

10. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST**10.1 RELATED PARTY TRANSACTIONS AND OTHER TRANSACTIONS****10.1.1 Related Party Transactions**

Save for the Acquisitions and as disclosed below, there were no other material related party transactions, existing and/or potential, entered or to be entered into by our Group which involve the interests, direct or indirect, of our Directors, major shareholders and/or persons connected with them which are material to our Group during the Financial Years/Period Under Review and up to the LPD:-

Transacting parties	Interested Directors	Nature of relationship	Nature of transaction	FYE 2020		FYE 2021		FYE 2022		FPE 2023		1 July 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(1)%
Seller: Chia Jok Lian Purchaser: OFS Products	Dato' Sri Chia Hooi Huak	Dato' Sri Chia Hooi Huak is our substantial shareholder and Non-Independent Non-Executive Director. Chia Jok Lian is the father of Dato' Sri Chia Hooi Huak.	Purchase of fresh seafood supplies from Chia Jok Lian This transaction will subsist after our Listing and is recurrent in nature.	87	0.10% of total cost of sales	547	0.38% of total cost of sales	367	0.27% of total cost of sales	106	0.15% of total cost of sales	323	-
Seller: Perikanan LYH Sdn Bhd Purchaser: OFS Products	Siang Hai Yong and Dato' Sri Chia Hooi Huak	Siang Hai Yong is our Promoter, substantial shareholder and Executive Director. He was the director and major shareholder of Perikanan LYH Sdn Bhd up to 13 June 2023. Foo Ai Nee, being the director and major shareholder of Perikanan LYH Sdn Bhd, is also the daughter-in-law of Siang Hai Yong. Chia Jok Lian, being the director and major shareholder of Perikanan LYH Sdn Bhd, is also the father of Dato' Sri Chia Hooi Huak.	Purchase of fresh seafood supplies from Perikanan LYH Sdn Bhd This transaction will subsist after our Listing and is recurrent in nature.	177	0.21% of total cost of sales	888	0.62% of total cost of sales	701	0.51% of total cost of sales	242	0.34% of total cost of sales	413	-

10. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (CONT'D)

Transacting parties	Interested Directors	Nature of relationship	Nature of transaction	FYE 2020		FYE 2021		FYE 2022		FPE 2023		1 July 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(1)%
		Dato' Sri Chia Hooi Huak is our substantial shareholder and Non-Independent Non-Executive Director.											
Seller: Medi Pelangi Sdn Bhd Purchaser: OFS Products	Siang Hai Yong	Siang Hai Yong is our Promoter, substantial shareholder and Executive Director. Siang Chun Shui and Foo Ai Nee, being the directors and major shareholders of Medi Pelangi Sdn Bhd, are also the son and daughter-in-law of Siang Hai Yong.	Purchase of fresh seafood supplies from Medi Pelangi Sdn Bhd This transaction will subsist after our Listing and is recurrent in nature.	252	0.30% of total cost of sales	860	0.61% of total cost of sales	663	0.48% of total cost of sales	232	0.33% of total cost of sales	290	-
Seller: Ying Lee Fishery Purchaser: OFS Products	Siang Hai Yong	Siang Hai Yong is our Promoter, substantial shareholder and Executive Director. He was the partner of Ying Lee Fishery up to 11 April 2023. Siang Chun Shui, Siang Chun Sai, Foo Ai Nee and Lim Sook Kei are the partners of Ying Lee Fishery. Siang Chun Shui and Siang Chun Sai are also the sons of Siang Hai Yong, whilst Foo Ai Nee and Lim Sook Kei are the daughters-in-law of Siang Hai Yong.	Purchase of fresh seafood supplies from Ying Lee Fishery This transaction will subsist after our Listing and is recurrent in nature.	1,623	1.91% of total cost of sales	958	0.67% of total cost of sales	1,165	0.84% of total cost of sales	965	1.37% of total cost of sales	95	-
Seller: Yin Lee Fishery	Siang Hai Yong	Siang Hai Yong is our Promoter, substantial shareholder and Executive	Purchase of fresh seafood supplies from Yin Lee	-	-	43	0.03% of total cost of	119	0.09% of total cost of	716	1.02% of total cost of	-	-

10. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (CONT'D)

Transacting parties	Interested Directors	Nature of relationship	Nature of transaction	FYE 2020		FYE 2021		FYE 2022		FPE 2023		1 July 2023 up to the LPD	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	(1)%
Purchaser: OFS Products		Director. He is also partner of Yin Lee Fishery up to 11 April 2023. Siang Chun Shui, being the partner of Yin Lee Fishery, is also the son of Siang Hai Yong.	Fishery This transaction will subsist after our Listing and is recurrent in nature.				sales		sales		sales		
Seller: OFS Products Purchaser: Blue Ocean Fresh Seafood	Siang Hai Yong	Siang Hai Yong is our Promoter, substantial shareholder and Executive Director. Siang Se Se and Lim Sook Kei, being the partners of Blue Ocean Fresh Seafood, are also the daughter and daughter-in-law of Siang Hai Yong.	Sales of frozen seafood supplies to Blue Ocean Fresh Seafood This transaction will subsist after our Listing and is recurrent in nature.	-	-	1,177	0.74% of total revenue	2,325	1.49% of total revenue	1,050	1.31% of total revenue	440	-
Seller: OFS Products Purchaser: Ying Lee Fishery	Siang Hai Yong	Siang Hai Yong is our Promoter, substantial shareholder and Executive Director. He was the partner of Ying Lee Fishery up to 11 April 2023. Siang Chun Shui, Siang Chun Sai, Foo Ai Nee and Lim Sook Kei are the partners of Ying Lee Fishery. Siang Chun Shui and Siang Chun Sai are also the sons of Siang Hai Yong, whilst Foo Ai Nee and Lim Sook Kei are the daughters-in-law of Siang Hai Yong.	Sales of frozen seafood supplies to Ying Lee Fishery This transaction will subsist after our Listing and is recurrent in nature. Provision of frozen seafood processing services to Ying Lee Fishery This transaction will subsist after our Listing and is recurrent in nature.	1,015	1.08% of total revenue	4,063	2.56% of total revenue	3,816	2.44% of total revenue	1,840	2.29% of total revenue	1,292	-
				121	0.13% of total revenue	91	0.06% of total revenue	147	0.09% of total revenue	67	0.08% of total revenue	15	-

10. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (CONT'D)

Note:-

(1) The percentage is not able to be ascertained as at the LPD as the Group's audited financial statements for 1 July 2023 up to the LPD is not available.

Our Directors are of the view that all the above related party transactions were carried out at arm's length basis and on normal commercial terms which are not unfavourable to our Group and comparable to those generally available to third parties.

After our Listing and in accordance with the Listing Requirements, our Company will be required to seek our shareholders' approval each time our Company enters into material related party transactions. However, if the related party transactions can be 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.

In addition, to safeguard the interest of our Group and our minority shareholders as well as to mitigate any potential conflict of interest situation, our Audit and Risk Management Committee will, amongst others, supervise and monitor any related party transactions and the terms thereof and report to our Board for further action, as set out in Section 10.3 of this Prospectus. When necessary, our Board will make appropriate disclosures in our annual report with regard to any related party transaction entered into by our Group.

In accordance with the Listing Requirements, related party transactions may be aggregated to determine the materiality of these transactions if the related party transactions occur within a 12-month period, and are entered with the same party or with parties connected with one another or for the transactions that involve the acquisition or disposal of securities or interests in one particular corporation/asset or of various parcels of land contiguous to each other.

In the event there are any proposed related party transactions that require prior approval of our shareholders, our Directors, major shareholders and/or persons connected with them who have any interest, whether direct or indirect in the proposed related party transactions will abstain from deliberation and voting on resolution(s) pertaining to the respective transaction(s). Such interested director and/or major shareholder will also undertake to ensure that persons connected with them, if any, will abstain from voting on the resolution approving the proposed related party transaction at the general meeting.

10.1.2 Transactions That Are Unusual in Nature or Conditions

There are no other transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which we or any of our subsidiaries were a party in respect of the Financial Years/Period Under Review and the subsequent period up to the LPD.

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10. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (CONT'D)**10.1.3 Outstanding Loans and Guarantees**

Save as disclosed below, our Board has confirmed that there are no outstanding loans (including guarantees of any kind) that have been granted by our Group to/for the benefits of the related parties or granted by the related parties for the benefit of our Group during the Financial Years/Period Under Review and the subsequent period up to the LPD. The following table sets out the facilities (including guarantees of any kind) as at the LPD:-

No.	Financiers	Customer / Borrower	Guarantors	Type of Facility	Purpose of Facility	Facility limit (RM'000)	Amount guaranteed (RM'000)	Outstanding amount as at the LPD (RM'000)
1.	Bank Pertanian Malaysia Berhad (Agrobank)	OFS Products	- Siang Hai Yong - Dato' Sri Chia Hooi Huak - Untung Besar	- 1 overdraft facility - 1 trade financing facility	(i) For working capital requirement; and (ii) To finance the local purchase of goods	7,000	7,000	3,863
2.	Hong Leong Bank Berhad	OFS Products	- Tan Song Hoak - Kee Yow Lee - Siang Hai Yong - Ong Lian Oeu - Tan Yeok Kweng	- 2 trade financing facilities - 1 guarantee facility	(i) To finance the purchase of raw materials; (ii) To finance the export sales drawn under letter of credit and sales to approved buyers; and (iii) To issue guarantees in favour of Immigration Department, Customs and Excise Department, TNB and other public utilities	5,000	5,000	(1)_
3.	HSBC Bank Malaysia Berhad	OFS Products	- Ong Lian Oeu - Tan Song Hoak - Tan Yeok Kweng - Siang Hai Yong - Kee Yow Lee	2 trade financing facilities	(i) To finance the sales; and (ii) To hedge the foreign exchange currency	2,700	2,700	(1)_
4.	Public Bank Berhad	OFS Products	- Kee Yow Lee - Siang Hai Yong - Dato' Sri Chia Hooi Huak	1 trade financing facility	To finance the export sales drawn under letter of credit	3,000	3,000	(2)_
5.	Public Bank Berhad	OFS Products	- Kee Yow Lee - Siang Hai Yong - Dato' Sri Chia Hooi Huak	1 trade financing facility	To hedge the foreign exchange currency	5,000	5,000	(2)_

10. RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST (CONT'D)

No.	Financiers	Customer / Borrower	Guarantors	Type of Facility	Purpose of Facility	Facility limit (RM'000)	Amount guaranteed (RM'000)	Outstanding amount as at the LPD (RM'000)
6.	Public Bank Berhad	Lianli Huat	- Kee Yow Lee - Siang Hai Yong - Dato' Sri Chia Hooi Huak	1 trade financing facility	To hedge the foreign exchange currency	1,000	1,000	-
7.	ORIX Credit Malaysia Sdn Bhd ("ORIX")	OFS Products	- Siang Hai Yong - Dato' Sri Chia Hooi Huak	1 hire purchase facility	To part finance the purchase of four (4) units of new stainless steel body semi-contact freezers	436	436	312
8.	ORIX	OFS Products	- Siang Hai Yong - Dato' Sri Chia Hooi Huak - Untung Besar	1 hire purchase facility	To part finance the purchase of a new solar assets	1,142	1,142	493

Notes:-

- (1) As at the LPD, the associated credit facilities have been fully settled and we have applied to the financiers for a discharge of the associated guarantees provided. As at the date of this Prospectus, we have successfully discharged the associated guarantees.
- (2) As at the LPD, our Group has not utilised the facilities extended by the financier to us.

We have written to the aforesaid financiers to request for their conditional consent to release and/or discharge of the above stated personal and corporate guarantees by substituting the same with a corporate guarantee from our Company.

As at the date of this Prospectus, we have received all conditional approvals from the aforesaid financiers to release the above stated personal and corporate guarantees by substituting the same with a corporate guarantee from our Company. The conditions imposed (which do not have specific timeframes) by the financiers include, amongst others, the following:-

- (a) the successful listing of our Company on the ACE Market of Bursa Securities; and
- (b) the perfection of a corporate guarantee by our Company after the completion of our Listing.

10.1.4 Financial Assistance Provided for the Benefit of a Related Party

There is no financial assistance provided by us for the benefit of any related party for the Financial Years/Period Under Review and the subsequent period up to the LPD.