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 whether to invest in our Shares.

3.1 PRINCIPAL DETAILS OF OUR IPO

3.1.1 Institutional Offering

The Institutional Offering involves the offering of up to 204,608,200 IPO Shares, representing up to 17.5% of our enlarged issued Shares, subject to the clawback and reallocation provisions and the Over-allotment Option as set out in Sections 4.2.3 and 4.2.4 of this Prospectus, at the Institutional Price in the following manner:

(i) 146,148,700 IPO Shares (comprising 116,919,000 Offer Shares and 29,229,700 Issue Shares), representing 12.5% of our enlarged issued Shares to Bumiputera investors approved by the MITI; and

(ii) up to 58,459,500 IPO Shares (comprising 29,229,700 Offer Shares and 29,229,800 Issue Shares), representing up to 5.0% of our enlarged issued Shares to Malaysian institutional and selected investors (other than Bumiputera investors approved by the MITI).

3.1.2 Retail Offering

The Retail Offering involves the offering of 146,148,700 Offer Shares, representing approximately 12.5% of our enlarged issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.3 of this Prospectus, at the Retail Price in the following manner:

(i) Allocation to the Eligible Persons

11,691,900 Offer Shares, representing approximately 1.0% of our enlarged issued Shares, are reserved for application by the Eligible Persons.

(ii) Allocation via balloting to the Malaysian Public

134,456,800 Offer Shares, representing approximately 11.5% of our enlarged issued Shares, are reserved for application by the Malaysian Public, of which 67,228,400 Offer Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

3.1.3 Moratorium on our Shares

In accordance with the Equity Guidelines, the Moratorium Providers are not allowed to sell, transfer or assign any part of their respective holding in our Shares as at the date of our Listing, for a period of six (6) months from the date of our Listing. Loo Chuu Lin, Bryan Loo, Loo Chee Leng, Loo Ay Lian, Loo Kheng Sing and Loo Lian Hiyok, are not allowed to sell, transfer or assign any part of their interest in our Shares for a period of six (6) months from the date of our Listing.

Our Public Issue and the Offer for Sale will raise gross proceeds of RM[●] million and RM[●] million, respectively. For further details relating to our IPO and moratorium on our Shares, see Sections 4 and 2.2 of this Prospectus, respectively.

3.2 OUR BUSINESS

Our Company was incorporated in Malaysia under the Act on 23 December 2019 as a private limited company under the name of Loob Sdn Bhd. Our Company was converted into a public company on 17 March 2020.

The principal activity of our Company is investment holding while our subsidiaries are principally involved in the operation and management of F&B retail outlets, trading and supply of raw materials to F&B stores, wholesale of F&B, importing, marketing and selling of soda machines, provision of management services and outsourcing services and finance and account, human resources and training, procurement and supply chain, and marketing.

We own (2) brands, namely Tealive and Bask Bear, that we operate in two (2) segments within the F&B services industry. According to the estimate stated in the IMR Report, Tealive is the largest F&B services brand in Malaysia by number of stores and the largest player within the tea shops segment by number of stores as at the LPD. Our Tealive brand falls within the tea shops segment of the F&B services industry, being F&B services establishments that predominantly focus on serving MTO beverages including bubble beverages, with tea as the base ingredient. Our Bask Bear brand is the largest player within the café segment of the F&B services industry by number of stores as at the LPD according to the estimate stated in the IMR Report. This segment refers to casual dining establishments that are food-focused, with a balance of caffeinated beverage. Our operations for these two (2) brands are carried out through our Corporate Stores and our Franchised/Licenced Stores.

In addition to our Tealive and Bask Bear operations, we also sell sparkling water machines and carbonating gas cylinders to businesses and consumers in Malaysia and Indonesia under the SodaXpress brand which we launched in 2014. Our SodaXpress operations are managed by Sodaxpress International. We also hold a 35.0% equity interest in each of Wonder Group and WonderBrew, which produces and distributes WonderBrew kombucha, a ready-to-drink fermented tea.

Our principal markets are focused in Malaysia, whereas at the LPD, we manage 831 Tealive stores, comprising 547 Tealive Corporate Stores and 284 Tealive Franchised Stores; and 135 Bask Bear stores, comprising 129 Bask Bear Corporate Stores and six (6) Bask Bear Franchised Stores. In addition to the 831 Tealive stores in Malaysia, as at the LPD, we have 121 Tealive Franchised/Licensed Stores in the Philippines, Myanmar, Brunei, Mauritius, Vietnam, Cambodia and Canada. As at the LPD, we have subsisting MFAs in the Philippines (excluding Ilocos region), Myanmar, Mauritius, Cambodia and Canada, subsisting ARDAs in the Philippines (Ilocos region) and Brunei, as well as three (3) newly secured MFAs in India, Thailand and the UAE respectively, and one (1) FA secured in the areas of Dhaka and Chittagong in Bangladesh. While no Tealive Franchised Stores have been opened in these markets, there is a target to open over 400 Tealive Franchised Stores across these countries and regions based on a development schedule of five (5) to ten (10) years depending on the territory as part of our future plans.

For further details on our history, group structure and business, see Sections 6 and 7 of this Prospectus.

3.3 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

(i) We own a diverse portfolio of brands within the fast-growing tea shops and café segments of the F&B service industry in Malaysia, with Tealive being the largest F&B services brand in Malaysia by number of stores according to the estimate stated in the IMR Report

We have among the highest revenue, gross profit margin and profit before tax margin compared to the top F&B services chains in Malaysia, according to the estimate stated in the IMR Report. The tea shops and cafés segments in Malaysia are fast-growing, presenting significant growth potential. Our strong brand image, bolstered by multiple awards, reflects our commitment to quality and innovation, positioning us for continued success in this ever-evolving industry.

(ii) We offer a diverse F&B range tailored to meet the varying consumption needs of different consumer groups

Tealive's and Bask Bear's competitive strengths are anchored in our ability to offer a diverse array of F&B products that cater to the varied consumption demands of different consumer groups. Our commitment to consistent taste and quality, bolstered by our product development capabilities, have allowed us to innovate and adapt swiftly to changing market trends, thereby reinforcing our position as a market leader.

(iii) Our brand appeals to a wide base of new-age consumers

Our competitive strengths are exemplified by our ability to resonate with a wide base of new-age consumers, driven by a strong brand presence. We employ diversified store formats for Tealive that specifically target different consumer groups, effectively expanding our reach and accessibility. In response to consumers' growing preference for convenience, we ensure that our offerings are readily available and easy to order. In addition, crossover co-branding, recipe collaborations and strategic partnerships enhance brand visibility and attract new customers, further solidifying our market position.

(iv) We utilise technology to deliver a compelling value proposition to customers

Our competitive strengths are rooted in our adaptive use of technology, which delivers a compelling value proposition to customers. Our Tealive App and Bask Bear App enable us to gain deeper insights into our customers, allowing us to further enhance their overall experience. Leveraging data-driven analytics through our CBIS, we gain valuable insights which drive continuous improvement and our future strategies. In addition, our digitalised marketing efforts effectively engage consumers and amplify brand awareness.

(v) We have a scalable platform that enables us to expand our sales channels and drive our future growth

Our competitive strengths are anchored in our scalable platform, which empowers us to expand our sales channels and drive future growth effectively. Our modular store design formats enable new stores to commence operations quickly and efficiently, maximising our market presence. Coupled with a standardised training program, we ensure that all staff deliver good service and product quality consistently across our existing and new stores.

(vi) We have operational expertise powered by effective supply chain management and robust internal IT infrastructure

Our operational expertise enables streamlined processes and reduced overhead costs, while ensuring the quality of raw materials and consistency in supplies. As a result, we are able to achieve an average payback period of approximately 2.8 years for Tealive Corporate Stores and 2.2 years for Bask Bear Corporate Stores for the FYE 30 June 2024.

(vii) We have an experienced and dedicated founder-led management team with significant expertise

Our Group is managed by our founder-led Key Senior Management team which is headed by our CEO, Bryan Loo, who has over 14 years of experience in the F&B industry. Bryan Loo led the team that developed the business plan, raised capital, secured relevant licences and approvals, and negotiated the terms of agreements in relation to our stores. He is also a key member driving the expansion and modernisation strategies of our operations including the introduction of CBIS in our Group's operations which has been instrumental to our business growth. His leadership was significant for our development thus far and which has in turn laid a strong foundation for our future expansion.

For further details on our competitive strengths, see Section 7.2 of this Prospectus.

3.4 FUTURE PLANS AND STRATEGIES

Our future plans and strategies are as follows:

(i) We plan to increase same-store sales to drive increased consumption and profitability

We plan to increase same-store sales as a key strategy to enhance profitability and target to achieve a positive SSSG. To build on our SSSG momentum, we will focus on expanding our existing product offerings and extending our product lines, all aimed at increasing foot traffic and, consequently, boosting store sales. In addition, we will develop our digital marketing strategy and enhance our overall marketing efforts to engage consumers effectively. Forming strategic partnerships will also play a crucial role in our growth, allowing us to acquire new customers. By prioritising customer satisfaction and loyalty, we aim to create a loyal customer base that drives sustained success.

(ii) We intend to continue our store expansion in Malaysia and internationally

We believe that our existing network of stores, along with our diverse store formats and new Tealive's "asset-lite" kiosk store format, provides a strong foundation to accelerate our nationwide store rollout and expand into new markets. While we aim to accelerate our store network expansion, we will remain disciplined in our execution, adhering to our established processes and criteria for selecting suitable store locations and overseas master franchisees.

(iii) We introduced new FMCG range across modern trade and key accounts including chained hypermarkets, supermarkets, minimarts and convenience stores as well as independent retailers such as sundry shops and local grocers

We have on 14 March 2025 entered into a binding MOU to establish a JV with Aik Cheong to develop, manufacture and distribute our FMCG range, commencing with instant 3-in-1 versions of our most popular beverages. Pursuant to the MOU, on 5 June 2025, we launched nine (9) SKUs across milk tea, chocolate and coffee categories. This collaboration, leveraging our strong brand recognition and appeal among consumers aged 18 to 39, alongside Aik Cheong's expertise in ready-to-drink manufacturing and extensive distribution network across modern and general trade channels in Malaysia and the ASEAN region. We will distribute them nationwide through a dual strategy targeting both modern and traditional retail channels.

(iv) We intend to continue to innovate and automate using technology to drive our sales

We are committed to improve our existing technology infrastructure and apply new technologies to improve productivity and support our rapid expansion. We intend to invest in and improve our existing technologies such as POS systems, kitchen display systems, e-learning application, self-serve kiosks and digital signage (if required) to provide us optimal control over our operations.

(v) We intend to further expand and develop our brand portfolio to capture a broader consumer segment

We aim to expand our existing multi-brand business model to offer our customers a greater variety of choices. In addition, we will continue to develop premium brands to elevate their perceived value and quality and attract discerning consumers. This comprehensive approach will enable us to drive growth and enhance our competitive edge in the industry.

For further details on our future plans and strategies, see Section 7.3 of this Prospectus.

3.5 RISK FACTORS

An investment in our Shares involves a number of risks, many of which are beyond our control. You should carefully consider all of the information contained in this Prospectus, including all the risk factors, before deciding to invest in our Shares. Set out below are the key risks faced by us in our business operations:

(i) Our success depends largely on our ability to maintain and enhance the value, perception and marketing of our brand and our customers' connection to our brand. Our brands could be damaged by negative publicity on platforms which have pervasive customer reach. Further, any negative report or negative press regarding our business, our brands, our products, the industry in which we operate, our financial condition and results of operations, regardless of its truthfulness, could damage our brand image and severely affect the sales of our products and profitability;

(ii) A substantial portion of our revenue is derived from our Tealive operations. We anticipate that our Tealive business in Malaysia will continue to be our main revenue driver following our Listing. Our financial results primarily depend on our ability to increase sales and efficiently manage costs in our existing and new Tealive Corporate Stores or Tealive Franchised Stores, as well as to grow our income from franchise agreements. There is no assurance that we will be able to maintain our stores' sales growth or revenue growth in the future;

(iii) Our business relies on consumer demand for our products, which depends substantially on factors that are continuously evolving. There is no assurance that our efforts to maintain customer loyalty will continue to be effective or that our new product offerings will gain market acceptance. If we are unable to accurately adapt to constantly evolving customer preferences and successfully launch new products, our customers may turn to our other competitors in the tea shop and café segments;

(iv) We cannot be certain that we will successfully develop and implement our future plans and strategies. These plans may strain our resources if implemented simultaneously and are subject to various external factors beyond our control, which could delay their execution and adversely impact our business, growth prospects, and financial condition;

(v) Our extensive plans for network expansion and mass roll-out of new stores, both in Malaysia and internationally, expose us to significant business and operational risks including among others, lower cash flows, inadequate funding capability and an inability to hire suitable staff and challenges in maintaining product quality. These risks could result in new stores not being immediately profitable and we may be unable to recover our investment and/or suffer losses;

(vi) We face several risks associated with our franchisees and licensees business model, including, among others, obligations to ensure compliance with the relevant laws and regulations, the ability of our franchisees and licensees to operate the Tealive Franchised/Licenced Stores effectively and maintaining strong working relationships with our existing and new franchisees and licensees, which may be affected by various factors beyond our control; and

(vii) The F&B services industry in Malaysia, in particular the tea shop as well as the café segments, is intensely competitive. Our ability to attract new customers and retain existing customers in a cost-effective manner is crucial to driving growth and achieving profitability. There is no assurance that we will be able to continue to attract new customers and that existing customers will remain loyal to us.

For further details on our risk factors, see Section 5 of this Prospectus.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, our Directors and Key Senior Management are as follows:

Name	Designation
Directors	
Tan Sri Datuk Dr. Rebecca Fatima Sta Maria	Independent Non-Executive Chairperson
Loo Chuu Lin	Non-Independent Non-Executive Director
Bryan Loo	Non-Independent Executive Director and CEO
Loo Chee Leng	Non-Independent Executive Director and COO
Lum Ying Ling	Non-Independent Non-Executive Director
Dato' Razman Hafidz bin Abu Zarim	Independent Non-Executive Director
Chen Thai Foong	Independent Non-Executive Director
Low Chooi Hoon	Independent Non-Executive Director
Yeow Boon Siang	Alternate Director to Loo Chuu Lin and International Business Director
Key Senior Management	
Bryan Loo	CEO
Loo Chee Leng	COO
Yeow Boon Siang	International Business Director
Choo Lee Sze	Finance Director
Wong Shu Yan	Projects and Business Development Director

For further details on our Directors and Key Senior Management, see Sections 9.2 and 9.3 of this Prospectus, respectively.

3.7 DIVIDEND POLICY

From the FYE 30 June 2026 onwards, we target a payout ratio of approximately 40.0% to 60.0% of our PATAMI for each financial year on a consolidated basis after taking into account the working capital, maintenance capital and committed capital requirements of our Group. The declaration and payment of any dividend is subject to the confirmation of our Board as well as any applicable law, licence conditions and contractual obligations and provided that such distribution will not be detrimental to our Group's cash requirements or any plans approved by our Board.

The following table sets out our dividends declared and paid for the Financial Years Under Review and up to the LPD:

	FYE 30 June			From 1 July 2024 up to the LPD
	2022	**2023**	**2024**	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Total dividends declared in respect of the financial year	58,120	40,000	28,000	42,025
Total dividends paid	107,666	28,120	30,000	60,025
PATAMI	66,026	38,696	50,797	-
Dividend payout ratio (%)[(1)]	88.0	103.4	55.1	-

Note:

(1) Computed based on dividend declared divided by PATAMI of our Group for the financial year.

For further details on our dividend policy, see Section 12.4 of this Prospectus.

3.8 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The following table sets out the direct and indirect shareholdings of our Promoter and Substantial Shareholders before and after our IPO:

	Before our IPO(1)				After our IPO(2)							
	After the Pre-IPO Restructuring				Assuming the Over-allotment Option is not exercised				Assuming the Over-allotment Option is fully exercised(3)			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
Name/Nationality/Country of incorporation	**No. of Shares** ('000)	**%**	**No. of Shares** ('000)	**%**	**No. of Shares** ('000)	**%**	**No. of Shares** ('000)	**%**	**No. of Shares** ('000)	**%**	**No. of Shares** ('000)	**%**
Promoters and Substantial Shareholders												
Loo Chuu Lin/Malaysian	224,299	20.2	-	-	208,317	17.8	-	-	208,317	17.8	-	-
Bryan Loo/Malaysian	242,551	21.8	-	-	225,268	19.3	-	-	225,268	19.3	-	-
Loo Chee Leng/Malaysian	189,492	17.1	-	-	175,989	15.1	-	-	175,989	15.1	-	-
Substantial Shareholders												
Singli Aerovest/Malaysia	59,644	5.4	-	-	47,952	4.1	-	-	47,952	4.1	-	-
Dato' Mah Yew Lay/Malaysian	-	-	59,644	(4)5.4	-	-	47,952	(4)4.1	-	-	47,952	(4)4.1
Mah Kok Weng/Malaysian	-	-	59,644	(4)5.4	-	-	47,952	(4)4.1	-	-	47,952	(4)4.1
Uttama/British Virgin Islands	333,219	30.0	-	-	99,381	8.5	-	-	46,768	4.0	-	-
Creador IV/Republic of Mauritius	-	-	333,219	(5)30.0	-	-	99,381	(5)8.5	-	-	46,768	(5)4.0

Notes:

(1) Based on the issued Shares of 1,110,728,703 after the Pre-IPO Restructuring.

(2) Based on the enlarged issued Shares of 1,169,188,203 upon our Listing.

(3) Assuming an Over-allotment Option of up to an aggregate of 52,613,500 Shares, representing up to 15.0% of the total number of IPO Shares offered.

(4) Deemed interested by virtue of his shareholding in Singli Aerovest pursuant to Section 8(4) of the Act.

(5) Deemed interested by virtue of its shareholding in Uttama pursuant to Section 8(4) of the Act.

For further information on our Promoters and Substantial Shareholders, see Section 9.1 of this Prospectus.

3.9 USE OF PROCEEDS

We expect to use the gross proceeds from our Public Issue amounting to RM[●] million(1) in the following manner:

Details of use of proceeds	Estimated timeframe for use from the date of our Listing	RM'000	%
Repayment of existing bank borrowings	Within 6 months	[●]	[●]
Capital expenditure for new Tealive Corporate Stores and Bask Bear Corporate Stores in Malaysia(2)	Within 24 months	[●]	[●]
Defray fees and expenses relating to our IPO and Listing(3)	Within 3 months	[●]	[●]
Total		**[●]**	**100.0**

Notes:

(1) We have assumed that the Institutional Price and the Final Retail Price will be equal to the Retail Price.

(2) To part finance the capital expenditure required to open up to 12 new Tealive Corporate Stores and up to 13 new Bask Bear Corporate Stores throughout Malaysia.

(3) Comprising professional fees, fees payable to authorities, brokerage fees, underwriting fees and placement fees as well as other miscellaneous expenses in respect of the Proposals to be borne by Loob.

For detailed information relating to the use of proceeds arising from our Public Issue, see Section 4.6 of this Prospectus.

3.10 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The following table sets out our selected historical combined financial data for the financial years indicated:

	FYE 30 June		
	Audited		
	2022	**2023**	**2024**
	(RM'000)	(RM'000)	(RM'000)
Revenue	422,486	511,747	591,243
Cost of sales	(164,261)	(202,923)	(202,608)
Gross profit	**258,225**	**308,824**	**388,635**
PBT	90,878	54,883	74,983
Profit for the year	**64,533**	**38,515**	**51,596**
Profit for the year attributable to:			
- Owners of our Company	66,026	38,696	50,797
- Non-controlling interests	(1,493)	(181)	799
Gross profit margin (%)(1)	61.1	60.3	65.7
PBT margin (%)(2)	21.5	10.7	12.7
PATAMI margin (%)(2)	15.6	7.6	8.6
Total equity	61,227	71,565	93,023
Total borrowings (excluding lease liabilities)	14,139	62,657	52,073
Net (cash)/borrowings(3)	(9,675)	24,425	5,123
Gearing ratio (times)(4)	0.2	0.9	0.6
Net gearing ratio (times)(5)	N/A(6)	0.3	0.1

***Notes**:*

(1) Gross profit margin is computed based on gross profit divided by revenue.

(2) PBT and PATAMI margins are computed based on PBT divided by revenue and PATAMI divided by revenue, respectively.

(3) Computed based on total borrowings (excluding lease liabilities) less cash and cash equivalents as at the end of the financial year.

(4) Computed based on total borrowings (excluding lease liabilities) divided by total equity as at the end of the financial year.

(5) Computed based on total borrowings (excluding lease liabilities) less cash and cash equivalents divided by total equity as at the end of the financial year.

(6) Net gearing ratio is not applicable as our Group was in a net cash position.

For further details on financial information relating to our Group, see Section 12 of this Prospectus.

3.11 NON-COMPLIANCES WITH THE RELEVANT LAWS, REGULATIONS, RULES AND REQUIREMENTS GOVERNING THE CONDUCT OF THE OPERATIONS OF OUR GROUP

As at 26 May 2025, we have not (i) obtained CCC from the landlords or do not have the documentary evidence of CCC having been issued for some of our stores; nor (ii) obtained the required business, signage and storage licences for some of our stores and storage spaces.

The total estimated cost to rectify the non-compliances and the potential maximum penalties for the outstanding non-compliances referred to in Section 7.18 of this Prospectus are approximately RM11.1 million, which represents approximately 14.8% of our Group's PBT for the FYE 30 June 2024. However, it is unlikely that the potential maximum penalties for all the above non-compliances will be simultaneously imposed as the affected stores are dispersed throughout Malaysia under the jurisdiction of different local councils.

Notwithstanding the above, our Directors undertake to continue to make the necessary applications and/or engage with the relevant authorities to resolve and address the outstanding non-compliance incidents in accordance with the directions of the relevant authorities after our Listing. Our management is following up closely and liaising with relevant authorities to resolve the said non-compliances in the best interest of our Company. We will update our shareholders on the status of our outstanding non-compliance incidents in our annual report.

We have established a CMC comprising of the Key Senior Management and the Director of Strategy and Portfolio. The CMC is responsible for monitoring and overseeing our Group's regulatory compliance matters including the compliance with licencing, certificates and approvals for the businesses and operations of our Group and to ensure that non-compliance incidents are adequately investigated, and issues would be reported to appropriate parties in a timely manner.

As our Group endeavours to fully comply with the applicable laws, rules and regulations in respect of our business operations, our Group has taken various initiatives to rectify the non-compliances. Where the non-compliances remain unresolved at the time of our Listing, the status of the non-compliances will be disclosed in our annual report. See Section 7.18 of this Prospectus for further details on the non-compliances and steps taken by us to address the said non-compliances.