

14. STATUTORY AND OTHER GENERAL INFORMATION

14.1 EXTRACTS OF OUR CONSTITUTION

The following provisions relating to the selected matters are reproduced from our Company's Constitution. Terms defined in our Constitution shall have the same meaning when used herein unless they are otherwise defined herein or the context otherwise requires.

14.1.1 Transfer of Securities

The provisions in our Company's Constitution in respect of the arrangements for transfer of securities and restrictions on their free transferability are as follows:

Clause 44 - Transfer of Securities The transfer of any Listed Security or class of Listed Security in the Company shall be by way of book entry by the Depository in accordance with Rules of the Depository and notwithstanding Sections 105, 106 and 110 of the Act, but subject to section 148(2) of the Act and any exemption that may be made from compliance with section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of the Listed Security.

Clause 45 - Transferor's Right The instrument of transfer of any share shall be executed by or on behalf of the transferor, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Record of Depositors in respect thereof.

Clause 45A - Instrument of transfer Every instrument of transfer (for any share not being a deposited security) must be left for registration at the office of the Company's Registrar accompanied by the certificate of the shares comprised therein (if any) and such evidence as the Directors may reasonably require to prove the right of the transferor to make the transfer and the due execution by him of the transfer, and subject to the power vested in the Directors by this Constitution or the provisions of any other written law and if required, to reasonable evidence of nationality, the Company shall register the transferee as shareholder.

A fee not exceeding RM3.00 (excluding the stamp duty) or any amount as shall be determined from time to time by the Exchange may be charged for each transfer and shall if required by the Directors be paid before the registration thereof.

Clause 46 - Person under disability No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.

Clause 46A - Refusal to transfer Subject to Section 106 and any other relevant provisions of the Act, the Directors may refuse or delay to register the transfer of a share, not being a deposited security, to a person of whom they shall not approve.

If the Directors passed a resolution to refuse or delay the registration of a transfer, they shall, within seven (7) days of the resolution being passed, give to the lodging broker, transferor and the transferee written notice of the resolution setting out the precise reasons thereof.

14. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Clause 46B – Non-liability of the Company, its Directors and officers in respect of transfer

Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators and assigns alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

14.1.2 Remuneration of Directors

The provisions in our Company's Constitution in respect of the remuneration of Directors are as follows:

Clause 107 Remuneration – The fees and any benefits payable to the Directors shall be such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which he has held office provided always that: -

107.1 fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;

107.2 salaries payable to executive Directors may not include a commission on or percentage of turnover;

107.3 fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting; and

107.4 any fee paid to an Alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Clause 108 Reimbursement and special remuneration – 108.1 The Directors shall be entitled to be reimbursed for all travelling or such other reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.

14. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

108.2 If by arrangement with the Directors, any Director shall perform or render any special duties or service's outside his ordinary duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Directors may pay him special remuneration, in addition to his Director's fees, and such special remuneration may be by way of a fixed sum, or otherwise as may be arranged.

Clause 140 – The remuneration of the Managing Director and/or Executive Remuneration of Directors may be by way of salary or commission or participation of in profits or otherwise or by any or all of these modes but such Managing Director and Executive Director remuneration shall not include a commission on or percentage of turnover.

14.1.3 Voting and Borrowing Powers of Directors

The provisions in our Company's Constitution in respect of the voting and borrowing powers of Directors are as follows:

Clause 112 - Directors' borrowing powers

112.1 The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertakings, property and uncalled capital, or any part thereof, and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any related third party Provided Always that nothing contained in this Constitution shall authorise the Directors to borrow any money or mortgage or charge any of the Company's undertaking, property or any uncalled capital or to issue debentures and other securities whether outright or as security for any debt, liability or obligation of an unrelated third party.

112.2 The Directors shall cause a proper register to be kept in accordance with Section 357 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified or otherwise.

112.3 Subject to the Act, if the Directors or any of them, or any other person, shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

14. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

Clause 128 - Declaration of Interest and restriction of voting

A Director who is in any way, whether directly or indirectly interested in a contract or proposed contract or arrangement with the Company, shall declare the nature of his interest in accordance with the provisions of the Act. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly, a personal interest and if he should do so, his vote should not be counted, but this prohibition shall not apply: -

- (a) in a case where the contract or proposed contract relates to any loan to the company that he has guaranteed or joined in guaranteeing the repayment of the loan or any part of the loan; or
- (b) in a case where the contract or proposed contract has been or will be made with or for the benefit of or on behalf of a Related Corporation.

Clause 129 - Directors restrained from voting in interested transactions

Every Director shall comply with the provisions of Sections 221 and 219 of the Act in connection with the disclosure of his shareholding and interest in any contract or proposed contract with the Company and in connection with the disclosure of the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company.

14.1.4 Changes in Capital and Variation of Class Rights

The provisions in our Company's Constitution in respect of the changes in capital and variation of class rights are as follows:

Clause 7 – Authority of Directors to allot shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of this Constitution, the Act, the Central Depositories Act and to the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot or otherwise dispose of such shares to such persons on such terms and conditions with such (whether in regard to dividend, voting or return of capital) preferred, deferred or other special rights and either at a premium or otherwise, and subject to such restrictions and at such time or times as the Directors may think fit but the Directors in making any issue of shares shall comply with the following conditions:-

- 7.1 no issue of shares shall be made which will have the effect of transferring a controlling interest in the Company to any person, company or syndicate without the prior approval of the Members in general meeting;
- 7.2 in the case of shares, other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution or in the resolution creating the same;

14. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- 7.3 every issue of shares or options to employees and/or Directors shall be approved by the Members in general meeting and:
- (a) Such approval shall specifically detail the amount of shares of options to be issued to such employees and/or Directors; and
 - (b) A Director not holding office in an executive capacity may so participate in an issue of shares pursuant to a public offer or a public issue;
- 7.4 in the case of shares offered to the public for subscription the amount payable on application on each share shall not be less than five per centum (5%) of the issued price;
- 7.5 the Company must ensure that all new issue of shares for which listing is sought shall be made by way of crediting the Securities Accounts of the allottees or entitled persons in the Depository with such Securities save and except where the Company is specifically exempted from doing so. The Company shall notify the Depository of the names of the allottees or the entitled persons together with all such particulars as may be required by the Depository to enable it to make the appropriate entries in the Securities Accounts of such allottees or entitled persons.
- 7.6 the Company must allot and issue Securities, despatch notices of allotment to the allottees and make an application for the quotation of such Securities which such periods as may be prescribed by the Exchange.

Clause 8 – Issuance of Preference Shares

Subject to the Act, the Company shall have the power to issue any preference shares on the terms that they are, or at the option of the Company are liable, to be redeemed provided that:

- 8.1 Preference shareholders shall have the same rights as ordinary shareholders as regards the receiving of notices, reports and financial statements and the attending of general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the whole of the Company's property, business or undertaking or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend or part of the dividend on the preference shares is in arrears for more than six (6) months or during the winding up of the Company. On a resolution to be decided on a show of hands, a holder of preference shares who is personally present and entitled to vote shall be entitled to one (1) vote.
- 8.2 The holder of a preference share shall be entitled to a return of capital in preference to holders of ordinary shares when the Company is wound up; and

14. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

8.3 The Company shall not, without the consent of the existing preference shareholders at a class meeting or pursuant to clause 19 hereof, issue further preference capital ranking in priority above preference shares already issued but may issue preference shares ranking equally therewith.

Clause 9 – No financial assistance The Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person or for any shares in the Company or in its holding company nor shall the Company make a loan for any purpose whatsoever on the security of its shares or those of its holding company, but nothing in this Constitution shall prohibit transactions mentioned in Section 125 and Section 127 of the Act or the circumstances set out in Section 125 and Section 127 of the Act.

Clause 10 – Purchase of own shares Subject to the provisions of the Act, the Listing Requirements and the approval of the Members and any other relevant authority, the Company shall have the power to purchase its own shares and to deal with the shares so purchased in the manner provided by the Act, the Listing Requirements and any other relevant authority.

Clause 11 – Powers of paying commission and brokerage The Company may exercise the powers of paying commissions conferred by Section 80 of the Act to any persons in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure, whether absolutely or conditionally, for any shares of the Company, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act, and the rate of the commission shall not exceed the rate of ten per cent (10%) of the price at which the shares in respect whereof the same is paid are issued. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

Clause 13 – Compliance with Requirements Where any shares are issued for the purpose of raising money to defray the expense of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on so much of such share capital as is for the time being paid up for the period, and subject to the conditions and restrictions mentioned in Section 130 of the Act, may charge the same to capital as part of the cost of construction of the works or buildings or the provision of the plant.

Clause 14 – Trust not to be recognised Except as required by this Constitution, the Act, any order of court, the Central Depositories Act, the Rules or otherwise required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial

14. STATUTORY AND OTHER GENERAL INFORMATION *(Cont'd)*

interest in any share or unit of share or any other rights in respect of any share, except an absolute right to the entirety thereof in the registered holder.

- | | |
|---|--|
| Clause 15 – Issue of Securities | Subject to the Listing Requirements, the Act, the Central Depositories Act and/or the Rules and notwithstanding the existence of a resolution pursuant to Sections 75 and 76 of the Act, the Company must ensure that it shall not issue any shares or convertible Securities, if those shares or convertible Securities, when aggregated with any such shares or convertible Securities issued during the preceding twelve (12) months, exceeds 10% of the value of the issued and paid-up capital of the Company, except where the shares or convertible Securities are issued with the prior approval of the shareholders in general meeting of the precise terms and conditions of the issue. In working out the number of shares or convertible Securities that may be issued by the Company, if the Security is a convertible Security, each such Security is counted as the maximum number of shares into which it can be converted or exercised. |
| Clause 16 - Exercise of rights of Members | No person shall exercise any rights of a Member until his name shall have been entered in the Records of Depositors and he shall have paid all calls and other moneys for the time being due and payable on any share held by him. |
| Clause 17 - Instalments | If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable on fixed dates every such amount shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share, or his legal personal representatives. |

14.2 SHARE CAPITAL

- (i) No Shares will be allotted or issued on the basis of this Prospectus later than six (6) months after the date of the issue of this Prospectus.
- (ii) There is no founder, management or deferred shares in our Company. We have only one (1) class of shares in our Company, namely ordinary shares, all of which rank equally with one (1) another.
- (iii) None of our Group's capital is under option, or agreed conditionally or unconditionally to be put under any option.
- (iv) No shares, debentures, warrants, options, convertible securities or uncalled capital of our Company and our subsidiaries have been issued or are proposed to be issued as fully or partly paid-up in cash or otherwise, for the past three (3) FYE 2018 to FYE 2020 and up to the LPD.
- (v) Other than 6,680,000 Public Issue Shares reserved for our Eligible Persons as disclosed in Section 3.3.1(ii) of this Prospectus:
 - (a) no person including Directors or employees of our Group has been or is entitled to be given or has exercised any option to subscribe for any shares or debentures, warrants, options, convertible securities or uncalled capital of our Company or our subsidiaries; and

14. STATUTORY AND OTHER GENERAL INFORMATION *(Cont'd)*

- (b) there is currently no other scheme involving our Directors and employees of our Group in the share capital of our Company or our subsidiaries.
- (vi) As at the date of this Prospectus, we do not have any convertible debt securities, options, warrants and uncalled capital.

14.3 LIMITATION ON THE RIGHT TO HOLD SECURITIES AND/OR EXERCISE VOTING RIGHTS

There is no limitation on the right to own securities, including limitations on the right of non-resident or foreign shareholders to hold or exercise voting rights on our Shares imposed by law or by the Constitution of our Company.

14.4 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his/her Shares with Bursa Depository on or before the date fixed, failing which our Share Registrar will be required to transfer the Shares to the Minister of Finance, Inc. and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a Depositor by means of entries in the securities account of that Depositor.

A depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be our shareholder and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.5 MATERIAL LITIGATION, CLAIMS AND ARBITRATION

As at the LPD, neither our Company nor our subsidiaries are engaged in any governmental, legal, claims or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings, whether as plaintiff or defendant or as a third party which may have or have had, material or significant effects on our financial position or profitability in the twelve (12) months immediately preceding the date of this Prospectus.

14.6 MATERIAL CONTRACTS

The following are material contracts (including contracts not reduced into writing and contracts not being entered into in the ordinary course of business) entered into by our Group during the past three (3) FYE 2018 to FYE 2020 and up to the date of this Prospectus:

- (i) Share sale agreement dated 23 December 2020 entered into between Pappajack Holdings and the respective shareholders of PG Bertuah, PG BT Cleaning, PG Consistent Reach, PG Pappajack, PG Pappajack Sehati, PG PPJ, PG PPJ Sehati, PG PPJack, PG TSE, PG Tetap Sejiwa for the acquisition by Pappajack Holdings from the respective shareholders of the entire equity interest in each of the aforementioned company, for a total consideration of RM47,637,376 ("**SSA**"). As at the LPD, the sale and purchase transaction as contemplated under the SSA has been completed.

14. STATUTORY AND OTHER GENERAL INFORMATION (Cont'd)

- (ii) Share sale agreement dated 9 June 2021 entered into between our Company and the shareholders of Pappajack Holdings for the acquisition by our Company from the shareholders of Pappajack Holdings of the entire equity interest in Pappajack Holdings, for a total consideration of RM108,020,896 (“**Acquisition SSA**”). As at the LPD, the sale and purchase transaction as contemplated under the Acquisition SSA is pending completion.
- (iii) [The Underwriting Agreement, further details of which are set out in Section 3.9 of this Prospectus.]

14.7 REPATRIATION OF CAPITAL AND REMITTANCE OF PROFITS

There are no governmental laws, decree, regulation or other requirement which may affect the repatriation of capital and the remittance of profit by or to our Group.

14.8 PUBLIC TAKE-OVERS

During the last financial year and the current financial year, there were no:

- (i) public take-over offers by third parties in respect of our Group's Shares; and
- (ii) public take-over offers by our Group in respect of other companies' securities.

14.9 LETTERS OF CONSENT

- (i) The written consent of the Principal Adviser, Sponsor, Sole Underwriter, Sole Placement Agent, Company Secretary, legal advisers/solicitors, Share Registrar and Issuing House for the inclusion in this Prospectus of their names and all references herein in the form and context in which such names appear in this Prospectus have been given before the issue of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of the Auditors and Reporting Accountants to the inclusion in this Prospectus of their names, Accountants' Report, Report on the Compilation of Pro Forma Combined Statements of Financial Position, Statement of Comprehensive Income and Statement of Cash Flows, and audit reports in the form and context in which they are contained in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.
- (iii) The written consent of the Independent Market Researcher for the inclusion in this Prospectus of its name, the IMR Report and all references herein in the form and context in which they are contained in this Prospectus has been given before the issue of this Prospectus and has not subsequently been withdrawn.

14.10 RESPONSIBILITY STATEMENT

- (i) Our Directors and Promoters have seen and approved this Prospectus and they collectively and individually accept full responsibility for the accuracy of the information contained herein. Having made all reasonable enquiries and that 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 herein false or misleading.

14. STATUTORY AND OTHER GENERAL INFORMATION *(Cont'd)*

- (ii) Kenanga IB, being our Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent, acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the IPO.

14.11 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our Registered Office during the normal office hours for a period of six (6) months from the date of this Prospectus:

- (i) the Constitution of our Company;
- (ii) the IMR Report as set out in Section 7 of this Prospectus;
- (iii) the Reporting Accountants' Report on the Compilation of Pro Forma Combined Statements of Financial Position, Statement of Comprehensive Income and Statement of Cash Flows as set out in Section 12 of this Prospectus;
- (iv) the Accountants' Report as set out in Section 13 of this Prospectus;
- (v) the material contracts as referred to in Section 14.6 of this Prospectus;
- (vi) the letters of consent as referred to in Section 14.9 of this Prospectus; and
- (vii) the audited financial statements of our Company and our subsidiaries for the past three (3) FYE 2018 to FYE 2020.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]