

## 10. RELATED PARTY TRANSACTIONS

### 10.1 OUR GROUP'S RELATED PARTY TRANSACTIONS

#### (a) Material related party transactions entered into by our Group

Save for the Acquisitions as set out in Section 6.1.2 of this Prospectus and as disclosed below, there are no transactions, existing and/or potential, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, substantial shareholders and/or persons connected with them which are material to our Group during the Financial Years Under Review and up to the LPD:

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
1.	Smart Paint Manufacturing and UT Holdings	Goh Chye Hin and Kee Hui Lang are our Group's promoters, directors and substantial shareholders.	Purchase of trading products by Smart Paint Manufacturing from UT Holdings <sup>(8)</sup> <sub>(30)</sub>	2,195	4.50 <sup>(1)</sup>	1,391	2.62 <sup>(1)</sup>	53	0.10 <sup>(1)</sup>	-	-
		Goh Chye Hin and Kee Hui Lang are also the directors and shareholders of UT Holdings.	Payment of management fees by UT Holdings to Smart Paint Manufacturing <sup>(9)</sup> <sub>(30)</sub>	36	7.00 <sup>(2)</sup>	12	2.68 <sup>(2)</sup>	1	0.13 <sup>(2)</sup>	-	-
		Goh Sim Yee and Goh Ji Syuan are the children of Goh Chye Hin and Kee Hui Lang. They are also shareholders of UT Holdings.	Purchase of trademark by Smart Paint Manufacturing from UT Holdings <sup>(10)</sup> <sub>(30)</sub>	-	-	-	-	200	0.33 <sup>(3)</sup>	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
2.	Smart Paint (Selangor) and UT Holdings	<p>Goh Chye Hin and Kee Hui Lang are our Group's promoters, directors and substantial shareholders.</p> <p>Goh Chye Hin and Kee Hui Lang are also the directors and shareholders of UT Holdings.</p> <p>Goh Sim Yee and Goh Ji Syuan are the children of Goh Chye Hin and Kee Hui Lang. They are also shareholders of UT Holdings.</p>	Purchase of trading products by Smart Paint (Selangor) from UT Holdings <sup>(30)</sup>	865	1.77 <sup>(1)</sup>	623	1.17 <sup>(1)</sup>	475	0.85 <sup>(1)</sup>	-	-
3.	Smart Paint Manufacturing and UA Paints & Hardware Sdn Bhd	Goh Chye Hin is our Group's promoter, director and substantial shareholder.	Sales of manufacturing and trading products by Smart Paint Manufacturing to UA Paints & Hardware Sdn Bhd <sup>(31)</sup>	261	0.36 <sup>(4)</sup>	-	-	-	-	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Goh Bee Guat and Ho Chye Thuan are Goh Chye Hin's sister and brother-in-law. They are also shareholders and directors of UA Paints & Hardware Sdn Bhd.	Purchase of paints by Smart Paint Manufacturing from UA Paints & Hardware Sdn Bhd <sup>(11)</sup> <sup>(30)</sup>	1	# <sup>(1)</sup>	17	0.03 <sup>(1)</sup>	4	0.01 <sup>(1)</sup>	-	-
			Transportation costs charged to Smart Paint Manufacturing by UA Paints & Hardware Sdn Bhd <sup>(12)</sup> <sup>(30)</sup>	8	0.08 <sup>(5)</sup>	-	-	-	-	-	-
4.	Smart Paints (M) and UA Paints & Hardware Sdn Bhd	Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Bee Guat and Ho Chye Thuan are Goh Chye Hin's sister and brother-in-law. They are also shareholders and directors of UA Paints & Hardware Sdn Bhd.	Sales of manufacturing and trading products by Smart Paints (M) to UA Paints & Hardware Sdn Bhd <sup>(31)</sup>	2,776	3.88 <sup>(4)</sup>	3,597	4.51 <sup>(4)</sup>	2,848	3.60 <sup>(4)</sup>	1,494	N/A <sup>(29)</sup>

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
5.	Smart Paint Manufacturing and Major Harvest Sdn Bhd	Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Chye Leng and Cho Chooi Peng are Goh Chye Hin's brother and sister-in-law. They are also the directors and shareholders of Major Harvest Sdn Bhd.	Sales of manufacturing and trading products by Smart Paint Manufacturing to Major Harvest Sdn Bhd <sup>(31)</sup>	172	0.24 <sup>(4)</sup>	-	-	25	0.03 <sup>(4)</sup>	-	-
			Purchase of trading products and maintenance parts by Smart Paint Manufacturing from Major Harvest Sdn Bhd <sup>(31)</sup>	1,510	3.09 <sup>(1)</sup>	212	0.40 <sup>(1)</sup>	130	0.23 <sup>(1)</sup>	80	N/A <sup>(29)</sup>
			Disposal of second-hand lorry by Smart Paint Manufacturing to Major Harvest Sdn Bhd <sup>(13) (30)</sup>	-	-	-	-	30	0.05 <sup>(3)</sup>	-	-
6.	Smart Paints (M) and Major Harvest Sdn Bhd	Goh Chye Hin is our Group's promoter, director and substantial shareholder.	Sales of manufacturing and trading products by Smart Paints (M) to Major Harvest Sdn Bhd <sup>(31)</sup>	1,901	2.66 <sup>(4)</sup>	2,082	2.61 <sup>(4)</sup>	2,165	2.73 <sup>(4)</sup>	936	N/A <sup>(29)</sup>

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Goh Chye Leng and Cho Chooi Peng are Goh Chye Hin's brother and sister-in-law. They are also the directors and shareholders of Major Harvest Sdn Bhd.	Purchase of maintenance parts by Smart Paints (M) from Major Harvest Sdn Bhd <sup>(31)</sup>	5	0.01 <sup>(1)</sup>	1	# <sup>(1)</sup>	12	0.02 <sup>(1)</sup>	8	N/A <sup>(29)</sup>
			Transportation costs charged to Smart Paints (M) by Major Harvest Sdn Bhd <sup>(14)</sup> <sup>(30)</sup>	-	-	-	-	12	0.15 <sup>(5)</sup>	2	N/A <sup>(29)</sup>
7.	Smart Paint (Selangor) and Major Harvest Sdn Bhd	Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Chye Leng and Cho Chooi Peng are Goh Chye Hin's brother and sister-in-law. They are also the directors and shareholders of Major Harvest Sdn Bhd.	Sales of manufacturing and trading products by Smart Paint (Selangor) to Major Harvest Sdn Bhd <sup>(31)</sup>	28	0.04 <sup>(4)</sup>	#	# <sup>(4)</sup>	-	-	-	-
			Purchase of trading products by Smart Paint (Selangor) from Major Harvest Sdn Bhd <sup>(31)</sup>	66	0.14 <sup>(1)</sup>	20	0.04 <sup>(1)</sup>	17	0.03 <sup>(1)</sup>	189	N/A <sup>(29)</sup>
8.	Smart Paint Manufacturing and QC Printing Sdn Bhd	Kee Hui Lang is our Group's promoter, director and substantial shareholder.	Sales of depositing colourant by Smart Paint Manufacturing to QC Printing Sdn Bhd <sup>(15)</sup> <sup>(30)</sup>	-	-	36	0.05 <sup>(4)</sup>	-	-	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Kee Hui Lang was the director and shareholder of QC Printing Sdn Bhd. <sup>(17)</sup>	Purchase of colour card by Smart Paint Manufacturing from QC Printing Sdn Bhd <sup>(16) (30)</sup>	473	4.71 <sup>(5)</sup>	6	0.07 <sup>(5)</sup>	-	-	-	-
			Purchase of packing materials by Smart Paint Manufacturing from QC Printing Sdn Bhd <sup>(31)</sup>	146	0.30 <sup>(1)</sup>	114	0.21 <sup>(1)</sup>	-	-	-	-
			Purchase of printed marketing materials by Smart Paint Manufacturing from QC Printing Sdn Bhd <sup>(31)</sup>	9	0.09 <sup>(5)</sup>	-	-	-	-	-	-
9.	Smart Paints (M) and QC Printing Sdn Bhd	Kee Hui Lang is our Group's promoter, director and substantial shareholder.	Sales of manufacturing products by Smart Paints (M) to QC Printing Sdn Bhd <sup>(31)</sup>	16	0.02 <sup>(4)</sup>	2	# <sup>(4)</sup>	-	-	-	-
			Kee Hui Lang was the director and shareholder of QC Printing Sdn Bhd. <sup>(17)</sup>	Purchase of colour card by Smart Paints (M) from QC Printing Sdn Bhd <sup>(16) (31)</sup>	-	-	361	4.35 <sup>(5)</sup>	-	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
			Purchase of packing materials by Smart Paints (M) from QC Printing Sdn Bhd <sup>(31)</sup>	-	-	2	# <sup>(1)</sup>	-	-	-	-
			Purchase of printed marketing materials by Smart Paints (M) from QC Printing Sdn Bhd <sup>(31)</sup>	4	0.04 <sup>(5)</sup>	1	0.01 <sup>(5)</sup>	-	-	-	-
10.	Smart Paint Manufacturing and KTC Hardware & Trading Sdn Bhd	Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Chye Hin is a shareholder of KTC Hardware & Trading Sdn Bhd. He was also a director of KTC Hardware & Trading Sdn Bhd. <sup>(18)</sup>	Sales of manufacturing and trading products by Smart Paint Manufacturing to KTC Hardware & Trading Sdn Bhd <sup>(30)</sup>	35	0.05 <sup>(4)</sup>	-	-	-	-	-	-
11.	Smart Paints (M) and KTC Hardware & Trading Sdn Bhd	Goh Chye Hin is our Group's promoter, director and substantial shareholder.	Sales of manufacturing and trading products by Smart Paints (M) to KTC Hardware & Trading Sdn Bhd <sup>(31)</sup>	176	0.25 <sup>(4)</sup>	183	0.23 <sup>(4)</sup>	189	0.24 <sup>(4)</sup>	119	N/A <sup>(29)</sup>

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Goh Chye Hin is a shareholder of KTC Hardware & Trading Sdn Bhd. He was also a director of KTC Hardware & Trading Sdn Bhd. <sup>(18)</sup>									
12.	Smart Paint Manufacturing and BIY Home Store (Kota Tinggi) Sdn Bhd	<p>Kee Hui Lang is our Group's promoter, director and substantial shareholder.</p> <p>Kee Hui Lang is a shareholder of BIY Home Store (Kota Tinggi) Sdn Bhd. She was also a director of BIY Home Store (Kota Tinggi) Sdn Bhd.<sup>(19)</sup></p>	<p>Sale of manufacturing and trading products by Smart Paint Manufacturing to BIY Home Store (Kota Tinggi) Sdn Bhd<sup>(30)</sup></p> <p>Purchase of disinfectant spray guns by Smart Paint Manufacturing from BIY Home Store (Kota Tinggi) Sdn Bhd<sup>(30)</sup></p>	22	0.03 <sup>(4)</sup>	-	-	-	-	-	-
13.	Smart Paints (M) and BIY Home Store (Kota Tinggi) Sdn Bhd	Kee Hui Lang is our Group's promoter, director and substantial shareholder.	Sales of manufacturing and trading products by Smart Paints (M) to BIY Home Store (Kota Tinggi) Sdn Bhd <sup>(31)</sup>	303	0.42 <sup>(4)</sup>	353	0.44 <sup>(4)</sup>	514	0.65 <sup>(4)</sup>	414	N/A <sup>(29)</sup>



**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Kee Hui Lang is a shareholder of BIY Home Store (Kota Tinggi) Sdn Bhd. She was also a director of BIY Home Store (Kota Tinggi) Sdn Bhd. <sup>(19)</sup>	Purchase of disinfectant spray guns by Smart Paints (M) from BIY Home Store (Kota Tinggi) Sdn Bhd <sup>(30)</sup>	#	# <sup>(1)</sup>	-	-	-	-	-	-
14.	Smart Paint (Selangor) and BIY Home Store (Kota Tinggi) Sdn Bhd	Kee Hui Lang is our Group's promoter, director and substantial shareholder.  Kee Hui Lang is a shareholder of BIY Home Store (Kota Tinggi) Sdn Bhd. She was also a director of BIY Home Store (Kota Tinggi) Sdn Bhd. <sup>(19)</sup>	Sales of trading products by Smart Paint (Selangor) to BIY Home Store (Kota Tinggi) Sdn Bhd <sup>(31)</sup>	12	0.02 <sup>(4)</sup>	2	# <sup>(4)</sup>	-	-	-	-
			Purchase of face mask by Smart Paint (Selangor) from BIY Home Store (Kota Tinggi) Sdn Bhd <sup>(30)</sup>	3	0.01 <sup>(1)</sup>	-	-	-	-	-	-
15.	Smart Paint Manufacturing and Jing Thye Trading	Goh Chye Hin is our Group's promoter, director and substantial shareholder.	Sales of manufacturing and trading products by Smart Paint Manufacturing to Jing Thye Trading <sup>(30)</sup>	16	0.02 <sup>(4)</sup>	-	-	-	-	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Goh Chye Wah is the brother of Goh Chye Hin and also the sole proprietor of Jing Thye Trading.									
16.	Smart Paints (M) and Jing Thye Trading	Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Chye Wah is the brother of Goh Chye Hin and also the sole proprietor of Jing Thye Trading.	Sales of manufacturing and trading products by Smart Paints (M) to Jing Thye Trading <sup>(31)</sup>	134	0.19 <sup>(4)</sup>	125	0.16 <sup>(4)</sup>	172	0.22 <sup>(4)</sup>	187	N/A <sup>(29)</sup>
17.	Smart Paint Manufacturing and PT Farmitec Indo Pratama (formerly known as PT Smart Paint Indonesia) ("Smart Paint Indonesia")	Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Chye Hin was a shareholder of Smart Paint Indonesia. <sup>(20)</sup>	Purchase of production machineries by Smart Paint Manufacturing from Smart Paint Indonesia <sup>(21) (30)</sup>	230	0.55 <sup>(3)</sup>	-	-	-	-	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
18.	Smart Paint (Selangor) and Mr.Mark Tools (M) Sdn Bhd	<p>Goh Chye Hin is our Group's promoter, director and substantial shareholder.</p> <p>Goh Chye Leng and Cho Chooi Peng are Goh Chye Hin's brother and sister-in-law. Goh Chye Hin and Goh Chye Leng are the directors and shareholders of Mr.Mark Tools (M) Sdn Bhd. Cho Chooi Peng is also a shareholder of Mr.Mark Tools (M) Sdn Bhd.</p> <p>Major Harvest Sdn Bhd is also the shareholder of Mr.Mark Tools (M) Sdn Bhd. Goh Chye Leng and Cho Chooi Peng are the directors and shareholders of Major Harvest Sdn Bhd.</p>	Printer leasing charges charged from Smart Paint (Selangor) to Mr.Mark Tools (M) Sdn Bhd <sup>(22) (30)</sup>	3	0.58 <sup>(2)</sup>	4	0.89 <sup>(2)</sup>	4	0.53 <sup>(2)</sup>	2	N/A <sup>(29)</sup>
			Purchase of trading products by Smart Paint (Selangor) from Mr.Mark Tools (M) Sdn Bhd <sup>(30)</sup>	2	# <sup>(1)</sup>	-	-	-	-	-	-
			Interest charged on the advances from Mr.Mark Tools (M) Sdn Bhd to Smart Paint (Selangor) <sup>(23) (30)</sup>	1	0.17 <sup>(7)</sup>	-	-	-	-	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Lim Kok Beng is our Group's director and our Company's minority shareholder. He was also a director and shareholder of Mr.Mark Tools (M) Sdn Bhd. <sup>(24)</sup>									
19.	Smart Paint Manufacturing and Ztree Sdn Bhd	Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Chye Hin was the shareholder of Ztree Sdn Bhd. <sup>(25)</sup>	Sales of manufacturing and trading products by Smart Paint Manufacturing to Ztree Sdn Bhd <sup>(31)</sup>	985	1.38 <sup>(4)</sup>	1,212	1.52 <sup>(4)</sup>	1,222	1.54 <sup>(4)</sup>	-	-
20.	Smart Paint Manufacturing and Goh Chye Hin	Goh Chye Hin is our Group's promoter, director and substantial shareholder.	Payment of sinking funds and maintenance fees by Smart Paint Manufacturing for the upkeep of the units owned by Goh Chye Hin <sup>(26) (30)</sup>	10	0.31 <sup>(6)</sup>	6	0.16 <sup>(6)</sup>	6	0.14 <sup>(6)</sup>	3	N/A <sup>(29)</sup>

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
21.	Smart Paint Manufacturing and Kee Hui Lang	Kee Hui Lang is our Group's promoter, director and substantial shareholder.	Rental of premise by Kee Hui Lang to Smart Paint Manufacturing <sup>(27) (30)</sup>	42	1.31 <sup>(6)</sup>	42	1.15 <sup>(6)</sup>	21	0.49 <sup>(6)</sup>	-	-
22.	Smart Paints (M) and 1 Living Depot Sdn Bhd	Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Chye Leng and Cho Chooi Peng are Goh Chye Hin's brother and sister-in-law. Cho Chooi Peng and Goh Chye Leng are the directors and shareholders of 1 Living Depot Sdn Bhd.  Major Harvest Sdn Bhd is also the shareholder of 1 Living Depot Sdn Bhd. Goh Chye Leng and Cho Chooi Peng are the directors and shareholders of Major Harvest Sdn Bhd.	Purchase of maintenance parts by Smart Paints (M) from 1 Living Depot Sdn Bhd <sup>(30)</sup>	1	# <sup>(1)</sup>	-	-	-	-	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
23.	Smart Paint Manufacturing and 1 Living Depot Sdn Bhd	<p>Goh Chye Hin is our Group's promoter, director and substantial shareholder.</p> <p>Goh Chye Leng and Cho Chooi Peng are Goh Chye Hin's brother and sister-in-law. Cho Chooi Peng and Goh Chye Leng are the directors and shareholders of 1 Living Depot Sdn Bhd.</p> <p>Major Harvest Sdn Bhd is also the shareholder of 1 Living Depot Sdn Bhd. Goh Chye Leng and Cho Chooi Peng are the directors and shareholders of Major Harvest Sdn Bhd.</p>	Purchase of maintenance parts by Smart Paint Manufacturing from 1 Living Depot Sdn Bhd <sup>(31)</sup>	13	0.03 <sup>(1)</sup>	4	0.01 <sup>(1)</sup>	11	0.02 <sup>(1)</sup>	8	N/A <sup>(29)</sup>

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
24.	Smart Paint Manufacturing and PT Smartindo Global Asia	Smart Asia was a shareholder of PT Smartindo Global Asia. <sup>(28)</sup>  Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Chye Hin was also the indirect shareholder of PT Smartindo Global Asia through Smart Asia.	Sales of manufacturing and trading products by Smart Paint Manufacturing to PT Smartindo Global Asia <sup>(30)</sup>	116	0.16 <sup>(4)</sup>	-	-	-	-	-	-

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## 10. RELATED PARTY TRANSACTIONS (cont'd)

### Notes:

- # *The amount is negligible.*
- (1) *Calculated based on our Group's total cost of sales for each of the respective financial years/ period.*
- (2) *Calculated based on our Group's total other income for each of the respective financial years/period.*
- (3) *Calculated based on our Group's total net assets for each of the respective financial years/period.*
- (4) *Calculated based on our Group's total revenue for each of the respective financial years/period.*
- (5) *Calculated based on our Group's total selling and distribution expenses for each of the respective financial years/period.*
- (6) *Calculated based on our Group's total administrative expenses for each of the respective financial years/period.*
- (7) *Calculated based on our Group's total finance costs for each of the respective financial years/period.*
- (8) *The transactions between Smart Paint Manufacturing and UT Holdings were not conducted at an arms' length basis as the products were purchased at a price lower than those purchased by other customers of UT Holdings. Smart Paint Manufacturing has ceased all purchase transactions with UT Holdings since 30 December 2022.*
- (9) *Smart Paint Manufacturing entered into an agreement with UT Holdings on 30 July 2018 to provide UT Holdings with financial management and warehouse and logistic services for a monthly management fee during the following period:*
- (a) from January 2018 to January 2019, a monthly fee based on 2% of UT Holdings' monthly total sales value;*
  - (b) from February 2019 to December 2019, a monthly fee of RM6,000.00;*
  - (c) from January 2020 to December 2020, a monthly fee of RM3,000.00;*
  - (d) from January 2021 to December 2021, a monthly fee of RM1,000.00; and*
  - (e) from January 2022 onwards, a monthly fee of RM100.00.*
- Smart Paint Manufacturing does not provide these services to any other third parties and the management fees charged was not conducted at an arms' length basis as the fees charged were on an agreed pricing that is below the market value for services of similar nature. Smart Paint Manufacturing has ceased to provide these services to UT Holdings since 1 January 2023. Moving forward, Smart Paint Manufacturing will not be providing any such services to UT Holdings.*
- (10) *Smart Paint Manufacturing entered into a Deed of Assignment of Trademark on 22 February 2022 with UT Holdings to acquire the trademark "Goldliner" and the goodwill of the business of UT Holdings associated with "Goldliner" for a consideration of RM200,000.00. The transfer of ownership of the trademark(s) were completed on 12 April 2022. The transaction was not conducted at an arms' length basis as it was an agreed pricing based on approximately 10% of the revenue of UT Holdings in respect of the sale of Goldliner products in FYE 2020.*



**10. RELATED PARTY TRANSACTIONS (cont'd)**

- (11) *Due to the shortage of products and in order to fulfil Smart Paint Manufacturing's other customer's urgent requests in Penang, Smart Paint Manufacturing procured its own products from UA Paints & Hardware Sdn Bhd as UA Paints & Hardware Sdn Bhd has a store in Penang. As at the LPD, the Group has ceased this arrangement.*
- (12) *UA Paints & Hardware Sdn Bhd provided product transportation services to Smart Paint Manufacturing for the transport of products from Penang to Langkawi, Kedah. Smart Paint Manufacturing has ceased procuring transportation services from UA Paints & Hardware Sdn Bhd since FYE 2020.*
- (13) *Smart Paint Manufacturing has disposed a second-hand lorry to Major Harvest Sdn Bhd in November 2022 with a cash consideration of RM30,000.00. This was a one-off transaction.*
- (14) *Major Harvest Sdn Bhd procures third party shipping services for both itself and Smart Paints (M) in order to meet the minimum volume requirements set by the third party shipping service provider. The expenses associated with the transport of Smart Paints (M) products are subsequently reimbursed to Major Harvest Sdn Bhd by Smart Paints (M). As at the LPD, Smart Paints (M) has ceased the aforementioned arrangement.*
- (15) *Smart Paint Manufacturing sold depositing colourant (colourant used for colour cards) to QC Printing Sdn Bhd. This was a one-off transaction and our Group had only sold the aforementioned colourants to QC Printing Sdn Bhd.*
- (16) *Smart Paint Manufacturing and Smart Paints (M) only purchases colour cards from QC Printing Sdn Bhd. The transactions were not conducted at an arms' length basis as our Group is unable to procure comparative information to ascertain whether the aforementioned transactions were carried out based on normal commercial terms and at market rate.*
- (17) *Kee Hui Lang has resigned as director of QC Printing Sdn Bhd on 8 December 2021 and disposed of her entire shareholdings in QC Printing Sdn Bhd to non-related parties, Ng Euddy (130,000 shares) and Ng Teck Yong (100,000 shares), on 22 December 2021. Thereafter, QC Printing Sdn Bhd has ceased to be our related party.*
- (18) *Goh Chye Hin has resigned as a director of KTC Hardware & Trading Sdn Bhd on 11 April 2023. Goh Chye Hin currently holds 46.20% shares in KTC Hardware & Trading Sdn Bhd.*
- (19) *Kee Hui Lang has resigned as a director of BIY Home Store (Kota Tinggi) Sdn Bhd on 30 April 2023. Kee Hui Lang currently holds 20.00% shares in BIY Home Store (Kota Tinggi) Sdn Bhd.*
- (20) *Goh Chye Hin disposed of his entire shareholdings in Smart Paint Indonesia to a non-related party, Santos Loy (122,500 shares), who is also a minority shareholder of our Company (holding 2,000,000 Shares or 0.54% after IPO), on 8 January 2022. Thereafter, Smart Paint Indonesia ceased to be our related party.*
- (21) *Smart Paint Manufacturing had purchased second-hand machineries from Smart Paint Indonesia in March 2020. This was a one-off transaction and was not conducted at an arms' length basis as it was purchased at an agreed pricing of RM230,497.40.*

**10. RELATED PARTY TRANSACTIONS (cont'd)**

- (22) *Smart Paint (Selangor) entered into a Multifunction Equipment Rental Agreement with Toshiba Tec Malaysia Sdn Bhd on 15 August 2018 for the rental of 3 printers for a monthly fee of RM675.00. One of the printers is utilised solely by Mr.Mark Tools (M) Sdn Bhd and hence, the cost incurred for such printer is billed by Smart Paint (Selangor) to Mr.Mark Tools (M) Sdn Bhd. Smart Paint (Selangor) will be excluding Mr.Mark Tools (M) Sdn Bhd from this printer leasing arrangement upon the expiry of the agreement (i.e. 15 August 2023). Smart Paint (Selangor) had written to Toshiba Tec Malaysia Sdn Bhd for the termination of the Multifunction Equipment Rental Agreement on 22 May 2023, effective upon expiry of the agreement.*
- (23) *Smart Paint (Selangor) (as the borrower) entered into loan agreement with Mr.Mark Tools (M) Sdn Bhd (as the lender) on 3 November 2015 for a loan amount of RM700,000.00 with an interest of 3% per annum. The loan was fully settled on 26 November 2020. This transaction was not conducted at an arms' length basis as the interest rate charged was lower than the lending rate offered by the banks at that point in time. Moving forward, our Group will not be procuring loans from our related parties.*
- (24) *Lim Kok Beng resigned as director of Mr.Mark Tools (M) Sdn Bhd on 27 July 2020 and disposed of his entire shareholdings in Mr.Mark Tools (M) Sdn Bhd to Goh Chye Hin's sister-in-law, Cho Chooi Peng (932,339 shares) on 30 November 2020.*
- (25) *Goh Chye Hin disposed of his entire shareholdings in Ztree Sdn Bhd to non-related party, Chang Peng Chye (74,999 shares) and Chang's Peng Chye's trustee, Nurul Rashiqua Nafira Binti Imran (1 share) on 27 October 2022. Thereafter, Ztree Sdn Bhd ceased to be our related party.*
- (26) *Goh Chye Hin provided short-term accommodations to the management team of our Group for their stays in Ipoh, as and when required, on a rent-free basis and Smart Paint Manufacturing only pays for the sinking funds and maintenance fees incurred for the upkeep of the units. The accommodation provided consist of 2 units at the Casa Kayangan @ Meru apartment with the postal address of B-21-7 and B-21-8, Blok B, Pusat Perniagaan Meru Impian, Persiaran Meru Raya 2, Bandar Meru Raya, 30020 Ipoh, Perak. This transaction was not conducted at an arms' length basis as the accommodation was provided rent-free. As at the LPD, our Group has ceased this arrangement.*
- (27) *Smart Paint Manufacturing entered into a lease agreement with Kee Hui Lang for the rental of the premise bearing the postal address No. 7, Jalan Ponderosa 1/10, Taman Ponderosa, 81100 Johor Bahru, Johor as its workers' accommodation for the period commencing 1 August 2019 to 30 July 2024. The lease agreement was terminated on 30 June 2022.*
- (28) *Smart Asia disposed of its entire shareholdings in PT Smartindo Global Asia to non-related parties, Santos Loy (1,225 shares) who is also a minority shareholder of our Company (holding 2,000,000 Shares or 0.54% after IPO) and Bryan Loy (25 shares) on 8 January 2022. Thereafter, PT Smartindo Global Asia ceased to be our related party.*
- (29) *Not applicable as we did not prepare any financial statements from 1 January 2023 up to the LPD.*
- (30) *The transaction has ceased as at the LPD or will cease after our Listing.*
- (31) *The transaction is on-going as at the LPD and may continue after our Listing. Our Group will ensure that the transaction will be carried out at arms' length basis and not detrimental to our minority shareholders.*

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**10. RELATED PARTY TRANSACTIONS (cont'd)**

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Save for the transactions in Notes 8, 9, 10, 16, 21, 23 and 26, our Board is of the view that all other related party transactions were conducted on an arm's length basis and competitive commercial terms not more favourable to the related parties and were not detrimental to our minority shareholders and our Group. This was determined based on the following:

- (a) sales of our Group's products are at similar rates or prices charged to third parties;
- (b) the purchase of trading products from UT Holdings by Smart Paint (Selangor) was based on comparable purchase costs from external suppliers;
- (c) the re-purchase of paints by Smart Paint Manufacturing from UA Paints & Hardware Sdn Bhd are at similar rates or prices offered to third parties by UA Paints & Hardware Sdn Bhd;
- (d) the procurement of transportation services from UA Paints & Hardware Sdn Bhd by Smart Paint Manufacturing was based on comparable service costs from external providers;
- (e) the purchase of trading products and maintenance parts from Major Harvest Sdn Bhd by Smart Paint Manufacturing, Smart Paints (M) and Smart Paint (Selangor) was based on comparable purchase costs from external suppliers;
- (f) the disposal of lorry to Major Harvest Sdn Bhd was based on the value of the lorry on the second-hand market;
- (g) the transportation costs reimbursed to Major Harvest Sdn Bhd was proportionate to the expenses associated with the transport of Smart Paints (M) products;
- (h) the purchase of disinfectant spray guns by Smart Paint Manufacturing and Smart Paints (M) from BIY Home Store (Kota Tinggi) Sdn Bhd was based on comparable purchase costs from external suppliers;
- (i) the purchase of face mask by Smart Paint (Selangor) from BIY Home Store (Kota Tinggi) Sdn Bhd was based on comparable purchase costs from external suppliers;
- (j) the purchase of trading products by Smart Paint (Selangor) from Mr.Mark Tools (M) Sdn Bhd was based on comparable purchase costs from external suppliers;
- (k) the amount billed back to Mr.Mark Tools (M) Sdn Bhd by Smart Paint (Selangor) for the printing charges is proportionate to the fee for rental of 1 printer from Toshiba Tec Malaysia Sdn Bhd;
- (l) rental expenses paid to Kee Hui Lang was based on the prevailing market rental rates;
- (m) the purchase of packing materials and printed marketing materials by Smart Paint Manufacturing and Smart Paints (M) from QC Printing Sdn Bhd were based on comparable purchase costs from external suppliers;
- (n) the purchase of trading products by Smart Paint Manufacturing and Smart Paints (M) from 1 Living Depot Sdn Bhd was based on comparable purchase costs from external suppliers;

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**10. RELATED PARTY TRANSACTIONS (cont'd)**

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- (o) the markup in price for the sale of depositing colourant (colourants for colour cards) to QC Printing Sdn Bhd is at a similar rate imposed on the colourant products (for paints) sold to third parties; and

Following our Listing, the Audit and Risk Management Committee of our Group will review the terms of any related party transactions and ensure that any related party transactions (including any recurrent related party transactions) are carried out on terms not more favourable to the related party than those generally available to the third parties dealing at arm's length basis with our Group and are not detrimental to our minority shareholders.

In the event that there are any proposed related party transactions that involve the interest, direct or indirect, of our Directors, the interested Director(s) shall disclose his interest to our Board, of the nature and extent of his interest including all matters in relation to the proposed related party transaction that he is aware or should reasonably be aware of, which is not in our best interest. The interested Director(s) shall also abstain from any Board deliberation and voting on the relevant resolution(s) in respect of such proposed related party transaction.

In the event that there is any proposed related party transaction that requires the prior approval of our Company's shareholders, the Directors, substantial shareholders and / or persons connected with them, which have any interest, direct or indirect, in the transaction, will abstain from voting in respect of his direct and / or indirect shareholdings. Such interested Directors and / or substantial shareholders will also undertake to ensure that the person connected with them will abstain from voting on the resolution approving the proposed related party transaction at a general meeting.

If the related party transactions are deemed as recurrent related party transactions, our Company may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such recurrent related party transactions during the validity period of the mandate. Related party transactions can be deemed as recurrent, if they are entered into at least once every three years, in the ordinary course of business and are of a revenue or trading nature necessary for the day-to-day operations of our Group.

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**10. RELATED PARTY TRANSACTIONS (cont'd)**

**(b) Summary of material related party transactions entered into by our Group**

Below is a summary of the material related party transactions listed in Section 10.1 (a) of this Prospectus aggregated on the basis that such transactions have been entered into by our Group with the same related party:

No.	Transacting Parties	Nature of Transaction	Transactions Value							
			FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
			RM'000	%	RM'000	%	RM'000	%	RM'000	%
1.	UT Holdings	Purchase of trading products	3,060	6.27 <sup>(1)</sup>	2,014	3.79 <sup>(1)</sup>	528	0.95 <sup>(1)</sup>	-	-
		Receipt of management fees	36	7.00 <sup>(2)</sup>	12	2.68 <sup>(2)</sup>	1	0.13 <sup>(2)</sup>	-	-
		Purchase of trademark	-	-	-	-	200	0.33 <sup>(3)</sup>	-	-
2.	UA Paints & Hardware Sdn Bhd	Sales of manufacturing and trading products	3,037	4.24 <sup>(4)</sup>	3,597	4.51 <sup>(4)</sup>	2,848	3.60 <sup>(4)</sup>	1,494	N/A <sup>(8)</sup>
		Purchase of paints	1	# <sup>(1)</sup>	17	0.03 <sup>(1)</sup>	4	0.01 <sup>(1)</sup>	-	-
		Transportation costs	8	0.08 <sup>(5)</sup>	-	-	-	-	-	-
3.	Major Harvest Sdn Bhd	Sales of manufacturing and trading products	2,101	2.94 <sup>(4)</sup>	2,082	2.61 <sup>(4)</sup>	2,190	2.76 <sup>(4)</sup>	936	N/A <sup>(8)</sup>
		Purchase of trading products and maintenance parts	1,581	3.24 <sup>(1)</sup>	233	0.44 <sup>(1)</sup>	159	0.28 <sup>(1)</sup>	277	N/A <sup>(8)</sup>
		Disposal of second-hand lorry	-	-	-	-	30	0.05 <sup>(3)</sup>	-	-
		Transportation costs	-	-	-	-	12	0.15 <sup>(5)</sup>	2	N/A <sup>(8)</sup>
4.	QC Printing Sdn Bhd	Sales of depositing colourant	-	-	36	0.05 <sup>(4)</sup>	-	-	-	-
		Sales of manufacturing products	16	0.02 <sup>(4)</sup>	2	# <sup>(4)</sup>	-	-	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Transaction	Transactions Value							
			FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
			RM'000	%	RM'000	%	RM'000	%	RM'000	%
		Purchase of colour card	473	4.71 <sup>(5)</sup>	367	4.42 <sup>(5)</sup>	-	-	-	-
		Purchase of packing materials	146	0.30 <sup>(1)</sup>	116	0.21 <sup>(1)</sup>				
		Purchase of printed marketing materials	13	0.13 <sup>(5)</sup>	1	0.01 <sup>(5)</sup>	-	-	-	-
5.	KTC Hardware & Trading Sdn Bhd	Sales of manufacturing and trading products	211	0.30 <sup>(4)</sup>	183	0.23 <sup>(4)</sup>	189	0.24 <sup>(4)</sup>	119	N/A <sup>(8)</sup>
6.	BIY Home Store (Kota Tinggi) Sdn Bhd	Sale of manufacturing and trading products	337	0.47 <sup>(4)</sup>	355	0.44 <sup>(4)</sup>	514	0.65 <sup>(4)</sup>	414	N/A <sup>(8)</sup>
		Purchase of disinfectant spray guns and face masks	4	0.01 <sup>(1)</sup>	-	-	-	-	-	-
7.	Jing Thye Trading	Sales of manufacturing and trading products	150	0.21 <sup>(4)</sup>	125	0.16 <sup>(4)</sup>	172	0.22 <sup>(4)</sup>	187	N/A <sup>(8)</sup>
8.	Smart Paint Indonesia	Purchase of production machineries	230	0.55 <sup>(3)</sup>	-	-	-	-	-	-
9.	Mr.Mark Tools (M) Sdn Bhd	Printer leasing charges charged	3	0.58 <sup>(2)</sup>	4	0.89 <sup>(2)</sup>	4	0.53 <sup>(2)</sup>	2	N/A <sup>(8)</sup>
		Purchase of trading products	2	# <sup>(1)</sup>	-	-	-	-	-	-
		Interest charged on advances	1	0.17 <sup>(7)</sup>	-	-	-	-	-	-
10.	Ztree Sdn Bhd	Sales of manufacturing and trading products	985	1.38 <sup>(4)</sup>	1,212	1.52 <sup>(4)</sup>	1,222	1.54 <sup>(4)</sup>	-	-

**10. RELATED PARTY TRANSACTIONS (cont'd)**

No.	Transacting Parties	Nature of Transaction	Transactions Value							
			FYE 2020		FYE 2021		FYE 2022		1 January 2023 up to the LPD	
			RM'000	%	RM'000	%	RM'000	%	RM'000	%
11.	Goh Chye Hin	Payment of sinking funds and maintenance fees for the upkeep of the units owned by Goh Chye Hin	10	0.31 <sup>(6)</sup>	6	0.16 <sup>(6)</sup>	6	0.14 <sup>(6)</sup>	3	N/A <sup>(8)</sup>
12.	Kee Hui Lang	Rental of premise from Kee Hui Lang	42	1.31 <sup>(6)</sup>	42	1.15 <sup>(6)</sup>	21	0.49 <sup>(6)</sup>	-	-
13.	1 Living Depot Sdn Bhd	Purchase of maintenance parts	14	0.03 <sup>(1)</sup>	4	0.01 <sup>(1)</sup>	11	0.02 <sup>(1)</sup>	8	N/A <sup>(8)</sup>
14.	PT Smartindo Global Asia	Sales of manufacturing and trading products	116	0.16 <sup>(4)</sup>	-	-	-	-	-	-

**Notes:**

# The amount is negligible.

(1) Calculated based on our Group's total cost of sales for each of the respective financial years/ period.

(2) Calculated based on our Group's total other income for each of the respective financial years/period.

(3) Calculated based on our Group's total net assets for each of the respective financial years/period.

(4) Calculated based on our Group's total revenue for each of the respective financial years/period.

(5) Calculated based on our Group's total selling and distribution expenses for each of the respective financial years/period.

(6) Calculated based on our Group's total administrative expenses for each of the respective financial years/period.

(7) Calculated based on our Group's total finance costs for each of the respective financial years/period.

(8) Not applicable as we did not prepare any financial statements from 1 January 2023 up to the LPD.

**10. RELATED PARTY TRANSACTIONS (cont'd)**

**(c) Transactions which are unusual in their nature or conditions**

Save for as disclosed above in note (10) of Section 10.1(a) of this Prospectus, there were no transactions that were unusual in their nature or conditions, involving goods, services, tangible, or intangible assets, to which our Group was a party for the Financial Years Under Review and up to the LPD.

**(d) Outstanding loans and/or financial assistance made to or for the benefit of the related parties**

The following table sets out the loans (including guarantees of any kind) and/or financial assistance made by us to or for the benefit of related parties for the FYE Under Review and up to the LPD:

No.	Transacting Parties	Nature of Relationship	Nature of Transaction	Transactions Value							
				FYE 2020		FYE 2021		FYE 2022		1 January 2023 to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%
1.	Smart Asia and PT Smartindo Global Asia	Smart Asia was a shareholder of PT Smartindo Global Asia. <sup>(1)</sup>  Goh Chye Hin is our Group's promoter, director and substantial shareholder.  Goh Chye Hin was also the indirect shareholder of PT Smartindo Global Asia through Smart Asia.	Advances from Smart Asia to PT Smartindo Global Asia <sup>(2)</sup>	126	0.30 <sup>(3)</sup>	-	-	-	-	-	-



## 10. RELATED PARTY TRANSACTIONS (cont'd)

### Notes:

- (1) *Smart Asia disposed of its entire shareholdings in PT Smartindo Global Asia to his business partner (non-related parties), Santos Loy (1,225 shares) who is also a minority shareholder of our Company (holding 2,000,000 Shares or 0.54% after IPO) and Bryan Loy (25 shares) on 8 January 2022. Thereafter, PT Smartindo Global Asia ceased to be our related party.*
- (2) *The advances provided to PT Smartindo Global Asia was not conducted at an arms' length basis as the advances were provided interest-free. As at the LPD, the aforementioned advances have been fully settled. Moving forward, our Group will no longer provide any advances to our related parties.*
- (3) *Calculated based on our Group's total net assets for each of the respective financial years/period.*

Moving forward, we have put in place internal controls and compliance procedures in relation to advances, loans or financial assistance to be provided to related parties. As such, no further advances, loans or financial assistance will be provided to related parties by our Group unless such advances, loans or financial assistance are permitted under applicable laws, rules and regulations (including the Listing Requirements) and brought to our Audit and Risk Management Committee and our Board for deliberation and approval.

### (e) Guarantees

#### (i) Personal Guarantees

As at the LPD, (aa) the Promoters, namely Goh Chye Hin and Kee Hui Lang, (bb) the director of Smart Paint (Selangor), Chu Teck and (cc) the director of Smart Paint Manufacturing and Smart Paints (M), Goh Bee Sim, have jointly and severally provided personal guarantees (as the case may be) in favour of 4 financial institutions, namely Public Bank Berhad ("**PBB**"), CIMB Bank Berhad and OCBC Al-Amin Bank Berhad and BMW Credit (Malaysia) Sdn Bhd for the benefit of our Group ("**Personal Guarantees**").

#### (ii) Other Guarantees / Securities

As at the LPD, the Promoters and their related company, UT Holdings have provided the following guarantees and securities in favour of the respective financial institutions for the benefit of our Group ("**Other Guarantees / Securities**"):

- (aa) The Promoters, namely Goh Chye Hin and Kee Hui Lang, have pledged their personal property under the postal address, No.4, Jalan Anggerik Mokara 31/48, Kota Kemuning Industrial Park, Seksyen 13, 40460 Shah Alam, Selangor ("**Promoters' Property**") as security in favour of PBB for the banking facilities taken up by Smart Paint Manufacturing.
- (bb) Kee Hui Lang has executed a memorandum of charge over fixed deposit in favour of CIMB Bank Berhad as security for the banking facilities undertaken by Smart Paint Manufacturing.

**10. RELATED PARTY TRANSACTIONS (cont'd)**

- (cc) UT Holdings, a related party, has provided a corporate guarantee for the banking facilities taken up by Smart Paint Manufacturing to PBB.
- (dd) UT Holdings have also pledged 3 of its properties ("**UT's Properties**") as securities for the banking facilities taken up by Smart Paint Manufacturing to CIMB Bank Berhad.

(All institutions above are collectively referred to as the "**Financiers**").

The details of the facilities as at the LPD is set out below:

<b>Financiers</b>	<b>Type of facilities</b>	<b>Purpose</b>	<b>Outstanding balance as at the LPD (RM'000)</b>	<b>Facility limit and amount guaranteed (RM'000)</b>	<b>Personal Guarantees and Other Guarantees / Securities</b>
CIMB Bank Berhad	Term Loan 1	To part finance purchase of Johor Factory 2	2,805	3,109	<ul style="list-style-type: none"> <li>Joint and several guarantee by Goh Chye Hin and Goh Bee Sim.</li> <li>Charge on UT's Properties.</li> <li>Memorandum of charge over Kee Hui Lang's fixed deposit.</li> </ul>
	Term Loan 2	For working capital requirements	576	770	Joint and several guarantee by Goh Chye Hin and Kee Hui Lang
	Term Loan 3	To part finance the construction cost of the Perak Plant	7,696	22,560	Joint and several guarantee by Goh Chye Hin and Kee Hui Lang
	Overdraft 1	To part finance purchase of Johor Factory 2	673	1,200	<ul style="list-style-type: none"> <li>Joint and several guarantee by Goh Chye Hin and Goh Bee Sim.</li> <li>Charge on UT's Properties.</li> </ul>

**10. RELATED PARTY TRANSACTIONS (cont'd)**

Financiers	Type of facilities	Purpose	Outstanding balance as at the LPD (RM'000)	Facility limit and amount guaranteed (RM'000)	Personal Guarantees and Other Guarantees / Securities
					<ul style="list-style-type: none"> <li>Memorandum of Charge over Kee Hui Lang's fixed deposit.</li> </ul>
	Overdraft 2	For working capital requirements	NIL	800	<ul style="list-style-type: none"> <li>Joint and several guarantee by Goh Chye Hin and Kee Hui Lang.</li> <li>Charge on UT's Properties.</li> <li>Memorandum of Charge over Kee Hui Lang's fixed deposit.</li> </ul>
	Trade Line 1	To facilitate trade transactions	2,605	8,000	<ul style="list-style-type: none"> <li>Joint and several guarantee by Goh Chye Hin, Kee Hui Lang and Goh Bee Sim.</li> <li>Charge on UT's Properties.</li> <li>Memorandum of charge over Kee Hui Lang's fixed deposit.</li> </ul>
	Trade Line 2	To part finance the purchase and importation of machinery/ equipment	2,849	11,000	Joint and several guarantee by Goh Chye Hin and Kee Hui Lang
PBB	Term Loan	To part finance the purchase of Johor Factory 3	6,345	6,480	Joint and several guarantee by Goh Chye Hin and Kee Hui Lang

**10. RELATED PARTY TRANSACTIONS (cont'd)**

<b>Financiers</b>	<b>Type of facilities</b>	<b>Purpose</b>	<b>Outstanding balance as at the LPD (RM'000)</b>	<b>Facility limit and amount guaranteed (RM'000)</b>	<b>Personal Guarantees and Other Guarantees / Securities</b>
	Overdraft 1	For working capital requirements	3,500	3,500	<ul style="list-style-type: none"> <li>• Joint and several guarantee by Goh Chye Hin and Kee Hui Lang</li> <li>• Charge on Promoters' Property</li> </ul>
	Trade Line 1	To facilitate the purchases of raw materials for business use	Nil	3,000	<ul style="list-style-type: none"> <li>• Joint and several guarantee by Goh Chye Hin and Kee Hui Lang</li> <li>• Charge on Promoters' Property</li> </ul>
	Overdraft 2	For working capital requirements	951	1,000	<ul style="list-style-type: none"> <li>• Personal guarantee by Goh Chye Hin.</li> <li>• Corporate guarantee by UT Holdings</li> <li>• Charge on Promoters' Property</li> </ul>
	Trade Line 2	To facilitate trade transactions	Nil	1,000	<ul style="list-style-type: none"> <li>• Personal Guarantee by Goh Chye Hin.</li> <li>• Corporate guarantee by UT Holdings</li> <li>• Charge on Promoters' Property</li> </ul>
	1 Hire purchase facility	Motor Vehicle	77	200	Personal guarantee by Chu Teck

**10. RELATED PARTY TRANSACTIONS (cont'd)**

Financiers	Type of facilities	Purpose	Outstanding balance as at the LPD (RM'000)	Facility limit and amount guaranteed (RM'000)	Personal Guarantees and Other Guarantees / Securities
OCBC Al-Amin Bank Berhad	Term Loan	To part finance the purchase of Johor Factory 1	2,521	2,859	Joint and several guarantee by Goh Chye Hin and Kee Hui Lang
	Overdraft	Working Capital	1,714	5,000	Joint and several guarantee by Goh Chye Hin and Kee Hui Lang
BMW Credit (Malaysia) Sdn Bhd	Hire Purchase facility	Motor Vehicle	300	300	Personal guarantee by Kee Hui Lang

In conjunction with the Listing, we have applied to the Financiers to obtain a release and/or discharge of the guarantees by substituting the same with a corporate guarantee from our Company acceptable to the Financiers. Until such release and/or discharge are obtained from the respective Financiers, our Directors will continue to guarantee the banking and hire purchase facilities extended to our Group.

As at the LPD, save for the personal guarantee provided by Kee Hui Lang to BMW Credit (Malaysia) Sdn Bhd ("**BMW Guarantee**") for the new hire purchase taken up by Smart Paint Manufacturing on 12 July 2023, conditional consent for the discharge of all the Personal Guarantees have been obtained from the Financiers. Our Group has written to BMW Credit (Malaysia) Sdn Bhd to request for consent for the conditional discharge of the BMW Guarantee to be replaced by the corporate guarantee from Smart Asia upon successful listing on the ACE Market of Bursa Securities and subsequent to the LPD, our Group has on 13 September 2023 obtained the aforementioned requested conditional consent from BMW Credit (Malaysia) Sdn Bhd.

Further, as at the LPD, the conditional consent for the discharge of the following Other Guarantees / Securities have also been obtained from the Financiers:

- (i) the memorandum of charge executed by Kee Hui Lang over a fixed deposit in favour of CIMB Bank Berhad as security for the banking facilities undertaken by Smart Paint Manufacturing; and
- (ii) the corporate guarantee provided by UT Holdings to PBB as security for the banking facilities taken up by Smart Paint Manufacturing.

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**10. RELATED PARTY TRANSACTIONS (cont'd)**

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The above-mentioned consents are subject to, amongst others, the following conditions:

- (i) the success of our Listing;
- (ii) the family of Goh Chye Hin shall remain as the key management and controlling shareholders in Smart Asia with direct / indirect shareholding of more than 50.00% throughout the financing tenure; and
- (iii) replacement of the personal guarantees with corporate guarantees from Smart Asia.

In addition, unconditional consent has also been obtained from CIMB Bank Berhad for the discharge of the securities (i.e., the pledged UT's Properties) provided by UT Holdings.

In respect of the facilities taken up with PBB by Smart Paint Manufacturing which are secured by the Promoters' Property ("**PBB Property-Secured Facilities**"), our Group have written to PBB to notify PBB of our Group's intention to terminate and settle the aforementioned facilities conditional upon the successful listing of Smart Asia on the ACE Market of Bursa Securities. Subsequent to the LPD, PBB has on 3 November 2023 confirmed that the final settlement amount has been received for the PBB Property-Secured Facilities. The Group is in the midst of preparing the discharge documents in respect of the charge on the Promoters' Property. Moving forward, our Group will not pledge any properties not belonging to our Group as securities for banking facilities taken up by our Group.

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**10. RELATED PARTY TRANSACTIONS (cont'd)**

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**10.2 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS**

Our Audit and Risk Management Committee is responsible for the review of all related party transactions to ensure that there is no conflict of interest. Our Audit and Risk Management Committee shall deliberate and determine if the related party transactions (if any) are undertaken on arm's length basis and on normal commercial terms, we have established the following procedures:

**(a) Recurrent related party transactions**

- (i) At least 2 other contemporaneous transactions with third parties for similar products and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered by all related parties are fair and reasonable and comparable to those offered by third parties; or
- (ii) In the event that quotation or comparative pricing from third parties cannot be obtained, the transaction price will be determined by our Group based on those offered by third parties for substantially similar type of transaction to ensure that the recurrent related party transactions are not detrimental to us.

Our Board shall seek mandate from shareholders to enter into any recurrent related party transactions at general meetings of our Company. Due to its time-sensitive nature, the shareholders' mandate will enable us to enter into such recurrent transactions which are transacted in our ordinary course of business without having to convene numerous general meetings to approve such recurrent transactions as and when they are entered into.

**(b) Other related party transactions**

- (i) Whether the terms of the related party transaction are fair and on arm's length basis to our Group and would apply on the same basis if the transaction did not involve a related party;
- (ii) The rationale for our Group to enter into the related party transaction and the nature of alternative transactions, if any; and
- (iii) Whether the related party transaction would present a conflict of interest between our Group and the related parties, taking into account the size of the transaction and nature of the related parties' interest in the transaction.

Where required under the Listing Requirements, a related party transaction may require prior approval of shareholders at a general meeting to be convened. An independent adviser may be appointed to comment as to whether the related party transaction is fair and reasonable so far as the shareholders are concerned; and whether the transaction is to the detriment of minority shareholders. In such instances, the independent adviser shall also advise minority shareholders on whether they should vote in favour of the transaction.

For related party transaction that requires prior approval of shareholders, the Directors, major shareholders and/or persons connected to them, which have any interest, direct or indirect, in the proposed related party transaction will abstain from deliberating and voting in respect of their direct and/or indirect shareholdings. Where a person connected with a Director or major shareholder has interest, direct or indirect, in any proposed related party transaction, the Director or major shareholder concerned will also abstain from deliberating and voting in respect of his direct and/or indirect shareholdings.

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**10. RELATED PARTY TRANSACTIONS (cont'd)**

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In addition, to safeguard the interest of our Group and our minority shareholders, and to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, amongst others, supervise and monitor any related party transaction and the terms thereof and report to our Board for further action. Where necessary, our Board would make appropriate disclosures in our annual report with regards to any related party transaction entered into by us.

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