

#### 4. DETAILS OF OUR IPO

##### 4.1 OPENING AND CLOSING OF APPLICATIONS

Application for our IPO Shares will open at 10.00 a.m. on [●] and will remain open until 5.00 p.m. on [●].

**Late Applications will not be accepted.**

##### 4.2 INDICATIVE TIMETABLE

An indicative timetable of our IPO is set out below:

Events	Indicative Date
Issuance of Prospectus/Opening of Application	10.00 a.m., [●]
Closing of Application	10.00 a.m., [●]
Balloting of Application	[●]
Allotment/Transfer of our IPO Shares to successful applicants	[●]
Listing	[●]

In the event there is any change to the timetable, we will advertise a notice of change in a widely circulated English and Bahasa Malaysia daily newspapers in Malaysia and announce it on Bursa Securities' website accordingly.

##### 4.3 PARTICULARS OF OUR IPO

###### 4.3.1 Public Issue

A total of 100,000,000 Issue Shares, representing 20.00% of our enlarged total number of Shares are offered at the IPO Price. The Issue Shares shall be allocated in the following manner:

###### (i) Malaysian Public

25,000,000 Issue Shares, representing 5.00% of our enlarged total number of Shares, will be made available for application by the Malaysian Public through a balloting process as follows:

- (a) 12,500,000 Issue Shares will be made available to public investors; and
- (b) 12,500,000 Issue Shares will be made available to Bumiputera public investors.

**4. DETAILS OF OUR IPO (CONT'D)**

**(ii) Eligible Directors, employees of our Group and persons who have contributed to our success**

10,000,000 Issue Shares, representing 2.00% of our enlarged total number of Shares, will be reserved for application by the eligible Directors, employees of our Group and persons who have contributed to our success in the following manner:

<b>Category</b>	<b>Number of persons</b>	<b>Number of Issue Shares allocated</b>
Eligible Directors of our Company <sup>(1)</sup>	7	2,100,000
Eligible employees of our Group <sup>(2)</sup>	47	5,700,000
Persons who have contributed to our success <sup>(3)</sup>	5	2,200,000
<b>Total</b>	<b>59</b>	<b>10,000,000</b>

**Notes:**

(1) *The criteria of allocation to our eligible Directors are based on, amongst others, their respective roles and responsibilities in our Group.*

*The number of Issue Shares under the Pink Form Allocations to be allocated to our eligible Directors is set out below:*

<b>Name of Directors</b>	<b>Designation</b>	<b>Number of Issue Shares allocated</b>
<i>Lim Chor Ghee</i>	<i>Independent Non-Executive Chairman</i>	<i>300,000</i>
<i>See Chin Joo</i>	<i>Executive Director</i>	<i>300,000</i>
<i>Ooi Kok Hong</i>	<i>Executive Director</i>	<i>300,000</i>
<i>Quah Bee Fong</i>	<i>Independent Non-Executive Director</i>	<i>300,000</i>
<i>Elaine Law Soh Ying</i>	<i>Independent Non-Executive Director</i>	<i>300,000</i>
<i>Puar Chin Jong</i>	<i>Independent Non-Executive Director</i>	<i>300,000</i>
<i>Ku Chia Loon</i>	<i>Non-Independent Non-Executive Director</i>	<i>300,000</i>
<b>Total</b>		<b>2,100,000</b>

(2) *The criteria of allocation to our eligible employees (as approved by our Board) are based on, amongst others, the following factors:*

(i) *the eligible employee must be a full time and confirmed employee and on the payroll of our Group; and*

(ii) *the number of Issue Shares allocated to our eligible employees is based on their seniority, position, length of service, past performance and respective contribution made to our Group as well as other factors deemed relevant by our Board.*

**4. DETAILS OF OUR IPO (CONT'D)**

*The number of Issue Shares allocated under this category is inclusive of the allocation to our key senior management. The number of Issue Shares to be allocated to our key senior management under the Pink Form Allocations is set out below:*

<b><i>Name of key senior management</i></b>	<b><i>Designation</i></b>	<b><i>Number of Issue Shares allocated</i></b>
<i>Leong Mei Cian</i>	<i>Head of Planning</i>	<i>400,000</i>
<i>Mohd Faizal Bin Mohd Wazir</i>	<i>Head of Animation</i>	<i>400,000</i>
<b><i>Total</i></b>		<b><i>800,000</i></b>

- (3) *The number of Pink Form Allocations to persons who have contributed to our success comprising, amongst others, our suppliers and business associates shall be based on their length of business relationship with our Group, the level of their current and past contribution and support to our Group and as approved by our Board.*

As at the LPD, to the extent known to our Company:

- (i) save as disclosed in Section 4.3.1(ii) of this Prospectus, there are no substantial shareholders, Directors or key senior management of our Company who have indicated that they intend to subscribe for the IPO Shares; and
- (ii) there is no person who have indicated that they intend to subscribe for more than 5.00% of our IPO Shares.

**(iii) Private placement**

65,000,000 Issue Shares, representing 13.00% of our enlarged number of issued Shares, will be made available by way of private placement to selected investors.

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#### 4. DETAILS OF OUR IPO (CONT'D)

##### 4.3.2 Offer for Sale

Concurrent with the Public Issue, the Offerors will offer 100,000,000 Offer Shares representing 20.00% of our enlarged total number of Shares, by way of private placement to selected investors at the IPO Price. The Offer Shares to be offered by each Offerors and their respective shareholdings in our Company before and after our IPO are as follows:

Name	Address	Position / Relationship with our Group	Shareholdings before our IPO		Offer for Sale			Shareholdings after Offer for Sale/our IPO	
			No. of Shares	(1) %	No. of Shares	(1) %	(2) %	No. of Shares	(2) %
Koo Hong @ Ku Hong Hai	BB-38-01 10 Mont' Kiara No. 4 Jalan Kiara 1 50480 Kuala Lumpur	Substantial shareholder	136,266,664	34.07	60,000,084	15.00	12.00	76,266,580	15.25
Tri Dynasty Holdings Sdn Bhd	9G Jalan Industri PBP 3/2 Taman Industri Pusat Bandar Puchong 47100 Selangor	Shareholder	18,168,885	4.54	8,000,011	2.00	1.60	10,168,874	2.03
Eng Lian Management Sdn Bhd	Tingkat 4, Lin Ho Building 15, Jalan Hang Lekiu 50100 Kuala Lumpur	Shareholder	9,084,443	2.27	4,000,006	1.00	0.80	5,084,437	1.02
Lu Pat Sdn Bhd	6 & 8 Jalan Gereja 3 <sup>rd</sup> Floor 50100 Kuala Lumpur	Shareholder	9,084,443	2.27	4,000,006	1.00	0.80	5,084,437	1.02
Tham Choy Yong	No. 79, Jalan SS2/41 47300 Petaling Jaya Selangor	Shareholder	44,513,455	11.13	19,599,887	4.90	3.92	24,913,568	4.98
Chang Tat Cyan	No. 65, Jalan SS21/3 Damansara Utama 47400 Petaling Jaya Selangor	Shareholder	9,992,891	2.50	4,400,006	1.10	0.88	5,592,885	1.12
<b>Total</b>			<b>227,110,781</b>	<b>56.78</b>	<b>100,000,000</b>	<b>25.00</b>	<b>20.00</b>	<b>127,110,781</b>	<b>25.42</b>

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**4. DETAILS OF OUR IPO (CONT'D)**

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**Notes:**

- (1) *Based on the total number of 400,000,000 Shares after the completion of the Acquisition and before our IPO.*
- (2) *Based on the enlarged total number of 500,000,000 Shares after our IPO.*

Our Offerors are also Specified Shareholders in our Group, whereby a moratorium will be imposed on the sale, transfer or assignment of Shares held by them as set out in Section 2.2 of this Prospectus.

Based on the IPO Price, the Offer for Sale will raise gross proceeds of approximately RM[●], which will accrue entirely to our Offerors. Our Offerors will bear all the expenses relating to the Offer for Sale, which is estimated to be approximately RM[●].

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#### 4. DETAILS OF OUR IPO (CONT'D)

##### 4.3.3 Underwriting arrangement and allocation of our IPO Shares

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

	Issue Shares		Offer Shares		IPO Shares	
	No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(1)%
<b>Retail Offering</b>						
- Malaysian Public (via balloting)	25,000,000	5.00	-	-	25,000,000	5.00
- Eligible Directors, employees of our Group and persons who have contributed to our success	10,000,000	2.00	-	-	10,000,000	2.00
<b>Private placement</b>						
- Selected investors	65,000,000	13.00	100,000,000	20.00	165,000,000	33.00
<b>Total</b>	<b>100,000,000</b>	<b>20.00</b>	<b>100,000,000</b>	<b>20.00</b>	<b>200,000,000</b>	<b>40.00</b>

**Note:**

(1) Based on the enlarged total number of 500,000,000 Shares after our IPO.

The retail offering has been fully underwritten, while the private placement is not underwritten. Irrevocable undertakings will be obtained from the identified selected investors to subscribe for our IPO Shares available under the private placement.

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:

- (i) to broaden our Company's shareholding base to meet the public shareholding spread requirements of Bursa Securities; and
- (ii) to establish a liquid and adequate market for our Shares.

##### 4.3.4 Clawback and re-allocation

Our IPO Shares will be subject to the following clawback and reallocation provisions:

- (i) any Issue Shares not subscribed for under the Pink Form Allocations will be made available for application by other eligible Directors, employees of our Group and person who have contributed to our success who have applied for excess IPO Shares in addition to their pre-determined allocation ("**Excess IPO Shares**") and will be allocated on a fair and equitable basis in the following priority:
  - (a) firstly, allocation on a pro-rata basis to our eligible Directors and employees of our Group who have applied for Excess IPO Shares based on the number of Excess IPO Shares applied for;
  - (b) secondly, allocation of any balance Excess IPO Shares after item (a) above on a pro-rata basis to persons who have contributed to the success of our Group who have applied for the Excess IPO Shares based on the number of Excess IPO Shares applied for; and

#### 4. DETAILS OF OUR IPO (CONT'D)

- (c) thirdly, to minimise odd lots.
- (ii) after (i) above, if any of our Issue Shares made available to the eligible Directors, employees of our Group and persons who have contributed to our success under the Pink Form Allocations are undersubscribed, such Issue Shares will be made available for application by way of private placement to selected investors;
- (iii) if there is an under-subscription in the private placement to selected investors and there is an over-subscription by the Malaysian Public, our Issue Shares may be clawed back from the private placement to selected investors and reallocated to the Malaysian Public; and
- (iv) if there is an under-subscription by the Malaysian Public and there is an over-subscription in the private placement to selected investors, our Issue Shares may be clawed back from the allocation to Malaysian Public and reallocated to selected investors via private placement.

Any Issue Shares made available for application by the Malaysian Public, and the eligible Directors, employees of our Group and persons who have contributed to our success, not applied for after being subject to the clawback and reallocations provisions above will be underwritten by the Underwriter based on the terms of the Underwriting Agreement.

The clawback and reallocation provisions will not apply in the event there is an over-subscription of the Issue Shares allocated to the Malaysian Public and Pink Form Allocations.

##### 4.3.5 Minimum and over-subscription

There is no minimum subscription to be raised from our IPO. However, in order to comply with the public spread requirements of Bursa Securities, the minimum subscription in terms of the number of IPO Shares will be the number of IPO Shares required to be held by public shareholders to comply with the public spread requirement as set out in the Listing Requirements or as approved by Bursa Securities. There is no over-allotment or “greenshoe” option that will result in an increase in the number of our IPO Shares.

In the event of an over-subscription, acceptance of Application by the Malaysian Public shall be subject to ballot to be conducted in a manner approved by our Directors.

Under the Listing Requirements, at least 25.00% of our enlarged share capital for which listing is sought must be in the hands of a minimum of 200 public shareholders, each holding not less than 100 Shares upon our Admission. We expect to meet the public shareholding requirement at the point of our Listing. If we fail to meet the said requirement, we may not be allowed to proceed with our Listing.

In such an event, we will return in full, without interest, all monies paid in respect of all Applications. If any such monies are not repaid within 14 days after we become liable to do so, the provision of sub-section 243(2) of the CMSA shall apply accordingly.

##### 4.3.6 LTIP

In conjunction with our Listing, we established a LTIP of up to 10.00% of the total number of issued Shares of our Company, comprising ESOS and ESGS, to be granted to the Eligible Persons.

The LTIP is intended to provide our Company with the flexibility to determine the most appropriate instrument or combination of instruments to reward and retain Eligible Persons whose services are vital to the continued growth and performance of our Group. It is also intended to incentivise the Eligible Persons for their commitment, dedication and loyalty towards attainment of higher performance.

**4. DETAILS OF OUR IPO (CONT'D)**

The LTIP will be administered by the LTIP Committee and will be governed by the By-Laws. The members of the LTIP Committee will comprise one of our Executive Director and two of our Independent Non-Executive Directors as follows:

<b>Name</b>	<b>Designation</b>	<b>Directorship</b>
See Chin Joo	Chairman	Executive Director
Lim Chor Ghee	Member	Independent Non-Executive Director
Quah Bee Fong	Member	Independent Non-Executive Director

The ESOS involves the grant of options to the Eligible Persons to subscribe for new Shares in our Company throughout the duration of the LTIP at a subscription price per Share to be determined in accordance with the By-Laws, whereas the ESGS involves grant of Shares in our Company to the Eligible Persons, i.e. the Eligible Persons are not required to pay any subscription price for the Shares in our Company.

In implementing the LTIP, the LTIP Committee may, at its discretion, decide that any vesting of Shares comprised in an award under the LTIP ("**LTIP Award**") shall be satisfied through:

- (i) the issuance of new Shares;
- (ii) the acquisition and transfer of existing Shares (including treasury shares, if any);
- (iii) any other methods as may be permitted by the Act; or
- (iv) a combination of any of the above.

In considering the modes of satisfaction as referred to in (i) to (iv) above, the LTIP Committee will take into consideration factors such as, amongst others, the prevailing market price of the Shares, funding considerations, dilutive effects of any such issuance on our Company's share capital base, and cash requirements of our Group.

The salient features of the LTIP are as follows:

(i) **Maximum number of Shares available under the LTIP**

Not more than 10.00% of the total number of issued Shares of our Company (excluding treasury shares, if any) at any one time throughout the duration of the LTIP.

(ii) **Maximum allowable allocation and basis of allocation**

At the sole and absolute discretion of the LTIP Committee after taking into consideration, inter alia, the seniority, job grading, length of service and/or contribution to our Group by the Eligible Persons and/or other matters which the LTIP Committee may in its sole and absolute discretion deem fit, subject always to the following:

- (a) Eligible Persons do not participate in the deliberation or discussion of their own allocation and the allocation to any person connected with them;
- (b) the number of Shares allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20.00% or more in the total number of issued Shares (excluding treasury shares) of our Company, shall not exceed 10.00% of the total number of Shares to be made available under the LTIP; and



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**4. DETAILS OF OUR IPO (CONT'D)**

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- (c) not more than 80.00% of the new Shares available under the ESOS and ESGS shall be allocated in aggregate to the executive Directors and key senior management.

The maximum allocation of 80.00% to the executive Directors and key senior management was determined to incentivise the Directors for their contribution towards development, growth and success and strategic direction to drive long term shareholder value enhancement of our Group and to incentivise the senior management of our Group for their commitment, dedication and loyalty towards attainment of higher performance.

The LTIP Committee shall be entitled in its discretion to determine the aggregate maximum number of Shares that may be allocated between the ESOS and the ESGS which shall not in aggregate exceed 10.00% of the total number of issued Shares (excluding treasury shares, if any) from time to time, and to any one class/grade of Eligible Person.

(iii) **Eligibility**

Subject to the discretion of the LTIP Committee, any Eligible Persons of our Group shall be eligible to be considered for the offer of ESOS Options under the ESOS and share grant under the ESGS, if the following eligibility criteria are fulfilled:

- (a) he/she has attained the age of at least 18 years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (b) he/she is employed on full time basis and is on the payroll of any company within our Group, and who has been confirmed in service/employment as a full-time employee of our Group, and has not at the relevant point in time served a notice of resignation or received a notice of termination;
- (c) in respect of an executive Director, the executive Director must have been appointed as an executive Director for such period as may be determined by the LTIP Committee prior to and up to the date of the LTIP Award and has not at the relevant point in time served a notice of resignation or received a notice of termination; and/or
- (d) he/she falls within any other categories or criteria as may be determined by the LTIP Committee from time to time in its absolute discretion.

Our LTIP Committee may, at any time and from time to time, before and after a LTIP Award is granted, have the sole and absolute discretion to:

- (a) limit the exercise of the ESOS Options to a maximum number of new Shares and/or such percentage of the total new Shares comprised in the ESOS Options during such periods within the option period;
- (b) subject the exercise of the ESOS Options and/or ESGS to any vesting condition determined by the LTIP Committee at its sole and absolute discretion including but not limited to performance targets being achieved before an ESOS Options and/or ESGS can be exercised;
- (c) impose any other terms and conditions (including the time period to exercise the ESOS Options or ESGS) as the LTIP committee may, in its sole discretion deems appropriate including amending or varying any terms and conditions imposed earlier; and/or

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**4. DETAILS OF OUR IPO (CONT'D)**

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- (d) stagger the allocation of ESOS Options and/or ESGS available over the duration of the LTIP and to determine the vesting period (if any) for the ESOS Options and/or ESGS granted under the LTIP.

**(iv) Subscription price**

The subscription price of each Share comprised in any ESOS Option shall be:

- (a) in respect of any ESOS Option granted in conjunction with our IPO, be the IPO Price; or
- (b) in respect of any ESOS Option granted after our IPO, at the discretion of the LTIP Committee, be based on a discount of not more than 10.00% or such higher limit as may be permitted from time to time by Bursa Securities or any other relevant authorities to 5-day volume weighted average market price of our Shares transacted on Bursa Securities immediately preceding the offer date.

**(v) Duration of the LTIP**

The LTIP shall be in force for a period of 5 years commencing from the effective date upon full compliance with the Listing Requirements and may be extended by our Board at its absolute discretion, without having to obtain the approval of our shareholders, for up to another 5 years immediately from the expiry of the first 5 years, and shall not in aggregate exceed 10 years from the effective date of implementation of the LTIP, being the date of full compliance with all relevant provisions of the Listing Requirements in relation to the LTIP.

**(vi) Rights of grantees**

The ESOS Options shall not carry any rights to vote at any general meeting of our Company. The grantees shall not in any event be entitled to any dividends, rights or other entitlements on his/her unexercised ESOS Options.

In the event that a resolution is passed or a court order is made for the winding up of our Company, all outstanding LTIP Awards shall be automatically terminated and be of no further force and effect commencing from the date of such resolution or the date of the court order. In the event a petition is presented in court for the winding up or liquidation of our Company, all rights to exercise and/or vest the LTIP Awards shall automatically be suspended from the date of presentation of the petition. Conversely, if the petition for winding-up is dismissed by the court, the right to exercise and/or vest the LTIP awards shall accordingly be unsuspended.

**(vii) Ranking of the new Shares to be issued under the LTIP**

The new Shares to be allotted and issued under the LTIP will be subject to the provisions of our Constitution and will, upon allotment and issuance, rank equally in all respects with our existing Shares including voting rights, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions, that may be declared, made or paid to our shareholders for which the relevant entitlement date precedes the date of issuance of the new Shares pursuant to the LTIP.

In respect of the existing Shares to be transferred to the ESGS grantees pursuant to the vesting of the Shares comprised in an ESGS grant, such Shares rank equally in all respects with our existing Shares. However, the ESGS grantee shall not be entitled to any dividends, rights, allotments and/or other distributions, unless the Shares are credited into the CDS Accounts of the ESGS grantees on or prior to the relevant entitlement date of such dividends, rights, allotments and/or other distributions.

**4. DETAILS OF OUR IPO (CONT'D)****(viii) Alteration of share capital and adjustment**

In the event of an alteration in the share capital of our Company during the duration of the LTIP, whether by way of a rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of Shares or reduction or any other variation of capital, the LTIP Committee may, at its discretion, determine whether:

- (a) in respect of the ESOS, the option price and/or the number of unvested or unexercised ESOS Options and the option price and/or number of ESOS Options in respect of which future ESOS awards may be granted under the ESOS; and
- (b) in respect of the ESGS, the ESGS grant price and/or number of Shares comprised in unvested ESGS,

shall be adjusted, and if so, the manner in which such adjustments should be made, as provided for in the By-Laws.

Save as provided for in the By-Laws, the external auditors or the principal adviser selected by our Board (acting as an expert and not as an arbitrator) shall confirm in writing that the adjustments are in their opinion fair and reasonable.

Any fraction of a Share arises from the adjustment, the number of Shares comprised in any award of ESOS Options and ESGS grant shall automatically be rounded down to the nearest whole number.

**(ix) Listing of and quotation for the new Shares to be issued arising from the exercise of the LTIP**

The LTIP is conditional upon the listing of our Company on the ACE Market of Bursa Securities and any new Shares to be issued pursuant to the LTIP will be listed and quoted on the ACE Market of Bursa Securities.

Prior to the full vesting of any LTIP Awards to the Eligible Persons, such LTIP awards that remain unvested or unexercised or unsatisfied (as the case may be) shall be automatically terminated and ceased or be deemed to cease to be valid in the event of the termination or cessation of employment of the grantee with our Group, in which event the termination of LTIP Awards shall be effective on the grantee's last day of employment.

The proposed specific allocation of the ESOS Options to the Eligible Persons in conjunction with our Listing is as follows:

<b>Name</b>	<b>Designation</b>	<b>No. of ESOS Options allocated</b>
See Chin Joo	Executive Director	2,500,000
Ooi Kok Hong	Executive Director	2,500,000
Leong Mei Cian	Head of Planning	600,000
Mohd Faizal Bin Mohd Wazir	Head of Animation	600,000
Other employees	-	8,100,000
<b>Total</b>		<b>14,300,000</b>

#### 4. DETAILS OF OUR IPO (CONT'D)

The exercise price for the above ESOS Options shall be the IPO Price. The above ESOS Options to be granted shall vest over 4 tranches, commencing from the first anniversary of the date of the Listing as follows:

<b>First anniversary of the date of the Listing</b>	10.00%
<b>Second anniversary of the date of the Listing</b>	20.00%
<b>Third anniversary of the date of the Listing</b>	30.00%
<b>Fourth anniversary of the date of the Listing</b>	40.00%

Any further offer, allocation or allotment under the LTIP to any of our executive Directors or persons connected to them (if any), shall require the prior approval of our shareholders in a general meeting.

The grant of the ESOS Options in conjunction with our Listing will not have an immediate effect on the consolidated NA and NA per Share until such time new Shares are issued when the ESOS Options are exercised. Any potential effect on the consolidated NA per Share would depend on the number of ESOS Options that have vested and the exercise price of the ESOS Options, which shall be the IPO Price.

Further details of the LTIP are set out in the By-Laws in Section 15 of this Prospectus.

#### 4.3.7 Share capital, classes of shares and rankings

Upon completion of our IPO, our share capital will be as follows:

<b>Details</b>	<b>No. of Shares</b>	<b>RM</b>
As at the date of this Prospectus	400,000,000	9,560,003
To be issued under the Public Issue	100,000,000	<sup>(1)</sup> [●]
<b>Enlarged issued Shares upon Listing</b>	<b>500,000,000</b>	<b>[●]</b>

**Note:**

(1) Calculated based on the IPO Price and after deducting the estimated listing expenses of approximately RM[●] which is directly attributable to the Public Issue and allowed to be debited against the share capital of our Company.

The Offer for Sale will not have any effect on our share capital.

As at the date of this Prospectus, we have only one class of shares, being ordinary shares. Our Issue Shares will, upon allotment and issuance, rank equally in all respect with our existing Shares including voting rights and will be entitled to all rights, dividends and other distributions that may be declared subsequent to the date of allotment of our Issue Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attaching to any Shares which we may issue in the future, our shareholders shall, in proportion to the amount paid by them, be entitled to share the profits paid out by us in the form of dividends and 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.

#### 4. DETAILS OF OUR IPO (CONT'D)

At any general meeting of our Company, each of our shareholders shall be entitled to vote in person, by proxy, by attorney or by other duly authorised representatives. A proxy may but need not be a member of our Company and there shall be no restriction as to the qualification of the proxy.

On a show of hands, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative shall have one vote for each Share held.

#### 4.4 BASIS OF ARRIVING AT THE IPO PRICE

Our IPO Price was determined and agreed upon by us and our Principal Adviser, Sponsor, Underwriter and Placement Agent after taking into consideration the following factors:

- (i) PE multiple of approximately [●] times based on our EPS of approximately 1.60 sen for the FYE 2022 (calculated based on our PAT attributable to owners of our Company for the FYE 2022 of approximately RM7.98 million and our enlarged total number of 500,000,000 Shares upon Listing);
- (ii) our pro forma combined NA per Share of RM[●] as at 30 June 2023 based on our enlarged number of issued Shares of 500,000,000 Shares, after our IPO and subsequent to the utilisation of proceeds from our Public Issue as set out in Section 4.7 of this Prospectus;
- (iii) our competitive strengths as described in Section 7.5 of this Prospectus;
- (iv) our business strategies and future plans as described in Section 7.6 of this Prospectus; and
- (v) the industry overview and prospects as set out in the IMR Report in Section 8 of this Prospectus.

**You 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. You 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 carefully consider the risk factors as set out in Section 9 of this Prospectus.**

#### 4.5 OBJECTIVES OF OUR IPO

The purposes of our IPO are as follows:

- (i) to enable our Group to raise funds for the purposes set out in Section 4.7 of this Prospectus;
- (ii) to gain recognition through our Group's listing status which will enhance our Group's reputation in the marketing of our services and to retain and attract new, skilled employees in the industry; and
- (iii) to enable us to tap into the equity capital market for future fund raising and to provide us the financial flexibility to pursue future growth opportunities, as and when they arise.

#### 4. DETAILS OF OUR IPO (CONT'D)

##### 4.6 TOTAL MARKET CAPITALISATION UPON LISTING

Based on our IPO Price and our enlarged number of issued Shares of 500,000,000 upon Listing, our total market capitalisation is estimated to be RM[●].

##### 4.7 DILUTION

Dilution is the amount by which the IPO Price exceeds our pro forma combined NA per Share immediately after our IPO. The following table illustrates such dilution on a per Share basis:

	<b>RM</b>
IPO Price	[●]
Pro forma combined NA per Share as at 30 June 2023 after the Acquisition but before our Public Issue	0.03
Pro forma combined NA per Share as at 30 June 2023 after the Acquisition, the Public Issue and the utilisation of proceeds from the Public Issue	[●]
Increase in pro forma combined NA per Share attributable to existing shareholders	[●]
Dilution in pro forma combined NA per Share to new public investors	[●]
Dilution in pro forma combined NA per Share as a percentage of IPO Price	[●]%

Further details of our pro forma NA per Share as at 30 June 2023 are set out in Section 12 of this Prospectus.

Save as disclosed below, there has been no acquisition or allotment of any of our Shares by/to our Directors, Promoters, direct substantial shareholders, key senior management or persons connected with them, or any transaction entered into by them which grants them the right to acquire any of our Shares in the past 3 years prior to the date of this Prospectus:

<b>Name</b>	<b>No. of Shares allotted</b>	<b>Total consideration (RM)</b>	<b>Average effective cost for each Share (RM)</b>
<b><u>Promoters, Directors and substantial shareholders</u></b> <sup>(1)</sup>			
See Chin Joo	<sup>(2)</sup> 1	-	1.0000
Ooi Kok Hong	<sup>(2)</sup> 1	-	1.0000
<b><u>Promoter and substantial shareholder</u></b>			
Cat Ching	<sup>(3)</sup> 172,889,216	<sup>(4)</sup> 4,132,052	0.0239
<b><u>Substantial shareholder</u></b>			
Koo Hong @ Ku Hong Hai	<sup>(3)</sup> 136,266,664	<sup>(4)</sup> 3,256,773	0.0239

**Notes:**

- (1) See Chin Joo and Ooi Kok Hong are deemed substantial shareholders of our Company by virtue of their interest in Cat Ching pursuant to Section 8 of the Act.
- (2) Subscriber's Shares pursuant to the incorporation of our Company.
- (3) Allotted pursuant to the Acquisition.
- (4) The total consideration for these Shares was arrived based on a "willing-buyer willing-seller" basis after taking into consideration the audited consolidated NA of Inspidea as at 31 December 2022 and the final dividend declared for the FYE 2022 pursuant to the Acquisition.

**4. DETAILS OF OUR IPO (CONT'D)****4.8 UTILISATION OF PROCEEDS**

Based on the IPO Price of RM[●], the total gross proceeds of RM[●] from the Public Issue will be utilised by our Group in the following manner:

Allocation of proceeds	Amount of proceeds		Estimated timeframe for utilisation upon Listing
	RM'000	%	
Capacity expansion	[●]	[●]	Within 36 months
USA sales office	[●]	[●]	Within 36 months
Working capital	[●]	[●]	Within 12 months
Listing expenses	[●]	[●]	Immediate
<b>Total</b>	<b>[●]</b>	<b>100.00</b>	

**4.8.1 Capacity expansion**

Our Group intends to utilise proceeds raised of approximately RM[●] to increase capacity by setting up branch offices in Sabah and Sarawak to source and tap into talent pools in animation production there, as well as refurbishment of existing production facilities in Selangor to expand our production workforce.

The details of utilisation for the capacity expansion are as follows:

Details of utilisation	RM'000
Setting up production branch office in Sabah <sup>(1)</sup>	[●]
Setting up production branch office in Sarawak <sup>(2)</sup>	[●]
Expansion of Group's workforce in Selangor <sup>(3)</sup>	[●]
<b>Total</b>	<b>[●]</b>

**Notes:**

- (1) We have earmarked approximately RM[●] for the setting up of a production branch office in Kota Kinabalu, Sabah with a total built-up area of 1,800 sq. ft. As at the LPD, our Group is still in the process of identifying a suitable location in Kota Kinabalu, Sabah for the establishment of a production branch office. The breakdown of the costs is as follows:

Details of utilisation	RM'000
Capital expenditure for office renovation and the purchasing of new workstations and office equipment	[●]
Staff costs <sup>(a)</sup> and operational expenditure such as rental, payment of utilities, professional fees and software subscription for animation production	[●]
<b>Total</b>	<b>[●]</b>

#### 4. DETAILS OF OUR IPO (CONT'D)

**Note:**

- (a) For Sabah's production branch office, it includes hiring of 35 personnel including animation technical personnel and admin staff between FYE 2024 and FYE 2026.
- (2) We have earmarked approximately RM[●] for the setting up of a production branch office in Kuching, Sarawak with a total built-up area of 3,200 sq. ft. As at the LPD, our Group is still in the process of identifying a suitable location in Kuching, Sarawak for the establishment of a production branch office. The breakdown of the costs is as follows:

<b>Details of utilisation</b>	<b>RM'000</b>
Capital expenditure for office renovation and the purchasing of new workstations and office equipment	[●]
Staff costs <sup>(a)</sup> and operational expenditure such as rental, payment of utilities, professional fees and software subscription for animation production	[●]
<b>Total</b>	<b>[●]</b>

**Note:**

- (a) For Sarawak's production branch office, it includes hiring of 40 personnel including animation technical personnel and admin staff between FYE 2024 and FYE 2026.
- (3) We have earmarked approximately RM[●] for the for the expansion of our Group's workforce in Selangor. The breakdown of the costs is as follows:

<b>Details of utilisation</b>	<b>RM'000</b>
Refurbishment of existing production facilities and the purchasing of new workstations and office equipment	[●]
Staff costs <sup>(a)</sup> and operational expenditure such as software subscription for animation production	[●]
<b>Total</b>	<b>[●]</b>

**Note:**

- (a) It includes hiring of 30 animation technical personnel between FYE 2024 and FYE 2026. As at the LPD, our Group has 209 animation technical personnel.

Please refer to Section 7.6.1.1 of this Prospectus for further details on the capacity expansion in Sabah and Sarawak.

#### 4.8.2 USA sales office

Our Group intends to utilise proceeds raised of approximately RM[●] to set up a sales office in the USA to better facilitate client management in that geographical region and to be more effective in sales and marketing initiatives including more frequent physical interactions and engagement, and better networking opportunities with potential customers.

Presently, although we do not have physical presence or business entity in any of the foreign countries, our Group was able to secure 2D animation production projects from customers in foreign countries including the USA. All our projects are carried out in Malaysia as all of our 2D animation production works are undertaken digitally, where we receive the pre-production package and we deliver our completed production works through the internet. Communications with our customers in the USA are mainly through e-mails and virtual meetings.



#### 4. DETAILS OF OUR IPO (CONT'D)

The sales office in the USA is intended to serve 2 purposes including addressing potential business opportunities with prospective customers as well as continuing to serve the requirements of the Group's existing customers in North America.

By having a physical presence in the USA, we are able to enhance our customer service coverage efforts, increase our business development activities as well as widen the channel that potential customers could reach us. We will be able to have face-to-face interactions and provide localised support to potential customers within North America.

As at the LPD, our Group is still in the process of identifying a suitable location in Los Angeles for the establishment of the branch office. The proceeds raised would be used for:

<b>Details of utilisation</b>	<b>RM'000</b>
Purchasing of new workstations and office equipment	[•]
Staff costs <sup>(a)</sup> and operational expenditure such as rental, professional fees and software subscription	[•]
<b>Total</b>	<b>[•]</b>

**Note:**

(1) *Hiring of 1 sales and marketing personnel and 1 business development personnel between FYE 2024 and FYE 2026.*

As at the LPD, the sales and marketing force of our Group consists of 2 employees.

#### 4.8.3 Working capital

Our Group intends to utilise proceeds raised of approximately RM[•] for its working capital requirements which may include, but are not limited to general selling and distribution expenses, and general administrative expenses including staff-related costs of the Group.

While the breakdown of such use has not been determined at this juncture and will be dependent on the operating and funding requirements at the time of utilisation, on a best estimate basis, the allocation of the proceeds to be utilised for each component of the working capital are as follows:

<b>Details of utilisation</b>	<b>RM'000</b>
Payroll expenses for animation technical personnel	[•]
Marketing support expenses such as travelling expenses, international tradeshow participation, branding and advertising	[•]
Administrative expenses such as remunerations for administrative staff and directors, legal and professional fees and office upkeep and maintenance	[•]
<b>Total</b>	<b>[•]</b>

**4. DETAILS OF OUR IPO (CONT'D)****4.8.4 Listing expenses**

Our listing expenses are estimated to be approximately RM[●] representing about [●]% of the gross proceeds from our Public Issue, details of which are as follows:

<b>Estimated listing expenses</b>	<b>RM'000</b>
Professional fees <sup>(1)</sup>	[●]
Brokerage, underwriting and placement fees	[●]
Regulatory fees	[●]
Printing, advertising and other miscellaneous expenses	[●]
<b>Total</b>	<b>[●]</b>

**Note:**

(1) *Includes fees for the Principal Adviser, Solicitors, Reporting Accountants, Independent Market Researcher, Issuing House and other professional advisers.*

In the event the actual listing expenses is lower than the allocation of RM[●], the excess will be used for working capital purposes. However, if the actual listing expenses are higher than the estimated, the shortfall will be funded out of the portion allocated for working capital purposes and/or internally generated funds.

Pending the utilisation of the proceeds from our Public Issue for the above intended purposes, the unutilised proceeds will be placed in interest-bearing accounts with licenced financial institutions in Malaysia and/or money market deposit instruments/funds. The interest income derived from such short-term placements and gains from money market deposit instruments will be used as additional working capital for our Group (e.g. payroll expenses for animation technical personnel, marketing support expenses and administrative expenses).

**4.8.5 Offer for Sale**

Our Company will not receive any proceeds from the Offer for Sale. The Offer for Sale is expected to raise gross proceeds of RM[●] which will accrue entirely to our Offerors. Our Offerors will bear all the expenses relating to the Offer for Sale including the placement fee, which is estimated to be approximately RM[●].

**4.9 UNDERWRITING COMMISSION, BROKERAGE AND PLACEMENT FEES****4.9.1 Underwriting commission**

Kenanga IB, as our Underwriter, has agreed to underwrite 35,000,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations. We will pay our Underwriter an underwriting commission at the rate of 2.50% of the total value of the underwritten Shares.

**4.9.2 Brokerage fee**

We will pay brokerage fee in respect of the 25,000,000 Issue Shares made available to the Malaysian Public via balloting at the rate of 1.00% on the IPO Price in respect of all successful applications that bear the stamp of either Kenanga IB, the participating organisations of Bursa Securities, the members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or the Issuing House.

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**4. DETAILS OF OUR IPO (CONT'D)**

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**4.9.3 Placement fee**

Our Placement Agent has agreed to place out 165,000,000 IPO Shares comprising 65,000,000 Issue Shares and 100,000,000 Offer Shares to selected investors.

We will pay our Placement Agent a placement fee of between 0.50% to 2.50% of our IPO Price multiplied by the number of Issue Shares placed out by our Placement Agent.

The placement fee of between 0.50% to 2.50% of the value of those Offer Shares placed out by our Placement Agent will be borne entirely by the Offerors.

**4.10 SALIENT TERMS OF THE UNDERWRITING ARRANGEMENT**

Pursuant to the Underwriting Agreement entered on [●], the Underwriter has agreed to underwrite 35,000,000 Issue Shares made available for application by the Malaysian Public and Pink Form Allocations (“**Underwritten Shares**”) on the terms and conditions as set out in the Underwriting Agreement. The following are the salient terms contained in the Underwriting Agreement:

- (i) [●]

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