
10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Pursuant to the Listing Requirements, subject to certain exemptions, a “related party transaction” is a transaction entered into by a listed issuer or its subsidiary, which involves the interest, direct or indirect, of a related party. A “related party” is defined as a director, major shareholder or person connected with such director or major shareholder (including a director or major shareholder within the preceding 6 months before the transaction was entered into). “Major shareholder” means a shareholder with a shareholding of 10% or more (or 5% or more where such person is the largest shareholder in the company) of all the voting shares in the company.

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10. RELATED PARTY TRANSACTIONS (CONT'D)

10.1.1 Our Group's Related Party Transactions

Save as disclosed below, our Group has not entered into nor proposes to enter into any material related party transactions for the Financial Years Under Review, and for the subsequent financial period up to the LPD:

No.	Transacting Parties	Nature of relationship	Nature of transaction	Arm's Length (Yes/No)	Transaction value			Up to LPD (RM'000)/%
					FYE 2021 (RM'000)/%	FYE 2022 (RM'000)/%	FYE 2023 (RM'000)/%	
1.	VTCM and VGSB	Tee Chee Chiang and Chan Wai Hoong are Directors of the Company. They are also directors of VGSB. Tee Chee Chiang is a major shareholder of the Company and VGSB while Chan Wai Hoong is a shareholder of the Company and VGSB.	Advances by VTCM to VGSB for VGSB's administrative expenses.	No ⁽¹⁾	17 / 0.90% ^(a)	18 / 1.01% ^(a)	19 / 1.51% ^(a)	-
2.	VTCM and Petbacker Sdn Bhd	Tee Chee Chiang is a Director and major shareholder of the Company. He is also a Director and major shareholder of Petbacker Sdn Bhd.	Advances by VTCM to Petbacker Sdn Bhd for Petbacker Sdn Bhd's administrative expenses.	No ⁽¹⁾	* 2 / 0.11% ^(a)	-	-	-

10. RELATED PARTY TRANSACTIONS (CONT'D)

No.	Transacting Parties	Nature of relationship	Nature of transaction	Arm's Length (Yes/No)	Transaction value			
					FYE 2021 (RM'000)/%	FYE 2022 (RM'000)/%	FYE 2023 (RM'000)/%	Up to LPD (RM'000)/%
3.	VTCM and Petbacker Sdn Bhd	Tee Chee Chiang is a Director and major shareholder of the Company. He is also a Director and major shareholder of Petbacker Sdn Bhd.	Rental paid by Petbacker Sdn Bhd to VTCM ⁽²⁾ .	No ⁽²⁾	- ⁽³⁾	- ⁽³⁾	- ⁽³⁾	12 ⁽⁴⁾
4.	VTCM and Tee Chee Chiang	Tee Chee Chiang is a Director and major shareholder of the Company.	Payment by Tee Chee Chiang on behalf of VTCM for its administrative expenses.	No ⁽¹⁾	-	19/ 1.07% ^(a)	11/ 0.87% ^(a)	-
5.	VTCS and Petbacker Pte Ltd	Tee Chee Chiang is a Director and major shareholder of the Company. He is also a Director and major shareholder of Petbacker Pte Ltd.	Provision of outsourcing services of software maintenance / IT support services from VTCS to Petbacker Pte Ltd ⁽⁵⁾ .	No ⁽⁵⁾	145/ 0.72% ^(b)	149/ 0.71% ^(b)	-	-
6.	VTCS and Petbacker Limited	Tee Chee Chiang is a Director and major shareholder of the Company. He is also a Director and major shareholder of Petbacker Limited.	Provision of outsourcing services of software maintenance / marketing services from VTCS to Petbacker Limited ⁽⁵⁾ .	No ⁽⁵⁾	46/ 0.23% ^(b)	47/ 0.23% ^(b)	-	-

10. RELATED PARTY TRANSACTIONS (CONT'D)

Notes:

* *Negligible*

(a) *Based on our Group's administrative expenses for each of the respective FYE.*

(b) *Based on our Group's audited revenue for each of the respective FYE.*

(1) *The advances provided were non-trade related, unsecured and interest free. As the advances were given interest free, they were not given on arm's length basis. As at the LPD, all the advances have been fully repaid and there are no outstanding balances with the related parties.*

(2) *The property owned by VTCM which is B2-1007 and B2-1009 Setia Jaya Property is partially occupied by Petbacker Sdn Bhd.*

(3) *FYE 2021 to FYE 2023*

Petbacker Sdn Bhd had occupied B2-1007 and B2-1009 Setia Jaya Property partially but had not been charged any rental amount by VTCM. As there had been no rental paid, the transaction was not carried out on arms' length basis. VTCM has since entered into a tenancy agreement with Petbacker Sdn Bhd to collect rental on the B2-1007 and B2-1009 Setia Jaya Property.

(4) *Up to LPD*

VTCM had entered into a tenancy agreement dated 1 September 2023 with Petbacker Sdn Bhd for the rental of B2-1007 and B2-1009 Setia Jaya Property at a monthly rental rate of RM2,400 for 3 years commencing from 1 September 2023. The transaction has been carried out on an arm's length basis and on normal commercial terms which are not unfavourable to the Group based on prevailing market rate and are not detrimental to the minority shareholders.

(5) *VTCS had been engaged by Petbacker Pte Ltd and Petbacker Limited to provide outsourcing services of software maintenance and marketing services. As the services included highly customisable services of software configuration and development services, the transaction was not carried out on arms' length basis and was based on commercial terms negotiated between the parties, which were not unfavourable to the Group.*

Save as disclosed in note 1, 2, 3 and 5 whereby our Directors does not deem that the transaction has been carried out on arms' length basis, our Directors confirm that all the related party transactions outlined above between our Group and our Directors and/or major shareholders of our Company and/or persons connected to them were transacted on an arm's length basis and on normal commercial terms which are not unfavourable to our Group and are not detrimental to our minority shareholders.

10. RELATED PARTY TRANSACTIONS (CONT'D)

10.2 TRANSACTIONS ENTERED INTO THAT ARE UNUSUAL IN THEIR NATURE OR CONDITIONS

Our Group has not entered into any transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets, with a related party in the Financial Years Under Review and up to the LPD.

10.3 OUTSTANDING LOANS AND/OR FINANCIAL ASSISTANCE TO OR FOR THE BENEFIT OF RELATED PARTIES

Save as disclosed below, there are no outstanding loans (including guarantees of any kind) and/or financial assistance that have been granted by our Company and/or any of our Subsidiaries to or for the benefit of the related parties for the Financial Years Under Review and up to the LPD.

No	Transacting parties	Nature of relationship	FYE 2021 RM'000	FYE 2022 RM'000	FYE 2023 RM'000	From 1 September 2023 up to the LPD RM'000
Amount due from related parties ⁽¹⁾						
1.	VTCM and Vetece Sdn Bhd	Our Promoter, Substantial Shareholder and Non-Independent Executive Vice Chairman, namely Tee Chee Chiang, is a director and shareholder of Vetece Sdn Bhd.	30	48	-	-
2.	VTCM and Petbacker Sdn Bhd	Our Promoter, Substantial Shareholder and Non-Independent Executive Vice Chairman, namely Tee Chee Chiang, is a director and shareholder of Petbacker Sdn Bhd.	35	37	-	-
3.	VTCM and Petbacker Limited	Our Promoter, Substantial Shareholder and Non-Independent Executive Vice Chairman, namely Tee Chee Chiang, is a director and shareholder of Petbacker Limited	2	2	-	-

10. RELATED PARTY TRANSACTIONS (CONT'D)

No	Transacting parties	Nature of relationship	FYE 2021 RM'000	FYE 2022 RM'000	FYE 2023 RM'000	From 1 September 2023 up to the LPD RM'000
4.	VTCM and Petbacker Pte Ltd	Our Promoter, Substantial Shareholder and Non-Independent Executive Vice Chairman, namely Tee Chee Chiang, is a director and shareholder of Petbacker Pte Ltd	200	200	-	-
Amount due to Directors ⁽²⁾						
5.	VTCM and Tee Chee Chiang	Tee Chee Chiang is our Promoter, Substantial Shareholder and Non-Independent Executive Vice Chairman	17	30	-	-

Notes:

(1) This amount comprises expenses paid by our Group on behalf of the related parties.

(2) This amount comprises expenses paid by our Directors on behalf of our Group.

The advances provided were non-trade related, unsecured and interest free. As the advances were given interest free, they were not given on arm's length basis. However, our Directors are of the view that the advances provided to related parties are not detrimental to our Group. As at the LPD, all the advances have been repaid and there are no outstanding balances with the related parties.

Moving forward, our Group has put in place strict internal control and compliance procedures in relation to advances and loans to third parties, and no further advances or loans will be given to any related parties of our Group unless such advances and loans are permitted under applicable law and the Listing Requirements and brought to the Audit and Risk Management Committee and our Board for deliberation and approval.

10. RELATED PARTY TRANSACTIONS (CONT'D)**10.4 PROVISION OF GUARANTEES BY OUR PROMOTERS FOR BANKING FACILITIES GRANTED TO OUR GROUP**

Our Directors and/or Promoters, namely, Tee Chee Chiang and Chan Wai Hoong, have jointly and severally provided personal guarantees for the banking facilities extended by Public Bank Berhad to our Group. The breakdown of the facilities secured by our Group and the personal guarantees provided by our Directors and/or Promoters as at the LPD is set out below:

Financier	Guarantors	Amount utilised RM'000	Unutilised balance RM'000	Total amount of guarantee provided RM'000
Public Bank Berhad	<ul style="list-style-type: none"> • Tee Chee Chiang • Chan Wai Hoong 	4,124	349	4,473
	Total	4,124	349	4,473

In conjunction with the Listing, we have applied to Public Bank Berhad to obtain a release and/or discharge of the guarantees provided by Tee Chee Chiang and/or Chan Wai Hoong by substituting the same with corporate guarantees to be provided by our Company.

Until such release and/or discharge are obtained from Public Bank Berhad, the Directors and shareholders will continue to guarantee such banking facilities extended to our Group.

As at the date of this Prospectus, we have received conditional approvals from Public Bank Berhad to discharge the relevant personal guarantees by substituting the same with corporate guarantees from our Company.

10.5 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS

Our Audit and Risk Management Committee will review the terms of all related party transactions (including recurrent related party transactions), and our Directors will report such transactions, if any, annually in our Company's annual report. In the event that there are any proposed related party transactions that involve the direct or indirect interest of our Directors, our interested Directors shall disclose to our Board the nature and extent of their interest including all matters in relation to the proposed related party transactions that they are aware or should reasonably be aware of, which is not in our best interest. Our interested Directors shall also abstain from any of our Board's deliberation and voting on the relevant resolutions in respect of such proposed related party transactions.

Further, we will be required to seek our shareholders' approval each time we enter into material related party transactions in accordance with the Listing Requirements. However, if the related party transactions are deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions. The interested persons shall abstain from voting on the relevant resolutions in respect of such proposed related party transactions at our general meetings. Under the Listing Requirements, related party transactions may be aggregated to determine their materiality if the related party transactions occurred within a 12-month period, are entered with the same party or with parties connected to one another or if the transactions involve the acquisition or disposal of securities or interests in one particular corporation/asset or of various parcels of land contiguous to each other.