

11. CONFLICTS OF INTEREST**11.1 INTEREST IN ENTITIES WHICH CARRY ON A SIMILAR TRADE AS OUR GROUP OR WHICH ARE OUR CUSTOMERS OR SUPPLIERS**

As at the LPD, save as disclosed below, none of our Directors and Substantial Shareholders have any other interest, direct or indirect in any businesses or corporations that:

- (i) are customers or suppliers of our Group; or
- (ii) carry on a similar trade as that of our Group.

11.1.1 Interest in corporations that are customers or suppliers of our Group

JCorp, who is our Substantial Shareholder, has interests in a few companies which are/were our customers or suppliers for the Financial Years/Period Under Review and up to the LPD, as follows:

Name of customer/supplier	Nature of transaction	Nature of interest
<u>Customers</u>		
<ul style="list-style-type: none"> • JCorp⁽¹⁾; • Johor Franchise Development⁽²⁾; • Johor Land⁽³⁾; • KPJ⁽⁴⁾; • Damansara Assets⁽⁵⁾; and • Ayamas⁽⁶⁾ 	<ul style="list-style-type: none"> (i) Provision of agency, planting advisory and agronomy services by us to JCorp and Johor Franchise Development from January 2020 until June 2020. (ii) Provision of trading and support services such as sale of agricultural machineries and parts, landscaping, supply of safety products, installation of fire safety protection system and related maintenance services by our Group to JCorp, Johor Franchise Development, Johor Land, KPJ and Damansara Assets. (iii) Sale of CPO by us to Ayamas as ingredients for broiler feeds. 	<p>JCorp, who is our Promoter and Substantial Shareholder, is the holding company of Johor Franchise Development, Johor Land, KPJ and Damansara Assets.</p> <p>Ayamas is a wholly-owned subsidiary of QSR Brands (M) Holdings Bhd, a 56%-owned subsidiary of JCorp, who is our Promoter and Substantial Shareholder.</p>
<u>Suppliers</u>	Purchase of FFB by us from JCorp and Johor Franchise Development from January 2020 until June 2020.	JCorp, who is our Promoter and Substantial Shareholder, is also the holding company of Johor Franchise Development.
<ul style="list-style-type: none"> • JCorp⁽¹⁾; and • Johor Franchise Development⁽²⁾ 		

Notes:

- (1) JCorp is principally involved in investment holding activities while its subsidiaries, associated companies and joint ventures companies are principally involved in plantation and agrobusiness, healthcare and wellness services, real estate and infrastructure, quick service restaurants and investment holding.
- (2) Johor Franchise Development is an investment holding company.
- (3) Johor Land is principally involved in property development, construction and investment holding.
- (4) KPJ is an investment holding company while its subsidiaries are mainly involved in the operation of specialist hospitals.

11. CONFLICTS OF INTEREST (CONT'D)

- (5) Damansara Assets is an investment holding company.
- (6) Ayamas is principally involved in breeding, broiler farms/hatchery, feedmill and investment holding.

Our Board is of the view that any potential conflict of interest situation that may arise as a result of the interests of JCorp in these companies, which were our customers and/or suppliers during the Financial Years/Period Under Review, has been mitigated or eliminated as follows:

- (i) the companies are not involved in the plantation business as well as the production of palm oil products and are not in competition with our business and operations;
- (ii) the above transactions were carried out on an arm's length basis and on normal commercial terms which are not unfavourable to our Group and are comparable to those generally available to third parties;
- (iii) JCorp, Johor Franchise Development, Johor Land, KPJ, Damansara Assets and Ayamas were not our major customers, and we are not dependent on them for revenue. These customers collectively contributed approximately 1.1%, 0.7%, 0.4% and 0.3% to our revenue for the Financial Years/Period Under Review respectively; and
- (iv) insofar as our purchase of FFB from JCorp and Johor Franchise Development is concerned, JCorp and Johor Franchise Development were only our major suppliers for the FYE 2020, and we were not dependent on them for the purchase of FFB during the Financial Years/Period Under Review. These suppliers collectively contributed approximately 6.8% of our Group's purchases for the FYE 2020.

As disclosed in Section 10.1 of this Prospectus, we used to purchase FFB harvested from the Malay Reserved Estates from JCorp and Johor Franchise Development. We have ceased purchasing FFB from these related parties since entering into tenancy agreements to rent the Malay Reserved Estates from JCorp and Johor Franchise Development from July 2020 onwards for the operation of the oil palm plantation. As at the LPD, none of our Directors and Substantial Shareholders have any interest, direct or indirect, in any businesses or corporations that are suppliers of our Group.

Upon our Listing, our Board Audit Committee will assess the financial risk and matters relating to any potential conflict of interest situation that may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity, to ensure that transactions are carried out in the best interest of our Group. Any future dealings with customers and/or suppliers in which our Directors or Substantial Shareholders have interest, direct or indirect, will be based on established procedures for related party transactions to ensure that they are carried out on an arm's length basis.

11.1.2 Interest in corporations that carry on similar trade as that of our Group

None of our Substantial Shareholders, Directors or Key Senior Management have any interest in corporations that carry on similar trade as that of our Group save and except for insubstantial shareholding interests held by our Directors as personal investments in the shares of public companies listed on Bursa Securities.

11. CONFLICTS OF INTEREST (CONT'D)

11.2 DECLARATION BY ADVISERS ON CONFLICTS OF INTEREST

11.2.1 Declaration by RHB Investment Bank

RHB Investment Bank and its related and associated companies (collectively, the “**RHB Banking Group**”) engage in private banking, commercial banking and investment banking transactions which include, among others, brokerage, advisory on mergers and acquisitions, securities trading, assets and fund management as well as credit transaction services. The RHB Banking Group has engaged and may in the future engage in transactions with and perform services for our Group, in addition to the roles set out in this Prospectus.

In addition, any member of the RHB Banking Group may at any time, in the ordinary course of business, offer to provide its services or to engage in any transaction (on its own account or otherwise) with any member of our Group, our Directors, our shareholders, our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of our Group and/or our affiliates. This is a result of the businesses of the RHB Banking Group generally acting independently of each other and accordingly there may be situations where parts of the RHB Banking Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of our Group. The related companies of RHB Investment Bank may also subscribe for our IPO Shares to be offered under the Institutional Offering.

As at the LPD, the RHB Banking Group has extended credit facility with a limit of approximately RM179.3 million to our Group. The extension of the said credit facility is in the ordinary course of business of the RHB Banking Group. We will partly repay the borrowings owing to the RHB Banking Group with the gross proceeds to be raised from the Public Issue.

Notwithstanding the above, RHB Investment Bank is of the view that the abovementioned does not give rise to a conflict of interest situation in its capacity as the Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Managing Underwriter and Joint Underwriter for our IPO due to the following reasons:

- (i) RHB Investment Bank is a licensed investment bank and its appointment as the Principal Adviser, Joint Global Coordinator, Managing Underwriter and Joint Underwriter is in the ordinary course of its business. RHB Investment Bank does not receive or derive any financial interest or benefit save for the professional fees, underwriting commission and placement fees received in relation to the aforesaid appointment;
- (ii) the Corporate Finance division of RHB Investment Bank is required under its investment banking license to comply with strict policies and guidelines issued by the SC, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, among others, the establishment of Chinese wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations. In any event, the team overseeing our IPO in RHB Investment Bank is independent from the team handling the credit facility. Further, there is no involvement by the Corporate Finance division of RHB Investment Bank in respect of any credit application process undertaken by other departments within RHB Banking Group;
- (iii) the credit facility was provided by the RHB Banking Group on an arm's length basis and in its ordinary course of business, and the said credit facility is not material when compared to the audited NA of the RHB Banking Group as at 31 December 2022 of approximately RM28.7 billion (representing approximately 0.6% of the RHB Banking Group's audited NA); and

11. CONFLICTS OF INTEREST (CONT'D)

- (iv) the conduct of the RHB Banking Group in its banking business is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013, CMSA and the RHB Banking Group's own internal controls and checks which includes, segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

RHB Investment Bank confirms that there is no conflict of interest in its capacity as the Principal Adviser, Joint Global Coordinator, Managing Underwriter and Joint Underwriter for our IPO.

11.2.2 Declaration by CLSA

In the ordinary course of business, CLSA and/or its affiliated companies (collectively, the "**CLSA Group**"), may engage in transactions with and perform services for our Company and/or our affiliates. Subject to the laws and regulations in the relevant jurisdictions, members of the CLSA Group engage in investment banking transactions including, without limitation, corporate finance, mergers and acquisitions, merchant banking, equity and fixed income sales, trading and research, derivatives, foreign exchange, futures, asset management, custody, clearance and securities lending in their ordinary course of business with our Company and/or our affiliates. Further, and subject to the laws and regulations in the relevant jurisdictions, any member of the CLSA Group may at any time offer or provide its services to, or engage in any transactions (on its own account or otherwise) with our Company and/or our affiliates, hold long or short positions, and may trade or otherwise effect transactions for its own account or the accounts of its other customers in debt or equity securities or senior loans of our Company and/or our affiliates.

CLSA confirms that there is no conflict of interest in its capacity as Joint Global Coordinator and Joint Bookrunner for our IPO.

11.2.3 Declaration by AmInvestment Bank

AmInvestment Bank is a wholly-owned subsidiary of AMMB Holdings Berhad. AMMB Holdings Berhad and its group of companies (collectively, the "**AmBank Group**") form a diversified financial group and are engaged in a wide range of transactions relating to amongst others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. AmBank Group's securities business is primarily in the areas of securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trade.

In the ordinary course of their businesses, any member of AmBank Group may at any time extend services to any company as well as hold long or short positions, and trade or otherwise effect transactions, for its own account or the account of its other clients, in debt or equity securities or senior loans of any company. Accordingly, there may be situations where parts of the AmBank Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of our Group.

As at the LPD, the AmBank Group has not extended any credit facility to our Group.

AmInvestment Bank is of the view that its role as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter is not likely to result in a conflict of interest or potential conflict of interest situation for our IPO due to the following reasons:

- (i) the AmBank Group forms a diversified financial group and is engaged in a wide range of transactions as highlighted above. AmInvestment Bank is a licensed investment bank and its appointment as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO is in its ordinary course of business; and

11. CONFLICTS OF INTEREST (CONT'D)

- (ii) each of the entities and departments of the AmBank Group are also subject to internal control and checks, which regulate the sharing of information between entities and departments. Additionally, each department and entities within the AmBank Group has separate and distinct operations and decisions are made independent of each other. In addition, the conduct of AmInvestment Bank is regulated by Bank Negara Malaysia.

AmInvestment Bank confirms that there is no conflict of interest in its capacity as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO.

11.2.4 Declaration by CIMB IB

CIMB IB, its affiliated, related and associated companies, as well as its holding company, CIMB Group Holdings Berhad, and the subsidiaries and associated companies of its holding company (collectively, the “**CIMB Group**”) form a diversified financial group and are engaged in a wide range of businesses relating to among others, retail banking, investment banking, commercial banking, brokerage, securities trading, asset and funds management and credit transaction services business. The CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to CIMB IB’s role as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO.

In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with our Company and/or our affiliates or any other entity or person, hold long or short positions in securities issued by our Company or any of our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of our Company and/or our affiliates. This is a result of the business of the CIMB Group generally acting independent of each other, and accordingly, there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Company and/or our affiliates.

As at the LPD, the CIMB Group has, as part of its ordinary course of business, on an arm’s length basis granted various credit facilities (in the form of term loan, Islamic financing and trade lines) with combined limits of up to an aggregate amount of approximately RM2.3 billion to the JCorp Group. We will partly repay the borrowings owing to the CIMB Group with the gross proceeds to be raised from the Public Issue.

Notwithstanding the above, CIMB IB is of the view that the abovementioned does not result in a conflict of interest situation in respect of its capacity to act as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO due to the following:

- (i) the CIMB Group is a licensed financial institution and the extension of credit facilities to our Group, the JCorp Group arose in the ordinary course of business of the CIMB Group;
- (ii) the total credit facilities granted by the CIMB Group to the JCorp Group are not material when compared to the audited NA of the CIMB Group as at 31 December 2022 of RM63.8 billion;
- (iii) the CIMB Group’s banking business is strictly regulated by, among others, the Financial Services Act 2013, Islamic Financial Services Act 2013 and CMSA and the CIMB Group’s own internal controls and checks, among others, the segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees;
- (iv) CIMB IB is a licensed investment bank and its appointment as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO is in the ordinary course of its business and CIMB IB does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO; and

11. CONFLICTS OF INTEREST (CONT'D)

- (v) the relevant divisions of CIMB IB are required under CIMB IB's investment banking license to comply with strict policies and guidelines issued by the SC, Bursa Securities and Bank Negara Malaysia. These guidelines require, among others, the establishment of "Chinese Wall" policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations.

CIMB IB confirms that there is no conflict of interest situation in its capacity as the Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO.

11.2.5 Declaration by Affin Hwang IB

Affin Hwang IB confirms that there is no conflict of interest in its capacity as the Joint Bookrunner and Joint Underwriter for our IPO.

11.2.6 Declaration by KPMG PLT

KPMG PLT confirms that there is no conflict of interest in its capacity as the Auditors and Reporting Accountants in respect of our IPO.

11.2.7 Declaration by Mah-Kamariyah & Philip Koh

Mah-Kamariyah & Philip Koh confirms that there is no conflict of interest in its capacity as the legal adviser to our Company as to Malaysian law in respect of our IPO.

11.2.8 Declaration by Latham & Watkins LLP

Latham & Watkins LLP confirms that there is no conflict of interest in its capacity as the legal adviser to our Company as to United States federal securities law and English law in respect of our IPO.

11.2.9 Declaration by Christopher & Lee Ong

Christopher & Lee Ong confirms that there is no conflict of interest in its capacity as the legal adviser to the Joint Global Coordinators, Joint Bookrunners, Managing Underwriter and Joint Underwriters as to Malaysian law in respect of our IPO.

11.2.10 Declaration by Linklaters Singapore Pte Ltd

Linklaters Singapore Pte Ltd confirms that there is no conflict of interest in its capacity as the legal adviser to the Joint Global Coordinators and Joint Bookrunners as to United States federal securities law and English law in respect of our IPO.

11.2.11 Declaration by Glenauk Economics Sdn Bhd

Glenauk Economics Sdn Bhd confirms that there is no conflict of interest in its capacity as the Independent Market Researcher in respect of our IPO.