

CORPORATE GOVERNANCE REPORT

STOCK CODE : 7007
COMPANY NAME : Ark Resources Holdings Berhad
FINANCIAL YEAR : March 31, 2026

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board of ARK Resources Holdings Berhad ("ARK" or "the Company") is responsible for the oversight and overall management of the Company. In accordance to the corporate governance framework established for a public listed company, the Board has delegated specific powers to the various Board Committees and to the management. The Board Committees comprise the Audit Committee, the Nomination Committee and the Remuneration Committee. i. The Board meets regularly and ad hoc meetings are held as and when required to set various policies, strategic direction and corporate governance as well as engaging with the management for performance monitoring and evaluation of operational matters requiring Board's input and decision. ii. The Board reviewed and assessed the Annual Business Plan presented by the management and monitored the performance via the quarterly financial reports. iii. The Board met and discussed with the external auditors as well as the internal auditors to ascertain and ensure governance compliance. iv. The Board has conducted a review of all its internal documents including the Board Charter, the Terms of Reference of the various Board Committees as well as its Statement on Risk Management and Internal Control to ensure that they are in line with the Malaysian Code of Corporate Governance. These documents serve as a reference and guide to the Directors in the discharge of their duties and responsibilities.
Explanation for departure	:	

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

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	Dato' Mohamad Zekri Bin Dato' Haji Ibrahim is the Chairman of the Board. His profile is detailed in page 9 of ARK's Annual Report. The Chairman is responsible for the overall leadership and effective functioning of the Board. His key roles amongst others are : i. To ensure that the Board functions effectively and independently of the management; ii. Leading the Board in establishing and monitoring good corporate governance practices within the entire ARK Group; and iii. To ensure that there are effective communication between the Company and all its stakeholders including the shareholders of the Company. His detailed roles and responsibilities are further described in the Company's Board Charter.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.3

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Chairman of the Board is Dato' Mohamad Zekri Bin Dato' Haji Ibrahim. The Company does not have a CEO. The Chairman's experience are sufficient to lead the board to meet the goals of the Group.	
		The Board consists of three (3) independent non-executive directors which provides significant check and balance in the Board.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Chairman of the Board is Dato' Mohamad Zekri Bin Dato' Haji Ibrahim. He is not a member of the Audit & Risk Management, Nomination and Remuneration Committees.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	The Company Secretaries is licensed by the Companies Commission of Malaysia. The Company Secretaries play important roles by ensuring adherence to the Board policies and procedures from time to time. The Company Secretaries carry out the following tasks:- • Attend and ensure proper conduct and procedures at all Board meetings, Board Committee meetings, Annual General Meeting ("AGM") and any other meetings that require the attendance of Company Secretary and ensure that meetings are properly convened; • Ensure that the quarterly financial results, audited financial statements, annual reports, circulars, etc. and all relevant announcements are announced to Bursa Malaysia on a timely basis; • Ensure that deliberations at the meetings are well captured and recorded, and subsequently communicated to the relevant management personnel for necessary actions; • Ensure that the Company complies with the Main Market Listing Requirements and the requirements of the relevant authorities; • Inform and keep the Board updated of the latest enhancement in corporate governance, changes in the legal and regulatory framework, new statutory requirements and best practices; • Keep the Directors and principal officers informed of the closed period for trading in the Company's shares; and • Ensure proper record and maintenance of the Company's proceedings, resolutions, statutory records, register books and documents.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.6

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

Application	:	Applied	
Explanation on application of the practice	:	Board meetings are scheduled and planned in advance. Notices of Board meetings are normally issued 7 days prior to the meeting and Board papers are circulated 5 business days before each meeting. Records and minutes of meeting will be circulated to all Board members for confirmation within reasonable time following the meeting so as not to impact the operations of the Group.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Company has a Board Charter in place that can be viewed at ARK's website www.ark-resources.com.my. This Board Charter is reviewed annually and updated accordingly to meet the needs of the Company and to comply with any new regulations. The Board Charter of ARK was reviewed by the Board on 27 February 2026.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied	
Explanation on application of the practice	:	All Directors and employees of the ARK Group are expected to behave ethically and professionally at all times to protect and promote the reputation and performance of the Group. The Company communicates the Malaysian Code on Corporate Governance (“the Code”) to all the respective Directors and employees upon their appointment/employment and is deemed to be part of the Terms and Conditions of Service. The Code of Conduct and Ethics is made available for reference on the Company’s website www.ark-resources.com.my.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	The Company encourages all employees and stakeholders to report any improper conduct on the part of employees, management, Directors and vendors in particular with respect of their obligation to the Company's interest. Employees and stakeholders who have been aggrieved or have concerns to raise, can raise them through the grievance procedure or to the Audit and Risk Management Committee Chairman. The Whistleblowing Policy is made available for reference on the Company's website, www.ark-resources.com.my.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has primary responsibility to ensure the Group commits to practice the standard of Malaysia corporate governance which is embedded into the Group's organisational culture to ensure the continuity success of the Group in term of economically successful, environmentally friendly and socially responsible. The Board and the Management takes responsibility for the Group's sustainability including setting the Group's sustainability strategies, priorities and targets. The Board has overseen the Group's sustainability practices and is kept informed on the progress of the sustainability related matters. The Sustainability Statement is disclosed in the Annual Report.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Group acknowledges the importance of engagement with stakeholders towards sustaining growth and has made good progress to achieve a level of sustainability during the year. Further details are set out in the Company's Sustainability Statement which is disclosed in the Annual Report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied	
Explanation on application of the practice	:	The Board acknowledges the importance of sustainability governance and is keeping themselves informed and updated to have sufficient understanding and knowledge of sustainability matters that are relevant to the Company and its business, including climate related risks and opportunities. The Board is primarily responsible for the implementation of the Group's sustainability practices and performance where the task of execution and monitoring were delegated.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	It is part of the procedures to measure progress against the achievement of sustainability targets in order to promote accountability of the Board and senior management and identify issues that may require intervention by the Board and/or senior management to ensure prompt corrective actions are taken. The Board has set out performance evaluations for Board members and Senior Management through assessment and evaluated practised annually. The evaluation process takes into consideration of the performance of the Board in addressing the Company's sustainability risks and opportunities.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied	
Explanation on application of the practice	:	During the year, the Nomination Committee (“NC”) has evaluated director’s ability to discharge such responsibilities as expected from directors. The NC also reviewed the mix of skills, knowledge, professionalism, integrity and experience, and other qualities to enable the Board to function completely and efficiently as well as the size, structure and composition of the Board. Based on the results of the annual assessment, the NC recommended to the Board on re-election of director in accordance with the Company’s Constitution.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Board comprises 4 members of which 75% or 3 members are Independent Directors. These Independent Directors provide independent judgment, experience and objectivity without being subordinated to operational considerations. They help to ensure that the interests of all shareholders are taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	Mr Tan Wooi Chuon, who has served as an Independent Non-Executive Director for a cumulative term of more than Nine (9) years. The Nomination Committee was satisfied that Mr Tan Wooi Chuon still maintained his independence despite his long service extended to the Company and be retained as Independent Non-Executive Director subject to the approval from the shareholder through a two-tier voting process at the forthcoming AGM.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	In the best interest of the Company, the Board recognises that a Board composition comprising a mix of skills, competence and diverse background will bring different and added value dimensions to decision making. In this regard, the Nomination Committee has been tasked to assess and recommend to the Board, new Board appointments as well as the appointment of senior management. The Terms of Reference of the Nomination Committee is detailed at the Company's website www.ark-resources.com.my.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied	
Explanation on application of the practice	:	Appointment of new Directors is undertaken by the Board after considering the recommendations from the Nomination Committee. In searching for suitable candidates, the Nomination Committee may receive suggestions from existing Board members, the management and/or major shareholders. The Nomination Committee is also open to referrals from external sources such as industry and professional associations as well as independent search firms.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	The “Director Profile” is disclosed in the Annual Report and is circulated to all the shareholders on a yearly basis. The re-election of Directors was performed through voting in the Annual General Meeting pursuant to the Company’s Constitution. The reason for re-election of the retiring director is set out in the notes to the Notice of AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Nomination Committee is Dato' Bong Yong Chuan who is an Independent Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company have only one (1) woman director. With the appointment of Dato' Faiza Binti Zulkifli on 30 May 2023, the Company has one female Director out of the total of five Directors. The Company has thus complied with para 15.02(1)(b) of the Main Market Listing Requirements of Bursa Securities. The Board is of the view that the evaluation of the suitability of candidates as Board members, based on the candidates' competence, character, time commitment, knowledge, experience and other qualities in meeting the needs of the Group, should remain a priority and vital consideration. Considering the size and nature of the Group's business as well as diverse professional background, skills and experience of existing Directors, the Board is of the opinion that its current size and composition, including age and diversity, is optimal for it to discharge its duties and responsibilities in meeting the objectives of the Company. Additional female candidates, if they are suitable, may be considered for future appointments to be in line with the Code.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Others	Please specify number of years.

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	The details are set out in its Annual Report. The Company’s Board Diversity Policy also is made available for reference in the company’s website at www.ark-resources.com.my.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	The Nomination Committee has a formal assessment mechanism in place to assess on an annual basis, the effectiveness of the Board Committees, the Board as a whole and the contribution of each individual Director, including the independence of the Independent Non-Executive Directors. The annual assessment criteria of the Board, Board Committees and individual Directors are aligned with the practices of the Malaysian Code of Corporate Governance taking into consideration the mix of skills, expertise, the composition, size, experience of the Board as a whole and each individual Director. The results of the assessment were reported to the Chairman of the Board by the Chairman of the Nomination Committee. The results form the basis of the Nomination Committee's recommendation to the Board for the re-election of the Directors at the AGM. All assessments and evaluations carried out by the Nomination Committee in the discharge of its functions are properly documented. The Board is of the view that the current evaluation process is adequate to provide an objective assessment on the effectiveness of the Board, the Committees and each individual Director.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has in place policy and procedures to determine the level of remuneration of its Directors which enables the Group to attract, retain and motivate Directors with relevant experience and expertise needed after considering the recommendations of the Remuneration Committee to assist in managing the Group effectively. All Executive Directors are remunerated based on the Group’s performance, market conditions and their responsibilities whilst the remuneration of the Non-Executive Directors is determined in accordance with their experience, level of responsibilities assumed in the Board Committees and the Board, the special skills and expertise they bring to the Board. The Directors do not participate in decisions regarding their own remuneration packages. The Board is remunerated in accordance with the respective qualifications, experience and contribution. The Remuneration Policy and Procedures is available on the Company’s website at www.ark-resources.com.my.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Terms of Reference for the Remuneration Committee is available on www.ark-resources.com.my .	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	In line with the best corporate governance practice, the detailed disclosure on named basis for the remuneration of the Directors on individual basis is set out as below and has been disclosed in the Corporate Governance Overview Statement of the Annual Report.

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Mohamad Zekri Bin Dato' Haji Ibrahim	Executive Director	Input info here	9	Input info here	Input info here	Input info here	Input info here	9	Input info here	9	Input info here	Input info here	Input info here	Input info here	9
2	Tan Wooi Chuon	Independent Director	Input info here	9.25	Input info here	Input info here	Input info here	Input info here	9.25	Input info here	9.25	Input info here	Input info here	Input info here	Input info here	9.25
3	Dato' Bong Yong Chuan	Independent Director	Input info here	7	Input info here	Input info here	Input info here	Input info here	7	Input info here	7	Input info here	Input info here	Input info here	Input info here	7
4	Ramelle Ashram Bin Ramli	Independent Director	Input info here	2.75	Input info here	Input info here	Input info here	Input info here	2.75	Input info here	2.75	Input info here	Input info here	Input info here	Input info here	2.75
5	Dato' Faiza Binti Zulkifli	Independent Director	Input info here	7.75	Input info here	Input info here	Input info here	Input info here	7.75	Input info here	7.75	Input info here	Input info here	Input info here	Input info here	7.75
6	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

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

Intended Outcome

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

Practice 8.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company takes cognisance of the Malaysian Code of Corporate Governance recommendations. However, the Board is of the view that ARK is a small but growing company and it needs to take into consideration internal harmony and confidentiality concerns. The Board ensures that the remuneration commensurate with the Company's performance and in line with the industry norm to retain and motivate the personnel to lead and run the Company successfully. No excessive remuneration is paid to any personnel.	
		The Board will continue to review the application of this practice and consider the appropriateness of such disclosure in the future.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Board is Dato' Mohamad Zekri Bin Dato' Haji Ibrahim whilst the Chairman of the Audit Committee is Mr Tan Wooi Chuon. Hence, the Chairman of the Board and the Chairman of the Audit Committee are 2 separate and distinct individuals.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	In line with the MCCG practice, the Company has a policy requiring a former partner of the external audit firm of the Company to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee. The provision is in the Terms of Reference of the ARCM. Presently, no member of the Audit Committee is former key audit partner of ARK's external auditors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	The Audit Committee has evaluated the performance of Messrs. UHY, the external auditors, based on the following during the FY2026:- a) tenure; b) independence and objectivity; c) technical competency; d) audit quality and adequacy of resources. As part of the review process, the Audit Committee has sought and reviewed the management's comments and feedbacks on the performance of the external auditors. The Audit Committee of ARK conducted a private session with the external auditors, without the presence of the Executive Directors and the management. This review process ensures that critical issues, if any, are objectively brought up to the attention of the Audit Committee.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted
Explanation on adoption of the practice	:	All Audit Committee members i.e. Mr Tan Wooi Chuon, Dato' Bong Yong Chuan and Dato' Faiza Binti Zulkifli are Independent Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Chairman of the Audit Committee, Mr Tan Wooi Chuon, is an associate member of the Chartered Institute of Management Accountants, UK (ACMA). The other members of the Audit Committee have corporate and/or business backgrounds and are financially literate. It is ARK’s policy that all members of the Audit Committee undertake continuous professional development to ensure that they are kept informed and updated of the latest developments.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board has established the appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems and is responsible towards the overall effectiveness of the ARK Group's risk management and internal control systems. The Audit Committee as an independent party is delegated to review and determine the levels of different categories of risk and to also provide assurance to the Board on the effectiveness of the internal control systems and risk management in the Group. The daily running of the business is entrusted to the Executive Director and management team. This close to operations management style enables timely identification and reporting of significant matters. The Audit Committee is also supported by the Group's internal audit function which has been outsourced to PKF Risk Management Sdn Bhd, an independent professional firm, who will provide an independent assessment on the adequacy and effectiveness of the internal control systems operating within the Group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied	
Explanation on application of the practice	:	Risk management, in particular the assessment, monitoring and reviews of the various risk factors impacting the Group, is a key process continuously undertaken by the management team, with the Audit Committee assuming a key oversight role as delegated by the Board. The Board is also updated regularly and measures including pre-emptive measures to mitigate foreseeable risks will be considered and put to the Board for decision if necessary. Further details on the management and reporting of risks as well as controls in place to mitigate and manage those risks are provided in the Statement on Risk Management and Internal Control of the Annual Report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	The internal audit function of the Group is outsourced to an independent professional firm, PKF Risk Management Sdn Bhd, and reports directly to the Audit Committee. The internal auditors carry out internal audits on the Group based on a risk-based plan approved by the Audit Committee. Audit findings are then circulated to the Audit Committee for their review and further action if necessary. During the financial year, the Audit Committee also reviewed the performance of the internal auditors and evaluated their suitability and independence before making recommendation to the Board for their re-appointment and remuneration.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	The Group's internal audit function is outsourced to an independent professional firm PKF Risk Management Sdn Bhd ("PKF"). The Audit Committee had evaluated the firm and concluded that the audit personnel assigned to the Group were adequate to carry out the work and did not have any relationships or conflicts of interest with the ARK Group. The internal auditors carried out the internal audit of the Group based on a risk-based plan approved by the Audit Committee which meet the objectives of the internal audit framework relevant and applicable to the industry.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board believes that stakeholders engagement is the basis of good corporate governance and important for our business economic sustainability. One of our key stakeholders is our shareholders. At our annual AGM, all shareholders are invited to raise questions to the members of the Board. The Board provided clear explanation to address the questions from the shareholders. The Investor Relations function is established to enable continuous communication between the Company and its stakeholders. The stakeholders are encouraged to channel their concerns to the manager of Corporate Planning & Investor Relations whose name, contact number and email address are provided on the Company's website, www.ark-resources.com.my. The Board ensures that the Company announces its quarterly results on timely basis and makes all the necessary announcements accurately and immediately. The Company's website also serves as a forum to communicate with stakeholders and to provide information on the Group's business activities.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board had adopted Practice 13.1 to issue the notice of AGM to shareholders at least 28 days prior to the meeting. The additional time given will allow shareholders to make necessary arrangements to participate and also consider the proposed resolutions before exercising their voting rights at the meeting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has adopted Practice 13.2 that all its directors to attend the general meeting of the Company and respond to shareholders' enquiries, if any. All the directors (except Mr Ramelle Ashrm Bin Ramli and Dato' Bong Yong Chuan is absence with apologies) attended the 8th AGM of the Company to engage directly with shareholders of the Company. The Company Secretary and the External Auditors were also in attendance.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Company always holds its meetings in places easily accessible by its shareholders.	
		Shareholders are entitled to appoint proxy/ proxies to vote on their behalf in their absence at the general meetings.	
		All voting are conducted by way of poll and Announcement of the detailed results of the poll voting had been made to the public via Bursa Malaysia Securities Berhad on the same day for the benefit of all shareholders.	
		Company will continue to explore leveraging the use of information technology to enhance quality of engagement with shareholders and facilitate participation.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	At each AGM, the Directors of the Company would be present to answer any questions from the shareholders. The Chairman of the meeting provided time for the shareholders to ask questions for each agenda in the notice of the AGM. The external auditors will also be present to answer any questions from the shareholders relating to their audit.
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

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

provide any reasons other than those of the meeting platform.			
Application	:	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice	:		
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The minutes of 8th AGM is published within 30 business days after the AGM on the Company's website www.ark-resources.com.my .
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	
	:	

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

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

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