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

10.2 CONFLICT OF INTEREST

As at the LPD, none of our Directors and/or substantial shareholders has any interest, directly or indirectly, in any businesses or corporations which are (i) carrying on a similar trade as our Group or (ii) which are the customers or suppliers of our Group, save for the related party transactions as disclosed in Section 10.1.1 of this Prospectus. Nonetheless, our Board is of the view that such interests do not give rise to a conflict of interest situation on the premise that the Group is principally involved in the processing and trading of frozen seafood products, whilst:-

- (i) such suppliers do not involve in the processing of frozen seafood products and only supply fresh seafood supplies to OFS Products, namely:
 - (a) Chia Jok Lian, Perikanan LYH Sdn Bhd and Medi Pelangi Sdn Bhd, are the owners of fish vessels, which involved in deep sea fishing;
 - (b) Ying Lee Fishery is a wholesaler of seafood; and
 - (c) Yin Lee Fishery, is a wholesaler of seafood; and
- (ii) such customers, namely Blue Ocean Fresh Seafood and Ying Lee Fishery, are the wholesaler of seafood, do not involve in the processing of frozen seafood products.

10.3 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS AND CONFLICT OF INTEREST

10.3.1 Audit and Risk Management Committee review

Our Audit and Risk Management Committee assesses the financial risk and matters relating to related party transactions and conflict of interest situations that may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity. The Audit and Risk Management Committee reviews the procedures set by our Company to monitor related party transactions and conflict of interest situations to ensure that the transactions are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the public dealing at arm's length and are not to the detriment to the interest of our minority shareholders. The related parties and parties who are in a position of conflict with the interest of our Group will be abstained from deliberations on the transactions.

All reviews by the Audit and Risk Management Committee are reported to our Board for its further action.

10.3.2 Our Group's policy on related party transactions and conflicts of interest

It is the policy of our Group that all related party transactions and conflict of interest situations must be immediately and fully disclose by our interested or conflicted Directors or major shareholders to the management for reporting to our Audit and Risk Management Committee. Any related party transactions shall be reviewed by our Audit and Risk Management Committee to ensure that they are negotiated and agreed upon in the best interest of our Group, at arm's length basis and are based on normal commercial terms which are not more favourable to the related parties than those generally available to third parties dealing at arm's length and are not to the detriment to the interest of our minority shareholders.

In addition, in line with the Listing Requirements, MCGG and the Corporate Governance Guide, our Directors are required to make an annual disclosure of any related party transactions and conflict of interest with our Group as well as our Audit and Risk Management Committee must carry out an annual assessment of our Directors which include an assessment of such related party transactions and/or conflict of interest. Our Audit and Risk Management Committee will in turn report to our Board after their evaluation and assessment and make the appropriate recommendations to our Board.

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

In addition, in line with the Listing Requirements, MCCG and the Corporate Governance Guide, our Directors are required to make an annual disclosure of any related party transactions and conflict of interest with our Group as well as our Audit and Risk Management Committee must carry out an annual assessment of our Directors which include an assessment of such related party transactions and/or conflict of interest. Our Audit and Risk Management Committee will in turn report to our Board after their evaluation and assessment and make the appropriate recommendations to our Board.

10.4 DECLARATION BY THE ADVISERS

- (i) KAF IB has confirmed that there is no existing or potential conflict of interest in its capacity as the Principal Adviser, Sponsor, Underwriter and Placement Agent in respect of our Listing.
- (ii) Crowe has confirmed that there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants in respect of our Listing.
- (iii) Foong & Partners has confirmed that there is no existing or potential conflict of interest in its capacity as the due diligence solicitors in respect of our Listing.
- (iv) Providence has confirmed that there is no existing or potential conflict of interest in its capacity as the IMR in respect of our Listing.

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