

### 3. DETAILS OF OUR IPO

#### 3.1 OPENING AND CLOSING APPLICATIONS

Application for our IPO Shares under the IPO will open at 10:00 a.m. on [●] and will remain open until 5:00 p.m. on [●].

#### 3.2 INDICATIVE TIMETABLE

An indicative timetable for our IPO is set out below:

Event	Date
Opening of application for our IPO	[●]
Closing of application for our IPO	[●]
Balloting of applications	[●]
Allotment of IPO Shares to successful applicants	[●]
Listing on the ACE Market	[●]

In the event there is any change to the timetable, we will advertise the notice of the change in a widely circulated daily English and Bahasa Malaysia newspaper in Malaysia.

#### 3.3 PARTICULARS OF OUR IPO

The Public Issue of 167,000,000 new Shares are issued at the IPO Price payable in full on Application upon such terms and conditions as set out in this Prospectus and will be allocated and allotted in the following manner:

##### 3.3.1 Public Issue

The Public Issue of 167,000,000 Shares at the IPO Price representing 25.00% of our enlarged issued share capital will be made available for Application in the following manner:

**(i) Malaysian Public (via Balloting)**

33,400,000 Public Issue Shares representing 5.00% of our enlarged issued share capital, to be allocated via balloting will be made available for Application by the Malaysian Public, of which at least 2.50% shall be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions.

**(ii) Eligible Persons**

6,680,000 Public Issue Shares representing 1.00% of our enlarged issued share capital, will be made available for Application by the Eligible Persons.

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**3. DETAILS OF OUR IPO (Cont'd)**

The Pink Form Shares will be allocated to eligible Key Management and employees of our Group based on the following criteria as approved by our Board:

- (a) the eligible employee must be a full time and confirmed employee of our Group;
- (b) the eligible employee must be on our Group's payroll;
- (c) seniority and position;
- (d) length of service;
- (e) past performance and respective contribution made to our Group; and
- (f) the eligible employee must be at least 18 years of age.

No Pink Form Shares will be allocated to the business associates of our Group and none of the Directors of our Company will be entitled to apply for the Pink Form Shares.

Details of the Pink Form Shares allocation to the Eligible Persons are as follows:

	<b>Number of Persons</b>	<b>Pink Form Shares Allocation</b>
Key Management	1	1,600,000
Employees	26	5,080,000
		<b>6,680,000</b>

Please refer to Section 8.3.1 of this Prospectus for the allocation of the Pink Form Shares to the Key Management of our Group.

Save for the allocation made available for Application as disclosed Section 3.3.1(ii), it is not known to our Company as to whether any of the Directors or member of the key management have the intention to subscribe for the IPO Shares allocated under Section 3.3.1(i) of this Prospectus for the Malaysian Public. Our Company is also not aware as to whether there is any person intending to subscribe for more than 5.0% of the IPO Shares allocated under Section 3.3.1(i) of this Prospectus for the Malaysian Public.

**(iii) Private Placement**

- (a) 83,500,000 Public Issue Shares representing 12.50% of our enlarged issued share capital will be made available by way of private placement to Bumiputera investors approved by MITI.
- (b) 43,420,000 Public Issue Shares representing 6.50% of our enlarged issued share capital will be made available by way of private placement to selected investors.

### 3. DETAILS OF OUR IPO (Cont'd)

#### 3.3.2 Underwriting Arrangement and Allocation of the IPO Shares

In summary, the IPO Shares will be allocated in the following manner:

	No. of Shares	% of Enlarged Share Capital
Malaysian Public (via balloting)	33,400,000	5.00
Eligible Persons	6,680,000	1.00
Private placement to selected investors	43,420,000	6.50
Bumiputera investors (via private placement)	83,500,000	12.50
<b>Total</b>	<b>167,000,000</b>	<b>25.00</b>

The 33,400,000 Public Issue Shares made available for Application by the Malaysian Public and the 6,680,000 Pink Form Shares made available to the Eligible Persons under Sections 3.3.1(i) and 3.3.1(ii) of this Prospectus respectively are fully underwritten by our Sole Underwriter.

All the 83,500,000 IPO Shares made available to Bumiputera investors approved by MITI by way of private placement under Section 3.3.1(iii)(b) of this Prospectus ("**MITI Tranche**") are not underwritten. Irrevocable undertakings have been or will be obtained from MITI's approved Bumiputera investors to subscribe for the IPO Shares available under the private placement.

All the 43,420,000 IPO Shares made available to selected investors by way of private placement under Sections 3.3.1(iii)(b) of this Prospectus are not underwritten. Irrevocable undertakings have been or will be obtained from selected investors to subscribe for the IPO Shares available under the private placement.

In the event of an under-subscription of the MITI Tranche, the unsubscribed MITI Tranche shall be offered to Bumiputera institutional investors. Any MITI Tranche not taken up by the Bumiputera institutional investors will be made available for Application by the Bumiputera public as part of the balloting process. Subsequently, any of the MITI Tranche that are not taken up shall be made available to selected institutional investors via private placement and/or available for Application by the Malaysian Public.

In the event of an under-subscription of the IPO Shares made available to selected investors by way of private placement, the unsubscribed IPO Shares will be made available for Application by the Malaysian Public.

Any unsubscribed Pink Form Shares will be re-offered to our Group's other Eligible Persons before being re-allocated to the Malaysian Public and/or selected investors via the private placement. Any unsubscribed Public Issue Shares by the Malaysian Public will be made available for Application by way of private placement to selected investors.

The allocation of our IPO Shares shall be on a fair and equitable manner and shall take into account the desirability of distributing our IPO Shares to a reasonable number of applicants with a view of broadening our Company's shareholding base to meet the public shareholding spread requirements of Bursa Securities and to establish a liquid market for our Shares.

**3. DETAILS OF OUR IPO (Cont'd)**

There is no minimum subscription amount to be raised from the IPO. All the IPO Shares are either subscribed by the selected investors, pursuant to their irrevocable undertakings or fully underwritten by our Sole Underwriter. The number of IPO Shares offered under the Public Issue will not be increased via any over-allotment or “greenshoe” option.

**3.3.3 Share Capital**

As at the [●], the issued share capital for our Company is RM108,020,897 comprising 501,000,000 Shares.

Upon the allotment and issue of the Public Issue Shares pursuant to our IPO, our enlarged issued share capital of our Company will be RM[●] comprising 668,000,000 Shares as follows:

	Number of Shares	Share Capital (RM)
Existing issued share capital	501,000,000	108,020,897
New Shares to be issued pursuant to the Public Issue	167,000,000	[●]
Estimated listing expenses directly attributable to the Public Issue	-	[●]
<b>Enlarged issued share capital upon Listing</b>	<b>668,000,000</b>	<b>[●]</b>
<b>IPO PRICE PER SHARE (RM)</b>		<b>[●]</b>
<b>PROFORMA CONSOLIDATED NA</b>		
Proforma consolidated NA (attributable to the owners of the Group) as at 31 December 2020 (based on the enlarged issued share capital of 668,000,000 Shares after the Public Issue and utilisation of proceeds) (RM'000)		[●]
Proforma consolidated NA (attributable to the owners of the Group) per Share (based on the enlarged issued share capital of 668,000,000 Shares) (RM)		[●]
<b>MARKET CAPITALISATION OF OUR COMPANY</b> (based on the IPO Price and enlarged issued share capital after the Public Issue) (RM'000)		<b>[●]</b>

Our market capitalisation upon Listing, based on the IPO Price and our enlarged issued share capital of 668,000,000 Shares will be RM[●]. The IPO Price is payable in full upon Application, subject to the terms and conditions of this Prospectus. The board lot size for our enlarged issued share capital upon Listing will be standardised at 100 units per board lot.

### 3. DETAILS OF OUR IPO (Cont'd)

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#### 3.3.4 Classes of Shares and Ranking

As at the date of this Prospectus and upon completion of our IPO, we have only 1 class of share in our Company, namely ordinary shares.

Our Public Issue Shares upon allotment and issuance will rank equally in all respects with our then existing Shares including voting rights and will be entitled to all dividends, rights and distributions that may be declared after its date of allotment and issuance.

Subject to any special rights attached to any shares which we may issue in the future, our shareholders shall, in proportion to the amount paid on the shares held by them, be entitled to share in the profits paid out by us as dividends or 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 any preferential payments in accordance with the Act and our liabilities.

Each shareholder shall be entitled to be present and to vote at our general meeting in person or by proxy or by attorney or by duly authorised representative. Each person shall be entitled to appoint more than 1 proxy to attend and vote at our general meeting. At any general meeting convened by our Company, a resolution put to the vote of the meeting shall be decided by poll. On a poll, every such person present shall have 1 vote for every 1 Share he holds.

#### 3.4 BASIS OF ARRIVING AT THE PRICE OF OUR IPO SHARES

Our IPO Price of RM[●] per IPO Share was determined and agreed upon by us and our Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent after taking into consideration the following factors:

- (i) our pro forma consolidated NA (attributable to the owners of the Group) per Share of RM[●] as at 31 December 2020 based on our enlarged share capital of 668,000,000 Shares, after the IPO and subsequent to the utilisation of proceeds from our Public Issue as set out in Section 3.7 of this Prospectus;
- (ii) based on our historical audited combined statements of profit or loss and other comprehensive income of our Group for the FYE 2020, we recorded a PAT attributable to the owners of the Company from continuing operations of RM8.21 million representing:
  - (a) net EPS of 1.64 sen (based on the existing issued share capital of 501,000,000 Shares as at the LPD) resulting in net PE Multiple of [●] times; and
  - (b) net EPS of 1.23 sen (based on our enlarged share capital of 668,000,000 Shares upon Listing) resulting in net PE Multiple of [●] times;
- (iii) our competitive strengths as described in Section 6.4 of this Prospectus;
- (iv) our business strategies as described in Section 6.5 of this Prospectus; and
- (v) industry overview as set out in Section 7 of this Prospectus respectively.

**3. DETAILS OF OUR IPO (Cont'd)**

Prospective investors should note that the market price of our Shares upon Listing is subject to the vagaries of market forces and other uncertainties which may affect the market price of our Shares. Prospective investors should form your own views on the valuation of our IPO Shares and reasonableness of the bases used before deciding to invest in our IPO Shares. You are also reminded to consider carefully the risk factors as set out in Section 4 of this Prospectus.

**3.5 EXPECTED MARKET CAPITALISATION UPON LISTING**

Based on the IPO Price of RM[●], the total market capitalisation of our Company upon Listing shall be RM[●].

**3.6 DILUTION**

Dilution is the amount by which the IPO Price to be paid by the applicants for our Shares under the IPO exceeds our proforma NA per Share immediately after the implementation of the Listing Scheme. The proforma NA (attributable to the owners of the Group) per Share as at 31 December 2020 based on the issued share capital of 501,000,000 Shares before the IPO is approximately RM108.01 million or RM0.22 per Share.

Pursuant to the Public Issue of 167,000,000 new Shares at the IPO Price and after adjusting for the effects of the utilisation of proceeds, the proforma NA (attributable to the owners of the Group) as at 31 December 2020 will increase to approximately RM[●] or RM[●] per Share based on the enlarged issued capital of 668,000,000 Shares after the IPO. This represents an immediate increase in adjusted NA of RM[●] per Share to our existing shareholders and an immediate dilution in NA of RM[●] per Share to our new investors. The following table illustrates such dilution on a per Share basis:

	RM
IPO Price	[●]
Proforma NA (attributable to the owners of the Group) per Share as at 31 December 2020 (before adjusting for the Public Issue)	0.22
Increase in proforma NA (attributable to the owners of the Group) per Share after adjusting for the Public Issue and utilisation of proceeds	[●]
Proforma NA (attributable to the owners of the Group) per Share after the IPO	[●]
Dilution in NA (attributable to the owners of the Group) per Share to new investors	[●]
Dilution in NA (attributable to the owners of the Group) per Share to new investors as a percentage of the IPO Price	[●]%

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**3. DETAILS OF OUR IPO (Cont'd)**

Save as disclosed below, there has been no acquisition of any of our Shares by our Promoters, substantial shareholders, Directors or Key Management or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares since our incorporation up to the LPD.

	No. of Shares Before Our IPO	No. of Issue Shares <sup>(1)</sup>	Total Consideration (RM)	Average Cost Per Share (RM)
<b><u>Promoter and Substantial Shareholder</u></b>				
TSE Sejahtera	319,638,347	-	68,917,406	<sup>(2)</sup> 0.22
<b><u>Key Management</u></b>				
Lim Chee Hsiung	1,365,884	-	294,499	<sup>(2)</sup> 0.22
Wong Koon Wai	-	1,600,000	[•]	[•]
<b><u>New Investors</u></b>				
Public Issue	-	167,000,000	[•]	[•]

Notes:

(1) Assuming all the Pink Form Shares are fully subscribed.

(2) Rounded up to RM0.22.

**3.7 UTILISATION OF PROCEEDS**

We expect to use the gross proceeds from the Public Issue of RM[•] in the following manner:

	Description of Utilisation	Estimated Timeframe for Utilisation Upon Listing	Amount (RM'000)	Percentage (%)
(i)	Expansion of pawnbroking outlets	Within 12 months	[•]	[•]
(ii)	Cash capital for our existing 20 pawnbroking outlets	Within 12 months	[•]	[•]
(iii)	Estimated listing expenses	Immediate	[•]	[•]
	<b>Total Public Issue Proceeds</b>		[•]	<b>100.00</b>

**(i) Expansion of Pawnbroking Outlets**

As at the LPD, our Group has incorporated 5 new companies as set out below and our Group intends to utilise a total amount of RM[•] for the initial set up costs and working capital requirements for the 5 new pawnbroking outlets.

**3. DETAILS OF OUR IPO (Cont'd)**

We propose to allocate a total of RM[●] for the 4 new outlets to be operated by our indirect wholly-owned subsidiaries (namely, PPJ Landas Emas, PPJ Maju, PPJ Mandiri and PPJ Sukses) with RM[●] allocated to each of the new pawnbroking outlets. The balance amounting to RM[●] will be utilised for a new outlet to be operated by a subsidiary which we have 80.50% equity interest (namely, PPJ Berkat).

The breakdown of the initial set up cost and working capital for each of the 5 new pawnbroking outlets is set out as follows:

<b>Our Proposed 5 New Pawnbroking Outlets</b>	<b>Initial Setup Costs (RM'000)</b>	<b>Working Capital (RM'000)</b>	<b>Total (RM'000)</b>
PPJ Maju	[●]	[●]	[●]
PPJ Mandiri	[●]	[●]	[●]
PPJ Landas Emas	[●]	[●]	[●]
PPJ Sukses	[●]	[●]	[●]
PPJ Berkat	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

The initial set up cost for PPJ Maju and PPJ Mandiri pawnbroking outlets is estimated to be at RM[●] each which includes the cost for renovation. The balance amounting to RM[●] will be utilised as the working capital for the new pawnbroking outlet as tabulated above mainly to finance the deployment of more pawn loans.

**(ii) Cash Capital for Our Existing 20 Pawnbroking Outlets**

The proceeds from the Public Issue earmarked for cash capital of approximately RM[●] will be allocated to our 20 existing pawnbroking outlets in the following proportion:

<b>No.</b>	<b>Our existing 20 Pawnbroking Outlets</b>	<b>Amount (RM'000)</b>
(1)	DG Kapar	[●]
(2)	DGH	[●]
(3)	DGM	[●]
(4)	DG (Sel)	[●]
(5)	PG PPJ Sejiwa	[●]
(6)	Pappajack Holdings	[●]
(7)	PG BT Cleaning	[●]
(8)	PG Consistent Reach	[●]
(9)	PG Mashita	[●]
(10)	PG Pappajack Sehati	[●]
(11)	PG PPJ Sehati	[●]
(12)	PG PPJack	[●]
(13)	PG TMI	[●]
(14)	PG TSE	[●]
(15)	PPJ Abadi	[●]
(16)	PPJ Consistent Reach	[●]
(17)	PPJ Makmur	[●]
(18)	PPJ Rezeki	[●]
(19)	PPJ Sejaya	[●]
(20)	PPJ Sinar	[●]
	<b>Total</b>	[●]



**3. DETAILS OF OUR IPO (Cont'd)**

The total proceeds of RM[●] allocation for the cash capital of each outlet as tabulated above will be utilised to finance the deployment of more pawn loans and operational expenses such as rental and payroll expenses.

Any cash capital which have been allocated for the respective outlet and are not utilised will be channelled to other outlets as cash capital.

**(iii) Estimated Listing Expenses**

Our listing expenses are estimated to be RM[●], details of which are as follows:

<b>Estimated Listing Expenses<sup>(1)</sup></b>	<b>Estimated Value (RM'000)</b>	<b>Percentage of Total Estimated Value (%)</b>
Professional fees <sup>(2)</sup>	[●]	[●]
Brokerage, underwriting and placement fees	[●]	[●]
Printing, advertising and other miscellaneous expenses relating to the Listing <sup>(3)</sup>	[●]	[●]
<b>Total</b>	[●]	<b>100.00</b>

Notes:

- (1) *If the actual listing expenses are higher than budgeted, the deficit will be funded out of the portion allocated for cash capital. Conversely, if the actual listing expenses are lower than budgeted, the excess will be utilised for cash capital purposes.*
- (2) *Includes fees for the Principal Adviser, Reporting Accountants, Solicitors and Independent Market Researcher and other professional advisers as well as the Issuing House.*
- (3) *Includes fees payable to authorities (such as lodgement fees payable to the Companies Commission of Malaysia, and other incidental of related expenses in connection with our IPO)*

We will bear all expenses and fees incidental to our listing, which include professional fees, brokerage, underwriting and placement fees, regulatory fess, printing, advertising and other miscellaneous fees, the aggregate of which is estimated to be RM[●]. Any difference arising from the utilisation as set out above will be adjusted accordingly with our cash capital requirements.

**3.8 UNDERWRITING, COMMISSION, BROKERAGE AND PLACEMENT FEES****3.8.1 Underwriting Commission**

Our Sole Underwriter has agreed to underwrite 40,800,000 Public Issue Shares made available for application by the Malaysian Public and the Pink Form Shares made available to the Eligible Persons as set out in Sections 3.3.1(i) and 3.3.1(ii) of this Prospectus. We will pay our Sole Underwriter an underwriting commission at the rate of [●]% of the total value of the underwritten Shares based on the IPO Price.

### 3. DETAILS OF OUR IPO (Cont'd)

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#### 3.8.2 Brokerage Fee

We will pay brokerage at the rate of [●]% on the IPO Price in respect of all successful applications that bear the stamp of either Kenanga IB, the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

#### 3.8.3 Placement Fee

Our Sole Placement Agent has agreed to place out 126,920,000 IPO Shares to be issued and/or offered to selected investors. We are obliged to pay our Sole Placement Agent a placement fee at the rate of between [●]% to [●]% of the value of Shares placed out to selected investors at the IPO Price.

#### 3.9 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

The following salient terms are reproduced from the Underwriting Agreement. The terms and numbering references used in this section shall have the respective meanings and numbering references as ascribed thereto in the Underwriting Agreement.

*The salient terms of the Underwriting Agreement will be made available upon its finalisation. However, it is expected that the Underwriting Agreement will include the customary terms for underwriting arrangements, including warranties, representations and undertakings and indemnity for loss suffered, which are subject to mutual agreement between our Company and the Underwriter.*

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