



OCEAN FRESH BERHAD
Registration No. 202301019041 (1512963-A)

ANNUAL REPORT
2025

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CORPORATE PROFILE

Ocean Fresh Berhad (“OFB” or “the Company”) and its subsidiaries (“the Group”) is a leading seafood processing and trading company specialising in frozen seafood products, with a focus on molluscs, fish, and other seafood categories. Established with a commitment to delivering high-quality and sustainable seafood, we have built a strong presence in both local and international markets.

Our operations are in Kuantan, Pahang, where we manage two processing facilities, Factory A and Factory B. These facilities are equipped with semi-contact blast freezers, cold storage rooms, and specialised processing areas to ensure high standards of quality and efficiency.

CORE BUSINESS SEGMENTS

Our business is primarily segmented into:

1. Processing and Trading of Frozen Seafood Products

We process and trade seafood in bulk, catering to wholesalers, processing facilities, retailers, importers, and food and beverages (“F&B”) service providers. Our products are sold under our own brand, “Sea Planet”, unless customers request private-label packaging. Our key products include molluscs (cuttlefish, squid, octopus), fish (tuna, mackerel, pomfret), and other seafood (prawns, abalone, sea cucumber).

2. Processing and Trading of Frozen Seafood Products

We provide customised processing solutions, including defrosting, cleaning, cutting, freezing, glazing, and packaging. Customers supply their own seafood, and we process it according to their specifications.

Market Presence & Distribution

We serve both local and international markets, with Malaysia being our primary market. Internationally, we export to China, Turkey, Thailand, Vietnam, Japan, and other countries, including Indonesia, the Philippines, Singapore, Korea, Italy, Portugal, United States of America, Australia, and Denmark. Our distribution network operates via refrigerated transport for domestic deliveries and specialised refrigerated containers for exports.

Commitment to Quality & Sustainability

OFB adheres to stringent food safety and quality standards, ensuring that our seafood is processed under hygienic conditions. Our semi-contact blast freezing technology allows for rapid freezing, preserving the freshness, texture, and nutritional value of our seafood products. As we expand, we remain committed to sustainability, ethical sourcing, and supply chain efficiency to meet the growing demand for high-quality frozen seafood globally.

CORPORATE INFORMATION

Ng Lai Hock
Independent Non-Executive Chairman

Siang Hai Yong
Executive Director

Teo Chee Han
Non-Independent Non-Executive Director

Kee Wan Chum
Executive Director / Head of Operations

Dato' Sri Chia Hooi Huak
Non-Independent Non-Executive Director

Chan Kee Eng
Senior Independent Non-Executive Director

Syed Razif Al-Idid B. Syed Sidi Al-Idid
Independent Non-Executive Director

Yap Lee Teng
Independent Non-Executive Director



**Board of
Directors**

COMPANY SECRETARY

Khoo Ming Siang (MAICSA 7034037)
SSM PC No.: 202208000150

AUDIT AND RISK MANAGEMENT COMMITTEE

Syed Razif Al-Idid B. Syed Sidi Al-Idid
(Chairman)
Yap Lee Teng
Chan Kee Eng

NOMINATION COMMITTEE

Chan Kee Eng (Chairperson)
Syed Razif Al-Idid B. Syed Sidi Al-Idid
Yap Lee Teng

REMUNERATION COMMITTEE

Yap Lee Teng (Chairperson)
Syed Razif Al-Idid B. Syed Sidi Al-Idid
Chan Kee Eng

REGISTERED OFFICE

Unit 521, 5th Floor, Lobby 6, Block A
Damansara Intan
No. 1, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan
Tel No. : 03-7732 0792
Email : cosec@aquilla.com.my

SPONSOR

KAF Investment Bank Berhad
(197401003530 (20657-W))
Level 13A, Menara IQ
Persiaran TRX, Tun Razak Exchange
55188 Kuala Lumpur
Tel No. : 03-2072 1277

HEAD OFFICE CUM FACTORY

Lot 19869, Kampung Baru Peramu
26060 Kuantan
Pahang Darul Makmur
Tel. No. : 09-534 3888
Email : general@oceanfresh.com.my
Website : www.oceanfresh.com.my

SHARE REGISTRAR

Securities Services (Holdings)
Sdn Bhd
(197701005827(36869-T))
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel. No. : 03-2084 9000
Fax No : 03-20949940/
03-20950292

EXTERNAL AUDITORS

UHY Malaysia PLT
202406000040 (LLP0041391-LCA)
& AF 1411
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel. No. : 03-2279 3088

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia
Securities Berhad
(Listed on 4 July 2024)
Stock Name : OFB
Stock Code : 0312

PRINCIPAL BANKERS

Public Bank Berhad
OCBC Bank (Malaysia) Berhad

CORPORATE STRUCTURE

Ocean Fresh Trading Sdn. Bhd.

Registration No. 200901013688 (856748-D)

Provision of sourcing services for all type of seafood

100%

East Ocean Frozen Seafood Products (Sabah) Sdn. Bhd.

Registration No.
201701010036 (1224201-A)

Provision of sourcing
services for all type of
seafood

100%



OCEAN FRESH BERHAD
Registration No. 202301019041 (1512963-A)
**Investment Holding
Company**

Lianli Huat Seafood Products Sdn. Bhd.

Registration No. 200301002588
(605008-T)

Trading of seafood
products, handling
charges and processing
fees for seafood products

100%

100%

Ocean Food Sdn. Bhd.

Registration No. 202501051625
(1653033-P)

Manufacturing and
distribution of retort
seafood pouches.

Ocean Fresh Seafood Products Sdn. Bhd.

Registration No. 200201001773 (569436-W)

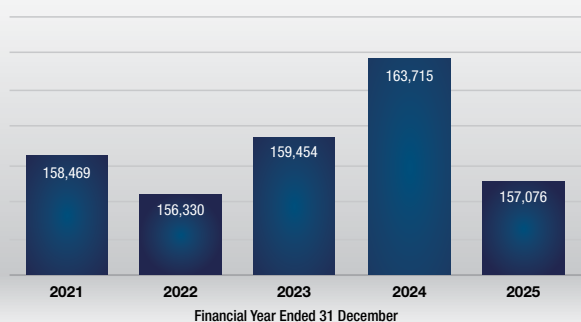
Wholesaler, retailer, processor and exporter of
frozen seafood products, investment holding,
handling charges and processing fees for
seafood products

100%

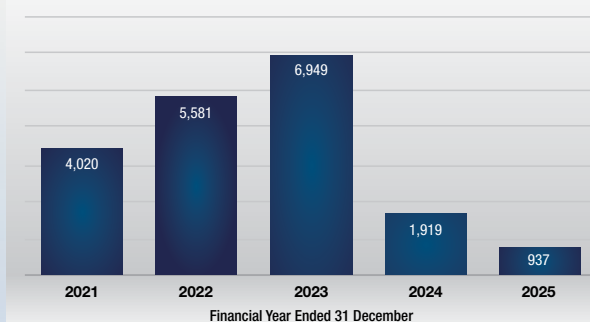
5 - YEAR GROUP FINANCIAL HIGHLIGHTS

Financial Year Ended 31 December	2021 RM '000	2022 RM '000	2023 RM '000	2024 RM '000	2025 RM '000
Revenue	158,469	156,330	159,454	163,715	157,076
Gross Profit	16,344	18,272	21,087	16,550	11,850
Profit Before Tax	4,362	6,966	6,994	2,298	1,898
Earnings Before Interest, Taxes, Depreciation and Amortisation	5,041	7,682	7,936	3,168	2,608
Net Profit After Tax	4,020	5,581	6,949	1,919	937
Total Equity	30,506	38,440	45,364	60,172	60,059
Total Assets	53,646	53,751	63,056	80,241	70,889
Basic Earning Per Share (Sen)					
- continuing operations	2.53	3.50	4.34	1.04	0.45
- discontinued operations	(0.0034)	(0.0047)	(0.0054)	-	-

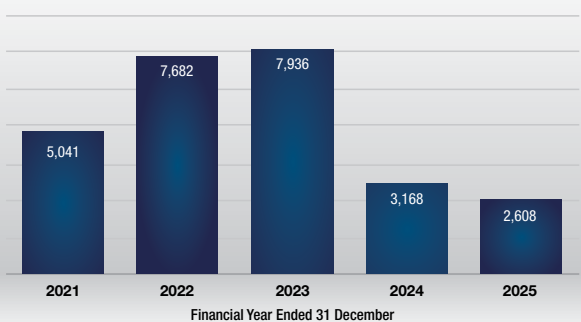
Revenue (RM'000)



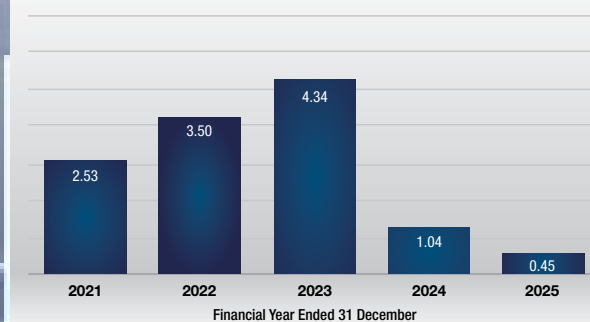
Net Profit After Tax (RM'000)



EBITDA (RM'000)



Basic Earnings Per Share (Sen)



DIRECTORS' PROFILE

Ng Lai Hock

Independent Non-Executive Chairman

Malaysian, Aged 72, Male

Date of Board Appointment: 1 October 2023

Board Committee Membership: None

Ng Lai Hock (“**Mr Ng**”) was appointed to our Board on 1 October 2023. On 12 June 2025, he was redesignated as the Company’s Independent Non-Executive Chairman.

He obtained a Certificate in Engineering (Electrical) from the Technicians Certification Authority, New Zealand in December 1976. He subsequently graduated with a Bachelor of Engineering (Electrical) from the University of Canterbury, New Zealand in May 1979. He was elected as a Member in Electrical Engineering with The Institution of Engineers Malaysia since January 1983. He is also a registered Professional Engineer (Electrical) under the Board of Engineers Malaysia since June 1983.

He began his professional career in New Zealand with New Zealand Transformer Ltd in May 1974 as Test Technician, where he conducted testing and quality control on power instruments and audio transformers.

In February 1975, he was promoted to Assistant Design Engineer, where he conducted testing and quality control on power instruments and audio transformers as well as carried out designing of instruments and transformers. In February 1977, he left New Zealand Transformer Ltd to pursue his bachelor’s degree at the University of Canterbury. In November 1978, he resumed his professional career in New Zealand with Turnbull and Jones Ltd as Design and Development Engineer, where he was involved in designing and constructing power protection systems as well as designing and developing power equipment.

In May 1979, he resigned from Turnbull and Jones Ltd and returned to Malaysia. In June 1979, he joined Motorola (M) Sdn Bhd as Product and Test Engineer, where he was involved in trimming and testing of resistors and modules. In February 1980, he left Motorola (M) Sdn Bhd to join Kejuruteraan Maju Sekitar Sdn Bhd as Electrical Engineer in March 1980. During his tenure there, he was involved in conducting design and cost estimations as well as preparing, planning and evaluating electrical installations for projects.

In February 1981, he resigned from Kejuruteraan Maju Sekitar Sdn Bhd and joined Hashim and Neh Jurutera Perunding Sdn Bhd as Electrical Engineer in March 1981. During his tenure there, he oversaw the planning and cost estimations and tender applications for projects as well as managed project execution. Simultaneously in October 1984, he also worked in Perunding Budiman Sdn Bhd as Electrical Engineer, where he was responsible for the overall design, tender and contract management of projects. He left Perunding Budiman Sdn Bhd in May 1985.

In January 1986, he founded Enmac Sekutu, a sole proprietorship involved in the provision of mechanical and electrical engineering services. In August 1986, he resigned from Hashim and Neh Jurutera Perunding Sdn Bhd. In August 1996, he subsequently incorporated Enmac Sekutu Sdn Bhd, a company involved in the provision of building designing services and assumed his present position as Managing Director, where he is currently responsible for leading a team of engineers and overseeing the entire engineering projects from its inception to completion, including project tendering, project planning, engineering feasibility evaluations, cost predictions and financial simulations.

Mr Ng does not hold any directorship in public companies and listed issuers and does not have any family relationship with any director and/or major shareholder of the Company. He attended all five (5) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE (Cont'd)

Siang Hai Yong

Executive Director

Malaysian, Aged 64 , Male

Date of Board Appointment: 10 August 2023

Board Committee Membership: None

Siang Hai Yong ("**Mr Siang**") was appointed to our Board on 10 August 2023.

He is responsible for overseeing our Group's strategic planning, development and overall business operations. He also oversees the Group's international business development activities and corporate affairs for the China market.

He completed his primary school education from Sekolah Jenis Kebangsaan (Cina) Hai Ping in 1975. In order to support his family, he started fishing and selling seafood products in Kampung Sungai Burung on a small-time basis in 1976. He later assisted to operate a fishing vessel and in 1981, he moved to Kuantan and continued fishing and selling seafood products on a small-time basis.

With the experience and expertise gained in the fishing industry, he co-founded Yin Li Fishery, with Chia Siew Lee in August 1995. At the time, Yin Li Fishery was principally involved in the wholesale of fish and seafood products in Pasar Besar Selayang. In March 2012, he handed over the business operations of Yin Li Fishery to his son, Siang Chun Sai, in order to focus on Ocean Fresh Seafood Products Sdn Bhd ("OFSP").

Mr Siang was appointed as a director of OFSP in 2002 and was in charge of supply chain management given his experience in the fishing industry. With his understanding of the fishery industry and experience in supply chain management, he saw a need to ensure consistent supply and quality of seafood supplies to fulfil customers' orders throughout the years. He thus co-founded Ocean Fresh Trading Sdn Bhd in May 2009 with Mr Kee Yow Lee, to focus on widening OFSP's network of suppliers and inspecting seafood supplies to ensure its quality. In June 2013, Mr Siang took over the role to oversee OFSP's strategic direction and business development. Since then, Mr Siang has been key to OFSP's growth of the frozen seafood processing business over the years. He later set up East Ocean Frozen Seafood Products (Sabah) Sdn Bhd in March 2017 with Mr Chew Meng Chung, to focus on ensuring the quality of local seafood supplies sourced from suppliers based in Sabah.

Mr Siang does not hold any directorship in public companies and listed issuers but holds directorship in several private limited companies. He does not have any family relationship with any director and/or major shareholder of the Company. He attended all five (5) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE (Cont'd)

Teo Chee Han

Non-Independent Non-Executive Director

Singaporean, Aged 34, Male

Date of Board Appointment: 1 October 2023

Board Committee Membership: None

Teo Chee Han (“**Mr Teo**”), was appointed to our Board on 1 October 2023 as Executive Director. On 1 March 2025, he was redesignated from Executive Director to Non-Executive Director.

Mr Teo completed his secondary education in Broadrick Secondary School, Singapore in December 2007. From 2010 to 2011, he attended the University of New South Wales (UNSW) Foundation Program and later graduated with a Bachelor of Arts and Social Sciences (majoring in International Business and International Relations) in 2014.

Upon completing his studies, he remained in Australia to explore business opportunities, and eventually co-founded LuxProperty.com Pty Ltd, a company involved in the management of an online directory listings for real estate properties in Sydney, Australia. At the time, he was responsible for the company’s business development activities. In May 2016, he stepped down from LuxProperty.com Pty Ltd, and returned to Singapore, where he subsequently joined Lucky Bloom Pte Ltd, a Singaporean company involved in coal trading. During his tenure there, he assumed the position of Vice President of Trading, where he was involved in building and maintaining relationships with coal suppliers and customers as well as identifying and procuring new suppliers and customers. In August 2017, he resigned from Lucky Bloom Pte Ltd. In September 2017, he joined Majestic Fast Ferry Pte Ltd, a Singaporean company involved in the provision of logistics services, as Marketing Director. During his tenure there, he was responsible for driving the marketing activities of the company. In December 2022, he resigned from Majestic Fast Ferry Pte Ltd and subsequently came to Malaysia. In December 2022, he was appointed as director of Ocean Fresh Seafood Products Sdn Bhd.

Mr Teo is the son of Mr Darmanto, a substantial shareholder of our Company by virtue of his shareholdings in Treasure Gain Sdn Bhd. He is also the son-in-law of Dato’ Sri Chia Hooi Huak, the Non-Independent Non-Executive Director and substantial shareholder of our Company.

Mr Teo does not hold any directorship in public companies and listed issuers but holds directorship in several private limited companies. He attended all five (5) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE (Cont'd)

Kee Wan Chum

Executive Director / Head of Operations

Malaysian, Aged 40 , Female

Date of Board Appointment: 1 October 2023

Board Committee Membership: None

Kee Wan Chum (“**Ms Kee**”) was appointed to our Board on 1 October 2023.

She is responsible for our Group’s daily business operating activities and managing our employees to ensure smooth operations of our business. In addition, she is also responsible to identify new business opportunities, handle procurement of supplies and drive our Group’s sales as well as to develop new systems and procedures to improve operational efficiency for our Group. She also oversees the Group’s international business development activities and corporate affairs (except for China market).

She graduated from University Putra Malaysia with a Bachelor of Engineering in Process and Food in June 2009.

She joined Lianli Huat Seafood Products Sdn Bhd as QC personnel in June 2009, where she was responsible for ensuring the company’s compliance to various QC certificates and regulations, particularly HACCP certificate and HALAL standards as well as managing the construction of the company’s business premises. In January 2011, she was transferred and redesignated to Marketing Executive of Ocean Fresh Seafood Products Sdn Bhd (“OFSP”), where she assisted in the sales and marketing as well as logistics and shipping of seafood products. She was subsequently promoted in May 2013 to Senior Marketing Executive cum QC Coordinator, where in addition to her existing responsibilities, she also assisted in ensuring the company’s compliance to various QC certifications and regulations.

In March 2014, she was promoted to Marketing Manager, where she was responsible for maintaining customer relationships as well as developing new marketing strategies to help achieve the sales target of the company. In June 2015, she was redesignated to QC Manager, where she was in charge of ensuring compliance and maintenance of the certifications held by the company as well as leading the QA/QC team in ensuring that the quality and safety standards of the seafood products are met. In August 2016, she was redesignated to QC cum Purchasing Manager. In addition to her existing responsibilities, she was also in charge of overseeing the company’s procurement and sourcing activities related to raw materials as well as overseeing the activities of the sales team. In March 2017, she was promoted to Assistant General Manager of Marketing, where she was responsible for monitoring the cost of raw materials, driving sales growth, obtaining new suppliers and customers as well as leading the QA/QC team to ensure the company’s certifications are maintained and regulations are complied with.

In January 2021, she was promoted to General Manager, where she was in charge of the daily business operating activities of the company, including managing operational costs, performance and capacity-related activities; analysing data based on sales and demand for procurement purposes; identifying new business opportunities and driving sales as well as developing new systems and procedures to improve operational efficiency for the company.

In December 2021, she was appointed as director of OFSP. Subsequently on 1 October 2023, she was appointed as Executive Director / Head of Operations of our Group.

Ms Kee does not hold any directorship in public companies and listed issuers but holds directorship in several private limited companies. She does not have any family relationship with any director and/or major shareholder of the Company. She attended all five (5) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE (Cont'd)

Dato' Sri Chia Hooi Huak

Non-Independent Non-Executive Director

Malaysian, Aged 48, Male

Date of Board Appointment: 1 October 2023

Board Committee Membership: None

Dato' Sri Chia Hooi Huak ("**Dato' Sri Chia**") was appointed to our Board on 1 October 2023.

He completed his primary school education from Sekolah Jenis Kebangsaan (Cina) Phooi Tee in 1990. He then attended secondary education at Sekolah Menengah Kebangsaan Ungku Aziz in Sabak Bernam until 1994.

Upon completing his education, he began helping out at Soon Guang Enterprise, a family business which was principally involved in the seafood trading business to wholesalers at Pasar Borong Selayang. Upon gaining experience in the trading business at Pasar Borong Selayang, he moved to Kuala Pilah in 1996 to assist with another family business, which was principally involved in the retail of seafood. Within the same year, he moved back to Sungai Besar to continue his career with Soon Guang Enterprise. During his tenure there, he also founded Soon Huak Trading, a sole proprietorship, in October 1999 when he saw the opportunity to venture into the distribution business of alcoholic beverages and soft drinks in Sungai Besar.

With his involvement in Soon Guang Enterprise, the business expanded and began to import seafood products from Indonesia for onward sale to local wholesalers. The business also involved minor processing activities such as organisation of seafood products by type, followed by weighing, chilling and packaging activities. In 2007, he left Soon Guang Enterprise to focus on various investment activities, where he has held directorships of companies involved in a variety of businesses, such as trading of seafood products, investment holding, trading of bird nest products, processing of seafood products and trading of furniture.

Between 2007 and 2012, he was appointed as director of Lianli Huat Seafood Products Sdn Bhd in October 2007, Treasure Gain Sdn Bhd ("TGSB") in November 2007, director of Rich Prolific Sdn Bhd in June 2008, director of Ocean Fresh Seafood Products Sdn Bhd ("OFSP") in February 2009 and Annex Venture Sdn Bhd in July 2012.

In March 2013, he joined Huan Jia Sdn Bhd, a company focused on the provision of entertainment services, as Chief Executive Officer, where he was responsible for the strategic direction and growth of the business. In July 2019, he left Huan Jia Sdn Bhd. In August 2019, he concurrently joined both Annex Design Sdn Bhd and Annex Sofa Sdn Bhd as Regional Manager, where he was involved in overseeing and managing the business operations of both companies. In July 2022, he subsequently joined Majestic BB Club Sdn Bhd, a company focused on the provision of entertainment services, as Chief Executive Officer, where he is also responsible for the strategic direction and growth of the business. In August 2023, he resigned from Annex Sofa Sdn Bhd.

In 2007, Dato' Sri Chia, together with Mr Law Chee Kheong, invested in OFSP through TGSB which owns 40.0% equity interests in OFSP.

Dato' Sri Chia is the father-in-law of Mr Teo Chee Han, a Non-Independent Non-Executive Director of the Company. He does not hold any directorship in public companies and listed issuers but holds directorship in several private limited companies. He attended all five (5) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE (Cont'd)

Chan Kee Eng

Senior Independent Non-Executive Director

Malaysian, Aged 68 , Female

Date of Board Appointment: 18 March 2024

Board Committee Membership:

- Chairperson, Nomination Committee
- Member, Audit and Risk Management Committee
- Member, Remuneration Committee

Chan Kee Eng ("**Ms Chan**") was appointed to our Board on 18 March 2024. On 12 June 2025, she was appointed as the Chairperson of the Nomination Committee and a member of the Audit and Risk Management Committee and Remuneration Committee.

Ms Chan holds a Bachelor of Business (Business Administration) from Royal Melbourne Institute of Technology ("RMIT"), Australia and a Diploma in Management from Malaysian Institute of Management. She was working in the banking and finance industry for more than 30 years.

In 1984, she joined MUI Finance, a member of Malayan United Industries Berhad, as Confidential Secretary to the Assistant General Manager. After several years, she was transferred to the Loans Department, as Loan Officer in the Credit Supervision Unit.

In 1994, MUI Finance was acquired by Advance Synergy Berhad and renamed as United Merchant Finance Berhad ("UMF") Under UMF, she was appointed as Branch Manager for one of its branches in 1998. She was later transferred to Head Office to head the Credit Supervision Unit to handle corporate loans recovery.

In 2000, UMF was acquired by Southern Bank Berhad together with another two smaller finance companies, i.e. Perdana Finance and Cempaka Finance and renamed as Southern Finance Berhad, which later was acquired by CIMB Bank Berhad. In CIMB Bank Berhad, she was posted to various departments, viz., Credit Recovery, Legal Recovery, Loan Documentation and Administration. Her last position was Assistant Vice President, Credit Collection Agency Management and Legal, which involved liaising with solicitors on progress of litigation cases for vehicle and property loans, until her retirement in November 2017.

Ms. Chan is an Independent Non-Executive Director of OCB Berhad and Toyo Ventures Holdings Berhad, both are listed on the Main Market of Bursa Securities. In Toyo Ventures Holdings Berhad, she serves as the Chairperson of the Nomination Committee, and a member of the Audit & Risk Management Committee and Remuneration Committee. In OCB Berhad, she serves as the Chairperson of the Remuneration Committee, and a member of the Audit and Risk Management Committee and Nomination Committee.

She does not have any family relationship with any director and/or major shareholder of the Company. She attended all five (5) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE (Cont'd)

Syed Razif Al-Idid B. Syed Sidi Al-Idid

Independent Non-Executive Director

Malaysian, Aged 55 , Male

Date of Board Appointment: 1 October 2023

Board Committee Membership:

- Chairman of the Audit and Risk Management Committee
- Member of the Nomination Committee
- Member of the Remuneration Committee

Syed Razif Al-Idid B. Syed Sidi Al-Idid ("**Syed Razif**") was appointed to our Board on 1 October 2023.

Mr Syed Razif retired in June 2025 as a Managing Director with Bank of Singapore, a subsidiary of OCBC Bank. He managed a team of private bankers covering the ultra-high net worth clients in the Asean market, with focus in Malaysian market. He has over 28 years of banking experience in wealth management and investment banking.

Prior to joining Bank of Singapore, he was CIMB Bank's Head of the Private Banking in Singapore which served as a regional wealth management hub. He was responsible for overseeing the overall operations including strategic planning, business development, relationship management, financial and operational risk management and people development. He had previously worked at UBS Wealth Management, Credit Suisse, Coutts & Co Ltd, based in Singapore, where he was responsible for managing wealth portfolios and offshore banking services for ultra-high net worth clients in ASEAN. He guided high net-worth individual and institutional clients in managing and preserving their wealth, succession planning and generational wealth transfer.

Before making a career switch to wealth management in 2006, Mr Syed Razif was a rated equity research analyst covering mainly the Technology and Telecommunications sectors. His role involved analyses of complex financial information, performing valuations and developing financial models to value equities which are presented to global fund managers. He first started at Smith Zain Securities Sdn Bhd (under Merrill Lynch International) based in Kuala Lumpur and later relocated to Singapore to join ING Barings Securities (Singapore) Pte Ltd. He also worked at UBS AG, Singapore Branch where he was director of the Equities Department. During his stints in investment banking, he was involved in the initial public offerings of major telecommunication companies in Singapore and Malaysia.

In the first 4 years of his career, Mr Syed Razif trained as a Chartered Accountant with KPMG London and served financial sector clients in the United Kingdom, providing financial and compliance audits services.

Mr Syed Razif graduated with a Bachelor of Science (Honours) in Economics with Statistics from the University of Bristol, United Kingdom in 1993. He is a Fellow of The Institute of Chartered Accountants in England and Wales (ICAEW) and a Member of the Malaysian Institute of Accountants (MIA).

Mr Syed Razif is currently an Independent Non-Executive Director of Empire Premium Food Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad.

Mr Syed Razif does not hold any directorship in public companies and listed issuers and does not have any family relationship with any director and/or major shareholder of the Company. He attended all five (5) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE (Cont'd)

Yap Lee Teng

Independent Non-Executive Director

Malaysian, Aged 49 , Female

Date of Board Appointment: 1 October 2023

Board Committee Membership:

- Chairperson of the Remuneration Committee
- Member of the Audit and Risk Management Committee
- Member of the Nomination Committee

Yap Lee Teng (“**Ms Yap**”) was appointed to our Board on 1 October 2023.

She graduated with a Bachelor of Accountancy from Universiti Putra Malaysia in August 2001. She is a Chartered Accountant with the Malaysian Institute of Accountants since August 2004.

She began her career in accountancy with Lee Thong Wah & Co. as Audit Assistant in May 2001, where she was involved in conducting statutory audit to ensure company’s compliance as well as assisting in taxation and company secretarial work. In January 2002, she resigned from Lee Thong Wah & Co. and subsequently joined RSM Robert Teo, Kuan & Co. as Audit Trainee in the same month, where she assisted in audit procedures. In May 2003, she was promoted to Audit Senior 2 and in February 2004, she was promoted again to Audit Senior 1. During her tenure there, she was responsible for supervising a team of auditors as well as conducting statutory audit for clients to ensure compliance with relevant rules and regulations.

In August 2004, she resigned from RSM Robert Teo, Kuan & Co. and joined BDO Binder (currently known as BDO Malaysia) as Audit Semi Senior II in the same month. At BDO Binder, she was responsible for ensuring various companies’ statutory audit complied with the rules and regulations. In May 2005, she resigned from BDO Binder. In June 2005, she joined Horwath (currently known as Crowe Malaysia PLT) as Audit Senior Assistant, where she was responsible for conducting statutory audit for small-medium enterprises and public-listed companies to ensure compliance with relevant rules and regulations. In October 2005, she was promoted to Audit Senior, where she was in charge of leading the audit team as well as handling a portfolio of clients. In March 2006, she left Horwath to join e-pay (M) Sdn Bhd (a subsidiary of e-pay Asia Limited, which subsequently became a subsidiary of NTT DATA Payment Services Sdn. Bhd. (formerly known as GHM Systems Sdn. Bhd. and GHM Systems Berhad) in 2014) as Assistant Manager Finance in the same month, where she was responsible for overseeing all financial and accounting related activities of the company.

In July 2014, she was appointed as Vice President – Group & Management Information Systems. In July 2015, she was subsequently redesignated to Vice President – Finance Malaysia, where she was in charge of all finance and accounting related functions of e-pay (M) Sdn Bhd, providing training to junior staff members as well as leading the finance division across Malaysia, Australia and Indonesia. In July 2016, she left e-pay (M) Sdn Bhd.

In September 2016, she joined Shieldcard Holdings Sdn Bhd as Head of Finance & Accounts. During her tenure there, she was in charge of the overall finance and accounting related functions of the company as well as involved in the implementation of disruptive processes in the members reward program in Malaysia and improvement of the operational efficiency of finance and business-related reports. In June 2020, she left Shieldcard Holding Sdn Bhd to join NTT DATA Paysys Solutions (M) Sdn. Bhd. (formerly known as Paysys (M) Sdn Bhd) (a subsidiary of GHM Systems Berhad (currently known as NTT DATA Payment Services Sdn. Bhd.) where she assumed her present position as Vice President - Finance. Currently, she is overseeing and leading the finance team as well as managing all finance and accounting related functions of the NTT DATA Paysys Solutions (M) Sdn Bhd group of companies within Malaysia.

Ms Yap does not hold any directorship in public companies and listed issuers and does not have any family relationships with any Directors and/or major shareholders of the Company. She attended all five (5) Board Meetings held during the financial year ended 31 December 2025.

DIRECTORS' PROFILE (Cont'd)

Notes to the Directors' Profile

1. Directors' interest in securities of the Company are disclosed in the Analysis of Shareholdings.
2. None of the Directors has:
 - i. any conflict of interest or potential conflict of interest, including interest in any competing business with Ocean Fresh Berhad or its subsidiaries (excluding a related party transaction which has been disclosed in the Circular to Shareholders dated 30 April 2026);
 - ii. any conviction for offences within the past five (5) years other than traffic offences, if any; and
 - iii. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

Kan Swee Koh

General Manager for Administrative Human Resources

Malaysian, Aged 50, Female

Appointment to current position: 1 September 2023

Kan Swee Koh is our Promoter and General Manager for Administration & Human Resources. She is responsible in our Group's overall human resources and administrative functions.

She completed her LCCI Group Diploma Studies covering Accounting, Cost Accounting, Management Accounting and Business Statistics from Saga Institute in June 1996.

She began her career in April 1996 with Messrs S.P. Kong & Co as Office Administration and Accounts Clerk, where she was involved in assisting audit, taxation and accounting related activities as well as managing administrative and data processing related matters. In August 1997, she resigned from Messrs S.P. Kong & Co and joined Nagakota Marble Works Sdn Bhd in September 1997 as Account Clerk, where she was involved in the preparation of accounts, payroll and administrative matters of the company. In October 1998, she resigned from Nagakota Marble Works Sdn Bhd and joined Hon Soon Motor as Account Clerk in November 1998. She left Hon Soon Motor in the subsequent month and took a break from her career. In February 1999, she resumed her career and joined Messrs SPAN & Co as Audit Assistant, where she was involved in assisting in the field of audit, financial reporting and tax compliance. In July 2002, she left Messrs SPAN & Co.

In August 2002, she joined Ocean Fresh Seafood Products Sdn Bhd ("OFSP") as Account Executive, where she was responsible for handling the company's daily finance and administrative functions. In January 2008, she was promoted to Finance Manager and in February 2011, she was subsequently promoted to Assistant General Manager of OFSP. In September 2023, she was promoted to her present position as General Manager for Administration & Human Resources of the company. For clarity, prior to the joining of Chong Der Woei as our Group's Accountant, she is fully responsible for the finance and accounting functions of OFB Group.

Lain Wui Hiung

General Manager for Production

Malaysian, Aged 50, Male

Appointment to current position: 1 May 2013

Lain Wui Hiung is our General Manager, Production. He is in charge of overseeing and managing the teams responsible for the packaging, logistics and export of frozen seafood product.

He completed his SPM from St. Michael Secondary School in December 1994.

Upon completing his study, he joined Excel Grade Sdn Bhd as a General Worker in July 1995, where he was involved in the processing activities of seafood. In July 1997, he was transferred from Excel Grade Sdn Bhd to Eastern Global (M) Sdn Bhd, where he assumed the position of Supervisor. During his tenure there, he was in charge of supervising a team involved in the processing and packing of frozen seafood products. In July 2002, he left Eastern Global (M) Sdn Bhd and took a break from his career.

In May 2003, he joined Ocean Fresh Seafood Products Sdn Bhd as Production Manager, where he was responsible for handling the packaging, logistics and export of frozen seafood products. In May 2013, he was promoted and assumed his present position as General Manager, Production.

PROFILE OF KEY SENIOR MANAGEMENT (Cont'd)

Chong Der Woei

Group's Accountant

Malaysian, Aged 46, Male

Appointment to current position: 1 January 2023

Chong Der Woei is our Group's Accountant. He is responsible for the overall financial and accounting functions, including taxation of our Group.

He graduated with a Bachelor of Accounting (Honours) from Universiti Utara Malaysia in September 2005. In addition, he has been a Member of the Malaysian Institute of Accountants since December 2009.

Upon graduation, he began his professional career with Messrs Ash'ariCheong as an Associate, where he was involved in financial statements audit, voluntary winding up assignments and corporate exercises assignments. In February 2008, he was promoted to Audit Senior, where he was responsible for conducting financial statements audits for various industries, preparing consolidated financial statements, ensuring compliance with applicable approved accounting standards, providing insight and advice to clients as well as reviewing audit assignments. In April 2009, he joined Messrs Afrizan Tarmili Khairul Azhar ("Aftaas") as an Audit Senior, where he was responsible for conducting financial statements audits for various industries (including Public Listed Company), preparing financial statements, ensuring compliance with applicable approved accounting standards, providing insight and advice to clients as well as reviewing audit assignments. In April 2010, he resigned from Messrs Aftaas and subsequently joined Sam's Metal Trading (Kuantan) Sdn Bhd as Group Finance Manager in May 2010. During the tenure, he was in charge of reviewing financial management accounts for the group, tax computations and payroll activities as well as ensuring all statutory financial statements audits and reports are completed.

He left Sam's Metal Trading (Kuantan) Sdn Bhd in June 2011 and joined Messrs Aftaas as an Assistant Manager in July 2011, where he was in charge of reviewing audit assignments, advising clients on compliance, technical and accounting issues. In December 2012, he resigned from Messrs Aftaas and joined Messrs Lau, Wong & Yeo as Audit Manager in January 2013, where he was responsible for overseeing and managing the audit assignments and activities carried out by the audit team. He left Messrs Lau, Wong & Yeo in June 2013 and subsequently took a career break.

In October 2013, he joined Messrs Sekhar & Tan as Assistant Audit Manager where he was involved in reviewing audit assignments as well as other audit related activities. In May 2014, he resigned from Messrs Sekhar & Tan and took a career break before returning to Messrs Aftaas as Manager – Assurance and Business Advisory in August 2014. During the tenure, he was responsible for overseeing and managing the audit team activities. He left Messrs Aftaas in April 2017. In June 2017, he founded DWC Management & Consultant Services, a sole proprietorship and assumed the position of Financial Management Consultant and Advisor. During the tenure, he was in charge of various accounting, audit and tax related activities. In January 2023, he left DWC Management & Consultant Services and joined Ocean Fresh Seafood Products Sdn Bhd in the same month and assumed his present position as our Group's Accountant.

None of the Key Senior Management members above have:

1. any directorship in public companies and listed issuers in Malaysia;
2. any family relationship with any Director and/or major shareholder of the Company;
3. any conflict of interest or potential conflict of interest, including interest in any competing business with Ocean Fresh Berhad or its subsidiaries.
4. any conviction for offences within the past five (5) years other than traffic offences, if any; and
5. any public sanction or penalty imposed on them by the relevant regulatory bodies during the financial year 2025.

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors of Ocean Fresh Berhad (“OFB” or “the Company”) and its subsidiaries (“the Group”), I am honoured to present the Annual Report for the financial year ended 31 December 2025 (“FYE 2025”).

Assumption of Chairmanship

I was appointed as Independent Non-Executive Chairman on 12 June 2025, succeeding Mr. Law Chee Kheong, who retired upon the conclusion of our Second Annual General Meeting. On behalf of the Board, I would like to express our deepest gratitude to Mr. Law for his invaluable leadership, wisdom, and dedication since the Group's listing on the ACE Market of Bursa Malaysia Securities Berhad in July 2024. His stewardship laid a strong foundation for our corporate governance framework and strategic direction.

As the new Chairman, I am committed to upholding the high standards of corporate governance and working closely with my fellow Board members and the management team to steer the Group through its next phase of growth.

Navigating a Complex Global Landscape

FYE 2025 unfolded against a backdrop of profound global uncertainty. Escalating geopolitical tensions, shifting trade policies, and currency volatility continued to reshape international commerce. The seafood industry, inherently exposed to these macro forces, faced elevated raw material costs, supply chain disruptions, and evolving regulatory requirements across key export markets.

In this environment, the Group's resilience stems from our deliberate strategy to diversify market presence and strengthen operational self-sufficiency. While global trade frictions impacted pricing dynamics and export flows, our expanded footprint in Southeast Asia and Turkey provided important buffers against concentrated market risks. This geographic diversification, combined with our disciplined approach to capital allocation, enabled the Group to maintain profitability and financial stability despite revenue headwinds.

The structural drivers underpinning the global seafood trade remain compelling. Rising per capita incomes across Asia, growing urbanisation, and increasing consumer preference for protein-rich, sustainable food sources continue to expand addressable markets. The Group's established position in frozen seafood processing, supported by critical certifications such as GACC for China market access, positions us to capture these long-term demand trends as market conditions normalise.

CHAIRMAN'S STATEMENT (Cont'd)

Governance and Strategic Direction

As Independent Chairman, my priority is to ensure the Board provides effective oversight and constructive challenge to management while fostering a culture of transparency and accountability. The Board's composition—balancing executive expertise with independent perspectives—enables robust deliberation on strategy, risk, and performance.

During FYE 2025, the Board focused on, amongst others, a few key areas:

- ensuring operational resilience through prudent working capital management and cost discipline, preserving financial flexibility to navigate uncertainty.
- advancing strategic infrastructure investments, particularly the cold storage facility, which will enhance supply chain autonomy and operational efficiency upon completion.
- diversifying revenue streams through the establishment of Ocean Food Sdn. Bhd., positioning the Group to participate in higher-margin, value-added product categories aligned with evolving consumer preferences.

These initiatives reflect a measured approach to growth—prioritising sustainable value creation over short-term gains and maintaining optionality to respond as market conditions evolve.

Risk Management and Regulatory Environment

The Board maintains rigorous oversight of enterprise risks. The tax audit matter involving our subsidiary, while representing a contingent exposure, is being managed through active engagement with regulatory authorities and professional advisors. This situation underscores the importance of robust compliance frameworks and proactive stakeholder management in an increasingly complex regulatory environment.

Foreign exchange volatility, a persistent feature of export-oriented businesses, requires ongoing attention to hedging strategies and natural matching of currency exposures. The Board is satisfied that management's approach to these risks remains appropriate and responsive.

Dividend

In respect of FYE 2025, the Board has declared an interim dividend of 0.50 sen per share, paid on 8 April 2025. We remain committed to delivering sustainable returns while balancing reinvestment for future growth.

Board Changes and Appreciation

The Board also underwent further changes, with Ms. Go Sin Sin resigned as an Independent Non-Executive Director on 28 February 2026 to pursue her personal development.

On behalf of the Board, I would like to extend our sincere appreciation to Ms. Go for her dedicated service, independent oversight, and valuable contributions to the Board's deliberations during her tenure. Her insights and commitment to good governance have been instrumental in guiding the Group through a period of transition and strategic recalibration. We wish her all the best in her future endeavours.

Looking Ahead

As we move into FYE 2026, the Group is positioned to build upon the foundations laid. The completion of our cold storage facility, the commercialisation of Ocean Food's retort seafood operations, and the continued expansion of export markets are expected to provide new revenue streams and improved profitability.

The global seafood industry continues to demonstrate structural resilience, supported by rising demand for protein-rich, healthy food sources. The Group's established processing capabilities, strong customer relationships, and strategic export certifications position us to capitalise on these long-term demand drivers.

Acknowledgements

I extend my appreciation to my fellow Board members for their guidance and to our management team and employees for their resilience and commitment. To our shareholders, business partners, and customers, thank you for your continued trust and support.

I am confident that under the stewardship of the Board and management, Ocean Fresh Berhad will continue to thrive and deliver long-term value to all stakeholders.

Thank you.

Ng Lai Hock
Independent Non-Executive Chairman
Ocean Fresh Berhad

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

We are pleased to present the Management Discussion and Analysis of Ocean Fresh Berhad and its subsidiaries (“the Group”) for the financial year ended (“FYE”) 31 December 2025. This marks the Group’s second full financial year as a public listed entity on the ACE Market of Bursa Malaysia Securities Berhad, and we are proud to report our continued progress in strengthening operations, executing strategic growth plans, and laying the groundwork for sustainable long-term value creation.

FYE2025 was a year of transition and recalibration. The Group navigated a challenging operating environment characterised by shifts in product-mix dynamics, a contraction in revenue from certain product categories, and elevated cost pressures. Against this backdrop, the Group maintained profitability and preserved a strong financial position, underpinned by disciplined cost management and an improved gross profit performance in the second half of the FYE2025.

GROUP FINANCIAL PERFORMANCE REVIEW

The following table sets out the Group’s key financial results for FYE2025 compared to FYE2024:

	FYE2025 RM'000	FYE2024 RM'000	Change RM'000	Change %
Revenue	157,076	163,715	(6,639)	(4.06)
Cost of Sales	(145,226)	(147,165)	1,939	(1.32)
Gross Profit	11,850	16,550	(4,700)	(28.40)
Gross Profit Margin	7.54%	10.11%	-	(2.57)
Other Income	497	480	17	3.54
Selling and Distribution Expenses	(6,310)	(9,157)	2,847	(31.09)
Administrative Expenses	(4,960)	(4,398)	(562)	12.78
Other Expenses	(239)	(253)	14	(5.53)
Finance Costs	(151)	(172)	21	(12.21)
Net gain/(loss) on impairment of financial instruments	1,211	(753)	1,964	(260.82)
Profit Before Tax (“PBT”)	1,898	2,297	(399)	(17.37)
Income Tax Expense	(961)	(378)	(583)	154.23
Profit After Tax (“PAT”)	937	1,919	(982)	(51.17)
EBITDA	2,608	3,168	(560)	(17.68)
Basic Earnings per Share (sen)	0.45	1.04	(0.59)	(56.73)

Revenue

The Group recorded total revenue of RM157.08 million in FYE2025, a decrease of RM6.64 million or 4.06% compared to RM163.72 million in FYE2024. The revenue performance was shaped by a significant products mix shift, with core seafood categories – molluscs and fishes – delivering strong volume growth, whilst revenue from other frozen seafood products contracted sharply.

The revenue breakdown by business segment is presented below:

Segment	FYE2025 RM'000	% of Rev	FYE2024 RM'000	% of Rev	YoY Change %
Molluscs	110,714	70.48%	96,774	59.12%	+14.40%
Fishes	38,697	24.64%	29,787	18.19%	+29.91%
Other Frozen Seafood	5,209	3.32%	33,431	20.42%	(84.42%)
Trading of Frozen Seafood	154,620	98.44%	159,992	97.73%	(3.36%)
Provision of Processing Services	2,456	1.56%	3,723	2.27%	(34.03%)
Total Revenue	157,076	100.00%	163,715	100.00%	(4.06%)

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Trading of frozen seafood products remained the primary revenue driver, contributing RM154.62 million or 98.44% of total revenue in FYE2025 (FYE2024: RM159.99 million or 97.73%).

Molluscs – the Group's flagship product category – delivered exceptional growth of 14.40%, rising from RM96.77 million in FYE2024 to RM110.71 million in FYE2025. This strong performance was underpinned by robust demand from existing customers, expanded sales reach into key export markets in Southeast Asia and Turkey, and the Group's ability to leverage its established supplier relationships to maintain a consistent supply of quality raw materials. Molluscs accounted for 70.48% of total Group revenue in FYE2025, up from 59.12% in the FYE2024.

Revenue from **fishes** also grew substantially, rising 29.91% from RM29.79 million to RM38.70 million, driven by increased trading volumes and improved pricing conditions. The growth in fishes further reinforces the Group's core frozen seafood franchise and its ability to deepen wallet share with existing customers.

Revenue from **other frozen seafood products** declined sharply by 84.42%, from RM33.43 million in FYE2024 to RM5.21 million in FYE2025. The significant contraction reflects the Group's deliberate strategic decision to rationalise lower-margin, non-core product lines and to redirect focus towards its core molluscs and fish categories, as well as the deferred entry into the dried seafood market pending market stabilisation.

Revenue from the **provision of frozen seafood processing services** decreased by 34.03% from RM3.72 million to RM2.46 million, reflecting lower demand for outsourced processing services. The Group continues to retain this capability as a complementary offering to its primary processing and trading activities.

Gross Profit and Gross Profit Margin

The Group's gross profit declined by RM4.70 million or 28.40% from RM16.55 million in FYE2024 to RM11.85 million in FYE2025. Gross profit margin contracted from 10.11% to 7.54%, a compression of 2.57%, reflecting the combined effect of lower overall revenue, an adverse shift in product mix away from other seafood products which had contributed higher-margin sales in FYE2024, and persistent raw material cost pressures.

However, the Group notes a meaningful sequential improvement in gross profit performance over the course of FYE2025. The fourth quarter of FYE2025 recorded gross profit of RM3.84 million at a gross margin of 12.60%, representing a significant recovery from earlier quarters and reflecting the positive impact of the Group's cost rationalisation and product-mix optimisation efforts. This trajectory provides a constructive base heading into FYE2026.

Operating Expenses

Selling and distribution expenses decreased significantly by RM2.85 million or 31.09%, from RM9.16 million in FYE2024 to RM6.31 million in FYE2025. The reduction was primarily attributable to lower freight and logistics costs, the rationalisation of export-related expenditure, and improved route-to-market efficiencies. This improvement partially cushioned the impact of the gross profit decline.

Administrative expenses increased to RM4.96 million in FYE2025 from RM4.40 million in FYE2024. The increase was primarily attributable to higher staff costs of RM0.28 million reflecting headcount additions and annual remuneration adjustments, increased director remuneration of RM0.53 million, realised and unrealised foreign exchange losses of RM0.50 million arising from export-denominated receivables and payables, and other administrative cost increases. These increases were partially offset by the absence of IPO-related expenses of RM1.40 million incurred in FYE2024.

Other expenses remained broadly stable at RM0.24 million in FYE2025 compared to RM0.25 million recorded for the FYE2024.

The Group recorded a net reversal of impairment losses on financial instruments of RM1.21 million in FYE2025, compared to a net impairment losses charge of RM0.75 million in the FYE2024. The reversal reflects improved collection performance from key trade receivables and the resolution of certain previously-impaired debtor balances, and represents a positive indicator of the Group's receivables management.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Profitability

The Group's PBT was RM1.90 million in FYE2025, a decrease of RM0.40 million or 17.37% from RM2.30 million in FYE2024. Despite the lower gross profit, PBT was partially supported by the significant reduction in selling and distribution expenses and the net reversal of impairment losses of financial instruments.

PAT declined by RM0.98 million or 51.17% from RM1.92 million to RM0.94 million. The more pronounced decline at the PAT level was primarily attributable to a significantly higher effective tax rate of 50.63% in FYE2025 compared to 16.46% in FYE2024. The elevated effective tax rate arose principally from the recognition of a deferred tax liability of RM0.78 million in the fourth quarter, reflecting a reassessment of the recoverability of tax incentive benefits in view of the ongoing tax audit matter.

Basic earnings per share for FYE2025 was 0.45 sen compared to 1.04 sen in FYE2024, based on 210,146,000 ordinary shares in issue.

FINANCIAL POSITION REVIEW

The following table presents a summary of the Group's financial position as at 31 December 2025 against 31 December 2024:

	31.12.2025 RM'000	31.12.2024 RM'000	Change RM'000
Total Non-Current Assets	12,330	10,257	2,073
Total Current Assets	58,559	69,984	(11,425)
Total Assets	70,889	80,241	(9,352)
Total Equity	60,059	60,172	(113)
Total Non-Current Liabilities	2,041	71	1,970
Total Current Liabilities	8,789	19,998	(11,209)
Total Liabilities	10,830	20,069	(9,239)
Total Equity and Liabilities	70,889	80,241	(9,352)
Net Assets Per Share (RM)	0.29	0.29	-

Assets

Total assets by RM9.35 million from RM80.24 million to RM70.89 million as at 31 December 2025. The primary driver of this reduction was a decrease in current assets of RM11.42 million, partially offset by an increase in non-current assets of RM2.07 million.

The decreased in current assets mainly due to a reduction in inventories of RM6.72 million from RM24.07 million to RM17.35 million, reflecting the Group's drawdown of inventory holdings and the write-down of RM0.78 million recognised during the financial year. Trade receivables declined by RM5.34 million to RM13.46 million, consistent with the lower revenue base and improved collections. Short-term investments decreased by RM1.96 million to RM9.04 million due to the withdrawn of investment in money market funds.

Non-current assets increased to RM12.33 million from RM10.26 million, primarily due to the recognition of right-of-use assets of RM3.58 million arising from new lease arrangements entered into during FYE2025, partially offset by ongoing depreciation charges.

Equity

Total equity remained stable at RM60.06 million as at 31 December 2025 (31 December 2024: RM60.17 million), reflecting the Group's PAT contribution of RM0.94 million for the financial year, partially offset by the payment of interim dividend of RM1.05 million (0.50 sen per share) in respect of FYE2024. Net assets per share was maintained at RM0.29 per share as at 31 December 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Liabilities

Total liabilities decreased substantially by RM9.24 million from RM20.07 million to RM10.83 million, reflecting a significant deleveraging of the Group's working capital obligations. Trade payables decreased by RM8.74 million from RM11.78 million to RM3.04 million as the Group optimised its trade payables cycle, and other payables and accruals declined by RM2.27 million.

Total borrowings decreased marginally to RM1.87 million from RM2.08 million, comprising bankers' acceptances of RM1.76 million and bank overdrafts of RM0.11 million. The Group's balance sheet remains conservatively leveraged. The Group recognised new lease liabilities of RM1.98 million during AFS2025 in relation to new lease arrangements.

CASH FLOW REVIEW

The following table summarises the Group's cash flow position for FYE2025:

	FYE2025 RM'000	FYE2024 RM'000	Change RM'000
Net Cash from Operating Activities	1,986	3,743	(1,757)
Net Cash used in Investing Activities	(1,008)	(965)	(43)
Net Cash (used in)/from Financing Activities	(1,855)	11,241	(13,096)
Net (Decrease)/Increase in Cash and Cash Equivalents	(877)	14,019	(14,896)
Cash and Cash Equivalents – Opening	19,207	5,188	14,019
Cash and Cash Equivalents – Closing	18,330	19,207	(877)

Operating Cash Flows

Net cash from operating activities was RM1.99 million in FYE2025 compared to RM3.74 million in FYE2024. The decrease was principally due to lower profit generation and an outflow from the reduction in trade and other payables of RM10.95 million, partially offset by the inflows from reductions in inventories of RM5.94 million and trade and other receivables of RM4.63 million, coupled with a tax refund of RM0.38 million.

Investing Cash Flows

Net cash used in investing activities was RM1.01 million in FYE2025, comprising capital expenditure of RM1.08 million for the purchase of plant and machinery and right-of-use assets, partially offset by proceeds from the disposal of assets of RM0.07 million. Capital expenditure in FYE2025 relates primarily to equipment upgrades and facility maintenance. The major capital commitment for the new cold storage facility of RM8.00 million is expected to be deployed progressively from FYE2026.

Financing Cash Flows

Net cash used in financing activities was RM1.86 million in FYE2025 (FYE2024: net inflow of RM11.24 million, which included RM12.89 million net IPO proceeds). In FYE2025, the key outflows comprised dividend payment of RM1.05 million, net repayment of bankers' acceptances of RM0.14 million, repayment of lease liabilities of RM0.66 million.

Cash and cash equivalents (comprising short-term investments of RM9.04 million, cash and bank balances of RM9.40 million less bank overdrafts of RM0.11 million) stood at RM18.33 million as at 31 December 2025, reflecting a healthy liquidity position.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

UTILISATION OF IPO PROCEEDS

The Group raised gross proceeds of RM14.01 million from its Initial Public Offering ('IPO') in June 2024. As at 31 December 2025, the status of utilisation of IPO proceeds is as follows:

Purpose	Proposed RM'000	Actual RM'000	Utilisation Rate	Timeframe
Capital Expenditure – New Cold Storage Facility	8,000	249	3.11%	Within 24 months
Working Capital Requirements	2,514	2,514	100.00%	Within 24 months
Estimated Listing Expenses	3,500	3,500	100.00%	Immediate
Total	14,014	6,263	44.69%	

The working capital and listing expenses components have been fully utilised as intended. In respect of the capital expenditure allocation for the new cold storage facility, the Group has made steady progress during FYE2025, including obtaining building plan approval from Kuantan City Council ("**KCC**") in October 2025 and completing preparatory work ahead of earthwork commencement in March 2026.

KEY STRATEGIC DEVELOPMENTS IN FYE2025

Cold Storage Facility Expansion

The expansion of the Group's cold storage infrastructure is a cornerstone strategic initiative. The new cold storage facility, to be constructed on Pahang State Forestry Department ("PSFD") Land adjacent to the Group's existing Factory B in Kuantan, Pahang, will span 3,747 m² and provide a storage capacity of approximately 3,000 tonnes across six cold rooms and a dedicated loading bay. This facility will substantially reduce the Group's reliance on third-party cold storage, improve supply chain efficiencies, and position the Group to support higher throughput volumes.

During FYE2025, the Group secured the conditional approval of the building plan from KCC in October 2025, marking a significant regulatory milestone. The earthwork contractor has been appointed and earthwork will commence in May 2026 following the conclusion of the East Coast monsoon season. The Group remains on track to utilise the RM8.0 million capital expenditure allocation from its IPO proceeds for this development.

Incorporation of Ocean Food Sdn. Bhd.

On 5 November 2025, the Group's subsidiary, Lianli Huat Seafood Products Sdn. Bhd., incorporated a new wholly-owned subsidiary, Ocean Food Sdn. Bhd. ("**Ocean Food**"), in Malaysia. Ocean Food's principal activity is the manufacturing and distribution of retort seafood pouches, which represent a higher-value processed seafood product format with growing consumer acceptance and export potential. The incorporation of Ocean Food marks the Group's first formal step into the processed, ready-to-eat seafood segment and complements the Group's existing frozen seafood operations. Commercial operations are expected to commence progressively in FYE2026.

Export Market Expansion

The Group continued to expand its frozen seafood export activities during FYE2025, with a focus on Southeast Asian markets and Turkey. Export sales, particularly for molluscs, contributed to the strong revenue performance of the core product category. The Group's General Administration of Customs of China ("**GACC**") certification provides a valuable competitive advantage for access to the China seafood market. However, in view of ongoing volatility and instability in China's frozen seafood market during the year, the Group exercised prudence and deferred the appointment of a dedicated wholesaler for China distribution. The Group continues to monitor market conditions and will pursue the China opportunity when circumstances are more favourable.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Dried Seafood and New Product Initiatives

The Group had previously announced plans to enter the dried seafood market as part of its product diversification strategy. In FYE2025, the Group assessed market conditions and determined that near-term entry into this segment was not commercially optimal given market uncertainty and instability. Accordingly, the commencement of dried seafood operations has been deferred. The Group will revisit this initiative when market conditions stabilise and commercial viability can be established with greater certainty.

ANTICIPATED OR KNOWN RISK

Tax Audit

During the financial year, the Group's wholly-owned subsidiary, Ocean Fresh Seafood Products Sdn. Bhd. ("OFSP"), received tax audit findings from the Inland Revenue Board of Malaysia ("IRB") on 16 January 2026 and 4 February 2026. The IRB proposed to disallow OFSP's claims for Allowance for Increased Export for the Years of Assessment 2020 to 2024, with an indicative additional tax exposure of approximately RM4.48 million. Subsequently, on 13 April 2026, OFSP received Notices of Additional Assessment from the IRB in respect of the Years of Assessment 2021 to 2024, amounting to RM742,546.91, RM567,128.11, RM2,073,042.90 and RM793,421.34, respectively.

The Group has appointed a legal advisor and will take necessary steps in liaising with the IRB.

The Group will continue to actively engage with the IRB and will provide updates as appropriate, while remaining committed to ensuring full compliance with applicable tax regulations.

Supply Chain and Raw Material Sourcing Risks

The Group's core business relies heavily on a consistent supply of high-quality raw materials, particularly molluscs and fishes. The availability and pricing of these raw materials are subject to various external factors beyond the Group's control, including climate change, adverse weather conditions, marine diseases, and overfishing. Disruptions in the supply chain or significant fluctuations in raw material prices could adversely impact the Group's production schedules, profit margins, and ability to meet customer demand.

To mitigate these risks, the Group continuously diversifies its supplier base and maintains strong, long-term relationships with key suppliers. Furthermore, the upcoming completion of the new cold storage facility will enhance the Group's inventory management capabilities, allowing for strategic stockpiling during periods of abundant supply and favourable pricing to buffer against future shortages.

Foreign Exchange and Currency Volatility Risks

As a significant portion of the Group's revenue is derived from export markets in Southeast Asia and Turkey, the Group is exposed to foreign exchange risks. Fluctuations in the value of the Malaysian Ringgit against major trading currencies can impact the competitiveness of the Group's products and the translation of export revenues. In FYE2025, the Group recorded realised and unrealised foreign exchange losses, highlighting the tangible impact of currency volatility on financial performance.

The Group manages this risk through prudent foreign exchange management strategies, including the matching of foreign currency-denominated receivables and payables where possible, and continuously monitoring currency trends to make informed pricing and operational decisions.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Regulatory Compliance and Food Safety Risks

Operating in the food processing and export industry requires strict adherence to stringent food safety standards, hygiene regulations, and export certifications (such as the GACC certification for China). Any failure to comply with these evolving regulations in both domestic and international markets could result in product recalls, loss of export licenses, reputational damage, and financial penalties.

The Group maintains rigorous quality control processes and compliance protocols across its manufacturing facilities to ensure all products meet the highest safety standards. The Group also proactively monitors regulatory developments in its key export markets to ensure ongoing compliance and safeguard its market access.

Execution Risks Related to Strategic Expansion

The Group has embarked on significant strategic initiatives, including the construction of a new cold storage facility and the incorporation of Ocean Food Sdn. Bhd. for retort seafood pouch manufacturing. These expansion plans carry inherent execution risks, such as potential delays in construction, cost overruns, regulatory hurdles, and challenges in achieving commercial viability for new product lines.

The Board and Management closely monitor the progress of these capital projects and operational expansions. The phased approach to commercialising the retort seafood operations and the deferred entry into the dried seafood market demonstrate the Group's measured and risk-aware approach to capital allocation and strategic growth.

Geopolitical and Trade Policy Risks

The global seafood trade is susceptible to geopolitical tensions, changes in international trade policies, and the imposition of tariffs or non-tariff barriers. The Group's export-oriented business model means that shifts in trade relations or economic instability in key target markets, such as China or the broader Asia-Pacific region, could impact demand and market accessibility.

The Group's strategy to broaden its export market base and deepen its presence in diverse regions, including Southeast Asia and Turkey, serves to reduce reliance on any single market and build resilience against localised geopolitical or economic shocks.

INDUSTRY TRENDS AND OUTLOOK

The global seafood industry continues to demonstrate structural resilience, supported by rising global demand for protein-rich, healthy food sources. In Asia, where the Group derives the majority of its revenues, seafood consumption remains an integral part of dietary culture and continues to expand in line with rising incomes and urbanisation. The Group is well positioned to capitalise on these long-term demand drivers through its established processing capabilities, strong customer relationships, and strategic export certifications.

The frozen seafood segment faces ongoing cost pressures from elevated raw material prices and logistics costs, currency volatility, and geopolitical uncertainties. The Group monitors these dynamics closely and will continue to focus on procurement efficiencies, supply chain optimisation, and prudent foreign exchange risk management. The Group also remains attentive to evolving food safety regulations and certification requirements across its key export markets, maintaining rigorous compliance standards to protect its market access.

On the demand side, trends towards sustainable sourcing, convenience products, and value-added processed seafood present new growth opportunities for the Group. The incorporation of Ocean Food Sdn. Bhd. reflects the Group's proactive response to these trends. As consumer preferences evolve towards ready-to-eat and longer shelf-life seafood formats, the Group's retort seafood pouch capability is expected to contribute meaningfully to future revenue and margin diversification.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

GROWTH STRATEGIES MOVING FORWARD

Building upon the strategic foundations laid in FYE2024 and FYE2025, the Group has identified the following key growth priorities for the near to medium term:

- **Completion of Cold Storage Facility:** Earthwork will commence in May 2026 following the conclusion of the monsoon season. Upon completion, the new facility will add approximately 3,000 tonnes of cold storage capacity, reduce dependence on third-party storage, and significantly enhance supply chain flexibility and cost efficiency.
- **Retort Seafood Pouch Manufacturing:** Ocean Food will commence manufacturing operations targeting domestic and export markets. The retort format offers a compelling combination of product differentiation, longer shelf life, and higher unit margins compared to bulk frozen products.
- **Export Market Development:** The Group will continue to deepen its presence in Southeast Asian markets and Turkey, and will opportunistically pursue the China market through its GACC-certified processing facilities as market conditions normalise. The Group also intends to broaden its export market base in other parts of the Asia Pacific region.
- **Core Category Strengthening:** The strong performance of molluscs and fishes in FYE2025 validates the Group's focus on its core competencies. The Group will continue to invest in supply chain relationships, processing capacity, and product quality to sustain growth in these categories.
- **Operational Efficiency and Cost Optimisation:** The Group will pursue further improvements in processing automation, logistics management, and inventory control to improve gross profit margins and operating leverage.
- **Dried Seafood:** The Group will continue to monitor market conditions for dried seafood products and will assess the appropriate timing for commercial entry into this segment based on demand signals and competitive dynamics.

CONCLUSION

FYE2025 was a year of measured performance and strategic progress for Ocean Fresh Berhad. While revenue and profitability metrics were impacted by product-mix shifts and a challenging operating environment, the Group demonstrated resilience through improved gross margins in the second half of the year, significant cost rationalisation, and a strong balance sheet with healthy liquidity. The Group's core molluscs and fishes segments delivered strong growth, affirming the quality of the Group's customer relationships and market position.

Looking ahead, the Board and Management are focused on executing the Group's key strategic initiatives – particularly the completion of the cold storage facility, the commercialisation of Ocean Food's retort seafood pouch operations, and the continued expansion of export markets. These initiatives are expected to provide new and meaningful revenue streams and to support improved profitability over the medium term.

We remain grateful for the continued support and confidence of our shareholders, customers, business partners, and dedicated employees. Their trust and commitment form the bedrock upon which Ocean Fresh Berhad continues to build its next chapter of growth.

SUSTAINABILITY STATEMENT

1. ABOUT THIS REPORT

This Sustainability Statement (“**the Statement**”) presents Ocean Fresh Berhad’s (“**the Company**” or “**OFB**”) progress in advancing its environmental, social and governance (“**ESG**”) performance for the financial year ended 31 December 2025 (“**FYE2025**”). The Statement has been prepared with reference to Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition) and the Global Reporting Initiative (“**GRI**”) Standards.

The disclosures in this Statement cover OFB and its subsidiaries (collectively, “**the Group**”), which include Ocean Fresh Seafood Products Sdn Bhd (“**OFSP**”), Ocean Fresh Trading Sdn Bhd (“**OFT**”), Lianli Huat Seafood Products Sdn Bhd (“**LLH**”), East Ocean Frozen Seafood Products (Sabah) Sdn Bhd (“**East Ocean**”) and Ocean Food Sdn Bhd. The Group’s core activities encompass the processing and trading of frozen seafood products, with operations primarily based in Pahang, Malaysia.

For this reporting year, the Group is not yet required to comply with IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) or IFRS S2 (Climate-related Disclosures), and has accordingly scoped its disclosures in alignment with current Bursa Malaysia mandatory reporting requirements. The Group intends to progressively enhance its disclosures as its sustainability governance matures in future reports.

Reporting Boundary

Unless otherwise stated, the quantitative environmental data in this Statement covers operational sites under the Group’s direct operational control, namely 2 processing facilities located in Peramu, Kuantan, Pahang. Both facilities are equipped with semi-contact blast freezers, cold rooms and specialised processing areas. The financial data is presented in Ringgit Malaysia (RM) and aligned to the Group’s audited financial period.

Report Quality and Assurance

The financial data disclosed in this Statement is derived from the Group’s audited financial statements for FYE 2025 and should be read in conjunction with the accompanying notes thereto.

Non-financial data has been compiled from internal records and operational reports and has been reviewed by the relevant business units and senior management for accuracy and completeness.

This Sustainability Statement has not been subjected to external assurance.

Feedback and Contact

The Group welcomes feedback from stakeholders to continuously improve its sustainability practices and disclosures. Any comments or enquiries may be directed to: general@oceanfresh.com.my

2. SUSTAINABILITY GOVERNANCE

2.1 Board Oversight

The Board of Directors of Ocean Fresh Berhad bears the ultimate responsibility for the Group’s sustainability strategy, oversight and performance. The Board reviews and approves the Group’s Sustainability Policy and ensures that material sustainability matters are integrated into the Group’s strategic planning and risk management frameworks.

The Group’s senior management is tasked with implementing sustainability initiatives across business units and reporting sustainability performance to the Board. Sustainability matters are considered in the Board’s deliberations on strategy, risk, capital allocation and stakeholder communication. Supporting the Board, the Audit and Risk Management Committee (“**ARMC**”) is responsible for reviewing sustainability-related risks, ensuring compliance with regulations, and assessing sustainability reporting. The ARMC ensures that our ESG commitments are met while mitigating risks related to sustainability.

SUSTAINABILITY STATEMENT (Cont'd)

2.2 Sustainability Policy

The Group operates under a Board-approved Sustainability Policy that establishes the Group's commitment to responsible and ethical business practices across the economic, environmental, social and governance dimensions. The policy aims to:

- Integrate sustainability principles into the Group's strategies, policies and procedures;
- Promote sustainable practices across all operations;
- Ensure Board and senior management accountability for sustainability performance;
- Create a culture of sustainability within the Group and the broader community.

The Sustainability Policy covers the Group's economic, environmental, social and governance commitments, including supply chain responsibility, environmental protection, employee welfare, community engagement and regulatory compliance.

2.3 Stakeholder Engagement

The Group recognises that understanding the expectations of its key stakeholders is fundamental to responsible business conduct. The Group engages with its stakeholders through the following ongoing channels:

Stakeholder	Engagement Channels	Key Areas	Response
Customers	Sales interactions, feedback, repeat purchases	Product quality, pricing, reliability	Maintain Hazard Analysis and Critical Control Points ("HACCP") standards and consistent product quality
Suppliers	Procurement processes, negotiations	Quality, pricing, sourcing standards	Supplier screening and Standard Operating Policies ("SOP") based procurement
Employees	Daily engagement, performance appraisal, professional development	Safety, welfare, development	Training programmes and safe workplace
Regulators	Inspections, submissions	Compliance, licensing, governance	Continuous regulatory compliance adherence
Investors	Annual reports, corporate announcements, Annual General Meetings	Financial performance	Transparent disclosures
Community	Donations, sponsorships	Welfare development	Community support initiatives

SUSTAINABILITY STATEMENT (Cont'd)

2.4 Materiality Assessment

For this report, the Group has undertaken a preliminary materiality identification process involving internal management discussions, review and mapping of relevant industry-specific ESG risks, and consideration of stakeholder expectations. The following sustainability matters have been identified as most material to the Group's operations and stakeholders:

Pillar	Material Matter	Why It Matters to the Group
Economic	Food safety & product quality	HACCP-certified operations; customer trust underpins commercial viability
Economic	Responsible procurement	Seafood sourcing traceability; supplier financial and ethical standards
Environmental	Energy consumption	Cold storage operations are energy-intensive; cost and environmental impact
Environmental	Water use & wastewater	High water usage in seafood processing; Department of Environment, Ministry of Natural Resources And Environmental Sustainability ("DOE") discharge compliance
Environmental	Waste management	Organic waste from seafood processing; solid waste and wastewater volumes
Social	Employee health & safety	Cold storage and processing environment; compliance with Occupational Safety and Health Act 1994 ("OSHA")
Social	Workforce development	Skills and hygiene training critical for food safety and operational quality
Social	Community investment	Being a responsible corporate citizen in the Pahang community
Governance	Regulatory compliance	Compliance with Environmental Quality Act 1974 ("EQA"), food safety regulations, labour law, tax obligations
Governance	Anti-corruption	Ethical business conduct and integrity in all transactions

3. ECONOMIC SUSTAINABILITY

3.1 Economic Value Generated and Distributed

The Group's ability to create and distribute economic value is fundamental to its long-term sustainability. The table below presents the Group's economic value generated and distributed ("EVG&D") for FYE2025, prepared in accordance with GRI 201-1.

ECONOMIC VALUE GENERATED		FYE2024	FYE2025
Revenue from operations	RM	163,714,957	157,076,076
Other income	RM	480,439	496,563
Total Economic Value Generated (A)	RM	164,195,396	157,572,639
ECONOMIC VALUE DISTRIBUTED			
Operating costs (purchases of goods)	RM	132,122,863	126,954,349
Employee wages and benefits	RM	5,632,382	6,485,197
Payments to government (taxes & regulatory payments)	RM	133,198	289,618
Community investment (donations & sponsorships)	RM	37,927	32,871
Total Economic Value Distributed (B)	RM	137,926,370	133,762,035
ECONOMIC VALUE RETAINED (A – B)	RM	26,269,026	23,810,604

SUSTAINABILITY STATEMENT (Cont'd)

3.2 Supply Chain Management

The Group manages a substantial supply chain encompassing both domestic and overseas seafood and packaging suppliers. Total procurement expenditure for FYE2025 amounted to RM127.6 million. The breakdown by procurement source is as follows:

Category	2024		2025	
	RM	%	RM	%
Local Procurement	67,927,768	51.4%	54,089,132	42.6%
Import Procurement	64,195,095	48.6%	72,865,217	57.4%
Total Purchases	132,122,863	100%	126,954,349	100%

The Group's procurement activities are governed by the Ocean Fresh Group Procurement and Return Standard Operating Procedure ("**Procurement SOP**"), which establishes guidelines for responsible and transparent purchasing. Key elements of the procurement process include:

- New supplier assessment: financial stability review, evaluation of management track record and product/service capabilities, screening through an external credit reporting system, and completion of the Supplier Credit Application Form;
- Quotation requirements: a minimum of two quotations for new items; single quotation permitted for urgent, sole-source or specialised purchases; purchases below RM2,000 do not require quotation; periodic quotation updates every two months for packaging materials;
- Purchase Order (PO) approval: all POs (except raw material purchases) require departmental manager and/or Executive Director approval based on the Group's Limits of Authority;
- Receiving controls: designated store personnel verify delivery orders (DOs) against POs and issue Goods Received Notes (GRNs); goods not meeting specifications are returned to suppliers;
- Advance payments: a formal Supply Agreement must be executed and approved by an Executive Director for any advance payment arrangements.

The Group is in the process of enhancing its supplier management framework, including the implementation of periodic supplier performance evaluations. The Group acknowledges this as an area for improvement and will consider implementing periodic supplier performance reviews in future reporting periods to strengthen supply chain resilience.

3.3 Product Quality and Food Safety

Quality and food safety are central to the Group's commercial proposition and reflect the trust placed in the Ocean Fresh brand by customers and trading partners. The Group's subsidiary, "OFSP, holds HACCP (Hazard Analysis and Critical Control Points) certification, which provides a science-based systematic framework for identifying and controlling food safety hazards throughout the production and cold storage process.

Key HACCP-related practices implemented by the Group include:

- Strict personal hygiene requirements for all food handlers, including mandatory use of personal protective equipment (masks, caps, gloves, boots) within processing areas;
- Rigorous cleaning and sanitation protocols for all processing equipment, work surfaces, cold rooms and supporting infrastructure;
- Designated and clearly demarcated cold storage areas for raw materials, finished products and rented customer products to prevent cross-contamination;
- Application of First In First Out (FIFO) principles in cold storage management;
- Daily supervisory walk-through inspections of cold storage facilities.

Customer satisfaction is monitored primarily through continued and repeat purchasing behaviour, reflecting confidence in the Group's product quality. The Group will explore formalising customer feedback mechanisms to enable more structured measurement of customer satisfaction in future reporting periods.

SUSTAINABILITY STATEMENT (Cont'd)

4. ENVIRONMENTAL SUSTAINABILITY

The Group recognises that its seafood processing, cold storage and distribution operations carry inherent environmental impacts, particularly in relation to energy consumption, water use and waste generation. The Group is committed to managing these impacts responsibly, complying with applicable environmental legislation – principally the EQA and regulations thereunder – and progressively reducing its environmental footprint.

4.1 Energy Management

Cold storage and seafood processing operations are energy-intensive, with refrigeration systems, processing machinery and climate-controlled facilities representing the primary sources of energy consumption. The Group's principal energy source is grid electricity supplied by Tenaga Nasional Berhad (“TNB”).

Currently, the electricity consumption data for OFSP for FYE2025 is presented below. The energy consumption data for LLH and OFT will be incorporated in future reporting periods as the Group's data collection systems are enhanced.

	FYE2024	FYE2025
TOTAL	1,912,650 KW	1,548,207 KW
Total Solar Energy Generated	720,907 KW	627,033 KW

Total electricity consumption by OFSP in FYE2025 was 1,548,207 KW. The Group notes that electricity consumption reflects seasonal patterns in demand, with peak usage observed in the first half of the year corresponding to higher production activity.

The Group has not yet calculated its greenhouse gas (GHG) emissions (Scope 1, 2 and 3) for FYE2025. The Group acknowledges that GHG emissions disclosure is an increasingly important component of sustainability reporting under evolving Bursa Malaysia requirements and is committed to establishing a GHG emissions baseline in the future reporting cycles.

Energy Conservation Initiatives

The Group implements practical energy conservation measures, including scheduled maintenance of refrigeration and processing equipment to ensure optimal efficiency, and awareness among operational staff regarding energy usage.

In addition, the Group has installed solar assets at its processing facility to reduce reliance on conventional energy sources and enhance energy efficiency. Employees are also encouraged to adopt energy-saving practices, such as minimising unnecessary electricity usage by switching off lighting, air conditioning, and other electrical appliances when not in use.

The Group will formalise its energy management objectives and targets in the next reporting period.

4.2 Water Management

Water is consumed extensively in the Group's seafood processing, cleaning and sanitation activities. The Group sources its water entirely from municipal supply namely Jabatan Bekalan Air Pahang (“JBA”) across its operating entities. No groundwater extraction or surface water withdrawal takes place.

Entity	Source	FYE2024		FYE2025	
		Consumption (m ³)	% of Total	Consumption (m ³)	% of Total
OFSP	Municipal (JBA)	29	0.1%	739	1.2%
LLH	Municipal (JBA)	68,640	99.9%	60,984	98.8%
TOTAL	Municipal	68,669	100%	61,723	100%

SUSTAINABILITY STATEMENT (Cont'd)

Total water consumption across reporting entities for FYE2025 was approximately 61,723 m³. Most of the consumption is attributable to LLH, which operates large-scale cold storage renting services requiring significant volumes of water for sanitation and facility maintenance.

The Group is committed to reducing water consumption through improved monitoring and awareness. Specific water conservation targets will be set in the future reporting periods.

4.3 Waste Management

The Group generates three principal categories of waste in its operations: solid dry waste (principally packaging and general operational refuse), treated wastewater effluent from processing activities, and de minimis laboratory chemical waste arising from the Group's wastewater quality testing operations.

Waste Type	Category	FYE2024 Quantity	FYE2025 Quantity	Disposal Method
Solid Waste (dry refuse)	Non-hazardous	5.18 MT	5.07 MT	Scheduled collection by licensed contractors
Wastewater (treated effluent)	Non-hazardous	391.02 m ³	2,842.71 m ³	On-site treatment plant; discharged per DOE licence
Laboratory chemical waste	Hazardous (minimal)	De minimis		Disposed per EQA requirements

Solid waste generated in FYE2025 totalled approximately 506.88 m³, collected on a regular scheduled basis (six times per week across two collection points) by licensed waste contractors. Wastewater totalling 2,842.71 m³ was treated through the Group's on-site wastewater treatment plant and discharged in compliance with DOE licence conditions.

The Group does not generate significant volumes of hazardous waste. Minimal quantities of laboratory chemical waste arising from wastewater quality testing (principally spent reagent test tubes) are disposed of in accordance with EQA requirements.

The Group is exploring opportunities to reduce solid waste volumes through improved segregation, recycling of packaging materials and reduction of single-use consumables in its operations, in line with the commitments set out in its Sustainability Policy.

4.4 Environmental Compliance

The Group is committed to full compliance with applicable environmental regulations. The Group does not hold ISO 14001 Environmental Management System certification; however, it maintains an in-house safety officer responsible for monitoring environmental compliance and ensuring adherence to DOE requirements, including effluent discharge standards.

One environmental penalty was recorded during FYE2025, as detailed in the regulatory compounds summary below. The Group treats this as a learning incident and has taken corrective measures to prevent recurrence.

Authority	Nature of Compound	Amount (RM)	Category
Ketua Pengarah Alam Sekeliling (DOE)	Penalty – EQA offence	2,000.00	Environmental

During FYE 2025, the Group's subsidiary, OFSP, addressed a compliance matter with the DOE (Jabatan Alam Sekitar) Pahang pertaining to the Environmental Quality (Industrial Effluent) Regulations 2009. Following an inspection, OFSP was cited for technical oversights regarding effluent treatment system monitoring and the appointment of a certified "Competent Person". Following a successful appeal, the initial compound of RM4,000.00 was reduced to RM2,000.00. The reduced amount was paid in full within the stipulated timeframe, and the Group has since reinforced its monitoring protocols to ensure ongoing compliance.

There were no other environmental non-compliances resulting in enforcement action during the financial year.

SUSTAINABILITY STATEMENT (Cont'd)

5. Social Sustainability

5.1 Occupational Health and Safety

The safety, health and wellbeing of our employees are of paramount importance to the Group. The Group's operations involve inherent occupational hazards including mechanical risks from processing and cold storage equipment, chemical exposure from cleaning agents and preservatives, biological risks from seafood-borne pathogens, electrical hazards and physical fatigue associated with production environments.

The Group has in place a Occupational Safety and Health ("OSH") Policy for its operations, formalised on 18 November 2024. The policy establishes management and employee responsibilities, identifies the principal workplace hazards, prescribes preventive measures, and sets out emergency response procedures covering fire emergencies, health incidents and accident reporting.

The Group conducts periodic safety inspections and workplace walkthroughs to identify and mitigate potential hazards.

Key OSH performance indicators are summarised below:

Indicator	FYE2024	FYE2025	Remarks
Lost Time Injury Rate (LTIR)	0	0	No lost-time injuries recorded
Recordable Work-Related Injuries	0	0	Zero incidents in FYE2025
Work-Related Fatalities	0	0	
Number of OSH Training Sessions Conducted	2	2	Sep and Oct 2025
Number of Employees Trained (OSH)	31	14	Attendee count across 2 sessions
OSH Policy in Place	Yes		Dated 18 Nov 2024; signed by Executive Director

Emergency response procedures have been established and communicated to employees, and regular safety briefings are carried out to reinforce safe workplace practices.

The Group also requires employees and relevant contractors to adhere to established safety protocols to ensure a safe and compliant operating environment.

The Group is pleased to report zero work-related injuries and zero lost-time incidents for FYE2025. This reflects the Group's commitment to providing a safe working environment and maintaining active awareness of safety practices among its workforce.

5.2 Training and Development

The Group views training and development as a strategic investment in its people and a key lever in maintaining the high standards of food safety and operational discipline required by its HACCP certification and regulatory framework.

Two formal employee training sessions were conducted during FYE2025, both delivered by qualified in-house trainers and documented with attendance records, training content and evaluation outcomes:

Date	Training Topic	Key Content	No. of Attendees
8 Sep 2025	Product Segregation, Housekeeping & Maintenance	SOPs for cold storage segregation; housekeeping protocols; structural risk awareness	4
25 Oct 2025	Personal Hygiene & Cleaning/Sanitisation	Food handler hygiene; PPE requirements; cleaning procedures; HACCP compliance	10
TOTAL	2 sessions		14

SUSTAINABILITY STATEMENT (Cont'd)

Aggregate training hours for executive staff in FYE2025 amounted to 60 hours, translating to an average of 0.5 training hours per employee across the Group's approximate workforce of 120 staff. The Group acknowledges that training intensity, particularly at the executive and management level, requires further development, and is committed to expanding its structured training calendar in subsequent reporting periods.

Training programmes are structured to address operational requirements, regulatory compliance and employee development. Training needs are identified through operational requirements and management assessment, with a focus on enhancing technical competency, food safety awareness and workplace safety.

The Group will progressively enhance its training programme to ensure broader participation and improved competency across all employee levels.

5.3 Employee Diversity and Inclusion

The Group is committed to providing equal opportunities irrespective of gender, nationality, age or background. The Group's workforce is diverse, reflecting the multicultural composition of the Pahang region and including both local and foreign workers across its production and support functions.

The Group is committed to promoting workforce diversity and equal opportunity employment.

Detailed figures on genders diversity, employment type and employee age distribution are shown below:

Group Employee Gender Diversity by Employee Category

Employee Category	FYE2024			FYE2025		
	No. of Employees	Male	Female	No. of Employees	Male	Female
Management	3	66.7%	33.3%	5	60%	40%
Executive	31	61.3%	38.7%	29	69%	31%
Non-Executive	83	44.6%	55.4%	86	47.7%	52.3%
Grand Total	117	49.6%	50.4%	120	53.3%	46.7%

Group Employee Age Diversity by Employee Category

Employee Category	FYE2024				FYE2025			
	Total No.	>50	30-50	<30	Total No.	>50	30-50	<30
Management	3	-	100%	-	5	20%	80%	-
Executive	31	26%	58%	16%	29	21%	69%	10%
Non-Executive	83	10%	61%	29%	86	8%	53%	38%
Grand Total	117	14%	62%	25%	120	12%	58%	30%

SUSTAINABILITY STATEMENT (Cont'd)

The Group's employee turnover data for FYE2025 is presented below:

Employee Category	FYE2024	FYE2025
Non-Executive	17	14
Executive	-	1
Management	-	-
TOTAL	17	15

Employee turnover was concentrated in the non-executive category, largely reflecting the higher natural attrition rates typical of production and general worker roles in the food processing industry. Management-level retention remained strong, with nil departures recorded at that level. The Group continues to monitor attrition trends and will implement targeted retention measures where appropriate.

5.4 Employee Engagement

The Group promotes a positive and inclusive workplace culture through employee engagement initiatives, including festive celebrations and internal activities that foster teamwork and morale.

These initiatives support employee well-being and contribute to a cohesive working environment.

The Group does not maintain a Long Service Award programme as at the date of this Statement. The Board will consider introducing a formal long service recognition scheme in the next reporting period.

5.5 Labour Practices

The Group maintains a harmonious working environment and has not experienced any material industrial disputes. The Group does not have labour union representation and continues to engage employees directly through management communication channels.

5.6 Human Rights

The Group is committed to upholding the human rights of all its employees, contract workers and other individuals within its sphere of influence. No substantiated complaints or incidents concerning human rights violations were recorded during FYE2025.

The Group's employment practices are governed by the Employment Act 1955 and applicable labour regulations. The Group does not engage in child labour or forced labour, and ensures that all employees are remunerated at or above the prevailing statutory minimum wage.

5.7 Community Investment

The Group recognises its role as a responsible corporate citizen in the Kuantan-Pahang community. Community investment activities in FYE2025 spanned charitable donations, sponsorships for government, sporting and community associations, festive gifting and bereavement support for employees and business partners.

SUSTAINABILITY STATEMENT (Cont'd)

Category	Description	Amount (RM)
Festive gifts (Chinese New Year, Hari Raya)	Gifts and hampers to staff, customers and suppliers	16,641
Charitable donations	Donations to religious, community and welfare organisations	2,500
Sponsorships	Government agencies, sport events and industry associations	9,800
Condolences (staff & business partners)	Staff and supplier bereavement assistance	2,300
Gifts to customers & suppliers	Gifts and hampers to business partners	1,630
TOTAL		32,871

The Group conducts due diligence to ensure that all community activities, donations, sponsorships and gifts are aligned with its Anti-Bribery and Anti-Corruption Policy and Code of Conduct and Work Ethics. All community investment expenditure is properly documented and authorised at the appropriate level.

Group Corporate Social Responsibilities (“CSR”) Spending and Reach

	FYE2024	FYE2025
Total Spend (RM)	37,927	32,871
Beneficiaries	25	24

Total community investment expenditure in FYE2025 amounted to approximately RM32,871. Beneficiaries included government agencies, industry associations, welfare organisations and the Group’s own staff and business partners. Notable sponsorships included support for the Jabatan Perikanan Malaysia National Sport Day, Pahang DOSH’s OSH Strike Bowling Tournament 2026, and Jabatan Keselamatan dan Kesihatan Pekerjaan Peramu’s community activities.

6. Governance

6.1 Anti-Corruption

The Group is committed to conducting its business with integrity and zero tolerance for corruption, bribery and fraudulent conduct. The Board had established an Anti-Bribery and Anti-Corruption Policy on 27 October 2023. No confirmed incidents of corruption were recorded during FYE2025.

The Group is in the process of strengthening its anti-corruption framework, including the implementation of formal training and risk assessment processes in line with the Malaysian Anti-Corruption Commission Act 2009.

The Group acknowledges these as material gaps and commits to implementing a structured anti-corruption awareness programme – including training for all employee categories and a formal corruption risk assessment – in the future reporting cycles. This will be aligned with the requirements of the Malaysian Anti-Corruption Commission Act 2009 (“**MACC Act**”) and Section 17A of the MACC Act (Corporate Liability).

6.2 Data Privacy and Security

The Group collects and processes personal data of its employees, customers and business partners in the ordinary course of its operations. The Group is subject to the Personal Data Protection Act 2010 (“**PDPA**”).

The Group is committed to formalising a Personal Data Protection Policy in adherence to the requirements of the Personal Data Protection Act 2010 (“**PDPA**”). No substantiated complaints or incidents concerning breaches of customer or employee privacy or losses of personal data were recorded in FYE2025.

The Group recognises that the absence of a documented data privacy policy represents a governance gap and commits to developing and implementing a formal Personal Data Protection Policy during the next financial year, including internal awareness training for relevant personnel.

SUSTAINABILITY STATEMENT (Cont'd)

6.3 Regulatory Compliance

The Group is committed to full compliance with all applicable laws, regulations and licensing requirements save for the compound of RM2,000 issued by DOE during FYE 2025 as disclosed in the Environmental Compliance section. The Group took immediate corrective action and has implemented enhanced compliance monitoring to prevent recurrence of the matters.

Key regulatory frameworks governing the Group's operations include:

- Food Act 1983 and Food Regulations 1985 – governing food safety standards for seafood products;
- HACCP Certification – governing food safety management in processing operations;
- EQA – governing effluent discharge, waste disposal and environmental standards;
- OSHA – governing workplace safety;
- Employment Act 1955 and Workers' Minimum Standards of Housing and Amenities Act 1990 – governing labour standards;
- Income Tax Act 1967 – governing corporate tax obligations;
- Personal Data Protection Act 2010 – governing the processing of personal data.

6.4 Whistleblowing

The Group is committed to maintaining high standards of integrity and accountability. A Whistleblowing Policy is in place to provide employees and stakeholders with a confidential channel to report any suspected misconduct, unethical behaviour or breach of applicable laws and regulations.

The Whistleblowing Policy sets out the procedures for making a report, the Group's commitment to protecting whistleblowers from retaliation, and the investigation process to be followed upon receipt of a report. All disclosures received are treated with strict confidentiality.

No whistleblowing cases were reported during FYE2025.

6.5 Board Diversity

The Board recognises the importance of diversity in enhancing governance effectiveness and decision-making. The Board's composition is as follows:

Gender	At 31 December 2024		At 31 December 2025		At the date of this report	
Male	6	60%	5	55.56%	5	62.50%
Female	4	40%	4	44.44%	3	37.50%
TOTAL	10	100.00%	9	100.00%	8	100.00%

Age	At 31 December 2024		At 31 December 2025		At the date of this report	
30-39 years	3	30%	2	22%	1	13%
40-49 years	2	20%	3	33%	3	37%
50-59 years	1	10%	1	12%	1	13%
60 and above	4	40%	3	33%	3	37%
TOTAL	10	100.00%	9	100.00%	8	100.00%

The Group will continue to consider diversity, including gender, experience and skillset, in future board appointments.

SUSTAINABILITY STATEMENT (Cont'd)

7. Sustainability Performance Summary

The table below provides a consolidated overview of the Group's key sustainability performance indicators for FYE2025.

	Indicator	Unit	FYE2025	Remarks
E C O	Total Procurement Expenditure	RM	127,564,900	FYE2025 total purchases
	Local Procurement (%)	%	42.88	RM54.1 million of total purchases
E N V	Electricity Consumption (OFSP)	kWh	1,548,207	Grid (TNB); OFSP only
	Total Water Withdrawal	m ³	61,723	OFSP and LLH municipal supply
	Solid Waste Generated	m ³	506.88	Non-hazardous; scheduled collection
	Wastewater Treated & Discharged	m ³	2,842.71	On-site treatment; DOE compliant
	Environmental Penalties	RM	2,000	1 DOE offence; corrective action taken
S O C	Lost Time Injury Rate (LTIR)	Rate	0	Zero lost-time injuries
	Work-Related Injuries	Cases	0	
	OSH Training Sessions	Hour/ no of pax	8 hours	Sep and Oct 2025; 14 total attendees
	Avg Training Hours per Employee	Hours	0.5	60 hrs / ~120 staff
	Employee Turnover (voluntary)	Persons	15	Non-exec: 14 Exec: 1 Mgt: 0
	Community Investment	RM	32,970	Donations, sponsorships, gifts
G O V	Confirmed Corruption Incidents	Cases	0	
	Human Rights Violation Complaints	Cases	0	

SUSTAINABILITY STATEMENT (Cont'd)

8. GRI/Bursa Disclosure Index

The following table provides a cross-reference to the GRI Standards and Bursa Malaysia Sustainability Reporting Guide disclosures covered in this Statement.

Reference	Topic	Section	Location
GRI 201-1	Direct economic value generated and distributed	Economic Performance	EVG&D Table (this Statement)
GRI 302-1	Energy consumption within the organisation	Energy Management	Energy table (this Statement)
GRI 303-3	Water withdrawal by source	Water Management	Water table (this Statement)
GRI 305-1/2	Direct and indirect GHG emissions	Energy/Environmental	Not yet measured – planned for FYE2026
GRI 306-3	Waste generated	Waste Management	Waste table (this Statement)
GRI 401-1	New employee hires and employee turnover	Employee Attrition	Attrition table (this Statement)
GRI 403-9	Work-related injuries	Occupational Health & Safety	OSH table (this Statement)
GRI 404-1	Average hours of training per year per employee	Training & Development	Social section (this Statement)
GRI 205-3	Confirmed incidents of corruption	Anti-Corruption	Governance section (this Statement)
GRI 413-1	Community investment	Community Investment	Community table (this Statement)

9. Looking Ahead

As Ocean Fresh Berhad progresses in its sustainability journey, the Group has identified the following priority actions for the next reporting period:

- Formalise and complete the materiality assessment process, including structured stakeholder surveys and a formal materiality matrix;
- Establish a GHG emissions inventory (Scope 1 and 2 minimum) and set an emissions reduction baseline;
- Expand energy and water consumption data collection to cover all Group entities;
- Implement a structured anti-corruption awareness programme across all employee categories;
- Develop and adopt a formal Personal Data Protection Policy in compliance with PDPA requirements;
- Complete the employee diversity data collection and integrate diversity and inclusion targets into HR planning;
- Conduct formal annual supplier evaluations to strengthen supply chain sustainability;

The Board and management of Ocean Fresh Berhad are committed to elevating the Group's sustainability standards, performance and reporting quality in line with evolving Bursa Malaysia requirements and stakeholder expectations.

SUSTAINABILITY STATEMENT
(Cont'd)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category	Percentage	0	The Group is in the process of strengthening its anti-corruption framework, including the implementation of formal training and risk assessment processes in line with the Malaysian Anti-Corruption Commission Act 2009.	No assurance
Anti-Corruption	Percentage of operations assessed for corruption-related risks	%	0	-	No assurance
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	-	No assurance
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	32,871	-	No assurance
Community/Society	Total number of beneficiaries of the investment in communities	Number	24	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Management (Male)	Percentage	60	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Management (Female)	Percentage	40	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Executive (Male)	Percentage	69	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Executive (Female)	Percentage	31	-	No assurance

SUSTAINABILITY STATEMENT
(Cont'd)

OCEAN FRESH BERHAD

BMLR Transition Period

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Non-Executive (Male)	Percentage	477	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Non-Executive (Female)	Percentage	52.3	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Management under 30	Percentage	0	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Management between 30-50	Percentage	80	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Management above 50	Percentage	20	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Executive under 30	Percentage	10	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Executive between 30-50	Percentage	69	-	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Executive above 50	Percentage	21	-	No assurance

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SUSTAINABILITY STATEMENT
(Cont'd)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Non-Executive under 30	Percentage	38	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Non-Executive between 30-50	Percentage	53	—	No assurance
Diversity	Percentage of employees by gender and age group, for each employee category - Non-Executive above 50	Percentage	8	—	No assurance
Board Diversity	Percentage of directors by gender - Male	Percentage	55.56	—	No assurance
Board Diversity	Percentage of directors by gender - Female	Percentage	44.44	—	No assurance
Board Diversity	Percentage of directors by age group - under 30	Percentage	-	—	No assurance
Board Diversity	Percentage of directors by age group - between 30-50	Percentage	55	—	No assurance
Board Diversity	Percentage of directors by age group - above 50	Percentage	45	—	No assurance
Energy Management	Total energy consumption	kWh	1,548,207	-	No assurance
Health and Safety	Number of work-related fatalities	Number	0	-	No assurance
Health and Safety	Lost time incident rate ("LTIR")	Rate	0	-	No assurance
Health and Safety	Number of employees trained on health and safety standards	Number	14	-	No assurance

SUSTAINABILITY STATEMENT
(Cont'd)OCEAN FRESH BERHAD
BMLR Transition PeriodDate & Time: 2026-04-29 10:25:09
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Labour Practices and Standards	Total hours of training by employee category - Management	Hours	0	-	No assurance
Labour Practices and Standards	Total hours of training by employee category -Executive	Hours	0	-	No assurance
Labour Practices and Standards	Total hours of training by employee category - Non-Executive	Hours	60	-	No assurance
Labour Practices and Standards	Percentage of employees that are contractors or temporary staff	Percentage	0.8	-	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category - Management	Number	0	-	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category - Executive	Number	1	-	No assurance
Labour Practices and Standards	Total number of employee turnover by employee category - Non-Executive	Number	14	-	No assurance
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	0	-	No assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage	42.6	-	No assurance
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	-	No assurance
Water	Total volume of water used	m ³	61,723	-	No assurance
Waste Management	Total waste generated	m ³	3,349.59	-	No assurance

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CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

The Board of Directors (“**the Board**”) of Ocean Fresh Berhad (“**OFB**” or “**the Company**”) is dedicated to upholding and sustaining good corporate governance practices across the Company and its subsidiaries (“**the Group**”). This dedication is aimed at promoting business prosperity and corporate accountability, with the ultimate objective of realising long-term shareholder value while taking into account the interest of other stakeholders. This commitment aligns with the principles and practices as set out in the Malaysian Code on Corporate Governance 2021 (“**MCCG**”), the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Securities and the Corporate Governance Guide.

The Board is pleased to set out below the Corporate Governance Overview Statement which describes the manner in which the Group has applied the following principles of the MCCG during the financial year ended 31 December 2025 (“**FYE 2025**”):

- A. Board leadership and effectiveness;
- B. Effective audit and risk management; and
- C. Integrity in corporate reporting and meaningful relationship with stakeholders.

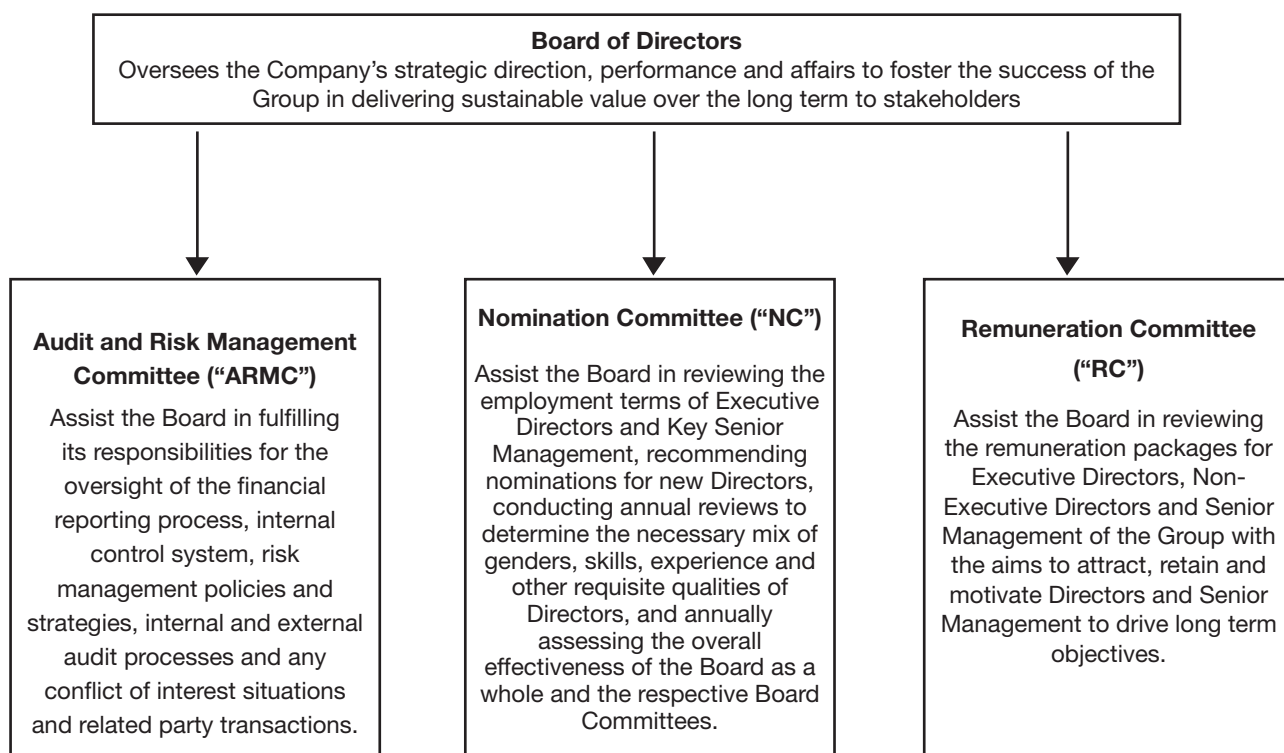
This Corporate Governance Overview Statement should be read together with the Corporate Governance Report 2025 which is available on the Company’s corporate website at www.oceanfresh.com.my as well as via an announcement on the website of Bursa Securities.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

PART I – BOARD RESPONSIBILITIES

The Group is led and managed by an effective and experienced Board, comprising members with a wide range of experience and qualifications.

The Board is supported by the following three (3) Board Committees with delegated responsibilities to oversee the Group’s affairs. These Board Committees were authorised to act on behalf of the Board in accordance with their respective Terms of Reference (“**TOR**”):



CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I – BOARD RESPONSIBILITIES (CONT'D)

The role of the Board Committees is to advise and make recommendations to the Board. Notwithstanding, the ultimate responsibility for the final decision on all matters lies with the Board. The Chairman of these Board Committees will provide highlights to the Board, and any further deliberation is made at the Board level, if required.

Separation of the Chairman and Executive Directors Roles

The Board is led by an Independent Non-Executive Chairman, Mr Ng Lai Hock (“Mr Ng”). He is responsible for providing leadership and instilling good corporate governance and effectiveness of the Board. The positions of the Chairman of the Board and Executive Directors are held by different persons. This is to ensure that there is a balance of power and authority to promote accountability and unfettered powers in decision making.

The Group is currently led by two (2) Executive Directors, namely Mr Siang Hai Yong (“Mr Siang”) and Ms Kee Wan Chum (“Ms Kee”) following the redesignation of Mr Teo Chee Han (“Mr Teo”) as a Non-Independent Non-Executive Director with effect from 1 March 2025.

Mr Siang is primarily responsible for overseeing the Group’s strategic planning, development and overall business operations, including the Group’s international business development activities and corporate affairs for the China market. Ms Kee managed the Group’s daily business operations, ensuring smooth business function and overseeing employee management. In addition to her operational role, she is also responsible for identifying new business opportunities, handling procurement of supplies and driving OFB Group’s sales, developing new systems and procedures to improve operational efficiency, and overseeing the Group’s international business development activities and corporate affairs, excluding the China market.

The Board maintains the perspective that the Chairman of the Board should not be involved in any Board Committees. This is to uphold checks and balances as well as objectivity. Having the Chairman of the Board who also sits on Board Committees gives rise to the risk of self-review and may impair the objectivity of the Chairman. Therefore, the Chairman of the Board is not a member of any of the Board Committees which is in line with MCGG.

Company Secretary

The Board is supported by a qualified and competent Company Secretary, who is a member of the Malaysian Institute of Chartered Secretaries and Administrators. The Company Secretary is qualified under Section 235(2) of the Companies Act 2016 and possesses extensive experience in effectively discharging her duties and responsibilities to the Board.

The Company Secretary or the representatives of the Company Secretary attended the Board and Board Committees’ meetings held during the FYE 2025 and ensure that the meetings are properly convened. Further, all deliberations and decisions are properly minuted and filed.

All Directors have unrestricted access to the advice and services of the Company Secretary to ensure the effective functioning of the Board and its Board Committees, in line with the Board policies and procedures, and to ensure compliance with applicable laws, regulations, rules, procedures, and corporate governance best practices at all times.

Board Charter

The Board has adopted a Board Charter that serves as a structured guide on matters relating to the Board. The Board Charter is designed to provide guidance and clarity to Directors and Management with regards to the roles of the Boards and its Board Committees, the responsibilities of the Chairman and Independent Directors. It also serves as a reference point for Board activities.

The Board will review and update the Board Charter from time to time to reflect the changes to the Company’s policies and procedures to ensure the Board Charter remains consistent with the Board’s objectives, current laws and practices. The Board Charter was approved and adopted by the Board on 27 October 2023 and is available on the Company’s corporate website at www.oceanfresh.com.my.

The Board has also put in place the following policies:

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I – BOARD RESPONSIBILITIES (CONT'D)

Code of Conduct and Work Ethics

The Company has established a Code of Conduct and Work Ethics (“**Code**”) to provide the fundamental guiding principles and standards for Directors where such principles and standards are founded on high standards of professional and ethical practices, which are applied consistently throughout the Company and its subsidiaries. This Code will be assessed regularly by the Board in alignment with the Company’s needs.

Whistleblowing Policy

The Board had formalised a Whistleblowing Policy as the Group places high value on the level of trust and integrity. Therefore, the Whistleblowing Policy provides an avenue for all Directors, officers and employees, and any other third-party performing work or services for or on behalf of the Group, to disclose or report any improper conduct and to provide protection for those who report such allegations. The Board will review the Whistleblowing Policy periodically and make modification if required or appropriate.

Anti-Bribery and Anti-Corruption Policy (“Anti-Corruption Policy”)

The Board had established an Anti-Corruption Policy on 27 October 2023 that sets out the Group’s principles and stance and adequate procedures against corruption and/or bribery activities in the conduct of its businesses. The Anti-Corruption Policy applies to all individuals working at all levels and grades, including Directors, Senior Managers, Managers, employees and those who have business dealings/relationships with the Group. This Anti-Corruption Policy is to outline the responsibilities of the Group and its employees and to provide guidance in observing and upholding the Group’s position on bribery and corruption. The Anti-Corruption Policy will be assessed periodically in alignment with the Group’s needs.

Directors’ Fit and Proper Policy

The Directors’ Fit and Proper Policy (“**FAP**” or “**the Policy**”) was established and adopted to guide the NC and the Board in their review and assessment of candidates that are to be appointed on the Board as well as the Directors who are seeking for re-election, which are to be assessed individually and collectively. The NC will review the Policy periodically to ensure it remains relevant and appropriate. Any amendments or revisions required shall be recommended to the Board for approval.

Conflict of Interest Policy

The Board has adopted a Conflict of Interest (“**COI**”) Policy on 21 April 2025 which aims to guide the Board when COI situation arises. The COI applies to all Directors and employees of the Group. The Audit and Risk Management Committee reviews all related party transactions and conflict of interest situation that arose, persist or may arise within the Group that may challenge the Group’s integrity. The COI will be reviewed periodically in alignment with the Group’s needs.

Sustainability Governance

The Board believes that sustainable business practices are essential to the creation of long-term value, and that running the business in a responsible manner is intrinsically tied to achieving operational excellence.

In terms of structural oversight over sustainability including strategies, priorities and targets, it is reposed at the Board level with the Management being responsible for operational execution with respect to Environmental, Social and Governance factors as part of the Group’s corporate strategy. The Board is committed to staying abreast with the sustainability issues associated with the ever-evolving operating environment which are relevant to its business.

The Company’s sustainability initiatives are set out in the Sustainability Statement in the 2025 Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II – BOARD COMPOSITION

Board Balance

The current composition of the Board consists of eight (8) members, comprising one (1) Independent Non-Executive Chairman, two (2) Executive Directors, two (2) Non-Independent Non-Executive Directors and three (3) Non-Executive Directors, as follows:

Name	Designation and Directorate	Gender
Ng Lai Hock <i>(redesignated from Independent Non-Executive Director to Independent Non-Executive Chairman w.e.f. 12 June 2025)</i>	Independent Non-Executive Chairman	Male
Siang Hai Yong	Executive Director	Male
Kee Wan Chum	Executive Director	Female
Teo Chee Han <i>(redesignated from Executive Director to Non-Independent Non-Executive Director w.e.f. 1 March 2025)</i>	Non-Independent Non-Executive Director	Male
Dato' Sri Chia Hooi Huak	Non-Independent Non-Executive Director	Male
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Independent Non-Executive Director	Male
Chan Kee Eng	Senior Independent Non-Executive Director	Female
Yap Lee Teng	Independent Non-Executive Director	Female
Law Chee Kheong <i>(retired w.e.f. 12 June 2025)</i>	Non-Independent Non-Executive Chairman	Male
Go Sin Sin <i>(resigned w.e.f. 28 February 2026)</i>	Independent Non-Executive Director	Female

The Board currently maintains at least 30% women directors on the Board, in line with Practice 5.9 of MCCG. Board Diversity policy was adopted by the Group on 27 October 2023 which is intended for the Group to promote diversity in the Boardroom and workforce of the Group. The Board is supportive of gender diversity and will endeavour to have greater women representation on the Board, based on the effective blend of required skills, experience, expertise and knowledge in areas identified and the needs of the Group. The NC reviews this policy from time to time to assess its effectiveness. Any revisions to this policy as recommended by the NC will be submitted to the Board for consideration and approval.

By having four (4) Independent Non-Executive Directors sitting on the Board, the current Board composition complies with the requirements of Rule 15.02 of the Listing Requirements and Practice 5.2 of MCCG. This shall preserve the objectivity of the Board's deliberation and decision-making process so as to protect the interests of shareholders and other stakeholders.

A brief profile of each Director can be found in the Directors' Profile section of the 2025 Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II – BOARD COMPOSITION (CONT'D)

Independence of the Board

The current Board has a well-balanced composition with an effective mix, ensuring that there is fair representation and balance of power and authority on the Board. The Independent Directors constitute half of the Board and exceeds the minimum requirement as mandated by the Listing Requirements which stipulate that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be independent.

The presence of Independent Non-Executive Directors ensures that views, consideration, judgment and discretion exercised by the Board in decision making remains objective and independent whilst assuring the interest of other parties such as minority shareholders are fully addressed and adequately protected as well as being accorded with due consideration.

The Board will justify and seek shareholders' approval in the event it retains an Independent Director who has served in that capacity for a cumulative period of more than nine (9) years. As at the date of this statement, none of the Independent Directors has served the Company beyond nine (9) years.

Election and Re-election

In accordance with the Company's Constitution, an election of Directors shall take place each year. At the Annual General Meeting ("AGM") of the Company where one-third (1/3) of the Directors for the time being or if the number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election. All Directors shall retire from office at least once in every three (3) years, but shall be eligible for re-election.

At the forthcoming AGM of the Company, Dato' Sri Chia Hooi Huak ("**Dato' Sri Chia**"), Ms Kee Wan Chum ("**Ms Kee**") and Mr Syed Razif Al-Idid B. Syed Sidi Al-Idid ("**Mr Syed Razif**") (collectively referred to as "**Retiring Directors**") shall retire from office and being eligible for re-election in accordance with the Constitution of the Company. The details of the Directors standing for re-election are disclosed in the Board of Directors' profile section of the 2025 Annual Report.

The NC had conducted an assessment of the performance and reviewed the Fit and Proper Declaration Forms completed by the Retiring Directors. Based on the outcome of the assessment, the NC agreed that they meet the requisite standards of character, experience, integrity, competence and time to effectively discharge their roles and duties as Directors as prescribed by the Listing Requirements.

The Board concurred with the findings of the NC, recommends and supports the re-election of the Retiring Directors who are seeking for re-election pursuant to Clause 112 of the Company's Constitution at the forthcoming 3rd AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II – BOARD COMPOSITION (CONT'D)

Board Meeting

The Board shall meet at least four (4) times a year with additional meetings to be convened as and when required. Meetings of the Board and Board Committees are scheduled in advance to facilitate the Directors in planning. 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 as to accord sufficient time for the Directors to peruse the Board papers.

The Board conducted five (5) Board meetings during the FYE 2025. Attendance of the Directors at the Board and Board Committees meetings during FYE 2025, as detailed below:

Type of Meetings	Board of Directors	ARMC	NC	RC
Name of Directors	No. of Meetings Attended			
Ng Lai Hock <i>(redesignated as Independent Non-Executive Chairman w.e.f. 12 June 2025)</i>	5/5	3/3	2/2	1/1
Siang Hai Yong	5/5	N/A	N/A	N/A
Kee Wan Chum	5/5	N/A	N/A	N/A
Teo Chee Han	5/5	N/A	N/A	N/A
Dato' Sri Chia Hooi Huak	5/5	N/A	N/A	N/A
Syed Razif Al-Idid B. Syed Sidi Al-Idid	5/5	5/5	2/2	1/1
Chan Kee Eng <i>(appointed as Chairperson of NC, member of ARMC and RC w.e.f. 12 June 2025)</i>	5/5	2/2	N/A	N/A
Yap Lee Teng	5/5	5/5	2/2	1/1
Law Chee Kheong <i>(retired on 12 June 2025)</i>	2/3	N/A	N/A	N/A
Go Sin Sin <i>(resigned on 28 February 2026)</i>	5/5	N/A	N/A	N/A

Overall, the Board is satisfied with the level of time commitment given by the Directors towards fulfilling their duties and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II – BOARD COMPOSITION (CONT'D)

Directors' Continuous Professional Development

The NC has taken on the responsibility of evaluating and determining the specific and continuous training needs of the Directors on a regular basis. The Directors are aware of their duty to undergo appropriate training from time to time to enhance their knowledge in order to ensure that they are equipped to carry out their duties effectively.

All Directors of the Company have attended the Mandatory Accreditation Programme (“MAP”) as prescribed by Bursa Securities. During FYE 2025, the training programmes attended by the Directors are as follows:

Name of Directors	Title Seminars/Conferences Attended
Ng Lai Hock	<ul style="list-style-type: none"> Board Simulation – Balancing Risk & Opportunity in Sustainability Leadership MAP II
Siang Hai Yong	<ul style="list-style-type: none"> MAP II
Kee Wan Chum	<ul style="list-style-type: none"> MAP II
Dato' Sri Chia Hooi Huak	<ul style="list-style-type: none"> MAP II
Syed Razif Al-Idid bin Syed Sidi Al-Idid	<ul style="list-style-type: none"> ICAEW Sustainability and the Future of Business MAP II ICAEW Ethics CPD Course (From Theory to Practice) ICAEW ASEAN Sustainability Summit 2025 MIA Townhall 2025/26 – Session 1 Audit Oversight Board (AOB)
Teo Chee Han	<ul style="list-style-type: none"> MAP II
Chan Kee Eng*	<ul style="list-style-type: none"> The Journey into the AI Age: Game Changer for Your Digital Transformation Era Audit Oversight Board (AOB)
Yap Lee Teng	<ul style="list-style-type: none"> MAP II Audit Oversight Board (AOB)

PART III – NOMINATION

The Board established the NC on 1 October 2023. The NC is governed by its Terms of Reference (“TOR”) approved by the Board which is available on the Company’s website at www.oceanfresh.com.my.

As at the date of this Statement, the NC comprises solely Independent Non-Executive Directors as follows:

NC	Designation
Chan Kee Eng, Chairperson (appointed as Chairperson of NC w.e.f. 12 June 2025)	Senior Independent Non-Executive Director
Syed Razif Al-Idid bin Syed Sidi Al-Idid, Member	Independent Non-Executive Director
Yap Lee Teng, Member	Independent Non-Executive Director

The Board through its NC, regularly assesses the optimum size, required mix of genders, skills, experience, independence and diversity required to effectively fulfil its role. The appointment of Board members is reviewed by the NC and made via a formal and transparent process. In making these recommendations, the NC considers and recommends to the Board an appropriate balance of skills, expertise, attributes, and core competencies that the Directors would bring to the Board.

The Board has established a FAP Policy which provides a guide to the NC and the Board in their review and assessment of the potential candidates for appointment to the Board of the Group as well as the retiring Director who is seeking for re-election at the AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART III – NOMINATION (CONT'D)

During FYE 2025, the NC conducted two (2) meetings. Throughout the year, the NC undertook the following activities:

- (a) Assessed and was satisfied with the effectiveness of the Board as a whole and the Board committees and the contribution of each Director, and the mix of skills, knowledge, expertise and experience, as well as the composition and size of the Board in terms of gender, ethnicity and age.
- (b) Assessed the independence of the Independent Directors and concluded that the Independent Directors are independent and have complied with the criteria of independence as set out in Listing Requirements.
- (c) Reviewed the performance of the ARMC, NC and RC.
- (d) Reviewed and recommended to the Board the re-election of Directors at the second AGM (“2nd AGM”) of the Company pursuant to the Company’s Constitution.
- (e) Reviewed the changes in the composition of the Board, including the redesignation of an Executive Director to a Non-Executive Director and the retirement and redesignation of the Chairman, as well as the changes to the composition of the Board Committees.
- (f) Reviewed the Directors’ training programme for the FYE 2025.

Based on the outcome of the assessment for FYE 2025, the Board was satisfied that the current mix of skills and experience of the Board and the respective Board Committees as a whole had met the requirements of the Company and the overall performance of the Board, the Board Committees and the members of the Board was effective and satisfactory. The results form the basis of recommending the relevant Directors for re-election at the forthcoming 3rd AGM.

PART IV – REMUNERATION

The RC was established on 1 October 2023 to attract and retain Directors (both Executive and Non-Executive) and C-Suite Senior Management, specifically (“**Senior Management**”) of the Group. The RC is governed by its TOR approved by the Board which is available on the Company’s corporate website at www.oceanfresh.com.my.

As at the date of this Statement, the RC comprises exclusively of Independent Non-Executive Directors as follows:

RC	Designation
Yap Lee Teng, Chairperson	Independent Non-Executive Director
Syed Razif Al-Idid bin Syed Sidi Al-Idid, Member	Independent Non-Executive Director
Chan Kee Eng, Member (appointed as member of RC on 12 June 2025)	Senior Independent Non-Executive Director

The RC meeting is held as and when required, but at least once a year. One (1) RC meeting was held during FYE 2025. The RC has carried out the following activities during the FYE 2025:

- (a) Reviewed and recommended to the Board for shareholders’ approval on the directors’ fee and benefit payables (including allowances) for the FYE 2024 and for the period from 1 January 2025 until the date of the next AGM in year 2026.
- (b) Reviewed and recommended to the Board the remuneration package for the Executive Directors for the FYE 2025.

The Board, through RC, has established a Remuneration Policy that outlines the principles and guidelines in discharging its responsibilities with regards to the remuneration of the Directors and/or Senior Management of the Company and is made in line with the best practices recommended under the MCCG.

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 is comparable with market rate within the industry.

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, the scope of their duties and responsibility, as well as the number of Board and Board committees’ meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART IV – REMUNERATION (CONT'D)

The remuneration for Directors, which comprises of directors' fees, salaries, bonuses and allowances as well as other benefits-in-kind, shall be recommended by the RC and subsequently be approved by the Board, subject to the provisions of the Constitution. The directors' fees must be further approved or endorsed by the shareholders in a general meeting. Each Director shall abstain from the deliberation and voting on matters pertaining to their own remuneration.

After the Listing, the payment of director's fees and meeting allowances for Non-Executive Directors are as follows:

Position	Full Financial Year Director Fee (RM)
Chairman of the Board	50,000.00
Directors	40,000.00

During FYE 2025, there were no meeting allowances provided to Non-Executive Directors.

The remuneration of the Directors on a named basis for FYE 2025 are disclosed in the Corporate Governance Report (“CG Report”) which is available on the Company's corporate website at www.oceanfresh.com.my.

The key Senior Management of the Group, comprises of five (5) Senior Management personnel, two (2) of whom are also members of the Board. The remuneration of the Executive Directors are disclosed in the CG Report. Due to sensitivity and confidentiality, the Board is of the opinion that the detailed disclosure of remuneration of the three (3) Senior Management (i.e. General Manager of Administration & Human Resources, General Manager of Production and Group's Accountant) on a named basis would not be in the best interest of the Group given the industry's competitiveness. Alternatively, the disclosure of their remuneration received during the financial year is categorised within the disclosure band as follows:

Range of Remuneration	Group
	No. of Senior Management*
RM50,001 to RM100,000	1
RM150,001 to RM200,000	1
RM200,001 to RM250,000	1
RM250,001 to RM300,000	1
RM400,001 to RM450,000	1

Note:

* Inclusive of the two Executive Directors. Their remuneration on a named basis for FYE 2025 are disclosed in the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – ARMC

The ARMC comprises exclusively of Independent Non-Executive Directors. Collectively, the ARMC members are financially literate, possess commercial expertise skills and experience to enable them to discharge their duties and responsibilities pursuant to the ARMC's TOR.

The ARMC has responsibility for oversight of the Company's financial statements, related party transactions, conflict of interest situations, internal control system, risk management policies and strategies, the Company's relationship with its External and Internal Auditors, and the effectiveness of audit procedures both internally and externally.

A full ARMC Report enumerating its membership and a summary of its activities during the financial year is set forth in the ARMC Report on the 2025 Annual Report.

The Board has the overall responsibility for the quality and completeness of the financial statements of the Company and the Group, both on a quarterly and full year basis, and has a duty to ensure that those financial statements are prepared based on appropriate and consistently applied accounting policies, supported by reasonably prudent judgment and estimates, in accordance with the applicable financial reporting standards.

The ARMC plays a crucial role in assisting the Board to scrutinise the information to ensure the accuracy, adequacy, validity and timeliness of the financial statements.

The ARMC is relied upon by the Board to, among others, provide advice on areas of reporting, external audit, internal control environment and internal audit process, review of related party transactions as well as conflict of interest situations. The ARMC also undertakes to provide oversight on the risk management framework of the Group.

None of the members of ARMC/Board were a former audit partner involved in auditing of the Group. In order to uphold utmost independence, the Board has no intention to appoint any former audit partner as a member of the ARMC/Board.

The ARMC is empowered by the Board to review any matters concerning the appointment and re-appointment, resignations or dismissals of External Auditors and review and evaluate factors relating to the independence of the External Auditors. The External Auditors are precluded from providing any services that may impair their independence or conflict with their role as External Auditors.

The ARMC had on 25 February 2025 reviewed the performance and independence of the External Auditors and upon reviewed and being satisfied with the results of the said assessment and recommended to the Board, the re-appointment of Messrs. Crowe Malaysia PLT ("**Crowe**") as the External Auditors of the Company at the 2nd AGM. Subsequent thereto on 2 September 2025, the Company had received a notice in writing from Crowe on their resignation as Auditors of the Company.

The ARMC had subsequently reviewed and recommended that Messrs. UHY Malaysia PLT ("**UHY**") be appointed as the External Auditors of the Company for the financial year ended 31 December 2025 in place of Crowe. The ARMC is satisfied with the external auditors' confirmation of independence and their conduct of the audit. These confirmations were made pursuant to the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.

The ARMC had on 21 April 2026 conducted an assessment on the suitability and independence of the External Auditors, with the assistance from the Management. Based on the assessment, the ARMC was satisfied with UHY's competency, experience and independence. The Board, based on the ARMC's recommendation, would be tabling the re-appointment of UHY as the External Auditors of the Company at the forthcoming 3rd AGM.

The External Auditors of the Company, UHY, have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of relevant professional and regulatory requirements.

The Board and the Group have established a transparent and appropriate relationship with the Internal and External Auditors. Such a relationship allows the Group to seek professional advice on matters relating to compliance and corporate governance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its overall responsibility in establishing a Risk Management Framework and maintaining a sound system of risk management and internal control, and reviewing its adequacy and effectiveness. The Board had delegated the responsibility for reviewing the adequacy and effectiveness of the risk management and internal control systems to the ARMC.

The Group's Risk Management Framework aims to integrate good risk management practices into all its business processes and operations to drive consistent, effective and accountable actions, decision making and management practices.

The Board is assisted by the ARMC in discharging its roles and responsibilities to oversee the effectiveness and adequacy of the risk management and internal control system of the Group. To maintain total independence in the management of the Group's internal control environment and ensure compliance with the Listing Requirements, the internal audit function is outsourced to an independent professional firm, Augment GC Sdn Bhd (“**Internal Auditors**”), an independent consulting firm who is free from any relationships or conflict of interest that could impair their objectivity and independence. The Internal Auditors report directly to the ARMC to ensure that issues highlighted are addressed independently, objectively and impartially without any undue influence of the Senior Management. Further details of the internal audit function are set out in the ARMC Report of the 2025 Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

PART I – ENGAGEMENT WITH STAKEHOLDERS

The Board is committed to provide effective communication to its shareholders and the general public regarding the business, operations and financial performance of the Group, and where necessary, information filed with regulators is in accordance with all applicable legal and regulatory requirements.

The Board values the importance of dissemination of information on major developments of the Group to the shareholders, potential investors and general public in a timely and equitable manner. Quarterly results, announcements, annual reports and circulars serve as the primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and development. The Company's corporate website at www.oceanfresh.com.my serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, Board Charter and policies, announcements, news and events relating to the Group.

PART II – CONDUCT OF GENERAL MEETINGS

The Board will ensure that the general meetings of the Company are conducted in an efficient manner and serve as a mode of shareholders' communication. These include the supply of comprehensive and timely information to shareholders and encouraging active participation at the general meetings.

The AGM remains a principal forum used by the Group for communication with its shareholders. Shareholders are encouraged to ask questions regarding the resolutions being proposed at the meeting and also other matters pertaining to the business activities of the Group. The Board, Senior Management and the External Auditors are in attendance to answer and provide appropriate clarifications at the meeting. Shareholders are also invited to convey and share their inputs with the Board. Where applicable, the Board will also ensure that each item of special business that is included in the notice of meeting is accompanied by a full written explanation of that resolution and its effects to facilitate understanding and evaluation by the shareholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

PART II – CONDUCT OF GENERAL MEETINGS (CONT'D)

For the FYE 2025, the Company served notice of its 2nd AGM held on 12 June 2025, at least 28 days before the meeting, in full compliance with the requirement under the Act and the Listing Requirements. This is to enable the shareholders to have sufficient time to read and understand the Company's financial and non-financial performance before the meeting. All resolutions set out in the Notice of the 2nd AGM of the Company was voted by poll and the votes casted were validated by an independent scrutineer appointed by the Company. The minutes of the 2nd AGM was published on the Company's website for shareholders' information.

The notice convening the 3rd AGM of the Company to be held on 12 June 2026 will be circulated to the shareholders at least 28 days before the AGM, which gives shareholders sufficient time to go through the 2025 Annual Report and make the necessary attendance and voting decisions.

The forthcoming 3rd AGM will be conducted physically at OFB's Head Office, Lot 19896, Kampung Baru Peramu, 26060 Kuantan Pahang Darul Makmur, Malaysia.

The minutes of the 3rd AGM will be available on the Company's corporate website at www.oceanfresh.com.my within 30 business days from the date of the 3rd AGM.

STATEMENT BY THE BOARD ON CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Company shall continue to strive for high standards of corporate governance throughout the Group, and the highest level of integrity and ethical standards in all of its business dealings.

The Company has in all material aspects satisfactorily complied with the principles and practices set out in the MCCG, except for the departures set out in the Corporate Governance Report.

This CG Overview Statement together with the CG Report were approved by the Board on 29 April 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The primary objective of the Audit and Risk Management Committee (“**ARMC**”) is to assist the Board of Directors (“**the Board**”) in discharging its statutory duties and responsibilities which include, among others, providing additional assurance to the Board by giving an objective and independent review of financial, operational, administrative and risk controls and procedures, including establishing and maintaining internal controls, reinforce the independence of the External Auditors of Ocean Fresh Berhad (“**OFB**” or “**the Company**”) and its subsidiaries (“**the Group**”), evaluate the quality of the internal audit function and oversee compliance with laws and regulations together with observance of a proper code of conduct.

Pursuant to Rule 15.15 of the the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), the Board is pleased to present the ARMC Report which lays out the activities held for the financial year ended 31 December 2025 (“**FYE 2025**”).

The ARMC is guided by its Terms of Reference, which can be accessed from the Company’s corporate website at www.oceanfresh.com.my.

COMPOSITION

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors, which is in compliance with the requirements of Rule 15.09 of the Listing Requirements of Bursa Securities and Practice 9.4 under Principle B of the Malaysian Code on Corporate Governance.

The members of the ARMC comprise the following Directors:

Name of ARMC Members	Designation	Directorate
Syed Razif Al-Idid B. Syed Sidi Al-Idid	Chairman	Independent Non-Executive Director
Yap Lee Teng	Member	Independent Non-Executive Director
Chan Kee Eng (Appointed as Member of ARMC on 12 June 2025)	Member	Senior Independent Non-Executive Director

The ARMC also meets the Listing Requirements which require that at least one member of the Committee must fulfill the financial expertise requisite of Rule 15.09(1)(c) of the Listing Requirements of Bursa Securities.

The Chairman of the Committee, 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 experiences and knowledge, and are able to analyse and interpret financial statements to effectively discharge their duties. None of the members were former key audit partners of the Company’s existing External Auditors.

ATTENDANCE OF MEETINGS

The ARMC held five (5) meetings during the FYE 2025. The details of members’ attendance are as follows:

Name of Committee Members	Meeting Attendance
Syed Razif Al-Idid B. Syed Sidi Al-Idid, Chairman	5/5
Yap Lee Teng, Member	5/5
Chan Kee Eng, Member (Appointed as Member of ARMC on 12 June 2025)	2/2
Ng Lai Hock, Member (Resigned as Member of ARMC on 12 June 2025)	3/3

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

ATTENDANCE OF MEETINGS (CONT'D)

Ms Kee Wan Chum, the Executive Director, Mr Chong Der Woei, the Group's Accountant and Ms Kan Swee Koh, the General Manager of Administration & Human Resources, were invited to the ARMC meetings to provide additional information and clarification on operations, financials and audit matters. Representative from the External Auditors and Internal Auditors, when necessary, were also invited to the ARMC meeting to deliberate on matters within their purview.

The ARMC has the authority to call meetings with the External Auditors, Internal Auditors, or both without the presence of executive Board members or staff, if necessary.

The Company Secretary or the representatives of the Company Secretary took minutes at each ARMC meeting and tabled them for confirmation and adoption at the subsequent ARMC meeting. They were then brought to the Board for notation. The outcome of each ARMC meeting will be reported by the ARMC Chairman to the Board.

SUMMARY OF WORKS CARRIED OUT BY THE ARMC

The summary of the activities undertaken by the ARMC during FYE 2025, amongst others, included the following:

a) Financial Reporting

- (i) Reviewed the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024 prior to the submission to the Board for their consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the requirements of the Companies Act 2016 and Malaysian Financial Reporting Standards ("MFRS").
- (ii) Reviewed the unaudited quarterly financial results of the Group and of the Company and the relevant announcement in relation thereto, to ensure the report complies with the Listing Requirements and MFRS, prior to the recommendation to the Board for consideration, approval and subsequent release to Bursa Securities.

b) External Audit

- (i) Reviewed, discussed and approved the Audit Planning Memorandum for FYE 2025 to ensure appropriate focus on the key risk areas.
- (ii) Reviewed and deliberated the Audit Review Memorandum, covering significant audit findings, potential key audit matters, significant deficiencies in internal control, status of audit and the independence and objectivity of the External Auditors.
- (iii) Assessed the performance, suitability and independence of Messrs. Crowe Malaysia PLT ("**Crowe**") and recommended that Crowe be re-appointed as the External Auditors of the Company. Subsequent thereto, the Company had received a notice in writing from Crowe on their resignation as External Auditors of the Company. The ARMC had reviewed and recommended that Messrs UHY Malaysia PLT ("**UHY**") be appointed as the External Auditors of the Company for the FYE 2025 in place of Crowe.
- (iv) Reviewed the performance, independence and objectivity of the External Auditors. UHY also confirmed that they are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the MIA in relation to their audit for the FYE 2025 to the ARMC.
- (v) Reviewed the audit fees and non-audit fees prior to the Board's approval.
- (vi) Had a private session with External Auditors on 26 February 2025 to discuss any issues arising from audits without the presence of the Executive Director and Management, where the External Auditors were given the opportunity to raise any issues of concern directly to the ARMC.
- (vii) The Board at its meeting had approved the ARMC's recommendation to re-appoint UHY as External Auditors of the Company and the Group for the financial year ending 31 December 2026, subject to the shareholders' approval to be sought at the forthcoming 3rd Annual General Meeting.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

SUMMARY OF WORKS CARRIED OUT BY THE ARMC (CONT'D)

The summary of the activities undertaken by the ARMC during FYE 2025, amongst others, included the following: (Cont'd)

c) Internal Audit

- (i) Reviewed and approved the Internal Audit Plan presented by the Internal Auditors, which included details such as audit scope, timeline and proposed fees of the internal audit services to ensure adequacy of the scope and sufficient coverage over the activities of the Group.
- (ii) Reviewed the reports from the Internal Auditors and assessed the Internal Auditors' findings, the necessary recommendations and the Management's responses.
- (iii) Reviewed implementation of recommendations and management agreed action plans through follow-up IA reports.
- (iv) Reviewed and assessed the adequacy of the audit coverage, audit framework and methodology adopted, competency, independence and resources of the outsourced Internal Auditors and ensuring that they have the necessary authority to carry out their work.

d) Related Party Transactions and Conflict of Interest

- (i) Reviewed the quarterly recurrent related party transactions entered into by the Company and the Group to ensure transactions with entered into were at arm's length basis and based on normal commercial terms and not more favourable to the related parties than those generally available to the public.
- (ii) Reviewed and recommended to the Board for approval, the Circular to Shareholders in relation to the proposed shareholders' ratification and proposed new shareholders' mandate for recurrent related party transactions of a revenue or trading nature, for shareholders' consideration and approval.

e) Others

- (i) Reviewed if there is any related party transactions and conflict of interest/potential conflict of interest situation of the Group, including the policies and procedures set out to ensure the transactions made are fair, reasonable and were in the best interest of the Group.
- (ii) Reviewed the Statement on Risk Management and Internal Control, ARMC Report, Corporate Governance Overview Statement and Corporate Governance Report prior to recommendation for Board's approval for inclusion into the Annual Report 2024.
- (iii) Reviewed the Risk Profile report of the Group.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

INTERNAL AUDIT FUNCTION

The Group recognises that internal audit plays a critical role in providing independent assurance on the integrity, efficiency and effectiveness of the Group's financial, operational, information systems, anti-corruption, whistle-blowing and governance processes. The internal audit function operates independently of management and reports directly to the Board through the ARMC, ensuring unbiased evaluations and recommendations to strengthen internal controls and governance.

The Group's internal audit function is outsourced to Augment GC Sdn. Bhd. ("**Augment**" or the "**Internal Auditors**"). The Internal Auditors report directly to the ARMC on the adequacy and effectiveness of the risk management and internal control systems of the Group. The outsourced internal audit function is free from any relationship or conflict of interest that could impair its objectivity and independence. The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework issued by the Institute of Internal Auditors.

The Internal Auditors also utilises the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control-Integrated Framework to evaluate the effectiveness of the internal control. Internal audit was conducted based on an approved risk-based audit plan, focusing on critical business processes, identifying control weaknesses, assessing the adequacy of controls, and providing recommendations to strengthen control environment.

a) Summary of Internal Audit works for FYE 2025

During the financial year under review, the activities undertaken by the outsourced Internal Auditors are summarised as follows:

- (i) Presented risk-based internal audit plan for review and approval of the ARMC.
- (ii) Carried out reviews in accordance with the risk-based internal audit plan approved by the ARMC. Details of the reviews carried out are as follows:

Name of entity audited	Audited areas
Ocean Fresh Seafood Products Sdn Bhd Lianli Huat Seafood Products Sdn Bhd	Inventory Management

- (iii) Performed follow-up review on the previous internal audit report on Procurement to Payables of OFB Group to assess the rectification progress of the agreed Management's action plan, and reported the status to ARMC.

Findings from the internal audit reviews conducted were discussed with the Management and subsequently presented to the ARMC together with the Management's response and proposed action plans. There are no material issues highlighted by Augment during the financial year under review.

b) Total costs incurred for FYE 2025

The total cost incurred for the outsourced internal audit function for FYE 2025 was RM18,144.

c) Review of Internal Audit Function

The ARMC and the Board were satisfied with the performance of the Internal Auditors for FYE 2025.

The ARMC is of the opinion that the internal audit function is independent and the Internal Auditors have performed their audit assignments with impartiality, proficiency and due professional care.

This ARMC Report was approved by the Board on 29 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“**the Board**”) is pleased to provide Ocean Fresh Berhad (“**OFB**” or “**the Company**”) and its subsidiaries (“**the Group**”) Statement on Risk Management and Internal Control (“**Statement**”) which outlines the nature and scope of its risk management and internal control of the Group during the financial year ended 31 December 2025 (“**FYE 2025**”). This Statement has been prepared pursuant to Rule 15.26 (b) of the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), Guidance Note 11 of the Listing Requirements and guided by the section 7 of the *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies* (“**SORMIC Guide 2025**”), issued by the Institute of Internal Auditors Malaysia (“**IIAM**”).

BOARD’S RESPONSIBILITY

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control, and for reviewing its adequacy and effectiveness. The Board has delegated the responsibility for reviewing the adequacy and effectiveness of the risk management and internal control systems to the Audit and Risk Management Committee (“**ARMC**”).

The ARMC was established to oversee the risk management matters within the Group, the roles and responsibilities of the ARMC include amongst others, developing and recommending the Group’s risk management framework and policies, reviewing and assessing the adequacy and effectiveness of the risk management structure, approved risk policies and processes.

The Board recognises that such systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

KEY FEATURES OF THE GROUP’S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

1. RISK MANAGEMENT

The Board regards the management of risks as an integral aspect of the daily operations of the Group. The Group had established a Risk Management Framework to integrate good risk management practices into all its business processes and operations to drive consistent, effective and accountable actions, decision making and management practices.

The Executive Directors and Management are responsible for leading operations and implementing strategies to achieve the objectives set for each subsidiary. Furthermore, the Management is tasked with recognising any emerging or changing risks, taking appropriate actions, and promptly notifying the Board. In fulfilling these duties, the management ensures that employees adhere to OFB’s Standard Operating Procedures (“**SOP**”) and escalates any risk-related issues to the ARMC for further attention.

As part of their responsibilities, the Management evaluates and deliberates on the Group’s major risks annually. For the FYE 2025, the Risk Profile Report highlights the Group’s major key risks such as logistics and transportation challenges, as well as threats posed by new entrants and substitute products. The finalised report is submitted to the ARMC as part of the Group’s annual review process.

The ARMC discussed and reviewed the Risk Profile Report and deliberate on the major risks affecting the Group. Risk profiles, control procedures and status of action plans were presented and deliberated in the ARMC meetings. The recommendation and deliberations by the ARMC are minuted in the Minutes of the ARMC meetings and tabled to the Board for notation, if any.

The abovementioned risk management practices of the Group serve as the on-going process used to identify, evaluate and manage significant risks of the Group. Such risk management process has been in place for the financial year under review and up to the date of this Statement.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

2. PRINCIPAL RISK PROFILE

The principal risks identified during the financial year under review include:

Risk Category	Potential Impact	Key Mitigating Controls
Raw Material Supply	The availability of seafood supply may be affected by seasonal factors, environmental conditions and supplier constraints, which may impact production and fulfilment.	Supplier relationship management, diversification of sourcing channels and inventory planning.
Food Safety and Quality	Failure to meet food safety standards or contamination risks may result in product recalls, regulatory action and reputational damage.	Implementation of stringent quality control procedures and adherence to food safety standards and certifications.
Export and Regulatory	The Group's export activities are subject to international trade regulations, import requirements and certification standards.	Ongoing compliance monitoring and maintenance of required licences and certifications.
Foreign Exchange	Exposure to foreign currency fluctuations may affect revenue and profitability.	Monitoring of foreign currency exposure and prudent financial management.
Operational	Processing operations may be affected by equipment failure, labour constraints or operational inefficiencies.	Preventive maintenance programmes, workforce planning and operational monitoring.
Supply Chain and Logistics	Disruptions in transportation or cold chain logistics may affect product quality and timely delivery.	Logistics coordination, cold chain management and engagement with reliable service providers.
Competition	The Group operates in a competitive market with both local and international seafood suppliers, which may exert pressure on pricing, margins and market share.	Continuous product quality enhancement, customer relationship management and exploration of new markets and distribution channels.
Substitute Products	Consumer preferences may shift towards alternative protein sources or substitute products, which may affect demand for seafood products.	Product diversification, market trend monitoring and development of value-added products to meet changing consumer preferences.
Corruption	The Group may be exposed to corruption and unethical conduct risks in procurement, supplier engagement and other business dealings, which may result in regulatory breaches and reputational damage.	Implementation of anti-corruption policies, employee awareness programmes, due diligence on third parties and internal controls over procurement and approvals.

The above risks are monitored by Management and reviewed periodically by the ARMC to ensure that appropriate mitigation measures remain effective.

EMERGING RISKS

The Board recognises that the business environment continues to evolve and may give rise to emerging risks. These include climate change which may impact seafood supply, evolving food safety and sustainability requirements, and potential disruptions to global logistics and supply chains.

The Group monitors these developments as part of its ongoing risk management process and will implement appropriate measures where necessary to enhance resilience.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

3. INTERNAL AUDIT FUNCTION

The Board, in its efforts to ensure an adequate and effective system of internal control, outsourced its internal audit function to Augment GC Sdn Bhd ("**Augment**" or "**the Internal Auditors**"), an independent consulting firm to assist the ARMC in undertaking independent reviews on the effectiveness and adequacy of the internal controls system and to address the weaknesses identified, if any. The Internal Auditors operates independently providing objective assurance and report directly to the ARMC during the ARMC meeting to support the Board's oversight responsibilities.

The ARMC is chaired by an Independent Non-Executive Director, and its members comprise solely Independent Non-Executive Directors. The Internal Auditors are free from any relationships or conflicts of interest, which could impair the objectivity and independence of the internal audit function. The Internal Auditors do not have any direct operational responsibility or authority over any of the activities audited. The ARMC is of the opinion that the outsourced internal audit function is effective and able to function independently.

During the financial year under review, Augment had conducted one audit in accordance to the approved risk-based internal audit plan by ARMC, which is outlined below:

Audit Period	Reporting Month	Audited Areas
1 October 2024 to 30 September 2025	November 2025	Inventory Management

Findings from the internal audit review conducted were discussed with the Management and subsequently presented together with the Management's response and proposed action plans, to the ARMC for their review and approval.

Notwithstanding the above, although several internal control deficiencies were identified during the internal audit reviews, none of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this Annual Report.

Further details of the Internal Audit Function are set out in the ARMC Report of the 2025 Annual Report.

4. KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control systems are as follows:

- **The Board and ARMC**

The Board and the ARMC meet at least four (4) times annually, with additional meetings to be convened whenever necessary to ensure that the Directors maintain full and effective control of all significant and operational issues.

- **Organisation Structure and Authorisation Procedures**

The Group has a formally defined organisation structure that sets out lines of accountability. The delegation of authority is documented and sets out the decisions that need to be taken and the appropriate authority levels of management, including matters that require the Board's approval. Key financial and procurement matters of the Group required authorisation from the relevant level of management.

- **Information and Communication**

Information critical to the achievement of the Group's business objectives is communicated through established reporting lines across the Group. This is to ensure that matters that require the Board and Senior Management's attention are highlighted for review, deliberation and decision on a timely basis.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

4. KEY ELEMENTS OF INTERNAL CONTROL (CONT'D)

The other key elements of the Group's internal control systems are as follows: (Cont'd)

- **Monitoring and Review**

Management accounts containing key financial results and operational performance are presented to the Management for monitoring and review. The quarterly financial statements are presented to the Board for their review, consideration and approval.

- **Anti-Bribery and Anti-Corruption Policy**

The Group has adopted an Anti-Bribery and Anti-Corruption Policy to ensure that proper safeguards exist to mitigate the risks of corruption and to prevent contravention of any requirement under Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. The Anti-Bribery and Corruption Policy is applicable to all Directors and employees of the Group and any third parties associated with the Group. This represents the Group's effort to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group.

- **Whistleblowing Policy**

The Group has established a Whistleblowing Policy to allow its employees to have a channel to report and disclose any non-compliance or illegal activities within the Group. The policy is made available on the Company's website.

ASSURANCE FROM THE MANAGEMENT

The Board has received assurance from the Executive Directors and Group's Accountant, representing the Management, that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

As required by Rule 15.23 of the Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report. Their reviews were performed in accordance with Audit and Assurance Practice Guide 3 ("**AAPG 3**"): *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants. Based on their reviews, nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by section 7 of the SORMIC Guide 2025 to be set out, nor is factually inaccurate.

AAPG 3 does not require the External Auditors to assess whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and Management thereon. The External Auditors are also not required to assess whether the processes described to manage with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

CONCLUSION

The Board is of the view that the risk management and internal control systems are functioning satisfactorily throughout the financial year under review up to the date of this Statement and have not resulted in any material losses, contingencies or uncertainties that would require separate disclosure in the Group's annual report. Nevertheless, the Board shall continue to take the appropriate and necessary measures to improve the Group's risk management and internal control systems in meeting the Group's corporate objectives.

This statement was approved by the Board on 29 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad on 4 July 2024 in conjunction with its Initial Public Offering (“IPO”), where the Company undertook, amongst others, a public issue of 50,050,000 new ordinary shares in the Company at an issue price of RM0.28 per share, raising gross proceeds of RM14.01 million.

The details of utilisation of the said proceeds raised from the IPO amounting to RM14.01 million as at 31 March 2026 were as follows:

Details of utilisation	Proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000	Estimated timeframe for utilisation from the date of Listing
Capital expenditure for a new cold storage facility	8,000	252	7,748*	Within 24 months
Working capital requirements	2,514	2,514	–	Within 24 months
Estimated listing expenses	3,500	3,500	–	Immediate
Total	14,014	6,266	7,748*	

Note:

* Pending deployment of the proceeds raised from the IPO, funds will be placed in short-term investments (unit trust) accounts.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid/payable to the External Auditors by the Group and the Company for the financial year ended 31 December 2025 (“FYE 2025”) are as follows:

	Group RM	Company RM
Audit fee	120,000	50,000
Non-Audit fee*	5,000	5,000

Note:

* Non-audit fee represent fee for reviewing of Statement on Risk Management and Internal Control.

ADDITIONAL COMPLIANCE INFORMATION (Cont'd)

3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts entered into by the Company and/or its subsidiary involving Directors' and/or major shareholders' interest which were still subsisting as at the end of FYE 2025 or which were entered into since the end of the previous financial year except as disclosed in the financial statements.

4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

Save for the RRPT as disclosed in Note 28(b) to the financial statements, there were no other transactions entered into with the related parties during FYE 2025.

The details of the proposed shareholders' mandate for the RRPTs are set out in the Circular to Shareholders dated 30 April 2026, which is available on Bursa Securities' website and the Company's website.

5. EMPLOYEE SHARE SCHEME

The Company did not establish any employee share scheme and does not have any subsisting employee share scheme during FYE 2025.

6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Rule 9.25A of the ACE Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

	Group	
	2025	2024
	RM	RM
Total Income		
Revenue	157,076,076	163,714,957
Other income	496,563	480,439
Total	157,572,639	164,195,396
Total Assets	70,888,981	80,240,580

(B) Business Activities

	Group	
	2025	2024
	RM	RM
Shariah Non-Compliant Activities		
Interest income	72,076	55,412
Total	72,076	55,412

ADDITIONAL COMPLIANCE INFORMATION (Cont'd)

6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

(C) Component of Financial Position

(i) Cash Component

	Group	
	2025	2024
	RM	RM
Islamic Account/Instruments		
Money market instruments	9,039,771	11,000,000
Cash at bank (exclude cash in hand)	1,587,711	582,047
Cash in hand	74,382	72,609
Total	10,701,864	11,654,656
Conventional Account/Instruments		
Cash at bank (exclude cash in hand)	7,737,546	7,724,252
Total	7,737,546	7,724,252

(ii) Debt Component

	Group	
	2025	2024
	RM	RM
Islamic Financing		
Current		
Banker's acceptances	1,765,019	1,906,609
Bank overdrafts	108,830	171,449
Islamic hire purchase payables	51,837	–
Non-Current		
Islamic hire purchase payables	60,173	–
Total	1,985,859	2,078,058

	Group	
	2025	2024
	RM	RM
Conventional Borrowing		
Current		
Hire purchase payables	474,212	356,784
Non-Current		
Hire purchase payables	1,204,735	61,801
Total	1,678,947	418,585

STATEMENT ON DIRECTORS' RESPONSIBILITY

FOR THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 (“**the Act**”) to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and of the Company, and their financial performance and cash flows for the financial year.

In preparing the financial statements for the financial year ended 31 December 2025, the Directors have:

- (i) adopted and consistently applied the appropriate accounting policies;
- (ii) made judgements and estimates that are reasonable and prudent;
- (iii) ensured that the applicable approved accounting standards in Malaysia and the requirements of the Act are complied with; and
- (iv) ensured the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company maintain proper accounting records which disclose, with reasonable accuracy, the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the Act, Malaysian Financial Reporting Standards, International Financial Reporting Standards and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors have also taken the necessary steps to ensure that appropriate systems are in place for safeguarding the assets of the Group and of the Company for the prevention and detection of fraud and other irregularities. The systems, by their nature, can only provide reasonable and not absolute assurance against material misstatements, loss or fraud.

The Statement was approved by the Board of Directors on 29 April 2026.

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

Principal Activities

The Company is principally engaged in the business of investment holding. The information on the name, principal place of business and country of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are set out in the “Subsidiaries” section of this report.

Financial Results

	Group RM	Company RM
Profit/(Loss) for the financial year	<u>937,424</u>	<u>(611,855)</u>
Attributable to:		
Owners of the parent	<u>937,424</u>	<u>(611,855)</u>

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

Dividends

Dividends paid by the Company since the end of the previous financial year were as follows:

	RM
A single-tier interim dividend of RM0.005 per ordinary share in respect of the financial year ended 31 December 2025 paid on 8 April 2025	<u>1,050,730</u>

The Directors do not recommend the payment of any final dividend for the current financial year.

DIRECTORS' REPORT (Cont'd)

Issue of Shares and Debentures

There was no issuance of shares and debentures during the financial year.

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Directors

The Directors of the Company in office since the beginning of the current financial year until the date of this report are as follows:

Siang Hai Yong*

Kee Wan Chum*

Dato' Sri Chia Hooi Huak*

Ng Lai Hock

Syed Razif Al-Idid B. Syed Sidi Al-Idid

Teo Chee Han*

Yap Lee Teng

Chan Kee Eng

Law Chee Kheong

Go Sin Sin

(retired on 12.6.2025)
(resigned on 28.2.2026)

* Directors of the subsidiaries

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 in Malaysia is deemed incorporated herein by such reference to the financial statements of the respective subsidiaries and made a part hereof.

**DIRECTORS' REPORT
(Cont'd)**

Directors' Interests in Shares

The interests and deemed interests in the shares of the Company of those who were Directors at financial year end according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2025	Bought	Sold	At 31.12.2025
Interests in the Company				
Direct Interests				
Siang Hai Yong	12,294,000	-	-	12,294,000
Kee Wan Chum	200,000	-	-	200,000
Dato' Sri Chia Hooi Huak	13,692,000	-	-	13,692,000
Syed Razif Al-Idid B. Syed Sidi Al-Idid	50,000	-	-	50,000
Teo Chee Han	200,000	-	-	200,000
Indirect Interests				
Siang Hai Yong *#	16,729,000	-	-	16,729,000
Kee Wan Chum *	13,884,000	-	-	13,884,000

* Deemed interested by virtue of his/her direct shareholdings in Sierra Mode Sdn. Bhd..

Deemed interest through spouse's shareholding in the Company

Directors' Benefits

Since the end of the previous financial year, no Directors of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefits which may be deemed to arise from the following transaction:

	Group RM
Sales to related parties	2,588,461
Purchases from related parties	2,726,752
Services expenses charged from related parties	<u>61,643</u>

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' REPORT (Cont'd)

Directors' Remuneration

The details of the Directors' remuneration of the Group and of the Company for the financial year ended 31 December 2025 are as follows:

	Group RM	Company RM
Executive Directors		
Salaries, bonus and other emoluments	669,600	645,600
Defined contribution plans	45,312	45,312
Social security contributions	2,285	2,285
	<u>717,197</u>	<u>693,197</u>
Non-Executive Directors		
Fees	421,248	421,248
	<u>1,138,445</u>	<u>1,114,445</u>

Indemnity and Insurance Costs

There was no indemnity given to or insurance effected for any Directors, officers and auditors of the Company in accordance with the Section 289 of the Companies Act 2016 in Malaysia.

Other Statutory Information

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current asset might be expected so to realise.

DIRECTORS' REPORT
(Cont'd)**Other Statutory Information (Cont'd)**

- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render the amount written off for bad debts or the amount of the additional allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
 - (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT (Cont'd)

Subsidiaries

The details of the Company's subsidiaries are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest %	Principal activities
Direct holding:			
Ocean Fresh Seafood Products Sdn. Bhd.	Malaysia	100	Wholesaler, retailer, processor and exporter of frozen seafood products, investment holding, handling charges and processing fees for seafood products.
Ocean Fresh Trading Sdn. Bhd.	Malaysia	100	Provision of sourcing services for all type of seafood.
Lianli Huat Seafood Products Sdn. Bhd. ("LLH")	Malaysia	100	Trading of seafood products, handling charges and processing fees for seafood products.
East Ocean Frozen Seafood Products (Sabah) Sdn. Bhd.	Malaysia	100	Provision of sourcing services for all type of seafood.
Indirect holding:			
<i>Held through LLH</i>			
Ocean Food Sdn. Bhd.	Malaysia	100	Manufacturing and distribution of retort seafood pouches.

Other than subsidiaries with Qualified Opinion in its auditors' report as disclosed in Note 7 to the financial statements, the available auditors' report on the financial statements of the remaining subsidiaries did not contain any qualification.

DIRECTORS' REPORT
(Cont'd)

Auditors' Remuneration

The details of auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2025 are as follows:

	Group RM	Company RM
Auditors' remuneration		
- Statutory audit	120,000	50,000
- Non-statutory audit	5,000	5,000
	125,000	55,000

Auditors

The Auditors, UHY Malaysia PLT, have express their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 29 April 2026.

SIANG HAI YONG

KEE WAN CHUM

STATEMENT BY **DIRECTORS**

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 29 April 2026.

SIANG HAI YONG

KEE WAN CHUM

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Chong Der Woei (MIA Membership No: 30922), being the officer primarily responsible for the financial management of Ocean Fresh Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the)
abovenamed at Kuala Lumpur in the Federal)
Territory on 29 April 2026)

CHONG DER WOEI

Before me,

ZAINUL ABIDIN BIN AHMAD
No. W790
COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OCEAN FRESH BERHAD

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Ocean Fresh Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 85 to 166.

In our opinion, except for the possible effect of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Qualified Opinion

As disclosed in Note 34 to the financial statements, the Inland Revenue Board of Malaysia has issued Notices of Additional Assessment to a subsidiary of the Company in respect of the years of assessment 2021 to 2024 following the disallowance of Allowance for Increased Export (Elaun Peningkatan Eksport) claims previously recognised by the Group.

The Notices of Additional Assessment require the settlement of additional income tax and penalties amounting to approximately RM4.18 million, payable within the stipulated timeframe. As at the date of this report, the Group has not recognised any liability in respect of these assessments. The Directors, having obtained legal and professional advice, are of the view that the assessments are disputable and intend to pursue further appeal. The Directors are also of the view that the associated penalties are not expected to be sustained in full.

INDEPENDENT AUDITORS' REPORT (Cont'd)

Basis for Qualified Opinion (Cont'd)

In our opinion, the issuance of the Notices of Additional Assessment gives rise to a present obligation in accordance with Malaysian Financial Reporting Standards, and a liability should be recognised in the financial statements. Had the Group recognised the liability, income tax expense would have increased and profit after tax would have decreased by approximately RM4.18 million for the financial year ended 31 December 2025, with a corresponding increase in current liabilities and decrease in equity.

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

INDEPENDENT AUDITORS' REPORT (Cont'd)

Key Audit Matters (Cont'd)

Key audit matters	How we addressed the key audit matters
<p>Recoverability of trade receivables</p> <p>Refer to Note 2(c) (Significant accounting judgements, estimates and assumptions), Note 3 (Material accounting policies) and Note 9 (Trade receivables).</p> <p>The Group's trade receivables amounting to RM13.46 million, representing approximately 19% of the Group's total assets as at 31 December 2025.</p> <p>We focused on this area because the Group has significant trade receivables as at 31 December 2025 and it is subject to credit risk exposure.</p> <p>The management applied significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance. This is considered a key audit matter due to the inherent subjectivity that is involved in making judgements in relation to the recoverability of trade receivables.</p>	<p>We have reviewed the Group's trade receivables to determine whether there are any indications of impairment. Our impairment review was focused towards trade receivables which are overdue but not impaired as at 31 December 2025.</p> <p>We assessed the reasonableness of the methods and assumptions used by the management in estimating the recoverable amount and impairment loss both specific impairment and expected credit loss. We also tested the accuracy and completeness of the data used by the management.</p> <p>We developed our understanding on trade receivables which poses a high risk of default through reviewing the receivables ageing analysis, discussion with the management.</p> <p>We reviewed the adequacy of the impairment loss and enquired the management regarding the recoverability of samples of trade receivables that are individually significant and group of receivables with similar credit risk characteristics. We examined the repayment patterns and obtained evidence of cash receipts where these have been received.</p>

We have determined that there is no key audit matters in the audit of the financial statements of the Company to be communicated in our Auditors' report.

INDEPENDENT AUDITORS' REPORT (Cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (Cont'd)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT (Cont'd)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that in our opinion, the financial statements do not comply with the approved accounting standards in Malaysia in respect of the non-recognition of additional tax liabilities arising from the Notices of Additional Assessment issued by the Inland Revenue Board of Malaysia, as disclosed in the *Basis for Qualified Opinion* section.

Other Matters

- (a) The financial statements of the Group and of the Company for the financial year ended 31 December 2024 was audited by another auditor who expressed an unmodified opinion on those statements on 21 April 2025.
- (b) This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

UHY Malaysia PLT
202406000040 (LLP0041391-LCA) & AF 1411
Chartered Accountants

YEOH AIK CHUAN
Approved Number: 02239/07/2026 J
Chartered Accountant

KUALA LUMPUR
29 April 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	8,699,257	8,703,913	-	-
Right-of-use assets	5	3,580,461	1,502,540	200,667	-
Goodwill on consolidation	6	50,055	50,055	-	-
Investment in subsidiaries	7	-	-	46,037,643	46,037,643
		<u>12,329,773</u>	<u>10,256,508</u>	<u>46,238,310</u>	<u>46,037,643</u>
Current Assets					
Inventories	8	17,346,508	24,067,210	-	-
Trade receivables	9	13,461,324	18,800,938	-	-
Other receivables	10	8,436,693	6,966,727	140	4,187,500
Amount due from subsidiaries	11	-	-	80,000	79,860
Short-term investments	12	9,039,771	11,000,000	3,632,699	2,500,000
Current tax assets		875,273	770,289	16,000	-
Cash and bank balances		9,399,639	8,378,908	1,472,983	142,086
		<u>58,559,208</u>	<u>69,984,072</u>	<u>5,201,822</u>	<u>6,909,446</u>
Total Assets		<u>70,888,981</u>	<u>80,240,580</u>	<u>51,440,132</u>	<u>52,947,089</u>

STATEMENTS OF FINANCIAL POSITION
(Cont'd)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
Equity					
Share capital	13	51,312,029	51,312,029	51,312,029	51,312,029
Reorganisation deficit	14	(26,469,931)	(26,469,931)	-	-
Retained earnings/ (Accumulated losses)		35,216,905	35,330,211	(201,244)	1,461,341
Total Equity		<u>60,059,003</u>	<u>60,172,309</u>	<u>51,110,785</u>	<u>52,773,370</u>
Non-Current Liabilities					
Lease liabilities	15	1,264,908	70,795	101,966	-
Deferred tax liabilities	16	775,989	-	-	-
		<u>2,040,897</u>	<u>70,795</u>	<u>101,966</u>	<u>-</u>
Current Liabilities					
Trade payables	17	3,037,507	11,780,171	-	-
Other payables	18	3,342,682	5,608,076	172,632	49,804
Lease liabilities	15	535,043	407,256	54,749	-
Bank borrowings	19	1,873,849	2,078,058	-	-
Current tax liabilities		-	123,915	-	123,915
		<u>8,789,081</u>	<u>19,997,476</u>	<u>227,381</u>	<u>173,719</u>
Total Liabilities		<u>10,829,978</u>	<u>20,068,271</u>	<u>329,347</u>	<u>173,719</u>
Total Equity and Liabilities		<u>70,888,981</u>	<u>80,240,580</u>	<u>51,440,132</u>	<u>52,947,089</u>

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	20	157,076,076	163,714,957	960,000	4,662,560
Cost of sales		(145,225,642)	(147,164,853)	-	-
Gross profit		<u>11,850,434</u>	<u>16,550,104</u>	<u>960,000</u>	<u>4,662,560</u>
Other income		496,383	480,439	134,467	143,718
Selling and distribution expenses		(6,309,750)	(9,157,046)	-	-
Administrative expenses		(4,960,324)	(4,397,996)	(1,690,154)	(3,165,883)
Other expenses		(239,175)	(253,155)	(14,333)	-
Net gain/(loss) on impairment of financial instruments		1,211,385	(753,008)	-	-
Profit/(Loss) from operations		<u>2,048,953</u>	<u>2,469,338</u>	<u>(610,020)</u>	<u>1,640,395</u>
Finance costs	21	(150,807)	(171,563)	(1,873)	-
Profit/(Loss) before tax	22	<u>1,898,146</u>	<u>2,297,775</u>	<u>(611,893)</u>	<u>1,640,395</u>
Taxation	23	(960,722)	(378,278)	38	(138,315)
Profit/(Loss) for the financial year, representing total comprehensive income/(loss) for the financial year attributable to owners of the parent		<u>937,424</u>	<u>1,919,497</u>	<u>(611,855)</u>	<u>1,502,080</u>
Earnings per share (sen)	24				
Basic		<u>0.45</u>	<u>1.04</u>		
Diluted		<u>0.45</u>	<u>1.04</u>		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Attributable to owners of the parent			Total Equity RM
		Non-distributable		Distributable	
		Share Capital RM	Reorganisation Deficit RM	Retained Earnings RM	
Group					
At 1 January 2025		51,312,029	(26,469,931)	35,330,211	60,172,309
Profit for the financial year, representing total comprehensive income for the financial year		-	-	937,424	937,424
Transactions with owners:					
Dividends to owners of the Company	25	-	-	(1,050,730)	(1,050,730)
At 31 December 2025		<u>51,312,029</u>	<u>(26,469,931)</u>	<u>35,216,905</u>	<u>60,059,003</u>

STATEMENTS OF CHANGES IN EQUITY
(Cont'd)

		Attributable to owners of the parent					Total Equity RM
		Non-distributable		Distributable			
Note	Share Capital RM	Invested Capital RM	Reorganisation Reserve/(Deficit) RM	Retained Earnings RM			
	1	8,137,139	3,815,970	33,410,714		45,363,824	
	-	-	-	1,919,497		1,919,497	
		38,423,040	(8,137,139)	(30,285,901)	-	-	
		14,014,000	-	-	-	14,014,000	
		(1,125,012)	-	-	-	(1,125,012)	
		51,312,028	(8,137,139)	(30,285,901)	-	12,888,988	
		51,312,029	-	(26,469,931)	35,330,211	60,172,309	

Group

At 1 January 2024

Profit for the financial year, representing
total comprehensive income for the financial year**Transactions with owners:**

Issuance of new shares:

- acquisition of a subsidiary

- public issuance

Share issuance expenses

Total transactions with owners

At 31 December 2024

STATEMENTS OF CHANGES IN EQUITY (Cont'd)

	Note	Share Capital RM	Retained Earnings/ (Accumulated Losses) RM	Total Equity RM
Company				
At 1 January 2025		51,312,029	1,461,341	52,773,370
Loss for the financial year, representing total comprehensive loss for the financial year		-	(611,855)	(611,855)
Transactions with owners:				
Dividends to owners of the Company	25	-	(1,050,730)	(1,050,730)
At 31 December 2025		<u>51,312,029</u>	<u>(201,244)</u>	<u>51,110,785</u>
At 1 January 2024		1	(40,739)	(40,738)
Profit for the financial year, representing total comprehensive income for the financial year		-	1,502,080	1,502,080
Transaction with owners:				
Issuance of new shares:				
- acquisition of a subsidiary	13	38,423,040	-	38,423,040
- public issuance	13	14,014,000	-	14,014,000
Share issuance expenses	13	(1,125,012)	-	(1,125,012)
Total transaction with owners		51,312,028	-	51,312,028
At 31 December 2024		<u>51,312,029</u>	<u>1,461,341</u>	<u>52,773,370</u>

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Operating Activities				
Profit/(Loss) before tax	1,898,146	2,297,775	(611,893)	1,640,395
Adjustments for:				
Bad debt written off	-	7,436	-	-
Deposit written off	800	-	-	-
Depreciation:				
- property, plant and equipment	667,974	643,743	-	-
- right-of-use assets	319,379	205,251	14,333	-
Dividend income	-	-	-	(4,182,560)
Finance costs	150,807	171,563	1,873	-
Impairment losses on trade receivables	62,342	753,008	-	-
Inventories written down	782,360	-	-	-
Property, plant and equipment written off	5	13,126	-	-
Unrealised loss/(gain) on foreign exchange	391,145	(93,524)	-	-
Gain on disposal of property, plant and equipment	(68,069)	(16,999)	-	-
Interest income	(428,314)	(150,471)	(134,467)	(143,718)
Reversal of impairment losses on:				
- advances to suppliers	-	(22,725)	-	-
- trade receivables	(1,273,727)	-	-	-
Operating profit/(loss) before working capital changes	<u>2,502,848</u>	<u>3,808,183</u>	<u>(730,154)</u>	<u>(2,685,883)</u>

STATEMENTS OF CASH FLOWS (Cont'd)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Operating Activities (Cont'd)				
Changes in working capital:				
Inventories	5,938,342	3,996,285	-	-
Trade and other receivables	4,634,073	(8,441,263)	4,800	(4,800)
Amount due from subsidiaries	-	-	(50,000)	(30,000)
Trade and other payables	(10,953,043)	5,140,535	122,828	21,334
Amount due to a related party	-	-	-	(12,409)
	<u>(380,628)</u>	<u>695,557</u>	<u>77,628</u>	<u>(25,875)</u>
Cash generated from/(used in) operations	2,122,220	4,503,740	(652,526)	(2,711,758)
Dividend received	-	-	4,182,560	-
Interest paid	(150,807)	(171,563)	(1,873)	-
Interest received	428,314	150,471	134,467	143,718
Tax paid	(792,733)	(739,983)	(139,877)	(14,400)
Tax refund	379,101	-	-	-
	<u>(136,125)</u>	<u>(761,075)</u>	<u>4,175,277</u>	<u>129,318</u>
Net cash from/(used in) operating activities	<u>1,986,095</u>	<u>3,742,665</u>	<u>3,522,751</u>	<u>(2,582,440)</u>
Investing Activities				
Acquisition of subsidiaries [Note 7(c)(ii)]	-	-	-	(7,614,603)
Net changes in amount due from subsidiaries	-	-	49,860	(49,860)
Proceeds from disposal of property, plant and equipment	74,400	17,000	-	-
Purchase of property, plant and equipment	(669,654)	(981,893)	-	-
Purchase of right-of-use assets [Note 5(b)]	(412,900)	-	(45,000)	-
Net cash (used in)/from investing activities	<u>(1,008,154)</u>	<u>(964,893)</u>	<u>4,860</u>	<u>(7,664,463)</u>

STATEMENTS OF CASH FLOWS
(Cont'd)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financing Activities				
Dividend paid to owners of the Company	(1,050,730)	-	(1,050,730)	-
Repayment of bankers' acceptances	(141,590)	(1,214,720)	-	-
Payment of lease liabilities	(662,500)	(432,996)	(13,285)	-
Proceeds from issuance of ordinary shares (net of share issuance expenses)	-	12,888,988	-	12,888,988
Net cash (used in)/from financing activities	<u>(1,854,820)</u>	<u>11,241,272</u>	<u>(1,064,015)</u>	<u>12,888,988</u>
Net (decrease)/increase in cash and cash equivalents	(876,879)	14,019,044	2,463,596	2,642,085
Cash and cash equivalents at the beginning of the financial year	<u>19,207,459</u>	<u>5,188,415</u>	<u>2,642,086</u>	<u>1</u>
Cash and cash equivalents at the end of the financial year	<u>18,330,580</u>	<u>19,207,459</u>	<u>5,105,682</u>	<u>2,642,086</u>
Cash and cash equivalents at the end of the financial year comprises:				
Short-term investments	9,039,771	11,000,000	3,632,699	2,500,000
Cash and bank balances	9,399,639	8,378,908	1,472,983	142,086
Bank overdraft	(108,830)	(171,449)	-	-
	<u>18,330,580</u>	<u>19,207,459</u>	<u>5,105,682</u>	<u>2,642,086</u>

STATEMENTS OF CASH FLOWS (Cont'd)

Cash flows for leases as a lessee

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Included in Operating Activities				
Interest paid in relation to lease liabilities (Note 21)	98,750	42,892	1,873	-
Payment relating to:				
- Short-term leases (Note 22)	1,531,236	1,410,718	-	-
- Low value assets (Note 22)	3,600	3,600	-	-
Included in Financing Activities				
Payment of lease liabilities	662,500	432,996	13,285	-
Total cash outflows for leases	2,296,086	1,890,206	15,158	-

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

1. Corporate Information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Unit 521, 5th Floor, Lobby 6, Block A, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan.

The principal place of business of the Company is located at Lot 19869, Kampung Baru Peramu, 26060 Kuantan, Pahang Darul Makmur.

The Company is principally engaged in the business of investment holding. The information on the name, principal place of business and country of incorporation, principal activities and percentage of equity held by the Company in each subsidiary is disclosed in Note 7.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

2. Basis of Preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policy below.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Adoption of new and amended standards

During the financial year, the Group and the Company have adopted the following amendments to standards issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for the current financial year:

Amendments to MFRS 121 Lack of Exchangeability

The adoption of the amendments to standards did not have any significant impact on the financial statements of the Group and of the Company.

Standards issued but not yet effective

The Group and the Company have not applied the following new standards and amendments to standards that have been issued by the MASB but are not yet effective for the Group and for the Company:

	Effective dates for financial period beginning on or after
Amendments to MFRS 9 and MFRS 7	1 January 2026
Amendments to MFRS 9 and MFRS 7	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
<ul style="list-style-type: none"> ● Amendments to MFRS 1 ● Amendments to MFRS 7 ● Amendments to MFRS 9 ● Amendments to MFRS 10 ● Amendments to MFRS 107 	
MFRS 18	1 January 2027
MFRS 19	1 January 2027
Amendments to MFRS 19	1 January 2027
Amendments to MFRS 121	1 January 2027
Amendments to MFRS 10 and MFRS 128	Deferred until further notice

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. **Basis of Preparation (Cont'd)**

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

The Group and the Company intend to adopt the above new standards and amendments to standards, if applicable, when they become effective.

The initial application of the above-mentioned new standards and amendments to standards are not expected to have any significant impact on the financial statements of the Group and of the Company except as disclosed below:

MFRS 18 *Presentation and Disclosure in Financial Statements*

MFRS 18 will replace MFRS 101 *Presentation of Financial Statements*. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to MFRS 107 *Statement of Cash Flows* and some requirements of MFRS 101 have been moved to MFRS 108 *Basis of Preparation of Financial Statements*.

MFRS 18 additional requirements are as follows:

(i) Statement of Profit or Loss and Other Comprehensive Income

MFRS 18 introduces newly defined “operating profit or loss” and “profit or loss before financing and income tax” subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged. Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

(ii) Statement of Cash Flows

The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from “profit or loss” to “operating profit or loss”. It also provides guidance on classification of interest and dividend in statement of cash flows.

(iii) New disclosures of expenses by nature

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

The initial application of the above-mentioned new standards and amendments to standards are not expected to have any significant impacts on the financial statements of the Group and of the Company except as disclosed below: (Cont'd)

MFRS 18 *Presentation and Disclosure in Financial Statements* (Cont'd)

MFRS 18 additional requirements are as follows: (Cont'd)

(iv) Management-defined Performance Measures (MPMs)

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(v) Enhanced Guidance on Aggregation and Disaggregation

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

The potential impact of the new standard on the financial statements of the Group and of the Company have yet to be assessed.

(b) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)2. **Basis of Preparation (Cont'd)**

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements

The following is the judgements made by management in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal options - the Group as lessee

The Group determines the lease term with any years covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether to exercise the option to renew the lease. It considers all relevant factors that create an economic incentive for it to exercise the renewal option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

The Group includes the renewal year as part of the lease term for such leases. The Group typically exercises its option to renew for those leases with renewal option.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Depreciation and useful lives of property, plant and equipment and right-of-use (“ROU”) assets

The Group and the Company review the residual values, useful lives and depreciation methods at the end of each reporting period. Judgements are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment and ROU assets may differ from the estimates applied and therefore, future depreciation charges could be revised. The carrying amounts of the Group's and of the Company's property, plant and equipment and ROU assets are disclosed in Note 4 and 5 respectively.

Valuation of inventories

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices less estimated cost to sell. Demand level and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 8.

Provision for expected credit losses of financial assets at amortised cost

The Group uses a provision matrix to calculate expected credit losses for trade receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future. Information about the expected credit losses is disclosed in Note 9.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)2. **Basis of Preparation (Cont'd)**

- (c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these tax matters is different from the amounts that were initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies

The Group and the Company apply the material accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

In the Company's separate financial statements, investment in subsidiaries are stated at cost less any accumulated impairment losses. On disposal of such investment, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss.

(ii) Business combination

Business combination - Merger method

A business combination in which all the combining entity or business are ultimately controlled by same party or parties both before or after the business combination, and that control is not transitory. The acquisition of the combining entities resulted in a business involving common control since the management of all the entities which took part in the acquisition were controlled by common Directors and under common shareholders before and immediately after the acquisition, and accordingly the accounting treatment is outside the scope of MFRS 3.

Under the merger method of accounting, the results of subsidiary are presented as if the merger had been affected throughout the current period. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholders at the date of transfer. On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any reserves which are attributable to share capital of the merged entity, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in other reserves.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies (Cont'd)

(a) Basis of consolidation (Cont'd)

(ii) Business combination (Cont'd)

Business combination - Acquisition method

The Group applies the acquisition method to account for business combinations from the acquisition date, which is the date on which the control is transferred to the Group. Under the acquisition method, the identifiable assets acquired and liabilities assumed are measured at their fair values at the acquisition date. The cost of an acquisition is measured as the aggregate of the fair value of the consideration transferred. Non-controlling interests are stated either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group measures goodwill as the excess of the cost of an acquisition, as defined above, and the fair values of any previously held interest in the acquiree, over the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, all intra-group balances, income and expenses and unrealised gains or losses resulting from intra-group transactions are eliminated in full. Uniform accounting policies are applied to like transactions and events in similar circumstances.

(iii) Changes in ownership interests in subsidiaries without change of control

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's proportionate share of net assets before and after the change, and any fair value of consideration received or paid, is recognised directly in equity as transactions with shareholders.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies (Cont'd)

(a) Basis of consolidation (Cont'd)

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or at fair value through other comprehensive income depending on the level of influence retained.

(v) Goodwill on consolidation

Goodwill arising from business combinations is measured at cost less accumulated impairment losses. Goodwill with indefinite useful lives is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying amount may be impaired.

(b) Foreign currency translation

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

3. **Material Accounting Policies (Cont'd)**

(b) Foreign currency translation (Cont'd)

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the reporting period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised in other comprehensive income.

(c) Property, plant and equipment

(i) Recognition and measurement

All items of property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

(ii) Depreciation

Depreciation is recognised in profit or loss on straight-line basis to write off the cost of each asset to its residual value over its estimated useful life. Freehold land is not depreciated.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Factory building	2%
Solar assets	4%
Plant and machineries	10%
Factory equipment, laboratory equipment and cold room	10%
Office equipment, furniture and fitting, renovation and signboard	10% - 20%
Motor vehicles	20%

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies (Cont'd)

(d) Leases

As lessee

(a) Right-of-use (“ROU”) assets

ROU assets are initially measured at cost. Subsequent to the initial recognition, the ROU assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The ROU assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the ROU assets or the end of the lease term.

(b) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group entities uses its incremental borrowing rate as the discount rate.

Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

(c) Short-term leases and leases of low-value assets

The Group and the Company have elected not to recognise ROU assets and lease liabilities for short-term leases and leases of low value assets. The Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies (Cont'd)

(e) Financial assets

Recognition and initial measurement

Financial assets are recognised on the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance of the financial instruments. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial asset categories and subsequent measurement

For the purpose of subsequent measurement, the Group and the Company classify their financial assets in the following categories:

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (“FVTPL”)

The classification depends on the entity’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets are not reclassified subsequent to their initial recognition unless the Group and the Company change its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets at fair value through profit or loss

Subsequent to the initial recognition, the financial assets at fair value through profit or loss are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income. Other net gains or losses, including any interest or dividend income, are also recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies (Cont'd)

(f) Financial liabilities

Recognition and initial measurement

Financial liabilities are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

At initial recognition, the Group and the Company measure a financial liability at its fair value less, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance of the financial instruments.

Financial liability categories and subsequent measurement

For the purpose of subsequent measurement, the Group and the Company classify their financial liabilities as financial liabilities at amortised cost.

Financial liabilities at amortised cost

Financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials comprise cost of purchase and other costs incurred in bringing it to their present location and condition are determined on a weighted average basis. Cost of finished goods consists of direct material, direct labour and an appropriate proportion of production overheads are stated on a weighted average basis (which approximates average actual cost).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies (Cont'd)

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, demand deposits, bank overdraft and short-term highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(i) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss.

Impairment losses recognised in prior years are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies (Cont'd)

(i) Impairment of assets (Cont'd)

(ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (“a 12-month ECL”). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (“a lifetime ECL”).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(j) Share capital

Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividend distribution to the Company’s shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company’s shareholders.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)3. **Material Accounting Policies (Cont'd)**

(k) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(l) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group and of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

(ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the state pension scheme, the Employee Provident Fund (“EPF”). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies (Cont'd)

(m) Revenue and other income

(i) Revenue from contracts with customers

Revenue is recognised when the Group and the Company satisfied a performance obligation (“PO”) by transferring a promised good or services to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

The Group and the Company recognise revenue from the following major sources:

(a) Sale of frozen seafood products

The Group manufactures and sells in the market. Revenue from sale of goods is recognised when control of the products has transferred, being the products are delivered to the customer.

Following delivery of the goods to the customer’s specific location, the customers have full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

Revenue is recognised based on the price specified in the contract, net of the rebates, discounts and taxes.

A receivable is recognised by the Group when the goods are delivered as this represents the point in time at which the right to consideration is unconditional, because only the passage of time is required before payment is due.

(b) Rendering of processing services

Revenue is recognised at a point in time when the services have been rendered to the customers and coincides with the delivery of services and acceptance by customers.

(c) Management fees

Management fees are recognised in the reporting period in which the services are rendered.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)3. **Material Accounting Policies (Cont'd)**

(m) Revenue and other income (Cont'd)

(ii) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(iii) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(n) Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

(o) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Material Accounting Policies (Cont'd)

(o) Income taxes (Cont'd)

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(p) Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

(q) Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decisionmaker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)3. **Material Accounting Policies (Cont'd)**

(r) Fair value measurement

Fair value of an asset or a liability is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer of the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 : unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Property, Plant and Equipment

Group 2025 Cost	Freehold	Factory	Solar	Plant	Factory	Office	Total
	land	building	assets	and	equipment,	equipment	
	RM	RM	RM	machineries	laboratory	renovation and	RM
				RM	and cold room	signboard	RM
					vehicles		RM
At 1 January 2025	992,718	6,927,818	576,960	1,332,868	2,357,214	834,233	14,030,940
Additions	-	51,100	-	85,474	179,475	16,525	337,080
Disposals	-	-	-	(85,000)	(35,800)	-	(55,000)
Written off	-	-	-	-	(177,470)	(900)	(178,370)
At 31 December 2025	992,718	6,978,918	576,960	1,333,342	2,323,419	849,858	14,346,424

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

4. Property, Plant and Equipment (Cont'd)

Group 2025	Freehold land RM	Factory building RM	Solar assets RM	Plant and machineries RM	Factory equipment, laboratory equipment and cold room RM	Office equipment furniture and fittings, renovation and signboard RM	Motor vehicles RM	Total RM
Accumulated depreciation	-	1,780,628	83,081	712,433	1,396,162	631,187	723,536	5,327,027
Charge for the financial year	-	138,978	23,078	127,815	162,605	67,579	147,919	667,974
Disposals	-	-	-	(84,999)	(32,220)	-	(52,250)	(169,469)
Written off	-	-	-	-	(177,467)	(898)	-	(178,365)
At 31 December 2025	-	1,919,606	106,159	755,249	1,349,080	697,868	819,205	5,647,167
Carrying amount	992,718	5,059,312	470,801	578,093	974,339	151,990	472,004	8,699,257

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Property, Plant and Equipment (Cont'd)

Group 2024 Cost	Freehold	Factory	Solar	Plant	Factory	Office	Total
	land	building	assets	and	equipment,	equipment	
	RM	RM	RM	machineries	laboratory	renovation and	RM
				RM	and cold room	signboard	RM
					vehicles		RM
At 1 January 2024	992,718	6,350,552	576,960	1,368,868	2,035,485	782,847	13,221,185
Additions	-	577,266	-	27,000	321,729	52,686	981,893
Disposal	-	-	-	-	-	-	(107,838)
Written off	-	-	-	(63,000)	-	(1,300)	(64,300)
At 31 December 2024	992,718	6,927,818	576,960	1,332,868	2,357,214	834,233	14,030,940

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

4. Property, Plant and Equipment (Cont'd)

Group 2024	Freehold land RM	Factory building RM	Solar assets RM	Plant and machineries RM	Factory equipment, laboratory equipment and cold room RM	Office equipment furniture and fittings, renovation and signboard RM	Motor vehicles RM	Total RM
Accumulated depreciation	-	1,644,497	60,002	636,618	1,238,986	559,493	702,699	4,842,295
Charge for the financial year	-	136,131	23,079	125,690	157,176	72,993	128,674	643,743
Disposal	-	-	-	-	-	-	(107,837)	(107,837)
Written off	-	-	-	(49,875)	-	(1,299)	-	(51,174)
At 31 December 2024	-	1,780,628	83,081	712,433	1,396,162	631,187	723,536	5,327,027
Carrying amount	992,718	5,147,190	493,879	620,435	961,052	203,046	285,593	8,703,913

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

4. **Property, Plant and Equipment (Cont'd)**

The carrying amount of property, plant and equipment of the Group pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 19(a) are as follows:

	Group	
	2025	2024
	RM	RM
Freehold land	992,718	992,718
Factory building	5,059,312	5,147,190
	<u>6,052,030</u>	<u>6,139,908</u>

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

5. Right-of-use Assets

Group	Solar asset RM	Plant and machineries RM	Cold room RM	Hostels RM	Motor vehicles RM	Total RM
2025						
Cost						
At 1 January 2025	1,200,000	539,100	-	226,678	-	1,965,778
Additions	-	598,300	1,400,000	-	399,000	2,397,300
Expiration of lease contracts	-	-	-	(196,595)	-	(196,595)
At 31 December 2025	1,200,000	1,137,400	1,400,000	30,083	399,000	4,166,483
Accumulated depreciation						
At 1 January 2025	180,000	112,312	-	170,926	-	463,238
Charge for the financial year	48,000	103,769	70,000	46,477	51,133	319,379
Expiration of lease contracts	-	-	-	(196,595)	-	(196,595)
At 31 December 2025	228,000	216,081	70,000	20,808	51,133	586,022
Carrying amount						
At 31 December 2025	972,000	921,319	1,330,000	9,275	347,867	3,580,461

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

5. Right-of-use Assets (Cont'd)

	Solar asset RM	Plant and machineries RM	Hostels RM	Total RM
Group				
2024				
Cost				
At 1 January 2024	1,200,000	539,100	149,499	1,888,599
Additions	-	-	77,179	77,179
At 31 December 2024	<u>1,200,000</u>	<u>539,100</u>	<u>226,678</u>	<u>1,965,778</u>
Accumulated depreciation				
At 1 January 2024	132,000	58,402	67,585	257,987
Charge for the financial year	48,000	53,910	103,341	205,251
At 31 December 2024	<u>180,000</u>	<u>112,312</u>	<u>170,926</u>	<u>463,238</u>
Carrying amount				
At 31 December 2024	<u>1,020,000</u>	<u>426,788</u>	<u>55,752</u>	<u>1,502,540</u>
			Motor vehicle RM	
Company				
2025				
Cost				
At 1 January 2025			-	
Addition			215,000	
At 31 December 2025			<u>215,000</u>	
Accumulated depreciation				
At 1 January 2025			-	
Charge for the financial year			14,333	
At 31 December 2025			<u>14,333</u>	
Carrying amount				
At 31 December 2025			<u>200,667</u>	

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

5. **Right-of-use Assets (Cont'd)**

- (a) The carrying amount of right-of-use assets of the Group and of the Company held under lease liabilities are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Solar asset	972,000	1,020,000	-	-
Plant and machineries	921,319	426,788	-	-
Cold room	1,330,000	-	-	-
Motor vehicles	347,867	-	200,667	-
	<u>3,571,186</u>	<u>1,446,788</u>	<u>200,667</u>	<u>-</u>

The leased assets are pledged as securities for the related lease liabilities as disclosed in Note 15.

- (b) The aggregate additional cost for the right-of-use assets of the Group and of the Company during the financial year acquired under lease financing and cash payments are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Aggregate costs	2,397,300	77,179	215,000	-
Less: Lease financing	(1,984,400)	(77,179)	(170,000)	-
Cash payments	<u>412,900</u>	<u>-</u>	<u>45,000</u>	<u>-</u>

6. **Goodwill on Consolidation**

	Group	
	2025	2024
	RM	RM
Cost		
At 1 January/31 December	<u>50,055</u>	<u>50,055</u>

No impairment testing is done on goodwill allocated to the cash-generating unit as it is considered immaterial to the Group.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. Investment in Subsidiaries

(a) Investment in subsidiaries

	Company	
	2025 RM	2024 RM
In Malaysia		
Unquoted shares, at cost	46,037,643	46,037,643

(b) Details of the subsidiaries are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest		Principal activities
		2025 %	2024 %	
Direct holding:				
Ocean Fresh Seafood Products Sdn. Bhd. (“OFSP”) #	Malaysia	100	100	Wholesaler, retailer, processor, and exporter of frozen seafood products, investment holding, handling charges and processing fees for seafood products.
Ocean Fresh Trading Sdn. Bhd. (“OFT”)	Malaysia	100	100	Provision of sourcing services for all type of seafood.
Lianli Huat Seafood Products Sdn. Bhd. (“LLH”)	Malaysia	100	100	Trading of seafood products, handling charges and processing fees for seafood products.
East Ocean Frozen Seafood Products (Sabah) Sdn. Bhd. (“EO”)	Malaysia	100	100	Provision of sourcing services for all type of seafood.
Indirect holding: Held through LLH				
Ocean Food Sdn. Bhd. (“OF”) *	Malaysia	100	-	Manufacturing and distribution of retort seafood pouches.

* *The results of OF were consolidated based on its management accounts as the Directors consider the financial position and financial performance of OF are not material to the Group.*

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

7. **Investment in Subsidiaries (Cont'd)**

(b) Details of the subsidiaries are as follows: (Cont'd)

The audited financial statements of OFSP for the financial year ended 31 December 2025 were issued with a qualified opinion by its auditors in relation to the non-recognition of additional tax liabilities arising from Notices of Additional Assessment issued by the Inland Revenue Board of Malaysia for the years of assessment 2021 to 2024. OFSP had not recognised the related tax liability and penalties amounting to approximately RM4.18 million. The auditors were of the opinion that the assessments gave rise to a present obligation in accordance with Malaysian Financial Reporting Standards, and a liability should be recognised in the financial statements of OFSP. Had OFSP recognised the liability, income tax expense would have increased and profit after tax would have decreased by approximately RM4.18 million for the financial year ended 31 December 2025, with a corresponding increase in current liabilities and decrease in equity.

(c) Acquisition of subsidiaries

31 December 2024

On 3 May 2024, the Company had undertaken a restructuring exercise via:

- (i) acquisition of the entire issued share capital of OFSP for a total consideration of RM38,423,040 that has been satisfied via the issuance of 160,095,999 new ordinary shares at RM0.24 per ordinary share; and
- (ii) Internal reorganisation upon completion of the acquisition of the entire issued share capital of OFSP whereby the Company has acquired the entire issued share capital of LLH, EO and OFT for a total cash consideration of RM7,614,603.

(d) Incorporation of a new subsidiary

31 December 2025

On 5 November 2025, LLH, a wholly-owned subsidiary of the Company had incorporated a new subsidiary in Malaysia under the name of Ocean Food Sdn. Bhd. with an initial paid-up share capital of RM100 comprising of 100 ordinary shares. Consequently, OF became a wholly-owned indirect subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

8. Inventories

	Group	
	2025	2024
	RM	RM
Raw materials	570,632	481,153
Good-in-transit	1,995,821	6,751,921
Finished goods	14,780,055	16,834,136
	<u>17,346,508</u>	<u>24,067,210</u>
Recognised in profit or loss		
Inventories recognised as cost of sales	144,925,024	146,968,100
Inventories written down	<u>782,360</u>	<u>-</u>

Inventories were written down in accordance with the Group's inventory impairment policy for slow-moving and aged inventories, based on an assessment of recoverability and net realisable value. The write-down was recognised in profit or loss during the financial year.

9. Trade Receivables

	Group	
	2025	2024
	RM	RM
Trade receivables		
- Related parties	333,251	1,103,285
- Third parties	14,344,629	20,125,594
	<u>14,677,880</u>	<u>21,228,879</u>
Less: Accumulated impairment losses	<u>(1,216,556)</u>	<u>(2,427,941)</u>
	<u>13,461,324</u>	<u>18,800,938</u>

Related parties represent companies in which certain Directors of the Company who have substantial financial interests. The amount due from related parties are non-interest bearing and generally on 14 to 90 days (2024: 14 to 90 days) terms.

Trade receivables of the Group are non-interest bearing and are generally on 7 to 60 days (2024: 30 to 60 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

9. **Trade Receivables (Cont'd)**

Movements in the allowance for impairment losses on trade receivables are as follows:

	Lifetime allowance RM	Credit impaired RM	Loss allowance RM
Group			
2025			
At 1 January 2025	2,427,941	-	2,427,941
Impairment losses recognised	-	62,342	62,342
Reversal of impairment losses	(1,273,727)	-	(1,273,727)
At 31 December 2025	<u>1,154,214</u>	<u>62,342</u>	<u>1,216,556</u>
2024			
At 1 January 2024	1,674,933	-	1,674,933
Impairment losses recognised	753,008	-	753,008
At 31 December 2024	<u>2,427,941</u>	<u>-</u>	<u>2,427,941</u>

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Reversal of impairment loss on trade receivables arose from a reassessment of expected credit losses based on updated collection experience and credit risk indicators.

The ageing analysis of trade receivables at the end of the reporting period are as follows:

	Gross amount RM	Loss allowance RM	Net amount RM
Group			
2025			
Not past due	7,507,222	-	7,507,222
Past due			
1 to 30 days	610,382	(7,295)	603,087
31 to 60 days	871,657	(16,091)	855,566
61 to 90 days	853,758	(24,488)	829,270
More than 90 days	4,772,519	(1,106,340)	3,666,179
	7,108,316	(1,154,214)	5,954,102
Credit impaired			
Individually impaired	62,342	(62,342)	-
	<u>14,677,880</u>	<u>(1,216,556)</u>	<u>13,461,324</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

9. Trade Receivables (Cont'd)

	Gross amount RM	Loss allowance RM	Net amount RM
Group			
2024			
Not past due	7,472,253	(138,915)	7,333,338
Past due			
1 to 30 days	4,103,042	(119,561)	3,983,481
31 to 60 days	1,475,037	(70,579)	1,404,458
61 to 90 days	1,847,491	(121,369)	1,726,122
More than 90 days	6,331,056	(1,977,517)	4,353,539
	<u>13,756,626</u>	<u>(2,289,026)</u>	<u>11,467,600</u>
	<u>21,228,879</u>	<u>(2,427,941)</u>	<u>18,800,938</u>

Trade receivables that are not past due nor individually impaired are creditworthy debtors with good payment records with the Group.

As at 31 December 2025, gross trade receivables of the Group of RM7,108,316 (2024: RM13,756,626) were past due but not individually impaired. These relate to a number of independent customers from whom there is no history of default.

The trade receivables of the Group that are individually assessed to be impaired amounting to RM62,342 (2024: RMNil). These relate to an independent customer that are in financial difficulties and have defaulted on payments.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

10. **Other Receivables**

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Other receivables	121,997	257,438	-	-
Advances to suppliers				
- Related parties	879,450	819,974	-	-
- Third parties	6,403,318	5,251,045	-	-
	7,282,768	6,071,019	-	-
Dividend receivable	-	-	-	4,182,560
Deposits	623,647	364,605	-	-
Prepayments	408,281	273,665	140	4,940
	<u>8,436,693</u>	<u>6,966,727</u>	<u>140</u>	<u>4,187,500</u>

Related parties represent companies in which certain Directors of the Company who have substantial financial interests. The advances to suppliers are unsecured and non-interest bearing. The amount owing will be offset against future purchase from the suppliers.

Movements in the allowance for impairment losses on other receivables are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
At 1 January	-	22,725	-	-
Reversal of impairment losses	-	(22,725)	-	-
At 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

11. **Amounts Due from Subsidiaries**

	Note	Company	
		2025	2024
		RM	RM
Trade related	(i)	80,000	30,000
Non-trade related	(ii)	-	49,860
		<u>80,000</u>	<u>79,860</u>

(i) This represents management fees which are unsecured, non-interest bearing and repayable on demand.

(ii) This represents unsecured, non-interest bearing advances and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

12. Short-term Investments

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
<i>Financial assets</i>				
<i>measured at fair value</i>				
<i>through profit or loss</i>				
Investment in				
money market funds	9,039,771	11,000,000	3,632,699	2,500,000

Investment in money market funds represents investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value and hence, meet the definition to be classified as cash and cash equivalents.

The fair value of the money market funds was determined by reference to the quoted prices provided by financial intermediaries.

13. Share Capital

	Group and Company			
	Number of shares		Amount	
	2025	2024	2025	2024
	Units	Units	RM	RM
Issued and fully paid				
ordinary shares with				
no par value				
At 1 January	210,146,000	1	51,312,029	1
Issuance of new shares:				
- acquisition of a subsidiary	-	160,095,999	-	38,423,040
- public issuance	-	50,050,000	-	14,014,000
Share issuance expenses	-	-	-	(1,125,012)
At 31 December	210,146,000	210,146,000	51,312,029	51,312,029

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

13. **Share Capital (Cont'd)**

In the previous financial year, the Company increased its issued and paid-up share capital from RM1 to RM51,312,029 by way of:

- (i) issuance of 160,095,999 new ordinary shares at an issue price of RM0.24 per ordinary share, for a total consideration of RM38,423,040 as full payment for the acquisition of the entire equity interest of OFSP; and
- (ii) issuance of 50,050,000 new ordinary shares at an issue price of RM0.28 per ordinary share pursuant to the listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad for a total cash consideration of RM14,014,000. The listing expenses arising from the issuance of new ordinary shares amounting to RM1,125,012 were offset against share capital of the Company.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

14. **Reorganisation Deficit**

The reorganisation deficit arise from the difference between the carrying value of the investment and the nominal value of shares of the direct subsidiaries upon consolidation under the pooling-of-interest method of accounting.

15. **Lease Liabilities**

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
At 1 January	478,051	833,868	-	-
Additions	1,984,400	77,179	170,000	-
Accretion of interest	98,750	42,892	1,873	-
Payments	(761,250)	(475,888)	(15,158)	-
At 31 December	<u>1,799,951</u>	<u>478,051</u>	<u>156,715</u>	<u>-</u>
Presented as:				
Non-current	1,264,908	70,795	101,966	-
Current	535,043	407,256	54,749	-
	<u>1,799,951</u>	<u>478,051</u>	<u>156,715</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

15. Lease Liabilities (Cont'd)

The maturity analysis of lease liabilities of the Group and of the Company at the end of the reporting period are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Within one year	639,694	425,388	60,636	-
Later than one year but not later than two years	568,296	71,398	60,636	-
Later than two years but not later than five years	811,033	-	45,452	-
	<u>2,019,023</u>	<u>496,786</u>	<u>166,724</u>	<u>-</u>
Less: Future finance charges	<u>(219,072)</u>	<u>(18,735)</u>	<u>(10,009)</u>	<u>-</u>
Present value of lease liabilities	<u>1,799,951</u>	<u>478,051</u>	<u>156,715</u>	<u>-</u>

The Group and the Company lease solar asset, plant and machineries, cold room, motor vehicles and hostels. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The weighted average incremental borrowing rate applied to lease liabilities of the Group and of the Company at the reporting date are 3.62% and 2.33% (2024: 3.77% and Nil) respectively.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

16. **Deferred Tax Liabilities**

	Note	Group	
		2025 RM	2024 RM
At 1 January		-	-
Recognised in profit or loss	23	775,989	-
At 31 December		775,989	-

The components and movements of the deferred tax liabilities and assets of the Group and of the Company are as follows:

Deferred tax liabilities of the Group

	Accelerated capital allowances RM	Right-of-use assets RM	Total RM
Group			
2025			
At 1 January 2025	-	-	-
Recognised in profit or loss	121,006	(11,154)	109,852
Under provision in prior year	715,217	13,380	728,597
At 31 December 2025 (before offsetting)	836,223	2,226	838,449
Offsetting			(62,460)
At 31 December 2025 (after offsetting)			775,989

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

16. **Deferred Tax Liabilities (Cont'd)**

The components and movements of the deferred tax liabilities and assets of the Group and of the Company are as follows: (Cont'd)

Deferred tax assets of the Group

	Lease liabilities RM	Unutilised capital allowances RM	Unutilised green investment tax allowances RM	Unused tax losses RM	Total RM
Group					
2025					
At 1 January 2025	-	-	-	-	-
Recognised in profit or loss	12,113	(23,034)	389,203	193	378,475
Under provision in prior year	(14,272)	-	(426,470)	(193)	(440,935)
At 31 December 2025 (before offsetting)	(2,159)	(23,034)	(37,267)	-	(62,460)
Offsetting					62,460
At 31 December 2025 (after offsetting)					-

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

16. **Deferred Tax Liabilities (Cont'd)**

The components and movements of the deferred tax liabilities and assets of the Group and of the Company are as follows: (Cont'd)

Deferred tax liabilities of the Company

	Accelerated capital allowances RM
Company	
2025	
At 1 January 2025	-
Recognised in profit or loss	4,000
At 31 December 2025 (before offsetting)	4,000
Offsetting	(4,000)
At 31 December 2025 (after offsetting)	-

Deferred tax assets of the Company

	Unutilised capital allowances RM
Company	
2025	
At 1 January 2025	-
Recognised in profit or loss	(4,000)
At 31 December 2025 (before offsetting)	(4,000)
Offsetting	4,000
At 31 December 2025 (after offsetting)	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

16. Deferred Tax Liabilities (Cont'd)

The deferred tax assets have not been recognised as they may not have sufficient taxable profits to be used or to offset or they have arisen in subsidiaries that have a recent history of losses are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Unutilised capital allowances	54,638	-	876	-
Unused tax losses	1,080,205	300,113	159,440	-
	<u>1,134,843</u>	<u>300,113</u>	<u>160,316</u>	<u>-</u>

The unused tax losses for which no deferred tax assets have been recognised shall be disregarded after the end of the year of assessment as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
2031	12,546	12,546	-	-
2032	30,589	30,589	-	-
2033	177,723	176,919	-	-
2034	80,059	80,059	-	-
2035	779,288	-	159,440	-
	<u>1,080,205</u>	<u>300,113</u>	<u>159,440</u>	<u>-</u>

17. Trade Payables

	Group	
	2025	2024
	RM	RM
Trade payables		
- Related parties	7,010	8,971
- Third parties	3,030,497	11,771,200
	<u>3,037,507</u>	<u>11,780,171</u>

Related parties represent companies in which certain Directors of the Company who have substantial financial interests. The amount due to related parties are non-interest bearing and generally on 30 days (2024: 30 days) terms.

The normal trade credit terms granted to the Group range from 30 to 60 days (2024: 30 to 60 days) depending on the terms of the contracts.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

18. **Other Payables**

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables				
- Related party	6,246	2,364	-	-
- Third parties	329,342	531,324	16,999	10,112
	<u>335,588</u>	<u>533,688</u>	<u>16,999</u>	<u>10,112</u>
Accruals	394,788	261,175	155,633	39,692
Advances from customers	2,610,670	4,812,473	-	-
Deposits received	-	740	-	-
Sales and Service Tax payable	1,636	-	-	-
	<u>3,342,682</u>	<u>5,608,076</u>	<u>172,632</u>	<u>49,804</u>

Related parties represent companies in which certain Directors of the Company who have substantial financial interests. The advances from customers are unsecured and non-interest bearing. The amount owing will be offset against future sales from the customers.

19. **Bank Borrowings**

	Group	
	2025 RM	2024 RM
Current Secured		
Bankers' acceptances	1,765,019	1,906,609
Bank overdraft	108,830	171,449
	<u>1,873,849</u>	<u>2,078,058</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

19. Bank Borrowings (Cont'd)

The bank borrowings of the Group are secured by the followings:

- (a) Freehold land and factory building of the Group as disclosed in Note 4 to the financial statements;
- (b) Debenture over fixed and floating, present and future assets of the Group;
- (c) corporate guarantee by the Company; and
- (d) jointly and severally guaranteed by certain Directors of the Company.

The maturity of the bank borrowings of the Group are as follows:

	Group	
	2025	2024
	RM	RM
Within one year	1,873,849	2,078,058

The weighted average interest rates per annum of the bank borrowings of the Group at the reporting date are as follows:

	Group	
	2025	2024
	%	%
Bankers' acceptances	4.54	4.49
Bank overdraft	8.00	8.25

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

20. **Revenue**

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Revenue from contracts with customers				
Sales of frozen seafood products	154,619,698	159,991,952	-	-
Processing services	2,456,378	3,723,005	-	-
Management fee	-	-	960,000	480,000
Total revenue from contracts with customers	157,076,076	163,714,957	960,000	480,000
Revenue from other sources				
Dividend income from subsidiaries	-	-	-	4,182,560
	157,076,076	163,714,957	960,000	4,662,560
Timing of revenue recognition				
At a point in time	157,076,076	163,714,957	-	-
Over time	-	-	960,000	480,000
Total revenue from contracts with customers	157,076,076	163,714,957	960,000	480,000

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

20. Revenue (Cont'd)

Set below is the disaggregation of Group's revenue from contracts with customers:

	Processing and trading of frozen seafood products	
	2025	2024
	RM	RM
Malaysia	22,052,080	25,979,315
China	38,601,444	59,304,502
Turkey	53,675,707	36,855,882
Thailand	18,157,047	9,573,567
Vietnam	10,233,901	8,643,944
Japan	4,218,656	8,098,256
United States	3,633,759	5,862,291
Italy	434,431	4,468,952
Philippines	4,314,946	3,762,392
Others	1,754,105	1,165,856
	<u>157,076,076</u>	<u>163,714,957</u>

21. Finance Costs

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Interest expenses on:				
Bank overdraft	1,897	18,395	-	-
Bankers' acceptance	44,180	98,084	-	-
Lease liabilities	98,750	42,892	1,873	-
Others	5,980	12,192	-	-
	<u>150,807</u>	<u>171,563</u>	<u>1,873</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

22. **Profit/(Loss) before Tax**

Profit/(Loss) before tax is arrived at after charging/(crediting):

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration				
- Statutory audit				
- UHY Malaysia PLT	120,000	-	50,000	-
- Other auditor	-	90,000	-	25,000
- Non-statutory audit				
- UHY Malaysia PLT	5,000	-	5,000	-
- Other auditor	-	105,000	-	105,000
Bad debt written off	-	7,436	-	-
Deposit written off	800	-	-	-
Depreciation:				
- property plant and equipment	667,974	643,743	-	-
- right-of-use assets	319,379	205,251	14,333	-
Impairment losses on				
trade receivables	62,342	753,008	-	-
Inventories written down	782,360	-	-	-
Initial public offering ("IPO")				
expenses	-	1,403,796	-	1,403,796
Leases expenses relating to:				
- short-term leases	1,531,236	1,410,718	-	-
- low value assets	3,600	3,600	-	-
Loss/(Gain) on foreign				
exchange:				
- Realised	158,188	(146,771)	-	-
- Unrealised	391,145	(93,524)	-	-
Non-executive Directors' fee	421,248	-	421,248	-
Property, plant and equipment				
written off	5	13,126	-	-
Gain on disposal of property,				
plant and equipment	(68,069)	(16,999)	-	-
Interest income				
- licensed banks	(71,919)	(48,659)	(1,768)	(48,659)
- short-term investments	(352,892)	(95,059)	(132,699)	(95,059)
- others	(3,503)	(6,753)	-	-
Reversal of impairment losses on:				
- advances to suppliers	-	(22,725)	-	-
- trade receivables	(1,273,727)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

23. Taxation

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Tax expenses recognised in profit or loss				
Malaysian income tax				
Current tax provision	181,974	474,259	-	138,315
Under/(Over) provision in prior years	2,759	(95,981)	(38)	-
	<u>184,733</u>	<u>378,278</u>	<u>(38)</u>	<u>138,315</u>
Deferred tax (Note 16)				
Relating to origination and reversal of temporary differences	488,327	-	-	-
Under provision in prior years	287,662	-	-	-
	<u>775,989</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>960,722</u>	<u>378,278</u>	<u>(38)</u>	<u>138,315</u>

Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated assessable profits for the financial year.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

23. **Taxation (Cont'd)**

A reconciliation of income tax expenses applicable to profit/(loss) before tax at the statutory income tax rate to income tax expenses at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Profit/(Loss) before tax	1,898,146	2,297,775	(611,893)	1,640,395
At Malaysian statutory tax rate of 24% (2024: 24%)	455,555	551,466	(146,854)	393,695
Income not subject to tax	(300,428)	-	-	(1,003,814)
Expenses not deductible for tax purposes	314,839	601,139	108,378	748,434
Tax incentives	-	(690,479)	-	-
Deferred tax assets not recognised	200,335	24,498	38,476	-
Utilisation of previously unrecognised deferred tax assets	-	(12,365)	-	-
Under/(Over) provision of income tax in prior years	2,759	(95,981)	(38)	-
Under provision of deferred tax in prior years	287,662	-	-	-
Tax expenses for the financial year	960,722	378,278	(38)	138,315

The Group and the Company have the following estimated unutilised capital allowances, unutilised green investment tax allowances and unused tax losses available for carry forward to offset against future taxable profits. The said amounts are subject to approval by the tax authorities.

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Unutilised capital allowances	150,613	-	17,543	-
Unutilised green investment tax allowances	155,278	-	-	-
Unused tax losses	1,080,205	300,917	159,440	-
	1,386,096	300,917	176,983	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

24. Earnings per Share

(a) Basic earnings per share

The basic loss per share are calculated based on the consolidated loss for the financial year attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2025	2024
Profit attributable to the owners of the parent (RM)	<u>937,424</u>	<u>1,919,497</u>
Weighted average number of ordinary shares in issue (units)		
- Ordinary shares in issue as at 1 January	210,146,000	160,096,000
- Effect of ordinary shares issued during the financial year	<u>-</u>	<u>24,751,503</u>
Weighted average number of ordinary shares as at 31 December (units)	<u>210,146,000</u>	<u>184,847,503</u>
Basic earnings per ordinary share (sen)	<u>0.45</u>	<u>1.04</u>

(b) Diluted earnings per share

The Group has no dilution in their earnings per ordinary share as there are no dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share. There have been no other transactions involving ordinary shares or potential ordinary shares since the end of the reporting period and before the authorisation of these financial statements.

25. Dividends

	Group and Company	
	2025	2024
	RM	RM
Dividends recognised as distribution to ordinary shareholders of the Company:		
A single-tier interim dividend of RM0.005 per ordinary share in respect of the financial year ended 31 December 2025 paid on 8 April 2025	<u>1,050,730</u>	<u>-</u>

The Directors do not recommend the payment of any final dividend for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

26. **Staff Costs**

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Salaries, wages and other emoluments	5,825,794	5,084,489	645,600	277,800
Defined contribution plans	406,677	329,951	45,312	18,456
Social security contributions	81,305	64,644	2,285	1,619
Other benefits	180,073	186,489	-	-
	<u>6,493,849</u>	<u>5,665,573</u>	<u>693,197</u>	<u>297,875</u>

Included in the staff costs above is an aggregate amount of remuneration received/receivable by the Executive Directors of the Group and of the Company during the financial year are as follows.

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Executive Directors of the Company				
Salaries, bonus and other emoluments	669,600	567,600	645,600	277,800
Defined contribution plans	45,312	35,472	45,312	18,456
Social security contributions	2,285	2,941	2,285	1,619
	<u>717,197</u>	<u>606,013</u>	<u>693,197</u>	<u>297,875</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Reconciliation of Liabilities Arising from Financing Activities

The table below shows the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

	Note	At 1 January RM	Financing cash flows (i) RM	New leases [Note 5(b)] RM	At 31 December RM
Group					
2025					
Lease liabilities	15	478,051	(662,500)	1,984,400	1,799,951
Bankers' acceptances	19	1,906,609	(141,590)	-	1,765,019
		<u>2,384,660</u>	<u>(804,090)</u>	<u>1,984,400</u>	<u>3,564,970</u>
2024					
Lease liabilities	15	833,868	(432,996)	77,179	478,051
Bankers' acceptances	19	3,121,329	(1,214,720)	-	1,906,609
		<u>3,955,197</u>	<u>(1,647,716)</u>	<u>77,179</u>	<u>2,384,660</u>
Company					
2025					
Lease liabilities	15	-	(13,285)	170,000	156,715

- (i) The financing cash flows include the net amount of proceeds from/repayment of bankers' acceptance and payment of lease liabilities in the statements of cash flows.

28. Related Party Disclosures

- (a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

28. **Related Party Disclosures (Cont'd)**

(b) Significant related party transactions

In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Transactions with subsidiaries				
Dividend income	-	-	-	4,182,560
Management fee	-	-	960,000	480,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Transactions with related party				
Sales of goods	2,588,461	5,644,502	-	-
Purchase of goods	2,726,752	4,192,662	-	-
Services expenses charged	61,643	36,683	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(c) Compensation of key management personnel

Information regarding compensation of key management personal are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fee	421,248	-	421,248	-
Salaries, bonus and other emoluments	1,077,696	974,592	645,600	277,800
Defined contribution plans	94,932	84,972	45,312	18,456
Social security contributions	6,229	6,534	2,285	1,619
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>1,600,105</u>	<u>1,066,098</u>	<u>1,114,445</u>	<u>297,875</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

29. Segment Information

The Group operates principally within one segment, that is, processing and trading of frozen seafood products. Other operation of the Group comprises investment holding which is not of sufficient size to be reported separately. This is consistent with the internal reporting provided to the management as its chief operating decision maker to allocate resources to segments and to assess their performance.

Geographical segments

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Group		Total assets		Capital expenditure *	
	2025 RM	2024 RM	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	22,052,080	25,979,315	70,888,981	80,240,580	3,066,954	1,059,072
China	38,601,444	59,304,502	-	-	-	-
Turkey	53,675,707	36,855,882	-	-	-	-
Thailand	18,157,047	9,573,567	-	-	-	-
Vietnam	10,233,901	8,643,944	-	-	-	-
Japan	4,218,656	8,098,256	-	-	-	-
United States	3,633,759	5,862,291	-	-	-	-
Italy	434,431	4,468,952	-	-	-	-
Philippines	4,314,946	3,762,392	-	-	-	-
Others	1,754,105	1,165,856	-	-	-	-
	<u>157,076,076</u>	<u>163,714,957</u>	<u>70,888,981</u>	<u>80,240,580</u>	<u>3,066,954</u>	<u>1,059,072</u>

* Capital expenditure consist of addition of property, plant and equipment and right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

29. **Segment Information (Cont'd)**

Major customers

Revenue from major customer with revenue equal to or more than 10% of the Group's revenue are as follows:

	2025 RM	2024 RM	Segment
Customer A		29,762,824	Processing and trading of frozen seafood products
Customer B	17,345,101	-	Processing and trading of frozen seafood products
	<hr/>	<hr/>	

30. **Capital Commitment**

As at the end of the financial year, the Group has capital commitment in respect of purchase of property, plant and equipment as follow:

	Group	
	2025 RM	2024 RM
Approved and contracted for:		
Construction of property	1,683,310	-
Purchase of plant and machinery	130,000	1,260,000
Purchase of building	269,500	-
	<hr/>	<hr/>
	2,082,810	1,260,000
Contracted but not provided for:		
Purchase of motor vehicles	-	156,400
	<hr/>	<hr/>
	2,082,810	1,416,400

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. Financial Instruments

(a) Classification of financial instruments

The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Carrying amount RM	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
Group				
2025				
Financial assets				
Trade receivables	13,461,324	-	13,461,324	-
Other receivables *	745,644	-	745,644	-
Short-term investments	9,039,771	9,039,771	-	-
Cash and bank balances	9,399,639	-	9,399,639	-
	<u>32,646,378</u>	<u>9,039,771</u>	<u>23,606,607</u>	<u>-</u>
Financial liabilities				
Trade payables	3,037,507	-	-	3,037,507
Other payables #	730,376	-	-	730,376
Lease liabilities	1,799,951	-	-	1,799,951
Bank borrowings	1,873,849	-	-	1,873,849
	<u>7,441,683</u>	<u>-</u>	<u>-</u>	<u>7,441,683</u>

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

31. **Financial Instruments (Cont'd)**

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

	Carrying amount RM	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
Group				
2024				
Financial assets				
Trade receivables	18,800,938	-	18,800,938	-
Other receivables *	622,043	-	622,043	-
Short-term investments	11,000,000	11,000,000	-	-
Cash and bank balances	8,378,908	-	8,378,908	-
	<u>38,801,889</u>	<u>11,000,000</u>	<u>27,801,889</u>	<u>-</u>
Financial liabilities				
Trade payables	11,780,171	-	-	11,780,171
Other payables #	795,603	-	-	795,603
Lease liabilities	478,051	-	-	478,051
Bank borrowings	2,078,058	-	-	2,078,058
	<u>15,131,883</u>	<u>-</u>	<u>-</u>	<u>15,131,883</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

	Carrying amount RM	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
Company				
2025				
Financial assets				
Amount due from				
subsidiaries	80,000	-	80,000	-
Short-term investments	3,632,699	3,632,699	-	-
Cash and bank balances	1,472,983	-	1,472,983	-
	<u>5,185,682</u>	<u>3,632,699</u>	<u>1,552,983</u>	<u>-</u>
Financial liabilities				
Other payables	172,632	-	-	172,632
Lease liabilities	156,715	-	-	156,715
	<u>329,347</u>	<u>-</u>	<u>-</u>	<u>329,347</u>
2024				
Financial assets				
Other receivables *	4,182,560	-	4,182,560	-
Amount due from				
subsidiaries	79,860	-	79,860	-
Short-term investments	2,500,000	2,500,000	-	-
Cash and bank balances	142,086	-	142,086	-
	<u>6,904,506</u>	<u>2,500,000</u>	<u>4,404,506</u>	<u>-</u>
Financial liabilities				
Other payables	49,804	-	-	49,804

* Exclude advances to suppliers and prepayments

Exclude advances from customers and Sales and Service Tax payable

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and the Company's operations whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies, and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade and other receivables and deposits with banks. The Company's exposure to credit risk arises principally from its other receivables, amount due from subsidiaries and deposits with banks. There are no significant changes as compared to prior year.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company has trade balances with and provides unsecured advances to its subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

At each reporting date, the Group assesses whether any of the receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partial or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (cont'd)

Credit risk concentration profile

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the reporting period represents the Group's and the Company's maximum exposure to credit risk.

The Group's credit exposures are concentrated mainly on 1 (2024: Nil) debtors, which accounted for 22% (2024: Nil) of total trade receivables balance at the end of the reporting period. There are no other customers which individually represents more than 10% of the total trade receivables balance. The Company has no significant concentration of credit risks except for advances to its subsidiaries where risks of default have been assessed to be low.

Financial guarantees

The Company provides unsecured financial guarantees to licensed banks and financial institution for banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

The Company's maximum exposure to credit risk is RM1,873,849 (2024: RM2,078,058), representing the outstanding banking facilities of the subsidiaries at the end of the reporting period. There was no indication that any subsidiary would default on repayment as at the end of the reporting period.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	On demand		1 to 2		2 to 5		Total	
	or within 1	year	years	years	years	contractual	Total	Total
	RM	RM	RM	RM	RM	cash flows	carrying	amount
						RM	RM	RM
Group								
2025								
Non-derivative financial liabilities								
Trade payables	3,037,507	-	-	-	-	3,037,507	3,037,507	3,037,507
Other payables	730,376	-	-	-	-	730,376	730,376	730,376
Lease liabilities	639,694	568,296	568,296	811,033	811,033	2,019,023	1,799,951	1,799,951
Bank borrowings	1,873,849	-	-	-	-	1,873,849	1,873,849	1,873,849
	<u>6,281,426</u>	<u>568,296</u>	<u>568,296</u>	<u>811,033</u>	<u>811,033</u>	<u>7,660,755</u>	<u>7,660,755</u>	<u>7,441,683</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

	On demand or within 1 year RM	1 to 2 years RM	Total contractual cash flows RM	Total carrying amount RM
Group				
2024				
Non-derivative financial liabilities				
Trade payables	11,780,171	-	11,780,171	11,780,171
Other payables	795,603	-	795,603	795,603
Lease liabilities	425,388	71,398	496,786	478,051
Bank borrowings	2,078,058	-	2,078,058	2,078,058
	<u>15,079,220</u>	<u>71,398</u>	<u>15,150,618</u>	<u>15,131,883</u>

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

31. **Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM'000	Total contractual cash flows RM	Total carrying amount RM
Company					
2025					
Non-derivative financial liabilities					
Other payables	172,632	-	-	172,632	172,632
Lease liabilities	60,636	60,636	45,452	166,724	156,715
Financial guarantee * (Note 33)	1,873,849	-	-	1,873,849	-
	<u>2,107,117</u>	<u>60,636</u>	<u>45,452</u>	<u>2,213,205</u>	<u>329,347</u>
2024					
Non-derivative financial liabilities					
Other payables	49,804	-	-	49,804	49,804
Financial guarantee * (Note 33)	2,078,058	-	-	2,078,058	-
	<u>2,127,862</u>	<u>-</u>	<u>-</u>	<u>2,127,862</u>	<u>49,804</u>

* Based on the maximum amount that can be called for under the financial guarantee contracts.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of the Group entities. The currencies giving rise to this risk is primarily United States Dollar (“USD”).

The Group has not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

The carrying amounts of the Group’s foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Denominated in		Total RM
	USD RM	Others RM	
Group			
2025			
Monetary assets			
Trade receivables	11,330,798	-	11,330,798
Cash and bank balances	3,609,522	154,939	3,764,461
Monetary liability			
Trade payables	(1,347,339)	-	(1,347,339)
	13,592,981	154,939	13,747,920
2024			
Monetary assets			
Trade receivables	14,701,606	-	14,701,606
Cash and bank balances	3,697,443	30,777	3,728,220
Monetary liability			
Trade payables	(5,406,184)	-	(5,406,184)
	12,992,865	30,777	13,023,642

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

31. **Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

(a) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD and other currencies exchange rate against RM, with all other variables held constant.

	Effect on profit before tax	
	2025	2024
	RM	RM
Change in currency rate		
Group		
USD		
- Strengthened by 5% (2024: 5%)	679,649	649,643
- Weakened by 5% (2024: 5%)	(679,649)	(649,643)
Others		
- Strengthened by 5% (2024: 5%)	7,747	1,539
- Weakened by 5% (2024: 5%)	<u>(7,747)</u>	<u>(1,539)</u>

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates.

The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

(b) Interest rate risk (Cont'd)

The Group and the Company manage its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group and the Company constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fixed rate instruments:				
Financial liability				
Lease liabilities	<u>(1,799,951)</u>	<u>(478,051)</u>	<u>(156,715)</u>	<u>-</u>
Floating rate instruments:				
Financial liabilities				
Bankers' acceptances	(1,765,019)	(1,906,609)	-	-
Bank overdraft	<u>(108,830)</u>	<u>(171,449)</u>	<u>-</u>	<u>-</u>
	<u>(1,873,849)</u>	<u>(2,078,058)</u>	<u>-</u>	<u>-</u>

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have (decreased)/increased the Group's profit before tax by RM18,738 (2024: RM20,781) respectively, arising mainly as a result of higher/lower interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

31. **Financial Instruments (Cont'd)**

(c) Fair value of financial instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The carrying amount of long-term floating rate borrowings approximate their fair value as the borrowings will be re-priced to market interest rate on or near reporting date.

It was not practicable to estimate the fair value of investment in unquoted equity due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

The table below analyses financial instruments carried at fair value, together with their fair values and carrying amounts shown in the statements of financial position:

	Fair value of financial instruments carried at fair value			Carrying amount
	Level 1 RM	Level 2 RM	Level 3 RM	RM
Group				
2025				
Financial asset				
Short-term investments	-	9,039,771	-	9,039,771
2024				
Financial asset				
Short-term investments	-	11,000,000	-	11,000,000
Company				
2025				
Financial asset				
Short-term investments	-	3,632,699	-	3,632,699
2024				
Financial asset				
Short-term investments	-	2,500,000	-	2,500,000

The fair value of the money market funds was determined by reference to the quoted prices provided by the financial intermediaries.

Transfer between levels of fair value hierarchy

There is no transfer between levels of fair value hierarchy during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

32. Capital Management

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total equity. The Group and the Company include within net debt, interest bearing loan and borrowings less cash and cash equivalents. The Group's and the Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at the end of the reporting period are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Lease liabilities [^]	1,790,957	418,585	156,715	-
Bankers' acceptances	1,765,019	1,906,609	-	-
	<u>3,555,976</u>	<u>2,325,194</u>	<u>156,715</u>	<u>-</u>
Less: Cash and cash equivalents	<u>(18,330,580)</u>	<u>(19,207,459)</u>	<u>(5,105,682)</u>	<u>(2,642,086)</u>
Total excess funds	<u>(14,774,604)</u>	<u>(16,882,265)</u>	<u>(4,948,967)</u>	<u>(2,642,086)</u>
Total equity	<u>60,059,003</u>	<u>60,172,309</u>	<u>51,110,785</u>	<u>52,773,370</u>
Gross gearing ratio (times)	<u>0.06</u>	<u>0.04</u>	<u>0.01</u>	<u>#</u>
Net gearing ratio (times)	<u>*</u>	<u>*</u>	<u>*</u>	<u>*</u>

[^] Excluding lease liabilities arising from lease of hostels.

*

The gearing ratio is not applicable as the Group and the Company has sufficient cash and cash equivalents to settle the liabilities as at the financial year end.

#

The gearing ratio is not applicable as the Company has no borrowing as at the financial year end.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

33. **Financial Guarantee**

	Company	
	2025	2024
	RM	RM
Unsecured		
Corporate guarantee given to licensed banks to secure banking facilities granted to a subsidiary	1,873,849	2,078,058

34. **Contingent Liability**

On 13 April 2026, the Inland Revenue Board of Malaysia has issued Notices of Additional Assessment to Ocean Fresh Seafood Products Sdn. Bhd., a wholly-owned subsidiary of the Company, in respect of the years of assessment 2021 to 2024 following the disallowance of Allowance for Increased Export (Elaun Peningkatan Eksport) claims previously recognised by the Group.

The Notices of Additional Assessment require the settlement of additional income tax and penalties amounting to RM4,176,139, payable within the stipulated timeframe. As at the date of this report, the Group has not recognised any liability in respect of these assessments. The Directors, having obtained legal and professional advice, are of the view that the assessments are disputable and intend to pursue further appeal. The Directors are also of the view that the associated penalties are not expected to be sustained in full.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. Comparative Information

- (a) The financial statements of the Group and of the Company for the financial year ended 31 December 2024 was audited by another auditor who expressed an unmodified opinion on those statements on 21 April 2025.
- (b) The following reclassification were made to the financial statements of prior year to be consistent with current year presentation. There was no significant impact to the financial performance in relation to the financial year ended 31 December 2024.

Statements of Financial Position

	As previously reported RM	Reclassification RM	As restated RM
Group			
Non-Current Assets			
Property, plant and equipment	10,150,701	(1,446,788)	8,703,913
Right-of-use assets	55,752	1,446,788	1,502,540
Non-Current Liabilities			
Hire purchase payables	61,801	(61,801)	-
Lease liabilities	-	70,795	70,795
Current Liabilities			
Hire purchase payables	356,784	(356,784)	-
Lease liabilities	59,466	347,790	407,256
Bankers' acceptances	1,906,609	(1,906,609)	-
Bank overdraft	171,449	(171,449)	-
Bank borrowings	-	2,078,058	2,078,058

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

35. **Comparative Information (Cont'd)**

- (b) The following reclassification were made to the financial statements of prior year to be consistent with current year presentation. There was no significant impact to the financial performance in relation to the financial year ended 31 December 2024. (Cont'd)

Statements of Cash Flows

	As previously reported RM	Reclassification RM	As restated RM
Group			
Operating activities			
Cash generated from/(used in) operations			
Interest paid	(30,587)	(140,976)	(171,563)
Interest received	-	150,471	150,471
Investing Activity			
Interest income received	150,471	(150,471)	-
Financing Activities			
Interest paid	(140,976)	140,976	-
Drawdown of bankers' acceptances	7,982,473	(7,982,473)	-
Repayment of bankers' acceptances	(9,197,193)	7,982,473	(1,214,720)
Repayment of hire purchase payables	(332,786)	332,786	-
Payment of lease liabilities	(100,210)	(332,786)	(432,996)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. Comparative Information (Cont'd)

- (b) The following reclassification were made to the financial statements of prior year to be consistent with current year presentation. There was no significant impact to the financial performance in relation to the financial year ended 31 December 2024. (Cont'd)

Statements of Cash Flows (Cont'd)

	As previously reported RM	Reclassification RM	As restated RM
Company			
Operating activities			
Changes in working capital:			
Amount due from subsidiaries	(79,860)	49,860	(30,000)
Cash generated from/(used in) operations			
Interest received	-	143,718	143,718
Investing Activities			
Interest income received	143,718	(143,718)	-
Net changes in amount due from subsidiaries	-	(49,860)	(49,860)

36. Date of Authorisation for Issue of Financial Statements

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 April 2026.

LIST OF PROPERTIES

AS AT 31 DECEMBER 2025

Registered Onwer	Location	Tenure	Description and Existing Use	Land Area / Built up Area (sq.m.)	Approximate Age of Building (Year)	NBV as at 31.12.2025 (RM'000)	Year of Acquisition
Ocean Fresh Seafood Products S/B	<p>Title GM 4240, Lot 19869, Mukim Kuala Kuantan, Daerah Kuantan, Negeri Pahang</p> <p>Postal address Lot 19869, Kampung Baru Peramu, 26060 Kuantan, Pahang Darul Makmur.</p>	Freehold	<p>Description Individually constructed factory comprising:-</p> <ul style="list-style-type: none"> • single storey detached factory with mezzanine office ; (Factory A) • single storey detached factory with mezzanine office ; (Factory B) • a canteen, lab, store, toilet and changing room; and • a guardhouse <p>Existing use Processing facility including cold rooms and management office</p>	<p>Land area 7,638 m²</p> <p>Built-up Area Factory A 2,038.29 m² Factory B 3,402.11 m² Canteen/lab/ Store/ Toilet/ Changing Room 139.35 m² Guardhouse 5.95 m²</p>	<p>Factory A 23 years</p> <p>Factory B 13 years</p>	<p>Land 993</p> <p>Factory A 2,295</p> <p>Factory B 2,764</p>	<p>Land 2002</p> <p>Factory A 2002</p> <p>Factory B 2012</p>

ANALYSIS OF HAREHOLDINGS

AS AT 14 APRIL 2026

Class of Equity Securities	:	Ordinary Shares (“Shares”)
Total number of issued Shares	:	210,146,000 Shares
Voting rights by show of hand	:	One vote for every member
Voting rights by poll	:	One vote for every Share held

DISTRIBUTION SCHEDULE OF SHAREHOLDINGS

Size of Holdings	No. of Holders		No. of Shares	
		%		%
Less than 100 Shares	3	0.16	8	0.00
100 - 1,000 Shares	268	14.02	141,300	0.07
1,001 - 10,000 Shares	865	45.24	4,871,892	2.32
10,001 - 100,000 Shares	647	33.84	22,762,700	10.83
100,001 - less than 5% of issued Shares	124	6.48	56,010,800	26.65
5% and above of issued Shares	5	0.26	126,359,300	60.13
Total	1,912	100.00	210,146,000	100.00

Negligible

DIRECTORS’ SHAREHOLDINGS

(As per the Register of Directors’ Shareholdings)

Name of Directors	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Siang Hai Yong	12,294,000	5.85	16,729,000 ⁽¹⁾⁽²⁾	7.96
Teo Chee Han	200,000	0.10	–	–
Kee Wan Chum	200,000	0.10	13,884,000 ⁽¹⁾	6.61
Dato’ Sri Chia Hooi Huak	13,692,000	6.52	–	–
Chan Kee Eng	–	–	–	–
Syed Razif Al-Idid bin Syed Sidi Al-Idid	50,000	0.02	–	–
Ng Lai Hock	–	–	–	–
Yap Lee Teng	–	–	–	–

Notes:

⁽¹⁾ Deemed interested by virtue of the Shares held by his/her shareholdings in Sierra Mode Sdn Bhd pursuant to Section 8 of the Companies Act 2016 (“the Act”).

⁽²⁾ Deemed interested by virtue of the Shares held by his spouse.

ANALYSIS OF SHAREHOLDINGS (Cont'd)

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

(As per the Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Siang Hai Yong	12,294,000	5.85	16,729,000 ⁽¹⁾⁽²⁾	7.96
Kee Wan Chum	200,000	0.10	13,884,000 ⁽¹⁾	6.61
Treasure Gain Sdn Bhd	51,840,300	24.67	–	–
Untung Besar Sdn Bhd	34,649,000	16.49	–	–
Sierra Mode Sdn Bhd	13,884,000	6.61	–	–
Dato' Sri Chia Hooi Huak	13,692,000	6.52	–	–
Law Chee Kheong	9,574,700	4.56	13,884,000 ⁽¹⁾	6.61
Darmanto	–	–	51,840,300 ⁽³⁾	24.67
Tan Eng Aun	–	–	34,649,000 ⁽⁴⁾	16.49
Lee Siok Ming	–	–	34,649,000 ⁽⁴⁾	16.49

Notes:

⁽¹⁾ Deemed interested by virtue of the Shares held by his/her shareholdings in Sierra Mode Sdn Bhd pursuant to Section 8 of the Act.

⁽²⁾ Deemed interested by virtue of the Shares held by his spouse.

⁽³⁾ Deemed interested by virtue of the Shares held by his shareholdings in Treasure Gain Sdn Bhd pursuant to Section 8 of the Act.

⁽⁴⁾ Deemed interested by virtue of the Shares held by his shareholdings in Untung Besar Sdn Bhd pursuant to Section 8 of the Act.

30 LARGEST SECURITIES ACCOUNT HOLDERS

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of Shares held	%
1.	Treasure Gain Sdn. Bhd.	51,840,300	24.67
2.	Untung Besar Sdn. Bhd.	34,649,000	16.49
3.	Sierra Mode Sdn. Bhd.	13,884,000	6.61
4.	Chia Hooi Huak	13,692,000	6.52
5.	Siang Hai Yong	12,294,000	5.85
6.	Law Chee Kheong	9,574,700	4.56
7.	Chia Siew Lee	2,845,000	1.35
8.	Tee Kian Heng	1,819,500	0.87
9.	Wong Sing Hong	1,435,700	0.68
10.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Er Ka Yong	1,300,000	0.62
11.	Teh Eng Guan	1,150,000	0.55
12.	Charley Wong	1,123,000	0.53
13.	Hing Qiu Yan	1,050,000	0.50
14.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Leong Kim Fong	988,200	0.47
15.	Tang Kai Khong	938,600	0.45

ANALYSIS OF SHAREHOLDINGS (Cont'd)

30 LARGEST SECURITIES ACCOUNT HOLDERS (CONT'D)

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of Shares held	%
16.	HLB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Heng Chang Hooi	936,500	0.45
17.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Teh Boon Chiew	913,000	0.43
18.	Koh Miao Chu	881,000	0.42
19.	Pong Ching Keong	792,600	0.38
20.	Peh Bee Looi	724,800	0.34
21.	Lee Choon Teng	682,700	0.32
22.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Syed Mudzaffar Bin Syed Zainul Abidin	677,200	0.32
23.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Yan Hock Chuan (Empire Gallery-CL)	630,000	0.30
24.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Toh Eng Keat (M04)	619,100	0.29
25.	Hing Sin Yee	600,000	0.29
26.	Lin Wenna	600,000	0.29
27.	Ngeu Sze En	584,000	0.28
28.	Kee Siok Moy	570,000	0.27
29.	Khek Keng Lin	521,000	0.25
30.	Hing Sin Tin	500,000	0.24

NOTICE OF (“3RD AGM”) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Third Annual General Meeting (“3rd AGM”) of OCEAN FRESH BERHAD (“OFB” or “the Company”) will be held at OFB’s Head Office, Lot 19896, Kampung Baru Peramu, 26060 Kuantan Pahang Darul Makmur, Malaysia on Friday, 12 June 2026 at 10:30 a.m. or at any adjournment thereof, to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1)*
2. To approve the payment of Directors’ fees and benefits up to an aggregate amount of RM350,000.00 payable to the Non-Executive Directors (“NEDs”) for the period from 13 June 2026 until the date of the next Annual General Meeting (“AGM”) of the Company to be held in 2027, to be paid monthly in arrears after each month of completed service of the NEDs. *Ordinary Resolution 1 (Please refer to Explanatory Note 2)*
3. To re-elect the following Directors who retire by rotation pursuant to Clause 112 of the Company’s Constitution and being eligible, have offered themselves for re-election:
 - (i) Dato’ Sri Chia Hooi Huak *Ordinary Resolution 2*
 - (ii) Ms Kee Wan Chum *Ordinary Resolution 3*
 - (iii) En. Syed Razif Al-Idid B. Syed Sidi Al-Idid *Ordinary Resolution 4 (Please refer to Explanatory Note 3)*
4. To re-appoint Messrs UHY Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. *Ordinary Resolution 5*

AS SPECIAL BUSINESS:

To consider and if thought fit, pass with or without any modifications, the following resolutions:

5. **PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** *Ordinary Resolution 6 (Please refer to Explanatory Note 4)*

“THAT subject always to the Constitution of the Company, the Companies Act 2016 (“Act”), the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares) at any point of time AND THAT the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier.”

NOTICE OF (“3RD AGM”) ANNUAL GENERAL MEETING (Cont’d)

6. **PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE”)**

*Ordinary Resolution 7
(Please refer to
Explanatory Note 5)*

“THAT authority be and is hereby given in line with Rule 10.09 of the Listing Requirements of Bursa Securities for the Company and/or its subsidiaries (“**the Group**”) to enter into any of the transactions falling within the types of the recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group (“**RRPTs**”), as set out in Section 2.4 (a) of the circular to shareholders of the Company dated 30 April 2026 (“**Circular**”), with any party who is described as a related party in the Circular, provided that such transactions are carried out in the normal course of business, on arm’s length basis, at transactions prices and terms not more favourable to the related parties involved than those generally available to the public and which will not be to the detriment of the minority shareholders of the Company.

THAT authority shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

7. **PROPOSED NEW SHAREHOLDERS’ MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“PROPOSED NEW SHAREHOLDERS’ MANDATE”)**

*Ordinary Resolution 8
(Please refer to
Explanatory Note 5)*

“THAT authority be and is hereby given in line with Rule 10.09 of the Listing Requirements of Bursa Securities, for the Group to enter into new transactions falling within the type of RRPT, as set out in Section 2.4 (b) of the Circular, with any party who is described as a related party in the Circular, provided that such transactions are carried out in the normal course of business, on arm’s length basis, at transactions prices and terms which are not more favourable to the related parties involved than those generally available to the public and which will not be to the detriment of the minority shareholders of the Company.

THAT authority shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things as may be required by the relevant authorities (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution 8.”

8. To transact any other business of which due notice shall have been given in accordance with the Act.

NOTICE OF (“3RD AGM”) ANNUAL GENERAL MEETING (Cont’d)

By order of the Board

KHOO MING SIANG (MAICSA 7034037)
(SSM PC No.: 202208000150)
Company Secretary

Petaling Jaya, Selangor Darul Ehsan
30 April 2026

Notes:

- (a) A member who is entitled to attend, participate, speak and vote at the 3rd AGM shall be entitled to appoint more than two (2) proxies to attend, participate, speak and vote at the 3rd AGM in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy, failing which the appointment shall be invalid.
- (b) For the purpose of determining a member who shall be entitled to attend the 3rd AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 77(b) of the Company’s Constitution to issue a General Meeting Record of Depositors as at 5 June 2026. Only members whose names appear in the General Meeting Record of Depositors as at 5 June 2026 shall be regarded as members and entitled to attend, participate, speak and vote at the 3rd AGM.
- (c) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the 3rd AGM shall have the same rights as the member to speak at the 3rd AGM. However, if the appointer or representative attend and vote on a resolution, the proxy or attorney must not vote.
- (d) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- (e) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (f) Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple Beneficial Owners in one (1) securities account (“**omnibus account**”), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- (g) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- (h) Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
- (i) Last date and time for lodging the proxy form is Wednesday, 10 June 2026 at 10.30 a.m.
- (j) To be valid, the instrument appointing a proxy must be deposited at the office of the Share Registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the 3rd AGM or at any adjournment thereof at which the person named in the appointment proposes to vote.
- (k) Pursuant to Rule 8.31A(1) of the Listing Requirements of Bursa Securities, all the resolutions set out in this Notice of the 3rd AGM will be put to vote by poll.

NOTICE OF (“3RD AGM”) ANNUAL GENERAL MEETING (Cont’d)

EXPLANATORY NOTES TO ORDINARY BUSINESS AND SPECIAL BUSINESS

1. Agenda 1 – Audited Financial Statements for the financial year ended 31 December 2025

The Audited Financial Statements for the financial year ended 31 December 2025 are laid in accordance with Section 340(1) of the Act for discussion only. They do not require a formal approval of the shareholders and hence, will not be put forward for voting.

2. Ordinary Resolution 1 – Directors’ Fees and Benefits

Pursuant to Section 230(1) of the Act, the Directors’ fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting.

The current structure of Directors’ fees has been reviewed by the Remuneration Committee. The Board has endorsed the Remuneration Committee’s recommendation to seek for the shareholders’ approval for the payment of Directors’ fees and benefits up to aggregate amount of RM350,000.00 payable to the NEDs for the period from 13 June 2026 until the date of the next AGM in year 2027, to be paid monthly in arrears after each month of completed service of the NEDs.

The proposed NEDs’ fees and benefits are calculated based on the current Board size. In the event the proposed amount is insufficient due to enlarged Board size, approval will be sought at the next AGM for the shortfall.

The Ordinary Resolution 1, if passed, will allow the Company to make the payment to the NEDs on a monthly basis. The Board is of the view that it is just and equitable for the NEDs to be paid such payment on a monthly basis after they have discharged their responsibilities and rendered their services to the Company.

3. Ordinary Resolutions 2, 3 and 4 – Re-election of Retiring Directors

Clause 112 of the Company’s Constitution provides that one-third (1/3) of the Directors of the Company for the time being or if their number is not a multiple of three, then the number nearest to one-third (1/3) shall retire by rotation at each AGM of the Company and be eligible for re-election provided always that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

Dato’ Sri Chia Hooi Huak, Ms Kee Wan Chum and En. Syed Razif Al-Idid B. Syed Sidi Al-Idid (“**Retiring Directors**”) are due for retirement by rotation and they have offered themselves for re-election at the 3rd AGM.

The Board has endorsed the Nomination Committee’s recommendation to seek for the shareholders’ approval to re-elect the Retiring Directors as they possess the required skill sets to facilitate and contribute to the Board’s effectiveness and value. The Retiring Directors have abstained from deliberations and decisions on their own eligibility to stand for re-election at the Board meetings and they will continue to abstain from deliberations and decisions on their own eligibility to stand for re-election at the 3rd AGM of the Company.

The details and profiles of the Retiring Directors are provided in the Directors’ Profile of the Company’s 2025 Annual Report.

4. Ordinary Resolution 6 – Proposed authority to allot and issue shares pursuant to Sections 75 and 76 of the Act

The Ordinary Resolution 6, is to seek a general mandate for issuance and allotment of shares to empower the Directors of the Company pursuant to Sections 75 and 76 of the Act (“**General Mandate**”). The Ordinary Resolution 6, if passed, is to empower the Directors to allot and issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company (other than bonus or rights issue) for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening a general meeting to approve the issuance and allotment of such shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

NOTICE OF (“3RD AGM”) ANNUAL GENERAL MEETING (Cont’d)

EXPLANATORY NOTES TO ORDINARY BUSINESS AND SPECIAL BUSINESS (CONT’D)

4. Ordinary Resolution 6 – Proposed authority to allot and issue shares pursuant to Sections 75 and 76 of the Act (Cont’d)

The General Mandate, if passed, will provide flexibility and expediency to the Company for any possible fund-raising activities including but not limited to further placing of shares, to facilitate business expansion or strategic merger and acquisition opportunities involving equity deals or part equity or to fund future investment project(s) or to finance the day-to-day operational expenses, working capital requirements, repayment of borrowings or debt settlement/repayment.

As at the date of this Notice, no new shares in the Company were issued pursuant to the General Mandate granted to the Directors at the Second AGM held on 12 June 2025, which will lapse at the conclusion of the 3rd AGM.

5. Ordinary Resolutions 7 and 8 – Proposed Renewal of Existing Shareholders’ Mandate and Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading in Nature.

The Ordinary Resolutions 7 and 8, if passed, will give the mandate for the Group to enter into recurrent related party transactions of a revenue and/or trading nature pursuant to Rule 10.09 of the Ace Market Listing Requirements of Bursa Securities. The mandate, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

Please refer to the Circular for more information.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

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OCEAN FRESH BERHAD
Registration No. 202301019041 (1512963-A)
(Incorporated in Malaysia)

FORM OF PROXY

No. of Shares held	
CDS Account No.	

I/We* _____ NRIC/Passport/Registration No. _____
 (Full name in block)

of _____
 (Address)

with email address _____ mobile phone no. _____

being a member/members* of **OCEAN FRESH BERHAD** (“**OFB**” or “**the Company**”) hereby appoint(s):

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address:			
Mobile Phone No.:			

and/or

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address:			
Mobile Phone No.:			

or failing him/her* the Chairperson of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Third Annual General Meeting of the Company (“**3rd AGM**” or “**the Meeting**”) to be held at OFB’s Head Office, Lot 19896, Kampung Baru Peramu, 26060 Kuantan Pahang Darul Makmur, Malaysia. on Friday, 12 June 2026 at 10:30 a.m. or at any adjournment thereof.

Please indicate with an “X” in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her* discretion.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors’ fees and benefits up to an aggregate amount of RM350,000.00 payable to the Non-Executive Directors for the period from 13 June 2026 until the conclusion of the next Annual General Meeting of the Company to be held in 2027, to be paid monthly in arrears after each month of completed service of the Directors.		
2.	To re-elect Dato’ Sri Chia Hooi Huak as a Director of the Company.		
3.	To re-elect Ms Kee Wan Chum as a Director of the Company.		
4.	To re-elect En. Syed Razif Al-Idid B. Syed Sidi Al-Idid as a Director of the Company.		
5.	To re-appoint Messrs UHY Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
6.	To approve the authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
7.	To approve the Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
8.	To approve the Proposed New Shareholders’ Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature.		

* **delete whichever not applicable**

Dated this _____ day of _____ 2026

 Signature of Member(s) / Common Seal



Notes:

- (a) A member who is entitled to attend, participate, speak and vote at the Meeting shall be entitled to appoint more than two (2) proxies to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy, failing which the appointment shall be invalid
- (b) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 5 June 2026. Only members whose names appear in the General Meeting Record of Depositors as at 5 June 2026 shall be regarded as members and entitled to attend, participate, speak and vote at the Meeting.
- (c) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting. However, if the appointer or representative attend and vote on a resolution, the proxy or attorney must not vote.
- (d) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- (e) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (f) Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple Beneficial Owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- (g) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- (h) Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
- (i) Last date and time for lodging the proxy form is Wednesday, 10 June 2026 at 10.30 a.m.
- (j) To be valid, the instrument appointing a proxy must be deposited at the office of the Share Registrar of the Company at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote.
- (k) Pursuant to Rule 8.31A(1) of the Listing Requirements of Bursa Securities, all the resolutions set out in this Notice of the Meeting will be put to vote by poll.

Personal data privacy:

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of 3rd AGM dated 30 April 2026.

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AFFIX
STAMP

The Share Registrar of
OCEAN FRESH BERHAD

Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Malaysia

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OCEAN FRESH BERHAD

Registration No. 202301019041 (1512963-A)

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