

11. CONFLICT OF INTEREST

11.1 INTEREST IN BUSINESSES WHICH CARRY ON A SIMILAR TRADE AS LEADER ENERGY GROUP OR WHICH ARE OUR CUSTOMERS AND SUPPLIERS

As at the LPD, save as disclosed below, none of our Directors and/or Substantial Shareholders have any interest, direct or indirect, in other businesses or corporations which are carrying on a similar trade as that of Leader Energy Group or which are customers or suppliers of Leader Energy Group:

Name of company	Nature	Principal activities of the company	Directors/Substantial Shareholders involved	Nature of interest as at the LPD
GUH	<ul style="list-style-type: none"> Similar trade to that of Leader Energy Group Supplier of Leader Energy Group⁽¹⁾ 	<ul style="list-style-type: none"> Investment holding company and provision of management services to its subsidiaries. It is principally involved in property development, investment in real estate, sales/distribution/manufacture of electric scooters, hoverboard and hybrid printed circuit boards, cultivation of oil palm, construction of water and wastewater treatment plant and road infrastructure via its subsidiaries It holds 40.00% equity interest in LGRESB. LGRESB is a holding company which, together with its subsidiaries and jointly controlled entities are principally involved in the planning, design and installation of the solar power generation system 	<ul style="list-style-type: none"> Tan Sri Dato' Seri H'ng Bok San Dato' H'ng Chun Hsiang Datin Seri H'ng Hsieh Ling 	<ul style="list-style-type: none"> Tan Sri Dato' Seri H'ng Bok San⁽²⁾ holds 0.27% of direct interest and 19.00% of indirect interest by virtue of his spouse's and children's shareholdings in GUH, and his shareholdings held through Zun Holdings Sdn Bhd, pursuant to Sections 8 and 59 of the Act He is the Non-Independent Director of GUH. He was also the Executive Chairman of GUH as at the LPD. He has re-designated himself from the position of Executive Chairman and remain as the Non-Executive Chairman of GUH with effect from 1 June 2023 Dato' H'ng Chun Hsiang⁽²⁾ holds 0.87% of direct interest and 11.53% of indirect interest held via his shareholdings in Zun Holdings Sdn Bhd, which in turn holds 11.53% in GUH Datin Seri H'ng Hsieh Ling⁽²⁾ holds 1.28% of direct interest and 11.53% of indirect interest held via his shareholdings in Zun Holdings Sdn Bhd, which in turn holds 11.53% in GUH. She is the Non-Executive Director of GUH

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Name of company	Nature	Principal activities of the company	Directors/Substantial Shareholders involved	Nature of interest as at the LPD
HNGCECL	Similar trade to that of Leader Energy Group	Technical assistance, consultancy services and contract works in relation to power plant and transmission lines	<ul style="list-style-type: none"> HNG Capital Tan Sri Dato' Seri H'ng Bok San Dato' H'ng Chun Hsiang Datin Seri H'ng Hsieh Ling 	<ul style="list-style-type: none"> HNG Capital is our Substantial Shareholder and holds 100.00% of direct interest in HNGCECL Tan Sri Dato' Seri H'ng Bok San holds 100.00% of indirect interest in HNGCECL pursuant to Section 8 of the Act held via his 30.00% of direct interest in HNG Capital, which in turn holds 100.00% of direct interest in HNGCECL. He is also a director of HNGCECL Dato' H'ng Chun Hsiang holds 100.00% of indirect interest in HNGCECL pursuant to Section 8 of the Act held via his 40.00% of direct interest in HNG Capital, which in turn holds 100.00% of direct interest in HNGCECL. He is also a director of HNGCECL Datin Seri H'ng Hsieh Ling holds 100.00% of indirect interest in HNGCECL pursuant to Section 8 of the Act held via her 30.00% of direct interest in HNG Capital, which in turn holds 100.00% of direct interest in HNGCECL. She is also a director of HNGCECL

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Name of company	Nature	Principal activities of the company	Directors/Substantial Shareholders involved	Nature of interest as at the LPD
Sarawak Cable Berhad	<ul style="list-style-type: none"> Similar trade to that of Leader Energy Group Customer of Leader Energy Group⁽⁸⁾ 	<ul style="list-style-type: none"> Investment holding company principally involved in manufacture and sale of power cables, wires and steel structures, engineering and construction of project, design and construction of mini hydro power plant via its subsidiaries PT Inpola Mitra Elektrindo, is the subsidiary of Sarawak Cable Berhad which is principally involved in the designing, financing and construction of the independent and small hydropower plant 	<ul style="list-style-type: none"> HNG Capital Tan Sri Dato' Seri H'ng Bok San Dato' H'ng Chun Hsiang Datin Seri H'ng Hsieh Ling Dato Sri Fong Joo Chung 	<ul style="list-style-type: none"> HNG Capital is our Substantial Shareholder and holds 7.86% of direct interest in Sarawak Cable Berhad Tan Sri Dato' Seri H'ng Bok San holds 0.06% of direct interest and 9.14% of indirect interest in Sarawak Cable Berhad pursuant to Sections 8 and 59 of the Act held via his 30.00% of direct interest in HNG Capital, which in turn holds 7.86% of direct interest in Sarawak Cable Berhad, and his children's equity interest in Sarawak Cable Berhad Dato' H'ng Chun Hsiang holds 0.66% of direct interest and 7.86% of indirect interest in Sarawak Cable Berhad pursuant to Section 8 of the Act held via his 40.00% of direct interest in HNG Capital, which in turn holds 7.86% of direct interest in Sarawak Cable Berhad Datin Seri H'ng Hsieh Ling holds 0.62% of direct interest and 7.86% of indirect interest in Sarawak Cable Berhad pursuant to Section 8 of the Act held via her 30.00% of direct interest in HNG Capital, which in turn holds 7.86% of direct interest in Sarawak Cable Berhad Dato Sri Fong Joo Chung is our Director and holds 0.10% of direct interest in Sarawak Cable Berhad. He is a Non-Independent Non-Executive Deputy Chairman of Sarawak Cable Berhad

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Name of company	Nature	Principal activities of the company	Directors/Substantial Shareholders involved	Nature of interest as at the LPD
Sarawak Energy Berhad	Similar trade to that of Leader Energy Group	<p>A company wholly-owned by the Sarawak Government that is an investment holding company principally involved in the generation, transmission, distribution, retail and export of electricity via its subsidiaries</p> <p>Among others, it holds the following subsidiaries:</p> <ul style="list-style-type: none"> • Murum Hydro Power Generation Sdn Bhd, principally involved in the development, building and operation of hydroelectric power plant in Sarawak • Sarawak Power Generation Sdn Bhd, principally involved in electricity generation installations for the supply of electricity under terms of a license issued by the State Government of Sarawak • Syarikat SESCO Berhad, principally involved in generation, transmission, distribution and supply and sale of electricity in Sarawak and other incidental activities as well as involvement in exploration, identification, development and sale of hydroelectric sites/projects and related activities 	Dato Sri Fong Joo Chung	<ul style="list-style-type: none"> • Dato Sri Fong Joo Chung is our Director • He is also: <ul style="list-style-type: none"> • a Non-Independent Non-Executive director of Sarawak Energy Berhad; • a Non-Executive Director of Murum Hydro Power Generation Sdn Bhd; • a Non-Executive Director of Sarawak Power Generation Sdn Bhd; and • a Non-Executive Director of Syarikat SESCO Berhad

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Note:

- (1) GUH (as lessor) leases a piece of land located at Lot 5, Pekan Bukit Selambau, Daerah Kuala Muda, Kedah Darul Aman to LSE II, a wholly-owned subsidiary of Leader Energy, for the construction and installation of the LSE II Plant.
- (2) The direct and indirect interest in GUH held by Tan Sri Dato' Seri H'ng Bok San, Dato' H'ng Chun Hsiang and Datin Seri H'ng Hsieh Ling are set out in the table below:

No.	Name	Direct interest (%)	Indirect interest (%)
i.	Zun Holdings Sdn Bhd ⁽³⁾	11.53	-
ii.	Tan Sri Dato' Seri H'ng Bok San	0.27	⁽⁴⁾ 19.00
iii.	Puan Sri Datin Seri Ang Gaik Nga	4.30	⁽⁵⁾ 11.53
iv.	Datin Seri H'ng Hsieh Ling	1.28	⁽⁵⁾ 11.53
v.	Dato' H'ng Chun Hsiang	0.87	⁽⁵⁾ 11.53
vi.	H'ng Chun Ching	0.70	⁽⁵⁾ 11.53
vii.	H'ng Hsieh Fern	0.32	⁽⁵⁾ 11.53

- (3) Zun Holdings Sdn Bhd is a private limited company owned by Tan Sri Dato' Seri H'ng Bok San, Puan Sri Datin Seri Ang Gaik Nga, Datin Seri H'ng Hsieh Ling, Dato' H'ng Chun Hsiang, H'ng Chun Ching and H'ng Hsieh Fern with the direct and indirect interest set out in table below:

No.	Name	Direct interest (%)	Indirect interest (%)
i.	Tan Sri Dato' Seri H'ng Bok San	<0.01	⁽⁶⁾ 45.83
ii.	Puan Sri Datin Seri Ang Gaik Nga	27.78	-
iii.	Datin Seri H'ng Hsieh Ling	18.06	-
iv.	Dato' H'ng Chun Hsiang	18.06	-
v.	H'ng Chun Ching	18.06	-
vi.	H'ng Hsieh Fern	18.06	-

- (4) Deemed interested in GUH pursuant to Sections 8 and 59 of the Act held via his spouse's and children's equity interest in GUH, as well as his equity interest in Zun Holdings Sdn Bhd, which in turn holds 11.53% of direct interest in GUH.
- (5) Deemed interested in GUH held via their equity interest in Zun Holdings Sdn Bhd, which in turn holds 11.53% of direct interest in GUH.
- (6) Deemed interested in Zun Holdings Sdn Bhd pursuant to Section 59 of the Act, held via his spouse's and his child's shareholdings in Zun Holdings Sdn Bhd.

Dato' Harry H'ng Bak Seah and Datuk Seri Kenneth H'ng Bak Tee who are the brothers of Tan Sri Dato' Seri H'ng Bok San and uncles of Dato' H'ng Chun Hsiang and Datin Seri H'ng Hsieh Ling, are also a Non-Executive Director of GUH and the Chief Executive Officer/Group Managing Director of GUH respectively. The direct and indirect interests in GUH held by Dato' Harry H'ng Bak Seah and Datuk Seri Kenneth H'ng Bak Tee are as follows:

No.	Name	Direct interest (%)	Indirect interest (%)
i.	Dato' Harry H'ng Bak Seah	0.89	-
ii.	Datuk Seri Kenneth H'ng Bak Tee	0.96	⁽⁷⁾ 0.63

Nonetheless, Dato' Harry H'ng Bak Seah and Datuk Seri Kenneth H'ng Bak Tee have no directorship in the Leader Energy Group and are only involved through GUH Group. whereby GUH Utilities Holdings Sdn Bhd, a wholly-owned subsidiary of GUH, holds 40.00% interest in LGRESB whilst Leader Energy holds 60.00% equity interest in LGRESB.

- (7) Deemed interested in GUH pursuant to Section 59 of the Act held via his spouse's and son's shareholdings in GUH.

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- (8) *Leader Cable Industry Berhad is a subsidiary of Sarawak Cable Berhad. Leader Energy's subsidiary, namely LSSB has entered into a PPA with Leader Cable Industry Berhad dated 30 July 2021. Pursuant to the PPA, LSSB shall install a solar PV power generation system for Leader Cable Industry Berhad and Leader Cable Industry Berhad shall pay LSSB for the solar energy generated by the system. Please refer to Section 11.1(iii) of this Prospectus for further information on Sarawak Cable Berhad.*

Our Board is of the view that the interests of the aforesaid Directors and/or Substantial Shareholders involved in such businesses will not give rise to conflict of interest situations on the following basis:

(i) GUH

GUH is an investment holding company and provides management services to its subsidiaries. It is principally involved in property development, investment in real estate, sales/distribution/manufacture of electric scooters, hoverboard and hybrid printed circuit boards, cultivation of oil palm, construction of water and wastewater treatment plant and road infrastructure via its subsidiaries. One of its associate companies, LGRESB (together with its subsidiaries and jointly controlled entities) is principally involved in the planning, design and installation of the solar power generation system.

GUH's wholly-owned subsidiary, GUH Utilities Holdings Sdn Bhd had on 2 March 2021 entered into a share sale agreement to dispose of 60.00% equity interest in LGRESB to one of our Substantial Shareholders, namely HNG Capital ("**SSA**") to collaborate and undertake the potential power generation projects/opportunities in Taiwan. On even date, a shareholders' agreement was also entered into to regulate the affairs and the rights as shareholders of LGRESB ("**SHA**").

On 28 February 2022, HNG Capital entered into a share sale agreement to dispose of 60.00% equity interest in LGRESB to Leader Energy in conjunction with the Pre-IPO Restructuring. In line with us becoming a new/incoming shareholder of LGRESB, Leader Energy had on 24 March 2022 signed a deed of adherence⁽¹⁾ ("**DOA**") with HNG Capital, LGRESB, GUH and the existing shareholder of LGRESB, namely GUH Utilities Holdings Sdn Bhd whereupon Leader Energy assumes the rights and responsibilities of HNG Capital and shall observe all the terms in the existing SHA as if we were an original party to the SHA.

Note:

- (1) *A deed of adherence to shareholders' agreement is a supplementary legal document that is used to bind a new/incoming shareholder in a company to the existing shareholders' agreement. The intention of a deed of adherence is to ensure that the new/incoming shareholder agrees to all the terms and conditions agreed in the SHA.*

As at the LPD, GUH via its wholly owned subsidiary, GUH Utilities Holdings Sdn Bhd, holds 40.00% equity interest in LGRESB and Leader Energy holds 60.00% equity interest in LGRESB. The conduct of the business and affairs of LGRESB and the relations between GUH, GUH Utilities Holdings Sdn Bhd and Leader Energy are governed and regulated by the SHA. The LGRESB Group is principally engaged in the planning, design and installation of the solar power generation system in Taiwan.

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The terms of the SHA and DOA provide for the following:

- (a) GUH and GUH Utilities Holdings Sdn Bhd (the existing shareholder of LGRESB) had via the SHA, agreed that it shall not compete with HNG Capital (Leader Energy, by virtue of the terms of the DOA). In particular, any power business to be undertaken by GUH or the GUH Utilities Holdings Sdn Bhd (the existing shareholder of LGRESB) shall be carried out through the LGRESB Group. GUH and GUH Utilities Holdings Sdn Bhd (the existing shareholder of LGRESB) must not without the consent of HNG Capital (Leader Energy, by virtue of the terms of the DOA), direct or indirectly including via the subsidiary of GUH, own, manage, operate, control, participate in the ownership, management or control of, or be related or otherwise affiliated in any manner with any other business that is engaged in the development, construction and operation and maintenance of power project in any country, other than unknowingly as a holder of shares listed on a recognised stock exchange as a minority and non-controlling nor substantial shareholder and without management role nor directorship in a company pursuing such similar activities.

The parties to the SHA also agree that any expansion of the existing power projects in Taiwan and any new power projects to be undertaken by both parties in Taiwan shall be carried out exclusively via LGRESB.

- (b) under the SHA, the board of directors of LGRESB shall consist of five directors (of which, Leader Energy is entitled to appoint three directors and the existing shareholder of LGRESB, namely GUH Utilities Holdings Sdn Bhd is entitled to appoint the other two directors) for as long as Leader Energy holds 60.00% equity interest in LGRESB. Further, Leader Energy also has the right to appoint the chairman of the board (without casting vote). The supervision and management of LGRESB rests with the board. This gives Leader Energy the majority board's authority to oversee and ensure item (a) above will be properly adhered to.

The involvement and interests of Tan Sri Dato' Seri H'ng Bok San, Dato' H'ng Chun Hsiang and Datin Seri H'ng Hsieh Ling, as described above, who are also the Promoters and Substantial Shareholders of Leader Energy) may give rise to conflict of interest as Leader Energy Group and GUH both have interest in LGRESB and its subsidiaries and jointly controlled entities.

To mitigate the situations that are likely to give rise to conflict of interest, the interested parties have irrevocably agreed and undertaken as follows:

(A) Tan Sri Dato' Seri H'ng Bok San:

- (i) has re-designated himself from the position of Executive Chairman of GUH and remained as the Non-Executive Chairman of GUH with effect from 1 June 2023. With effect from the re-designation, he only holds a non-executive directorship position in GUH and is not involved in the day-to-day management or operations of GUH group of companies;
- (ii) has undertaken that he, as the current Non-Executive Chairman and substantial shareholder of GUH together with Dato' H'ng Chun Hsiang (who is a substantial shareholder of GUH) and Datin Seri H'ng Hsieh Ling (who is a Non-Executive Director and substantial shareholder of GUH), will not be involved in the day-to-day management or operations of GUH and its group of companies;
- (iii) has undertaken that he will declare any conflict of interest that he may have with GUH and/or Leader Energy pursuant to the requirements under the Listing Requirements; and

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- (iv) pursuant to the requirements under the Listing Requirements, he has undertaken that he will also abstain from:
 - (a) board deliberation and voting on the relevant resolution in respect of any related party transaction involving GUH, Leader Energy and/or their respective group of companies in which he has an interest, direct or indirect in the said transaction; and
 - (b) voting at the general meeting on the relevant resolution in respect of any related party transaction involving GUH, Leader Energy and/or their respective group of companies in which he has an interest, direct or indirect in the said transaction.

Tan Sri Dato' Seri H'ng Bok San further undertakes to ensure that persons connected with him abstain from voting at the general meeting in respect of their interest, direct or indirect in GUH and Leader Energy on the relevant resolution in respect of any related party transaction involving GUH, Leader Energy and/or their respective group of companies in which he has an interest, direct or indirect, in the said transaction.

(B) Dato' H'ng Chun Hsiang has undertaken that:

- (i) his interest in GUH (by virtue of his direct and indirect interest in GUH held via his equity interest in Zun Holdings Sdn Bhd pursuant to Section 8 of the Act) is only for investment purposes which do not result in any conflict with his executive role in the Group's business or operations;
- (ii) he will not be involved in the day-to-day management or operations of GUH group of companies;
- (iii) he will declare any conflict of interest that he may have with GUH and/or Leader Energy pursuant to the requirements under the Listing Requirements;
- (iv) pursuant to the requirements under the Listing Requirements, he will also abstain from:
 - (a) board deliberation and voting on the relevant resolution in respect of any related party transaction involving GUH, Leader Energy and/or their respective group of companies in which he has an interest, direct or indirect in the said transaction; and
 - (b) voting at the general meeting on the relevant resolution in respect of any related party transaction involving GUH, Leader Energy and/or their respective group of companies in which he has an interest, direct or indirect in the said transaction.

Dato' H'ng Chun Hsiang further undertakes to ensure that persons connected with him abstain from voting at the general meeting in respect of their interest, direct or indirect in GUH and Leader Energy on the relevant resolution in respect of any related party transaction involving GUH, Leader Energy and/or their respective group of companies in which he has an interest, direct or indirect, in the said transaction.

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(C) Datin Seri H'ng Hsieh Ling has undertaken that:

- (i) her interest in GUH (by virtue of her direct and indirect interest in GUH held via her equity interest in Zun Holdings Sdn Bhd pursuant to Section 8 of the Act) is only for investment purposes;
- (ii) she will declare any conflict of interest that she may have with GUH and/or Leader Energy pursuant to the requirements under the Listing Requirements; and
- (iii) pursuant to the requirements under the Listing Requirements, she will also abstain from:
 - (a) board deliberation and voting on the relevant resolution in respect of any related party transaction involving GUH, Leader Energy and/or their respective group of companies in which she has an interest, direct or indirect in the said transaction; and
 - (b) voting at the general meeting on the relevant resolution in respect of any related party transaction involving GUH, Leader Energy and/or their respective group of companies in which she has an interest, direct or indirect in the said transaction

Datin Seri H'ng Hsieh Ling further undertakes to ensure that persons connected with her abstain from voting at the general meeting in respect of their interest, direct or indirect in GUH and Leader Energy on the relevant resolution in respect of any related party transaction involving GUH, Leader Energy and/or their respective group of companies in which she has an interest, direct or indirect, in the said transaction.

- (iv) as she only holds a non-executive directorship position in both GUH and Leader Energy, she will not be involved in the day-to-day management or operations of GUH group of companies and Leader Energy Group.

(ii) HNGCECL

HNGCECL was principally involved in the provision of technical assistance, consultancy services and contract works in relation to power plant and transmission lines. HNGCECL has ceased and has not engage in any business activity since January 2022.

HNGCECL was set up in 2015 to undertake and provide O&M services to EDC in relation to the first power generation project awarded to Leader Energy Group in early 1994, i.e., a diesel-fired power plant with a GIC of 37.1MW in Phnom Penh, Cambodia. The plant was transferred to EDC upon the expiration of its PPA in 2015. HNGCECL continued to provide O&M services to EDC on the plant until July 2020.

Further, in early 2016, EDC had granted HNGCECL a project in relation to the supply of material and labour for the construction of 115/22kV Tuol Pongro electrical substation with capacity of 75.0MVA at a total consideration of approximately USD8.0 million. The project was successfully completed in November 2017.

As mentioned above and given the nature of the activities, HNGCECL which was previously involved in the technical, consultancy services and electrical contracting works with respect to the projects granted or in relation to EDC, had a distinct and separate business nature as our Group, and as a result, HNGCECL was not carrying out business activities which competed with us.

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Moving forward, HNGCECL has undertaken that it will not engage in any business activity and should HNGCECL decide to commence any business activity, HNGCECL shall not carry out, be involved in or enter into any business activity that gives rise to a conflict of interest situation which include having an interest in a competing business or competing, either directly or indirectly, with the Leader Energy Group.

(iii) Sarawak Cable Berhad

Sarawak Cable Berhad is an investment holding company principally involved in manufacture and sale of power cables, wires and steel structures, engineering and construction of project, design and construction of mini hydro power plant via its subsidiaries.

(a) PT Inpola Mitra Elektrindo ("PT IME")

One of its subsidiaries, PT IME is principally involved in the designing, financing and construction of independent and small hydropower plant. PT IME owns and operates a hydropower plant located in Indonesia with an installed capacity of 11.0MW. On 23 September 2010, PT IME had signed a PPA with PT Perusahaan Listrik Negara of Indonesia for the installation, operation and maintenance of a hydropower plant for a concession period of 20 years. The hydropower plant achieved COD on 12 October 2021.

Sarawak Cable Berhad announced on 29 July 2022 that it had on even date entered into a conditional share purchase agreement ("**CSPA**") to dispose of its entire equity interest, representing 78.30% in PT IME, that will be satisfied via two components, the first being a cash consideration of RM10,000 and secondly, the settlement of debts, liabilities and shareholders' advances of PT IME capped at RM75.0 million ("**Proposed Disposal**"). Based on the circular dated 28 April 2023 issued by Sarawak Cable Berhad ("**Circular**"), the Proposed Disposal is subject to amongst others, the approval of the shareholders of Sarawak Cable Berhad as well as the shareholders of the purchaser of PT IME at their respective extraordinary general meetings. Based on the Circular, the Proposed Disposal is expected to be completed by fourth quarter of 2023.

(b) Leader Cable Industry Berhad

One of the subsidiaries of Sarawak Cable Berhad, namely Leader Cable Industry Berhad, is principally involved in the manufacture and sale of telecommunication and power cables.

Pursuant to a PPA dated 30 July 2021, Leader Energy Group, had via LSSB, installed a 1329.48kWp solar PV power generation system for Leader Cable Industry Berhad, of which Leader Cable Industry Berhad shall purchase and pay LSSB for the solar energy generated by the system. The installation was completed and LSSB has started to bill Leader Cable Industry Berhad for the electricity generated based on the agreed solar tariff, on a monthly basis since May 2022.

The potential conflict of interest situation which may arise through the involvement of the Substantial Shareholders and Directors in Sarawak Cable Berhad has been mitigated as follows:

- (a) the business of PT IME represents the entirety of Sarawak Cable Berhad's power generation segment. Sarawak Cable Berhad will discontinue its operation and the power generation segment subsequent to the Proposed Disposal.

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- (b) the solar tariff charged to Leader Cable Industry Berhad was arrived at on an arm's length basis on normal commercial terms and is comparable to those generally charged to third parties by LSSB.
- (c) Leader Cable Industry Berhad is not Leader Energy Group's major customer and Leader Energy Group is not dependent on the sale of electricity to Leader Cable Industry Berhad. There is no transaction value (in terms of solar tariff charged to Leader Cable Industry Berhad) for FYEs 2020 and 2021 given that the billing for the electricity generated commenced since May 2022. The transaction value per annum for FYE 2022 is RM316,234, representing less than 0.03% of the Leader Energy Group's revenue which is immaterial to the Leader Energy Group.
- (d) although our Directors and/or Substantial Shareholders, namely, Tan Sri Dato' Seri H'ng Bok San, Dato' H'ng Chun Hsiang, Datin Seri H'ng Hsieh Ling and HNG Capital have direct and/or indirect interest in Sarawak Cable Berhad, their interest in Sarawak Cable Berhad are only for investment purposes and they do not hold any directorship in Sarawak Cable Berhad.
- (e) our Independent Non-Executive Director, namely Dato Sri Fong Joo Chung holds an insignificant interest (0.10% direct interest) in Sarawak Cable Berhad for investment purposes. He is a Non-Executive Deputy Chairman in Sarawak Cable Berhad where he is not involved in the day-to-day management and operations of Sarawak Cable Berhad and Sarawak Cable Berhad has its own independent and standalone management team to undertake its day-to-day management or operations. In view of the involvement and interest of Dato Sri Fong Joo Chung as described above, he will pursuant to the requirements under the Listing Requirements:
 - (aa) declare any conflict of interest that he may have with Leader Energy and/or Sarawak Cable Berhad; and
 - (bb) if required under the Listing Requirements, abstain from:
 - board deliberation and voting on the relevant resolution in respect of any related party transaction involving Leader Energy, Sarawak Cable Berhad and/or their respective group of companies in which he has an interest, direct or indirect in the said transaction; and
 - voting at the general meeting on the relevant resolution in respect of any related party transaction involving Leader Energy, Sarawak Cable Berhad and/or their respective group of companies in which he has an interest, direct or indirect in the said transaction.

Dato Sri Fong Joo Chung will ensure that persons connected with him abstain from voting at the general meeting in respect of their interest, direct or indirect in Leader Energy and Sarawak Cable Berhad on the relevant resolution in respect of any related party transaction involving Leader Energy, Sarawak Cable Berhad and/or their respective group of companies in which he has an interest, direct or indirect, in the said transaction.

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(iv) Sarawak Energy Berhad

Sarawak Energy Berhad is a company wholly-owned by the Sarawak Government. It is an investment holding company principally involved in the generation, transmission, distribution, retail and export of electricity via its subsidiaries.

Among others, it has the following subsidiaries, namely:

- (a) Murum Hydro Power Generation Sdn Bhd, which is principally involved in the development, building and operation of the hydroelectric power plant in Sarawak;
- (b) Sarawak Power Generation Sdn Bhd, which is principally involved in electricity generation installations for the supply of electricity under terms of a license issued by the State Government of Sarawak; and
- (c) Syarikat Sesco Berhad which is principally involved in generation, transmission, distribution, supply and sale of electricity in Sarawak and other incidental activities as well as exploration, identification, development and sale of hydroelectric sites/projects and related activities.

Our Independent Non-Executive Director, Dato Sri Fong Joo Chung is a Non-Independent and Non-Executive Director of Sarawak Energy Berhad and also a Non-Executive Director of Murum Hydro Power Generation Sdn Bhd, Sarawak Power Generation Sdn Bhd and Syarikat Sesco Berhad.

The potential conflict of interest situation which may arise through Dato Sri Fong Joo Chung's involvement has been mitigated on the basis that as a Non-Executive Director, he is not involved in the day-to-day management and operations of Sarawak Energy Berhad and its subsidiaries as Sarawak Energy Berhad has its own independent and standalone management team to undertake its day-to-day management and operations. In view of the involvement and interest of Dato Sri Fong Joo Chung as described above, he will pursuant to the requirements under the Listing Requirements:

- (aa) declare any conflict of interest that he may have with Leader Energy and/or Sarawak Energy Berhad; and
- (bb) if required under the Listing Requirements, abstain from:
 - board deliberation and voting on the relevant resolution in respect of any related party transaction involving Leader Energy, Sarawak Energy Berhad and/or their respective group of companies in which he has an interest, direct or indirect in the said transaction; and
 - voting at the general meeting on the relevant resolution in respect of any related party transaction involving Leader Energy, Sarawak Energy Berhad and/or their respective group of companies in which he has an interest, direct or indirect in the said transaction.

Dato Sri Fong Joo Chung will ensure that persons connected with him abstain from voting at the general meeting in respect of their interest, direct or indirect in Leader Energy and Sarawak Energy Berhad on the relevant resolution in respect of any related party transaction involving Leader Energy, Sarawak Energy Berhad and/or their respective group of companies in which he has an interest, direct or indirect, in the said transaction.

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11.2 MONITORING AND OVERSIGHT OF CONFLICT OF INTEREST

Our Audit Committee will monitor, review and report to our Board any conflict of interest situation that arose, persist or may arise within Leader Energy or the Leader Energy Group, including any transaction, procedure or course of conduct that raises questions of management's integrity. It also ensures the senior management establishes a comprehensive corporate governance framework for the purposes of identifying, evaluating, approving, reporting and monitoring conflict of interest situations.

In addition, Leader Energy Group adopts a comprehensive corporate governance framework that meets the best practice principles to mitigate any potential conflict of interest situations and in line with the Listing Requirements and the Malaysian Code on Corporate Governance upon our Listing.

11.3 DECLARATIONS BY ADVISERS ON CONFLICT OF INTEREST

11.3.1 Affin Hwang IB

Affin Hwang IB has confirmed that there is no existing or potential conflict of interest in its capacity as Joint Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Joint Managing Underwriter and Joint Underwriter for our IPO.

11.3.2 RHB Investment Bank

RHB Investment Bank, its subsidiaries and associated companies, as well as its holding company, RHB Bank Berhad, and the subsidiaries and associated companies of RHB Bank Berhad (collectively referred to as "**RHB Banking Group**") form a diversified financial group and may extend credit facilities or engage in private banking, commercial banking and investment banking transactions including, amongst others, brokerage, securities trading, asset and fund management and credit transaction service businesses. RHB Banking Group has engaged and may in the future engage in transactions with and perform services with 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 the Leader Energy Group, Leader Energy's Directors, Leader Energy's shareholders, its affiliates and/or any other entity or person, hold long or short positions in securities issued by Leader Energy and/or its 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 the Leader Energy 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 Leader Energy Group. The related companies of RHB Investment Bank may also bid for our IPO Shares to be offered under the institutional offering following the bookbuilding process.

As at 31 May 2023, RHB Banking Group has extended credit facilities with a combined limit of RM102.5 million (with an outstanding amount of RM35.0 million) to Leader Energy Group, Leader Energy's substantial shareholder and its connected parties.

11. CONFLICT OF INTEREST

Notwithstanding the above, RHB Investment Bank is of the opinion that concerns of any potential conflict of interest that exists or is likely to exist in relation to its roles as the Joint Principal Adviser, the Joint Global Coordinator, the Joint Bookrunner, the Joint Managing Underwriter and the Joint Underwriter for our IPO ("**IPO Appointment**") are mitigated by the following:

- (i) the credit facilities were provided by RHB Banking Group on an arms' length basis and are in the ordinary course of business, and the said credit facilities are not material when compared to the audited NA of RHB Banking Group as at 31 December 2022 of RM28.7 billion (representing approximately 0.4% of the RHB Banking Group's audited NA);
- (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 BNM 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 in charge of our IPO in RHB Investment Bank is independent from the team handling the credit facilities. 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) RHB Investment Bank is a licensed investment bank and its IPO Appointment is in the ordinary course of business and RHB Investment Bank does not receive or derive any financial interest or benefits save for the professional fees received in relation to its IPO Appointment as one of the Joint Principal Advisers for our IPO; and
- (iv) the conduct of 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 existing and potential conflict of interest situation in its capacity as the Joint Principal Adviser, the Joint Global Coordinator, the Joint Bookrunner, the Joint Managing Underwriter and the Joint Underwriter for our IPO.

11.3.3 CIMB Investment Bank Berhad

CIMB Investment Bank Berhad has confirmed that there is no existing or potential conflict of interest in its capacity as Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO.

11.3.4 CLSA

CLSA has confirmed that there is no existing or potential conflict of interest in its capacity as Joint Global Coordinator and Joint Bookrunner for our IPO.

11.3.5 Maybank Investment Bank Berhad

Maybank Investment Bank Berhad has confirmed that there is no existing or potential conflict of interest in its capacity as Joint Global Coordinator, Joint Bookrunner and Joint Underwriter for our IPO.

11. CONFLICT OF INTEREST

11.3.6 Ernst & Young PLT

Ernst & Young PLT has confirmed that there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants to Leader Energy for our IPO.

11.3.7 Zaid Ibrahim & Co

Zaid Ibrahim & Co has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to Leader Energy as to the Malaysian law for our IPO.

11.3.8 Allen & Overy LLP

Allen & Overy LLP has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to Leader Energy as to the U.S. Federal Securities law and English law for our IPO.

11.3.9 Adnan Sundra & Low

Dato' N. Sadasivan A/L N.N. Pillay, the Independent Non-Executive Chairman of Leader Energy is the father of Deepak Sadasivan, one of the partners of Adnan Sundra & Low. Nonetheless, Adnan Sundra & Low is of the view and has confirmed that the aforesaid relationship would not give rise to a conflict of interest in its capacity as the Legal Adviser to the Joint Global Coordinators, Joint Bookrunners and Joint Managing Underwriters as to the Malaysian law for our IPO.

11.3.10 Linklaters Singapore Pte. Ltd.

Linklaters Singapore Pte. Ltd. has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to the Joint Global Coordinators and Joint Bookrunners as to the U.S. Federal Securities law and English law for our IPO.

11.3.11 Frost & Sullivan

Frost & Sullivan has confirmed that there is no existing or potential conflict of interest in its capacity as the Independent Market Researcher to Leader Energy for our IPO.

11.3.12 Tricor Investor & Issuing House Services Sdn Bhd

Tricor Investor & Issuing House Services Sdn Bhd has confirmed that there is no existing or potential conflict of interest in its capacity as the Issuing House and Share Registrar to Leader Energy for our IPO.

11.3.13 Tricor Axcelasia Sdn Bhd

Tricor Axcelasia Sdn Bhd has confirmed that there is no existing or potential conflict of interest in its capacity as the Internal Control Consultant to Leader Energy for our IPO.