

## 11. CONFLICT OF INTEREST

### 11.1 INTEREST IN SIMILAR BUSINESS AND IN BUSINESSES OF OUR CUSTOMERS AND SUPPLIERS

Save as disclosed below, none of our Directors and substantial shareholders have any interest, direct or indirect, in other businesses and corporations which are carrying on a similar trade as our Group as at LPD:

| <b>No.</b> | <b>Company</b>   | <b>Nature of interest</b>  |
|------------|--|--|
| 1.         | Loke Theen Fatt Realty Sdn Bhd   | <ul style="list-style-type: none"> <li>Chin Mee Leen is our Promoter and substantial shareholder.</li> <li>She is the substantial shareholder of Loke Theen Fatt Realty Sdn Bhd, currently a dormant company which was previously a housing developer (previously a subsidiary of KTISB and was disposed to Chin Mee Leen).</li> </ul>   |
| 2.         | Pembangunan Buildharta Sdn Bhd (formerly known as Pembangunan K.T.I Sdn Bhd) | <ul style="list-style-type: none"> <li>Chin Mee Leen is our Promoter and substantial shareholder.</li> <li>Loke Pei Lee is our Promoter and Director of Management.</li> <li>Chin Mee Leen and Loke Pei Lee are the directors and substantial shareholders of Pembangunan Buildharta Sdn Bhd (formerly known as Pembangunan K.T.I Sdn Bhd), currently a dormant company which was previously a property developer (not part of our Group).</li> </ul>                                  |
| 3.         | Cerajuta Sdn Bhd   | <ul style="list-style-type: none"> <li>Loke Theen Fatt is our Promoter, Managing Director / Chief Executive Officer and substantial shareholder.</li> <li>Wilson Loke Choon Syn is our Promoter and Executive Director.</li> <li>Loke Theen Fatt and Wilson Loke Choon Syn are the directors of Cerajuta Sdn Bhd. Loke Theen Fatt is also a shareholder of Cerajuta Sdn Bhd, currently a dormant company which was previously a property developer (not part of our Group).</li> </ul> |

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**11. CONFLICT OF INTEREST (Cont'd)**

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Our Board is of the view that the interests of our Directors and substantial shareholders in the above companies do not give rise to a conflict of interest situation after taking into consideration the following factors:

**(a) Loke Theen Fatt Realty Sdn Bhd**

Loke Theen Fatt Realty Sdn Bhd is a dormant company which was previously the developer for Phase 3 of Taman Nelly, which was the only project undertaken (it was formerly a part of our Group, being a former subsidiary of KTISB and was subsequently disposed to Chin Mee Leen), of which the individual titles are still pending issuance to the individual owners as at LPD, which are expected to complete within a period of 24 months. The company is and has been dormant since the completion of Phase 3 of Taman Nelly in 1991 and as at LPD, it does not carry out any business activities, and there is no intention for it to undertake any other business activities.

Upon completion of the issuance of the individual titles to the individual owners, the company will commence its striking off process.

Chin Mee Leen has irrevocably undertaken to take all the necessary steps to strike off the company upon issuance of the individual titles to the individual owners by May 2025, and not to undertake any business activities until it is struck off.

**(b) Pembangunan Buildharta Sdn Bhd (formerly known as Pembangunan K.T.I Sdn Bhd)**

Pembangunan Buildharta Sdn Bhd (formerly known as Pembangunan K.T.I Sdn Bhd) is a dormant company, and was previously a property developer, which is similar in nature to our Group's business. It has been dormant since the completion of Phase 2 and Phase 3 of Taman Kuala Menggatal (a joint venture project with LPPB) in 1998. As at LPD, it does not carry out any business activities save for holding residential properties owned by the family of Chin Mee Leen and Loke Pei Lee and another property which is pending issuance of individual title to the individual owner.

The change of name of Pembangunan K.T.I Sdn Bhd to Pembangunan Buildharta Sdn Bhd was effected on 8 August 2023.

Chin Mee Leen and Loke Pei Lee have irrevocably undertaken for Pembangunan Buildharta Sdn Bhd not to undertake any property development activities.

**(c) Cerajuta Sdn Bhd**

Cerajuta Sdn Bhd is a dormant company, and was previously a property developer, which is similar in nature to our Group's business. Cerajuta Sdn Bhd previously carried out construction works for the Government and subsequently became a property developer for Taman Kota Phase 2B and Phase 2C in Keningau.

As at LPD, the company holds 6 vacant detached (i.e. bungalow) lots which are intended to be disposed of being remaining lots from Phase 3 of Taman Kota, Keningau that were not developed. The company will commence its striking off process upon completion of the disposals.

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**11. CONFLICT OF INTEREST (*Cont'd*)**

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There is no intention for the company to undertake any business activities until it is struck off.

Loke Theen Fatt and Wilson Loke Choon Syn have irrevocably undertaken to take all the necessary steps to strike off the company upon completion of disposal of the remaining lots thereon by July 2025, and not to undertake any business activities until it is struck off. Loke Theen Fatt and Wilson Loke Choon Syn have abstained in the assessment of the conflict of interest situations.

Moving forward, we have established procedures for related party transactions to ensure that they are carried out on an arm's length basis, on normal commercial terms which are not more favourable to our related parties than those generally available to the public, and are not to the detriment of our minority shareholders. Please refer to our procedures as disclosed in Section 10.1.

It is our Director's fiduciary duty to avoid conflict, and they are required to attend courses which provide them guidelines on their fiduciary duties. In order to mitigate any possible conflict of interest situation in the future, our Directors will declare to our Nominating and Remuneration Committee and our Board their interests in other companies at the onset and as and when there are changes in their respective interests in companies outside our Group. Our Nominating and Remuneration Committee will then first evaluate if such Director's involvement gives rise to an actual or potential conflict of interest with our Group's business after the disclosure provided by such Director. After a determination has been made on whether there is an actual or potential conflict of interest of a Director, our Nominating and Remuneration Committee will then:

- (a) immediately inform our Audit and Risk Management Committee and Board of the conflict of interest situation;
- (b) after deliberation with our Audit and Risk Management Committee, to make recommendations to our Board to direct the conflicted Director to:
  - (i) withdraw from all his executive involvement in our Group in relation to the matter that has given rise to the conflict of interest (in the case where the conflicted Director is an Executive Director); and
  - (ii) abstain from all Board deliberation and voting in the matter that has given rise to the conflict of interest.

In relation to (b)(ii) above, the conflicted Director and persons connected to him (if applicable) shall be absent from any Board discussion relating to the recommendation of our Nominating and Remuneration Committee and the conflicted Director and persons connected to him (if applicable) shall not vote or in any way attempt to influence the discussion of, or voting on, the matter at issue. The conflicted Director, may however at the request of the Chairman of our Board, be present at our Board meeting to answer any questions.

In circumstances where a Director is determined to have a significant, ongoing and irreconcilable conflict of interest with our Group, and where such conflict of interest significantly impedes the Director's ability to carry out his fiduciary responsibility to our Group, our Nominating and Remuneration Committee may determine that a resignation of the conflicted Director from our Board is appropriate and necessary.

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**11. CONFLICT OF INTEREST (Cont'd)**

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Where there are related party transactions between our Group with our Directors (or person connected to them) or companies in which our Directors (or person connected to them) have an interest, our Audit and Risk Management Committee will, amongst others, supervise and monitor such related party transaction and the terms thereof and report to our Board for further action. Please refer to Section 10.1 for the procedures to be taken to ensure that related party transactions (if any) are undertaken on arm's length basis.

**11.2 DECLARATIONS OF CONFLICT OF INTEREST BY OUR ADVISERS**

- (a) M & A Securities has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Adviser, Sponsor, Placement Agent and Underwriter for our Listing;
- (b) Rosli Dahlan Saravana Partnership has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Solicitors for our Listing;
- (c) Jayasuriya Kah & Co has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Solicitors for our Listing in respect of Sabah law;
- (d) Moore Stephens Associates PLT has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Auditors and Reporting Accountants for our Listing;
- (e) Smith Zander International Sdn Bhd has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as IMR for our Listing; and
- (f) Azmi & Co (Sabah) Sdn Bhd has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as Independent Valuer for our Listing.

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