

PAPPAJACK BERHAD
(Company No. 202001042414) (1398735 - V)
(Incorporated in Malaysia)
INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED
31 DECEMBER 2022

PAPPAJACK BERHAD

(Company No. 202001042414) (1398735 - V)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

UNAUDITED CONDENSED COMBINED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ⁽¹⁾

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31/12/2022	31/12/2021 ⁽¹⁾	31/12/2022	31/12/2021 ⁽¹⁾
		INDIVIDUAL QUARTER RM'000	INDIVIDUAL QUARTER RM'000	CUMULATIVE QUARTER RM'000	CUMULATIVE QUARTER RM'000
Revenue		20,350	N/A	70,007	N/A
Cost of sales		(13,234)	N/A	(47,685)	N/A
Gross profit		7,116	N/A	22,322	N/A
Other income		18	N/A	268	N/A
		7,134	N/A	22,590	N/A
Administrative expenses		(384)	N/A	(6,880)	N/A
Depreciation and amortisation		(114)	N/A	(221)	N/A
		(498)	N/A	(7,101)	N/A
Profit from operations		6,636	N/A	15,489	N/A
Finance costs		(261)	N/A	(864)	N/A
Profit before taxation	B4	6,375	N/A	14,625	N/A
Income tax expense	B5	(2,483)	N/A	(4,463)	N/A
Profit after taxation		3,892	N/A	10,162	N/A
Other comprehensive income		-	-	-	-
Total comprehensive income for the financial period		3,892	N/A	10,162	N/A

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UNAUDITED CONDENSED COMBINED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(CONTINUED) ⁽¹⁾

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		31/12/2022	31/12/2021 ⁽¹⁾	31/12/2022	31/12/2021 ⁽¹⁾
		RM'000	RM'000	RM'000	RM'000
Profit after taxation attributable to:					
Owners of the Company		3,705	N/A	10,134	N/A
Non-Controlling Interests		7	N/A	28	N/A
		<u>3,712</u>	<u>N/A</u>	<u>10,162</u>	<u>N/A</u>
Total comprehensive income attributable to:					
Owners of the Company		3,705	N/A	10,134	N/A
Non-Controlling Interests		7	N/A	28	N/A
		<u>3,712</u>	<u>N/A</u>	<u>10,162</u>	<u>N/A</u>
Earnings per share (sen) ^{(2) (3)}					
Basic/Diluted	B12	<u>0.55</u>	<u>N/A</u>	<u>1.62</u>	<u>N/A</u>

Notes:

- (1) This is the first interim financial report for the fourth quarter ended 31 December 2022 being announced in compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). There are no comparative figures for the preceding corresponding quarter and period as there is no interim financial report prepared for the comparative period concerned.
- (2) For the individual quarter, computed based on profit attributable to owners of the Company divided by the number of ordinary shares in issue of 668,000,000, whilst for the cumulative quarter, computed based on profit attributable to owners of the Company divided by the average number of ordinary shares in issue of 626,250,000.
- (3) Diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

N/A Not applicable

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UNAUDITED CONDENSED COMBINED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31/12/2022 RM'000	Audited As at 31/12/2021 RM'000
ASSETS		
Non-Current Assets		
Property and equipment	11,402	9,718
Investment property	1,309	1,328
Deferred tax asset	898	-
Total Non-Current Assets	<u>13,609</u>	<u>11,046</u>
Current Assets		
Inventories	4,185	4,880
Trade receivables	176,082	99,266
Other receivables, deposits, and prepayments	1,686	2,422
Current tax assets	738	721
Cash and bank balances	23,962	16,574
Total Current Assets	<u>206,653</u>	<u>123,863</u>
TOTAL ASSETS	<u>220,262</u>	<u>134,909</u>

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UNAUDITED CONDENSED COMBINED STATEMENT OF FINANCIAL POSITION (CONTINUED)

		Unaudited As at 31/12/2022	Audited As at 31/12/2021
	Note	RM'000	RM'000
EQUITY AND LIABILITIES			
EQUITY			
Invested equity		156,589	106,940
Reorganisation deficit		(11,518)	(10,437)
Reserves		28,432	18,298
Equity attributable to owners of the Company		173,503	114,801
Non-controlling interests		788	760
TOTAL EQUITY		174,291	115,561
LIABILITIES			
Non-Current Liabilities			
Other payables		-	6,000
Lease liabilities	B8	5,734	4,167
Loan and borrowing	B8	642	694
Deferred tax liabilities		20	53
Total Non-Current Liabilities		6,396	10,914
Current Liabilities			
Other payables and accruals		10,286	6,960
Lease liabilities	B8	1,643	1,145
Loan and borrowing	B8	26,696	55
Current tax liabilities		950	274
Total Current Liabilities		39,575	8,434
TOTAL LIABILITIES		45,971	19,348
TOTAL EQUITY AND LIABILITIES		220,262	134,909
Net assets per share attributable to ordinary equity holders (RM) ⁽¹⁾		0.26	0.23

Note:

- (1) Computed based on total equity attributable to owners of the Company divided by the number of ordinary shares of 668,000,000 (31/12/2022) and 501,000,000 (31/12/2021).

UNAUDITED CONDENSED COMBINED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾

	Invested Equity RM'000	Reorganisation Deficit RM'000	Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Balance as at 1/1/2021	106,940	(10,437)	11,511	108,014	776	108,790
Total comprehensive income for the financial year	-	-	6,787	6,787	(16)	6,771
Balance as at 31/12/2021	106,940	(10,437)	18,298	114,801	760	115,561
Issuance of shares pursuant to IPO	50,100	-	-	50,100	-	50,100
Reorganisation deficit	-	(1,081)	-	(1,081)	-	(1,081)
Listing expenses	(451)	-	-	(451)	-	(451)
Total comprehensive income for the financial period	-	-	10,134	10,134	28	10,162
Balance as at 31/12/2022	156,589	(11,518)	28,432	173,503	788	174,291

Note:

- (1) This is the first interim financial report for fourth quarter ended 31 December 2022 being announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and period as there is no interim financial report prepared for the comparative period concerned.

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UNAUDITED CONDENSED COMBINED STATEMENT OF CASH FLOWS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/12/2022	31/12/2021 ⁽¹⁾	31/12/2022	31/12/2021 ⁽¹⁾
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	RM'000	RM'000	RM'000	RM'000
<u>CASH FLOWS USED IN OPERATING ACTIVITIES</u>				
Profit before taxation	6,375	N/A	14,625	N/A
Adjustments for:				
Depreciation of:				
-investment properties	5	N/A	19	N/A
-property and equipment	736	N/A	2,381	N/A
Interest expense	261	N/A	864	N/A
Interest income	(2)	N/A	(105)	N/A
Operating profit before working capital changes	7,375	N/A	17,784	N/A
(Increase)/Decrease in inventories	(166)	N/A	695	N/A
Increase in trade and other receivables	(22,920)	N/A	(77,612)	N/A
Decrease in trade and other payables	(2,768)	N/A	(2,674)	N/A
Net cash used in operations	(18,479)	N/A	(61,807)	N/A
Income tax paid	(1,821)	N/A	(4,735)	N/A
Net cash used in operating activities	(20,300)	N/A	(66,542)	N/A
<u>NET CASH USED IN INVESTING ACTIVITIES</u>				
Purchase of property and equipment	(1,647)	N/A	(4,065)	N/A

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UNAUDITED CONDENSED COMBINED STATEMENT OF CASH FLOWS (CONTINUED) ⁽¹⁾

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/12/2022	31/12/2021 ⁽¹⁾	31/12/2022	31/12/2021 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
<u>CASH FLOWS USED IN FINANCING ACTIVITIES</u>				
Proceeds from IPO	-	N/A	50,100	N/A
Drawdown of revolving credit	26,641	N/A	26,641	N/A
Interest received	2	N/A	105	N/A
Interest paid	(261)	N/A	(864)	N/A
Net change to lease liabilities	1,279	N/A	2,065	N/A
Repayment of term loans	(4)	N/A	(52)	N/A
Net cash used in financing activities	<u>27,657</u>	<u>N/A</u>	<u>77,995</u>	<u>N/A</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	5,710	N/A	7,388	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>18,252</u>	<u>N/A</u>	<u>16,574</u>	<u>N/A</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>23,962</u>	<u>N/A</u>	<u>23,962</u>	<u>N/A</u>

Note:

- (1) This is the first interim financial report for fourth quarter ended 31 December 2022 being announced in compliance with the Listing Requirements of Bursa Securities. There are no comparative figures for the preceding corresponding quarter and period as there is no interim financial report prepared for the comparative period concerned.

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A. SELECTED EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) NO. 134 - INTERIM FINANCIAL REPORTING

A1. BASIS OF PREPARATION

The interim financial report of Pappajack Berhad and its subsidiaries (“Group”) have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board and Rule 9.22 of the Listing Requirements of Bursa Securities. These condensed combined interim financial statements also comply with International Accounting Standards (“IAS”) 34, *Interim Financial Reporting* issued by the International Accounting Standards Board.

This is the first interim financial report of condensed combined interim financial statements for the fourth quarter ended 31 December 2022 being announced by the Group in compliance with the Listing Requirements of Bursa Securities. As such, there are no comparative figures for the preceding corresponding period.

A2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and presentations adopted by the Group in this interim financial report are consistent with those adopted in the preparation of the Accountants’ Report as disclosed in the Prospectus for the adoption of following Amendments to MFRSs:

- (a) the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

MFRSs and/or IC Interpretations (including the consequential amendments)	Effective Date
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s interim financial report.

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A2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (a) The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective for the current financial period:

MFRSs and/or IC Interpretations (including the consequential amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

A3. AUDITORS’ REPORT

The audited combined financial statements of the Group for the financial years ended 31 December 2021, 2020, 2019 and 2018 and the financial period ended 30 September 2021 were not subject to any qualification.

A4. SEASONAL AND CYCLICAL FACTORS

The business of the Group is not affected by any significant seasonal or cyclical factors.

A5. UNUSUAL ITEMS

There was no unusual item affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter under review.

A6. CHANGES IN ESTIMATES

There were no major changes in estimates that have had material effect on the results of the current quarter under review.

A7. DEBT AND EQUITY SECURITIES

Save as disclosed below, there are no other issuance, cancellation, repurchase, resale or repayment of debt and equity securities to the end of the interim financial period of 31 December 2022:

	Amount RM'000	Number of Shares
Issued and fully paid shares	156,589	668,000,000

The share capital of the Company increased to RM156,588,547 comprising 668,000,000 shares upon completion of the IPO, as set out in Note B6 below.

A8. DIVIDEND PAID

There was no dividend paid during the current quarter under review.

A9. SEGMENTAL INFORMATION

Operating segments are prepared in a manner consistent with the internal reporting provided to the management as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their revenue stream, namely pawnbroking interest charges and sale of unredeemed or bid pledges. No segmental analysis by geographical is prepared as the Group operates predominantly in Malaysia.

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A9. SEGMENTAL INFORMATION (CONTINUED)

No comparative figures for the preceding corresponding quarter are available as this is the first interim financial report on the combined results for the fourth quarter ended 31 December 2022 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

<u>Operating segment</u>	Pawnbroking interest charges RM'000	Sales of unredeemed or bid pledges RM'000	Group RM'000
Individual quarter ended 31/12/2022			
Revenue	8,537	11,813	20,350
Results			
Segment gross profit	6,436	680	7,116
Other income			18
Administrative expenses			(384)
Depreciation and amortisation			(114)
Finance costs			(261)
Profit before taxation			6,375
Income tax expense			(2,483)
Profit after taxation			3,892
Cumulative quarter ended 31/12/2022	RM'000	RM'000	RM'000
Revenue	27,754	42,253	70,007
Results			
Segment gross profit	20,646	1,676	22,322
Other income			268
Administrative expenses			(6,880)
Depreciation and amortisation			(221)
Finance costs			(864)
Profit before taxation			14,625
Income tax expense			(4,463)
Profit after taxation			10,162

A10. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE INTERIM FINANCIAL PERIOD

Save as disclosed in Note B6 below, there are no other significant events subsequent to the end of the interim financial period.

A11. SIGNIFICANT RELATED PARTY TRANSACTIONS

The related party transactions described below were carried out on terms and conditions negotiated amongst the parties. The significant related party transactions are as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Period ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Directors:				
-interest on shareholders' loan	46	N/A	228	N/A
-rental expense	56	N/A	196	N/A
Key management personnel:				
-interest on shareholders' loan	*	N/A	1	N/A
	<u>102</u>	<u>N/A</u>	<u>425</u>	<u>N/A</u>

*- negligible, less than RM500.

The rental paid or payable to companies of which certain directors have interests are derived from office spaces provided by PPG Utama Kinrara Sdn Bhd and KS Services Sdn Bhd. Details of the office spaces are as disclosed in the Prospectus of the Company dated 11 March 2022.

No comparative figures for the preceding corresponding quarter are available as this is the first interim financial report on the combined results for the fourth quarter ended 31 December 2022 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

A12. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There were no contingent assets and contingent liabilities as at the end of the interim financial period.

A13. CAPITAL COMMITMENTS

There were no material commitments during the end of the interim financial period.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. REVIEW OF PERFORMANCE FOR CURRENT QUARTER AND FINANCIAL PERIOD TO DATE

To date, the Group operates 30 pawnbroking outlets, an increase of 5 pawnbroking outlets since our IPO.

The Group derived revenue of RM20.35 million and RM70.01 million for the individual quarter ("4Q2022") and cumulative quarter ended 31 December 2022 ("FYE2022") respectively.

Revenue from pawnbroking was RM8.54 million for the 4Q2022 and RM27.75 million for the FYE2022, representing 41.95% (4Q2022) and 39.64% (FYE2022) of total revenue respectively.

Whereas revenue from sale of unredeemed or bid pledges was RM11.81 million for the 4Q2022 and RM42.25 million for the FYE2022 respectively, accounting for 58.05% (4Q2022) and 60.36% (FYE2022) of total revenue respectively.

The Group's overall gross profit recorded was RM7.12 million for the 4Q2022 and RM22.32 million for the FYE2022, derived from:

- (i) Pawnbroking segment amounting to RM6.44 million for the 4Q2022 and RM20.65 million for the FYE2022 respectively, representing gross profit margin of 75.39% (4Q2022) and 74.39% (FYE2022) respectively; and
- (ii) Sale of unredeemed or bid pledges segment amounting to RM0.68 million for the 4Q2022 and RM1.68 million for the FYE2022, representing gross profit margin of 5.76% (3Q2022) and 3.97% (FYE2022) respectively.

The above gave rise to overall gross profit margin of 34.97% for the 4Q2022 and 31.89% for the FYE2022 respectively.

The continuous increase in the deployment of pawn loans has contributed to the increase of gross profit margin of the pawnbroking segment during the 4Q2022.

The Group recorded profit before interest, taxation, depreciation and amortization of RM7.38 million for the 4Q2022 and RM17.78 million for the FYE2022 respectively, after taking into consideration of part of the listing expenses in respect to our IPO totaled more than RM2.00 million for the FYE2022.

Consequently, the Group recorded profit after tax of RM3.89 million for the 4Q2022 and RM10.16 million for the FYE2022 respectively.

No comparative figures for the preceding corresponding quarter are available as this is the first interim financial report on the combined results for the fourth quarter ended 31 December 2022 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

B2. PROSPECTS

The Group, with its proceeds from its IPO on the ACE Market of Bursa Securities, is undergoing its expanding of its network of pawnbroking outlets and at the same time penetrate into new geographical markets within Peninsular Malaysia. The Group has opened and operate additional 5 pawnbroking outlets within Peninsular Malaysia since the IPO.

By expanding the Group's network of pawnbroking outlets, the Group would be able to increase its market presence and serve a wider customer base. The expansion will support and contribute positively to the Group's financial performance.

The Group is experiencing growing traffic at its pawnbroking outlets and increase in deployment of pawn loans.

The Group strive to increase its cash capital from various funding source for the purpose of furtherance the deployment of pawn loans, as well as continuously expanding its pawnbroking outlets by opening new outlets and via market opportunities.

The Management expects the Group's expansion plan will get traction and towards favorable direction to the Group's financial performance in years to come.

B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST OR PROFIT GUARANTEE

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

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B4. PROFIT BEFORE TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Period ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Profit before taxation is arrived at after charging/(crediting):				
Depreciation of:				
-investment properties	5	N/A	19	N/A
-property, plant and equipment	736	N/A	2,381	N/A
Interest expense	261	N/A	864	N/A
Interest income	(2)	N/A	(105)	N/A
Rental income from investment property	(17)	N/A	(50)	N/A

No comparative figures for the preceding corresponding quarter are available as this is the first interim financial report on the combined results for the fourth quarter ended 31 December 2022 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

B5. INCOME TAX EXPENSE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter ended		Period ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	RM'000	RM'000	RM'000	RM'000
Current tax recognised in profit or loss:				
-Malaysian income tax	2,483	N/A	4,463	N/A
Effective tax rate (%)	39	N/A	31	N/A

No comparative figures for the preceding corresponding quarter are available as this is the first interim financial report on the combined results for the fourth quarter ended 31 December 2022 announced by the Company in compliance with the Listing Requirements of Bursa Securities.

B6. STATUS OF CORPORATE PROPOSAL

In conjunction with and as an integral part of the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Securities, the following listing scheme was successfully undertaken by the Company:

(i) Acquisition of Pappajack Holdings Berhad (“PHB”)

On 27 January 2022, the Company completed the acquisition of the entire issued share capital of Pappajack Holdings Berhad, comprising 103,230,866 ordinary shares from its vendors for a total purchase consideration of RM108,020,897 (“Acquisition of PHB”). The purchase consideration of RM108,020,897 was arrived at on a “willing-buyer willing-seller” basis, after taking into consideration the net asset (excluding the non-controlling interests) of PHB of RM108,020,897 as at 31 December 2020.

The Acquisition of PHB was wholly satisfied via the issuance of 500,999,999 new ordinary shares of the Company (“Shares”) at an issue price of approximately RM0.2156 per Share.

After the completion of the issuance of Shares, the issued share capital of the Company is RM108.02 million, comprising 501,000,000 Shares.

(ii) Listing exercise

In conjunction with the Company’s listing on the ACE Market of Bursa Securities, on 11 March 2022, the Company issued its Prospectus for its IPO entailing the following:

- (a) 33,400,000 new Ordinary Shares available for application by the Malaysian public;
- (b) 6,680,000 new Ordinary Shares available for application by the eligible persons;
- (c) 83,500,000 new Ordinary Shares available for private placement to identified Bumiputera Investors approved by the Ministry of International Trade and Industry; and
- (d) 43,420,000 new Ordinary Shares available for private placement to selected investors.

at an IPO price of RM0.30 per Share.

On 1 April 2022, the Company successfully completed the IPO and was admitted to the Official List of Bursa Securities and the Company’s entire enlarged issued share capital of 668,000,000 Ordinary Shares was listed and quoted on the ACE Market of Bursa Securities.

B7. UTILISATION OF PROCEEDS FROM THE IPO

As disclosed in the Prospectus of the Company, the gross proceeds from the IPO amounting to RM50.10 million were utilised in the following manner:

Details of Use of Proceeds	Proposed Utilisation RM'000	Utilised Amount RM'000	To be Utilised RM'000	Estimated Timeframe for Utilisation Upon Listing
Expansion of pawnbroking outlets	19,220	19,220	-	Within 12 months
Cash capital for our existing 20 pawnbroking outlets	27,080	27,080	-	Within 12 months
Listing expenses	3,800	3,800	-	Immediate
	<u>50,100</u>	<u>50,100</u>	-	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company.

B8. BORROWINGS

	Unaudited As at 31/12/2022 RM'000	Audited As at 31/12/2021 RM'000
Non-current		
Loan and borrowing (secured)	642	694
Lease liabilities (unsecured)	5,734	4,167
	<u>6,376</u>	<u>4,861</u>
Current		
Loan and borrowing (secured)	26,696	55
Lease liabilities (unsecured)	1,643	1,145
	<u>28,339</u>	<u>1,200</u>
Total borrowings		
Loan and borrowing (secured)	27,338	749
Lease liabilities (unsecured)	7,377	5,312
	<u>34,715</u>	<u>6,061</u>

B9. DERIVATIVES

The Group did not enter into any derivatives during the current quarter under review.

B10. MATERIAL LITIGATION

There are no litigation or arbitration which have a material effect on the financial position of the Group. The Board of Directors is not aware of any pending proceedings or of any fact likely to give rise to any proceedings as at the date of this interim financial report.

B11. DIVIDEND PROPOSED

No dividend was proposed for the current quarter under review.

B12. EARNING PER SHARES (“EPS”)

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 31/12/2022	Quarter ended 31/12/2021	Period ended 31/12/2022	Period ended 31/12/2021
Profit attributable to owners of the Company	RM'000	3,705	N/A	10,134	N/A
Number of ordinary shares in issue ⁽¹⁾	'000	668,000	N/A	626,250	N/A
Basic/Diluted EPS ⁽²⁾	sen	0.55	N/A	1.62	N/A

Notes:

- (1) For the 4Q2022, computed based on profit attributable to owners of the Company divided by the number of ordinary shares in issue of 668,000,000, whilst for the FYE2022, computed based on profit attributable to owners of the Company divided by the average number of ordinary shares in issue of 626,250,000.
- (2) Diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

Other disclosure items pursuant to Appendix 9B, Note 16 of the Listing Requirements are not applicable.

BY ORDER OF THE BOARD
PAPPAJACK BERHAD
22 February 2023