

11. CONFLICT OF INTEREST

11.1 CONFLICT OF INTEREST

11.1.1 Interest in similar business of our Group

None of our Directors or substantial shareholders has any other interest, whether direct or indirect, in any businesses or corporations which are carrying on a similar trade as our Group or which are the customers or suppliers of our Group.

The Directors' involvement in other business activities outside the Cape Group would not give rise to any conflict of interest situations as the principal activities of those companies are not similar to the Cape Group's business.

Moving forward, our Audit Committee will supervise any conflict of interest or potential conflict of interest situations that may arise and review our Group's current and future related party transactions to ensure that such transactions will be carried out on an arm's length basis and on commercial terms in the best interest of our Group. Please refer to **Section 10.2** of this Prospectus for further details of our monitoring and oversight policy on conflict of interest.

11.2 DECLARATION BY ADVISERS ON CONFLICT OF INTEREST

11.2.1 Declaration by HLIB

HLIB, its subsidiaries and associated companies as well as its penultimate holding company, namely Hong Leong Financial Group Berhad, and the subsidiaries and associated companies of Hong Leong Financial Group Berhad (collectively, the "**Hong Leong Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses.

The Hong Leong Group has engaged, and may in the future engage, in transactions with and perform services for our Group. In addition, in the ordinary course of business, any member of the Hong Leong Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with our Group, hold long or short positions, 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 our Group.

As at the LPD, our Group has outstanding banking facilities with the Hong Leong Group amounting to approximately RM57.9 million.

Notwithstanding the above, HLIB is of the view that the aforesaid lending relationship would not give rise to a conflict of interest situation in its capacity as our Principal Adviser, Joint Bookrunner and Joint Underwriter for our IPO as:

- (i) HLIB is a licensed investment bank and its appointment as the Principal Adviser, Joint Bookrunner and Joint Underwriter for our IPO and the extension of the banking facilities by the Hong Leong Group arose in its ordinary course of business;
- (ii) the conduct of the Hong Leong Group in its banking business is strictly regulated by the Financial Services Act 2013, Islamic Financial Services Act 2013 and, where applicable, the CMSA, as well as the Hong Leong Group's own internal controls and checks; and
- (iii) the said banking facilities which is less than 0.3% of the audited net assets attributable to the owners of Hong Leong Financial Group Berhad as at 30 June 2021 of RM22.8 billion, are not material.

HLIB has also confirmed that as at LPD, there are no circumstances that exists or is likely to exist to give rise to a possible conflict of interest situation in its capacity as the Principal Adviser, Joint Bookrunner and Joint Underwriter in relation to our IPO.

11. CONFLICT OF INTEREST (Cont'd)

11.2.2 Declaration by AmInvestment Bank Berhad

AmInvestment Bank is a wholly-owned subsidiary of AMMB Holdings Berhad. AMMB Holdings Berhad and its group of companies (collectively, "**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 the 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 Cape Group.

As at the LPD, AmBank Group has extended loan facilities with a combined limit of RM5.65 mil to Cape Group. AmInvestment Bank is of the opinion that the loan facilities do not give rise to a conflict of interest situation in its capacity as the Joint Bookrunner and Joint Underwriter for our IPO due to the following reasons:

- (i) the loan facilities were provided by AmBank Group in its ordinary course of business, and the said loan facilities are not material when compared to the audited NA of AmBank Group as at 31 March 2021 of approximately RM14.64 billion;
- (ii) 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 Bookrunner and Joint Underwriter for our IPO is in the ordinary course of business;
- (iii) the loan facilities and repayment of the aforementioned credit facilities was not determined in contemplation of AmInvestment Bank being appointed as the Joint Bookrunner and Joint Underwriter for our IPO; and
- (iv) 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 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 has confirmed that there is no existing or potential conflict of interest in its capacity as the Joint Bookrunner and Joint Underwriter for our IPO.

11.2.3 Declaration by 3p Capital Advisers Sdn Bhd

3p Capital Advisers Sdn Bhd has confirmed that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in its capacity as the Financial Adviser in relation to our IPO.

11.2.4 Declaration by Jeff Leong, Poon & Wong

Jeff Leong, Poon & Wong has confirmed that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in its capacity as the Solicitors as to the laws of Malaysia in relation to our IPO.

11.2.5 Declaration by Withers KhattarWong

Withers KhattarWong has confirmed that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in its capacity as the Solicitors as to the laws of Singapore in relation to our IPO.

11. CONFLICT OF INTEREST (Cont'd)

11.2.6 Declaration by Grant Thornton Malaysia PLT

Grant Thornton Malaysia PLT has confirmed that there is no existing or potential conflict of interest situation in its capacity as the Auditors and Reporting Accountants for our Company in relation to our IPO.

11.2.7 Declaration by Vital Factor Consulting Sdn Bhd

Vital Factor Consulting Sdn Bhd has confirmed that it has no existing or potential interest in our Company and there is no existing or potential conflict of interest in its capacity as the Independent Business and Market Research Consultants to our Group in relation to our IPO.

11.3 SALIENT TERMS OF ENGAGEMENT AND SCOPE OF WORK OF OUR FINANCIAL ADVISER

The salient terms of engagement and scope of work of our Financial Adviser are, among others, as follows:

- (i) reviewing and understanding the various businesses of our Group including, but not limited to, examining and reviewing our Group's assets, liabilities and shareholding structure, for the purpose of our Listing;
- (ii) in consultation with the Principal Adviser, assisting our Company in addressing its suitability and readiness for our Group to undertake our Listing in respect of our Group's corporate governance, conflict of interest and related party transactions;
- (iii) in consultation with our Company and Principal Adviser, advising on the restructuring exercise and equity structure of our Company in preparation for our Listing;
- (iv) in consultation with our Company and Principal Adviser, assisting on conceptualising, advising, planning, and implementing our Listing, including the offer structure, size and method of achieving the optimal public shareholding spread, pricing of the ordinary shares, the enlarged issued share capital and other related capital/financial matters. For avoidance of doubt, the role of the Financial Adviser does not involve making available, offer for subscription or purchase or issue an invitation to subscribe for or purchase securities in relation to our Listing;
- (v) participating in the due diligence working group to verify the information, data, documents and representations by our Directors contained in this Prospectus and submissions to the relevant authorities;
- (vi) to review and provide appropriate sign-off on the due diligence planning memorandum, due diligence report, minutes of due diligence working group meetings, as well as verification notes in relation to the submission documents related to our Listing; and
- (vii) assisting our Company in reviewing the consultation paper(s) to be submitted by our Principal Adviser to the SC.

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