

10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

10.1.1 Under the Listing Requirements, a “**related party transaction**” is a transaction entered into by a listed issuer or its subsidiaries that involves the interest, direct or indirect, of a related party. A “**related party**” of a listed issuer (not being a special purpose acquisition company) is:

- (a) a director, having the meaning given in subsection 2(1) of the CMAA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer, its subsidiary or holding company or a chief executive of the listed issuer, its subsidiary or holding company; or
- (b) a major shareholder and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed issuer or its subsidiaries or holding company and has or had an interest or interests in 1 or more voting shares in a corporation and the nominal amount of that share on the aggregate of the nominal amounts of those shares is:
 - (aa) 10.0% or more of the aggregate of the nominal amounts of all the voting shares in the corporation;
 - (bb) 5.0% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation; or
- (c) a person connected with such director or major shareholder.

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10. RELATED PARTY TRANSACTIONS (Cont'd)

10.1.2 Our Group's Related Party Transactions

Save for the SSA and Acquisition SSA as set out in Section 14.6 of this Prospectus and as disclosed below, our Group has not entered into nor proposes to enter into any related party transactions for the FYE 2018 to FYE 2020 and the subsequent financial period immediately preceding the LPD:

No.	Transacting Parties	Interested Promoter/ Substantial Shareholder/ Director	Interest in Our Group	Nature of Interest in Related Party	Nature of Transaction	Transaction Value (RM)			
						FYE 2018	FYE 2019	FYE 2020	From 1 January 2021 up to the LPD
1.	Lim Boon Hua and PG PPJack	Lim Boon Hua	Promoter, substantial shareholder and Managing Director/ Chief Executive Officer	Substantial shareholder of PG PPJack	Purchase of gold jewelry by Lim Boon Hua from PG PPJack	-	3,709	242,414	-
2.	Lim Boon Hua and PG Pappajack	Lim Boon Hua	Promoter, substantial shareholder and Managing Director/ Chief Executive Officer	Director and substantial shareholder of PG Pappajack	Purchase of gold jewelry by Lim Boon Hua from PG Pappajack	-	21,896	8,245	-
3.	Lim Boon Hua and PG BT Cleaning	Lim Boon Hua	Promoter, substantial shareholder and Managing Director/ Chief Executive Officer	Substantial shareholder of PG BT Cleaning	Purchase of gold jewelry by Lim Boon Hua from PG BT Cleaning	-	4,424	-	-
4.	Lim Boon Hua and PG Consistent Reach	Lim Boon Hua	Promoter, substantial shareholder and Managing Director/ Chief Executive Officer	Substantial shareholder of PG Consistent Reach	Purchase of gold jewelry by Lim Boon Hua from PG Consistent Reach	-	-	347,984	-
5.	Lim Boon Hua and Pappajack Holdings	Lim Boon Hua	Promoter, substantial shareholder and Managing Director/ Chief Executive Officer	Director and substantial shareholder of Pappajack Holdings	Purchase of gold jewelry by Lim Boon Hua from Pappajack Holdings	-	-	70,282	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting Parties	Interested Promoter/ Substantial Shareholder/ Director	Interest in Our Group	Nature of Interest in Related Party	Nature of Transaction	Transaction Value (RM)			
						FYE 2018	FYE 2019	FYE 2020	From 1 January 2021 up to the LPD
6.	Lim Boon Hua and PPJ Consistent Reach	Lim Boon Hua	Promoter, substantial shareholder and Managing Director/ Chief Executive Officer	Substantial shareholder of PPJ Consistent Reach	Purchase of gold jewelry by Lim Boon Hua from PPJ Consistent Reach	-	-	149,093	-
7.	Lim Boon Hua and PG Bertuah	Lim Boon Hua	Promoter, substantial shareholder and Managing Director/ Chief Executive Officer	Director and substantial shareholder of PG Bertuah	Purchase of gold jewelry by Lim Boon Hua from PG Bertuah	-	-	21,054	-
8.	Lim Boon Hua, and Pappajack Holdings	Lim Boon Hua,	Promoter, substantial shareholder and Managing Director/ Chief Executive Officer	Director and substantial shareholder of Pappajack Holdings	Interests based on an annual rate of 4.00% to Lim Boon Hua in relation to advances of RM4,896,000 by Lim Boon Hua to Pappajack Holdings in the fourth quarter of the FYE 2020. The interests for the advances will commence from 1 January 2021 where the interests and principal amount will be repaid over 4 equal quarterly instalments commencing from 30 September 2022	-	-	-	81,600 (interests accrued for 5 months)

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting Parties	Interested Promoter/ Substantial Shareholder/ Director	Interest in Our Group	Nature of Interest in Related Party	Nature of Transaction	Transaction Value (RM)			
						FYE 2018	FYE 2019	FYE 2020	From 1 January 2021 up to the LPD
9.	Law Book and Pappajack Holdings	Law Book Ching	Promoter, substantial shareholder and Executive Director	Substantial shareholder of Pappajack Holdings	Interests based on an annual rate of 4.00% to Law Book Ching in relation to advances of RM1,170,000 by Law Book Ching to Pappajack Holdings in the fourth quarter of the FYE 2020. The interests for the advances will commence from 1 January 2021 where the interests and principal amount will be repaid over 4 equal quarterly instalments commencing from 30 September 2022	-	-	-	19,500 (interests accrued for 5 months)
10.	Lim Siew Fang and Pappajack Holdings	Lim Siew Fang	Promoter and substantial shareholder	Substantial shareholder of Pappajack Holdings	Interests based on an annual rate of 4.00% to Lim Siew Fang in relation to advances of RM2,640,000 by Lim Siew Fang to Pappajack Holdings in the fourth quarter of the FYE 2020. The interests for the advances will commence from 1 January 2021 where the interests and principal amount will be repaid over 4 equal quarterly instalments commencing from 30 September 2022	-	-	-	44,000 (interests accrued for 5 months)

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting Parties	Interested Promoter/ Substantial Shareholder/ Director	Interest in Our Group	Nature of Interest in Related Party	Nature of Transaction	Transaction Value (RM)			
						FYE 2018	FYE 2019	FYE 2020	From 1 January 2021 up to the LPD
11.	Lim Chee Hsiung and Pappajack Holdings	Lim Chee Hsiung	Key Management	Shareholder of Pappajack Holdings	Interests based on an annual rate of 4.00% to Lim Chee Hsiung in relation to advances of RM36,000 by Lim Chee Hsiung to Pappajack Holdings in the fourth quarter of the FYE 2020. The interests for the advances will commence from 1 January 2021 where the interests and principal amount will be repaid over 4 equal quarterly instalments commencing from 30 September 2022	-	-	-	600 (interests accrued for 5 months)
12.	Lim Boon Hua and Pappajack Holdings	Lim Boon Hua	Promoter and substantial shareholder	Director and substantial shareholder of Pappajack Holdings	Interests paid based on an annual rate of 7.00% to Lim Boon Hua in relation to the redeemable preference shares of RM0.37 million issued by Pappajack Holdings. The preference shares were issued on 31 March 2020 for a tenure of 3 years and were subsequently redeemed via the proceeds from issuance of new ordinary shares of Pappajack Holdings in December 2020 Lim Boon Hua has agreed to waive 3 months of interests in relation to the redeemable preference shares of RM0.37 million issued by Pappajack Holdings	-	-	12,950 (interests for 6 months)	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting Parties	Interested Promoter/ Substantial Shareholder/ Director	Interest in Our Group	Nature of Interest in Related Party	Nature of Transaction	Transaction Value (RM)			
						FYE 2018	FYE 2019	FYE 2020	From 1 January 2021 up to the LPD
13.	Law Book Ching and Pappajack Holdings	Law Book Ching	Promoter, substantial shareholder and Executive Director	Substantial shareholder of Pappajack Holdings	Interests paid based on an annual rate of 7.00% to Law Book Ching in relation to the redeemable preference shares of RM1.00 million issued by Pappajack Holdings. The preference shares were issued on 31 May 2020 for a tenure of 3 years and were subsequently redeemed via the proceeds from issuance of new ordinary shares of Pappajack Holdings in December 2020 Law Book Ching has agreed to waive 1 month of interests in relation to the redeemable preference shares of RM1.00 million issued by Pappajack Holdings	-	-	35,000 (interests for 6 months)	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting Parties	Interested Promoter/ Substantial Shareholder/ Director	Interest in Our Group	Nature of Interest in Related Party	Nature of Transaction	Transaction Value (RM)			
						FYE 2018	FYE 2019	FYE 2020	From 1 January 2021 up to the LPD
14.	Lee Kooi Lan and Pappajack Holdings	Lee Kooi Lan	Shareholder	Spouse of Lim Boon Hua (Promoter, substantial shareholder and Managing Director/Chief Executive Officer)	Interests paid based on an annual rate of 7.00% to Lee Kooi Lan in relation to the redeemable preference shares of RM0.20 million issued by Pappajack Holdings. The preference shares were issued on 27 November 2019 for a tenure of 3 years and were subsequently redeemed via the proceeds from issuance of new ordinary shares of Pappajack Holdings in December 2020 Lee Kooi Lan has agreed to waive 1 month of interests in relation to the redeemable preference shares of RM0.20 million issued by Pappajack Holdings	-	-	14,000 (interests for 12 months)	-
15.	TSE Modul Development Sdn Bhd and PG TSE	Lim Boon Hua and Law Book Ching	Promoters, substantial shareholders and Directors	Lim Boon Hua and Law Book Ching are substantial shareholders of TSE Modul Development Sdn Bhd	Interests paid based on an annual rate of 7.00% to TSE Modul Development Sdn Bhd in relation to the loan of RM1.00 million extended by TSE Modul Development Sdn Bhd to PG TSE. The loan was extended on July 2018 and was fully repaid on November 2019	29,167 (interests for 5 months)	64,167 (interests for 11 months)	-	-

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting Parties	Interested Promoter/ Substantial Shareholder/ Director	Interest in Our Group	Nature of Interest in Related Party	Nature of Transaction	Transaction Value (RM)			
						FYE 2018	FYE 2019	FYE 2020	From 1 January 2021 up to the LPD
16.	PPJ Landas Emas and PPG Utama Kinrara Sdn Bhd (" PPG Utama Kinrara ")	Lim Boon Hua, Law Book Ching and Lim Siew Fang	Lim Boon Hua and Law Book Ching are our Promoters, substantial shareholders and Directors Lim Siew Fang is our Promoter and substantial shareholder	Lim Boon Hua, Law Book Ching and Lim Siew Fang are substantial shareholders of PPG Utama Kinrara	Payment of rental to PPG Utama Kinrara (as landlord) by PPJ Landas Emas (as tenant) for renting of the premises known as No. 11A, TK 1/ 11A, Taman Kinrara, Seksyen 1, 47180 Puchong, Selangor ⁽¹⁾	-	-	-	9,000
17.	PPJ Mandiri and KS Services Sdn Bhd (" KS Services ")	Lim Boon Hua and Lim Siew Fang	Lim Boon Hua is the promoter, substantial shareholder and Managing Director/ Chief Executive Officer Lim Siew Fang is our Promoter and substantial shareholder	Lim Boon Hua and Lim Siew Fang are directors and substantial shareholders of KS Services	Payment of rental to KS Services (as landlord) by PPJ Mandiri (as tenant) for renting of the premises known as No.69-LG & G, Jalan Melati Utama 4, Taman Melati Utama, 53100 Setapak, Kuala Lumpur ⁽¹⁾	-	-	-	96,000

Note:

(1) Further details of this rental arrangement is disclosed in Section 6.20.2 of this Prospectus.

Our Directors confirm that all the related party transactions outlined above between the Group and the Directors and/or substantial shareholders of the Company and/or persons connected to them were transacted on an arm's length basis and on normal commercial terms which are not unfavourable to our Group and are not detrimental to our minority shareholders.

10. RELATED PARTY TRANSACTIONS (Cont'd)**10.2 TRANSACTIONS ENTERED INTO THAT ARE UNUSUAL IN THEIR NATURE OR CONDITIONS**

Our Directors have confirmed there are no transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which we or any of our subsidiaries was a party in respect of the past 3 FYE 31 December 2018 to FYE 31 December 2020 and the subsequent financial period up to the LPD.

10.3 LOANS AND FINANCIAL ASSISTANCE MADE TO OR FOR THE BENEFIT OF RELATED PARTIES

Save as disclosed below, there are no outstanding loans (including guarantees of any kind) made by us or any of our subsidiaries to or for the benefit of our shareholders and related parties in respect of the past 3 FYE 31 December 2018 to FYE 31 December 2020 and the subsequent financial period up to the LPD.

	As at 31 December			As at LPD (RM'000)
	2018 (RM'000)	2019 (RM'000)	2020 (RM'000)	
Short-term				
Advances to shareholders #	19,705	2,079	-	-

Note:

The short-term advances to shareholders are in relation to the incorporation of Pappajack's subsidiaries for the operation of pawnbroking business. The advances to shareholders which include advances to our Promoters are set out as follows:

	FYE 2018 (RM'000)	FYE 2019 (RM'000)	FYE 2020 (RM'000)	From 1 January 2021 to LPD (RM'000)
Lim Boon Hua				
Amount advances to / balance carried forward	6,244	6,244	31	-
(Repayment of advances)	-	(6,213)	(31)	-
Balance	6,244	31	-	-
Law Book Ching				
Amount advances to / balance carried forward	1,628	1,628	9	-
(Repayment of advances)	-	(1,619)	(9)	-
Balance	1,628	9	-	-
Lim Siew Fang				
Amount advances to / balance carried forward	3,429	3,429	17	-
(Repayment of advances)	-	(3,412)	(17)	-
Balance	3,429	17	-	-

The advances to shareholders are unsecured and non-interests bearing. As at the LPD, all the advances to shareholders were fully repaid.

10. RELATED PARTY TRANSACTIONS *(Cont'd)*

10.4 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS

Our Board, through our Audit Committee, will ensure that any related party transactions (inclusive of recurrent related party transactions) are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to third parties dealing at arm's length and are not to the detriment of our Group.

Our Audit Committee will supervise the terms of related party transactions and our Directors will report related party transactions, if any, annually in our Company's annual report. In the event there are any proposed related party transactions that involve the interest, direct or indirect, of our Directors, the interested Director(s) shall disclose his interest to our Board, of the details of the nature and extent of his interest, including all matters in relation to the proposed related-party transactions that he is aware or should reasonably be aware of, which is not in our best interests. The interested Director(s) shall also abstain from any Board deliberation and voting on the relevant resolution(s) in respect of such proposed related-party transactions.

In the event there are any proposed related party transactions that require the prior approval of shareholders, the Directors, major shareholders and/or persons connected with a Director or major shareholder, which have any interest, direct or indirect, in the proposed related party transaction will abstain from voting in respect of their direct and/or indirect shareholdings. Where a person connected with a Director or major shareholder has interest, direct or indirect, in any proposed related party transactions, the Director or major shareholder concerned will also abstain from voting in respect of his direct and/or indirect shareholdings. Such interested Directors and/or major shareholders will also undertake that he shall ensure that the persons connected with them will abstain from voting on the resolution approving the proposed related party transaction at the general meeting.

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