

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 0312  
**COMPANY NAME** : OCEAN FRESH BERHAD  
**FINANCIAL YEAR** : December 31, 2024

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors ("the Board") of Ocean Fresh Berhad ("OFB" or "the Company") collectively leads and is responsible for the performance and affairs of the Company and its subsidiaries ("Group"). All Board members have shown good stewardship and acted in a professional manner as well as upheld the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.</p> <p>The Board in discharging its fiduciary duties and responsibilities is guided by the Company's Board Charter. The Board Charter has clearly set out a structured guideline that includes, but not limited to the following:-</p> <ul style="list-style-type: none"><li>- the composition of the Board;</li><li>- the roles and responsibilities of Board including formal schedule of matters reserved for the Board's Decision.</li><li>- delegation of its authority to various Board Committees; and</li><li>- Board practices pertaining to meetings, code of conduct and work ethics, and conflicts of interests.</li></ul> <p>To ensure effective discharge of its stewardship role, the Board has established three (3) Board Committees, namely Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"), to support the Board with oversight functions in selected responsibilities areas.</p> <p>The Board Committees are guided by their respective Terms of Reference ("TOR") approved by the Board. The Board Committees report to the Board on matters considered and their recommendations thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board.</p> <p>The Board Charter and TOR for all Board Committees are published on the Company's website at <a href="http://www.oceanfresh.com.my">www.oceanfresh.com.my</a>.</p>

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Non-Independent Non-Executive Chairman of the Board, Mr Law Chee Kheong ("Mr Law") is primarily responsible for the leadership, effectiveness, conduct and governance of the Board. His profile can be viewed from the Directors' Profiles of the Company's Annual Report 2024.</p> <p>Specific responsibilities of the Chairman are set out in OFB's Board Charter, amongst others, as follows:</p> <ul style="list-style-type: none"><li>a. Provide leadership for the Board to allow effective and active participation amongst the Directors during meetings and also acting as a conduit between the Board and Management so that the Board can perform its responsibilities efficiently;</li><li>b. Lead the Board in instilling and implementing good corporate governance practices in the Company;</li><li>c. Setting the Board agenda in advance alongside the Chairman and the Company Secretary, and ensuring adequate time is available for discussion of all agenda items;</li><li>d. Ensuring the Board receives complete and accurate information in a timely manner;</li><li>e. Lead Board meetings and discussions and provide a reasonable time for deliberations at meetings. Allow dissenting views to be freely expressed, minuted and promote a culture of openness while maintaining control of the proceedings in ensuring the no Director dominates the discussion;</li><li>f. Act on the results of Board performance evaluation by recognising the strengths and addressing the weaknesses of the Board; and</li><li>g. Ensure effective communication that enables both, the Board and Management to communicate effectively with its shareholders, stakeholders and the public generally, especially on the Group's sustainability strategies, priorities and targets as well as performance against these targets.</li></ul> <p>The detailed roles and responsibilities of the Chairman of the Board are clearly specified in the Board Charter, which is made available on the Company's website at <a href="http://www.oceanfresh.com.my">www.oceanfresh.com.my</a>.</p>

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.3

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>During the financial year ended 2024 (FYE 2024), the positions of Chairman and Executive Directors were held by different individuals, ensuring a clear separation of roles and responsibilities. The Board was headed by Mr Law, a Non-Independent Non-Executive Chairman, while the Executive Directors included Mr Siang, Ms Kee Wan Chum ("Ms Kee"), and Mr Teo Chee Han ("Mr Teo").</p> <p>Mr Siang is primarily responsible for overseeing the Group's strategic planning, development and overall business operations. Ms Kee managed the Group's daily operations, ensuring efficiency while overseeing employee management. She also identified new business opportunities, handled supply procurement, drove sales, and developed systems and procedures to enhance operational efficiency.</p> <p>Effective 1 March 2025, Mr Teo was redesignated from Executive Director to Non-Executive Director. Following his redesignation, the Group's international business development activities and corporate affairs became the responsibility of Ms Kee and Mr Siang (specifically for the China market).</p> <p>The roles of the Chairman and Executive Directors remain distinct and separate to ensure a balance of power and authority within the organisation. The Chairman focuses on leadership, governance, effectiveness, and conduct of the Board, while the Executive Directors are accountable for the executive management of the business and implementation of the Board's policies and decisions. They are responsible for achieving the Company's goals and report directly to the Board.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

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**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.4**

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

*Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Chairman of the Board, Mr Law, a Non-Independent Non-Executive Chairman, is not a member of any of the Board Committees (i.e., ARMC, NC and RC).
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by one (1) qualified and competent Company Secretary, namely Ms Khoo Ming Siang (MAICSA 7034037 and SSM Practising Certificate No. 202208000150). Ms Khoo has the requisite credentials and is qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016.</p> <p>The Company Secretary advised the Board on its roles and responsibilities (including on all secretarial matters of the Company) and kept the Board updated on matters relating to new statutory and regulatory requirements and corporate governance, and promptly disseminated communications received from the relevant regulatory / governmental authorities. The Company Secretary also provided the required support to the Board in carrying out its duties and stewardship role, providing the necessary advisory role with regards to the Company's Constitution, Board's policies and procedures as well as compliance with laws, rules, corporate governance best practices, procedures and regulations affecting the Company.</p> <p>In ensuring the effective functioning of the Board, all directors have individual and independent access to the advice and services of the Company Secretary to enable them to discharge their duties effectively.</p> <p>The Company Secretary attended and ensured that all Board meetings were properly convened, and that accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory books kept at the registered office of the Company.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.6**

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board members have the right to access to all information within the Group. The Notice of the Board Meeting is served at least five (5) business days prior to the Board Meeting. Relevant Board papers are usually circulated to all Directors at least five (5) business days prior to the Board Meeting so sufficient time for the Directors to peruse the Board papers.</p> <p>In addition to the provision of the meeting materials, Directors may seek independent professional advice if necessary, at the Company's expenses in the furtherance of their duties.</p> <p>All proceedings of the Board meetings are duly minuted and circulated to all Directors for their perusal prior to confirmation of the minutes by the Chairman as a correct record. If one or more Directors request for their opinion to be noted, the Company Secretary shall comply with such request.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

**Practice 2.1**

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>A Board Charter has been established by the Company to define and provide guidance on the roles and responsibilities of the Board, Board Committees and its members, including stewardship role, meeting proceedings, authority and powers. The Board Charter is available on the Company's website via <a href="http://www.oceanfresh.com.my">www.oceanfresh.com.my</a>.</p> <p>The Board Charter is established to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Management regarding the role of the Board and Board Committees.</p> <p>The Board Charter shall be periodically reviewed and updated in line with changes in regulations and best practices that may impact the Board in the discharge of its responsibilities.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

**Practice 3.1**

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established and adopted a Code of Conduct and Work Ethics ("Code") for Directors of the Group in discharging their duties and responsibilities. This Code is to provide the fundamental guiding principles and standards applicable to the Directors where such principles and standards are founded on high standards of professional and ethical practices.</p> <p>The Code includes, inter alia, matters relating to conflicts of interest, anti-corruption/bribes, confidential information, insider trading, protection of Company's assets, compliance with laws, rules and regulations, anti-money laundering, and fair dealing and anti-competition.</p> <p>The Board had also established the Anti-Bribery and Anti-Corruption Policy and the Whistleblowing Policy which aim at promoting good business practices, ethical behaviour and healthy corporate culture within the Company.</p> <p>The Board will review the Code as and when the needs arise to ensure that it continues to remain relevant and appropriate. The Code is available on the Company's website at <a href="http://www.oceanfresh.com.my">www.oceanfresh.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**Intended Outcome**

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

**Practice 3.2**

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has formalised a Whistleblowing Policy to inculcate the culture of high standards of ethical, honesty and legal business conduct and which is available on the Company's website at <a href="http://www.oceanfresh.com.my">www.oceanfresh.com.my</a>.</p> <p>The Whistleblowing Policy provides an avenue for employees and associates of the Group to disclose any concerns about misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse in accordance with the procedures as provided under this Whistleblowing Policy and to provide protection for its employees and associates who report such allegations.</p> <p>The Company did not receive any such report during FYE 2024.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>One of the key responsibilities of the Board is to review, approve and implement strategic initiatives that support long term value creation and promote sustainability. At present, OFB has put in place the Sustainability Policy, which will include all aspects of ethical business practices of the Company, addressing relevant Environment, Social and Governance ("ESG") issues responsibly and profitably.</p> <p>The Board fulfils its responsibilities by delegating to the Management. The Management is responsible for implementing, overseeing and addressing all sustainability-related issues from stakeholders and update the Board on the Group's sustainability management performance, key material issues identified by stakeholders and planned follow-up measures.</p> <p>In terms of implementing and managing the Sustainability matters, OFB focuses on the following 4 broad categories:</p> <ol style="list-style-type: none"><li>1) Economic – conduct business in an open, transparent and accountable manner, support local economy, ensure high-quality sustainable solutions and services and maintain effective communication with stakeholders.</li><li>2) Environmental – commit to environmental protection and stewardship by minimising risks and impacts to the environment, adherence to regulatory requirements and ensure responsible waste management and disposal.</li><li>3) Social – provides a safe, healthy, and inclusive work environment, with equal opportunities, elimination of improper conduct, adherence to workers' rights and contribution to community well-being and development of the surrounding community.</li><li>4) Governance – commit towards maintaining high ethical standards, corporate governance practices, and compliance with relevant laws in relation to corporate governance.</li></ol>

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.2**

The board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board, via its disclosures in its Sustainability Statement in Annual Report 2024 for the FYE 2024 strives to keep external stakeholders informed on the Group’s sustainability strategies, targets, priorities as well as performance against these targets.</p> <p>The Sustainability Statement in Annual Report 2024 of the Company is available on the Company’s website at <a href="http://www.oceanfresh.com.my">www.oceanfresh.com.my</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.3**

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has sufficient understanding and knowledge of the sustainability issues and is dedicated to keep up with sustainability concerns related to the Group's operations that are pertinent to the ever-changing operational environment, such as supply-chain risk and promoting labour rights, among others. This may include, but is not limited to, the Board's internal and external training and development programmes.</p> <p>During the financial year under review, the Board received updates on the latest sustainability issues relevant to the Group as well as updates on the latest changes on the ACE Market Listing Requirements ("Listing Requirements") by Bursa Malaysia Securities Berhad ("Bursa Securities") on the corporate disclosures and compliances concerning ESG Reporting, from the Company Secretary.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	In view of the Company's recent listing on the ACE Market of Bursa Securities on 4 July 2024 ("Listing"), the Company has not adopted a comprehensive evaluation form which includes the performance of the Board and Senior Management in addressing the company's material sustainability risks and opportunities, during FYE 2024.  The Board takes heed on the performance evaluations of the Board and Senior Management in addressing material sustainability risks and opportunities and will include this as one of the criteria in the future annual performance evaluation exercise.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.5- Step Up**

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

*Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.1**

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director’s performance and contribution to the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC appraise each individual Director in terms of their experience, knowledge, credibility and credentials, independence (for Independent Directors) and assess their effectiveness and contribution in carrying out their obligations and duties as Board member of the Company annually. The findings from the evaluation process are analysed and discussed by the NC and reported to the Board.</p> <p>Following the Company’s Listing and subsequent to FYE 2024, the NC and the Board carried out the annual assessment of the Board and Board Committees as a whole as well as the individual director’s performance on 25 February 2025.</p> <p>All assessments and evaluations carried out by the NC in the discharge of all its functions are properly documented. Furthermore, the NC examined the composition of the Board and its various committees and assessed the re-election of retiring Directors, subsequently presenting its recommendations for approval by the Board.</p> <p>In determining whether to recommend a Director for re-election, the NC reviewed the Fit and Proper Declaration Forms completed by the retiring Directors who are seeking for re-election. The NC also made reference to the Directors’ Fit and Proper Policy to review the Board composition, Board Effectiveness and the tenure of Directors. The Fit and Proper Policy serves as a formal reference for both the NC and the Board in reviewing and assessing the candidates for appointment as Directors as well as the retiring Directors who are seeking for re-election.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.2**

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Presently, the Board comprises ten (10) Directors, with one (1) Non-Independent Non-Executive Chairman, two (2) Executive Directors, two (2) Non-Independent Non-Executive Directors and five (5) Independent Non-Executive Directors.</p> <p>The Independent Directors constitute half of the Board. The Board composition also complies with the Listing Requirements of Bursa Securities that require a minimum of two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be Independent Directors. This also fulfils Practice 5.2 of Malaysian Code on Corporate Governance 2021 (“MCCG”), which requires that at least half of the Board consists of independent directors.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.3**

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Currently, none of the Independent Directors has served the Board exceeding a cumulative period of nine (9) years.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.4 - Step Up**

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

*Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The NC is tasked with the delegated authority of the Board to evaluate candidates and recommend new appointments to the Board, guided by the Board Diversity Policy and Fit and Proper Policy for the appointment and re-election of Directors. This ensures candidates possess the required qualities, experience, integrity, competence, and commitment. In this respect, the role of the NC is detailed in its Terms of Reference, which is accessible on the Company's website.</p> <p>The Board, through its NC, believes that candidates to the Board should be based on the following criteria:</p> <ul style="list-style-type: none"><li>- Diversity of the Board, in skills, experience, age, character, cultural background and gender with at least 30% women.</li><li>- Probity, personal integrity, financial integrity and reputation, where the candidate must have personal qualities such as professionalism, honesty, integrity, diligence, independence of mind and fairness. The candidate/Director must manage his/her debts or financial affairs prudently.</li><li>- Experience and Competence, where the candidate/Director must have the skills, working experience, capability and commitment necessary to carry out the role.</li><li>- Time and commitment, where the candidate/Director is able to devote time as a Director, participate and contribute in the Board.</li></ul> <p>The process involves the identification of potential candidate(s), evaluation of suitability of candidates based on the agreed upon criteria, followed by deliberation by the NC and subsequently recommendation to the Board for approval.</p> <p>Assessment procedures have been performed prior to the appointment of two (2) new Independent Directors on 18 March 2024.</p>

	<p>The Board has adopted a Board Diversity Policy to improve gender diversity at the Board and senior management levels. While the Company actively seeks to increase the representation of female Directors and senior leaders, it does not establish specific targets to avoid mismatched or ineffective appointments. In evaluating the composition and effectiveness of the Board and key senior management, the Company considers gender diversity alongside essential factors such as skills, experience, independence, competencies, commitment, and integrity.</p> <p>OFB has achieved the MCCG's recommended gender composition on the Board, with 40% female Directors.</p> <p>In line with Rule 15.06 of the Listing Requirements, Directors are restricted to holding no more than five directorships in public listed companies. Before accepting any new directorships or commitments that may present a conflict of interest, Directors are required to notify the Chairman of the Board. This procedure is detailed in our Board Charter and Conflict of Interest policy. None of our Board members hold more than five directorships in public listed companies, as detailed in the Board's profile in the Annual Report 2024.</p> <p>The profiles of Directors and senior management are set out in the Annual Report 2024.</p>	
<p><b>Explanation for departure</b></p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.6**

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In conjunction with the Company's recent Listing, the current Directors were recommended by the existing Directors, major shareholders and members of the independent due diligence working group who are involved in the Company's listing exercise.</p> <p>According to NC's TOR, the NC may also utilise independent sources to identify the suitable qualified candidates. If the selection of candidates was based on recommendations made by the existing Directors, key senior management or major shareholders, the NC should explain why these source(s) suffice and other sources were not used.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The information of the Board and their respective profiles, position or relationship are included in the Board of Directors' Profiles in the Annual Report 2024 whereas their interests in the Company are included in the Analysis of Shareholdings.</p> <p>Pursuant to Clause 112 of the Company's Constitution, at the Annual General Meeting ("AGM"), one third (1/3) of the directors for the time being, shall retire from office at the conclusion of the AGM in every year provided always that all directors shall retire from office once at least in each three (3) years and shall be eligible for re- election.</p> <p>The following Directors, will be due for retirement at the forthcoming second AGM ("2<sup>nd</sup> AGM") pursuant to the Company's Constitution:</p> <p><u>Clause 112 of the Constitution</u></p> <ol style="list-style-type: none"><li>1. Mr Law</li><li>2. Mr Siang</li><li>3. Mr Teo</li></ol> <p>(collectively referred to as "Retiring Directors")</p> <p>Mr Siang and Mr Teo have offered themselves for re-election at the forthcoming 2<sup>nd</sup> AGM, while Mr Law has indicated his intention not to seek for re-election and hence, will retire upon the conclusion of the forthcoming 2<sup>nd</sup> AGM of the Company.</p> <p>The NC reviewed the Fit and Proper Declaration Forms completed by the Retiring Directors. Based on the outcome of the assessment, the NC agreed that they met the criteria of character, experience, integrity, competence and time to effectively discharge their respective roles as Directors as prescribed by the Listing Requirements of Bursa Securities.</p> <p>The Board concurred with the findings of the NC, and recommended the re-election of the Retiring Directors who are seeking for re-election</p>

	pursuant to Clause 112 of the Company's Constitution at the forthcoming 2 <sup>nd</sup> AGM.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.8**

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The NC is chaired by Mr Ng Lai Hock, an Independent Non-Executive Director.	
<b>Explanation for departure</b>	:		
	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		
	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Currently, the Board comprises four (4) female Directors, namely Ms Kee, Ms Chan Kee Eng, Ms Yap Lee Teng and Ms Go Sin Sin, constituting 40% women representation to the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.10**

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company has formalised the Board Diversity Policy which outlines its approach in achieving and maintaining diversity (including gender diversity) on its Board and workforce of the Group.</p> <p>The disclosure of the Board Diversity Policy can be found in the Corporate Governance Overview Statement of the Company's Annual Report 2024.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

## Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

*Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As the Company was newly listed on 4 July 2024, the Board and NC conducted their meetings on 25 February 2025 to review the overall performance of the Board and Board Committees for the year 2024.</p> <p>The Directors' Fit and Proper Policy also provides guidance to the NC and the Board in their review and assessment of potential candidates for appointment as Directors as well as Directors who are seeking for re-election and re-appointment at the forthcoming AGM of the Company, with a view to meeting current and future requirements of the Group.</p> <p>The evaluation was conducted through questionnaires circulated to the Board prior to the NC Meeting covering various aspects pertaining to:</p> <ul style="list-style-type: none"><li>- The effectiveness of the Board as a whole and the Board Committees;</li><li>- The character, experience, integrity and competence of the Directors, and to ensure they have the time to discharge their respective roles;</li><li>- The mix of skills and experience of each individual Director including the core competencies of the Non-Executive Directors; and</li><li>- The level of independence of the INEDs.</li></ul> <p>The assessment was conducted internally, facilitated by the Company Secretary. Based on the assessment, several areas were identified for improvement:</p> <p>(a) Refinements to the Board structure.</p> <p>(b) Improvement the quality of management presentations.</p>

	<p>(c) Ensure timely distribution of meeting materials.</p> <p>(d) Establish a comprehensive succession planning framework for senior management positions.</p> <p>Apart from the areas identified for improvement, the NC was satisfied that the results of the annual assessment demonstrated that the Board and Board Committees:</p> <p>(a) have the balance and composition for it to operate in an effective manner and is well-balanced with an appropriate number of Independent Non-Executive Directors and the Directors have discharged their responsibilities in a commendable manner and performed competently;</p> <p>(b) possessed the desired character, experience, competency, dynamic and satisfactorily demonstrated their time commitment and integrity in discharging their duties and responsibilities; and</p> <p>(c) have a balanced mix of skills, knowledge and experience to meet the needs of the Company.</p> <p>All Independent Directors have complied with the criteria of “independence” as set out in the Listing Requirements as well as the prescribed criterion under the MCCG.</p> <p>Based on the evaluation on the effectiveness of the Board Committees of the Company, the NC assessed and concluded that the three (3) Board Committees, namely ARMC, NC and RC, have discharged their respective functions during the FYE 2024.</p> <p>The Board had concurred and agreed with the above recommendations made by the NC.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board, through RC had established a Remuneration Policy that outlines the principles and guidelines adopted by the RC in discharging its responsibilities with regards to remuneration of Directors and/or Senior Management of the Company.</p> <p>The remuneration of Executive Directors and/or Senior Management is designed to link rewards to the individual performance and achievements of the Company/ Group and comparable market rate within the industry. With the Executive Directors' scope of duties and responsibilities, the RC adopts the guidelines in OFB in the review of annual bonus and salary increment of the Executive Directors, to align with market norms and the Consumer Price Index.</p> <p>All Non-Executive Directors are to be accorded annual director's fee in their capacity as a Board member and the amount shall reflect the expected responsibilities of Directors of a public listed company, taking into consideration prevailing market rates for companies of similar nature or size. No meeting allowances were paid to Non-Executive Directors for attending Board /Board Committees meetings.</p> <p>The detailed remuneration of Non-Executive Directors is disclosed in the Corporate Governance Overview Statement of the Annual Report 2024.</p> <p>The Remuneration Policy is reviewed by the Board from time to time and the Board shall make any necessary amendments where applicable.</p> <p>The Remuneration Policy can be viewed on the Company's website at <a href="http://www.oceanfresh.com.my">www.oceanfresh.com.my</a>.</p>

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied													
<b>Explanation on application of the practice</b>	:	<p>The RC comprises three (3) members, all of whom are Independent Non-Executive Directors. The composition of the RC is as follows:</p> <table border="1"> <thead> <tr> <th>RC</th> <th colspan="2">Directorate</th> </tr> </thead> <tbody> <tr> <td>Yap Lee Teng, Chairperson</td> <td>Independent</td> <td>Non-Executive Director</td> </tr> <tr> <td>Syed Razif Al-Idid bin Syed Sidi Al-Idid, Member</td> <td>Independent</td> <td>Non-Executive Director</td> </tr> <tr> <td>Ng Lai Hock, Member</td> <td>Independent</td> <td>Non-Executive Director</td> </tr> </tbody> </table> <p>The duties and responsibilities of the RC are set out in the RC's TOR, which is published on the Company's website at <a href="http://www.oceanfresh.com.my">www.oceanfresh.com.my</a>.</p>		RC	Directorate		Yap Lee Teng, Chairperson	Independent	Non-Executive Director	Syed Razif Al-Idid bin Syed Sidi Al-Idid, Member	Independent	Non-Executive Director	Ng Lai Hock, Member	Independent	Non-Executive Director
RC	Directorate														
Yap Lee Teng, Chairperson	Independent	Non-Executive Director													
Syed Razif Al-Idid bin Syed Sidi Al-Idid, Member	Independent	Non-Executive Director													
Ng Lai Hock, Member	Independent	Non-Executive Director													
<b>Explanation for departure</b>	:														
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>															
<b>Measure</b>	:														
<b>Timeframe</b>	:														

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The remuneration paid or payable to all Directors of the Company (both by the Company and the Group) for the FYE 2024 is set out in the table below.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Law Chee Kheong	Non-Executive Non-Independent Director	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Siang Hai Yong	Executive Director	0	0	32	0	1	0	33	0	0	160	0	8	0	201
3	Kee Wan Chum	Executive Director	0	0	41	0	5	0	46	0	0	179	0	23	0	248
4	Dato' Sri Chia Hooi Huak	Non-Executive Non-Independent Director	20	0	0	0	0	0	20	0	0	0	0	0	0	20
5	Teo Chee Han (Redesignated as Non-Independent Non-Executive Director on 1 March 2025)	Executive Director	0	0	20	0	0	0	20	0	0	100	0	0	0	120
6	Syed Razif Al-Idid bin Syed Sidi Al-Idid	Independent Director	20	0	0	0	0	0	20	0	0	0	0	0	0	20
7	Ng Lai Hock	Independent Director	20	0	0	0	0	0	20	0	0	0	0	0	0	20
8	Yap Lee Teng	Independent Director	20	0	0	0	0	0	20	0	0	0	0	0	0	20
9	Chan Kee Eng	Independent Director	20	0	0	0	0	0	20	0	0	0	0	0	0	20
10	Go Sin Sin	Independent Director	20	0	0	0	0	0	20	0	0	0	0	0	0	20
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

### Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Departure								
<b>Explanation on application of the practice</b>	:									
<b>Explanation for departure</b>	:	<p>Due to the confidentiality and sensitivity of information, the Board is of the view that it would not be in its best interest to make such disclosure on named basis in view of the competitive nature of human resource market and the Company should maintain confidentiality on employees' remuneration packages.</p> <p>As an alternative, the Board decided to disclose the remuneration for the Group's Senior Management in the bands of RM50,000, as follows:</p> <table border="1"><thead><tr><th>Range of remuneration</th><th>No. of Senior Management*</th></tr></thead><tbody><tr><td>RM100,001 to RM150,000</td><td>1</td></tr><tr><td>RM150,001 to RM200,000</td><td>1</td></tr><tr><td>RM200,001 to RM250,000</td><td>3</td></tr></tbody></table> <p><i>Note:</i> * inclusive of the three (3) Executive Directors. Their remuneration on a named basis for FYE 2024 are disclosed in Practice 8.1 of this CG Report.</p>	Range of remuneration	No. of Senior Management*	RM100,001 to RM150,000	1	RM150,001 to RM200,000	1	RM200,001 to RM250,000	3
Range of remuneration	No. of Senior Management*									
RM100,001 to RM150,000	1									
RM150,001 to RM200,000	1									
RM200,001 to RM250,000	3									
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>										
<b>Measure</b>	:									
<b>Timeframe</b>	:									

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The ARMC is chaired by Mr Syed Razif Al-Idid bin Syed Sidi Al-Idid, an Independent Non-Executive Director. Meanwhile, the Chairman of the Board is Mr Law.</p> <p>The positions of the Chairman of the Board and the ARMC Chairman are being held by two different individuals. This ensures that the Board's review of the ARMC's findings and recommendations are not impaired.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.2**

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group recognises the importance of the independence of its External Auditors and that no possible conflict of interest whatsoever should arise.</p> <p>The ARMC has included in its TOR the cooling off period of at least three (3) years for a former key audit partner to observe before being appointed as a member of the ARMC.</p> <p>Presently, no former partner of the Company's external audit firm has been appointed to the Board/ARMC.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The ARMC shall undertake the responsibility to evaluate annually the performance of the external auditors, including the suitability, objectivity and independence of the external auditors, taking into consideration the following criteria: -</p> <ul style="list-style-type: none"><li>(a) the external auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;</li><li>(b) the competence, audit quality and resource capacity of the external auditors in relation to the audit; and</li><li>(c) the nature and extent of the non-audit services tendered and the appropriateness or the level of fees.</li></ul> <p>As the Company was newly listed on 4 July 2024, the ARMC conducted its meeting on 25 February 2025 to review the performance assessment of Messrs Crowe Malaysia PLT ("External Auditors") for the year 2024. The ARMC evaluated the performance (including independence) of the External Auditors, based on the competence, audit quality and resource capacity of External Auditors as well as the non-audit services provided by the External Auditors.</p> <p>In respect of the audit for FYE 2024, Messrs Crowe Malaysia PLT ("Crowe Malaysia") provided the ARMC with a written assurance confirming that they were, and had been independent through the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements in respect of the Group.</p> <p>During the financial year under review, the ARMC had a separate private session with the external auditors without the presence of the Executive Directors and Management.</p> <p>Based on the assessment results, the ARMC made its recommendation to the Board for shareholders' approval on the re-appointment of Crowe Malaysia as the Auditors of the Company for the financial year ending 31 December 2025 at the forthcoming 2<sup>nd</sup> AGM.</p>

<b>Explanation for departure</b>	:		
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted		
<b>Explanation on adoption of the practice</b>	:	The ARMC comprises solely of Independent Directors. The composition of the ARMC is as follows:-		
		<b>Name</b>	<b>Designation</b>	<b>Directorate</b>
		Syed Razif Al-Idid bin Syed Sidi Al-Idid	Chairman	Independent Non-Executive Director
		Ng Lai Hock	Member	Independent Non-Executive Director
		Yap Lee Teng	Member	Independent Non-Executive Director

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Chairman of the ARMC, Mr Syed Razif Al-Idid Bin Syed Sidi Al-Idid, is a member of the Institute of Chartered Accountants in England and Wales (ICAEW) and the Malaysian Institute of Accountants ("MIA"). The ARMC members come from different professional and business backgrounds of which two (2) are members of the MIA. They are financially literate, bringing a wide range of experience and knowledge, and are able to analyse and interpret financial statements to effectively discharge their duties.</p> <p>The qualification and experience of the ARMC members are disclosed in the Board of Directors' Profiles of the Annual Report 2024.</p> <p>The training programs that the members of the ARMC have attended during the FYE 2024 are disclosed in the Corporate Governance Overview Statement of the Annual Report 2024.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.1

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges its overall responsibility of maintaining a sound system of risk management and internal control, and for reviewing its adequacy and effectiveness.</p> <p>The Board had delegated the responsibility for reviewing the adequacy and effectiveness of the risk management and internal control systems to the ARMC.</p> <p>The Group has outsourced its internal audit function to an independent consulting firm, Augment GC Sdn Bhd ("Augment" or "the Internal Auditors"), which reports directly to the ARMC. Augment carries out its function in accordance with the approved annual internal audit plan approved by the ARMC. The findings of the audits and the recommendations for improvement or actions to be taken by the Management to rectify the issue will be presented in ARMC meeting.</p> <p>Any significant issue affecting the existing risks or emerging risks as well as the changes to the action plans to address the risks identified, will be discussed during the ARMC meetings and brought to the attention of the Board by the Chairman of ARMC.</p> <p>The information on risk management and internal control is set out in the Statement on Risk Management and Internal Control in the Annual Report 2024.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

**Practice 10.2**

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The features of the risk management and internal control framework and the adequacy and effectiveness of this framework are disclosed in the Statement on Risk Management and Internal Control in the Annual Report 2024.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

**Practice 10.3 - Step Up**

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

**Intended Outcome**

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

**Practice 11.1**

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The internal audit function of the Group is carried out by an outsourced independent consulting firm namely, Augment. The outsourced Internal Auditors report directly to the ARMC. Internal audit reports are presented, together with audit findings and recommendations as well as Management’s response and proposed action plans, to ARMC. In performing their duties, the Internal Auditors have free and unfettered access to information and to meet with any of the department heads or persons in charge.</p> <p>The Internal Auditors are precluded from providing any services that may impair their independence or conflict with their role as Internal Auditors.</p> <p>The ARMC obtained assurance from the Internal Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>On 25 February 2025, the ARMC completed its annual assessment of the Internal Auditors and was satisfied with the overall performance of the Internal Auditors in FYE 2024.</p> <p>The details of the internal audit function and activities are set out in the ARMC Report in Annual Report 2024.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group in its efforts to provide an adequate and effective internal control system had appointed an independent consulting firm, namely Augment. Augment acts as the internal auditors and reports directly to the ARMC of the Company.</p> <p>Mr Sigmund Ng Zhi Sum of Augment is the Engagement Director responsible for the internal audit function of the Group. He has over 10 years of experience in risk-based internal audit, risk management, corporate governance, performance and business management, IPOs, and due diligence. He is a Certified Internal Auditor and Chartered Member of the Institute of Internal Auditors.</p> <p>The number of staff deployed for the internal audit reviews ranged from 2 to 4 personnel per visit. Augment’s engagement team personnel had affirmed to the ARMC that in relation to the Group, they were free from any relationships or conflicts of interest, which could impair their objectivity and independence. Augment does not have any direct operational responsibility or authority over any of the activities audited.</p> <p>Augment is a corporate member of the Institute of Internal Auditors Malaysia. The internal audit review was guided by the International Professional Practices Framework issued by the Institute of the Internal Auditors.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
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**Intended Outcome**

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

**Practice 12.1**

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is mindful on the importance of maintaining proper corporate disclosure procedures with the aim to provide shareholders and investors with comprehensive, accurate and quality information on a timely basis.</p> <p>The Group maintains a corporate website, <a href="http://www.oceanfresh.com.my">www.oceanfresh.com.my</a> with the intention of building communication channel between our Company with the stakeholders:</p> <p>(a) Announcements submitted to Bursa Securities  (b) Investor section which provides relevant corporate information  (c) General telephone number, address and email address</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

**Practice 12.2**

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Not applicable – Not a Large Company	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Company is not under the category of a large company as defined under MCCG.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.1**

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The first AGM (“1<sup>st</sup> AGM”) of the Company was held on 30 April 2024, which is prior to the listing of the Company on ACE Market of Bursa Securities. The notice of the 1<sup>st</sup> AGM was given to the shareholders less than 21 days and consent to short notice was obtained pursuant to Clause 71(a) of the Constitution of the Company.</p> <p>The 2<sup>nd</sup> AGM of the Company will be held on 12 June 2025 and the Notice of the 2<sup>nd</sup> AGM accompanying the Annual Report 2024 of the Company will be issued to the shareholders and published on a nationally circulated newspaper on 30 April 2025, hence giving at least twenty-eight (28) days’ notice prior to the date of the forthcoming 2<sup>nd</sup> AGM).</p> <p>The notice for the AGM outlines the resolutions to be tabled during the 2<sup>nd</sup> AGM and is accompanied with explanatory notes and background information where applicable to shed clarity on the resolutions to be tabled at the 2<sup>nd</sup> AGM, to enable the shareholders to make informed decisions in exercising their voting right. The proxy form can be downloaded by the shareholders at the designated link as they have the right to appoint a proxy and allows a member to appoint a proxy who need not be a member of the Company.</p> <p>The Annual Report 2024, Notice of the 2<sup>nd</sup> AGM together with the proxy form are available on the Company’s website.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.2**

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company's 1<sup>st</sup> AGM was held on 30 April 2024. All ten (10) Directors attended the 1<sup>st</sup> AGM.</p> <p>The Company was listed on the ACE Market of Bursa Securities on 4 July 2024. The 2<sup>nd</sup> AGM is to be held on 12 June 2025 and will be the Company's first AGM as a listed entity.</p> <p>All Directors and the Chair of the Board and Board Committees will endeavour to attend the forthcoming 2<sup>nd</sup> AGM to provide meaningful response to questions raised by the shareholders at the meeting.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company was listed on the ACE Market of Bursa Securities on 4 July 2024.</p> <p>The forthcoming 2<sup>nd</sup> AGM will be conducted physically at Meeting Room, GDM 5 &amp; 6, Mezzanine Floor, Grand DarulMakmur Hotel Kuantan, Lot 5 &amp; 10, Lorong Gambut Off Jalan Beserah, 25300 Kuantan, Pahang Darul Makmur on 12 June 2025. All resolutions set out in the Notice of AGM will be voted by poll. The forthcoming 2<sup>nd</sup> AGM will provide an opportunity for shareholders to participate at the AGM and to raise relevant questions to the Chairman and the Board.</p> <p>Shareholders who are unable to attend the AGM are entitled to appoint any person(s) as their proxy(ies) to attend, participate and vote on their behalf at the AGM, in accordance with the Company's Constitution.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.*

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>As the Company was listed on 4 July 2024, the forthcoming AGM will be the first AGM held by the Company after its Listing.</p> <p>The forthcoming 2<sup>nd</sup> AGM will be conducted physically at Meeting Room, GDM 5 &amp; 6, Mezzanine Floor, Grand DarulMakmur Hotel Kuantan, Lot 5 &amp; 10, Lorong Gambut Off Jalan Beserah, 25300 Kuantan, Pahang Darul Makmur on 12 June 2025 and will provide an opportunity for shareholders to participate at the AGM to raise relevant questions to the Chairman and the Board.</p> <p>Shareholders may also submit their questions to the Company before the commencement of the general meeting and the Chairman of the Board will invite questions from the shareholders and will endeavour to address all the questions accordingly.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.*

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>As the Company was listed on 4 July 2024, the forthcoming AGM will be the first AGM held by the Company after its Listing.</p> <p>The forthcoming 2<sup>nd</sup> AGM will be conducted physically at Meeting Room, GDM 5 &amp; 6, Mezzanine Floor, Grand DarulMakmur Hotel Kuantan, Lot 5 &amp; 10, Lorong Gambut Off Jalan Beserah, 25300 Kuantan, Pahang Darul Makmur on 12 June 2025 and will provide an opportunity for shareholders to participate at the AGM to raise relevant questions to the Chairman and the Board.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.6**

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

*Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.*

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>As the Company was listed on 4 July 2024, the forthcoming AGM will be the first AGM held by the Company after its Listing.</p> <p>The forthcoming 2<sup>nd</sup> AGM will be held on 12 June 2025 and the Minutes of the AGM together with the Company's responses to questions received will be posted on the Company's website no later than 30 business days after the AGM.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT  
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

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