

## 11. CONFLICT OF INTEREST

### 11.1 INTEREST IN SIMILAR BUSINESS

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

- (i) businesses or corporations which are customers or suppliers of our Group;
- (ii) businesses or corporations which carry on a similar trade as that of our Group;
- (iii) providing or receiving financial assistance to and from our Group; or
- (iv) leasing property to or from our Group.

#### 11.1.1 Interest in corporations which are customers or suppliers of our Group

Save as disclosed below, none of our Directors or Substantial Shareholders have any interest in other corporations which are customers or suppliers of our Group during the Financial Years Under Review and up to the LPD:

Customer / Supplier	Nature of transaction	Nature of interest
Nomms <sup>(1)</sup>	(i) Sale of premix ingredients such as seasoned flour premixes and gravy premix by our Group to Nomms; and	(i) Lai Kok Siong, who is our Promoter, Substantial Shareholder and Managing Director, is a director and 90.0% shareholder of Nomms;
	(ii) Supply of food processing equipment and related spare parts, and provision of maintenance services by our Group to Nomms	(ii) Gabriel Lai Yung-Yao, who is our Executive Director / Head of Sales & Marketing, is a director of Nomms; and
		(iii) Lew Tai @ Kong Lew Tai, who is our Substantial Shareholder, is also a director and 10.0% shareholder of Nomms.
Ken Kee <sup>(2)</sup>	(i) Sale of premix ingredients such as seasoned flour and seasoning premixes by our Group to Ken Kee; and	(i) Lai Kok Siong, who is our Promoter, Substantial Shareholder and Managing Director, is also a director and 82.2% shareholder of Ken Kee; and
	(ii) Purchase of nuts and beans by our Group from Ken Kee	(ii) Gabriel Lai Yung-Yao, who is our Executive Director / Head of Sales & Marketing, is also a director and 10.0% shareholder of Ken Kee.

**11. CONFLICT OF INTEREST (CONT'D)**

<b>Customer / Supplier</b>	<b>Nature of transaction</b>	<b>Nature of interest</b>
Ken Kee Manufacturing <sup>(2)</sup>	<p>(i) Sale of premix and food ingredients such as seasoned flour and seasoning premixes by our Group to Ken Kee Manufacturing; and</p> <p>(ii) Supply of food processing equipment and related spare parts, and provision of maintenance services by our Group to Ken Kee Manufacturing</p>	<p>(i) Lai Kok Siong, who is our Promoter, Substantial Shareholder and Managing Director, is also a director and 90.0% shareholder of Ken Kee Manufacturing; and</p> <p>(ii) Gabriel Lai Yung-Yao, who is our Executive Director / Head of Sales &amp; Marketing, is also a director and 10.0% shareholder of Ken Kee Manufacturing.</p>
Mokara Kitchen <sup>(3)</sup>	Sale of premix and food ingredients, such as seasoned flour and seasoning premixes, by our Group to Mokara Kitchen	<p>(i) Lai Kok Siong, who is our Promoter, Substantial Shareholder and Managing Director, is also a director and 40.0% shareholder of Mokara Kitchen;</p> <p>(ii) Gabriel Lai Yung-Yao, who is our Executive Director / Head of Sales &amp; Marketing, is also a director and 10.0% shareholder of Mokara Kitchen; and</p> <p>(iii) Lew Tai @ Kong Lew Tai, who is our Substantial Shareholder, is also a 30.0% shareholder of Mokara Kitchen.</p>
Core Perpetual <sup>(4)</sup>	Provision of logistics support services such as rental of trucks and storage of products by Core Perpetual to our Group for our operations	Core Perpetual is our Promoter and Substantial Shareholder.

**Notes:**

- (1) Nomms is principally engaged in the operation of restaurants, focusing on pressure-fried chicken and complementary menu offerings.

Nomms derives its revenue mainly from the sale of prepared meals, reflecting its positioning in the food services sector on the business-to-consumer market. Its operations do not involve industrial-scale food manufacturing, ingredient production, supply of food processing equipment, or business-to-business ingredient supply. Accordingly, its business model, customer segment and product offerings are distinct from those of our Group, and do not give rise to any competition or conflict of interest with our Group.

- (2) Ken Kee and Ken Kee Manufacturing are principally involved in the manufacturing and trading of ready-to-eat snack food products, such as nuts and beans, marketed under consumer-facing brands including 'Ken Kee' and 'Kow Kow'.

Their business activities are primarily focused on the business-to-consumer market, with products distributed through retail channels such as hypermarkets, supermarkets, convenience stores and distributors. As such, its operations are not considered to be in direct competition with our Group and do not give rise to any conflict of interest with our Group.

**11. CONFLICT OF INTEREST (CONT'D)**

- (3) Mokara Kitchen is principally engaged in the operation of a central kitchen business which undertakes the preparation, processing and production of F&B products, including semi-finished and ready-to-eat items to Nomms. Its business model is distinct from those of our Group, and does not give rise to any competition or conflict of interest with our Group.
- (4) Core Perpetual is an investment holding company (investing in shares and properties) and provides logistics support services to our Group such as rental of trucks and storage of products. As at the LPD, Core Perpetual provides logistics support services exclusively to our Group through its fleet of 13 trucks with a total carrying capacity of 142 tonnes.

Our Board is of the view that any potential conflict of interest that may arise as a result of the interests of our Directors or Substantial Shareholders in corporations which are customers and suppliers of our Group has been mitigated as:

- (i) our Group does not compete with Nomms, Ken Kee, Ken Kee Manufacturing or Mokara Kitchen as each of them operates in distinct segments of the value chain and targets fundamentally different markets and customer bases. Our Group operates primarily in the business-to-business segment, distributing to resellers and retailers, as well as food manufacturers and HORECA food service operators who use our Group's products. Our Group's products are principally intermediate inputs used in downstream food manufacturing or food preparation processes, rather than for direct consumption by end customers.

Nomms, Ken Kee, Ken Kee Manufacturing and Mokara Kitchen, on the other hand, operate predominantly in the business-to-consumer segment, where they are engaged in the sale of prepared meals, semi-finished and ready-to-eat items, and ready-to-eat snack products. Their products are finished goods designed for immediate consumption, with no overlap in raw ingredients that are supplied by our Group;

- (ii) our Group is not dependent on Nomms, Ken Kee, Ken Kee Manufacturing and Mokara Kitchen. Transactions with these companies, whether as customers or suppliers, collectively accounted for less than 5.0% of our Group's total purchases or total revenue during the Financial Years Under Review, and are therefore not material to our Group's financial performance or operational sustainability.

Furthermore, the products purchased from or sold to Nomms, Ken Kee, Ken Kee Manufacturing and Mokara Kitchen as well as the logistics support services provided by Core Perpetual are not unique or irreplaceable, and can be readily sourced from, or supplied to, alternative third-party suppliers or customers on comparable terms. Our Group is therefore not exposed to supply chain dependency or revenue reliance arising from our dealings with these companies;

- (iii) transactions with Nomms, Ken Kee, Ken Kee Manufacturing, Mokara Kitchen and Core Perpetual were conducted on an arm's length basis and based on normal commercial terms which are neither more favourable nor unfavourable to our Group and are comparable to those generally available to third parties; and
- (iv) our Group has established internal controls and corporate governance measures to manage and mitigate any potential conflict of interest. The Board and Audit and Risk Management Committee exercise oversight over related party transactions to ensure compliance with applicable laws and corporate governance requirements. Interested directors are required to disclose their interests and abstain from deliberation and voting on matters relating to such transactions, with full disclosure of related party transactions in our Group's financial statements and relevant corporate disclosures. These safeguards are intended to ensure that all future related party transactions, if any, are conducted on an arm's length basis and in the best interests of our Group and our shareholders.

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**11. CONFLICT OF INTEREST (CONT'D)**

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**11.1.2 Rental of Bestari HQ from Core Perpetual**

As at the LPD, our Group operates from Bestari HQ which is rented from Core Perpetual, the registered owner of Bestari HQ, at an aggregate monthly rental of RM265,000.

The rental arrangement allows our Group to adopt an asset-light strategy by avoiding significant capital expenditure on the acquisition of industrial property. This preserves cash resources and strengthens financial flexibility, enabling our Group to prioritise the allocation of funds towards key growth drivers, including capacity expansion, market expansion, product development and working capital requirements, thereby supporting the acceleration of our business growth.

In relation to the rental of Bestari HQ by our Group from Core Perpetual that will subsist after our Listing, our Board is of the view that any potential conflict of interest situation that may arise as a result of the above rental arrangement has been mitigated and eliminated as follows:

- (i) the rental of Bestari HQ from Core Perpetual is 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. The aggregate monthly rental of RM265,000 is assessed against an independent market valuation, which confirmed that the rental is in line with prevailing market rates for comparable properties; and
- (ii) contractual safeguards under the tenancy agreements are in place to reduce the risk of sudden or arbitrary termination of the rental of Bestari HQ. Please refer to Section 7.19(i) of this Prospectus for further information on our Group's reliance on the tenancy agreements in respect of Bestari HQ.

**11.2 DECLARATIONS BY ADVISERS ON CONFLICT 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 not extended any credit facility to our Group.

## 11. CONFLICT OF INTEREST (CONT'D)

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, Sole Underwriter and Sole Placement Agent for our IPO due to the following reasons:

- (i) RHB Investment Bank is a licensed investment bank and its appointment as the Principal Adviser, Sole Underwriter and Sole Placement Agent 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 licence 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; and
- (iii) 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 include 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, Sole Underwriter and Sole Placement Agent for our IPO.

### 11.2.2 Declaration by Ong Eu Jin Partnership

Ong Eu Jin Partnership confirms that there is no conflict of interest in its capacity as the Solicitors as to the laws of Malaysia in respect of our IPO.

### 11.2.3 Declaration by Avant Law LLC

Avant Law LLC confirms that there is no conflict of interest in its capacity as the Solicitors as to the laws of Singapore in respect of our IPO.

### 11.2.4 Declaration by Baker Tilly Monteiro Heng PLT

Baker Tilly Monteiro Heng PLT confirms that there is no situation of conflict of interest in its capacity as the Auditors and Reporting Accountants in respect of our IPO.

### 11.2.5 Declaration by Vital Factor Consulting Sdn Bhd

Vital Factor Consulting Sdn Bhd confirms that there is no situation of conflict of interest in its capacity as the Independent Business and Market Research Consultants in respect of our IPO.