details on our Group and business are set out in Sections 6 and 7 of this Prospectus.

#### 3.3 OUR COMPETITIVE STRENGTHS

A summary of our Group's competitive strengths is set out below:

(i) **We have an established brand name**

We have been actively involved in the design, marketing, distribution and retailing of women's handbags, footwear and accessories for over 17 years. The Carlo Rino brand is an established brand which has been in the women's fashion market in Malaysia for over 35 years.

Since our inception, our marketing strategies and product designs have been focused on young female working adults between the ages of 18 and 35 years old in the middle income group. Thus, we embrace a brand image and concept for our Carlo Rino brand that is "youthful, vibrant, colourful and bold". In addition, we ensure our retail presence through boutiques and departmental store counters are strategically located in prime locations.

(ii) **We have multi-channel distribution network**

Our products are sold through our Carlo Rino boutiques, departmental store counters and e-commerce marketplaces. As at the LPD, we manage and operate 40 boutiques and 80 departmental store counters in Malaysia.

(iii) **We undertake continuous D&D efforts to keep up with latest trends and designs**

Our D&D personnel constantly monitors new design trends based on local and international consumer preferences and spending habits, and is able to design and develop over 50 SKUs of our products every month.

(iv) **We have an experienced key management team**

We are led by an experienced Group Managing Director and a committed team of key management personnel who possesses over 10 years of experience in the key functions of our Group including corporate management, marketing, brand management and finance.

(v) **Wide range of woman fashion products**

We design, market and distribute a wide range of women's footwear, handbags and accessories, with various designs, materials, colour, features and prices, to cater to the differing preferences, needs and demands of customers.

Further details on our Group's competitive strengths are set out in Section 7.17 of this Prospectus.

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**3. PROSPECTUS SUMMARY (CONT'D)**

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**3.4 OUR BUSINESS STRATEGIES AND FUTURE PLANS**

Our Group's business strategies and future plans are set out below:

**(i) Establish new Carlo Rino flagship boutique**

Our Management intends to construct an up to 8-storey commercial building on the Imbi Property, which shall comprise our Carlo Rino flagship boutique, and other complementary ancillary services such as food and beverage outlets and lifestyle outlets to be operated by our Group, third parties and/or via joint venture with business partners to be identified. We will use the floor space of the flagship boutique to showcase our collection of women's handbags, footwear and accessories; and an area for customers to view, try and appreciate our products. We believe that providing better ambience while shopping with a spacious and strategically located prime location will enhance our Group's brand appeal to our target consumer group, build brand equity amongst customers which in turn, increase foot traffic towards our flagship boutique and improve the demand and sales of our range of products. We intend to utilise part of the proceeds from the Public Issue to fund the construction and fitting out of our new flagship boutique and other ancillary facilities.

**(ii) Refurbishment of our boutiques and counters at departmental stores to attract customers and drive sales growth**

Refurbishment of our boutiques and departmental store counters is required from time to time which aims to improve our business via refreshing the in-store experience of our customers to drive foot traffic to our retail points and garner brand awareness of our range of products. We intend to utilise part of the proceeds from the Public Issue to fund the refurbishment of boutiques and departmental store counters.

**(iii) Acquisition of properties to be used as show galleries**

Our Group intends to acquire properties at strategic locations with high foot traffic or tourist destinations to set up show galleries to showcase our Group's products for Carlo Rino brand building purpose as well as to serve as sales channels for our Group's products. CRI had, on 10 October 2024, entered into a sale and purchase agreement to acquire the Melaka Property to be used as a show gallery for our Group's product offering. The Melaka Property was transferred and registered into CRI's name on 1 November 2024, subsequent to the LPD.

**(iv) Overseas expansion via online e-commerce platforms**

We intend to expand our geographical reach to other countries in the Southeast Asia region, progressively over the next 2 to 3 years, via using search engine optimisation to increase the online visibility of our brands and products as well as leverages on third-party e-commerce platforms to market and sell our products to overseas markets.

**(v) Upgrade of our IT infrastructure**

We intend to upgrade our Group's IT infrastructure to facilitate future business growth and improve operating efficiency. The new ERP system will be integrated with mobile application and e-commerce platforms system to record and store transactional data that is connected to various functions of our Group, from procurement to supply chain management to retail management. It will also integrate with modules such as CRM for marketing strategies and planning, and member management. The integration with various departments will enable better tracking of data and analytics in real time, thus allowing for more informed and accurate decision making. The new POS system is designed specifically for the established chain-store retailers to efficiently handle multi-store operations in real-time from accepting payments, managing sales promoters, giving promotion and track inventory across locations and regions.

Further details on our business strategies and future plans are set out in Section 7.18 of this Prospectus.

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### 3. PROSPECTUS SUMMARY *(CONT'D)*

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#### 3.5 RISK FACTORS

Before investing in our IPO Shares, you should carefully consider, along with other matters in this Prospectus, the risk factors as set out in Section 9 of this Prospectus.

Some of the key risk factors are summarised below:

- (i) We rely on our Group's brands and reputation to grow our Group's business. Any events which draw negative publicity to our Group's brands and reputation may deter customers from buying our products and also discourage suppliers and OEM manufacturers from conducting business with our Group;
- (ii) We rely on the efficient and reliable operation of our supply chain to ensure timely production and delivery of good quality products. Disruptions in manufacturing, such as shortage of raw materials, delays in production and delivery, or poor quality control, can lead to delays in delivery of inventory or inventory shortage, which could lead to a decrease in sales and customer confidence. If we need to seek alternative suppliers and OEM manufacturers and fail to come to commercially acceptable terms with new suppliers and OEM manufacturers, it may affect our Group's profit margins as operational costs increase, and adversely affect our Group's price competitiveness;
- (iii) Our Group's business growth is dependent on our ability to secure tenancies for new boutiques in prime shopping malls and/or premium outlets as well as consignment arrangements for prime location within departmental stores, where pedestrian traffic volumes are high, and to renew our tenancies and consignment arrangements for our Group's existing boutiques and departmental store counters, respectively. If any of the tenancies or consignment arrangements are terminated or not renewed, or if we are unable to secure new alternative tenancies at acceptable rates and strategic locations, our Group's business operations would be disrupted, and our Group's financial performance may be adversely affected;
- (iv) We may not be able to successfully implement our expansion plan in the future; that the execution of our Group's future plans will increase our Group's profitability in the future; nor will we be able to anticipate all risks and uncertainties that may arise during the implementation of these future plans;
- (v) If COVID-19 outbreak become severe again or an outbreak of a contagious disease occurs that result in restrictions imposed by the Government such that we and/or our customers, suppliers and OEM manufacturers are required to suspend all or part of their business operations, we may experience a delay in supply of our inventories, delays in order fulfilments or termination of orders by our customers;
- (vi) We are susceptible to various operational risks which may cause significant losses or damage to our Group's products, head office, boutiques, departmental store counters and warehouse. These risks include, but are not limited to, accidents, outbreaks of fire or floods, energy crisis, outbreak of diseases, or other natural calamities. Should this occur, our Group's business operations may be disrupted and affected; and
- (vii) We engage third-party logistics and courier service providers for the delivery of our Group's products from our warehouse to boutiques, departmental store counters and online customers. In the event of any disruption arising from these external logistics and courier service providers (such as unexpected breakdown of vehicle fleet or accidents) and should we be unable to arrange for other alternative delivery options in a timely manner, our ability to effectively deliver our Group's products to our boutiques, departmental store counters and online customers may be affected.

Further details on the risks faced by our business and operations, the industry we operate in and our Shares are set out in Section 9 of this Prospectus.

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**3. PROSPECTUS SUMMARY (CONT'D)**


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**3.6 OUR DIRECTORS AND KEY SENIOR MANAGEMENT**

As at the LPD, our Directors and key senior management are as follows:

<b>Name</b>	<b>Designation</b>
<b>Directors</b>	
Vincent Loh	Independent Non-Executive Chairman
DSCFY	Group Managing Director
Ong Boon Huat	Executive Director
Chin Peck Li	Independent Non-Executive Director
Lim Lay Ching	Independent Non-Executive Director
Kam Sin Lin	Independent Non-Executive Director
<b>Key senior management</b>	
DSCFY	Group Managing Director
Ong Boon Huat	Executive Director
Seh Chi Khang	Assistant General Manager, Business Development
Lee Yoke Mei	Head of Merchandising
Lee Chwee Kin	Senior Group Accountant

Further details on our Directors and key senior management are set out in Section 5 of this Prospectus.

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### 3. PROSPECTUS SUMMARY (CONT'D)

#### 3.7 OUR PROMOTER AND SUBSTANTIAL SHAREHOLDERS

Details of our Promoter's and substantial shareholders' shareholdings in our Company before and after our IPO are as follows:

Name	Nationality/ Country of incorporation	As at the LPD and before our IPO <sup>(1)</sup>				After our IPO <sup>(2)</sup>			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Promoter and substantial shareholder</b>									
DSCFY	Malaysian	257,051,648	31.91	-	-	257,051,648	26.30	-	-
<b>Substantial shareholders</b>									
CSS	Malaysian	54,029,700	6.71	358,361,904 <sup>(3)</sup>	44.48	54,029,700	5.53	358,361,904 <sup>(3)</sup>	36.66
BHSB	Malaysia	202,875,868	25.18	-	-	202,875,868	20.75	-	-
FTSB	Malaysia	111,041,200	13.78	-	-	111,041,200	11.36	-	-

Notes:

(1) Based on our issued share capital of 805,651,400 Shares before our IPO.

(2) Based on our enlarged issued share capital of 977,517,100 Shares after our IPO.

(3) Deemed interested by virtue of CSS' substantial interest in BHSB, FTSB, KKSBB and AWAL pursuant to Section 8 of the Act.

Further details on our Promoter and substantial shareholders and their shareholdings in our Company are set out in Section 5 of this Prospectus.

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### 3. PROSPECTUS SUMMARY (CONT'D)

#### 3.8 USE OF PROCEEDS

The total gross proceeds of approximately RM46.40 million to be raised by our Company from the Public Issue will be utilised by our Group in the following manner:

Use of proceeds	Amount of proceeds		Estimated timeframe for utilisation from the date of our Transfer of Listing
	RM'000	%	
Construction and the fitting-out of a new flagship boutique and other facilities (e.g., IT and security systems)	15,000	32.32	Within 36 months
Refurbishment of boutiques and counters at departmental stores	3,500	7.54	Within 36 months
Maintenance of IT infrastructure	500	1.08	Within 24 months
Working capital requirements of our Group			
- Purchase of inventory	10,204	21.99	Within 24 months
- A&P expenses	3,000	6.47	Within 24 months
- Rental of boutiques	10,000	21.55	Within 24 months
Defrayment of estimated expenses for the Corporate Exercise and our IPO	4,200	9.05	Within 3 months
<b>TOTAL</b>	<b>46,404</b>	<b>100.00</b>	

There is no minimum subscription to be raised from our IPO. Further details on the utilisation of proceeds are set out in Section 4.9 of this Prospectus.

#### 3.9 FINANCIAL HIGHLIGHTS

The following table sets out a summary of the historical consolidated financial information of our Group for the FYE Under Review:

	Audited			
	FYE 2021	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000	RM'000
<b>Consolidated statements of profit or loss and other comprehensive income</b>				
Revenue	76,460	101,787	113,534	104,845
GP	44,392	63,043	70,064	65,862
PBT	8,073	29,033	31,450	26,270
PAT attributable to owners of our Company	3,984	22,230	23,853	19,305
EBITDA (RM'000)	16,993	37,511	40,004	35,355
GP margin (%)	58.06	61.94	61.71	62.82
PBT margin (%)	10.56	28.52	27.70	25.06
PAT margin (%)	5.21	21.84	21.01	18.41
Basic / Diluted EPS (sen)	0.41	2.27	2.44	1.97
<b>Consolidated statements of financial position</b>				
Non-current assets	46,921	51,906	61,758	67,055
Current assets	65,857	84,201	87,275	83,043
Total assets	112,778	136,107	149,033	150,098
Non-current liabilities	24,262	25,871	31,671	23,926
Current liabilities	16,404	19,916	17,182	14,494
Total liabilities	40,666	45,787	48,853	38,420
Share capital	68,000	68,000	68,000	68,000
Retained earnings	3,562	21,764	31,519	42,767
Reserves	550	556	661	911
NA	72,112	90,320	100,180	111,678
Gearing ratio (times) <sup>(1)</sup>	0.18	0.13	0.20	0.07

**3. PROSPECTUS SUMMARY (CONT'D)**

	Audited			
	FYE 2021	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000	RM'000
<b>Consolidated statements of cash flow</b>				
Net cash from operating activities	15,645	20,783	35,061	22,355
Net cash used in investing activities	(8,958)	(2,208)	(8,810)	(8,590)
Net cash used in financing activities	(10,687)	(10,864)	(12,724)	(27,664)
Net (decrease)/increase in cash and cash equivalents	(4,000)	7,711	13,527	(13,899)
Effects of exchange rate changes on cash and cash equivalents	(16)	9	16	(2)
Cash and cash equivalents at the beginning of the financial year	43,617	39,601	47,321	60,864
<b>Cash and cash equivalents at the end of the financial year</b>	<b>39,601</b>	<b>47,321</b>	<b>60,864</b>	<b>46,963</b>

Note:

(1) Computed based on total interest bearing borrowings (excluding lease liabilities arising in relation to the lease of boutiques and head office of our Group) divided by total equity as at the respective FYEs.

Further details on the historical financial information relating to our Group is set out in Sections 12 and 14 of this Prospectus.

**3.10 DIVIDEND POLICY**

On 29 August 2022, our Company adopted a dividend policy to distribute not less than 30% of our Company's PAT attributable to shareholders of our Company available in each financial year in the form of dividends to our shareholders annually, commenced from the FYE 2023.

The dividends declared and paid to our shareholders during the FYE Under Review and the subsequent period up to the LPD, which were funded entirely by our internally generated funds, are as follows:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024	1 July 2024 up to the LPD
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Dividend declared and paid (A)	4,028	4,028	14,099	8,056	4,028
PAT attributable to owners of our Company (B)	3,984	22,230	23,853	19,305	19,305 <sup>(1)</sup>
Dividend payout ratio (%) (A/B)	101.10	18.12	59.11	41.73	20.87

Note:

(1) Being audited PAT attributable to owners of our Company for FYE 2024 (i.e., the latest announced financial results of our Group as at the LPD).

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our future dividends which are subject to modifications (including reduction or non-declaration thereof) at our Board's discretion.

Further details on our dividend policy are set out in Section 12.12 of this Prospectus.

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#### 4. DETAILS OF OUR IPO

##### 4.1 OPENING AND CLOSING OF APPLICATION PERIOD

The Application period will open at 10.00 a.m. on 28 November 2024 and will remain open until 5.00 p.m. on 5 December 2024. **LATE APPLICATION WILL NOT BE ACCEPTED.**

##### 4.2 INDICATIVE TIMETABLE

Events	Indicative time/date
Issuance of this Prospectus / Opening of Application	10.00 a.m. / 28 November 2024
Closing of Application	5.00 p.m. / 5 December 2024
Balloting of Application	9 December 2024
Allotment of our IPO Shares to successful applicants	16 December 2024
De-listing from the LEAP Market / Listing on the ACE Market	18 December 2024

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 within Malaysia, and make an announcement on Bursa Securities' website.

##### 4.3 PARTICULARS OF THE CORPORATE EXERCISE AND OUR IPO

###### (i) Corporate Exercise

Our shareholders had, via our EGM held on 28 December 2023, voted in favour of the Withdrawal of Listing and Transfer of Listing. Subsequently, pursuant to Rule 8.06(1)(c) of the LEAP LR and paragraph 2.1 of Guidance Note 15A of the ACE LR, the Joint Offerors undertook the Exit Offer to facilitate the Corporate Exercise. The Exit Offer was completed on 3 October 2024. Pursuant to the completion of the Exit Offer, DSCFY has received valid acceptances of less than 1,000,000 Shares pursuant to the Exit Offer and thus, he has retained all Shares which he has received via valid acceptances pursuant to the Exit Offer and there will be no offer for sale of our Shares by DSCFY under our IPO.

Our Transfer of Listing is subject to, amongst others, the following requirements under Rule 3A.02(1) of the ACE LR:

No.	Requirements	Status of compliance
(a)	A transfer applicant must have been listed for at least 2 years on the LEAP Market at the time of application for transfer of listing;	Met. As at the date of this Prospectus, our Company has been listed on the LEAP Market for more than 2 years since 28 November 2018.
(b)	A transfer applicant must be considered as suitable for listing after the assessment by a Sponsor (as defined in the ACE LR) or both the Sponsor and Recognised Approved Adviser (as defined in the ACE LR) as Joint Transfer Sponsor (as defined in the ACE LR) pursuant to Rule 4.07 of the ACE LR;	Met. Our Company is suitable to be listed on the ACE Market after TA Securities (as the Sponsor) had assessed, amongst others, our Group's business prospects; systems, procedures, policies, controls and resources to comply with the ACE LR as well as governance, internal control and risk management systems; and that our Company's admission to the Official List of ACE Market is not detrimental to the interest of investors or does not undermine public interest.

**4. DETAILS OF OUR IPO (CONT'D)**

No.	Requirements	Status of compliance
(c)	A transfer applicant must comply with Chapters 3 and 3A of the ACE LR, as the case may be, subject to the additional requirements, modifications or exceptions set out in Chapter 3A of the ACE LR;	Noted and to be complied with before or upon our Transfer of Listing.
(d)	A transfer applicant must undertake an issue of shares to the general public as part of its transfer of listing; and	Complied. Our IPO comprises Public Issue.
(e)	A transfer applicant must comply with the relevant admission procedures and requirements as may be prescribed by Bursa Securities.	Noted and to be complied with before our Transfer of Listing.

**(ii) IPO**

Our IPO which comprises Public Issue only is subject to the terms and conditions of this Prospectus and upon acceptance, our IPO Shares will be allocated in the manner described below:

	No. of Shares	% <sup>(1)</sup>
<b>Public Issue to be allocated in the following manner:</b>		
(i) Malaysian Public	48,876,000	5.00
(ii) Our Independent Non-Executive Directors	800,000	0.08
(iii) Private placement to Bumiputera investors as approved by MITI	122,189,700	12.50
<b>TOTAL</b>	<b>171,865,700</b>	<b>17.58</b>

Note:

(1) Computed based on our enlarged share capital of 977,517,100 Shares after our IPO.

The basis of allocation of our IPO Shares shall take into account our Board's intention to distribute our IPO Shares to a reasonable number of applicants to broaden our Company's shareholder base to meet the public shareholding spread requirements and to establish a liquid market for our Shares. Applicants will be selected in a fair and equitable manner to be determined by our Board.

As at the LPD, save as disclosed in Section 4.3 of this Prospectus, to the extent known to our Company, there are no persons who have indicated to us that they intend to subscribe for more than 5% of our IPO Shares.

**4.3.1 Public Issue**

A total of 171,865,700 Issue Shares, representing 17.58% of our enlarged share capital, are offered at the IPO Price. The Issue Shares will be allocated in the following manner:

**(i) Malaysian Public**

48,876,000 Issue Shares, representing 5.00% of our enlarged share capital, will be made available for application by the Malaysian Public, to be allocated via a balloting process as follows:

- (a) 24,438,000 Issue Shares, representing 2.50% of our enlarged share capital, made available to Malaysian public investors; and
- (b) 24,438,000 Issue Shares, representing 2.50% of our enlarged share capital, made available to Malaysian Bumiputera public investors.

#### 4. DETAILS OF OUR IPO (CONT'D)

##### (ii) Our Independent Non-Executive Directors

800,000 Issue Shares, representing 0.08% of our enlarged share capital, will be made available for application by our Independent Non-Executive Directors.

We have obtained approval from our shareholders via an EGM held on 31 July 2024 for the proposed allocation and issuance of Issue Shares to our Independent Non-Executive Directors, based on amongst others, their respective roles and responsibilities in our Company. A summary of the proposed allocation and issuance of the Issue Shares to our Independent Non-Executive Directors is set out below:

Name	Designation	No. of Issue Shares to be allocated
Vincent Loh	Independent Non-Executive Chairman	200,000
Chin Peck Li	Independent Non- Executive Director	200,000
Lim Lay Ching	Independent Non-Executive Director	200,000
Kam Sin Lin	Independent Non-Executive Director	200,000
<b>TOTAL</b>		<b>800,000</b>

Save for the above, our Board is not aware of any substantial shareholders, Directors and key senior management of our Group who have the intention to apply for the Issue Shares made available under Section 4.3.1(i) of this Prospectus for the Malaysian Public via balloting.

##### (iii) Private placement to Bumiputera investors as approved by MITI

122,189,700 Issue Shares, representing 12.50% of our enlarged share capital, will be made available by way of private placement to Bumiputera investors as approved by MITI.

Upon completion of the Public Issue, our total number of issued Shares will increase from 805,651,400 Shares to 977,517,100 Shares. There is no over-allotment or 'greenshoe' option that will increase the number of our IPO Shares.

#### 4.3.2 Underwriting arrangement and re-allocation provision

##### (i) Issue Shares for the Malaysian Public via balloting

The 48,876,000 Issue Shares made available for application by the Malaysian Public via balloting are fully underwritten by our Sole Underwriter.

If any Issue Shares allocated for application by the Malaysian Public via balloting are not fully subscribed, the balance portion will be re-allocated in the following order:

- (a) firstly, to selected non-Bumiputera investors via private placement, if any; and
- (b) finally, any remaining Issue Shares thereafter will be subscribed by our Sole Underwriter, in accordance with the terms and conditions of the Underwriting Agreement.

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#### 4. DETAILS OF OUR IPO (*CONT'D*)

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**(ii) Issue Shares for our Independent Non-Executive Directors**

The 800,000 Issue Shares made available to our Independent Non-Executive Directors are fully underwritten by our Sole Underwriter.

If any Issue Shares allocated to our Independent Non-Executive Directors are not fully subscribed, the balance portion will be re-allocated in the following order:

- (a) firstly, to the Malaysian Public via balloting under Section 4.3.1(i) of this Prospectus; and
- (b) finally, any remaining Issue Shares thereafter will be subscribed by our Sole Underwriter, in accordance with the terms and conditions of the Underwriting Agreement.

**(iii) Issue Shares by way of private placement to Bumiputera investors as approved by MITI**

The 122,189,700 Issue Shares made available for application by Bumiputera investors as approved by MITI are not underwritten as irrevocable undertakings from the relevant investors to subscribe for the aforementioned Issue Shares will be / have been obtained.

If any Issue Shares allocated to Bumiputera investors as approved by MITI are not fully subscribed, the balance portion will be re-allocated in the following order:

- (a) firstly, to Malaysian Bumiputera Public via balloting under Section 4.3.1(i) of this Prospectus;
- (b) secondly, any remaining portion thereafter will be made available to selected non-Bumiputera investors by way of private placement, if any;
- (c) thirdly, any remaining portion thereafter will be made available to other investors to be identified; and
- (d) finally, any remaining portion will be made available for application by other Malaysian Public via the balloting under Section 4.3.1(i) of this Prospectus.

The salient terms of the underwriting arrangement are set out in Section 4.11 of this Prospectus.

#### **4.3.3 Price stabilisation mechanism**

We will not be employing any price stabilisation mechanism that may be employed in accordance with the Capital Markets and Services (Price Stabilisation Mechanism) Regulations 2008 to our IPO.

#### **4.3.4 Minimum subscription**

There is no minimum level of proceeds to be raised by us under our IPO. However, in order to comply with the public shareholding spread requirement of the ACE LR or as approved by Bursa Securities, the minimum subscription level will be the number of Shares required to be held by public shareholders of our Company to comply with the minimum public shareholding spread requirement under the ACE LR.

Under the ACE LR, we are required to have at least 25.00% of our enlarged issued share capital held by a minimum number of 200 public shareholders, each holding not less than 100 Shares at the point of our Transfer of Listing. We expect to meet the public shareholding spread requirements through a combination of the balloting process and private placement exercise.

#### 4. DETAILS OF OUR IPO (CONT'D)

If the above requirement is not met, we may not be able to proceed with our Transfer of Listing. Please refer to Section 9.3.4 of this Prospectus for details in the event our Transfer of Listing is delayed or aborted.

##### 4.3.5 Transfer of Listing

We undertake our IPO in conjunction with our Transfer of Listing. We have obtained approvals from our shareholders and Bursa Securities for the Corporate Exercise via EGM held on 28 December 2023 and Bursa Securities' letters dated 12 August 2024 and 22 August 2024, respectively.

You should take note that upon allotment of our IPO Shares to successful applicants, trading of our Shares on the LEAP Market will be suspended for a time period to be prescribed by Bursa Securities to facilitate the Withdrawal of Listing and Transfer of Listing. Thereafter, our Shares will be listed and quoted on the ACE Market.

#### 4.4 SHARE CAPITAL, CLASSES OF SHARES AND RANKING

Upon completion of our IPO, our enlarged share capital would be as follows:

Details	No. of Shares	RM
<b>Share capital</b>		
As at the date of this Prospectus	805,651,400	68,000,000
To be issued pursuant to the Public Issue	171,865,700	46,403,739
<b>Enlarged share capital upon our Transfer of Listing</b>	<b>977,517,100</b>	<b>114,403,739</b>
IPO Price		0.27
<b>Pro forma consolidated NA per Share</b> as at 30 June 2024 (based on the enlarged issued share capital of 977,517,100 Shares after the Public Issue, subsequent events from 1 July 2024 up to the LPD and the use of proceeds)		0.16
<b>Market capitalisation upon our Transfer of Listing</b> (based on the IPO Price and our enlarged share capital of 977,517,100 Shares after our IPO)		263,929,617

As at the date of this Prospectus, we have only one class of shares, being ordinary shares, all of which rank equally with each other. The Issue Shares will, upon allotment and issuance, rank equally in all respects with our then existing Shares including voting rights and will be entitled to all rights, dividends and other distributions that may be declared, the entitlement date of which is subsequent to the date of allotment of the Issue Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attaching to any Shares which we may issue in the future, our shareholders shall, in proportion to the amount paid up to the Shares held by them, be entitled to share in whole of the profits paid out by us in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders shall be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of our liabilities.

Each of our shareholders shall be entitled to vote at any of our general meetings in person or by proxy or by other duly authorised representative. Every shareholder present in person or by proxy or other duly authorised representative shall have 1 vote for each Share held on a poll.

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#### 4. DETAILS OF OUR IPO (*CONT'D*)

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##### 4.5 OBJECTIVES OF OUR IPO

The objectives of our IPO are as follows:

- (i) to enable us to raise funds for the purposes specified in Section 4.9 of this Prospectus;
- (ii) to access to a wide pool of investors in the ACE Market, as compared to LEAP Market, which offers a more robust listing environment with relatively greater vibrancy, more liquidity and better price discovery;
- (iii) to enable us to access a liquid equity capital market for future fund raising and to provide us with the financial flexibility to pursue growth opportunities as and when they arise;
- (iv) to further enhance our Group's credibility, corporate reputation and brand name which in turn, further enhance the confidence of our Group's existing and new customers, suppliers, business associates and employees through our transfer listing from the LEAP Market to ACE Market; and
- (v) to provide an opportunity for wider pool of Malaysian Public to participate in our equity and continuing growth.

##### 4.6 BASIS OF ARRIVING AT THE IPO PRICE

The IPO Price was determined and agreed upon by us and our Principal Adviser, Sponsor, Sole Underwriter and Placement Agent, after taking into consideration the following factors:

- (i) our pro forma consolidated NA per Share of approximately RM0.16 as at 30 June 2024, based on our enlarged share capital of 977,517,100 Shares after our IPO, use of proceeds from the Public Issue and subsequent events as set out in Section 12.2 of this Prospectus;
- (ii) PE Multiple of approximately 13.67 times, based on our Group's EPS of 1.975 sen for FYE 2024 and after taking into account our enlarged share capital of 977,517,100 Shares and PAT attributable to owners of our Company of RM19.31 million; and
- (iii) PE Multiple of approximately 12.79 times, based on our Group's adjusted EPS of 2.111 sen<sup>^</sup> for FYE 2024 and after taking into account our enlarged share capital of 977,517,100 Shares and adjusted PAT attributable to owners of our Company of RM20.64 million<sup>^</sup>.

*Note:*

<sup>^</sup> *The adjusted PAT attributable to owners of our Company for FYE 2024 after excluding the IPO-related expenses of RM1.33 million (being one-off and non-recurring in nature) incurred in FYE 2024 would be RM20.64 million. The exclusion of IPO-related expenses in deriving the adjusted PAT attributable to owners of our Company would be a more accurate representation of our Group's PAT attributable to owners of our Company under ordinary course of business. Based on the adjusted PAT attributable to owners of our Company of RM20.64 million for FYE 2024, this would translate into an adjusted EPS of 2.111 sen (based on our enlarged share capital of 977,517,100 Shares).*

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#### 4. DETAILS OF OUR IPO (*CONT'D*)

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To further justify the IPO Price, peer analysis has been carried out to benchmark the PE Multiple implied by the IPO Price against (a) the PE Multiples of comparable companies with similar business or sector as our Group and listed on the Main Market of Bursa Securities and ACE Market; and (b) the sector PE Multiple valuation based on all component stocks within Bursa Malaysia Consumer Product Index (KLCSU Index). In view that we operate in the retail industry, it is more likely for our Company's underlying value to be derived from our business operations instead of our assets and hence, PE Multiple is an appropriate trading multiple to be used for the peer analysis.

The comparable companies were selected based on the following criteria:

- (a) profitable comparable public listed companies categorised under the 'personal goods' or 'retailers' subsector of the 'consumer products and services' sector on the Main Market of Bursa Securities and/or the ACE Market, which operate in a similar industry with similar products type/business model to our Group; and
- (b) prevailing sector PE Multiple valuation of all component stocks within KLCSU Index, being a capitalisation-weighted index of all stocks in the EMAS Index involved in the consumer sector.

However, there are no public listed companies in Malaysia which is identical to our Company in respect of, amongst others, the scale of business operations and financial position. As such, it should be noted that this comparable valuation statistics is carried out on a best effort basis, purely to provide a benchmark valuation for the IPO Price.

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#### 4. DETAILS OF OUR IPO (CONT'D)

The trading PE Multiples of our Company and selected comparable companies to our Group as at the LPD are as follows:

Companies / (Board)	Principal activities	As at the LPD		Basic earnings per share <sup>(2)</sup>	PE Multiple
		Closing price	Market capitalisation <sup>(1)</sup>		
		(RM)	(RM'000)	(RM)	(times)
		(A)	(B)	(B)	(A/B) <sup>(3)</sup>
<b>Selected comparable companies</b>					
Bonia Corporation (Main Market of Bursa Securities)	Designing, manufacturing, marketing, retailing, wholesaling and franchising of fashionable leather goods, accessories and apparel for the local and overseas markets, property development and investment holding	1.550	311,542	0.168	9.21
MESB Berhad (Main Market of Bursa Securities)	Trading and retailing of leather products, apparel and accessories, investment holding and waste recycling business	0.495	71,426	0.071	6.95
Padini Holdings Berhad (Main Market of Bursa Securities)	Promoting and marketing fashionable apparels, footwear and accessories, provision of management services and investment holding	3.500	2,302,683	0.223	15.71
				<b>High</b>	<b>15.71</b>
				<b>Low</b>	<b>6.95</b>
				<b>Simple average</b>	<b>10.62</b>
				<b>Our company (audited PAT attributable to owners of our Company)</b>	<b>11.06<sup>(4)</sup></b>
				<b>Our Company (adjusted audited PAT attributable to owners of our Company)</b>	<b>10.34<sup>(5)</sup></b>

Notes:

- (1) Computed based on the number of ordinary shares in issue (excluding any treasury shares) multiplied by the closing price as at the LPD.
- (2) Being the audited PAT attributable to owners of the comparable companies for FYE 2024, respectively, divided by the number of ordinary shares in issue as at the LPD (Source: Annual reports and additional listing announcements (if applicable) of the respective selected comparable companies).
- (3) Subject to rounding adjustment.
- (4) Computed based on the audited PAT attributable to owners of our Company for FYE 2024 of RM19.31 million and existing issued share capital of our Company of 805,651,400 Shares which translated into an EPS of 2.396 sen as well as closing price as at the LPD of RM0.265 each.
- (5) Computed based on the adjusted audited PAT attributable to owners of our Company for FYE 2024 of RM20.64 million and existing issued share capital of our Company of 805,651,400 Shares which translated into an EPS of 2.562 sen as well as closing price as at the LPD of RM0.265 each.



#### 4. DETAILS OF OUR IPO (CONT'D)

Based on the pro forma EPS of our Group of approximately 1.975 sen and 2.111 sen after taking into account our enlarged share capital of 977,517,100 Shares as disclosed above, the illustrative PE Multiple of our Company of approximately 13.67 times and 12.79 times, respectively are:

- about 20.62% and 25.73% discount from the sector PE Multiple valuation of all component stocks within KLCSU Index of 17.22 times as at the LPD; and
- within the range of trading PE Multiples of 6.95 times to 15.71 times of the selected comparable companies.

(iv) our Group's historical financial track record as summarised below:

	FYE 2021	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000	RM'000
Revenue	76,460	101,787	113,534	104,845
GP	44,392	63,043	70,064	65,862
PAT attributable to owners of our Company	3,984	22,230	23,853	19,305

- (v) our Group's competitive strengths as set out in Section 7.17 of this Prospectus;
- (vi) our Group's business strategies and future plans as set out in Section 7.18 of this Prospectus;
- (vii) the overview and outlook of the industry in which our Group operates, as well as the prevailing market conditions as set out in Section 8 of this Prospectus; and
- (viii) the market performance of Bursa Securities and anticipated demand for our IPO Shares.

**You should note that the market price of our Shares upon and subsequent to our Transfer of Listing is subject to the vagaries of market forces and other uncertainties which may affect the trading price of our Shares. You should form your own views on the valuation of our Shares and reasonableness of the bases used before deciding to invest in our Shares. You are also reminded to consider carefully the risk factors as set out in Section 9 of this Prospectus before deciding to invest in our Shares.**

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#### 4. DETAILS OF OUR IPO (CONT'D)

##### 4.7 DILUTION

Dilution is the amount by which the IPO Price exceeds our pro forma consolidated NA per Share immediately after our IPO. The following table illustrates such dilution on a per Share basis:

	<b>RM</b>
IPO Price (A)	0.27
Audited consolidated NA per Share as at 30 June 2024 before the Public Issue (B)	0.14
Pro forma consolidated NA per Share as at 30 June 2024 after the Public Issue, the use of proceeds from the Public Issue and subsequent events from 1 July 2024 up to the LPD (C)	0.16
Increase in the pro forma consolidated NA per Share attributable to our existing shareholders (C-B)	0.02
Dilution in the pro forma consolidated NA per Share to new investors (D=A-C)	0.11
Dilution in the pro forma consolidated NA per Share to new investors as a percentage of our IPO Price (D/A)	40.74%

Please refer to Sections 12.2 and 13 of this Prospectus for further details of our Group's pro forma consolidated NA per Share as at 30 June 2024.

Save as disclosed below, there has been no acquisition of our Shares by our substantial shareholders, Directors, key senior management or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares during the past 3 years since 1 November 2021 up to the date of this Prospectus:

- (i) DSCFY had acquired 33,091,500 Shares at an average cost of approximately RM0.1828 per Share (excluding stamp duty and commission);
- (ii) 49,469,858 Shares were transferred from DSCFY's spouse to DSCFY without any consideration;
- (iii) 24,169,542 Shares were transferred from DSCFY's spouse to her child without any consideration;
- (iv) DSCFY acquired 51,150 Shares at the cash exit offer price of RM0.215 each pursuant to the Exit Offer; and
- (v) our Independent Non-Executive Directors to subscribe for the Issue Shares at the IPO Price, in the manner as set out in Section 4.3.1(ii) of this Prospectus.

##### 4.8 HISTORICAL SHARE PRICE

Our Shares are currently traded on the LEAP Market. Our Shares have not been subject to any trading suspension in the past 3 years up to the LPD.

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#### 4. DETAILS OF OUR IPO (CONT'D)

##### 4.9 USE OF PROCEEDS

The total gross proceeds of approximately RM46.40 million from the Public Issue will be used by our Group in the following manner:

Use of proceeds	Note	Amount of proceeds		Estimated timeframe for utilisation from the date of our Transfer of Listing
		RM'000	%	
Construction and the fitting out of a new flagship boutique and other facilities (e.g., IT and security systems)	i	15,000	32.32	Within 36 months
Refurbishment of boutiques and counters at departmental stores	ii	3,500	7.54	Within 36 months
Maintenance of IT infrastructure	iii	500	1.08	Within 24 months
Working capital requirements of our Group	iv			
• Purchase of inventory		10,204	21.99	Within 24 months
• A&P expenses		3,000	6.47	Within 24 months
• Rental of boutiques		10,000	21.55	Within 24 months
Defrayment of estimated expenses for the Corporate Exercise and our IPO	v	4,200	9.05	Within 3 months
<b>TOTAL</b>		<b>46,404</b>	<b>100.00</b>	

Notes:

- (i) **Construction and the fitting out of a new flagship boutique and other facilities (e.g., IT and security systems)**

IBS had, on 15 March 2023, completed the acquisition of the Imbi Property and currently rents the vacant land to Wawasan Murni Jaya for a car park business for a tenure of 3 months (commenced from 1 October 2023, with option for renewal of 3 months periodically). We earmark RM15.00 million (or approximately 32.32% of our Public Issue proceeds), for the construction and fitting-out of a commercial building to be erected thereon ("**Proposed Building**") and the renovation cost for our flagship boutique in the Proposed Building.

The details of the Proposed Building are as follows:

<b>Details of the Proposed Building</b>	
Description and intended usage	: A up to 8-storey commercial building comprises: <ul style="list-style-type: none"> <li>• flagship boutique for our Group to display our range of products; and</li> <li>• other complementary ancillary services such as food and beverage outlets and lifestyle outlets for own usage and rental purpose. Our Group intends to operate other complementary ancillary services by ourselves, third parties and/or via joint venture with business partners to be identified</li> </ul>
Estimated construction cost and incidental cost	: RM11.50 million (based on preliminary cost estimation as at the LPD and estimated incidental costs in relation to the land)
Estimated fit-out cost for the Proposed Building	: RM2.50 million (based on indicative cost estimation by our Group for the fit-out works on the Proposed Building which may subject to revisions upon completion of the construction of the Proposed Building)
Estimated renovation cost for the flagship boutique	: RM1.00 million (based on cost estimation by our Group)

#### 4. DETAILS OF OUR IPO (CONT'D)

The tentative timeline for the construction and fitting-out works is as follows:

<b>Timeline*</b>	<b>Events</b>
4 <sup>th</sup> quarter of calendar year 2024	<ul style="list-style-type: none"> <li>Finalise design development of building plan by our Group</li> <li>Submission of Planning Permit Plan to Dewan Bandaraya Kuala Lumpur</li> </ul>
1 <sup>st</sup> quarter of calendar year 2025	<ul style="list-style-type: none"> <li>Obtain approval on the Planning Permit Plan (assuming a processing time of 3 months from date of submission)</li> <li>Submission to land registry for change of land use category from "None" to "commercial" category to facilitate the construction of the Proposed Building</li> <li>Submission of building plan and development order to Dewan Bandaraya Kuala Lumpur</li> </ul>
2 <sup>nd</sup> quarter of calendar year 2025	<ul style="list-style-type: none"> <li>Obtain approval for the change of land use category, building plan and development order (assuming a processing time of 3 months from date of submission)</li> </ul>
3 <sup>rd</sup> quarter of calendar year 2025	<ul style="list-style-type: none"> <li>Finalise tender and negotiation with main contractor on the construction works</li> </ul>
4 <sup>th</sup> quarter of calendar year 2025	<ul style="list-style-type: none"> <li>Commencement of the construction of the Proposed Building</li> </ul>
4 <sup>th</sup> quarter of calendar year 2026	<ul style="list-style-type: none"> <li>Completion of construction of the Proposed Building (assuming 12 months from the date of commencement of construction works)</li> </ul>
1 <sup>st</sup> quarter of calendar year 2027	<ul style="list-style-type: none"> <li>Commence fitting-out (this shall only commence after receipt of CCC for the Proposed Building)</li> </ul>

Note:

\* Any unexpected prolonged processing time by the relevant authorities may cause a delay to the above tentative timeline.

At this juncture, the Proposed Building is proposed to be an up to 8-storey building with an estimated total built-up area of 19,000 sqft which is subject to approval from authorities. In view of the above tentative timeline, final details on the Proposed Building (e.g., number of storeys and built-up area of the flagship boutique) will only be available upon submission of the Planning Permit Plan. Other details such as types of complementary ancillary services or number of units of complementary ancillary services to be set up in the Proposed Building will be finalised upon the completion of the Proposed Building in the future.

The construction cost of the Proposed Building include, amongst others, building works (such as structural works, sanitary and plumbing works); external works (such as earthworks, road and drainage, fencing and turfing) as well as mechanical and electrical work (such as electrical, air-conditioning and fire-fighting protection installation); and to fit-out the flagship boutique whereas the fit-out costs involve, amongst others the purchase and installation of new fixtures, fittings, lighting, flooring, merchandise and display tools, IT hardware and security system.

As part of the brand building exercise, our Board recognises the importance of physical retail premise to create and enhance the brand presence and to provide a cosy in-store experience to the customers to view, try and appreciate our range of products. The Imbi Property is strategically located within Kuala Lumpur city centre with good accessibility to public transport infrastructures, shopping malls, international hotels and serviced suites. Further, the flagship boutique is spacious with an estimated total built-up area of approximately 4,000 sqft and our Management plans to design it with the spirit of "Carlo Rino" in mind, which instils a youthful, vibrant, colourful and bold vibe. Our Management believes better ambience while shopping at spacious and strategically located boutique enhances the brand appeal to the targeted consumer group, builds brand equity amongst the customers which in turn, shall drive footfall to the flagship boutique and improve sales of our range of products.

**4. DETAILS OF OUR IPO (CONT'D)**

*If the above capital expenditure is due and payable prior to our Transfer of Listing, we will use a combination of internally generated funds and/or borrowings (if required) to settle such payment while pending the receipt of the proceeds from the Public Issue. Upon receiving the proceeds from the Public Issue, we will use the proceeds to replenish internal funds used and/or to repay borrowing obtained to fund the construction works (if any) and pay the remaining capital expenditure. If there is a surplus of proceeds, the amount will be re-allocated for our Group's working capital purposes, wherein the breakdown of re-allocation amongst the category of working capital of our Group will be determined later. If there is a deficit of proceeds, we will use a combination of internally generated funds and borrowings to fund such capital expenditure.*

**(ii) Refurbishment of boutiques and counters at departmental stores**

*As at the LPD, our Group operates and manages 40 boutiques and 80 departmental store counters in Malaysia.*

*Refurbishment of boutiques and counters at departmental stores, from time to time, changes the layout and appearance of such retail space which aims to improve the business via refreshing shopping experience for the customers to drive footfall to the boutiques and departmental stores as well as to garner greater brand awareness of our range of products. Hence, our Company earmarks RM3.50 million (or approximately 7.54% of the total proceeds from the Public Issue), to refurbish boutiques and departmental store counters. As refurbishment of boutiques and counters at departmental stores is an on-going initiative, the number of boutiques and counters at departmental stores to be refurbished, their locations and costs cannot be determined at this juncture as it will be dependent on the prevailing quotation as well as the refurbishment requirements at the time of utilisation and such costs may differ for each type and location of retail space. Based on our Group's historical data, the refurbishment cost is expected to be approximately RM100 to RM350 per sqft. Should there be any material variances in the future with regards to refurbishment costs as a result of, amongst others, inflation, the shortfall will be funded via our Group's internally generated funds.*

*The estimated refurbishment cost covers, amongst others, the following:*

- *purchasing and installing new fixtures, fittings, lighting and flooring;*
- *interior design fees;*
- *new merchandising and display tools; and*
- *IT and security equipment and related hardware.*

**(iii) Maintenance of IT infrastructure**

*Our Group has, on September 2023, commenced the upgrading of the ERP system to become web-based and POS system to become cloud-based, and both systems had successfully gone live as at the LPD. Thereafter, our Management intends to integrate the above said systems with the CRM application, mobile application and e-commerce platforms. Such integration allows up-to-date information to be made available for the business decision of our Management. Our Company intends to allocate RM0.50 million (or approximately 1.08% of the total proceeds from the Public Issue), for subsequent maintenance of such upgraded IT infrastructure which include subscription fees for the cloud-based applications, as well as office productivity software and product design tools and applications. Our Company estimates the monthly IT maintenance cost after such upgrading to be RM20,000 to RM50,000.*

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**4. DETAILS OF OUR IPO (CONT'D)**

**(iv) Working capital requirements of our Group**

Our Group's working capital requirements will increase in tandem with future plans as set out in Section 7.18 of this Prospectus. Hence, our Company intends to allocate RM23.20 million (or approximately 50.01% of the total proceeds from the Public Issue), for the following working capital requirement of our Group:

**(a) Purchase of inventory**

For the FYE Under Review, our Group had incurred RM25.0 million to RM37.00 million annually to purchase inventory to ensure we have sufficient inventory to meet demand from our customers. The inventories mainly consist of finished goods of women's handbags, footwear and accessories. Our Company plans to use RM10.20 million of the proceeds from Public Issue to finance the purchase of inventory.

**(b) A&P expenses**

We undertake various A&P activities to promote brand awareness and garner customer loyalty over our products.

Our Company plans to use RM3.00 million of the total proceeds from the Public Issue to undertake various A&P activities, such as billboard advertisement; digital marketing across various online channels; engagements of social media key opinion leader and influencer who have positive and strong reputations in the fashion line to market our Group's products to their followers; and organise campaigns or events to drive new product awareness and customer engagements.

**(c) Rental of boutiques**

As at the LPD, our Group operates and manages 40 boutiques in Malaysia. For the FYE Under Review, rental of boutique expenses is approximately 10.37%, 14.41%, 14.00% and 12.90% respectively, of our Group's total selling and distribution expenses. Based on existing tenancy agreements, the monthly boutique rental expense is approximately RM0.76 million. Hence, our Company plans to use RM10.00 million of the total proceeds from the Public Issue to fund the boutique rental expenses.

Our Group had in the past and currently been funding our working capital via internally generated funds. Therefore, the above working capital allocation from our Public Issue proceeds is expected to enhance our Group's liquidity and cash flow position to support the future growth of our Group's business.

**(v) Defrayment of estimated expenses for the Corporate Exercise and our IPO**

The breakdown of the estimated expenses for the Corporate Exercise and our IPO is as follows:

	<b>RM'000</b>
Professional fees (includes advisory fees for, amongst others, Adviser, Solicitors, Reporting Accountants, Internal Control Reviewer, IMR, Issuing House and independent adviser for the Exit Offer)	2,200
Fee to authorities	80
Underwriting, placement and brokerage fees	1,130
Printing, advertisement and other incidental charges, including contingencies relating to the Corporate Exercise and our IPO	790
<b>TOTAL</b>	<b>4,200</b>

If the actual expenses are higher than estimated amount, the shortfall will be funded from our internally generated funds. Conversely, if the actual expenses are lower than estimated amount, the surplus will be utilised for our Group's working capital purposes.

#### 4. DETAILS OF OUR IPO (CONT'D)

*Pending the receipt of Public Issue proceeds, we may utilise our internally generated funds to settle the aforementioned expenses. When the Public Issue proceeds which have been allocated to defray the estimated expenses for the Corporate Exercise and our IPO is received, we will use such proceeds to replenish our Group's working capital (such as purchase of inventory, expenses for A&P activities and rental payment for boutiques).*

Pending utilisation, the proceeds from the Public Issue will be placed in deposits with licensed financial institution(s) or short term money market instruments as our Board deems fit. The interest derived or gain arising therefrom will be used for our Group's working capital requirements (such as purchase of inventory, expenses for A&P activities and rental payment for boutiques), of which the breakdown for the utilisation cannot be determined by our Company at this juncture.

#### 4.10 UNDERWRITING COMMISSION, BROKERAGE FEE AND PLACEMENT FEE

##### 4.10.1 Underwriting commission

We have entered into the Underwriting Agreement with our Sole Underwriter for the underwriting of 49,676,000 Issue Shares made available for application by the Malaysian Public via balloting and our Independent Non-Executive Directors ("Underwritten Shares"). We will pay an underwriting commission of 2.50% of the total value of the Underwritten Shares based on the IPO Price. The underwriting commission is subject to SST.

##### 4.10.2 Brokerage fee

We will pay the brokerage fee in respect of our 49,676,000 Issue Shares made available for application by the Malaysian Public via balloting and our Independent Non-Executive Directors, at the rate of 1.00% of the IPO Price in respect of all successful applications which bear the stamp of TA Securities, the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House. The brokerage fee is subject to SST.

##### 4.10.3 Placement fee

TA Securities, our Placement Agent, has agreed to place out 122,189,700 Issue Shares to Bumiputera investors as approved by MITI. We will pay a placement fee at the rate of up to 2.00% of the total value of Issue Shares successfully placed out by our Placement Agent. The placement fee is subject to SST.

#### 4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

Pursuant to the Underwriting Agreement, the Sole Underwriter has agreed to underwrite 49,676,000 Underwritten Shares for an underwriting commission of 2.50% of the total value of the Underwritten Shares based on the IPO Price and on the terms and conditions as set out in the Underwriting Agreement.

The following are the salient terms of the Underwriting Agreement. The capitalised terms used in this section shall have the respective meanings as ascribed thereto in the Underwriting Agreement:

##### 4.11.1 Conditions precedent

- (a) The obligations of our Sole Underwriter under the Underwriting Agreement are conditional upon:
  - (i) the Underwriting Agreement having been duly executed by all the parties to the Underwriting Agreement and duly stamped;



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**4. DETAILS OF OUR IPO (CONT'D)**

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- (ii) there has been on or prior to Closing Date, non-occurrence of any events that are likely to result in any material adverse change in the condition (financial or otherwise) of our Company or our subsidiaries, which is material in the context of our IPO and Transfer of Listing from that set forth in this Prospectus, nor the occurrence of any event or the discovery of any fact which is inaccurate, untrue or incorrect to any extent which is or will be material in the reasonable opinion of our Sole Underwriter, which makes any of the representations and warranties contained in the Underwriting Agreement untrue and incorrect in any material respect as though they had been given and made on such date with reference to the facts and circumstances then subsisting, nor the occurrence of any breach of the undertakings contained in the Underwriting Agreement;
- (iii) the delivery to our Sole Underwriter:
  - (aa) prior to the date of the registration of this Prospectus, a copy certified as a true copy by an authorised officer of our Company of all the resolutions of our Board and our shareholders in general meeting (if required) approving the Underwriting Agreement, our IPO, Transfer of Listing and authorising the execution of the Underwriting Agreement and the issuance of this Prospectus; and
  - (bb) a certificate, in the form or substantially in the form contained in the Underwriting Agreement, dated the date of this Prospectus signed by duly authorised officers of our Company stating that, to the best of their knowledge and belief, having made all reasonable enquiries, there has been no such change, development or occurrence as is referred to in Section 4.11.1(a)(ii) of this Prospectus;
- (iv) this Prospectus being in the form and substance satisfactory to our Sole Underwriter;
- (v) the delivery to our Sole Underwriter on the Closing Date of such reports and confirmations dated the Closing Date from our Board as our Sole Underwriter may reasonably require to ascertain that there is no material change subsequent to the date of the Underwriting Agreement that will adversely affect the performance or financial position of our Group;
- (vi) our Sole Underwriter having been satisfied that arrangements have been made by our Company to ensure payment of the expenses referred to in the Underwriting Agreement;
- (vii) our IPO and Transfer of Listing not being prohibited by any statute, order, rule, regulation or directive promulgated or issued by any legislative, executive or regulatory body or authority in Malaysia;
- (viii) there is no investigation, directions or actions by any judicial, governmental or regulatory authority in relation to our IPO and Transfer of Listing or in connection with our Group which is still subsisting or unresolved to the satisfaction of our Sole Underwriter;
- (ix) our Company having complied and that our IPO and Transfer of Listing are in compliance with the policies, guidelines and requirements of Bursa Securities and/or the SC and all revisions, amendments and/or supplements thereto;
- (x) our Company having fully complied with all the conditions which are required to be complied with prior to the issuance of this Prospectus or the Closing Date imposed by Bursa Securities in respect of our Public Issue, our IPO and Transfer of Listing;



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**4. DETAILS OF OUR IPO (CONT'D)**

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- (xi) the acceptance for registration by Bursa Securities of this Prospectus and such other documents as may be required in accordance with the CMSA in relation to our IPO and the lodgement of this Prospectus with the Companies Commission of Malaysia on or before its release;
  - (xii) Bursa Securities has agreed and approved in principle on or prior to the Closing Date to the admission to the Official List of the ACE Market and the listing and quotation for the entire enlarged issued share capital of our Company on the ACE Market and having approved this Prospectus and if such approvals shall be conditional, all conditions thereto being in terms acceptable to our Sole Underwriter on or prior to the Closing Date being reasonably satisfied and such approval not being withdrawn, revoked, suspended, terminated or lapsed and that such listing and quotation shall be granted after the submission to Bursa Securities of the relevant documents including the receipt of confirmation from the Bursa Depository confirming that the securities accounts of all successful applicants have been duly credited and our Issuing House has confirmed that the notices of allotment have been despatched to entitled holders;
  - (xiii) this Prospectus having been issued within 2 months of the date of the Underwriting Agreement or within such extended period as may be determined by our Sole Underwriter;
  - (xiv) the issue of our Issue Shares having been approved by Bursa Securities and any other relevant authorities and our shareholders in a general meeting and such authorisation has not been withdrawn, revoked, suspended, terminated or lapsed; and
  - (xv) all necessary approvals and authorisations required in relation to our Issue Shares including but not limited to governmental approvals have been obtained and are in full force and effect.
- (b) If any of the conditions set out in Section 4.11.1(a) of this Prospectus is not satisfied by the Closing Date, our Sole Underwriter shall be entitled to terminate the Underwriting Agreement and in that event, except for the liability of our Company for the payment of costs and expenses as provided in the Underwriting Agreement incurred prior to the termination and any claims pursuant to the Underwriting Agreement, there shall be no further claims by our Sole Underwriter against our Company, and the parties shall be released and discharged from their respective obligations under the Underwriting Agreement provided that our Sole Underwriter may at its discretion with respect to its obligations waive compliance with any of the provisions of Section 4.11.1(a) of this Prospectus.

**4.11.2 Termination/lapse of the Underwriting Agreement**

- (a) Notwithstanding anything contained in the Underwriting Agreement, our Sole Underwriter may by notice in writing to our Company given at any time before the Closing Date, terminate, cancel or withdraw its commitment to underwrite the Underwritten Shares if:
  - (i) there is any breach by our Company of any of the representations, warranties or undertakings contained in the Underwriting Agreement, which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of our Sole Underwriter within such number of days as stipulated by our Sole Underwriter in writing to our Company or as stipulated in the notice informing our Company of such breach or by the Closing Date, whichever is earlier; or

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**4. DETAILS OF OUR IPO (CONT'D)**

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- (ii) there is withholding of information which is required to be disclosed to our Sole Underwriter, which is required to be disclosed pursuant to the Underwriting Agreement, and if capable of remedy, is not remedied within such number of days as stipulated by our Sole Underwriter in writing to our Company or as stipulated in the notice informing our Company of such breach which, in the opinion of our Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of our IPO and Transfer of Listing, or the distribution or sale of the Issue Shares; or
- (iii) there shall have occurred, happened or come into effect any material and adverse change to the business or financial condition of our Company or our Group which is not made known or without the knowledge of our Sole Underwriter; or
- (iv) there shall have occurred, happened or come into effect any of the following circumstances:
  - (aa) any material change, or any development involving a prospective change, in national or international monetary, financial, economic or political conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia and overseas) or foreign exchange controls or the occurrence of any combination of any of the foregoing; or
  - (bb) any change in law, regulation, directive, policy or ruling in any jurisdiction or any event or series of events beyond the reasonable control of our Sole Underwriter (including without limitation, acts of God, acts of terrorism, strikes, lock-outs, fire, explosion, flooding, civil commotion, sabotage, acts of war or accidents);which, in the reasonable opinion of our Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on and/or materially prejudice the business or the operations of our Company or our Group, the success of our IPO and Transfer of Listing, or the distribution or sale of our Issue Shares, or which has or is likely to have the effect of making any material part of the Underwriting Agreement incapable of performance in accordance with its terms; or
- (v) there is failure on the part of our Company to perform any of our obligations contained in the Underwriting Agreement which is not capable of remedy or, if capable of remedy, is not remedied to the satisfaction of our Sole Underwriter within such number of days as stipulated by our Sole Underwriter in writing to our Company or as stipulated in the notice informing our Company of such breach or by the Closing Date, whichever is earlier; or
- (vi) any approvals, orders, consents, authorisations, registrations and/or permissions required in relation to our IPO and Transfer of Listing is revoked, suspended, withdrawn or ceases to have any effect whatsoever, or is varied or supplemented upon terms that would have or its reasonably likely to have material adverse effect; or
- (vii) our IPO and Transfer of Listing do not take place within 3 months from the date of the Underwriting Agreement or such other extended date as may be agreed by our Company and our Sole Underwriter; or
- (viii) any commencement of legal proceedings or action against any companies within our Group or any of our Directors, which in the opinion of our Sole Underwriter, would have or is reasonably likely to have a material adverse effect or make it impracticable to market our IPO or to enforce contracts to allot and issue the Issue Shares and/or transfer our Shares; or

#### 4. DETAILS OF OUR IPO (CONT'D)

- (ix) any material statements contained in this Prospectus has become or been discovered to be untrue, inaccurate or misleading in any respect; or
  - (x) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the ACE Market due to exceptional financial circumstances which, in the reasonable opinion of our Sole Underwriter, would have or can reasonably be expected to have, a material adverse effect on the business or operations of our Group, the success of our IPO and Transfer of Listing, or the distribution or sale of our Issue Shares.
- (b) In the event of termination pursuant to Section 4.11.2 of this Prospectus (save for Section 4.11.2(a)(iv)), the respective parties to the Underwriting Agreement shall, save and except for any antecedent breach, be released and discharged from their obligations under the Underwriting Agreement whereupon the Underwriting Agreement shall be of no further force or effect subject to the following:
- (i) the liability of our Company for the payment of costs and expenses as provided in the Underwriting Agreement incurred prior to or in connection with such termination shall remain;
  - (ii) the liability of our Company for the payment of the underwriting commission as provided in the Underwriting Agreement shall remain; and
  - (iii) subject thereto, if applicable, our Company shall return any monies paid without interest thereon to our Sole Underwriter within 3 Market Days of the receipt of such notice of termination from our Sole Underwriter,

provided that our Sole Underwriter may at its discretion waive compliance with or modify any of the provisions of this section without prejudice to its powers, rights and remedies under the Underwriting Agreement.

- (c) If the Underwriting Agreement is terminated pursuant to Section 4.11.2(a)(iv) of this Prospectus, our Sole Underwriter and our Company may confer with a view to defer our IPO and Transfer of Listing by amending its terms or the terms of the Underwriting Agreement and may enter into a supplemental underwriting agreement accordingly, but neither our Sole Underwriter nor our Company shall be under any obligation to enter into a new or fresh agreement.

##### 4.11.3 Force Majeure

- (a) Notwithstanding anything herein contained, it will be an event of force majeure if one of the following occurs:
- (i) any material change in any law, regulation, directive, policy or ruling in any jurisdiction which seriously affects or will seriously affect the business of our Company and/or any of our subsidiaries;
  - (ii) any change in national or international monetary, financial, political or economic conditions (including but not limited to conditions on the stock market, in Malaysia or overseas, foreign exchange market or money market or with regard to inter-bank offer or interest rates both in Malaysia or overseas) or currency exchange rates or an occurrence as a result of an act or acts of God or in the event of national disorder, armed conflict or serious threat of the same, hostilities, embargo, severe economic dislocation, natural catastrophe, earthquake, typhoon, outbreak of war, outbreak of disease, acts of terrorism, pandemic, epidemic or the declaration of a state of national emergency;

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**4. DETAILS OF OUR IPO (CONT'D)**

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- (iii) the FTSE Bursa Malaysia KLCI Index (“**Index**”) is, at the close of normal trading on Bursa Securities, on any Market Day:
  - (aa) on or after the date of the Underwriting Agreement; and
  - (bb) prior to the Closing Date;  
  
lower than 90.00% of the level of Index at the close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days;
- (iv) the imposition of any moratorium, suspension or material restriction on trading in all securities generally on Bursa Securities for 3 consecutive Market Days.
- (b) In the event of a force majeure pursuant to Section 4.11.3(a) of this Prospectus, our Sole Underwriter may, subject to prior consultation with our Company, at any time prior to or on the Closing Date:
  - (i) terminate the Underwriting Agreement by giving notice to our Company in the manner as set out in Underwriting Agreement; or
  - (ii) request for the Closing Date to be extended to such reasonable date as our Sole Underwriter may decide.

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## 5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

### 5.1 OUR PROMOTER AND SUBSTANTIAL SHAREHOLDERS

#### 5.1.1 Shareholdings of Promoter and substantial shareholders

Details of our Promoter's and substantial shareholders' shareholdings in our Company before and after our IPO are as follows:

Name	Nationality/ Country of incorporation	As at the LPD and before our IPO <sup>(1)</sup>				After our IPO <sup>(2)</sup>			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Promoter and substantial shareholder</b>									
DSCFY	Malaysian	257,051,648	31.91	-	-	257,051,648	26.30	-	-
<b>Substantial shareholders</b>									
CSS	Malaysian	54,029,700	6.71	358,361,904 <sup>(3)</sup>	44.48	54,029,700	5.53	358,361,904 <sup>(3)</sup>	36.66
BHSB	Malaysia	202,875,868	25.18	-	-	202,875,868	20.75	-	-
FTSB	Malaysia	111,041,200	13.78	-	-	111,041,200	11.36	-	-

Notes:

(1) Based on our issued share capital of 805,651,400 Shares before our IPO.

(2) Based on our enlarged issued share capital of 977,517,100 Shares after our IPO.

(3) Deemed interested by virtue of CSS' substantial interest in BHSB, FTSB, KKS and AWAL pursuant to Section 8 of the Act.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

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**5.1.2 Profiles of Promoter and substantial shareholders**

The profiles of our Promoter and substantial shareholders are as follows:

**(i) DSCFY (Male, Malaysian, aged 47)**

*Promoter, Group Managing Director, substantial shareholder and key senior management*

He is our Group Managing Director. He was appointed on our Board on 23 November 2009, designated as Managing Director of our Company on 16 August 2018 and Group Managing Director on 15 January 2024.

He graduated with a Bachelor of Arts in Marketing with Statistics from Middlesex University, United Kingdom in February 2001.

He brings to our Group over 20 years of experience in the fashion industry. He started his career with CB Marketing (a subsidiary of Bonia Corporation and is principally involved in designing, promoting and marketing of fashionable leather goods) as a Marketing Executive in February 2000. In April 2001, he was designated as Business Development Executive and subsequently promoted as the Assistant Business Development Manager in October 2002. He was also appointed as a director of CB Marketing from December 2001 to July 2009. During his tenure with CB Marketing, he was primarily responsible for the marketing functions of Bonia Corporation Group (then including our Group).

In February 2004, he was appointed as an Alternate Director to CSS in Bonia Corporation (an investment holding company and its subsidiaries are involved in product design, manufacturing, marketing, distribution and retail of luxury leather goods, footwear, apparel, accessories and lifestyle products of house brands and licensed brands, real estate investment and provision of management services), where he assisted CSS in various executive director's duties and responsibilities until September 2018. In July 2006, he was appointed as a Director of CRL and since then, he has been responsible for managing our Group's businesses and operations and led us to our successful listing on the LEAP Market in November 2018. He spearheads our Group's business direction and overall strategies and policies to drive the growth and innovation of Carlo Rino and C.Rino products. He plays an integral role in developing our Group's business strategy with the management team and focuses on our Group's expansion and growth, market entry, sustainability, profitability and operational efficiency.

As at the date of this Prospectus, he is also a Director in all of our subsidiaries and save for our Company, he does not sit in any board of directors of public listed companies in Malaysia.

He is a son of CSS. Save as disclosed in Section 5.6 of this Prospectus, he has no other family relationships with Directors, substantial shareholders and key senior management of our Company.

**(ii) CSS (Male, Malaysian, aged 71)**

*Substantial shareholder*

CSS was our Company's Director from November 2009 to August 2018.

He is the Founder and Group Executive Director of Bonia Corporation as well as director of certain Bonia Corporation's subsidiaries. His involvement in the leatherwear industry spans a period of over 50 years. He possesses in-depth knowledge, skills and expertise in all aspects of the leatherwear industry. He is responsible for the overall business development and formulating Bonia Corporation Group's strategic plans and policies. He travels regularly around Europe and Asia to get the latest updates on fashion trends and technological changes in the leatherwear and fashion accessories industry.

## 5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

He is the father of DSCFY and a director and shareholder of BHSB and FTSB, both are our substantial shareholders. Save as disclosed in Section 5.6 of this Prospectus, he has no other family relationships with Directors, substantial shareholders and/or key senior management of our Company.

### (iii) BHSB

*Substantial shareholder*

BHSB, an investment holding company, was incorporated in Malaysia as a private limited company on 15 June 1990, under the Companies Act 1965 and is deemed registered under the Act, under the name of Game Master Sdn Bhd. It subsequently adopted its present name on 28 June 1991.

As at the LPD, BHSB has an issued share capital of RM6,120,002 comprising 6,120,002 ordinary shares and no other convertible securities. The directors and shareholders of BHSB (all of whom are Malaysians) as at the LPD are as follows:

Name	Designation	Direct		Indirect	
		No. of shares	%	No. of shares	%
CSS	Director/ Shareholder	3,649,174	59.63	-	-
Chiang Sang Bon	Director/ Shareholder	732,687	11.97	-	-
Datuk Chiang Heng Kieng	Director/ Shareholder	702,453	11.48	-	-
Chiang Heng Pang	Shareholder	637,459	10.42	-	-
Chiang Boon Tian	Shareholder	398,229	6.50	-	-

As at the LPD, the subsidiaries and associate companies of BHSB are as follows:

Company name	Equity interest (%)	Principal activities
<b>Subsidiaries</b>		
Future Diversity Sdn Bhd	100	Property investment
Pelita Kreatif Sdn Bhd	100	Dormant (currently under members' voluntary winding-up process)
<b>Associate companies</b>		
Bonia Corporation	27.25	Investment holding and management company
CRG	25.18	Investment holding

### (iv) FTSB

*Substantial shareholder*

FTSB, an investment holding company, was incorporated in Malaysia as a private limited company on 6 July 2012, under the Companies Act 1965 and is deemed registered under the Act, under its present name.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

As at the LPD, FTSB has an issued share capital of RM250,000 comprising 250,000 ordinary shares. The directors and shareholder of FTSB (all of whom are Malaysians) as at the LPD are as follows:

Name	Designation	Direct		Indirect	
		No. of shares	%	No. of shares	%
CSS Chiang May Ling	Director/ Shareholder Director	250,000 -	100.00 -	- -	- -

As at the LPD, save as disclosed below, FTSB does not have any subsidiary or associate company:

Company name	Equity interest (%)	Principal activities
Bonia Corporation	22.21	Investment holding and management company

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

**5.1.3 Changes in shareholdings of Promoter and substantial shareholders for the past 3 years**

The changes in the shareholdings of our Promoter and substantial shareholders in our Company for the past 3 years and up to the LPD are as follows:

Name	As at 23 November 2020 <sup>(1)</sup>				As at 23 November 2021 <sup>(1)</sup>			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Promoter and substantial shareholder</b> DSCFY	153,847,940	19.10	-	-	175,935,040	21.84	-	-
<b>Substantial shareholders</b>								
CSS	54,029,700	6.71	358,361,904 <sup>(2)</sup>	44.48	54,029,700	6.71	358,361,904 <sup>(2)</sup>	44.48
BHSB	202,875,868	25.18	-	-	202,875,868	25.18	-	-
FTSB	111,041,200	13.78	-	-	111,041,200	13.78	-	-

Name	As at 23 November 2022 <sup>(1)</sup>				As at 23 November 2023 <sup>(1)</sup>			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Promoter and substantial shareholder</b> DSCFY	252,988,398	31.40	-	-	257,000,498	31.90	-	-
<b>Substantial shareholders</b>								
CSS	54,029,700	6.71	358,361,904 <sup>(2)</sup>	44.48	54,029,700	6.71	358,361,904 <sup>(2)</sup>	44.48
BHSB	202,875,868	25.18	-	-	202,875,868	25.18	-	-
FTSB	111,041,200	13.78	-	-	111,041,200	13.78	-	-

Name	As at the LPD / Before our IPO <sup>(1)</sup>			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<b>Promoter and substantial shareholder</b> DSCFY	257,051,648	31.91	-	-
<b>Substantial shareholders</b>				
CSS	54,029,700	6.71	358,361,904 <sup>(2)</sup>	44.48
BHSB	202,875,868	25.18	-	-
FTSB	111,041,200	13.78	-	-

## 5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

Notes:

- (1) Based on our issued share capital of 805,651,400 Shares before our IPO.  
 (2) Deemed interested by virtue of CSS' substantial interest in BHSB, FTSB, KKSB and AWAL pursuant to Section 8 of the Act.

### 5.1.4 Amounts or benefits paid or to be paid or given to our Promoter and substantial shareholders

Save for dividends paid or payable to our Promoter and substantial shareholders as set out in Sections 3.10 and 12.12 of this Prospectus, the aggregate remuneration and benefits paid and proposed to be paid for services rendered to our Group in all capacities (as disclosed in Section 5.2.4 of this Prospectus) and the amount paid and payable to related party (as disclosed in Section 10 of this Prospectus), there are no other amounts or benefits paid, intended to be paid or given to our Promoter and substantial shareholders within the 2 years preceding the date of this Prospectus.

### 5.1.5 Persons exercising control over the corporation

Save for our Promoter and substantial shareholders as set out in Section 5.1.1 of this Prospectus, as well as KKSB and AWAL (both being companies controlled by CSS), there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company.

As at the LPD, our Promoter has the same voting rights as our other shareholders and there is no arrangement between our Company and our shareholders with any third party, the operation of which may, at a subsequent date, result in the change in control of our Company.

## 5.2 OUR BOARD

### 5.2.1 Shareholdings of our Directors

The shareholdings of our Directors in our Company before and after our IPO and assuming they will fully subscribe for their respective allocations under the Public Issue is as set out below:

Director	As at the LPD and before our IPO <sup>(1)</sup>				After our IPO <sup>(2)</sup>			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
DSCFY	257,051,648	31.91	24,169,542 <sup>(4)</sup>	3.00	257,051,648	26.30	24,169,542 <sup>(4)</sup>	2.47
Ong Boon Huat	-	-	-	-	-	-	-	-
Vincent Loh	-	-	-	-	200,000 <sup>(3)</sup>	Neg	-	-
Chin Peck Li	-	-	-	-	200,000 <sup>(3)</sup>	Neg	-	-
Lim Lay Ching	-	-	-	-	200,000 <sup>(3)</sup>	Neg	-	-
Kam Sin Lin	-	-	-	-	200,000 <sup>(3)</sup>	Neg	-	-

Notes:

Neg Negligible.

- (1) Based on our issued share capital of 805,651,400 Shares before our IPO.  
 (2) Based on our enlarged share capital of 977,517,100 Shares after our IPO  
 (3) Assuming our Independent Non-Executive Directors will fully subscribe for their respective allocations under the Public Issue.  
 (4) By virtue of his child's shareholding in our Company pursuant to Section 59(11)(c) of the Act.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

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**5.2.2 Profiles of Directors**

The profiles of our Directors are as follows:

**(i) DSCFY (Male, Malaysian, aged 47)**

The profile of DSCFY is set out in Section 5.1.2(i) of this Prospectus.

**(ii) Ong Boon Huat (Male, Malaysian, aged 55)**

He was appointed as our Executive Director on 16 August 2018. He oversees the Accounting and Finance as well as the IT departments of our Group.

He completed his Sijil Tinggi Persekolahan Malaysia from St Xavier's Institution, Pulau Pinang, in year 1989. He is an Associate of the Association of International Accountants, United Kingdom since November 1997 and subsequently admitted as a Fellow Member in July 2016. He is also a Certified Financial Planner with the Financial Planning Association of Malaysia since February 2003.

He began his career in May 1990 as a Bank Clerk cum Teller with Development & Commercial Bank Berhad (now known as RHB Bank Berhad) where he was tasked with processing of bills and trade financing, which he resigned in October 1992. In April 1993, he joined Pan Malaysian Pools Sdn Bhd (a company that is involved in the conduct and management of number forecast totalisator business under the provision of the Racing (Totalisator Board) Act, 1961 and being a subsidiary of Tanjong Public Limited Company ("Tanjong PLC")), as an Accounts Clerk and he was later promoted to Accounts Supervisor in January 1995 where he was responsible for the preparation of full set of accounts and performed management reporting, budgeting and forecasting for the Tanjong PLC group of companies until May 1995.

In May 1995, he joined Arab-Malaysian Management Services Sdn Bhd (which was involved in financial, property and management services and subsequently was struck out in December 2017), as an Accounts Executive, where he was responsible for the consolidation of accounts as well as corporate finance and administrative functions, until his resignation in November 1995. In December 1995, he joined CB Marketing (a subsidiary of Bonia Corporation and is principally involved in designing, promoting and marketing of fashionable leather goods) as Finance Executive where he assisted in the treasury, corporate affairs and internal audit functions of Bonia Corporation Group, until his departure in June 1998. After taking a short career break, he resumed his career and joined a terrestrial radio network company, Airtime Management & Programming Sdn Bhd (now known as Astro Radio Sdn Bhd which is an indirect subsidiary of Astro Malaysia Holdings Berhad (a company listed on the Main Market of Bursa Securities)), in April 1999 as Finance & Administrative Executive. During his tenure there, he was responsible for the day-to-day office administration of the terrestrial radio division.

Subsequently, he re-joined Bonia Corporation Group in December 2000 as Accounting Manager where he was responsible for Bonia Corporation Group's account consolidation and management reporting. He was later promoted to Senior Corporate Finance Manager in January 2007, where he managed Bonia Corporation Group's finance department and was involved in Bonia Corporation Group's corporate finance and planning. During his employment with Bonia Corporation Group, he also served as a director of CB Holdings (Malaysia) Sdn Bhd (a subsidiary of Bonia Corporation and is principally involved in property investment, provision of management services and treasury management services) from January 2008 to July 2018.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

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In January 2017, he was re-designated as Senior Manager, Corporate Finance of Bonia Corporation Group and transferred to CRV in August 2018.

As at the date of this Prospectus, save for our Company, he does not sit in any board of directors of public listed companies in Malaysia.

**(iii) Vincent Loh (Male, Malaysian, aged 74)**

He was appointed to our Board as an Independent Non-Executive Chairman on 15 January 2024.

He is a graduate from Royal Military College in year 1969. He was a Member of the Institute of Chartered Accountants in England & Wales, London, United Kingdom (“UK”) (“ICAEW”) in April 1975 and became a Fellow of ICAEW in January 1981. He is also a MIM Certified Professional Trainer by the Malaysian Institute of Management, Kuala Lumpur, since November 2006; and a Fellowship of the Institute of Corporate Directors of Malaysia (“ICDM”), since November 2021.

He has over 50 years of knowledge, exposure and management experience in auditing, consulting, financial and business management, board leadership and corporate governance. His experiences cover numerous business segments, ranging from auditing and consultancy to the technology, manufacturing and retail sectors while working for international organisations, listed companies and local multinationals. He has also worked and lived in several countries including the UK, Singapore, Malaysia, Indonesia, Hong Kong and Cambodia, providing him with deep understanding of the various cultural environments and business regimes, dealing with all levels from corporate leadership to the shop-floor.

He started his career in June 1970 when he joined Dearden Farrow & Co, an audit and accounting firm, in London, UK as an articled clerk while studying for his ICAEW qualifications. Upon obtaining his ICAEW qualification, he was promoted to Audit Senior in May 1975 and later onto Audit Supervisor in March 1977 until his departure from the company in May 1981. During his tenure, he was involved in audit work for public-listed and private clients for the company.

In June 1981, he joined PA Consulting Group Ltd in Singapore (a UK-based international management consultant firm) as a Regional Financial Controller to handle financial, human resources and administrative management activities. In July 1986, he was posted to PA Consulting Group Ltd in London, UK as Chief Financial Officer (“CFO”) to continue his work overseeing a different country. In April 1988, he joined PA Technology Ltd in Cambridge, UK, which provides research and development consulting in engineering, electronics, applied sciences and biotechnology, as its Commercial Director tasked with financial management, commercial negotiations and intellectual properties rights matters, in addition to managing the laboratory, until his resignation in June 1994.

In July 1994, he returned to Malaysia and joined FACB Bhd (now known as Karambunai Corp Bhd, an investment holding company previously listed on the Main Market of Bursa Securities with its subsidiary companies being involved in the business of leisure and tourism comprising travel and tours agency as well as golf and country club, resort hotel, property development and construction), as a CFO where he handled financial management and regulatory compliance matters of the company until his resignation in April 1996. In May 1996, he joined Royal Selangor International Sdn Bhd, a company involved in the manufacturing and retailing of pewter and silver products and jewellery, as its General Manager, Corporate Services and later promoted to Group General Manager responsible for managing the non-pewter business as well as providing financial and corporate management services until his resignation in January 2001.

**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

Since February 2001, he has been providing management consultancy services to his clients on his personal capacity. He subsequently founded Core Management Resources in December 2012, a sole proprietorship which is still existing till present, to continue providing business management and consultancy services to his clients including board effectiveness evaluations and financial oversight training for directors.

In November 2006, he was admitted as a MIM Certified Professional Trainer by the Malaysian Institute of Management, Kuala Lumpur to provide management training to public and private sectors. He is also a member of the ICDM since December 2018, dedicating much of his time in assisting ICDM to undertake board and directors' evaluations of public listed companies and development financial institutions, in addition to conducting public and in-house training programmes for board directors. Subsequently in November 2021, his membership was upgraded to Fellowship to acknowledge his professional competence and knowledge and upholding of exemplary corporate governance practice.

Between April 2010 to March 2015, he was appointed as an Independent Non-Executive Director of Visdynamics Holdings Berhad, a company listed on the ACE Market and is involved in the business of investment holding and provision of management services while its subsidiary is involved in manufacture of automated test equipment. In March 2015, he was designated as an Independent Non-Executive Chairman of Visdynamics Holdings Berhad, a position he held until September 2022 when he stepped down, after having served the company for more than 12 years in accordance with the MCGG and the ACE LR.

As at the date of this Prospectus, save for our Company, he does not sit on any board of directors of public listed companies in Malaysia.

**(iv) Chin Peck Li (Female, Malaysian, aged 53)**

She was appointed to our Board as an Independent Non-Executive Director on 15 January 2024.

She obtained a Degree in Bachelor of Business (Accountancy) and a Master of Finance from Royal Melbourne Institute of Technology Australia ("RMIT") in August 1993 and November 1998, respectively. She is a Fellow of Certified Practising Accountant, Australia ("CPA Australia") since January 2020 (from a Member in July 1993); a Member (admitted since August 1997) and certified as Chartered Accountant for the MIA since June 2001; an Associate member of Chartered Tax Institute of Malaysia and a Chartered Tax Practitioner since March 2006; and an Affiliate of The Malaysian Institute of Chartered Secretaries and Administrators since April 2019.

She has 30 years' working experience in the accounting and finance field. She is the Managing Director and founder of CPL & Co (now known as CPL & Co PLT), CPL Secretarial Services Sdn Bhd, CPL Taxation Services Sdn Bhd and CPL Consultancy Services Sdn Bhd.

She began her career by joining PriceWaterhouse (now known as Pricewaterhouse Coopers), an audit, accounting and business advisory firm, in August 1993, as a Tax Associate, where she was involved in tax planning, tax preparation and supervision of junior tax assistant. In January 1995, she was promoted to Associate Consultant and involved in tax advisory work. She was responsible for a portfolio of local and foreign clients in which she was tasked with reviewing financial statements, capital expenditure budgets and advising companies' strategic and long-term plans regarding tax matters. She resigned in December 1996 and took on a sabbatical leave to focus on her academics.

In August 1997, she was admitted as a member of Chartered Accountant by the MIA and in January 2003, she was issued with Practising Certificate from the MIA.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**


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In May 1998, she joined Multimedia University, Melaka (“MMU”) as a lecturer under the Faculty of Business and Law where she taught accountancy until November 2001. While lecturing in MMU, she founded BS Secretarial Services (a company involved in provision of accounting and secretarial services) and CPL Management and Consultancy Services (a company involved in business management services and consultancy), both sole proprietorships, in September 1999, where she was involved in providing accounting, secretarial, business management and consultancy services to her clients. Both businesses were terminated in September 2003 upon her setting up of a new firm known as CPL & Co in June 2003, which provides bookkeeping and payroll services and general accounting advisory. The firm was subsequently converted into limited liability partnership on 13 August 2024 and now known as CPL & Co PLT.

Upon her resignation as a lecturer in MMU, she joined Huat Lai Resources Berhad (previously listed on the Main Market of Bursa Securities and together with its subsidiaries, are involved in poultry farming, manufacturing and sale of fertilisers, manufacturing and trading of paper egg trays, manufacturing of animal feeds, processing and marketing of chicken and related products as well as oil palm production), as an Independent Non-Executive Director in November 2001 until her resignation in January 2017. Between January 2010 to March 2015, she set up secretarial and taxation companies known as CPL Secretarial Services Sdn Bhd, CPL Taxation Services Sdn Bhd and CPL Consultancy Services Sdn Bhd, which these companies provide company secretarial services, tax advisory services and accounting services and business consulting. Whilst managing her businesses, she was also appointed as an Independent Non-Executive Director of TPC Plus Berhad, a company listed on the Main Market of Bursa Securities and together with its subsidiaries are primarily involved in the livestock farming industries and oil palm activities, from March 2012 to November 2015.

In March 2019, she was registered as an ASEAN Chartered Professional Accountant from ASEAN Chartered Professional Accountants Coordinating Committee. In April 2019, she became an affiliate of The Malaysia Institute of Chartered Secretaries and Administrators Malaysia. In January 2020, she was awarded with a fellow membership of CPA Australia and entitled to use the designation of “FCPA”.

As at the date of this Prospectus, other than our Company, she also sits as an Independent Non-Executive Director of Visdynamics Holdings Berhad (appointed on 1 June 2022) and MYMBN Berhad (appointed on 7 July 2022), a company listed on the ACE Market and together with subsidiaries, are involved in processing and sale of edible birdnest.

**(v) Lim Lay Ching (Female, Malaysian, aged 57)**

She was appointed to our Board as an Independent Non-Executive Director on 15 January 2024.

She graduated with a Degree in Bachelor of Laws from Universiti Malaya in August 1992, and was admitted as Advocates & Solicitors by the High Court of Malaya and has been a member of the Bar Council Malaysia since March 1993.

She has over 30 years of experience in the legal profession. Her specialisation includes advising public listed and private companies on various banking, corporate and conveyancing cases. She started her legal career in April 1993 when she joined Mohd Ali & Co (a legal firm) as a Legal Assistant to handle litigation and conveyancing matters. After she left Mohd Ali & Co in October 1993, she joined Koh Kim Leng & Co. (a legal firm) as a Legal Assistant in the same area of practice until March 2003.



**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

Upon leaving her legal practice in March 2003, she immediately joined Kimble Furniture Corporation (M) Sdn Bhd in the same month, a furniture manufacturing company, as its Internal Audit Manager to handle the company's legal and corporate matters until her departure in March 2008. In April 2008, she joined Cubic Electronics Sdn Bhd, an electronics manufacturing company, as a Manager for a short period of 3 months to assist them with legal and corporate affairs. She subsequently re-joined Koh Kim Leng & Co. in July 2008 as a Partner of the firm to manage banking, corporate and conveyancing portfolios, a position she holds until present. She currently also heads the firm's corporate division.

As at the date of this Prospectus, other than our Company, she also sits as an Independent Non-Executive Director of CSC Steel Holdings Berhad (an investment holding company listed on the Main Market of Bursa Securities and together with its subsidiaries are involved in manufacturing and marketing of pickled and oiled steel, cold rolled steel, hot dipped galvanized steel and pre-painted galvanized steel, and investment holding in real property) since March 2015.

**(vi) Kam Sin Lin (Female, Malaysian, aged 49)**

She was appointed to our Board as an Independent Non-Executive Director on 15 January 2024.

She was a graduate from The Association of Chartered Certified Accountants ("ACCA") in 1997. She was a Member of the ACCA since August 2000 and ceased as a Member in June 2011. She is also a Chartered Accountant with the MIA since 2002.

She has over 20 years of experience in corporate finance field. After graduating from ACCA and before commencing her professional career, she took a break between June 1997 and July 1999, to assist in her family's restaurant business in food and beverage business, known as Sin Heng Restaurant where she was tasked with bookkeeping and managing finance related matters.

She commenced her career in August 1999 with Moores Rowland, an accounting firm, as an Audit Assistant. Throughout her tenure, she was promoted to Audit Semi-Senior in June 2000, Audit-Senior in August 2000 and Audit Supervisor in August 2002, where later she resigned in March 2003. During her tenure with Moores Rowland, she was involved in reviewing audit files of public and private companies as well as assisting in advising on taxation and corporate secretarial matters. She then joined Meda Development Sdn Bhd (now known as Bounty Dynamics Sdn Bhd), a property development company, in March 2003 as an Accountant where she is responsible for all accounting assignments until March 2004.

In April 2004, she joined CIMB Investment Bank Berhad's Corporate Finance department as an Executive and throughout her employment, she was promoted to Assistant Manager in July 2005, Manager in January 2007, Senior Manager in July 2008, Associate Director in January 2010, and finally as a Director of the Corporate Finance Department in April 2012, a position she held until her resignation in July 2014. During her tenure there, she focused in equity market involving the origination, conceptualisation and implementation of corporate proposals such as initial public offerings, and mergers and acquisitions.

Between July 2014 and April 2016, she took a career break. She then resumed her career in May 2016 by joining ZJ Advisory Sdn Bhd, an advisory and corporate consultancy firm, as a Director in the Corporate Finance department where she primarily involved in corporate exercises such as initial public offerings and mergers and acquisitions until her resignation in August 2020.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)**

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In September 2020, she joined reNIKOLA Solar Sdn Bhd, a company specialising in the provision of operations and maintenance, treasury and management services for solar power plants, as a Head of Strategy. She was tasked with the roles of evaluating new projects and implementing corporate proposals including acquisition. She resigned from reNIKOLA Solar Sdn Bhd in January 2023 and took a career break.

In November 2024, she joined Mr. D.I.Y Trading Sdn Bhd (a company involved in trading of home improvement products, mass merchandise, groceries and related business) as Head of Corporate Finance, where she oversees all activities of the corporate finance department.

As at the date of this Prospectus, save for our Company, she does not sit on any board of directors of public listed companies in Malaysia.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

**5.2.3 Principal directorships and business activities outside our Group for the past 5 years**

Save as disclosed below, none of our Directors has any other principal directorships and/or principal business activities performed outside our Group for the past 5 years up to the LPD:

**(i) DSCFY**

Company	Place of incorporation	Position held	Principal activities	Date of appointment	Date of resignation/cessation	% of shareholdings held	
						Direct	Indirect
<b><u>Present involvement</u></b>							
Carzo Holdings	Malaysia	Indirect shareholder	Wholesale of fruits, other management consultancy activities; and activities of investment holdings companies	-	-	-	16.65 <sup>(1)</sup>
Pirana Consulting Sdn Bhd	Malaysia	Director and shareholder	Other management consultancy activities; business management consultancy services. Currently dormant.	16 August 2019	-	100.00	-
Potensi Maju Sdn Bhd	Malaysia	Director and shareholder	Investment holding of properties	10 May 2004	-	5.00	-
Swee Holdings Sdn Bhd	Malaysia	Director and shareholder	Rubber tree cultivation, sales of natural rubber latex, land management and properties investment	9 October 2008	-	12.50	-
<b><u>Past involvement</u></b>							
A&S Distribution Sdn Bhd	Malaysia	Shareholder	Marketing of electrical and electronic appliance and household project (Winding-up) <sup>(2)</sup>	-	-	10.00	-
Bonia Corporation	Malaysia	Non-Independent and Non-Executive Director	Investment holding and its subsidiaries are involved in product design, manufacturing, marketing, distribution and retail of luxury leather goods, footwear, apparel, accessories and lifestyle products of house brands and licensed brands, real estate investment and provision of management services.	1 September 2018	1 April 2023	-	-

**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

Company	Place of incorporation	Position held	Principal activities	Date of appointment	Date of resignation/cessation	% of shareholdings held	
						Direct	Indirect
Carzo Holdings	Malaysia	Director	Wholesale of fruits, other management consultancy activities; and activities of investment holdings companies	29 January 2021	30 November 2022	-	-
CB Ventures Sdn Bhd	Malaysia	Director	Investment holding of properties	1 December 2000	10 January 2023	-	-
FTSB	Malaysia	Director	Investment holding of securities	9 July 2012	2 October 2023	-	-
Hot Gadgets Distribution Sdn Bhd	Malaysia	Shareholder	Marketing of shoe material, marketing of sound system with accessories (Winding-up) <sup>(3)</sup>	-	-	10.00	-

Notes:

(1) Deemed interest pursuant to Section 8 of the Act.

(2) Via winding-up order dated 4 July 2024.

(3) Via winding-up order dated 11 November 2022.

**(ii) Ong Boon Huat**

He does not have any principal directorship and/or principal business activities performed outside our Group for the past 5 years up to the LPD.

**(iii) Vincent Loh**

Company	Place of incorporation	Position held	Principal activities	Date of appointment	Date of resignation/cessation	% of shareholdings held	
						Direct	Indirect
<b><u>Present involvement</u></b> Core Management Resources	Malaysia	Sole proprietorship	Business management consultancy services	31 December 2012	-	-	-
<b><u>Past involvement</u></b> Visdynamics Holdings Berhad	Malaysia	Independent Non-Executive Chairman	Investment holding and provision of management services and its subsidiary is involved in manufacture of automated test equipment	23 April 2010	22 September 2022	-	-

**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

**(iv) Chin Peck Li**

Company	Place of incorporation	Position held	Principal activities	Date of appointment	Date of resignation / cessation	% of shareholdings held	
						Direct	Indirect
<b><u>Present involvement</u></b>							
CNY Bioscience Sdn Bhd	Malaysia	Shareholder	Processing and retailing agricultural chemicals and fertilizers and sale of sand	-	-	10.00 <sup>(3)</sup>	-
CNY Plantations Sdn Bhd	Malaysia	Shareholder	Cultivation of oil palm	-	-	10.00 <sup>(3)</sup>	-
CPL & Co PLT <sup>(1)</sup>	Malaysia	Partner	Accounting services and business consulting	13 August 2024	-	-	-
CPL Consultancy Services Sdn Bhd	Malaysia	Director and shareholder	Accounting services and business consulting	2 March 2015	-	38.00	62.00 <sup>(2)</sup>
CPL Secretarial Services Sdn Bhd	Malaysia	Director and shareholder	Provision of corporate secretarial services	1 February 2010	-	58.00	42.00 <sup>(2)</sup>
CPL Taxation Services Sdn Bhd	Malaysia	Director and shareholder	Provision of tax advisory and consultancy services	7 January 2010	-	58.00	42.00 <sup>(2)</sup>
MYMBN Berhad	Malaysia	Independent Non-Executive Director and shareholder	Investment holding company and its subsidiaries are involved in processing and sale of edible birdnest	7 July 2022	-	0.05	-
Visdynamics Holdings Berhad	Malaysia	Independent Non-Executive Director	Investment holding and provision of management services and its subsidiary is involved in manufacture of automated test equipment	1 June 2022	-	-	-
<b><u>Past involvement</u></b>							
Windfall Enterprise Sdn Bhd	Malaysia	Director and shareholder	Property investment company (Dissolved) <sup>(4)</sup>	12 August 2013	13 June 2024	50.00	50.00 <sup>(5)</sup>
CPL & Co <sup>(6)</sup>	Malaysia	Sole proprietorship	Bookkeeping and payroll services and general accounting advisory (Ceased) <sup>(6)</sup>	20 June 2003	13 August 2024 <sup>(6)</sup>	-	-

Notes:

(1) A firm that was registered on 13 August 2024 under the Limited Liability Partnerships Act, 2012.

(2) Deemed interested by virtue of her spouse's and children's shareholdings pursuant to Section 8(4) of the Act.

(3) Shares held in trust for non-related third party.

**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

- (4) *The company was dissolved on 13 June 2024 based on Section 551(3) of the Act, which provides that a company shall be dissolved upon publication in the Gazette by the Registrar of Companies.*
- (5) *Deemed interested by virtue of her spouse's shareholding pursuant to Section 8(4) of the Act.*
- (6) *A firm that was registered on 30 June 2003 with MIA under the Accountants Act, 1967 and on 13 August 2024, it was converted into a limited liability partnership as detailed under the note (1) above.*

**(v) Lim Lay Ching**

Company	Place of incorporation	Position held	Principal activities	Date of appointment	Date of resignation/cessation	% of shareholdings held	
						Direct	Indirect
<b><u>Present involvement</u></b>							
Kok Kim Leng & Co. CSC Steel Holdings Berhad	Malaysia Malaysia	Partner Independent Non-Executive Director	Law firm Investment holding company and its subsidiaries are involved in manufacturing and marketing of pickled and oiled steel, cold rolled steel, hot dipped galvanized steel and pre-painted galvanized steel, and investment holding in real property	28 July 2008 2 March 2015	- -	- -	- -
Coffeeconcept Icon Sdn Bhd	Malaysia	Shareholder	Coffee shops, retails sale of tea, coffee, soft drinks, mineral water and other beverages	-	-	9.99	-
<b><u>Past involvement</u></b>							
-	-	-	-	-	-	-	-

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

(vi) **Kam Sin Lin**

Company	Place of incorporation	Position held	Principal activities	Date of appointment	Date of resignation/cessation	% of shareholdings held	
						Direct	Indirect
<b><u>Present involvement</u></b> -	-		-	-	-	-	-
<b><u>Past involvement</u></b> Edia Capital Sdn Bhd	Malaysia	Director and shareholder	Investment advisory services (Dissolved) <sup>(1)</sup>	20 April 2015	19 November 2019	50.00	-

*Note:*

(1) *The company was dissolved on 19 November 2019 based on Section 551(3) of the Act, which provides that a company shall be dissolved upon publication in the Gazette by the Registrar of Companies.*

The involvement of our Directors in those business activities outside our Group does not give rise to any conflict of interest situation with our Group's business.

The involvement of our Group Managing Director in other directorships and business activities outside our Group does not require a significant amount of time as he is not involved in the management and day-to-day operations of the said businesses outside of our Group. Those businesses are managed by respective management teams and do not require our Group Managing Director's involvement on a daily basis. Hence, his involvement in those businesses outside our Group does not affect his ability to perform his executive roles and responsibilities to our Group.

Further, the involvement of our Independent Non-Executive Directors in other directorships or businesses outside our Group will not and would not be expected to affect their commitment and responsibilities to our Group as their involvement in our Group are to the extent of attending meetings and discharging their roles and responsibilities as our Independent Directors.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**
**5.2.4 Directors' remuneration and material benefits-in-kind**

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid and proposed to be paid to our Directors for their services rendered in all capacities within our Group for FYE 2024 and FYE 2025 are set out below:

<b>FYE 2024 (Paid and payable)</b>	<b>Salaries</b>	<b>Directors' fees</b>	<b>Bonus</b>	<b>Statutory contribution<sup>(1)</sup></b>	<b>Allowances and benefits-in-kind</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Executive Directors</u></b>						
DSCFY	731	18	-	115	204	1,068
Ong Boon Huat	223	6	-	29	10	268
<b><u>Non-Executive Directors</u></b>						
Vincent Loh	-	6	-	-	2 <sup>(2)</sup>	8
Chin Peck Li	-	5	-	-	2 <sup>(2)</sup>	7
Lim Lay Ching	-	5	-	-	2 <sup>(2)</sup>	7
Kam Sin Lin	-	5	-	-	2 <sup>(2)</sup>	7

<b>FYE 2025 (Proposed)</b>	<b>Salaries</b>	<b>Directors' fees</b>	<b>Bonus</b>	<b>Statutory contribution<sup>(1)</sup></b>	<b>Allowances and benefits-in-kind</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Executive Directors</u></b>						
DSCFY	756	18	-	119	204	1,097
Ong Boon Huat	229	6	-	31	10	276
<b><u>Non-Executive Directors</u></b>						
Vincent Loh	-	48	-	-	6 <sup>(3)</sup>	54
Chin Peck Li	-	40	-	-	6 <sup>(3)</sup>	46
Lim Lay Ching	-	40	-	-	6 <sup>(3)</sup>	46
Kam Sin Lin	-	40	-	-	6 <sup>(3)</sup>	46

Notes:

- (1) Being contribution to Employees Provident Fund, Social Security Organisation and Employment Insurance System.
- (2) Being meeting allowance of RM500 per day of meeting based on the number of scheduled and unscheduled meeting held in FYE 2024.
- (3) Being meeting allowance of RM500 per day of meeting based on the number of scheduled and unscheduled meeting to be held in FYE 2025.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)**

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**5.3 BOARD PRACTICES**

**5.3.1 Our Board**

Our Board assumes the responsibility for the overall direction, strategy, performance and management of our Group. Our Board has adopted the following responsibilities for effective discharge of its functions:

- (a) together with the management team, promotes good corporate governance culture within our Group which reinforces ethical, prudent and professional behaviour;
- (b) reviews, challenges and decides on management's proposals for our Company and our Group, and monitors its implementation by management;
- (c) ensures that the strategic plans of our Company support long-term value creation and include strategies on economic, environmental and social considerations underpinning sustainability;
- (d) supervises and assesses management performance to determine whether our Group's businesses are being properly managed;
- (e) ensures there is a sound framework for internal controls and risk management;
- (f) understands the principal risks of our Group's business and recognises that business decisions involve the taking of appropriate risks;
- (g) sets the risk appetite within which our Board expects management to operate and ensures that there is an appropriate risk management framework to identify, evaluate, manage and monitor significant financial and non-financial risks;
- (h) ensures that management team has the necessary skills and experience, and there are measures in place to provide for the orderly succession of board and C-Suite category executives (if any);
- (i) ensures that our Company has in place procedures to enable effective communication with stakeholders;
- (j) ensures that all of our Directors are able to understand financial statements and form a view on the information presented;
- (k) ensures the integrity of our Company's and our Group's financial and non-financial reporting. Our Board shall ensure that our Company's financial statements and other financial reports are prepared in accordance with the relevant laws and regulations as well as the applicable financial reporting standards, so as to give a true and fair view of the state of affairs of our Company and our Group;
- (l) delegates the above-mentioned matters to the relevant committee or personnel where appropriate;
- (m) undertakes formal and objective annual assessments to review and evaluate the performance of our Board as a whole, the committees of our Board, each of the individual Board member, and the independence of our Independent Directors with a view to maximise Board performance;
- (n) continues to update their knowledge and enhances their skills through appropriate continuing education programmes and life-long learning;

**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

- (o) assigns adequate resources to implement a sustainable anti-bribery and anti-corruption compliance policy and programme, to deal with improper solicitation, bribery and other corrupt activities and related issues that may arise in our Group's course of business; and
- (p) together with management, our Board takes responsibility for the governance of sustainability in our Group including setting our Group's sustainability strategies, priorities and targets.

According to our Constitution, an election of Directors shall take place each year at our AGM, where one-third of our Directors for the time being, or, if the number is not 3 or a multiple of 3, then the number nearest to one-third shall retire from office. This is provided always that all Directors shall retire from office at least once in every 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

The details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in that office are as follows:

<b>Directors</b>	<b>Age</b>	<b>Nationality</b>	<b>Designation</b>	<b>Date of appointment</b>	<b>Date of expiration of current term of office</b>	<b>No. of year(s) in office</b>
DSCFY	47	Malaysian	Group Managing Director	23 November 2009	Subject to retirement at our AGM in 2025	14 years and 11 months
Ong Boon Huat	55	Malaysian	Executive Director	16 August 2018	Subject to retirement at our AGM in 2024	6 years and 2 months
Vincent Loh	74	Malaysian	Independent Non-Executive Chairman	15 January 2024	Subject to retirement at our AGM in 2024	Less than 1 year
Chin Peck Li	53	Malaysian	Independent Non-Executive Director	15 January 2024	Subject to retirement at our AGM in 2024	Less than 1 year
Lim Lay Ching	57	Malaysian	Independent Non-Executive Director	15 January 2024	Subject to retirement at our AGM in 2024	Less than 1 year
Kam Sin Lin	49	Malaysian	Independent Non-Executive Director	15 January 2024	Subject to retirement at our AGM in 2024	Less than 1 year



## 5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (*CONT'D*)

### 5.3.2 Audit & Risk Management Committee

Our Audit & Risk Management Committee, established by our Board on 1 November 2024, comprises the following members:

Name	Designation	Directorship
Chin Peck Li	Chairperson	Independent Non-Executive Director
Lim Lay Ching	Member	Independent Non-Executive Director
Kam Sin Lin	Member	Independent Non-Executive Director

The terms of reference of our Audit & Risk Management Committee include, among others, the following:

#### (i) Financial reporting

- (a) reviews in depth the quarterly results and year-end financial statements of our Group before submission to our Board for consideration, focusing particularly on:
  - the going-concern assumption;
  - any changes in or implementation of major accounting policies and practices;
  - significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters are addressed; and
  - compliance with applicable accounting standards, regulatory and other legal requirements for financial reporting; and
- (b) considers any legal matters of our Group that may have a significant impact on our Group's financial statements.

#### (ii) External auditing

- (a) reviews the following matters with the external auditors:
  - the audit plan, its nature and scope;
  - the audit report;
  - there being no conflict of interests situation that could affect the independence of the external auditors;
  - the external auditors' evaluation of system of internal control and significant suggestions for improvements and management's response thereto;
  - the external auditors' management letter and the management's response thereto;
  - the problems and reservations arising from the interim and final external audits, and any matters the external auditors and/or internal auditors may wish to discuss (in the absence of our Management, where necessary); and
  - the assistance given by employees of our Group to the external auditors;
- (b) establishes appropriate policies and procedures to assess the suitability, objectivity and independence of the external auditors to safeguard the quality and reliability of the audited financial statements. If the assessment result is satisfactory, recommends the nomination of the suitable audit firm as external auditors of our Company;
- (c) reviews and ensures the non-audit services provided by the external auditors do not impair, or appear to impair, the external auditor's independence or objectivity;
- (d) reviews and reports to our Board any significant audit findings, difficulties encountered or material weaknesses reported by the external auditors; and

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

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- (e) considers the appointment, removal, any letter of resignation or dismissal of the external auditors, including whether there is reason (supported by grounds) to believe that our Company's external auditors are not suitable for reappointment.

**(iii) Internal auditing**

- (a) reviews the following in respect of internal audit:
- the adequacy of the audit scope and coverage, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its functions;
  - the internal audit plan, processes, the results of the internal audit assessments, investigation undertaken and whether or not appropriate action has been taken on the recommendations of the internal audit functions;
  - the performance of the internal audit function; and
  - there being no conflict of interests situation that could affect the independence and objectivity of the internal audit personnel
- (b) considers the appointment, removal, termination, dismissal or resignation of the internal auditors and provide the resigning internal auditors an opportunity to submit his reason for resignation.

**(iv) Risk management and internal control**

- (a) reviews and assesses the following in respect of our Group's overall risk management and internal control:
- the relevant policies, processes and procedures for the oversight and management of risks;
  - the risk profile, risk appetite and levels of tolerance (including subsequent review and adjustment, where necessary) and the effective communication of the same throughout our Group;
  - the management's efforts to embed a risk management in all aspect of our Group's activities and promoting a risk awareness culture within our Group;
  - the adequacy, effectiveness and integrity of the internal control to manage the selected areas representing significant risks;
  - the implementation of management action plans in mitigating significant risks identified; and
  - the efficiency and effectiveness of the review mechanism and the accountability at an executive level for risk management and internal control;
- (b) considers the appropriate disclosures on the risk management and internal control in our Company's annual reports.

**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

**(v) Related party transactions and conflict of interest**

- (a) reviews any related party transactions and situations where a conflict of interest may arise, persist or arose within our Company/Group, including any transaction, procedure or course of conduct that raises questions of management integrity, and to consider the appropriateness of such transactions before recommending them to our Board for approval; and
- (b) in respect of the recurrent related party transactions of a revenue or trading nature which are subject to shareholders' mandate, the committee shall consider the prescribed guidelines and review procedures to monitor and ascertain that such transactions are in compliance with the terms of our shareholders' mandate.

**(vi) Others**

- (a) reviews the Audit & Risk Management Committee report and other relevant reports that our Board may require it to review (e.g., statement of risk management and internal control, integrated report and etc) prepared at the end of each financial year that complies with the provisions of the applicable listing requirements of Bursa Securities; and
- (b) considers other matters as may be directed by our Board from time to time.

**5.3.3 Remuneration Committee**

Our Remuneration Committee, established by our Board on 1 November 2024, comprises the following members:

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Lim Lay Ching	Chairperson	Independent Non-Executive Director
Chin Peck Li	Member	Independent Non-Executive Director
Kam Sin Lin	Member	Independent Non-Executive Director

The terms of reference of our Remuneration Committee include, among others, the following:

- (a) researches, formulates and recommends to our Board the broad policy for the remuneration of our Directors and top senior management, drawing from outside advice as necessary, with the objective of attracting, retaining and motivating the right talents in our Board and top senior management to drive our Group's long-term objectives;
- (b) reviews annually the remuneration structure (cover all aspects of remuneration including directors' fees, salaries, allowances, bonuses, other emoluments and benefit-in-kind) of our Directors and top senior management;
- (c) in respect of Executive Directors and the top senior management, the committee shall ensure that remuneration packages of Executive Directors and the top senior management are reflective of our Group's demands, complexities and performance as a whole as well as skills, experience and level of responsibility required in line with the strategic objectives of our Group;
- (d) in respect of Non-Executive Directors, the committee shall ensure that remuneration payable reflects the experience, expertise and time required of our Non-Executive Directors to discharge their duties and responsibilities undertaken;

**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

- (e) in respect of Independent Directors, the committee shall ensure that the remuneration and incentives for our Independent Directors do not conflict with their obligation in bringing objectivity and independent judgment on matters discussed;
- (f) reviews and recommends to our Board the compensation for the loss of employment of our Director, and the benefits or token of appreciation for former Directors before presenting to our shareholders for approval;
- (g) reviews the committee report to be included in the annual report of our Company for each financial year that complies with the provisions of the applicable listing requirements of Bursa Securities; and
- (h) considers other matters as may be directed by our Board from time to time.

**5.3.4 Nomination Committee**

Our Nomination Committee, established by our Board on 1 November 2024, comprises the following members:

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
Kam Sin Lin	Chairperson	Independent Non-Executive Director
Chin Peck Li	Member	Independent Non-Executive Director
Lim Lay Ching	Member	Independent Non-Executive Director

The terms of reference of our Nomination Committee include, among others, the following:

**(i) New appointment of Directors**

- (a) considers candidates for any directorships proposed by our shareholders, our Board or other sources such as independent recruitment firms based on pre-determined criteria. If the assessment result is satisfactory, the committee makes a recommendation to our Board for the new appointment.

**(ii) Re-election of retiring Directors and retention of Independent Directors**

- (a) considers the performance, competency, commitment, and contribution of the retiring Directors;
- (b) if the retiring Director is an Independent Director, the committee shall further assess the independence of the director concerned to check if he fulfilled the definition of “independent director” as set out in the applicable listing requirements of Bursa Securities;
- (c) if our Board intends to retain an Independent Director beyond 9 years, the committee shall also assess the suitability of such retention by taking into consideration if he can continue to bring independence and objective judgment to our Board’s decision, and his long tenure has not impaired his independence in executing his duties and responsibilities; and
- (d) if the assessment result is satisfactory, the committee makes a recommendation to our Board for the re-election to be approved by our shareholders in the AGM pursuant to our Constitution.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

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**(iii) Performance assessment**

- (a) reviews annually the structure, size, balance and composition of our Board, including the requisite skill, knowledge, experience, competency, integrity and diversity of our Board members to function effectively and efficiently;
- (b) assesses annually the effectiveness and performance of our Board as a whole and each Director individually, as well as the effectiveness and performance of our Board committees;
- (c) assesses annually the independence of each of our Independent Directors to ensure they are continually fit and maintain independence all the time in order to provide scrutiny, objectivity and impartial judgement to our Board's decision-making;
- (d) reviews the terms of office and performances of the Audit & Risk Management Committee and Remuneration Committee and each of its members annually to determine whether these committees and their members have carried out their duties in accordance with respective terms of references; and
- (e) develops and implements appropriate processes for evaluating our Board as a whole and each Director individually, the effectiveness and performance of our committees as well as the independence of Independent Directors.

**(iv) Succession planning**

- (a) leads the succession planning and appointment of Directors, and to oversee the development of a diverse pipeline for our Board and management succession.

**(v) Others**

- (a) reviews the committee report to be included in the annual report of our Company for each financial year that complies with the provisions of the applicable listing requirements of Bursa Securities; and
- (b) considers other matters as may be directed by our Board from time to time.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

**5.4 KEY SENIOR MANAGEMENT**

5.4.1 Our key senior management is set out below:

<b>Name</b>	<b>Age</b>	<b>Designation</b>
DSCFY	47	Group Managing Director
Ong Boon Huat	55	Executive Director
Seh Chi Khang	45	Assistant General Manager, Business Development
Lee Yoke Mei	48	Head of Merchandising
Lee Chwee Kin	49	Senior Group Accountant

The direct and indirect shareholdings of our key senior management in our Company before and after our IPO as follows:

	<b>As at the LPD and before our IPO<sup>(1)</sup></b>				<b>After our IPO<sup>(2)</sup></b>			
	<b>Direct</b>		<b>Indirect</b>		<b>Direct</b>		<b>Indirect</b>	
	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
DSCFY	257,051,648	31.91	-	-	257,051,648	26.30	-	-
Ong Boon Huat	-	-	-	-	-	-	-	-
Seh Chi Khang	-	-	-	-	-	-	-	-
Lee Yoke Mei	-	-	-	-	-	-	-	-
Lee Chwee Kin	-	-	-	-	-	-	-	-

Notes:

(1) Based on our issued share capital of 805,651,400 Shares before our IPO.

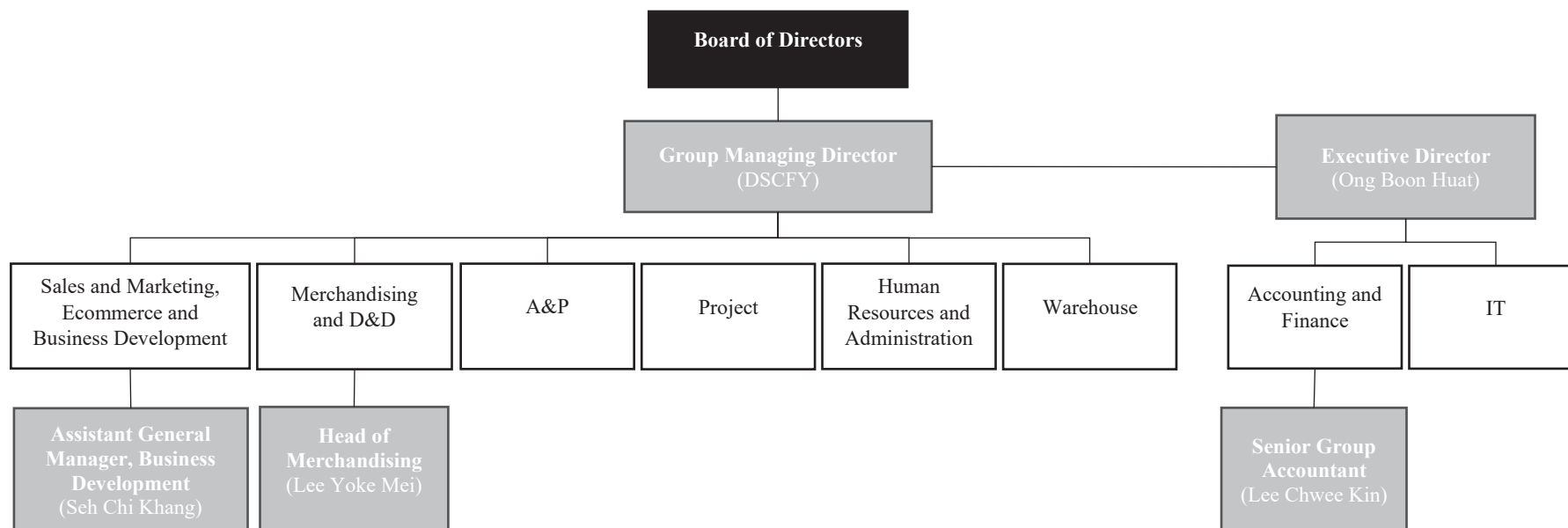
(2) Based on our enlarged issued share capital of 977,517,100 Shares after our IPO.

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

**5.4.2 Management reporting structure**

The management reporting structure of our Group is as follows:



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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

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**5.4.3 Profiles of our key senior management**

The profiles of our key senior management are as follows:

**(i) DSCFY**

His profile is set out in Section 5.1.2(i) of this Prospectus.

**(ii) Ong Boon Huat**

His profile is set out in Section 5.2.2(ii) of this Prospectus.

**(iii) Seh Chi Khang (Male, Malaysian, aged 45)**

He is our Group's Assistant General Manager, Business Development since January 2019. He plays a pivotal role in overseeing the sales, marketing, business development, boutique and counter management and operations, customer relationship, and marketing and promotion initiatives and activities. He is also tasked with overseeing the export and e-commerce divisions of our Group, development and implementation of marketing strategies as well as the branding for our Group's products.

He began his career in June 2002 with Citibank Berhad as a Sales Executive where he was assigned to handle mortgage sales until his resignation in April 2004. In May 2004, he left Citibank Berhad and joined KSH Electrical Sdn Bhd, an electrical household appliance retailer, as a Sales and Purchase Manager where he headed the company's sales and purchasing functions until his resignation in June 2007.

From July 2007 until August 2014, he was with Viss Franchise Sdn Bhd, a company that carries on the business of merchandising in shoes and bags; manufacturing and supplying of shoes and fashion apparels; management of boutique, as a Manager and subsequently promoted to Assistant General Manager in September 2012, where he was primarily responsible for franchise for ladies' handbag and shoes, overseeing the company's overall operation structure until his departure therefrom.

In September 2014, he joined CRB (our wholly-owned subsidiary which is involved in retailing of women's footwear, handbags and accessories) as an Export Manager and later promoted to Senior Manager, Business Development in January 2017 and was promoted to his current position, as our Group's Assistant General Manager, Business Development in January 2019, a position that he holds till present.

As at the date of this Prospectus, he does not sit on any board of directors of public listed companies in Malaysia.

**(iv) Lee Yoke Mei (Female, Malaysian, aged 48)**

She is our Group's Head of Merchandising since July 2022 and is responsible for overseeing the merchandising division as well as the branding management and supplier relationship for our Group. She also assists our Group Managing Director in warehousing matters.

She graduated with an Advance Certificate in Marketing from Stamford College in August 1996.

Upon graduation, she started her career with To-Day Telecommunication Sdn Bhd, a company involved in the distributorship and dealership of all types of telecommunication and office equipment, in November 1996 as an Administrative Assistant until March 1998, where she was responsible for managing stock inventory and distribution. In June 1998, she joined Friday Communication Sdn Bhd, a company involved in the retail and wholesale of telecommunication products, as a Sales Coordinator where she was tasked to handle administration of sales compiled by sales division until her resignation in December 1999.



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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

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After a short break, she joined CB Marketing (a subsidiary of Bonia Corporation and is principally involved in designing, promoting and marketing of fashionable leather goods) in February 2000 as Marketing Support Assistant and was later promoted to Marketing Support Coordinator in January 2004 and to Marketing Support Executive in January 2006. In September 2006, she was transferred from CB Marketing to CRL (our subsidiary which is involved in designing, promoting and marketing of women's handbags and accessories) and was re-designated to hold a position as Merchandising Executive, and subsequently promoted to Senior Merchandising Executive in January 2008, Assistant Merchandising Manager in July 2009, and Merchandising Manager in January 2011. During her tenure with our Group, she was primarily in charge of planning and developing merchandising strategies. In January 2016, she was further promoted to Senior Merchandising Manager of our Group where she focused on the D&D planning, as well as product distribution for brands carried by our Group. In July 2022, she was promoted as Head of Merchandising of our Group, a position she holds until present.

As at the date of this Prospectus, she does not sit on any board of directors of public listed companies in Malaysia.

**(v) Lee Chwee Kin (Female, Malaysian, aged 49)**

She is our Senior Group Accountant since January 2016 where she manages the Accounting and Finance division of our Group with the main role to ensure our Group's financial health by monitoring all financial planning, analysis activities and reporting.

She graduated with a Bachelor of Business (majoring in Accounting and Finance) from University of Technology, Sydney in June 1999. She has been a Chartered Accountant of the MIA since September 2003.

Soon after her graduation, she worked as an audit trainee for Robert Teo, Kuan & Co., an audit and accounting firm in August 1999 until her resignation as an Audit Semi-Senior 2 in July 2001, where she was involved in performing statutory audits and preparation of financial statements for companies. Thereafter, she joined Lim Hoon Nam & Co., a firm that involves in auditing and tax consultancy in October 2001 as an Audit Semi-Senior and was later promoted to Audit Senior Associate where she was directly responsible for the statutory audits of companies in various industries until her resignation in July 2004.

After her resignation, she then co-founded Lee & Lee Allied Associates Sdn Bhd, a company that was involved in consultancy services, in June 2004 where she spearheaded a team in carrying out accounting and consultancy services until August 2008. The company was dissolved in September 2010. In August 2008, she joined CB Holdings (Malaysia) Sdn Bhd (a subsidiary of Bonia Corporation and is principally involved in property investment, provision of management services and treasury management services), as an Assistant Accountant where she primarily responsible for the financial reporting and budgeting of the company. In June 2010, she was transferred to our Company as an Accountant. Subsequently, she was promoted to Group Accountant in July 2014 and further promoted to Senior Group Accountant in January 2016.

As at the date of this Prospectus, she does not sit on any board of directors of public listed companies in Malaysia.

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## 5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)

### 5.4.4 Involvement of our key senior management in other businesses/ corporations outside our Group

Save for the involvement of DSCFY in other business/corporations outside our Group which are detailed in Section 5.2.3 of this Prospectus, none of our other key senior management has any principal directorships and involvement in principal business activities outside our Group in the past 5 years up to the LPD.

### 5.4.5 Key senior management's remuneration and benefits-in-kind

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid and payable as well as proposed to be paid to DSCFY and Ong Boon Huat are set out in Section 5.2.4 of this Prospectus.

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred remuneration) paid and payable as well as proposed to be paid to our other key senior management for their services rendered in all capacities within our Group for FYE 2024 and FYE 2025 are as follows:

	Remuneration band <sup>(1)</sup>	
	FYE 2024 (paid and payable)	FYE 2025 (proposed)
	(RM'000)	(RM'000)
Seh Chi Khang	250 - 300	250 - 300
Lee Yoke Mei	200 - 250	200 - 250
Lee Chwee Kin	200 - 250	200 - 250

Note:

(1) The remuneration for our Group's key senior management includes salaries, bonuses, allowances and other emoluments.

## 5.5 DECLARATION FROM OUR PROMOTER, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoter, Directors and key senior management is or has been involved in any of the following events (whether in or outside Malaysia):

- (i) in the last 10 years, a petition under any bankruptcy or insolvency laws was filed (and not struck out) against him/her or any partnership in which he/she was a partner or any corporation of which he/she was a director or key senior management;
- (ii) disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last 10 years, charged or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) in the last 10 years, any judgement was entered against him/her, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his/her part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (v) in the last 10 years, being the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his/her part that relates to the capital market;

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**5. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (CONT'D)**

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- (vi) being the subject of any order, judgement or ruling of any court, government, or regulatory authority or body temporarily enjoining him/her from engaging in any type of business practice or activity;
- (vii) in the last 10 years, has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (viii) any unsatisfied judgement against him/her.

**5.6 FAMILY RELATIONSHIPS AND ASSOCIATIONS**

Saved as disclosed below, there is no other family relationship and/or association between any of the Directors, Promoter, substantial shareholders and/or key senior management of our Company as at the LPD:

- (i) CSS, our substantial shareholder, is the father of DSCFY (our Promoter, substantial shareholder and Group Managing Director); and
- (ii) CSS is a Director and shareholder of BHSB and FTSB, both being substantial shareholders of our Company.

**5.7 EXISTING OR PROPOSED SERVICE AGREEMENT**

As at the LPD, there are no existing or proposed service agreement(s) between the companies within our Group and our Directors or our key senior management that provide for benefits upon termination of employment.

**5.8 SUCCESSION PLAN**

We recognise the importance of succession plan for business continuity and sustainability. As such, we have initiated the following steps to groom our staff as well as attract new personnel:

- (i) career development, where our key senior management, supported by immediate managerial and supervisory level officers, will conduct coaching and mentoring to groom our lower and middle management staff to be equipped with the required skill set and knowledge and to gradually assume more responsibilities and eventually the roles of our senior management as and when opportunities arise;
- (ii) selection and identification, where we identify key capabilities, competencies and requirements for each position for succession planning and identify potential successors to facilitate skill transfer to ensure smooth running and continuity of the operations of our Group;
- (iii) continuous training and skills development, where our staff are required to continuously enhance their functional knowledge to improve their business acumen and understanding of our business and operations as part of our succession planning; and
- (iv) if the need arises, we will recruit qualified and competent personnel with knowledge and expertise of our business to enhance our operations. By enhancing our corporate profile as a listed corporation on the ACE Market, we expect to be able to attract more qualified personnel to play an active role in the growth and success of our Group.

## 6. INFORMATION ON OUR GROUP

### 6.1 OUR COMPANY

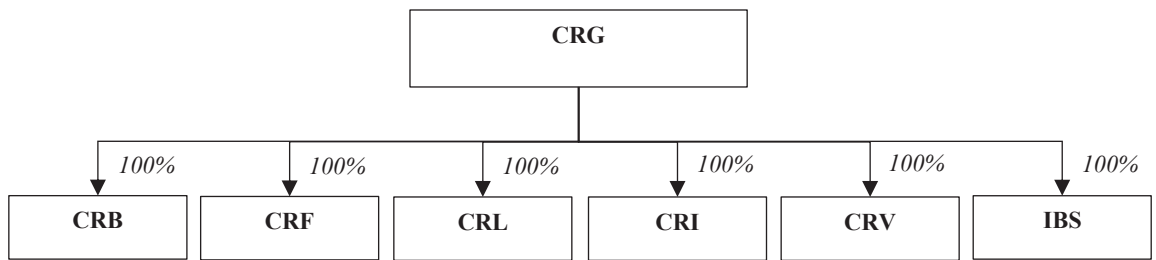
Our Company was incorporated in Malaysia under the Companies Act 1965 as a private limited company on 23 November 2009 under the name of CRG Incorporated Sdn Bhd and is deemed registered under the Act. On 13 August 2018, our Company was converted into a public limited company and assumed the name of CRG Incorporated Berhad to facilitate the listing of our Company on the LEAP Market on 28 November 2018. On 23 December 2022, we changed our company name to Carlo Rino Group Berhad to better reflect our corporate identity and our Group's core business and products offering.

Our Company is an investment holding company and our subsidiaries are principally involved in the business of designing, promoting, marketing, distributing and retailing of women's handbags, footwear and accessories. Our Group is also involved in property development and property investment; investment holding of securities; and provision of management services. Currently, the brands which our Group carries are Carlo Rino and C.Rino (for eyewear only) and our products are targeted at young female working adults between the age of 18 and 35 years old in the middle income group.

### 6.2 OUR GROUP

#### (i) Corporate structure

As at the LPD, our Group structure is as follows:



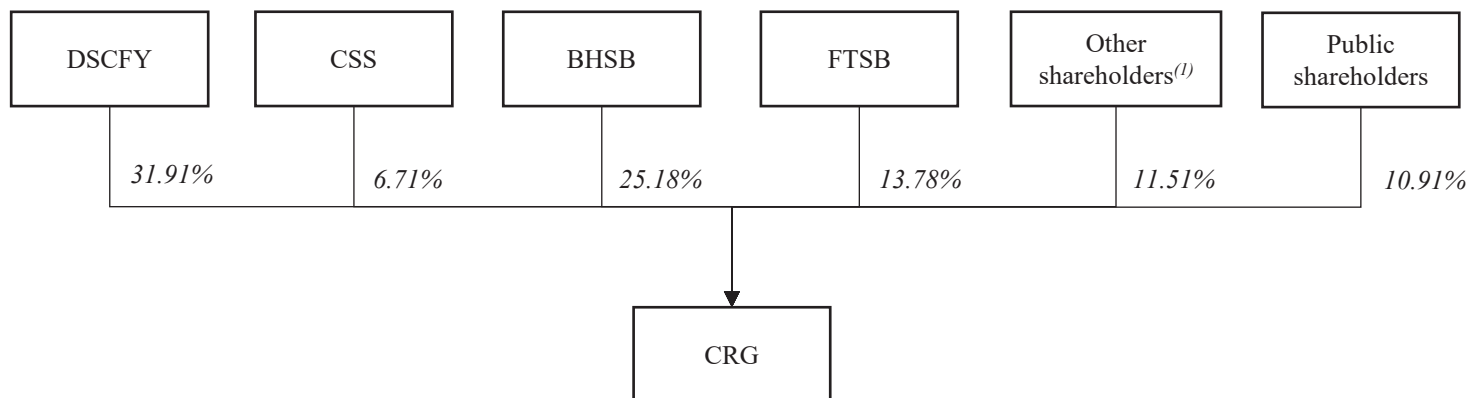
Our Listing will not have any impact to our Group structure as set out above.

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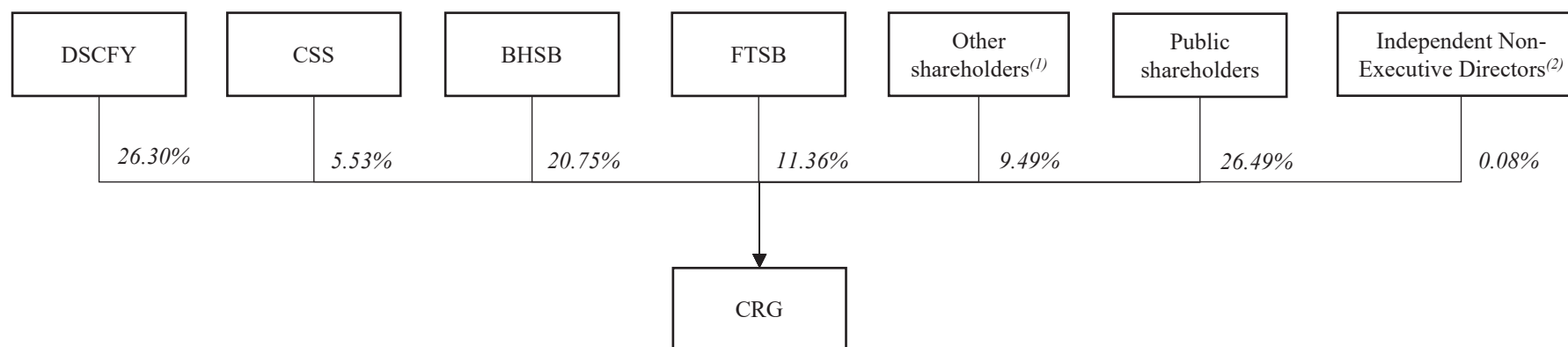
6. INFORMATION ON OUR GROUP (CONT'D)

(ii) Shareholding structure

As at the LPD



After our IPO



## 6. INFORMATION ON OUR GROUP (CONT'D)

*Notes:*

- (1) *Being shareholders of our Company who are family members of DSCFY and CSS as well as companies controlled by CSS pursuant to Section 8 of the Act.*
- (2) *Our Independent Non-Executive Directors, on the assumption they will fully subscribe for Issue Shares to be allocated to them.*

Refer to Section 5.1 of this Prospectus for further details on substantial shareholders of our Company before and after our IPO.

### 6.3 SHARE CAPITAL AND CHANGES IN SHARE CAPITAL

Upon our listing on the LEAP Market on 28 November 2018 and as at the LPD, our issued share capital is RM68,000,000 comprising 805,651,400 Shares. There were no changes to our issued share capital throughout the FYE Under Review.

As at the LPD, there are no outstanding warrants, options, convertible securities or uncalled capital in our Company. In addition, there are no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the allotments.

Upon our Listing, our issued share capital will increase from RM68,000,000 comprising 805,651,400 Shares to RM114,403,739 comprising 977,517,100 Shares.

### 6.4 DETAILS OF OUR SUBSIDIARIES

Our subsidiaries as at the LPD are as follows:

Name of company / Registration no.	Principal activities	Share capital	Date of commencement of operation	Date and place of incorporation	Effective equity interest (%)
CRB (200601022662 (742416-H))	Retailing of women's footwear, handbags and accessories	RM2,500,002	1 February 2007	27 July 2006, Malaysia	100%
CRF (200601022724 (742478-H))	Designing, promoting and marketing of women's footwear	RM7,500,000	1 September 2006	28 July 2006, Malaysia	100%
CRL (200601022722 (742476-P))	Designing, promoting and marketing of women's handbags and accessories	RM18,500,000	1 September 2006	28 July 2006, Malaysia	100%
CRI (201101041747 (969870-W))	Investment holding of securities and real properties	RM13,500,000	1 December 2013	29 November 2011, Malaysia	100%
CRV (201101030684 (958819-W))	Marketing and distribution of fashionable goods and accessories, and provision of management services	RM6,000,000	1 September 2011	26 August 2011, Malaysia	100%
IBS (202201043528 (1489225-W))	Property development and property investment	RM18,000,000	16 December 2022	23 November 2022, Malaysia	100%

As at the LPD, we do not have any associate company.

## 6. INFORMATION ON OUR GROUP (CONT'D)

### 6.4.1 CRB

#### (i) History and business

CRB was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 27 July 2006 and is deemed registered under the Act. CRB is principally involved in the retailing of women's footwear, handbags and accessories. It commenced its business operations on 1 February 2007. The principal place of business is in Malaysia.

As at the LPD, the issued share capital of CRB is RM2,500,002 comprising 2,500,002 ordinary shares. The changes in the issued share capital of CRB since the date of incorporation up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Nature of transaction	Cumulative share capital	
				RM	No. of shares
27 July 2006	2	Cash	Subscribers' shares	2	2
6 June 2007	99,998	Cash	Allotment of shares	100,000	100,000
30 July 2007	400,000	Cash	Allotment of shares	500,000	500,000
26 September 2009	500,000	Cash	Allotment of shares	1,000,000	1,000,000
29 June 2012	1,500,002	Cash	Allotment of shares	2,500,002	2,500,002

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment. As at the LPD, CRB does not have any outstanding warrants, options, convertible securities and uncalled capital.

#### (ii) Shareholder

CRB is a wholly-owned subsidiary of our Company.

#### (iii) Directors

The Directors of CRB are DSCFY and Datin Sri Lo Kin Yee.

#### (iv) Subsidiary and associate company

As at the LPD, CRB does not have any subsidiary or associate company.

### 6.4.2 CRF

#### (i) History and business

CRF was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 28 July 2006 and is deemed registered under the Act. It is principally involved in the designing, promoting and marketing of women's footwear. It commenced its business operations on 1 September 2006. The principal place of business is in Malaysia.

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## 6. INFORMATION ON OUR GROUP (CONT'D)

### (ii) Share capital

As at the LPD, the issued share capital of CRF is RM7,500,000 comprising 1,200,000 ordinary shares. The changes in the issued share capital of CRF since the date of incorporation up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Nature of transaction	Cumulative share capital	
				RM	No. of shares
28 July 2006	2	Cash	Subscribers' shares	2	2
6 June 2007	99,998	Cash	Allotment of shares	100,000	100,000
8 May 2008	400,000	Cash	Allotment of shares	500,000	500,000
18 June 2018	700,000	Otherwise than cash	Allotment of shares	7,500,000	1,200,000

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment. As at the LPD, CRF does not have any outstanding warrants, options, convertible securities and uncalled capital.

### (iii) Shareholder

CRF is a wholly-owned subsidiary of our Company.

### (iv) Directors

The Directors of CRF are DSCFY and Datin Sri Lo Kin Yee.

### (v) Subsidiary and associate company

As at the LPD, CRF does not have any subsidiary or associate company.

## 6.4.3 CRL

### (i) History and business

CRL was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 28 July 2006 and is deemed registered under the Act. It is principally involved in the designing, promoting and marketing of women's handbags and accessories. It commenced its business operations on 1 September 2006. The principal place of business is in Malaysia.

### (ii) Share capital

As at the LPD, the issued share capital of CRL is RM18,500,000 comprising 1,500,000 ordinary shares. The changes in the issued share capital of CRL since the date of incorporation up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Nature of transaction	Cumulative share capital	
				RM	No. of shares
28 July 2006	2	Cash	Subscribers' shares	2	2
6 June 2007	99,998	Cash	Allotment of shares	100,000	100,000
8 May 2008	400,000	Cash	Allotment of shares	500,000	500,000
18 June 2018	1,000,000	Otherwise than cash	Allotment of shares	18,500,000	1,500,000

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment. As at the LPD, CRL does not have any outstanding warrants, options, convertible securities and uncalled capital.

### (iii) Shareholder

CRL is a wholly-owned subsidiary of our Company.



**6. INFORMATION ON OUR GROUP (CONT'D)****(iv) Directors**

The Directors of CRL are DSCFY and Datin Sri Lo Kin Yee.

**(v) Subsidiary and associate company**

As at the LPD, CRL does not have any subsidiary or associate company.

**6.4.4 CRI****(i) History and business**

CRI was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 29 November 2011 and is deemed registered under the Act. It is principally involved in investment holding of securities and real properties. It commenced its business operations on 1 December 2013. The principal place of business is in Malaysia.

**(ii) Share capital**

As at the LPD, the issued share capital of CRI is RM13,500,000 comprising 13,500,000 ordinary shares. The changes in the issued share capital of CRI since the date of incorporation up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Nature of transaction	Cumulative share capital	
				RM	No. of shares
29 November 2011	2	Cash	Subscribers' shares	2	2
4 June 2013	499,998	Cash	Allotment of shares	500,000	500,000
8 November 2013	2,000,002	Cash	Allotment of shares	2,500,002	2,500,002
11 March 2020	2,499,998	Cash	Allotment of shares	5,000,000	5,000,000
11 September 2020	3,600,000	Cash	Allotment of shares	8,600,000	8,600,000
11 November 2020	3,900,000	Cash	Allotment of shares	12,500,000	12,500,000
4 February 2021	1,000,000	Cash	Allotment of shares	13,500,000	13,500,000

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment. As at the LPD, CRI does not have any outstanding warrants, options, convertible securities and uncalled capital.

**(iii) Shareholder**

CRI is a wholly-owned subsidiary of our Company.

**(iv) Directors**

The Directors of CRI are DSCFY and Datin Sri Lo Kin Yee.

**(v) Subsidiary and associate company**

As at the LPD, CRI does not have any subsidiary or associate company.

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## 6. INFORMATION ON OUR GROUP (CONT'D)

### 6.4.5 CRV

#### (i) History and business

CRV was incorporated in Malaysia as a private limited company under the Companies Act 1965 on 26 August 2011 and is deemed registered under the Act. It is principally involved in the marketing and distribution of fashionable goods and accessories, and provision of management services. It commenced its business operations on 1 September 2011. The principal place of business is in Malaysia.

#### (ii) Share capital

As at the LPD, the issued share capital of CRV is RM6,000,000 comprising 6,000,000 ordinary shares. The changes in the issued share capital of CRV since the date of incorporation up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Nature of transaction	Cumulative share capital	
				RM	No. of shares
26 August 2011	2	Cash	Subscribers' shares	2	2
16 November 2011	499,998	Cash	Allotment of Shares	500,000	500,000
29 June 2012	2,000,002	Cash	Allotment of Shares	2,500,002	2,500,002
18 June 2018	1,899,998	Otherwise than cash	Allotment of Shares	4,400,000	4,400,000
29 April 2019	1,600,000	Cash	Allotment of Shares	6,000,000	6,000,000

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment. As at the LPD, CRV does not have any outstanding warrants, options, convertible securities and uncalled capital.

#### (iii) Shareholder

CRV is a wholly-owned subsidiary of our Company.

#### (iv) Directors

The Directors of CRV are DSCFY and Datin Sri Lo Kin Yee.

#### (v) Subsidiary and associate company

As at the LPD, CRV does not have any subsidiary or associate company.

### 6.4.6 IBS

#### (i) History and business

IBS was incorporated in Malaysia as a private limited company under the Act on 23 November 2022. It is principally involved in property development and property investment. It commenced its business operations on 16 December 2022. The principal place of business is in Malaysia.

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## 6. INFORMATION ON OUR GROUP (CONT'D)

### (ii) Share capital

As at the LPD, the issued share capital of IBS is RM18,000,000 comprising 18,000,000 ordinary shares. The changes in the issued share capital of IBS since the date of incorporation up to the LPD are as follows:

Date of allotment	No. of shares allotted	Consideration	Nature of transaction	Cumulative share capital	
				RM	No. of shares
23 November 2022	100	Cash	Subscriber's shares	100	100
9 December 2022	9,999,900	Cash	Allotment of Shares	10,000,000	10,000,000
9 March 2023	8,000,000	Cash	Allotment of Shares	18,000,000	18,000,000

There were no discounts, special terms or instalment payment terms given in consideration of the above allotment. As at the LPD, IBS does not have any outstanding warrants, options, convertible securities and uncalled capital.

### (iii) Shareholder

IBS is a wholly-owned subsidiary of our Company.

### (iv) Directors

The Directors of IBS are DSCFY and Datin Sri Lo Kin Yee.

### (v) Subsidiary and associate company

As at the LPD, IBS does not have any subsidiary or associate company.

## 6.5 LOCATIONS OF OPERATIONS

As at the LPD, our Group operates from the following premises:

Name of company	Main functions	Location of facilities (Address)
CRG Group	Head office	L2-05, 2 <sup>nd</sup> Floor, Ikon Connaught Lot 160, Jalan Cerdas Taman Connaught 56000 Kuala Lumpur
CRG Group	Warehouse	Block C, Platinum Cheras Jalan Cheras Zen 1A Taman Platinum Cheras 43200 Cheras Selangor Darul Ehsan

Please refer to Section 7.21 of this Prospectus for further details of material properties owned and rented by our Group.

## 6.6 PUBLIC TAKE-OVER

Save for the Exit Offer, during FYE 2024 up to the LPD, there was no public take-over offers by third parties in respect of our Shares; and public take-over offers by our Company in respect of shares in other companies. Please refer to Section 4.7 of this Prospectus for the exit offer price and the outcome of the Exit Offer.

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## 7. BUSINESS OVERVIEW

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### 7.1 HISTORY AND BACKGROUND

The Carlo Rino brand was created in 1986 by CSS and the trademark was subsequently registered by CB Marketing in 1988. However, the history of our Group only began in 2006 when Bonia Corporation undertook a corporate restructuring exercise by incorporating CRB, CRF and CRL in 2006 to take over the management and operations of Carlo Rino brand for women's handbags, footwear and accessories in Malaysia. DSCFY was subsequently appointed as a Director of CRB, CRF and CRL to spearhead the growth of the business operations of our Group since 2006.

In 2007, Bonia Corporation Group assigned the entire operations of Carlo Rino boutiques to CRB, whereas CRF and CRL undertook the supply and consignment of Carlo Rino brand for women's handbags and footwear, respectively, for our boutiques as well as departmental store counters in AEON, Parkson, SOGO, Pacific Group, Isetan and The Store across Malaysia. At the time, CRB, CRL and CRF were still subsidiaries of Bonia Corporation Group until 2009.

In 2008, CB Marketing assigned the rights to use Carlo Rino trademark for women's handbags, footwear and accessories for the Malaysian market to CRB, which is still held by CRB as at the LPD.

In 2009, Bonia Corporation incorporated our Company to streamline the management and operation of Carlo Rino brand. Pursuant to an internal restructuring by Bonia Corporation Group in 2010, our Company acquired CRB, CRF and CRL from Bonia Corporation.

In 2010, BIH allowed our Group to use CR2 brand for women's footwear and handbags for the Malaysian market. Subsequently in the same year, we started to market and sell a new range of affordable women's footwear and handbags under CR2 brand to further expand our Group's customer base. In 2014, BIH officially licensed the trademarks of CR2 to our Group which allows us to sell range of affordable women's footwear and small handbags under CR2 brand to markets within and outside of Malaysia. Refer to Section 7.23.1 of this Prospectus for details on the intellectual property owned by our Group.

In 2011, we incorporated CRV to distribute our products to overseas markets such as the Middle East, Myanmar, Cambodia and Brunei, via distributorship arrangement with the local distributors.

In 2014, we expanded our distribution channel by adopting e-commerce and started to market and sell our products through Zalora online marketplace in Malaysia. In 2015, we successfully developed and launched our Carlo Rino Online Store (<https://shop.carlorino.net>) to further expand our e-commerce sales segment. The web address of our Carlo Rino Online Store was subsequently changed to <https://www.carlorino.net/> in 2020. Due to positive e-commerce sales performance, we expanded our online market reach to other third-party e-commerce marketplaces, such as Lazada and Shopee in 2016 and 2019, respectively. Later on, we also leveraged on Zalora online marketplaces in other overseas countries such as Hong Kong, Singapore and Taiwan in 2019 and the Philippines in 2022, to market and sell our products. In 2023, we engaged TikTok Shop in Malaysia to market and sell our products.

In 2014, CRI set up a manufacturing facility in Desa Tun Razak, Cheras to manufacture our limited-edition women's footwear and handbags. In 2018, we discontinued the manufacturing activities due to the lack of economies of scale as it was more cost effective to outsource the manufacturing activities to external suppliers and/or OEM manufacturers. Currently, we focus our resources on the D&D, marketing and retailing of our Group's products.

In 2016, we incorporated PT CRI Mitra Sejati ("PTCMS") in Indonesia and CRR Vietnam Company Limited ("CRRV") in Vietnam to undertake the supply of our products directly to dealers in Indonesia and Vietnam, respectively. PTCMS and CRRV also assisted dealers in Indonesia and Vietnam to set up and operate retail spaces in respective countries and provide marketing strategies for the promotion and marketing of our products.

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**7. BUSINESS OVERVIEW (CONT'D)**

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In May 2018, we entered into the MLA 2018 with BIH whereby we were granted the sole and exclusive rights to use the trademarks of Carlo Rino outside of Malaysia and CR2 worldwide in connection with the manufacture, distribution, marketing and sales of women's handbags, footwear and accessories. The MLA 2018, which was valid for a period of 10 years, was subsequently terminated and superseded by the MLA 2023 which will expire in 2048. Further details of the MLA 2023 are set out in Section 7.23.2 of this Prospectus.

In November 2018, our Company was listed on the LEAP Market. At that time, our Company was an investment holding company whilst our subsidiaries are principally involved in the design, marketing, promoting, distributing and retailing of Carlo Rino and CR2 products. Our Group is also involved in property investment; and provision of management services. In 2020, we consolidated all of our products under a single brand, Carlo Rino, for the Malaysian and overseas markets and ceased to use CR2 brand to optimise our resources on Carlo Rino's brand building.

In 2019, we progressively reduced our retail operations in the overseas markets by terminating dealership agreement with dealers in Indonesia and Vietnam due to limited market accessibility by our then overseas subsidiaries. In 2021 and 2022, our Group filed for a member's voluntary winding-up petition for PTCMS and a voluntary dissolution application for CRRV, respectively. Despite this, our Group still generate revenue from the Vietnamese market in FYE 2021 and FYE 2022 as we were selling the remaining inventories in Vietnam via third parties online marketplaces such as Lazada Vietnam. On 14 August 2023, CRRV completed its voluntary dissolution application and it was dissolved and ceased operation in Vietnam. On 1 October 2022, we appointed Milan Luxe Trading Co. Ltd, a trading company in Vietnam, to be our authorised distributor to distribute our products in Vietnam. On 10 January 2024, PTCMS completed its member's voluntary winding-up. Despite such cessation of physical operation in Indonesia, we still have online presence in Indonesian market via our own Carlo Rino Online Store.

Since 2019, we introduced new range of accessories collection such as timepieces, t-shirts, scarves and perfumes under Carlo Rino brand to expand our product offerings to customers. In January 2020, CRB registered C.Rino trademark with MyIPO and in 2021, we launched a collection of eyewear products under the new brand name.

Under the initiative of DSCFY, we adopted a new business strategy to enhance our brand equity via a brand collaboration with Warner Bros to secure the rights to develop and sell our Carlo Rino products using Warner Bros' brand and characters. On 27 October 2021, CRL entered into a non-exclusive Product License Agreement with Warner Bros to use the Warner Bros' characters, character's names, artworks and logos as well as copyrights and trademarks in connection with the sale and distribution of our Carlo Rino's women's handbags, footwear and accessories in Malaysia, Indonesia, Singapore and Vietnam. On 11 May 2022, CRL entered into a supplementary agreement with Warner Bros to include additional characters of Warner Bros. On 9 September 2024, CRL renewed the Product License Agreement with Warner Bros for another period of 3 years commencing from 1 January 2025 to include additional characters of Warner Bros as well as the sale and distribution of our Carlo Rino's women's handbags, footwear and accessories to include Malaysia, Indonesia, Singapore, Vietnam and Thailand. As at the LPD, we had successfully launched our products embedded with various characters from Warner Bros such as Wonder Woman, Tweety, selected characters of Looney Tunes, WB 100<sup>th</sup> Anniversary collection, Harry Potter, and The Powerpuff Girls.

As at the LPD, we are managing and operating 40 boutiques and 80 departmental store counters throughout Malaysia as well as selling through our own Carlo Rino Online Store, and various third-party e-commerce platforms (such as Zalora, Lazada, Shopee and TikTok Shop) in Malaysia.

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## 7. BUSINESS OVERVIEW (CONT'D)

### 7.2 KEY ACHIEVEMENTS AND MILESTONES

Our Group's key achievements and milestones are summarised in the table below:

Year	Achievements and milestones
2006	<ul style="list-style-type: none"> <li>CRB, CRF and CRL were incorporated to manage and operate Carlo Rino brand for women's handbags, footwear and accessories in Malaysia.</li> </ul>
2008	<ul style="list-style-type: none"> <li>CB Marketing assigned the rights to use Carlo Rino trademark for women's handbags, footwear and accessories for the Malaysian market to CRB.</li> </ul>
2009	<ul style="list-style-type: none"> <li>Our Company was incorporated to streamline the management and operation of Carlo Rino brand under our Group.</li> </ul>
2010	<ul style="list-style-type: none"> <li>We acquired CRB, CRF and CRL from Bonia Corporation.</li> <li>We started to market and sell affordable women's footwear and handbags under CR2 brand for the Malaysia market, as allowed by BIH.</li> </ul>
2011	<ul style="list-style-type: none"> <li>CRV was incorporated to distribute our products to overseas.</li> </ul>
2014	<ul style="list-style-type: none"> <li>We adopted e-commerce distribution channel to market and sell our products, via Zalora in Malaysia.</li> <li>CRI set up a manufacturing facility in Desa Tun Razak, Cheras to manufacture limited-edition women's handbags and footwear.</li> </ul>
2015	<ul style="list-style-type: none"> <li>We launched our Carlo Rino Online Store.</li> </ul>
2016	<ul style="list-style-type: none"> <li>PTCMS and CRRV were incorporated to distribute our products in Indonesia and Vietnam, respectively.</li> <li>We expanded e-commerce distribution channel via Lazada in Malaysia.</li> </ul>
2018	<ul style="list-style-type: none"> <li>We signed MLA 2018.</li> <li>We are listed on the LEAP Market.</li> <li>We discontinued manufacturing activities due to lack of economies of scale.</li> </ul>
2019	<ul style="list-style-type: none"> <li>We expanded e-commerce distribution channel via Shopee in Malaysia as well as via Zalora in Hong Kong, Singapore and Taiwan.</li> <li>We expanded product offering such as timepieces, t-shirts and scarves under Carlo Rino brand.</li> </ul>
2020	<ul style="list-style-type: none"> <li>CRB registered C.Rino trademark with MyIPO.</li> <li>We ceased to use CR2 brand and consolidated resources on brand building for Carlo Rino brand.</li> </ul>
2021	<ul style="list-style-type: none"> <li>We entered into a brand collaboration with Warner Bros.</li> <li>We launched a collection of eyewear products under C.Rino brand and perfumes under Carlo Rino brand.</li> </ul>
2022	<ul style="list-style-type: none"> <li>We expanded e-commerce distribution channel via Zalora in Philippines.</li> </ul>
2023	<ul style="list-style-type: none"> <li>We signed MLA 2023.</li> <li>We expanded e-commerce distribution channel via TikTok Shop in Malaysia.</li> <li>CRRV was dissolved and ceased operation.</li> </ul>
2024	<ul style="list-style-type: none"> <li>PTCMS completed its voluntary winding-up.</li> <li>We renewed our brand collaboration with Warner Bros for another period of 3 years commencing from 1 January 2025.</li> </ul>

**7. BUSINESS OVERVIEW (CONT'D)**

**7.3 BUSINESS OVERVIEW**

Our Group is principally involved in the designing, promoting, marketing, distributing and retailing of women’s handbags, footwear and accessories.

We carry the following brand names for our products:

**(i) Carlo Rino brand for women’s handbags, footwear and accessories**

CRB is the registered owner of Carlo Rino trademark in Malaysia for women’s handbags, footwear and accessories. In May 2023, our Company had entered into the MLA 2023 with BIH whereby we were granted the sole and exclusive rights to use Carlo Rino trademark worldwide (except Malaysia) for women’s handbags, footwear and accessories as well as Carlo Rino trademark worldwide (including Malaysia) for perfumes, cosmetics and timepieces, for a period of 25 years commenced from 1 April 2023. Pursuant to the MLA 2023, our Company shall pay fees to BIH based on the pre-agreed formula and rates.

**(ii) C.Rino brand for eyewear**

CRB is the registered owner for this brand in Malaysia and we are currently selling eyewear products under the C.Rino brand.

Considering that the MLA 2018 will be expiring in March 2028, our Management has commenced earlier negotiation with BIH in year 2023 to extend the license period. However, due to various revisions to the licensing terms under the MLA 2018 (e.g., extending the license period, exclusion of CR2 trademark, variation to the fees and additional licensed products to be included), both parties had decided to enter into a new master licensing agreement instead of entering into a supplemental agreement to cater for such changes/amendments. Hence, the MLA 2018 was terminated and superseded by the MLA 2023.

**7.3.1 Business model**

The business model for our principal business activities is as follows:

