# CORPORATE GOVERNANCE REPORT

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| **STOCK CODE** | **:** | 7188 |
| **COMPANY NAME** | **:** | BTM RESOURCES BERHAD |
| **FINANCIAL YEAR** | **:** | June 30, 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 PERSUANT 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.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The Board is responsible for the stewardship of the Company's business and affairs with a view to enhance long term shareholders value as well as investor interest while taking into account the interests of other stakeholders and maintaining high standards of transparency, accountability and integrity.<br><br>The Board is also responsible for the overall performance of the Group and focuses mainly on the strategic management, performance monitoring and measurement, risk management and internal controls, standards of conduct, shareholders' communication, governance of sustainability and critical business decisions.<br><br>The Board is guided by Board Charter and its responsibilities are included in the Board Charter which is available on the Company's corporate website at www.btmresources.com.my.<br><br>To enhance accountability, the Board has established clear functions reserved for the Board and those delegated to Management. There is a formal schedule of matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Company are in its hands. The role of Management is to support the Executive Directors ("ED") and implement the running of the general operations and business of the Company, in accordance with the delegated authority of the Board.<br><br>The Board Committees consist of Audit Committee ("AC"), Nomination and Remuneration Committee ("NRC"), Risk Management and Sustainability Committee ("RMSC") and Long-Term Incentive Plan Committee ("LTIP"). Save for LTIP, all Committees have clear written terms of reference and the Board receives reports of their proceedings and deliberations. The Chairman of the Committees will report to the Board the outcome of their meetings and the reports are incorporated in the minutes of the Board meeting. |

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| **Explanation for departure** : | | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |
| **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.

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| **Application** | : | Departure |
| **Explanation on application of the practice** | : | |
| **Explanation for departure** | : | There is no new chairman appointed subsequent to the resignation of Mr Loo Eng Hua as the Chairman and Independent Non-Executive Director ("INED") of the Company on 12 June 2024.<br><br>As alternative practice, two (2) Independent Non-Executive Directors, namely Mr Lee Yoon Seong and Ms Goh Siow Cheng together with two Executive Directors, namely Datuk Yap Wai Hong and Mr Tan Boon Pock are collectively responsible to instill good corporate governance practices and leadership. For running the board meetings effectively, the executive director, Mr Tan Boon Pock chair the Board Meeting, leading the deliberations and ensuring that the board receives balanced perspectives on key issues. As for setting the agenda of meeting, the executive director, Datuk Yap Wai Hong is responsible for outlining the matters to be deliberated at the board meetings and inform the company secretary to incorporate the same into the notice of the meetings. |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |
| **Measure** | : | |
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**Intended Outcome**

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

**Practice 1.3**

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

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The Company practices the division of responsibility between the Chairman and Managing Director ("MD")/ ED and there is a balance of executive, non-executive and independent non-executive Directors. The roles of the Chairman and MD/ED are separated and clearly defined, and are held individually by two persons.<br><br>The MD is Dato' Seri Yong Tu Sang whilst the chairman position of the Company remains vacant subsequent to the resignation of Mr Loo Eng Hua as the Chairman and INED of the Company on 12 June 2024. The MD, together with the ED, have the overall responsibilities over the Group's operating units, organisational effectiveness and implementation of the Board policies and decisions.<br><br>All decisions of the Board are made unanimously or be consensus. The Board is satisfied and assured that no individual or group of Directors has unfettered powers of decision that could create a potential conflict of interest. |
| **Explanation for departure** | : | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |
| **Measure** | : | |
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**Intended Outcome**

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

**Practice 1.4**

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

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| *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'.* | | | |
| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | The chairman position of the Company remains vacant subsequent to the resignation of Mr Loo Eng Hua as the Chairman and INED of the Company on 12 June 2024.<br><br>Nevertheless, the former Chairman of the board was not a member of all the board committees of the Company and did not participate in any or all of these committees' meetings. | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | | |
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**Intended Outcome**

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

**Practice 1.5**

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.

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| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | The Company Secretaries are qualified to act as secretary under Section 235(2) of the Companies Act 2016. The key responsibilities of the Company Secretaries have been clearly specified in the revised Board Charter which is made available on the website of the Company.<br><br>The Board has unrestricted access to the professional advices and services of the Company Secretaries and is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging its functions during the financial year ended 30 June 2026 ("FY2026"). | |
| **Explanation for departure** | : | | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | | |
| **Measure** | : | | |
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**Intended Outcome**

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

**Practice 1.6**

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

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| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | Directors are supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters for decisions to be made on an informed basis for an effective discharge of the Board's responsibilities.<br><br>Senior Management of the Group and external advisers are invited to attend Board meetings to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda.<br><br>Deliberations and decisions made at Board and Board Committees meetings are well documented in the minutes, including matters where Directors abstained from voting or deliberation. The minutes are then circulated to the Directors and Board Committees for perusal. The minutes are confirmed as correct record by the Board and Board Committees at the following meeting. | |
| **Explanation for departure** | : | | |
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**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.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The Board is guided by its Board Charter which clearly sets out the Board's roles and responsibilities in discharging its fiduciary and leadership functions.<br><br>The Board Charter is available on the Company's website at www.btmresources.com.my.<br><br>To enhance accountability, the Board has established clear functions reserved for the Board, Board Committees, individual Directors and Management. There is a formal schedule of matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Company are in its hands.<br><br>The Charter provides guidance for Directors and Management regarding the responsibilities of the Board, Board Chairman, Board Committees, ED and Non-Executive Director as well as the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as boardroom activities.<br><br>The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have impact on the discharge of the Board's responsibilities. The last review of the Board Charter was conducted on 28 August 2025. |
| **Explanation for departure** | : | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |
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**Intended Outcome**
The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

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

**Practice 3.1**
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.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The Board established Code of Ethics for Directors and Code of Conduct for Officers and Employees which ensures that ethical conduct is permeated throughout the Company.<br><br>The Code of Ethics for Directors requires all Directors to establish a standard of ethical behaviour for Directors based on acceptable beliefs and values and to uphold the spirit of professionalism, objectivity, transparency, and accountability in line with the legislation, regulations and environmental and social responsibility guidelines governing a company.<br><br>i) To emphasize the Company's commitment to ethics and compliance with the applicable laws and regulations;<br>ii) To set forth basic standards of ethical and legal behaviour within the Company;<br>iii) To include noble characteristics in performing duties so as to improve work quality and productivity;<br>iv) To improve self-discipline in order to provide the Company with good and quality service; and<br>v) To enhance skills in the implementation of duties and to be able to adapt to work environment.<br><br>A summary of the Code of Ethics for Directors and Code of Conduct for Officers and Employees had been published on the corporate website. The last review of the Code of Ethics for Directors and Code of Conduct for Officers and Employees was conducted on 27 November 2023. |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |

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

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

**Practice 3.2**
The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The Board has formalised a whistleblowing policy for the Group to promote good corporate governance practices and maintain high transparency and accountability in the workplace.<br><br>The whistleblowing policy outlines the avenues for all employees, Directors, Shareholders, Consultants, Vendors, Outsider Agencies or any parties with a business relationship with the Group to raise genuine concerns about suspected misconduct, malpractice, or disclose in good faith any improper conduct within the Group and to enable prompt corrective actions and measures to resolve them effectively.<br><br>Any employee who has reasonable believes in good faith that Improper Conduct exists in the workplace, the employee should raise this concern with their immediate superior. However, if for any reason, it is believed that this is not possible or inappropriate, then the employee, may report the concerns to either Group MD and ED. For serious malpractice relating matter, they may direct such complaint and report to the Independent Non-Executive Chairman or the Chairman of Audit Committee, through a confidential reporting channel.<br><br>Management will ensure that the Whistleblower who raises a genuine complaint in good faith shall be protected from reprisal as a direct consequence of making a disclosure and to safeguard his/her confidentially.<br><br>The Whistleblowing Policy has been adopted by the Board of Directors on 27 November 2023.<br><br>In addition, the Board has also adopted an Anti-Bribery and Anti Corruption Policy ("ABAC Policy") in accordance to Section 17(A) of the Malaysian Anti-Corruption Commission Act 2009 on 27 November 2023.<br><br>A copy of the ABAC Policy and the Whistleblowing Policy can be accessed through the Company's website at www.btmresources.com.my. |
| **Explanation for departure** | : | |

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**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.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The Group is committed to ensuring business sustainability and strives to manage nature resources for the long-term benefit and wellbeing of the society.<br><br>The Board will proactively consider sustainability issue such as health and safety as well as climate action when overseeing the planning, performance and long-terms strategy of the Company to ensure that the Company remains resilient and is able to deliver durable and sustainable value as well as maintain the confidence of its stakeholders.<br><br>Supporting the Board is the RMSC, which oversees the Group's sustainability blueprint, including material topics, strategies and targets. The RMSC is chaired by an INED, together with an INED and the ED, who are collectively tasked with overseeing the Group's risk management and sustainability governance process.<br><br>Management will integrate sustainability considerations in the day to-day operations of the Company and ensure the effective implementation of the Company's sustainability strategies and plans.<br><br>The sustainability efforts and initiatives undertaken, and targets set out by the Company have been disclosed in the Sustainability Statement of the Company's Annual Report 2026 for the FY2026. |
| **Explanation for departure** | : | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |
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**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.

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| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | The Board aware that stakeholder engagement is vital in ensuring continued business sustainability whereby it enable the company to pursue various approaches and valued stakeholders' feedbacks and inputs in shaping the Company business strategy as the Company believed effective communication maintained mutually beneficial relationships with the stakeholders.<br><br>Details of stakeholder engagement and sustainability objectives are set out in the Company's Sustainability Statement in the Company's Annual Report 2026. | |
| **Explanation for departure** | : | | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | | |
| **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.

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| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | The Board provides the oversight on the Group's sustainability and is assisted by the Management who oversees the implementation of the Group's sustainability measures.<br><br>The Board recognises its responsibility to set the "tone from the top" and ensure good governance within the Group. In this regard, the Board continues to play an active role in providing oversight on all Environmental, Social and Governance ("ESG") topics in the ESG report. Aside from strategic guidance for management of its identified sustainability material matters and climate-related risk, the Board is also committed in advancing the ESG agenda across the organisation. | |
| **Explanation for departure** | : | | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | | |
| **Measure** | : | | |
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**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.

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| **Application** | : | Departure | |
| **Explanation on application of the practice** | : | | |
| **Explanation for departure** | : | As addressing material sustainability risks and opportunities is the responsibility of the Board and Senior Management, the Board is looking into incorporating the evaluations to include the ESG considerations and sustainability yardstick to the Senior Management. Nevertheless, the Boards review and evaluates its own performance and the performance of its committees on an annual basis. The annual assessment of the Board take into the consideration of ability in addressing the Company's material sustainability risk and opportunities. | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | | |
| **Measure** | : | The Board has adopted the performance evaluations forms of the Board and Senior Management on 27 February 2024. | |
| **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.

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| *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.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The NRC shall be responsible in ensuring the appropriate Board balance and size, and that the Board has a required mix of skills, experience and other core competencies other qualities to function effectively and efficiently through its annual review.<br><br>During the FY2026, Mr Chan Fook Mun was appointed as an INED on 27 October 2025, whilst one (1) ED and two (2) INEDs, namely Datuk Dr Hon Tian Kok @ William, Ms Wong See Mei and Mr Lau Fook Meng, were appointed to the Board on 30 January 2026, to bring new skills and perspective to the boardroom. Mr Chan Fook Mun subsequently resigned as an INED on 5 October 2026.<br><br>The Board had on 27 November 2023, adopted Nomination and Appointment of Directors process and procedures for the NRC and the Board in discharging their responsibilities in terms of the nomination and appointment of new Directors to build an effective Board composition. The NRC is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous and that appointments are made on merits. Board members are required to undertake a formal and objective annual evaluation and assessment to determine the effectiveness of the Board, Board Committee, and individual Directors.<br><br>The Directors' Fit and Proper Policy has served as a guide to NRC and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election, to ensure that the Directors have abilities to discharge their duties in tandem with good corporate governance practices. The policy addresses board quality and integrity and will aid the Company to comply with Paragraph 2.20A of the Main Market Listing Requirements ("MMLR"). |
| **Explanation for departure** | : | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |

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**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.

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| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | The Board currently consists of eight (8) members; comprises four (4) Independent Non-Executive Directors, three (3) Executive Directors and one (1) Managing Director. The Directors' profiles are disclosed in the Annual Report 2026.<br><br>The present composition of the Board is complied with Paragraph 15.02 of the MMLR where at least two (2) and more than one-third of the directors are Independent Directors. | |
| **Explanation for departure** | : | | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | | |
| **Measure** | : | | |
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**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.

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| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | The Board Charter outlines that the tenure of its independent directors shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board, subject to re-designation as a non-independent director. Otherwise, the Board is required to provide justifications and seek for shareholders' approval under normal voting procedure at the Annual General Meeting ("AGM") in the event it intends to retain the director as an independent director.<br><br>There is no Independent Director serving beyond the cumulative term limit of nine (9) years on the Board of the Company. | |
| **Explanation for departure** | : | | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | | |
| **Measure** | : | | |
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**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.

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| *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.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The NRC shall apply the "Fit and Proper" standards as per the Directors' Fit and Proper Policy adopted by the Company before recommending the candidates to the Board for approval. The NRC is delegated by the Board in identifying, selecting and recommending suitable candidates for the appointment of Board and senior management, by taking into consideration the aspects of the candidates such as candidates' skills, knowledge, expertise and experience, time commitment, character, competence, professionalism, integrity, age, cultural background and gender as well as the existing board positions held by the directors to ensure the Board to devote the required time to serve the board effectively.<br><br>The Company adopts a policy of non-discrimination on the basis of race, age, religion and gender. The Board has also adopted Board Diversity Policy on 27 November 2023 of the view that to strengthen women's representation in the composition of the Board as well as promote boardroom diversity in terms of skills, experience, age, ethnicity, nationality and cultural background, in attaining effective strategic objectives to enhancing sustainable growth and in promoting better corporate governance within the Group. |
| **Explanation for departure** | : | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |
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| **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.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The Board has entrusted the NRC with the responsibility to recommend suitable candidate for appointment as new Director or either to fill any vacancy arising from the resignation, retirement or any other reasons.<br><br>The NRC would source for potential candidates through various channel such as the recommendation by the existing Directors, management, major shareholders, independent advisors, professional bodies, independent search firms, and/or other independent sources.<br><br>The NRC would also evaluate the suitability of candidates for appointment to the Board, the NRC considers, inter-alia, the competency, experience, commitment, contribution, and integrity of the candidates, and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidates' independence and as well as based on the "Fit and Proper" standards.<br><br>During the financial year ended 30 June 2026, the NRC had reviewed and recommended the appointment of Datuk Dr Hon Tian Kok @ William as an Executive Director, and Mr Chan Fook Mun, Ms Wong See Mei and Mr Lau Fook Meng as INEDs of the Company.<br><br>The Board has adopted that Nomination and Appointment of Directors Process and Procedure on 27 November 2023 to serve a guide for the NRC and Board in sourcing new candidates for the Directors in ensuring the continuity of an effective Board. |
| **Explanation for departure** | : | |
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| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |
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**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.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | Profiles of Directors who are due for retirement and offered themselves for re-election are set out in the Annual Report 2026 of the Company.<br><br>If there is an appointment of new Director, the Company would make the necessary announcement to Bursa Malaysia Securities Berhad ("Bursa Securities") website, whereby the shareholders of the Company are accessible to the details and disclosure of the new candidate(s) as well as the qualifications, working experience and occupation, directorship in public companies and listed issuers, family issuer, any conflict of interests that he/she has with the listed issuer and details of any interest in the securities of the listed issuer or its subsidiaries via Bursa Securities website.<br><br>With respect to the re-appointment of the Directors of the Company during the AGM, the resolution(s) would be tabled at the AGM for shareholders' deliberation and voting. |
| **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 5.8**
The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

| | | | |
|---|---|---|---|
| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | The NRC comprises exclusively Independent Non-Executive Directors and is chaired by an Acting Chairperson appointed from among its members.<br><br>The Terms of Reference of the NRC is available on the Company's website at www.btmresources.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 5.9**
The board comprises at least 30% women directors.

| | | | |
|---|---|---|---|
| **Application** | : | Departure | |
| **Explanation on application of the practice** | : | | |
| **Explanation for departure** | : | The Board currently comprises of eight (8) Directors, two (2) of whom are female, i.e. 25% of the Board, following the appointment of Ms Wong See Mei as an INED on 30 January 2026.<br><br>The current composition of the Board comprises experienced individuals from diverse background, experiences and knowledge, which range from industry-specific knowledge, finance, management and corporate finance has functioned adequately and enabling the contribution of views and insight from various perspective in arriving at deliberation and decision-making. The Board considers the board size of eight (8) members is sizable enough at present. Nevertheless, priority would be given to woman candidate to fill future board vacancy if the need arises, to meet the gender diversity requirements. | |
| | | | |
| *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 5.10**
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 Board acknowledges the importance of boardroom diversity and takes cognisance of the recommendation of the MCCG to have Company's policy on gender diversity for the Board and Senior Management.<br><br>The Company adopts a policy of non-discrimination on the basis of race, age, religion and gender. The Board has also adopted Board Diversity Policy on 27 November 2023 of the view that to strengthen women's representation in the composition of the Board as well as encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.<br><br>A copy of a Board Diversity Policy is available on the Company's website at www.btmresources.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.

| | | |
|---|---|---|
| *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.* | | |
| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The Board via the NRC undertakes annual evaluation to determine the effectiveness of the Board. The Board evaluation comprises Board Assessment, Board Committees Assessment, Individual Assessment and Assessment of Independence of Independent Directors and the financial literacy test of the AC Members. The results of the assessment would form the basis of the NRC's recommendation to the Board for the re-election of Directors at the next AGM.<br><br>Based on the annual assessment conducted, the NRC was satisfied with the existing Board composition and concluded that each Directors has the requisite competence to serve on the Board and has sufficiently demonstrated their commitment to the Company in terms of time and participation during the year under review. All assessments and evaluations carried out by the NRC in discharge of its functions were properly documented. |
| **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 7.1**

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 adopted a Remuneration Policy on 27 November 2023 to support the Directors and key senior management in carrying out their responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The Board's objective in this respect is to offer a competitive remuneration package in order to attract and retain experienced, well-qualified, and high-calibre directors and Key Senior Management to drive and be aligned with the long-term interest, business strategies, corporate objectives, sustainable growth and development of the Company, as pursuant to the Practice 7.1 of the Code.<br><br>The details of the Remuneration Policy is available on the Company's website at www.btmresources.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 NRC comprises exclusively of INED. The NRC reviews and recommends to the Board annually the Board's remuneration package and/or reward payments that reflect their respective contributions for the year, and which depend on the performance of the Group, achievement of the goals and/or quantified organisational targets as well as strategic initiatives set at the beginning of each year.<br><br>The NRC is guided by its terms of reference, which is available on the Company's website at www.btmresources.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** | : | The details of the remuneration of Directors on a named basis (including the components of directors' fees, salary, bonus, benefits in-kind and other emoluments) from the Company and its subsidiaries during the FY2026 are disclosed in the Corporate Governance Overview Statement of the Annual Report 2026.<br><br>Mr Chan Fook Mun was appointed as an INED on 27 October 2025, whilst Datuk Dr Hon Tian Kok @ William, Ms Wong See Mei and Mr Lau Fook Meng were appointed on 30 January 2026. Their remuneration for the FY2026 is disclosed from their respective dates of appointment. |

| 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' Seri Yong Tu Sang | Executive Director | - | 55 | 240 | - | - | - | 295 | - | 55 | 240 | - | 24 | - | 319 |
| 2 | Tan Boon Pock | Executive Director | - | 54 | 240 | - | - | 29 | 323 | - | 54 | 240 | - | 24 | 29 | 347 |
| 3 | Datuk Yap Wai Hong | Executive Director | - | 54 | 240 | - | - | 29 | 323 | - | 54 | 240 | - | - | 29 | 323 |
| 4 | Goh Siow Cheng | Independent Director | 48 | 15 | - | - | - | - | 63 | 48 | 15 | - | - | - | - | 63 |
| 5 | Lee Yoon Seong | Independent Director | 48 | 16 | - | - | - | - | 64 | 48 | 16 | - | - | - | - | 64 |
| 6 | Chan Fook Mun (Appointed on 27 October 2025 and resigned on 5 October 2026) | Independent Director | 33 | 2 | - | - | - | - | 35 | 33 | 2 | - | - | - | - | 35 |
| 7 | Datuk Dr Hon Tian Kok @ William (Appointed on 30 January 2026) | Executive Director | 25 | - | - | - | - | - | 25 | 25 | 0 | - | - | - | - | 25 |
| 8 | Wong See Mei (Appointed on 30 January 2026) | Independent Director | 10 | 2 | - | - | - | - | 12 | 10 | 2 | - | - | - | - | 12 |
| 9 | Lau Fook Meng (Appointed on 30 January 2026) | Independent Director | 10 | 2 | - | - | - | - | 12 | 10 | 2 | - | - | - | - | 12 |
| 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 |
| | | | | | | | | | | | | | | | | |

**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 is of the view that the disclosure on a named basis of the senior management's remuneration component would not be in the best interest of the Group. It would be commercially disadvantageous for the Group to disclose this information in this highly competitive market for talents.<br><br>The Group assures that the remuneration of the senior management is commensurate with the function, workload and responsibilities, taking into account the Company's performance, and at the level which is sufficient to retain, attract and motivate senior management to run the Company successfully but without paying more than necessary. Non-disclosure of the information on key personnel and their remuneration will not affect the interest of its shareholders. | |
| | | |
| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | |
| **Measure** : | | |
| **Timeframe** : | | |

| 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 AC is chaired by Mr Lee Yoon Seong, who is not the Chairman of the Board. | |
| **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 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** | : | The AC has adopted a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC and the said policy has been incorporated in the Terms of Reference of the AC.<br><br>The Terms of Reference of the AC is available on the Company's website at www.btmresources.com.my.<br><br>No former audit partner of the External Auditors of the Company is appointed as a Company Director and a member of the AC thus far. | |
| **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 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 Company has adopted the External Auditors' Selection Policy on 27 November 2023 to outline the guidelines and procedures to be taken by the AC for the selection and appointment, removal, impartially and independent of external auditors in order to safeguard the quality and reliability of the Audited Financial Statements.<br><br>An annual assessment of the competency and independence of the External Auditors was conducted by the AC. In assessing the External Auditors' performance and suitability, the AC considered, inter-alia, the independence, objectivity, professionalism, quality of services, sufficiency of resources and communication and interaction with the External Auditors.<br><br>The AC received assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out in the MIA By-Laws (on Professional Ethics, Conduct and Practice) ("By-Laws") and the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants ("IESBA Code").<br><br>Based on the annual assessment conducted on the External Auditors' performance, the AC recommended to the Board for the reappointment of Messrs Folks DFK & Co PLT as the External Auditors of the Company for the financial year ending 30 June 2027, upon which the shareholders' approval will be sought at the forthcoming 32nd AGM. |
| **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 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** | : | The AC comprises exclusively of INED. |

**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** : | All members of the AC are financial literate and assist the Board to oversee and scrutinise the process and quality of the financial reporting and ensure accuracy, adequacy and completeness of the report, as well as in compliance with the relevant accounting standards.<br><br>The Company is committed to ensure that all members of the AC undertake continuous professional development and have annual discussion with the external auditors on financial reporting development to keep themselves abreast of the relevant developments in accounting and auditing standards, practices and rules. | |
| **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**
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 AC oversees the risk management of the Group and advises the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation. The AC also reviews the action plan implemented and makes relevant recommendations to the Board to manage residual risks. The Group has established a formal risk management framework to oversee the risks management of the Company and engaged an external consultant to assist the Company in identifying, assessing and managing the risks in areas that are applicable to the Company's business and ensure that the risk management process in place and functioning effectively.<br><br>The Company has outsourced its internal audit function for the FY2026 to a professional services firm, namely Messrs Baker Tilly Monteiro Heng Governance Sdn. Bhd., to assist the AC in discharging its duties and responsibilities in respect of reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.<br><br>The engaging partner and team are free from any relationships or conflict of interests with the Company, to ensure the Internal Auditors' objectivity and independence are not impaired. Further details can be found in the Statement on Risk Management and Internal Control in the Annual Report 2026. |
| **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**
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** | : | The Statement on Risk Management and Internal Control in the Annual Report provides the overview of the internal control framework adopted by the Company during the FY2026. | |
| **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**
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** | : | Adopted |
| **Explanation on adoption of the practice** | : | The Board has established a RMSC which comprises majority of INED.<br><br>The RMSC ensures that the risk management structure is consistently adopted throughout the Group.<br><br>The RMSC also periodically reviews the adequacy of the Company's risk management policy and systems, and the effectiveness of policy and systems implementation in terms of identifying, measuring, aggregating, controlling and reporting the risks.<br><br>The Terms of Reference of the RMSC is available at the Company's website. |

**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 Board always places significant emphasis and sound internal controls which are necessary to safeguard the Group's assets and shareholders' investment.<br><br>The Board has outsourced the Internal Audit function ("IA") for the FY2026 to an independent internal audit consulting firm, namely Messrs Baker Tilly Monteiro Heng Governance Sdn. Bhd. to provide an independent appraisal over the system of internal control of the Group and reports directly to the AC. The responsibilities of the Internal Auditors include providing independent and objective reports on the state of internal controls and the operating units in the Group to the AC, with recommendations for improvement to the control procedures, so that remedial actions can be taken in relation to weaknesses noted in the systems.<br><br>The Internal Auditors are also required to perform periodic testing of the internal control systems to ensure that the system is robust.<br><br>During the financial year under review, the Internal Auditors have conducted review on the Group in accordance to the IA Plans, which have been approved by the AC.<br><br>Details of the IA function are set out in the AC report in the Annual Report 2026. |
| **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**
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 Company has outsourced the Internal Audit Function to Messrs Baker Tilly Monteiro Heng Governance Sdn. Bhd. to assist the Board and the AC in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's key processes and internal control system.<br><br>The Internal Audit function is independent of the activities it audits and carries out its work in accordance with the International Professional Practices Framework of the Institute of Internal Auditors, enshrined in the Internal Audit Charter to confirm the Internal Audit's independence and has sufficient resources to carry out these duties.<br><br>The lead internal auditor, Mr Kuan Yew Choong, a qualified Chartered Accountant and his team are free from any relationships or conflict of interests with the Company, to ensure the Internal Auditors' objectivity and independence are not impaired and the internal audit function is carried out in accordance with a recognised framework.<br><br>The resources deployed to conduct the internal audit function are 3 staffs, and all of them possess the necessary qualification to conduct internal audit.<br><br>The information on the Internal Audit function is available in the Statement on Risk Management and Internal Control in the Annual Report 2026. |
| **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 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 values the relationship between the Company and its stakeholders. The Board also recognises the need for transparency and accountability to the Company's stakeholders as well as regular communication with its shareholders and stakeholders.<br><br>The Company has put in place the following initiatives to facilitate effective reporting and communication with its shareholders and stakeholders:-<br><br>• Timely announcement to Bursa Securities which include the release of quarterly financial results, annual financial statements, circular, Annual Report and material information.<br>• AGM is one of the principal forums for dialogue with shareholders. Besides the usual agenda for AGM, the Board provides opportunities to shareholders to raise questions pertaining to the business activities of the Group.<br>• Holds dialogue (if need arises) with analysts, institutional shareholders and members of the press to convey information regarding the Group's performance, development and strategic plan. However, market sensitive information is first made available on Bursa Securities announcement platform before disclosing them in this dialogue.<br>• The Board leverages on its corporate website in communicating, disseminating and adding depth to the governance reporting. BTM's corporate website house information such as Board Charter, Code of Conduct, Code of Ethics and Whistleblowing Policy. Other principal governance information such as annual reports and announcements are also made available on the website.<br>• The corporate website provides investor relations contact for shareholders and stakeholders to direct their concerns.<br><br>In addition, the 31st AGM was held on 18 December 2025, and the Notice of the AGM was issued by the Company on 31 October 2025, effectively giving shareholders more than 28 clear days to review the annual report for any questions they might wish to raise. |

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| **Explanation for departure** : | | |
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| *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 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.

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| **Application** | : | Not applicable – Not a Large Company | |
| **Explanation on application of the practice** | : | | |
| **Explanation for departure** | : | | |
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| *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 13.1**
Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | The Notice of the 31st AGM together with the Annual Report 2025 was sent to shareholders on 31 October 2025, i.e. at least twenty-eight (28) days prior to the date of AGM to ensure the shareholders have sufficient time to consider on the resolutions to be discussed at the AGM and to encourage greater shareholders' participation.<br><br>In year 2026, the Notice of forthcoming 32nd AGM will be sent to the shareholders at least 28 clear days before the AGM, in advance of the 21-day requirement under the Company's Constitution, the Companies Act 2016 and the Listing Requirements, which providing additional time to the shareholders to allow them to make the necessary arrangements to attend and participate in person or by corporate representatives or proxies, and consider the proposed resolutions that will be discussed and decided at the AGM.<br><br>The Notice of the AGM, which sets out the businesses to be transacted at the AGM shall also be published in major local newspaper and Company's websites. The notes to the Notice of the AGM also provide detailed explanations for each proposed resolution to enable the shareholders to make informed decisions when exercising their voting rights. |
| **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 13.2**
All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

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| **Application** | : | Applied |
| **Explanation on application of the practice** | : | All the Directors, Chairs of committees and Senior Management attended the 31st AGM held on 18 December 2025.<br><br>All Directors, Chair of committees, Senior Management, External Auditors and advisors, if any, shall endeavour to present in person to engage directly with, and be accountable to the shareholders for their stewardship of the Company at the general meeting.<br><br>The proceedings of the AGM included a question and answer session, of which the Chairman of the AGM would invite shareholders to raise questions in respect of the Company's financial statements and any other items for adoption at the AGM, before putting a resolution to vote.<br><br>The presence of all Directors presented opportunities for the shareholders to engage with each Director and also allowed the shareholders to raise questions and concerns directly to the Directors. |
| **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 13.3**
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.

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|---|---|---|
| **Application** : | Departure | |
| **Explanation on application of the practice** : | | |
| **Explanation for departure** : | The 31st AGM of the Company was held physically on 18 December 2025 at Hotel Armada, Petaling Jaya, which was not conducted on virtual basis that would have application of voting in absentia and allow remote shareholders' participation via virtual meeting facility.<br><br>The Company's general meetings have always been held at a venue which is easily accessible.<br><br>Shareholders are entitled to appoint representatives or proxy/proxies/Chairman to vote on their behalf in their absence.<br><br>Having said that, the Company would consider to organise hybrid general meetings in future. | |
| | | |
| *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 13.4**
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.

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| *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.* | | | |
| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | The Chairman of the board ensure that general meetings support meaningful engagement between the board, senior management and shareholders.<br><br>The Chairman had invited the shareholders to participate physical Annual General Meeting in deliberating the proposed resolutions and/or on the Group's operations in general.<br><br>The Directors, External Auditors and the senior management were all in attendance to respond to all questions raised and to provide clarification as required by the shareholders including company's financial and non-financial performance as well as the company's long-term strategies. | |
| **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 13.5**
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.

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|---|---|---|---|
| *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.* | | | |
| **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.

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| *Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.* | | | |
| **Application** | : | Applied | |
| **Explanation on application of the practice** | : | The Minutes of the 31st AGM held on 18 December 2025 was uploaded to the Company's website. | |
| **Explanation for departure** | : | | |
| | | | |
| *Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.* | | | |
| **Measure** | : | | |
| **Timeframe** | : | | |

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT 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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