THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, please consult your stockbroker, bank manager, solicitor, accountant, bank manager or other professional advisers immediately.

ARK RESOURCES HOLDINGS BERHAD
(Registration No.: 201701027024 (1241190-V))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED ACQUISITION BY KARYA KOPERAT SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF ARK RESOURCES HOLDINGS BERHAD, OF 3 ADJOINING PARCELS OF VACANT INDUSTRIAL LANDS IDENTIFIED AS LOT NOS. 9777, 20238, AND 3222, HELD UNDER TITLE NOS. HSD 6981, HSM 3558 AND PN 649, RESPECTIVELY, ALL SITUATED IN MUKIM 13, DISTRICT OF TIMOR LAUT, PULAU PINANG, MEASURING IN AGGREGATE APPROXIMATELY 107,058 SQUARE METRES FROM BOUSTEAD PENANG SHIPYARD SDN BHD FOR A TOTAL CASH CONSIDERATION OF RM28,000,000 ("PROPOSED ACQUISITION")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser

M & A SECURITIES SDN BHD
(Registration No. 197301001503 (15017-H))
(A Participating Organisation of Bursa Securities)

The Extraordinary General Meeting ("**EGM**") of ARK Resources Holdings Berhad will be held at Citrine, Level 5, Amari SPICE Penang, 2, Persiaran Mahsuri, 11900 Bayan Lepas, Penang, Malaysia on Wednesday, 30 September 2026 at 11.45 a.m. or immediately following the conclusion or adjournment of the Ninth Annual General Meeting of the Company. The Notice of EGM and the Proxy Form are enclosed herein.

A member entitled to attend, participate and vote at the EGM is entitled to appoint not more than 2 proxies to attend, participate and vote on his/her behalf. In such event, the completed and signed Form of Proxy should be lodged at the Registered Office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang or email it to info@ark-resources.com.my on or before the proxy form submission cut-off time as indicated below. The lodging of the Form of Proxy will not preclude you from attending, participating and voting in person at the EGM should you wish to do so.

Last date and time for lodging the Form of Proxy	: Monday, 28 September 2026 at 11.45 a.m.
Date and time for the EGM	: Wednesday, 30 September 2026 at 11.45 a.m. or immediately following the conclusion of adjournment of the Ninth Annual General Meeting of the Company

This Circular is dated 31 July 2026

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

"Act"	:	Companies Act 2016
"ARK" or "Company" or "Guarantor"	:	ARK Resources Holdings Berhad (Registration No.: 201701027024 (1241190-V))
"ARK Group" or "Group"	:	Collectively, ARK and its subsidiaries
"ARK Share(s)" or "Share(s)"	:	Ordinary share(s) in ARK
"Board"	:	Board of directors of ARK
"BPSSB" or "Vendor"	:	Boustead Penang Shipyard Sdn Bhd (Registration No.: 197201000156 (11795-W))
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
"Circular"	:	This circular to shareholders of ARK in relation to the Proposed Acquisition dated 31 July 2026
"Conditional Period"	:	Refers to the period of 18 months from the date of the signing of the SPA, or such other longer period as may be agreed upon in writing between the signing parties
"Conversion Approval"	:	Obtaining approval from the relevant land registry to convert the category of land use from "Industrial" to "Residential and/or commercial and/or industrial use" and to amend the express condition of the Lands to facilitate the intended development to be carried out by the Purchaser
"Director(s)"	:	Director(s) of ARK, and shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007, and includes any person who is or was, within the preceding 6 months of the date on which the terms of the Proposed Acquisition were agreed upon: (i) a director of ARK, its subsidiaries or holding company; and (ii) a chief executive of ARK, its subsidiaries or holding company
"Encumbrances"	:	Refers to any claim, charge, mortgage, caveat, lien, option, equity, power of sale, hypothecation, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing
"EGM"	:	Extraordinary general meeting
"EPS"	:	Earnings per Share
"FYE"	:	Financial year ended/ending, as the case may be
"Government"	:	Government of Malaysia

"IPC" or "Independent Valuer"	:	IPC Island Property Consultants Sdn Bhd (Registration No.: 200301034950 (637371-A))
"KKSB" or "Purchaser"	:	Karya Koperat Sdn Bhd (Registration No.: 202501037453 (1638862-X)), a wholly-owned subsidiary of ARK
"Land Registry"	:	Refers to the land registry or office at which the title to the Lands is registered under the provisions of the National Land Code (Revised 2020) (Act 828)
"LPD"	:	1 July 2026, being the latest practicable date prior to the date of printing of this Circular
"M&A Securities"	:	M & A Securities Sdn Bhd (Registration No.: 197301001503 (15017-H))
"major shareholder"	:	A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is – (a) 10.0% or more of the total number of voting shares in the Company; or (b) 5.0% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company. For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in section 8 of the Act. A major shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of the Company or any other company which is its subsidiary or holding company
"MMLR"	:	Main Market Listing Requirements of Bursa Securities
"NA"	:	Net assets
"Proposed Acquisition"	:	Proposed acquisition by KKSB of the Lands from BPSSB for the Purchase Consideration in accordance with the terms and conditions of the SPA
"Purchase Consideration"	:	Total cash consideration of RM28.00 million for the Proposed Acquisition, which is expected to be financed through a combination of internally generated funds and borrowings
"Rezoning Approval"	:	Obtaining approval from the relevant governmental agency for the reclassification of the zoning designation of the Lands from "Industrial (strictly for shipyard purposes)" to "Residential and/or commercial and/or industrial use"
"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"SPA"	:	Conditional sale and purchase agreement dated 31 March 2026 entered into between KKSB and BPSSB in respect of the Proposed Acquisition
"sq m"	:	Square metres
"sq ft"	:	Square feet

"the Lands" or "Subject Properties"	:	3 adjoining parcels of vacant industrial land held under the following land titles – (a) HSM 3558 (Lot 20238); (b) HSD 6981 (Lot 9777); and (c) PN 649 (Lot 3222) all situated in Mukim 13, District of Timor Laut, Pulau Pinang, measuring in aggregate approximately 107,058 sq m (1,152,362 sq ft)
"Valuation Certificate"	:	Valuation certificate on the Subject Properties issued by the Independent Valuer dated 31 March 2026, as set out in Appendix II of this Circular
"Valuation Report"	:	Valuation reports on the Subject Properties issued by the Independent Valuer dated 13 February 2026

All references to "**you**" in this Circular are to the shareholders of ARK.

Any reference in this Circular to any provision of a statute, Paragraph, regulation, enactment, or Paragraph of a stock exchange shall (where the context admits) be construed as a reference to the provision of such statute, Paragraph, regulation, enactment or Paragraph of a stock exchange (as the case may be) as modified by any written law, or, if applicable, any amendment of re-enactment to the statute, regulation, enactment or Paragraph of a stock exchange for the time being in force. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Any discrepancy in the tables included in this Circular between the amount listed, actual figures and the totals thereof are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that the Group's plans and objectives will be achieved.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED ACQUISITION. SHAREHOLDERS OF ARK ARE ADVISED TO READ THE CIRCULAR AND ITS APPENDIX FOR FURTHER DETAILS AND NOT TO SOLELY RELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSED ACQUISITION BEFORE VOTING AT THE FORTHCOMING EGM.

The Board is recommending you to vote **IN FAVOUR** of the resolution in relation to the Proposed Acquisition to be tabled at the forthcoming EGM.

Key information		Description	Reference to Circular
Summary	:	**1. Proposed Acquisition of the Lands** Proposed acquisition by KKSB of 3 adjoining parcels of vacant industrial land held under the following land titles: (a) HSM 3558 (Lot 20238); (b) HSD 6981 (Lot 9777); and (c) PN 649 (Lot 3222); all situated in Mukim 13, District of Timor Laut, Pulau Pinang, measuring in aggregate approximately 107,058 sq m (1,152,362 sq ft) from BPSSB for a cash consideration of RM28.00 million. None of the Directors, major shareholders, chief executive of ARK and/or persons connected with them have any interest, whether directly or indirect, in the Proposed Acquisition.	**Section 2**
Rationale	:	The Proposed Acquisition is carried out as part of the ordinary course of business of ARK Group as a property developer, with the aim of enhancing its landbank for future development.	**Section 3**
Approvals required and conditionality	:	The Proposed Acquisition is subject to the following approvals being obtained: (i) shareholders of ARK at the forthcoming EGM and the shareholders of BPSSB's holding company (i.e. Boustead Heavy Industries Corporation Berhad); (ii) Jabatan Perancang Bandar dan Desa Negeri Pulau Pinang for the reclassification of the zoning designation of the Lands. The rezoning application was submitted on 4 June 2026; (iii) Pejabat Tanah Daerah Timur Laut Negeri Pulau Pinang to convert the category of land use. The conversion application is expected to be submitted within 14 business days from the date of receipt of the Rezoning Approval; (iv) the Economic Planning Unit for the proposed sale and purchase of the Lands which was submitted on 25 May 2026;	**Section 7**

Key information	**Description**	**Reference to Circular**
Approvals required and conditionality *(cont'd)*	(v) approval from the State Authority for the transfer of the Lands from BPSSB to KKSB; (vi) consent of the existing financiers of Boustead Heavy Industries Corporation Berhad; and (vii) any other relevant authority, if required. The Proposed Acquisition is not conditional upon any other proposal undertaken or to be undertaken by the Company.	**Section 7**

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ARK RESOURCES HOLDINGS BERHAD
(Registration No.: 201701027024 (1241190-V))
(Incorporated in Malaysia)

Registered Office:

Suite A, Level 9
Wawasan Open University
54, Jalan Sultan Ahmad Shah
10050 Georgetown
Penang

31 July 2026

Directors:
Dato' Mohamad Zekri bin Dato' Haji Ibrahim *(Executive Chairman)*
Tan Wooi Chuon *(Independent Non-Executive Director)*
Dato' Bong Yong Chuan *(Independent Non-Executive Director)*
Dato' Faiza Binti Zulkifli *(Independent Non-Executive Director)*

Dear Shareholders,

PROPOSED ACQUISITION OF 3 ADJOINING PARCELS OF VACANT INDUSTRIAL LANDS BY KARYA KOPERAT SDN BHD FROM BOUSTEAD PENANG SHIPYARD SDN BHD FOR A TOTAL CASH CONSIDERATION OF RM28,000,000

1. INTRODUCTION

On 31 March 2026, M & A Securities had, on behalf of the Board, announced that KKSB, being a wholly-owned subsidiary of the Company had, on even date, entered into a conditional SPA with BPSSB for the Proposed Acquisition.

Further details of the Proposed Acquisition are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED ACQUISITION AS WELL AS TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED ACQUISITION TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AND PROXY FORM ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED ACQUISITION TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED ACQUISITION

2.1 Proposed Acquisition

On 31 March 2026, KKSB and BPSSB entered into the SPA to formalise the terms and conditions of the Proposed Acquisition, pursuant to which KKSB shall acquire and BPSSB shall dispose of the Lands, free from all Encumbrances and with vacant possession, for the Purchase Consideration to be satisfied entirely in cash, subject to the terms and conditions of the SPA. Please refer to **Appendix I** of this Circular for the salient terms of the SPA.

Details of the Lands are as follows:

Title No.	Lot No.	Land area	Purchase consideration
		Sq m (Sq ft)	**RM**
Hakmilik Sementara (HSD) 6981	Lot 9777	22,162 (238,550)	5,796,263.85
Hakmilik Sementara (HSM) 3558	Lot 20238	3,135 (33,745)	819,932.61
Pajakan Negeri 649	Lot 3222	81,761 (880,067)	21,383,803.54
		107,058 (1,152,362)	**28,000,000.00**

Pursuant to the SPA, KKSB is acquiring the Lands on an "as is where is" basis, free from all Encumbrances and with full and complete vacant possession, subject to the reclassification of the zoning designation of the Lands from "Industrial (strictly for shipyard purposes)" to "Residential and/or commercial and/or industrial use" and the conversion of the existing categories of land use from industrial to "Residential and/or commercial and/or industrial use" and the change of express condition having been approved and other terms and conditions of the SPA.

Separately, IPC has been appointed to undertake an independent valuation of the Lands in connection with the Proposed Acquisition.

The parties to the SPA have mutually agreed that the SPA shall become unconditional upon the receipt or waiver, as applicable, of the last of the relevant approvals. Upon completion of the Proposed Acquisition, KKSB shall be registered as the proprietor of the Lands. KKSB shall thereafter be entitled to vacant possession of the Lands.

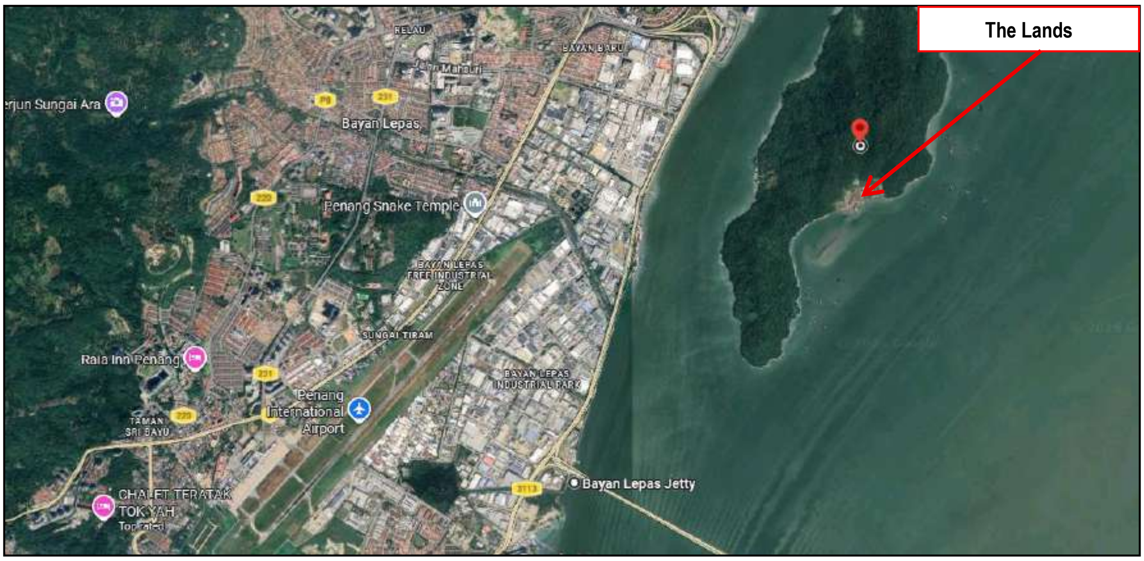
As the sole shareholder of KKSB, ARK has provided a corporate guarantee dated 31 March 2026 in favour of BPSSB to guarantee such monies owing by KKSB to BPSSB and liabilities of KKSB to BPSSB under the SPA. The corporate guarantee was approved by the Board via a resolution dated 31 March 2026.

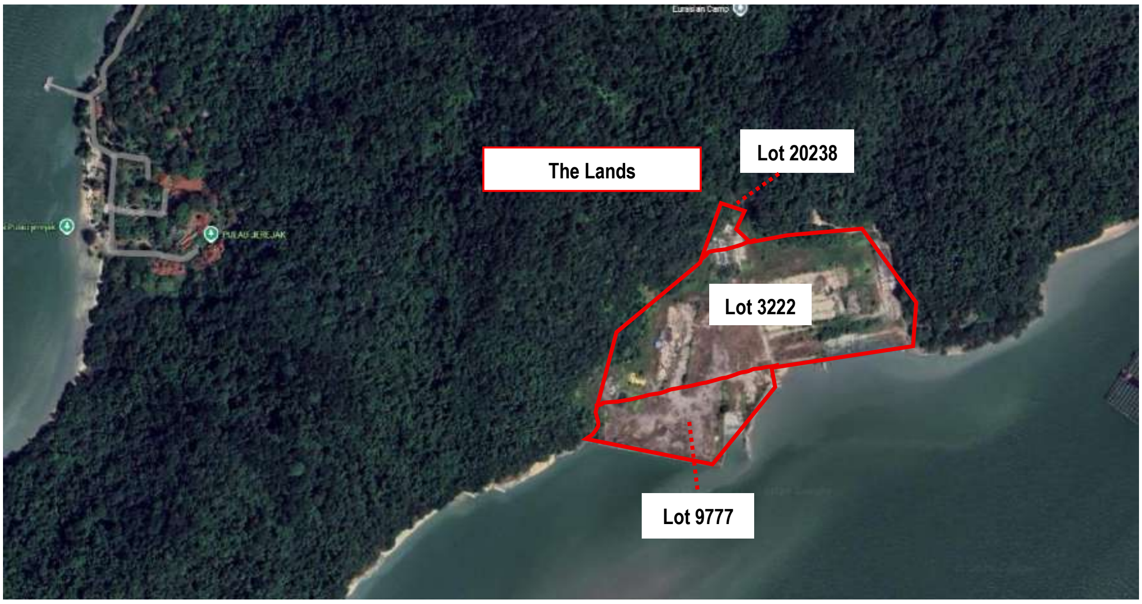
2.1.1 Information of the Lands

The Lands comprise 3 adjoining parcels of vacant industrial land, collectively forming the project site for the Group's land banking purposes. The Lands are located within Pulau Jerejak, Mukim 13, District of Timor Laut, Pulau Pinang. Pulau Jerejak is a small island situated in the Penang Strait, off the southeastern coast of Penang Island, between Jambatan Pulau Pinang and Jambatan Sultan Abdul Halim Mu'adzam Shah.

The Lands were previously utilised for shipbuilding, ship repair, and warehousing purposes but have been vacant since June 2024. Present access to the Lands from Majlis Bandaraya Pulau Pinang (MBPP) is via Jalan Penang, Jalan Dr. Lim Chwee Leong, Gat Jalan Prangin, and then onto Lebuhraya Tun Dr. Lim Chong Eu, reaching the Astaka Pantai Seagate Jetty on the left side. From the jetty, access to the Lands is then continued by boat for approximately 4 kilometres.

The approximate location of the Lands is set out as below:





(Source: Independent Valuer)

Further details of the Lands are as follows:

Details		Land 1	Land 2	Land 3
Title No.	:	HSD 6981	HSM 3558	PN 649
Lot No.	:	Lot 9777	Lot 20238	Lot 3222
Locality	:		-	
District	:		Timor Laut	
Sub-district	:		Mukim 13	
State	:		Pulau Pinang	
Land area	:	22,162 sq m	3,135 sq m	81,761 sq m
Quit Rent	:	RM72,027.00	RM10,189.00	RM57,233.00
Tenure	:	Leasehold interest for a term of 99-year expiring on 24 January 2072 (the unexpired term is about 46 years as at LPD)	Leasehold interest for a term of 60-year expiring on 15 November 2073 (the unexpired term is about 47 years as at LPD)	Leasehold interest for a term of 99-year expiring on 24 January 2072 (the unexpired term is about 46 years as at LPD)
Category of land use	:	Perusahaan/ Perindustrian(1)	Bangunan(1)	Perusahaan/ Perindustrian(1)
Registered owner	:		BPSSB	
Intended land use	:	Residential and/or commercial and/or industrial use	Residential and/or commercial and/or industrial use	Residential and/or commercial and/or industrial use
Existing use	:		Nil(2)	

Express condition :

<u>In respect of Lot 9777</u>

1. The land hereby alienated shall be used solely for a shipyard and any building erected there on shall be used solely for the said purpose.
2. The proprietor of the land hereby alienated shall not erect any building on the said land without the written consent of the Director of Land and mines.
3. The proprietor of the land hereby alienated shall at all time ensure that no oiling takes place as result of any building erected on the said land.
4. The proprietor of the land hereby alienated shall not reclaim the land without written consent of the State Authority.
5. The proprietor shall ensure that 25% of the employees engaged in the business for which the land is hereby alienated shall be Malays.

<u>In respect of Lot 20238</u>

Tanah yang diberimilik ini hendaklah digunakan untuk tujuan tapak pembinaan dan membaikpulih kapal binaan struktur luar pantai dan fabrikasi kejuruteraan berat, serta perluasan tapak kemudahan-kemudahan asas termasuk surau sedia ada.

<u>In respect of Lot 3222</u>

1. The land hereby alienated shall be used solely for a shipyard and any building erected thereon shall be used solely for the said purpose.
2. The proprietor of the land hereby alienated shall not erect any building on the said land without the written consent of the Director of Land and Mines.

		3. The proprietor shall ensure that 25% of the employees engaged in the business for which the land is hereby alienated shall be Malays.		
Restriction in interest	:	In respect of Lot 9777 The land hereby alienated shall not be transferred, charged, leased, sub-leased or otherwise in any manner dealt with or disposed of without the written sanction of the State Authority. In respect of Lot 20238 Tanah yang diberimilik ini tidak boleh dipindahmilik, cagar, pajak, pajakan kecil atau sebarang bentuk urusniaga melainkan setelah mendapat kelulusan Pihak Berkuasa Negeri. In respect of Lot 3222 The land hereby alienated shall not be sub-divided. The land hereby alienated shall not be transferred, charged, leased, sub-leased or otherwise in any manner dealt with or disposed of without the written sanction of the State Authority.		
Encumbrances	:		Nil[(3)]	
Market value[(4)]	:	RM5.85 million	RM0.85 million	RM21.50 million
Audited net book value as at 31 December 2025[(5)]	:		RM10.85 million	

Notes:

(1) An application to reclassify the zoning designation of the Lands from "Industrial (strictly for shipyard purposes)" and "Bangunan" to "Residential and/or commercial and/or industrial use" was submitted on 4 June 2026 to Jabatan Perancang Bandar dan Desa Negeri Pulau Pinang. The Group expects to obtain the Rezoning Approval within 3 months from the date of submission, subject to the approval from the authority. Whereas, the land conversion will take approximately 9 months to complete. The estimated premium to be incurred by KKSB for the rezoning and conversion application is estimated to be RM1.2 million and RM4.4 million, respectively.

(2) The Lands were previously utilised for shipbuilding and ship repair as well as warehousing purposes, but has been vacant since June 2024.

(3) A private caveat was lodged on the Lands on 29 April 2026 by KKSB, pursuant to Clause 12 of the SPA.

(4) As appraised by Independent Valuer vide its Valuation Certificate dated 31 March 2026, using the comparison method, whereby comparisons were made with recent transactions of similar lands. The characteristics, merits and demerits of these properties are noted and compared to make the necessary adjustments to arrive at the appropriate value of the Lands. Please refer to **Appendix II** of this Circular for further information on the valuation of the Lands.

(5) The original cost and date of investment in the Lands are not available as the relevant historical records or documentations could not be retrieved despite reasonable efforts undertaken by BPSSB. For the avoidance of doubt, the current revaluation was conducted solely pursuant to the Proposed Acquisition.

2.1.2 Information of KKSB

KKSB is a private limited company incorporated in Malaysia on 11 August 2025 under the Act. KKSB is principally an investment holding company.

As at LPD, KKSB has an issued share capital of RM100,000.00 comprising 100,000 ordinary shares, which is held by ARK. The sole director of KKSB is Dato' Mohamad Zekri Bin Haji Ibrahim.

2.1.3 Information of BPSSB

BPSSB is a private limited company incorporated in Malaysia on 14 February 1972 under the Companies Act 1965 and is deemed registered under the Act. BPSSB is principally involved in oil and gas fabrication, fabrication of steel structures and platforms, shipbuilding and ship repair, heavy engineering, and investment holding.

As at LPD, BPSSB has an issued share capital of RM350,000,000 comprising 350,000,000 ordinary shares, which are all held by Boustead Heavy Industries Corporation Berhad, a public company listed on the Main Market of Bursa Securities. The sole director of BPSSB is Syafiq Effendi Bin Mat Zain.

2.1.4 Basis of and justification for the purchase consideration

The Purchase Consideration was arrived at on a "willing-buyer willing-seller" basis after taking into consideration the market value of the Lands, as appraised by the Independent Valuer, vide its Valuation Certificate using the comparison approach of valuation. The characteristics, merits and demerits of these properties are noted and compared to make the necessary adjustments to arrive at the appropriate value of the Lands.

The Board is of the view that the Purchase Consideration for the Proposed Acquisition is fair and justifiable based on the following:

(i) the Purchase Consideration represents a discount of 0.7% to the fair market value of the Lands as assessed by the Independent Valuer;

(ii) the future prospects of the Lands as set out in Section 5.3 of this Circular; and

(iii) the rationale for the Proposed Acquisition as set out in Section 3 of this Circular.

2.1.5 Mode of settlement of the purchase consideration and sources of funding

Pursuant to the SPA, the Purchase Consideration will be satisfied entirely in cash in the following manner:

(i) the initial deposit of approximately RM0.84 million (or equivalent to 3.0% of the Purchase Consideration) has been paid to BPSSB's solicitors on 18 December 2025 ("**Initial Deposit**");

(ii) the balance deposit of approximately RM1.96 million (or equivalent to 7.0% of the Purchase Consideration), has been paid simultaneously with the execution of the SPA on 31 March 2026 ("**Balance Deposit**");

(iii) the total initial purchase consideration of approximately RM2.80 million (or equivalent to 10.0% of the Purchase Consideration), shall be paid in the following manner:

    (a) RM1.40 million shall be payable within 5 business days from KKSB's receipt of the Rezoning Approval ("**Rezoning Initial Payment**"); and

    (b) RM1.40 million shall be payable within 5 business days from KKSB's receipt of the Conversion Approval ("**Conversion Initial Payment**");

(iv) the retention sum of approximately RM0.84 million (or equivalent to 3.0% of the Purchase Consideration), will be paid within 3 business days upon KKSB's receipt of certified true copies of the state consents ("**Retention Sum**");

(v) the balance purchase consideration ("**Balance Purchase Consideration**") of approximately RM21.56 million (or equivalent to 77.0% of the Purchase Consideration) shall be payable within 30 business days from the date the SPA becomes unconditional (**"Unconditional Date"**).

For avoidance of doubt, the SPA shall be deemed unconditional on the date on which the last of the conditions precedent (as set out in Section 2 of Appendix I) is fulfilled or waived by mutual agreement between KKSB and BPSSB.

In the event that a notice of termination is given due to rejection or non-fulfilment of the Rezoning Approval or Conversion Approval, BPSSB shall be entitled to retain the deposits paid i.e Initial Deposit and Balance Deposit as consideration for BPSSB's agreement to include the Rezoning Approval and Conversion Approval as conditions precedent. Whereas, if notice of termination was given due to rejection or non-fulfilment of any other conditions precedent, the deposits paid shall be refunded to KKSB in full, less all interest payable by KKSB under the SPA.

The indicative timeline of payment pursuant to the Proposed Acquisition is as follows:

Indicative timeline	**Milestone**	**Payment**
12 December 2025	• Acceptance of Letter of Intent	• Initial Deposit[(1)]
31 March 2026	• Execution of SPA	• Balance Deposit[(2)]
T*	• Receipt of Rezoning Approval	• Rezoning Initial Payment
T^	• Receipt of Conversion Approval	• Conversion Initial Payment
T^ + 30 days	• Receipt of state consents	• Retention Sum
	• SPA becomes unconditional	• Balance Purchase Consideration

Notes:

T* The Group expects to obtain the Rezoning Approval within 6 months from the date SPA execution.

T^ The Group expects to obtain the Conversion Approval within 9 months from the date of application, after obtaining the Rezoning Approval.

(1) The Initial Deposit payment was made on 18 December 2025.

(2) The Balance Deposit payment was made on 31 March 2026.

Refer to **Appendix I** of this Circular for further details on the manner of payment of the Purchase Consideration.

The Purchase Consideration will be fully satisfied in cash, which is expected to be financed through a combination of internally generated funds and borrowings. As at LPD, indicatively, RM20.00 million of the Purchase Consideration will be financed through borrowings, with the remaining RM8.00 million to be satisfied with internally generated funds.

However, the final proportion of such funding will depend on, amongst other factors, the level of internal funds of the Group and the availability and suitability of funding alternatives at the relevant time.

For avoidance of doubt, proceeds raised from the private placement completed by ARK on 1 December 2025 will not be utilised for this Proposed Acquisition.

2.2 Liabilities to be assumed by the Company

Save for the obligations arising from or in connection with the SPA for the Proposed Acquisition, there are no other liabilities including contingent liabilities and/or guarantees expected to remain with ARK Group arising from the Proposed Acquisition.

For avoidance of doubt, upon obtaining the approvals as listed in Section 7 of this Circular, the Group will incur the following payment obligation pursuant to the Proposed Acquisition:

	RM'000
Balance Purchase Consideration	21,560

2.3 Additional financial commitment

Save for the potential RM20.00 million borrowings that will arise from funding the Purchase Consideration of the Proposed Acquisition, as detailed in the financial effects set out in Section 6.2, there is no additional financial commitment required by ARK Group for the Proposed Acquisition. As at 31 March 2026, the Group maintains a cash and bank balance of RM27.9 million, indicating adequate liquidity to meet its existing operational requirements and financing obligations, and together with the borrowings secured, to undertake the Proposed Acquisition.

3. RATIONALE FOR THE PROPOSED ACQUISITION

ARK Group is principally involved in property development and property construction activities.

The Proposed Acquisition are carried out as part of the ordinary course of business of ARK Group as a property developer, with the aim of enhancing its landbank for future development, thereby ensuring continued development opportunities for the Group going forward. As at LPD, the Group's landbank comprises a total land area of 5.71 acres. In addition, the Group's existing projects are as follows:

Project	**Location**	**Type**	**GDC (RM'million)**	**GDV (RM'million)**	**Land size (acres)**	**Expected commencement date**	**Expected completion date**
VR[(1)]	Daerah Barat Daya, Penang	Residential	226	275	-[(2)]	January 2027	July 2030
TDBB[(3)]	Kuala Kubu Bahru, Hulu Selangor	Residential/ Commercial	26	29	5.71	October 2026	July 2029

Notes:

(1) Project VR refers to a project to develop a high-rise residential condominium. As at the date of this Circular, the project has completed the design and planning stage and progressed into its pre-construction stage. The Group expects to commence construction in January 2027. Project VR comprises the construction and development of an estimated 500 residential units.

(2) The project refers to a joint-venture agreement entered into between the Group and a non-related party ("**Landowner**"). Pursuant to the agreement, ARK was appointed to undertake the development and construction of the residential development plans on the Landowner's land. For avoidance of doubt, the Group holds no ownership to the land for Project VR. Whereas the Landowner had obtained the necessary planning approvals from Majlis Bandaraya Pulau Pinang on 24 November 2025. Please refer to the announcement dated 14 November 2025 for further details on the joint-venture agreement.

(3) Project TDBB refers to a project to develop a commercial business hub. The project is currently in the planning stage, and the Group expects to commence construction in October 2026. Project TDBB is a 2-phase project involving the construction of 52 shop offices units and 40 semi-detached residential units. With respect to the shop offices, the planning approval was submitted in July 2026 and is expected to take between 6 to 9 months for approval to be granted. For the residential units, it is still at the early stages of discussions with the relevant authorities and the expected submission of planning approval is yet to be determined at this stage.

Subject to obtaining the relevant approval of authorities for rezoning and land-use conversion, the Group has preliminary intentions to develop a dedicated business hub on the Lands which will be strategically positioned as a catalyst for investment attraction, spurring economic activity and promote long-term regional growth that is aligned with the Group's sustainability vision. The business hub will serve as a complementary commercial hub for the island's eco-tourism, designed to seamlessly blend nature with low impact, non-disruptive commercial businesses. Ultimately, the dedicated business hub is expected to spearhead the broader development on the island, creating positive socio-economic impact through job creation, local business participation, heightening eco-tourism opportunities, amongst other factors. Accordingly, the Proposed Acquisition is expected to contribute positively to the Group's business operations. However, the proposed development plan for the Lands has not been finalised, however, the Group retains the flexibility to explore other viable alternatives in the best interest of the Group.

The Group may also be able to benefit from potential gains arising from property value appreciation. For context, the Vendor's earlier acquisition costs were relatively low, and the Lands have appreciated in value over time. While specific development plans by the Penang State Government have yet to be confirmed or formalised, the Board is of the view that any future planning initiatives or infrastructure developments in the surrounding area, should they materialise, could enhance the development potential and value of the Lands. Accordingly, the Board maintains a positive, albeit cautious, outlook on the long-term prospects of the Lands.

The Board acknowledges that the Lands are located within Pulau Jerejak, which is accessible primarily by boat, and that the detailed development plans by the Penang State Government have yet to be confirmed or formalised. Notwithstanding these factors, the Board is of the view that the Proposed Acquisition is aligned with the Group's long-term strategy to expand its property development business through the acquisition of a strategic landbank for future development, particularly for an eco-tourism development where the island setting and natural environment are considered key attributes.

Prior to entering into the SPA, the Group had assessed alternative land acquisition opportunities within Penang and its vicinity, including sites with road accessibility and more readily available infrastructure. In evaluating the available options, the Group considered factors such as acquisition cost, location, land size, development potential, tenure and suitability for its intended development. While comparable mainland sites may offer better accessibility and infrastructure, such sites generally command substantially higher acquisition costs. Following its assessment, the Group concluded that the Lands offer a unique combination of a sizeable and strategically located landbank, relatively lower acquisition cost, development potential and distinctive market positioning, which are not readily replicable through the acquisition of conventional mainland sites or higher-cost development land on Penang Island.

Although the Purchase Consideration represents approximately 113.5% of the Group's audited consolidated NA as at 31 March 2025, the Board is satisfied that the Purchase Consideration is fair and reasonable after taking into consideration the independent market valuation of the Lands, their strategic attributes and long-term development potential.

Premised on the above, the Board is of the view that the Proposed Acquisition is in the best interest of the Group, as they support the expansion of the Group’s property development business through the acquisition of new landbank for future projects.

4. RISK FACTORS

4.1 Completion risk

The completion of the Proposed Acquisition is subject to, amongst others, the fulfilment of the terms and conditions under the SPA including the conditions precedent set out in **Appendix I,** of this Circular. In the event any of the conditions precedent are not fulfilled by the parties involved within the stipulated time as set out in the SPA or are waived, the Proposed Acquisition may be delayed or terminated. In addition, the Vendor is entitled to retain a sum equivalent to the Deposit in the event the SPA is terminated due to the Rezoning Approval and Conversion Approval not being obtained by the Group. Although no further payment is required to mitigate the rest of the Purchase Consideration until such Rezoning Approval is obtained, there can be no assurance that the conditions precedent can be fulfilled, and the Proposed Acquisition can be completed within the conditional period. The Group has appointed a consultant to assist with the relevant applications and has been consulted in relation to the expected timeline for obtaining the Rezoning Approval and Conversion Approval. Based on the consultant’s advice and experience with similar application processes undertaken in the past, the Group is reasonably confident that the approvals can be obtained within the expected timeframe. Ultimately, should a delay or non-completion of the Proposed Acquisition occur, the Group will not be able to realise the objectives and benefits of the Proposed Acquisition, and may have an adverse impact on the Group’s financial position.

Notwithstanding the foregoing, the Group will take all reasonable steps to ensure that the conditions precedent are fulfilled within the stipulated timeframe, ensure that the relevant requirements for the applications have been substantially complied with at the time of submission to the relevant authorities as well as taking reasonable steps to mitigate the occurrence of termination events in order to complete the Proposed Acquisition in a timely manner.

4.2 Acquisition risk

The Proposed Acquisition is expected to contribute positively to ARK Group. However, there can be no assurance that the anticipated benefits arising from the development of the Lands will fully materialise in the future. The Group has yet to formulate concrete development plans for the Lands as at LPD, and despite its endeavours to do so in the future, the anticipated benefits of the Proposed Acquisition to be realised may be insufficient to offset the cost associated with the Proposed Acquisition and its future development.

Notwithstanding the above, the Group will mitigate such risks by undertaking feasibility studies, conducting phased development planning, and exploring potential strategic partnerships or joint ventures, where appropriate, in order to optimise the development potential of the Lands and manage development risks. The Group will also continuously review prevailing market conditions and adjust its development strategy accordingly.

4.3 Financing risk

ARK Group will be seeking external financing to fund the Purchase Consideration of the Proposed Acquisition. The Group intends to finance the Purchase Consideration through a combination of borrowings and internally generated funds. Its ability to finance the Proposed Acquisition is dependent on various factors, including general economic and capital market conditions, weaker-than-expected operating cash flows arising from delays in project progress or handover, rising construction costs that compress operating margins and reduce available free cash, slower sales or lower collection rates from purchasers which may impact working capital recovery, and unexpected operational disruptions such as cost overruns, supply chain challenges, or regulatory changes that divert cash resources away from funding the Proposed Acquisition. Collectively, these risks may impair the Company's capacity to obtain sufficient borrowings and generate adequate internal funds on a timely basis.

To mitigate these risks, the Group will manage its internal cash reserves prudently to ensure sufficient liquidity for operational needs, while maintaining flexibility to support future growth initiatives. Based on the terms of the Proposed Acquisition, the total Purchase Consideration of which the bulk amounting to RM21.56 million (or equivalent to 77.0% of the Purchase Consideration) is to be paid within 30 business days from the Unconditional Date (as defined in the SPA). The fulfilment of conditions precedents set out in **Appendix I** of this Circular is expected to take at least 15 months. This defers the bulk of the payment of the Purchase Consideration, providing additional time for the Group to generate the funds required for the Proposed Acquisition. Nonetheless, there is no assurance that such time will be sufficient for the Group to generate the necessary funds required, and/or that the Group can secure the necessary facilities to fund the Proposed Acquisition in time.

4.4 Market valuation of the Lands

The valuation of the Lands by the Independent Valuer is based on certain assumptions, which are subjective, uncertain and may differ materially from actual transactions in the market. Further, lands valuations generally include subjective determination of certain factors, such as its location, relative market position and physical condition. The market value of the Lands appraised by the Independent Valuer is not an indication of, and does not guarantee, an equivalent or greater sale price either at the present time or at any time in the future.

Nonetheless, the Board endeavours to continuously assess the property market outlook within the surrounding area of Penang Island and the peninsular to ensure consistencies with the Group's long term property investment strategy of the Lands.

4.5 Construction and development risks

The development of a dedicated business hub on the Lands is subject to construction and development risks typically associated with property development projects, including potential delays in securing the requisite development approvals, cost overruns, shortage or escalation in the prices of construction materials, labour constraints, and changes in market demand. These risks may be heightened by the fact that the Lands are located on an undeveloped island which does not currently have existing road access infrastructure connectivity to the mainland and limited supporting public utilities. As such, the development of the Lands may require additional planning, coordination and capital expenditure in respect of access, logistics, transportation of construction materials and workers, utilities, infrastructure and other supporting facilities, which may affect the overall development timeline, construction cost and commercial viability of the intended development. Any disruption or delays in completing the project arising from the abovementioned factors may adversely impact the Group's profitability and reputation. Additionally, there can be no assurance that the Group will not encounter any delay in the completion of its property development projects and that there will not be significant cost overruns.

Notwithstanding the above, the Group intends to mitigate such risks by undertaking detailed feasibility studies, technical assessments and phased development planning prior to commencing any development on the Lands and will continue to engage with the relevant authorities and stakeholders, where necessary, to facilitate the planning and implementation of the required supporting infrastructure.

5. OUTLOOK AND PROSPECTS

5.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 5.4% in the first quarter of 2026 (4Q 2025: 6.2%), driven mainly by domestic demand. Household spending remained supported by positive labour market conditions, with the unemployment rate staying low, alongside targeted policy measures. Investment growth was underpinned by continued implementation of multi-year projects by both the private and public sectors, a high realisation rate of approved investments, and the ongoing rollout of national master plans. On the external front, export growth remained strong, driven mainly by continued expansion in electrical and electronics (E&E) exports. Meanwhile, gross import growth moderated amid slower growth in capital, intermediate and consumer goods imports.

On the supply side, growth in services sector moderated, reflecting a moderation in motor vehicle sales following the front-loading of purchases in the fourth-quarter ahead of the expiration of import duty waivers for electric vehicles. Meanwhile, manufacturing sector performance remained supported by stronger E&E performance, in line with continued demand for artificial intelligence and data centre-related components. Growth in the agriculture sector was lower amid normalisation in palm oil production following high output previously and ongoing replanting activities. The mining and quarrying sector contracted, mainly due to weaker oil and gas production. In addition, growth in the construction sector normalised from a double-digit growth amid a moderation in residential construction and civil engineering activities. On a quarter-on-quarter, seasonally-adjusted basis, the economy contracted by -0.01% (4Q 2025: 1.4%) given last quarter’s very strong performance.

(Source: Economic and Financial Developments in Malaysia in the First Quarter of 2026, Bank Negara Malaysia)

In 2026, Malaysia’s economy is projected to expand between 4% and 4.5%, supported by resilient domestic demand and a steady external sector. Growth will be anchored by private consumption, boosted by the implementation of the salary adjustment under Phase 2 of the Public Service Remuneration System (SSPA), continuation of targeted assistance programmes and robust tourism activities in conjunction with Visit Malaysia 2026 (VM2026). In addition, strong investment performance will be supported by higher capital expenditures, particularly in high-impact strategic sectors. The services and manufacturing will remain key drivers of growth, complemented by sustained construction and agriculture sectors.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

5.2 Overview and outlook of the property development industry in Malaysia

The Malaysian economy expanded by 5.2% in 2025, driven by strong domestic demand and favourable exports, exceeding the forecast range of 4% to 4.8%. According to BNM, growth in household spending driven by positive labour market conditions and income related policy support. Meanwhile, housing incentives given under Budget 2025 and reduction of the Overnight Policy Rate (OPR) at 2.75% are also stimulating demand and supporting the property market growth.

Despite the challenging global economy uncertainty, Malaysia property market in 2025 remains resilient. Transaction values continued to expand despite a slight contraction in transaction volume. A total of 416,413 property transactions were recorded, representing a slight decline of 1%, while the total transaction value increased by 4.1% to RM241.87 billion compared to 2024 (2024: 420,545 transactions worth RM232.30 billion).

In 2025, the serviced apartments market activity remained strong. A total of 14,917 transactions worth RM12.91 billion were recorded, showing an increase of 3.7% in volume, while value increase significantly by 21.9%, compared to 2024 (2024: 14,386 transactions worth RM10.59 billion). Transaction volume remained concentrated in WP Kuala Lumpur, Selangor and Johor.
The industrial sub-sector continued to strengthen, driven by growth in market activity. A total of 8,910 transactions worth RM33.8 billion were recorded, reflecting an increase of 1.4% in volume and 21.3% in value compared to 2024 (2024: 8,783 transactions worth RM27.86 billion). The transactions value witnessed a notable growth, driven by sustained demand in high value segments, indicating growing investor confidence in strategic industrial locations. Growth in the industrial property market is fully supported by the New Industrial Master Plan 2030 (NIMP 2030) and the Thirteenth Malaysia Plan. Selangor contributed the most, dominating 35.7%, followed by Johor, which contributed 18.1%. This reflects selective transactions indicating sustained demand for logistics, manufacturing, and data-related facilities in selected locations.

The property market's trajectory in 2026 is expected to remain resilient, underpinned by market activity, stable price movement and variation of construction activity. The non-residential subsector is projected to expand further, supported by strong demand for industrial facilities from the realisation of approved investments, coupled with the development of new industrial areas.

(Source: Property Market Report 2025, Valuation and Property Services Department, Ministry of Finance Malaysia)

5.3 Prospects of the Lands

The Lands are strategically located on Penang Island in an area with strong growth prospects. Directly in front of the Lands, Penang Development Corporation ("**PDC**") owns 2 parcels of reclaimed land, which are earmarked for future development. This planned development by PDC is expected to enhance accessibility, infrastructure, and overall land value in the vicinity. The Proposed Acquisition aligns with the Penang State Government's Rancangan Tempatan 2025 – 2035, which includes large-scale reclamation and urban development projects, particularly in areas facing Pulau Jerejak. The Group is of the view that the Lands are well positioned to benefit from these long-term structural plans and infrastructural enhancements.

(Source: Management of ARK)

6. EFFECTS OF THE PROPOSED ACQUISITION

6.1 Issued share capital

The Proposed Acquisition will not have any effect on the issued share capital in the Company as it will not involve any issuance of new Shares.

6.2 NA per share and gearing

The proforma effects of the Proposed Acquisition on the NA and gearing of ARK Group, based on the latest Audited consolidated statement of financial position of ARK Group as at 31 March 2025 ("**FYE 2025**"), is set out below:

	(I)	(II)	(III)
	As at FYE 2025	**After subsequent events[(1)]**	**After the Proposed Acquisition**
	RM'000	**RM'000**	**RM'000**
Share capital	28,823	30,769	30,769
Reserve	31,307	31,307	31,307
Accumulated losses	(35,466)	(35,466)	[(2)](35,863)
Total equity/NA	**24,664**	**26,610**	**26,213**
No. of Shares in issue	90,484,043	99,532,043	99,532,043
NA per Share (RM)	0.27	0.27	0.26
Total borrowings (RM'000)	278	278	[(3)]20,278
Gearing (times)	0.01	0.01	0.77

Notes:

(1) After adjusting for the issuance of 9,048,000 new ARK Shares at an issue price of RM0.215 per ordinary share pursuant to a private placement exercise which was completed on 1 December 2025, the payment of RM0.85 million (Initial Deposit) in relation to the Proposed Acquisition on 18 December 2025, the refund of RM1.5 million deposit upon termination of joint venture agreement on 5 January 2026 and the incorporation of KKSB on 11 August 2025.

(2) After taking into account the estimated expenses in relation to the Proposed Acquisition of approximately RM0.4 million, comprising advisory and professional fees payable to, amongst others, the Company's Principal Adviser, solicitors, Independent Valuer and Reporting Accountant.

(3) For illustrative purposes, it is assumed that RM20.00 million of the Purchase Consideration will be financed through borrowings, with the remaining RM8.00 million to be satisfied via internally generated funds.

The Group's pro forma gearing is expected to increase to 0.77 times as a result of the Proposed Acquisition, arising from the additional potential borrowings to be undertaken. However, the anticipated benefits arising from the future property development of the Lands are expected to enhance the Group's overall financial performance over the medium to long term.

Furthermore, given the nature of the Proposed Acquisition being a land banking exercise, the acquired Lands will provide asset backing for the additional borrowings to be assumed. Pursuant thereto, the Board is of the view that the Proposed Acquisition is undertaken in the best interest of the Group.

6.3 Earnings and EPS

The Proposed Acquisition is not expected to have any immediate material effect on the earnings of the Group. However, the Board believes that the Proposed Acquisition will contribute positively to the Group's future earnings and EPS as the Group expands its property development business in the future.

6.4 Substantial shareholders' shareholdings

The Proposed Acquisition will not have any effect on the Company's substantial shareholders' shareholdings as it will not involve any issuance of new ARK Shares.

7. APPROVALS REQUIRED AND CONDITIONALITY

The Proposed Acquisition is subject to the following approvals being obtained:

(i) shareholders of ARK at the forthcoming EGM and the shareholders of BPSSB's holding company (i.e. Boustead Heavy Industries Corporation Berhad);

(ii) Jabatan Perancang Bandar dan Desa Negeri Pulau Pinang for the reclassification of the zoning designation of the Lands. The rezoning application was submitted on 4 June 2026;

(iii) Pejabat Tanah Daerah Timur Laut Negeri Pulau Pinang to convert the category of land use. The conversion application is expected to be submitted within 14 business days from the date of receipt of the Rezoning Approval;

(iv) the Economic Planning Unit for the proposed sale and purchase of the Lands which was submitted on 25 May 2026;

(v) approval from the State Authority for the transfer of the Lands from BPSSB to KKSB;

(vi) consent of the existing financiers of Boustead Heavy Industries Corporation Berhad; and

(vii) any other relevant authority, if required.

The Proposed Acquisitions is not conditional upon any other corporate exercise/proposal undertaken or to be undertaken by the Company.

8. HIGHEST PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Acquisition pursuant to Paragraph 10.02(g)(iii) of the Main Market Listing Requirements ("**MMLR**") is approximately 113.5% calculated based on the total Purchase Considerations for the Proposed Acquisition over the audited consolidated NA of ARK Group for FYE 31 March 2025.

Accordingly, the Proposed Acquisition is deemed as a "very substantial transaction" pursuant to Paragraph 10.02(n) of the MMLR.

8.1 Additional information for very substantial transactions

Pursuant to Paragraph 10.10 of the MMLR, the additional information required in relation to "very substantial transactions" are set out below:

(i) As at LPD, the Proposed Acquisition of the Lands is exclusively for land banking purposes and as such there is no concrete development plan yet. Pursuant thereto, there is no expected additional costs required to put on-stream the operations of ARK;

(ii) The Proposed Acquisition is expected to contribute positively to the Group's long-term growth as it provides strategic flexibility for the future development and ensures sustained projects launches; and

(iii) The expected returns from the Proposed Acquisition are anticipated to arise from the potential future development of the Lands.

For avoidance of doubt, the Proposed Acquisition will not result in a significant change in business direction or policy of the Company pursuant to the Equity Guidelines issued by the Securities Commission Malaysia as the Lands to be acquired are for land banking purpose and is similar to the core business of ARK, which is property development.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

None of the Directors, major shareholders, chief executive of ARK and/or persons connected with them have any interest, whether directly or indirect, in the Proposed Acquisition.

10. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposed Acquisition, including but not limited to the rationale, basis and justification of arriving at the total purchase considerations of the Proposed Acquisition, effects of the Proposed Acquisition, terms and conditions of the SPA, and the view from the Independent Adviser, is of the opinion that the Proposed Acquisition is:

(i) in the best interests of the Group;

(ii) fair, reasonable and on normal commercial terms; and

(iii) not detrimental to the interest of the non-interested shareholders of the Company.

Accordingly, the Board recommends that you vote **IN FAVOUR** of the resolution pertaining to the Proposed Acquisition to be tabled at the forthcoming EGM.

11. ESTIMATED TIMEFRAME FOR COMPLETION

The tentative timetable in relation to the Proposed Acquisition is as follows:

Timeline	Key events
30 September 2026	EGM to approve the Proposed Acquisition
September 2027	Fulfilment of the conditions precedent for the Proposed Acquisition
October 2027	Proposed Acquisition deemed completed

12. CORPORATE EXERCISE ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Acquisition (being the subject matter of this Circular), there is no other corporate exercise being undertaken by the Company which has been announced but not yet completed as at the date of this Circular.

13. EGM

An EGM, the notice of which is enclosed together with this Circular, will be held at Citrine, Level 5, Amari SPICE Penang, 2, Persiaran Mahsuri, 11900 Bayan Lepas, Penang, Malaysia on Wednesday, 30 September 2026 at 11.45 a.m. or immediately following the conclusion or adjournment of the Ninth Annual General Meeting of the Company, for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions so as to give effect to the Proposed Acquisition.

If you are unable to attend and vote in person at the EGM and wish to appoint a proxy to attend and vote in your stead, you must complete and return the enclosed Form of Proxy in accordance with the instructions contained, to be deposited at the Registered Office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang or email it to info@ark-resources.com.my not less than 48 hours before the time set for holding the EGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending the EGM and voting in person should you subsequently wish to do so.

14. FURTHER INFORMATION

Shareholders are requested to peruse the attached appendices for further information.

Yours faithfully,
for and on behalf of the Board of
ARK RESOURCES HOLDINGS BERHAD

DATO' MOHAMAD ZEKRI BIN DATO' HAJI IBRAHIM
EXECUTIVE CHAIRMAN

APPENDIX I – SALIENT TERMS OF THE SPA

The salient terms of SPA are as follows:

1. AGREEMENT FOR SALE AND PURCHASE

1.1 Sale

Subject to the terms and conditions contained in this agreement, the Vendor agrees to sell, and the Purchaser agrees to purchase, the Lands at the Purchase Consideration.

1.2 Basis of Sale

This Lands are sold –

(a) on an "as is where is" basis with vacant possession as at the Date of Possession[(1)];

(b) free from all Encumbrances, but subject to all restrictions in interest and conditions of title applicable thereto whether express or implied; and

(c) with all rights, titles and benefits attaching thereto with effect from Completion Date[(2)].

Note:

(1) Date of Possession means the date legal possession of the Lands is deemed to have been delivered to the Purchaser.

(2) Completion Date means the day on which the full Purchase Consideration and all interest and all sums due under this agreement is paid by the Purchaser in accordance with the SPA.

2. CONDITIONS PRECEDENT

2.1 Completion conditional

The obligations of the parties to complete the sale and purchase of the Lands under this agreement are in all respects conditional upon the fulfilment of the following conditions precedent before the expiry of the Conditional Period:

(a) The Purchaser, at its own cost and expense –

(1) obtaining approval from the relevant Governmental Agency[(1)] for the reclassification of the zoning designation of the Lands from "Industrial" (strictly for shipyard purposes" to "residential and/or commercial and/or industrial use";

(2) obtaining approval from the relevant Land Registry[(2)] to convert the category of land use from "Industrial" to "residential and/or commercial and/or industrial use" and to amend the express condition of the Lands to facilitate the intended development to be carried out by the Purchaser on the Lands (**Conversion Approval**);

(3) if applicable, obtaining approval from the EPU[(3)] as required under the EPU guidelines for the sale and purchase of the Lands (**EPU Approval**); and

(4) procuring approval of the shareholders of the Guarantor at a general meeting for the sale and purchase of the Lands in accordance with the terms of this agreement.

(b) The Vendor, at its own costs and expenses –

(1) obtaining approval from the State Authority for the transfer of the Lands from the Vendor to the Purchaser (**State Consents**)

(2) procuring consent of the existing financiers of Boustead Heavy Industries Corporation Berhad (**BHIC**) for the disposal of the Lands; and

(3) procuring approval of the shareholders of BHIC at a general meeting for the sale and purchase of the Lands in accordance with the terms of this agreement.

2.2 EPU Approval

(a) <u>The Application</u>

As soon as practicable after the receipt by the Purchaser from the Vendor of all the necessary documents for the EPU Approval application, the Purchaser shall submit or cause to be submitted the application for the EPU Approval. The proof of such application shall be submitted to the Vendor or the Vendor's Solicitors within (5) Business Days of submission.

(b) <u>Status update</u>

The Purchaser or the Purchaser's solicitors shall, upon request by the Vendor or the Vendor's Solicitors, furnish information on the progress concerning EPU Approval from time to time.

(c) <u>Delivery of the EPU Approval</u>

The Purchaser shall deliver certified true copies of the EPU Approval to the Vendor within (5) Business Days of its receipt of the same.

2.3 Rezoning Approval and Conversion Approval

(a) <u>The Application</u>

(1) After the execution of this agreement and in any event no later than (2) months from the date of this agreement, the Purchaser shall, submit the application for the Rezoning Approval to the relevant Governmental Agency.

(2) Prior to submitting the application for Rezoning Approval, the Purchaser shall provide the Vendor with written notification of the proposed zoning designation(s) and relevant supporting documents.

(3) The proof of such application shall be submitted to the Vendor or the Vendor's Solicitors within (5) Business Days of submission.

(4) Within (14) Business Days from the date of the receipt of the Rezoning Approval, the Purchaser shall, submit the application for the Conversion Approval to the relevant Governmental Agency. The proof of such application shall be submitted to the Vendor or the Vendor's Solicitors within (5) Business Days of submission.

(5) The parties hereby agree that, in the event if required by the relevant Governmental Agency as part of the application related to the Rezoning Approval and Conversion Approval with supporting documents issued by the relevant Governmental Agency and the same shall be delivered by the Purchaser to the Vendor, the Purchaser is authorised to submit the application for Planning Permission (Kebenaran Merancang) for the intended development to be carried out by the Purchaser on the Lands. In this regard, the Purchaser may by way of written request to the Vendor, apply for an extension of time up to (6) months to the Conditional Period commencing from the date of the Purchaser's request, to enable the Purchaser to comply with the relevant Governmental Agency's requirement. The Vendor shall consider such request in good faith, and the consent shall not be unreasonably withheld or delayed

(b) Status update

The Purchaser or the Purchaser's solicitors shall, upon request by the Vendor or the Vendor's Solicitors, furnish information on the progress concerning the Rezoning Approval and Conversion Approval from time to time.

(c) Delivery of the Rezoning Approval and Conversion Approval

The Purchaser shall deliver certified true copies of the Rezoning Approval and Conversion Approval to the Vendor within (5) Business Days of its receipt of each of the same.

2.4 State Consents

(a) The Application

Within (14) Business Days from the date of the receipt of the Rezoning Approval and Conversion Approval by the Purchaser, the Vendor shall take all necessary steps to file such application as may be required to obtain State Consents, subject to the Vendor having received a certified true copy each of the Rezoning Approval and Conversion Approval and the Initial Purchase Consideration from the Purchaser.

(b) Outstanding Premium

In the event that the Vendor is unable to obtain the State Consent due to any matter arising from the Rezoning Approval or Conversion Approval, including but not limited to any requirement to pay a premium on the Lands pursuant to the Conversion Approval, the Purchaser shall, at its sole cost and expense, pay such premium as may be necessary to enable the Vendor to obtain the State Consent.

(c) Delivery of the State Consents

The Vendor shall deliver a certified true copy of the State Consents to the Purchaser within (5) Business Days of its receipt of the same.

2.5 Appeals

(a) In the event that a condition is imposed in respect of any one of the Approvals which affects a party and is unacceptable to the party affected ("**Affected Party**"), the Affected Party shall have the option, exercisable by written notice to the other party within (14) Business Day from the date on which such condition is made known to the Affected Party, to reject such condition.

(b) If the grant of any of the Approvals has been refused or has been made subject to a condition which the Affected Party have rejected in accordance with clause 2.5(a):

(1) The Affected Party shall be entitled to lodge an appeal, or exercise any other available right of review of appeal ("**Appeal**"), in respect thereof within (14) Business Days of the Purchaser or the Vendor receiving notification in writing of such refusal or condition.

(2) If the Appeal in accordance with clause 2.5(b)(1) is refused or is permitted subject to a condition which the Affected Party have rejected, the Approval shall be deemed to not have been obtained and Parties shall work in good faith to discuss and agree on the necessary amendments to be made to the plans in order to obtain the Approval.

2.6 Duty To Provide Information

(a) Each party shall, within (7) Business Days of receiving a written request from the other party, provide all relevant documents and execute such documents as may be reasonably required by the requesting party for the purpose of making any application to satisfy the conditions precedent. The Vendor shall provide a copy of latest quit rent and assessment bill in respect of the Lands duly paid up to date.

(b) Upon the relevant conditions precedent being fulfilled, the party fulfilling such conditions precedent shall within (5) Business Days thereof notify the other party in writing and shall forward to the other party the relevant documents, where applicable, evidencing the fulfilment of the said conditions precedent.

2.7 No Termination During the Conditional Period

(a) Neither party shall be entitled to issue a Notice of Termination[(4)] to other party during the Conditional Period in respect of any Approvals, except upon the receipt of formal written rejection from the relevant person, body or Governmental Agency in respect of any of the conditions precedent, where such rejection is final and not capable of being appealed or rectified pursuant to clause 2.5, including where the parties, have after good faith discussion under clause 2.5(b)(2), agreed in writing that rectification is not feasible.

(b) In the event that a Notice of Termination is given pursuant to clause 2.7(a), the provision under clause 2.9 shall apply.

(c) Any other attempt by a party to terminate this agreement during the Conditional Period in respect of any Approvals other than as permitted in clause 2.7(a) shall constitute an event of default under this agreement.

2.8 Conditions Precedent Not Satisfied

(a) Upon expiry of the Conditional Period, the Parties shall first consult in good faith to determine the appropriate course of action, including without limitation an extension of the Conditional Period or the implementation of alternative arrangements.

(b) If any conditions precedent remains unfulfilled or cannot be fulfilled, and the Parties do not agree on an extension or alternative arrangements within (7) Business Days, either party shall be entitled to issue a Notice of Termination to the other party, and the provision under clause 2.9 shall apply.

2.9 Termination For Non-Fulfilment of Conditions Precedent

(a) In the event that a Notice of Termination is given pursuant to clause 2.7(a) or clause 2.8(b):

  (1) if such termination arises due to the rejection or non-fulfilment of the Rezoning Approval or Conversion Approval, the Vendor shall be entitled to retain the Deposit as consideration for the Vendor's agreement to include the Rezoning Approval and Conversion Approval as conditions precedent, except where such termination arises solely from the Vendor's default or failure to fulfil its part of the relevant conditions precedent, in which case such amount shall be refunded to the Purchaser.

  (2) if termination arises from the rejection or non-fulfilment of any other conditions precedent, the Deposit shall be refunded to the Purchaser in full, less all interest payable by the Purchaser under this agreement.

(b) If applicable, the Purchaser's solicitors shall immediately release the Retention Sum together with any interest accrued thereon to the Purchaser if such sum has not been remitted to the Director General of Inland Revenue ("**DGIR**"). In the event the Retention Sum has been remitted to the DGIR, the Vendor shall render all reasonable assistance to the Purchaser for the Purchaser's application to the DGIR to obtain a refund of the Retention Sum.

(c) The Vendor shall within (14) days of the Notice of Termination, refund all other sums paid by the Purchaser towards the Purchase Consideration (if any), free of interest, less all interest payable by the Purchaser under this agreement, to the Purchaser.

(d) Simultaneous with the Vendor's compliance with clause 2.9(c) above, the Purchaser shall –

(1) return or cause to be returned to the Vendor all relevant documents delivered to the Purchaser in respect of this agreement; and

(2) withdraw or cause to be withdrawn any private caveat lodged by the Purchaser over the Lands at the Purchaser's cost and expense.

(e) The Vendor shall be entitled to effect the deed of revocation of the Limited Power of Attorney.

2.10 Unconditional Date

This agreement shall become unconditional on the day upon which the last of the conditions precedent is fulfilled in accordance with this agreement or waived by mutual agreement of the Parties.

Notes:

(1) Governmental Agency means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, office, commission, authority, tribunal, agency or entity.

(2) Land Registry means land registry or office at which the title to the Lands is registered under the provisions of the National Land Code (Revised 2020) (Act 828).

(3) EPU means the Economic Planning Unit under the Prime Minister's Department.

(4) Notice of Termination means a written notice, given by a party to this agreement to the other party, stating that such party wishes to terminate this agreement in its entirety and specifying the clause under which, and the facts which (if any), entitle such party to issue the notice, in accordance with the provisions under this agreement.

3. CONSIDERATION AND PAYMENT

3.1 Purchase Consideration

The Purchase Consideration shall be paid by the Purchaser to the Vendor in accordance with this clause 3.

3.2 Deposit

(a) The Deposit shall be paid as follows:

(1) Prior to the execution of this agreement, the Purchaser has paid a sum of Ringgit Malaysia Eight Hundred and Forty Thousand (RM840,000) as earnest deposit to the Vendor, the receipt of which the Vendor hereby acknowledges.

(2) Simultaneously with the execution of this agreement, the Purchaser shall pay a sum of Ringgit Malaysia One Million Nine Hundred and Sixty Thousand (RM1,960,000) as balance deposit to the Vendor.

(b) Any and all interest accrued on the Deposit shall belong solely to the Vendor irrespective of whether completion of this agreement takes place, and shall not form part of any sums refundable to the Purchaser under this agreement.

3.3 Initial Purchase Consideration

The Initial Purchase Consideration shall be paid as follows:

(a) The Purchaser shall pay a sum of Ringgit Malaysia One Million Four Hundred Thousand (RM1,400,000) to the Vendor within (5) Business Days from the Purchaser's receipt of the Rezoning Approval.

(b) The Purchaser shall pay a sum of Ringgit Malaysia One Million Four Hundred Thousand (RM1,400,000) to the Vendor within (5) Business Days from the Purchaser's receipt of the Conversion Approval.

3.4 Retention Sum

(a) Within (3) Business Days upon the Purchaser's receipt of a certified true copy of the State Consents, the Purchaser shall pay the Retention Sum to the Purchaser's solicitors, and the Purchaser's solicitors are authorised by the Parties to deal with the Retention Sum in accordance with the provisions of this agreement.

(b) The Parties acknowledge that the payment of the Retention Sum shall be toward account of the Purchase Consideration.

3.5 Balance Purchase Consideration

The Purchaser shall pay the Balance Purchase Consideration within the Completion Period to the Vendor's Solicitors as stakeholders who are hereby authorised by the parties to release the same to the Vendor upon the expiry of (14) Business Days from the presentation of the memorandum of transfer in Form 14A of the NLC duly completed and executed by the Vendor in favour of the Purchaser at the relevant Land Registry for registration.

3.6 Interest for Delay in Payment

(a) In addition to and without prejudice to the rights and remedies of the Vendor set out in this agreement, the Purchaser shall pay to the Vendor interest at the rate of 6% per annum, calculated on a daily basis on such part of the Purchase Consideration that is due but remains unpaid after the respective due date commencing from the date falling after the respective due date until such time that the amount due in respect of such part is paid to the Vendor in full.

(b) The Purchaser shall pay the interest accrued pursuant to clause 3.6(a) simultaneously with the payment of the Balance Purchase Consideration to the Vendor.

3.7 Corporate Guarantee

Simultaneously with the execution of this agreement, the Purchaser shall procure that the Guarantor delivers the corporate guarantee to the Vendor

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(Co. Reg. No. 637371-A)
IPC ISLAND PROPERTY CONSULTANTS SDN. BHD.
REAL ESTATE VALUATION AND CONSULTANCY SERVICES
PENILAI HARTA
NO. 7-1, TINGKAT 1, JALAN USAHAWAN 4, PUSAT PERNIAGAAN KEPALA BATAS, 13200 KEPALA BATAS, PULAU PINANG, MALAYSIA. TEL : 604-575 2093 EMAIL: penang.ipc@gmail.com

Our Ref : IPCPG/PGI/V/FD/2601037
Date : 31 March 2026

ARK RESOURCES HOLDINGS BERHAD
No. 1-1-9 (1-Sky)
Tingkat Mahsuri 2
11950 Bayan Lepas
Pulau Pinang

Dear Sirs,

THREE (3) ADJOINING PARCELS OF VACANT INDUSTRIAL LAND HELD UNDER TITLE NOS. PN 649, HSD 6981 & HSM 3558, LOT 3222, LOT 9777& LOT 20238 RESPECTIVELY, ALL IN WITHIN MUKIM 13, DISTRICT OF TIMOR LAUT, STATE OF PULAU PINANG ("THE SUBJECT PROPERTY")

This Valuation Certificate has been prepared for inclusion in the circular to shareholder of ARK Resources Holdings Berhad ("ARHB") in relation to the Proposed acquisition by Karya Koperat Sdn Bhd, a wholly owned subsidiary of ARHB of three (3) adjoining parcels of vacant industrial land held under Title Nos. PN 649, HSD 6981 & HSM 3558 (Lot 3222, Lot 9777 & Lot 20238 respectively), all in within Mukim 13, District of Timor Laut, State of Pulau Pinang ("Proposed Acquisition").

We are pleased to confirm that we have valued the Subject Property vide our Valuation Report bearing Reference No. IPCPG/PGI/V/FD/2601060), dated 13 February 2026.

In accordance with your instructions to value the Subject Property for the purpose of submission to Bursa Malaysia Securities Berhad and inclusion in the circular, we have inspected the Subject Property on 26 January 2026 and the material date of valuation as at 26 January 2026. We have also extracted particulars of titles at the Sistem PgLand Pulau Pinang on 10 February, 2026 and gathered other necessary information to arrive at our opinion of the Subject Property.

The basis of valuation is the "Market Value" which is defined as an estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

This valuation has been prepared in accordance with the Asset Valuation Guidelines issued by the Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, Estate Agents and Property Managers, Malaysia and with the necessary professional responsibility and due diligence.

IDENTIFICATION OF PROPERTY

Description of Property	:	Three (3) adjoining parcels of vacant industrial land
Property Identification	:	PN 649, HSD 6981 & HSM 3558, Lot 3222, Lot 9777 & Lot 20238 respectively, all in within Mukim 13, District of Timor Laut, State of Pulau Pinang
Locality	:	Jerejak Island, Pulau Pinang
Tenure	:	i) Lot 9777 - 99-year leasehold interest expiring on 24 January, 2072. ii) Lot 20238 - 60-year leasehold interest expiring on 15 November, 2073. iii) Lot 3222 - 99-year leasehold interest expiring on 24 January, 2072
Total Land Area	:	107,058 square metres (1,152,362 square feet)

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PARTICULAR OF TITLES

Brief particulars of titles as extracted from a search of the registered document of titles at the **Sistem PgLand Pulau Pinang** on **10 February 2026** are as follows:

No.	1	2	3
Title No.	HSD 6981	HSM 3558	PN 649
Lot No.	Lot 9777	Lot 20238	Lot 3222
Locality	-		
Mukim	Mukim 13		
District	Timor Laut		
State	Pulau Pinang		
Land Area	22,162 sq. metres	3,135 sq. metres	81,761 sq. metres
Quit Rent	RM72,027.00	RM10,189.00	RM57,233.00
Tenure	Leasehold interest for a term of 99-year expiring on 24 January 2072	Leasehold interest for a term of 60-year expiring on 15 November 2073	Leasehold interest for a term of 99-year expiring on 24 January 2072
Category Of Land Use	Perusahaan/ Perindustrian	Bangunan	Perusahaan/ Perindustrian
Registered Owner	BOUSTEAD PENANG SHIPYARD SDN BHD – 1/1 SHARE		
Encumbrances	Nil		

Lot No.	Express Condition
9777	1. The land hereby alienated shall be used solely for a shipyard and any building erected there on shall be used solely for the said purpose. 2. The proprietor of the land hereby alienated shall not erect any building on the said land without the written consent of the Director of Land and mines. 3. The proprietor of the land hereby alienated shall at all time ensure that no oiling takes place as result of any building erected on the said land. 4. The proprietor of the land hereby alienated shall not reclaim the land without written consent of the State Authority. 5. The proprietor shall ensure that 25% of the employees engaged in the business for which the land is hereby alienated shall be Malays.
20238	Tanah yang dberimilik ini hendaklah digunakan untuk tujuan tapak pembinaan dan membaik pulih kapal binaan struktur luar pantai dan fabrikasi kejuruteraan berat, serta perluasan tapak kemudahan-kemudahan asas termasuk surau sedia ada.
3222	1. The land hereby alienated shall be used solely for a shipyard and any building erected thereon shall be used solely for the said purpose. 2. The proprietor of the land hereby alienated shall not erect any building on the said land without the written consent of the Director of Land and Mines. 3. The proprietor shall ensure that 25% of the employees engaged in the business for which the land is hereby alienated shall be Malays.
Lot No.	**Restriction In Interest**
9777	The land hereby alienated shall not be transferred, charged, leased, sub-leased or otherwise in any manner dealt with or disposed of without the written sanction of the State Authority.

1

Lot No.	Restriction In Interest
20238	Tanah yang diberimilik ini tidak boleh dipindahmilik, cagar, pajak, pajakan kecil atau sebarang bentuk urusniaga melainkan setelah mendapat kelulusan Pihak Berkuasa Negeri.
3222	The land hereby alienated shall not be sub-divided. The land hereby alienated shall not be transferred, charged, leased, sub-leased or otherwise in any manner dealt with or disposed of without the written sanction of the State Authority.

Note:

The above titles particulars are deemed accurate as at the Date of Valuation. However, we would recommend that the services of a solicitor should be engaged to verify the above titles particulars prior to proceeding with any dealings in the Subject Property. We reserve the right to amend the facts and the value in the event these are incorrect.

LOCATION OF THE SUBJECT PROPERTY

The Subject Property is located within Jerejak Island, within Mukim 13, District of Timor Laut, State of Pulau Pinang. Jerejak Island, located south of Penang, is a small island rich in history and natural beauty. The island was once home to a prison and leper hospital, but has now transformed into an attractive tourist destination.

Jerejak island is a small island located in the Penang Strait, off the southeastern coast of Penang Island, Malaysia. To reach this island via Bayan Lepas Jetty, which is located near Penang International Airport. From the jetty, the ferry ride to Jerejak Island. Apart from that, there is also the option to rent a local boat from the Batu Uban fishing jetty.

PROPERTY DESCRIPTION

Site

As at the date of our inspection, we were unable to determine the exact boundaries of the Subject Property since they were undefined by any form of physical fencing. It is recommended that a licensed land surveyor is engaged to determine the exact boundary of the Subject Property.

The Subject Property comprising three (3) adjoining parcels of vacant industrial land. The sites are generally irregular shape, flat in terrain and partially undulating and hilly in terrain at the rear portion of the sites.

Details of each lot are as follows:

No.	Lot No.	Registered Land Area		Remarks
		Sq. Metres	Sq. Feet	
1	Lot 9777	22,162	238,550	Almost rectangular shape parcel of land. South-eastern and south-western boundaries face to Penang Straits. Adjoining to the north is Lot 3222
2	Lot 20238	3,135	33,745	An irregular shape parcel of land and adjoining with Lot 3222 to the south
3	Lot 3222	81,761	880,067	An irregular shape parcel of land and adjoining with Lot 20238 and Lot 9777 to the north and south boundaries respectively. Part of southern boundary face to Penang Straits
	Total	**107,058**	**1,152,362**	

As at the date of our inspection, we noted that a retaining wall had been constructed along the southern boundaries of Lot 9777 and Lot 3222 to secure the site against erosion and to enhance its usability. We also observed that several abandoned and dilapidated structures had been erected on the site. Part of the site was covered with cement rendering and/or tarmac, while the remaining area was overgrown with grasses, bushes and wild vegetation.

We also noted that in front of the Subject Property are two (2) seabed lots identified as Lot 9776 and Lot 9778, owned by the Penang Development Corporation (PDC), the premier development agency of the State Government of Penang.

As at the date of this Valuation Certificate, we understand that the seabed lots remains undeveloped and that there are no apparent development plans for the seabed. However, it is reasonable to assume that any future development of these seabed lots, if any, by the PDC for these seabed lots would be complementary to the proposed use of the Subject Property.

Our basis of valuation is on an "as-is" basis in accordance with the title details, premised on the buyer's intention to: rezone and reclassify the lands to "Residential and/or commercial and/or industrial use" and no longer be used to carry out shipyard activities.

Additionally, in conducting the valuation of the Subject Property, we have principally considered exclusively sales evidence involving parcels of vacant industrial lands.

Premised on the above, we are of the opinion that the function of the seabed lots will have minimal impact on the valuation of the Subject Property.

TOWN PLANNING AND ZONING

The Subject Property is designated and zoned for industrial use and specifically for shipyard industries as stated in the title documents.

BASIS OF VALUATION

Our basis of valuation is the Market Value of the Subject Property.

MARKET VALUE is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion (Malaysian Valuation Standard).

METHOD OF VALUATION

Our valuation has been undertaken using appropriate valuation methodology and our professional judgment. In determining the Market Value of the Subject Property, we have only adopted the comparison approach.

The approach considers the sales of similar or substitute properties and related market data and establishes a value estimate by adjustments made for differences in factors that affect value. In General, a property being valued (Subject Property) is compared with sales of similar properties that have been transacted in the open market. Listings and offers may also be considered.

In arriving at the Market Value of the Subject Property, we have made diligent adjustments for prevailing property market conditions and differences including location, time, land size, tenure, amongst other relevant factors.

It is pertinent to note that although valuation of the property for submission to Bursa Securities has to be carried out vide two (2) recognised 'Method of Valuation'. However, in this case, we have adopted only one (1) method of valuation i.e. Comparison Method as other alternative methods are not applicable. The reason is that the Subject Property comprises three (3) adjoining parcels of vacant industrial land without any development approval or approved layout plan obtained.

SALES EVIDENCE

From our investigation, we noted that there is a dearth of recent recorded transactions of similar properties within the Jerejak Island itself. In the lack of such comparable sales data, we have relied on comparable sales of other properties of the almost similar characteristic with adjustment are made accordingly to determine the Market Value of the Subject Property.

In conducting our research, we have principally considered sales evidence involving parcels of vacant industrial land located within the mainland of Pulau Pinang i.e. within Seberang Perai Tengah and Seberang Perai Selatan, as we consider these to be the most comparable.

The Analysis of Comparable Sales are as follows:

Particulars	Comparable #1	Comparable #2	Comparable #3	Comparable #4
Address/ Locality	PT 6210 (SV67), Jalan Cassia Selatan 3/5, Bandar Batu Kawan	Plot 309B, Lorong Perindustrian Bukit Minyak 16, Industri Bukit Minyak (PDC)	Plot 39, Lorong PSPN 16, Penang Science Park	Plot 333, Persiaran Cassia Selatan 8, Bandar Batu Kawan
Title Details	HSD 51838, PT 6210, Mukim 13, District of Seberang Perai Selatan, State of Pulau Pinang	HSD 64089, PT 1515, Mukim 13, District of Seberang Perai Tengah, State of Pulau Pinang	HSD 64086, PT 1506, Mukim 13, District of Seberang Perai Tengah, State of Pulau Pinang	HSD 51796, PT 6197, Mukim 13, District of Seberang Perai Selatan, State of Pulau Pinang
Remarks	Rectangular shape, located within an established industrial area with infrastructure	Rectangular shape, located within an established industrial area with infrastructure	Rectangular shape, located within an established industrial area with infrastructure	Rectangular shape, located within an established industrial area with infrastructure

Particulars	Comparable #1	Comparable #2	Comparable #3	Comparable #4
Type of Property	A parcel of vacant industrial land			
Category of Land Use	Industry	Industry	Industry	Industry
Tenure	Leasehold interest for a term of 60 years expiring on 30/12/2084 (Remaining approximately 60 years as a date of transaction)	Leasehold interest for a term of 60 years expiring on 13/08/2084 (Remaining approximately 60 years as a date of transaction)	Leasehold interest for a term of 60 years expiring on 08/05/2084 (Remaining approximately 60 years as a date of transaction)	Leasehold interest for a term of 60 years expiring on 19/07/2084 (Remaining approximately 60 years as a date of transaction)
Land Area (Sq. M)	20,234.30	30,361.11	55,109.49	36,609.96
Land Area (Sq. Ft)	217,800	326,804	593,193.00	394,066.00
Land Area (Acre)	5.000	7.502	13.62	9.05
Purchase Price	RM15,246,000.00	RM17,974,250.00	RM 35,591,482.00	RM 23,641,057.00
Date of Purchase	21/12/2023	31/07/2023	24/7/2023	25/5/2023
Vendor	Not available	Not available	Perbadanan Pembangunan Pulau Pinang	Not available
Purchaser	Not available	Not available	Elite Material (Penang) SdnBhd	Not available
Source	Jabatan Penilaian dan Perkhidmatan Harta (JPPH)			
Analysis of Comparable Sales				
Purchase Price	RM15,246,000.00	RM17,974,250.00	RM35,591,482.00	RM23,641,057.00
Analysed Purchase Price	**RM70.00 per sq. ft.**	**RM 55.00 per sq. ft.**	**RM60.00 per sq. ft.**	**RM59.99 per sq. ft.**
Adjustment Factors				
Adjustment Factors	Location, time, land size, facilities & infrastructure, express condition and tenure			
Adjusted Land Value	**RM 24.50per sq. ft.**	**RM 22.00per sq. ft.**	**RM 27.00per sq. ft.**	**RM 24.00per sq. ft.**
Adjusted Land Value, Say	**RM 25.00 per sq. ft.**	**RM 22.00 per sq. ft.**	**RM 27.00 per sq. ft.**	**RM 24.00 per sq. ft.**
Median	**RM24.50 per sq. ft.**			
Average	**RM24.50 per sq. ft.**			

Based on the analysis of comparable sales, the adjusted land values of the transacted properties range from **RM22.00per square foot to RM27.00 per square foot**, after taking into account differences in location, time, land size, facilities & infrastructure, express condition and tenure factors.

It is noted that no single comparable provides a perfect comparison to the Subject Property, as each comparable exhibits varying degrees of similarity and dissimilarity. Accordingly, no undue weight has been placed on any comparable.

In arriving at the market value for the subject property, the total adjustments made on all the sales comparables ranged between -55% and -65%. Despite the excessive adjustments, we consider these to be the most comparable transactions.

In reconciling our opinion of **Market Value**, greater emphasis has been placed on the central tendency of the adjusted value range, rather than the extreme ends. As such, the median adjusted value of **RM24.50** per square foot has been adopted as it reasonably reflects prevailing market conditions and represents a balanced and supportable indication of value.

Applying the adopted unit rate of **RM24.50 per square foot** to the land area of the Subject Property, the **Market Value derived under the Comparison Method** is assessed at **RM28,200,000.00.**

The Market Value of the Subject Property can be apportioned as follows:

No	Lot No.	Registered Land Area (Sq. Feet)	Market Value
1	Lot 9777	238,550	RM5,850,000.00
2	Lot 20238	33,745	RM850,000.00
3	Lot 3222	880,067	RM21,500,000.00
	Total	**1,152,362**	**RM28,200,000.00**

Note:
The apportionment of the Market Value is based on the assumption that the Subject Property will be developed as an adjoining parcel. The value of each lot may differ if it is developed or disposed separately.

4

Justification of Adopted Sales Comparable

The subject property is located within Jerejak Island, from our finding, there is no evidences located within the same island. As such, we have adopted the sales evidences sited within mainland of Pulau Pinang and make adjustments due to dissimilarities in terms of location, time, land size, facilities & infrastructure, express condition and tenure between the subject property and sales comparable. The said sales comparable were considered the most relevant available evidence within the locality due to the absence of more closely comparable transactions.

We have not adopted sales comparable located within Penang Island, as transaction prices in this locality are significantly higher than those of industrial land on mainland Penang and are therefore not directly comparable to the subject property. The higher values observed on Penang Island are attributable to its constrained land supply, the presence of established industrial clusters such as the Bayan Lepas Free Industrial Zone, comprehensive infrastructure, and excellent accessibility, including proximity to Penang International Airport and the Penang bridges. These factors collectively result in a pricing premium relative to mainland locations.

MARKET VALUE

Premised on the foregoing and after taking due consideration of factors pertaining to the Subject Property in particular and other factors affecting value in general, we are of the opinion that the Market Value of **THREE (3) ADJOINING PARCELS OF VACANT INDUSTRIAL LAND HELD UNDER TITLE NOS. PN 649, HSD 6981 & HSM 3558, LOT 3222, LOT 9777 & LOT 20238 RESPECTIVELY, ALL IN WITHIN MUKIM 13, DISTRICT OF TIMOR LAUT, STATE OF PULAU PINANG** subject to the titles being good, marketable, registrable, free from legal encumbrances and with the benefit of vacant possession is **RM28,200,000.00 (RINGGIT MALAYSIA: TWENTY EIGHT MILLION AND TWO HUNDRED THOUSAND ONLY)**.

For and on behalf of
IPC ISLAND PROPERTY CONSULTANTS SDN BHD (Co. Reg. No. 200301034950 (637371-A))

MUHAMMAD FAIZ BIN MOHD DAMIN
Bsc (Hons) Estate Management (UiTM)
Registered Valuer – V1137

UHY

UHY Malaysia PLT
202406000040 (LLP 0041391-LCA)
Chartered Accountants
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Phone +60 3 2279 3088
Fax +60 3 2279 3099
Email uhykl@uhy.com.my
Web www.uhy.com.my

Date: 21 May 2026

The Board of Directors
Ark Resources Holdings Berhad
1-01-9 (1-Sky)
Tingkat Mahsuri 2
11950 Bayan Lepas
Penang.

Dear Sirs,

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

We have completed our assurance engagement to report on the compilation of the Pro Forma Consolidated Statements of Financial Position of Ark Resources Holdings Berhad ("the Company") and its subsidiaries (the "Group") based on the audited consolidated financial statements as at 31 March 2025, together with the accompanying notes thereon in Appendix A of the Pro Forma Consolidated Statements of Financial Position, which have been prepared by the Directors of the Company ("Directors").

The Pro Forma Consolidated Statements of Financial Position have been prepared to illustrate the effects of the proposed acquisition of three (3) parcels of leasehold lands located at Mukim 13, Daerah Timor Laut, Pulau Pinang held under PN 649 Lot 3222, HSD 6981 Lot 9777 and HSM 3558 Lot 20238 for a total purchase consideration of RM28,000,000 ("Proposed Acquisition"), as if the Proposed Acquisition had been completed on 31 March 2025.

The Pro Forma Consolidated Statements of Financial Position has been compiled by the Board of Directors to illustrate the impact of transactions described in Note 2 to the Appendix A of the Pro Forma Consolidated Statements of Financial Position as if transactions had been effected on 31 March 2025.

As part of this process, information about the consolidated financial position of the Group has been extracted by the Board of Directors from the Group's audited consolidated financial statements for the financial year ended 31 March 2025.

The Directors' Responsibility for the Pro Forma Consolidated Statements of Financial Position

The Directors are responsible for compiling the Pro Forma Consolidated Statements of Financial Position on the basis set out in the accompanying notes thereto.

The Directors are also responsible for ensuring that the Pro Forma Consolidated Statements of Financial Position is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purpose of illustrating the effects of the Proposed Acquisition.

Our Independence and Quality Management

We have complied with the independence and other ethical requirement of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance or Related Services Engagements* and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibilities

Our responsibility is to express an opinion about whether the Pro Forma Consolidated Statements of Financial Position have been compiled, in all material respects, by the Directors on the basis set out in the accompanying notes thereto.

We conducted our engagement in accordance with the International Standard on Assurance Engagements, ISAE 3420 *Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board, as adopted by the Malaysian Institute of Accountants. This standard requires us to plan and perform procedures to obtain reasonable assurance on whether the Directors have compiled, in all material respects, the Pro Forma Consolidated Statements of Financial Position on the basis described in the accompanying notes in Appendix A of the Pro Forma Consolidated Statements of Financial Position.

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Consolidated Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Consolidated Statements of Financial Position.

UHY

Our Responsibilities (Cont'd)

The purpose of the Pro Forma Consolidated Statements of Financial Position is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Consolidated Statements of Financial Position has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence on whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Pro Forma Consolidated Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the Pro Forma Consolidated Statements of Financial Position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Consolidated Statements of Financial Position.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Pro Forma Consolidated Statements of Financial Position have been properly compiled, in all material respects, on the basis described in the accompanying notes in Appendix A to the Pro Forma Consolidated Statements of Financial Position, and such basis is consistent, in all material respects, with the accounting policies adopted by the Group, unless otherwise stated.

Other Matters

This report is prepared solely for inclusion in the circular to shareholders of the Company in connection with the Proposed Acquisition and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

Yours faithfully,

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

Appendix A

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The Pro Forma Consolidated Statements of Financial Position set out below have been prepared to illustrate the effects of the Proposed Acquisition as if the Proposed Acquisition had been completed on 31 March 2025.

The Pro Forma Consolidated Statements of Financial Position are based on the audited consolidated financial statements of the Group as at 31 March 2025, after giving effect to the subsequent events and pro forma adjustments described in Note 2.

	Note	Audited as at 31.3.2025 RM	Adjustment for subsequent events RM	Pro Forma I after subsequent events RM	Adjustment for acquisition of land held for property development RM	Adjustment for estimated acquisition and transaction cost and estimated expenses RM	Pro Forma II after Pro Forma I and Proposed Acquisition RM
Non-current assets							
Property, plant and equipment		117,896	-	117,896	-	-	117,896
Right-of-use assets		266,097	-	266,097	-	-	266,097
Inventories	3.1	2,441,136	-	2,441,136	28,000,000	1,405,770	31,846,906
Trade receivables		7,324,678	-	7,324,678	-	-	7,324,678
Other receivables	3.2	1,500,000	(1,500,000)	-	-	-	-
		11,649,807	(1,500,000)	10,149,807	28,000,000	1,405,770	39,555,577

Appendix A

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Note	Audited as at 31.3.2025 RM	Adjustment for subsequent events RM	Pro Forma I after subsequent events RM	Adjustment for acquisition of land held for property development RM	Adjustment for estimated acquisition and transaction cost and estimated expenses RM	Pro Forma II after Pro Forma I and Proposed Acquisition RM
Current assets							
Inventories		13,221,411	-	13,221,411	-	-	13,221,411
Trade receivables		61,895,806	-	61,895,806	-	-	61,895,806
Other receivables	3.2	322,002	840,000	1,162,002	(840,000)	-	322,002
Contract assets		4,587,243	-	4,587,243	-	-	4,587,243
Tax recoverable		10,292	-	10,292	-	-	10,292
Deposits, bank and cash balances	3.3	3,082,591	2,605,320	5,687,911	(1,960,000)	(1,802,643)	1,925,268
		83,119,345	3,445,320	86,564,665	(2,800,000)	(1,802,643)	81,962,022
Total assets		94,769,152	1,945,320	96,714,472	25,200,000	(396,873)	121,517,599
Equity							
Share capital	3.4	28,823,485	1,945,320	30,768,805	-	-	30,768,805
Reserves		31,306,886	-	31,306,886	-	-	31,306,886
Accumulated losses	3.5	(35,466,073)	-	(35,466,073)	-	(396,873)	(35,862,946)
Total equity		24,664,298	1,945,320	26,609,618	-	(396,873)	26,212,745

Appendix A

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Note	Audited as at 31.3.2025 RM	Adjustment for subsequent events RM	Pro Forma I after subsequent events RM	Adjustment for acquisition of land held for property development RM	Adjustment for estimated acquisition and transaction cost and estimated expenses RM	Pro Forma II after Pro Forma I and Proposed Acquisition RM
Non-current liabilities							
Lease liabilities		176,903	-	176,903	-	-	176,903
Loans and borrowings	3.6	-	-	-	16,000,000	-	16,000,000
Trade payables		5,207,488	-	5,207,488	-	-	5,207,488
		5,384,391	-	5,384,391	16,000,000	-	21,384,391
Current liabilities							
Lease liabilities		100,807	-	100,807	-	-	100,807
Loans and borrowings	3.6	-	-	-	4,000,000	-	4,000,000
Trade payables		26,613,163	-	26,613,163	-	-	26,613,163
Other payables	3.7	38,006,493	-	38,006,493	5,200,000	-	43,206,493
		64,720,463	-	64,720,463	9,200,000	-	73,920,463
Total liabilities		70,104,854	-	70,104,854	25,200,000	-	95,304,854
Total equity and liabilities		94,769,152	1,945,320	96,714,472	25,200,000	(396,873)	121,517,599

Appendix A

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Note	Audited as at 31.3.2025 RM	Adjustment for subsequent events RM	Pro Forma I after subsequent events RM	Adjustment for acquisition of land held for property development RM	Adjustment for estimated acquisition and transaction cost and estimated expenses RM	Pro Forma after Proposed Acquisition RM
Supplementary information							
Number of ordinary shares (unit)		90,484,043		99,532,043			99,532,043
Net assets attributable to owners of the parent per share		0.27		0.27			0.26
Lease liabilities		277,710		277,710			277,710
Loans and borrowings		-		-			20,000,000
Total debts		277,710		277,710			20,277,710
Gearing ratio (times)[1]		0.01		0.01			0.77

Notes:

[1] Computed based on total debts divided by total equity.

Appendix A

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

1. Basis of Preparation

The Pro Forma Consolidated Statements of Financial Position of the Group have been compiled based on the audited consolidated financial statements of the Group as at 31 March 2025, together with the accompanying notes thereto, for which the Board of Directors of the Company is solely responsible. The Pro Forma Consolidated Statements of Financial Position have been prepared for illustrative purposes to show the impact of the Proposed Acquisition as if it had been completed on that date.

The Pro Forma Consolidated Statements of Financial Position is to illustrate the effects of the transactions described in Note 2, and should be read in conjunction with the accompanying notes. Due to their nature, the Pro Forma Consolidated Statements of Financial Position are not necessarily indicative of the financial position of the Group that would have been attained had the transactions occurred on the date assumed, nor are they intended to represent or predict the future financial position of the Group.

The Pro Forma Consolidated Statements of Financial Position have been prepared for inclusion in the circular to shareholders of the Company in connection with the Proposed Acquisition and for no other purpose.

The Pro Forma Consolidated Statements of Financial Position have been prepared in a manner consistent with the format of, and accounting policies adopted by the Group.

2. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position

The events disclosed in this note are included in the Pro Forma Consolidated Statements of Financial Position to illustrate the effects of the Proposed Acquisition on the audited consolidated financial position of the Group as at 31 March 2025, as if the Proposed Acquisition had been completed on that date.

2.1 Subsequent Events

2.1.1 Incorporation of a Subsidiary Company

On 11 August 2025, the Company had incorporated a wholly-owned subsidiary, Karya Koperat Sdn. Bhd., to facilitate the Proposed Acquisition. The incorporation of the subsidiary is not expected to have any material impact on the Pro Forma Consolidated Statements of Financial Position of the Group.

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

2. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position (Cont'd)

2.1 Subsequent Events (Cont'd)

2.1.2 Private Placement Exercise

On 1 December 2025, the Group completed a private placement exercise, which resulted in an increase in its issued and paid-up share capital from RM28,823,485 to RM30,768,805, arising from the issuance of 9,048,000 new ordinary shares at an issue price of RM0.215 per ordinary share.

2.1.3 Initial Deposit in Relation to the Proposed Acquisition

On 18 December 2025, the Group paid an initial deposit of RM840,000, representing 3% of the purchase consideration, upon acceptance of the letter of intent in relation to the Proposed Acquisition. The initial deposit forms part of the total purchase consideration and shall be applied towards the purchase consideration upon completion of the Proposed Acquisition.

2.1.4 Termination of Joint Venture Agreement

On 5 January 2026, the Group terminated the Joint Venture Agreement dated 26 May 2022 with the landowner, as both parties were unable to reach a consensus on the proposed development plan. The related deposit of RM1,500,000 paid by the Group was fully refunded upon termination.

2.2 Proposed Acquisition

The pro forma adjustments are directly attributable to the Proposed Acquisition, are factually supportable, and, where applicable, are expected to have a continuing impact on the financial position of the Group.

2.2.1 Acquisition of lands for property development

The Group purchased 3 parcels of leasehold lands located at Mukim 13, Daerah Timor Laut, Pulau Pinang held under PN 649 Lot 3222, HSD 6981 Lot 9777 and HSM 3558 Lot 20238 under loan financing for a total purchase consideration of RM28,000,000.

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

2. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position (Cont'd)

2.2 Proposed Acquisition (Cont'd)

2.2.1 Acquisition of lands for property development (Cont'd)

The purchase consideration which will be satisfied through a combination of loan financing, deposits paid, cash payment and deferred consideration, as summarised below:

	RM
Consideration of inventories acquired	28,000,000
Loan financing	(20,000,000)
Deposits paid	(840,000)
Cash payment	(1,960,000)
Deferred consideration (vendor payable)	5,200,000

The deposit of RM840,000 represents the 3% initial deposit paid prior to the execution of the Sale and Purchase Agreement ("SPA"). Upon execution of the SPA, an additional deposit of RM1,960,000, representing 7% of the purchase consideration, will be paid. The remaining balance of RM5,200,000 will be payable upon completion of the SPA and is presented as deferred consideration (vendor payable) and included within other payables in the Pro Forma Consolidated Statements of Financial Position. The purchase consideration will be funded through a combination of loan financing and internally generated funds.

2.2.2 Estimated acquisition and transaction costs

Represents estimated professional fees, legal fees, valuation fees, surveyor fees, registration fees and stamp duty amounting to approximately RM1,405,770, which are assumed to be directly attributable to the Proposed Acquisition.

The estimated rezoning premium and land conversion premium have not been reflected in the Pro Forma Consolidated Statements of Financial Position as the amounts have yet to be determined by the relevant authorities. Based on preliminary estimates, the premium is expected to be approximately RM5,558,837, which will be capitalised as part of the cost of land held for development and funded by internally generated funds.

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

2. Pro Forma Adjustments to the Pro Forma Consolidated Statements of Financial Position (Cont'd)

2.2 Proposed Acquisition (Cont'd)

2.2.3 Estimated expenses in relation to the Proposed Acquisition

An amount of RM396,873 is assumed to be incurred for the estimated expenses in relation to the Proposed Acquisition. The table below summarises the estimated expenses to be borne by the Group:

	RM
Professional fees	361,800
Fees payable to the authorities	32,400
Printing, advertising fees and contingencies	2,673
	396,873

The estimated expenses comprise advisory and professional fees payable to, amongst others, the Company's Principal Adviser, solicitors, Independent Valuer, Independent Adviser and Reporting Accountant, as well as fees payable to the relevant authorities and other incidental expenses.

3. Detailed Effects on the Pro Forma Consolidated Statements of Financial Position

3.1 Inventories - Non-current assets

	RM
As at 31 March 2025/As per Pro Forma I	2,441,136
Pursuant to the acquisition of land held for property development under loan financing	20,000,000
Pursuant to the acquisition of land held for property development under cash payments	1,960,000
Pursuant to the acquisition of land held for property development by utilisation of deposit paid	840,000
Pursuant to the acquisition of land held for property development through deferred consideration	5,200,000
Pursuant to the capitalisation of acquisition and transaction cost directly atrributable to Proposed Acquisition	1,405,770
As per Pro Forma II	31,846,906

Appendix A

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

3. Detailed Effects on the Pro Forma Consolidated Statements of Financial Position (Cont'd)

3.2 Other receivables

	RM
As at 31 March 2025	1,822,002
Pursuant to the initial deposit paid in relation to the Proposed Acquisition	840,000
Pursuant to the deposit refunded upon the termination of Joint Venture Agreement	(1,500,000)
As per Pro Forma I	1,162,002
Pursuant to utilisation of deposits paid in relation to the acquisition of land held for property development	(840,000)
As per Pro Forma II	322,002

3.3 Deposits, bank and cash balances

	RM
As at 31 March 2025	3,082,591
Pursuant to issuance of new ordinary shares through private placement exercise	1,945,320
Pursuant to the initial deposit paid in relation to the Proposed Acquisition	(840,000)
Pursuant to the deposit refunded upon the termination of Joint Venture Agreement	1,500,000
As per Pro Forma I	5,687,911
Pursuant to the acquisition of land held for property development under cash payments	(1,960,000)
Pursuant to defrayment of estimated acquisition and transaction cost and estimated expenses in relation to the Proposed Acquisition	(1,802,643)
As per Pro Forma II	1,925,268

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

3. Detailed Effects on the Pro Forma Consolidated Statements of Financial Position (Cont'd)

3.4 Share capital

	RM
As at 31 March 2025	28,823,485
Pursuant to issuance of new ordinary shares through private placement exercise	1,945,320
As per Pro Forma I and II	30,768,805

3.5 Accumulated losses

	RM
As at 31 March 2025/As per Pro Forma I	(35,466,073)
Pursuant to defrayment of estimated expenses in relation to the Proposed Acquisition	(396,873)
As per Pro Forma II	(35,862,946)

3.6 Loan and borrowings

	RM
As at 31 March 2025/As per Pro Forma I	-
Pursuant to the acquisition of land held for property development under loan financing	20,000,000
As per Pro Forma II	20,000,000

Based on the indicative terms of the loan's offer letter, the loan facility carries an interest rate of 8% per annum with a tenure of five (5) years and will be secured against the lands to be acquired. The loan facility is expected to be drawn down after approximately 18 months from the execution of the SPA, upon fulfilment of the conditions precedent stipulated in the SPA and the facility agreement.

For the purpose of the Pro Forma Consolidated Statements of Financial Position, the Proposed Acquisition is assumed to have been completed on 31 Macrh 2025 and the related loan financing is assumed to have been drawn down on that date.

Appendix A

ARK RESOURCES HOLDINGS BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT'D)

3. Detailed Effects on the Pro Forma Consolidated Statements of Financial Position (Cont'd)

3.7 Other payables

	RM
As at 31 March 2025/As per Pro Forma I	38,006,493
Pursuant to the acquisition of land held for property development through deferred consideration	5,200,000
As per Pro Forma II	43,206,493

The deferred consideration represents the vendor payable, which is a portion of the balance purchase consideration payable upon completion of the SPA. This amount is separate from the retention sum and initial payments, which are payable prior to completion upon fulfilment of the relevant conditions.

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they individually and collectively accept full responsibility for the accuracy, completeness and correctness of the information given in this Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement contained in this Circular false and misleading.

2. CONSENT AND DECLARATION

2.1 M&A Securities

M&A Securities, being the Principal Adviser for the Proposed Acquisition, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereon in the form and context in which they appear in this Circular.

M&A Securities has given its confirmation that no conflict of interest or of any circumstances which would or is likely to give rise to a possible conflict of interest by virtue of its appointment as the Principal Adviser for the Proposed Acquisition.

2.2 IPC ISLAND PROPERTY CONSULTANTS SDN BHD

IPC Island Property Consultants, being the Independent Valuer of the Subject Properties, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name, its valuation certificate as well as all references in the form and context in which they appear in this Circular.

IPC Island Property Consultants has given its confirmation that no conflict of interest or of any circumstances which would or is likely to give rise to a possible conflict of interest by virtue of its appointment as the Independent Valuer for the Proposed Acquisition.

3. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at LPD, the Group is not engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which may have a material effect on the financial position of the Group and the Board is not aware of any proceedings, pending or threatened, against the Group or of any fact which is likely to give rise to any proceeding which may materially and adversely affect the business or financial position of the Group.

4. MATERIAL COMMITMENTS

As at LPD, there are no material commitments, incurred or known to be incurred, which may have a material impact on the results or financial position of the ARK Group.

5. CONTINGENT LIABILITIES

Save for the obligation and liabilities arising from or in connection with the SPA for the Proposed Acquisition of approximately RM33.6 million, there are no other liabilities including contingent liabilities and/or guarantees expected to be assumed from the Proposed Acquisition.

As at LPD, save as disclosed above, there are no contingent liabilities, incurred or known to be incurred, which may have a material impact on the results or financial position of the ARK Group.

6. MATERIAL CONTRACTS

Save as the SPA in relation to the Proposed Acquisition, as at LPD, the Group has not entered into any material contracts which are or may be material (not being contracts entered into in the ordinary course of business of the Group) during the 2 years immediately preceding the date of this Circular.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the EGM:

(i) Constitution of the Company;

(ii) Audited consolidated financial statements of ARK for FYE 2024, FYE 2025, as well as the latest unaudited consolidated financial statements of ARK for FYE 2026;

(iii) Reporting Accountants' letter on the proforma consolidated statements of financial position of ARK Group as 31 March 2025;

(iv) Valuation Certificate referred to in **Appendix II** of this Circular, as well as the Valuation Reports thereon;

(v) Consent letters and declarations of conflict of interest as referred to in Section 2 above; and

(vi) Material contracts as referred to in Section 7 above.

ARK RESOURCES HOLDINGS BERHAD
(Registration No.: 201701027024 (1241190-V))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("**EGM**") of ARK Resources Holdings Berhad ("**ARK**" or the "**Company**") will be held at Citrine, Level 5, Amari SPICE Penang, 2, Persiaran Mahsuri, 11900 Bayan Lepas, Penang, Malaysia on Wednesday, 30 September 2026 at 11.45 a.m. or immediately following the conclusion or adjournment of the Ninth Annual General Meeting of the Company, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

ORDINARY RESOLUTION

PROPOSED ACQUISITION BY KARYA KOPERAT SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF ARK ("KKSB"), OF 3 ADJOINING PARCELS OF VACANT INDUSTRIAL LAND HELD UNDER THE FOLLOWING LAND TITLES HSM 3558, LOT 20238, HSD 6981, LOT 9777 AND PN 649, LOT 3222 WHICH ALL LOCATED IN MUKIM 13, DAERAH TIMOR LAUT, PULAU PINANG, MEASURING IN AGGREGATE APPROXIMATELY 107,058 SQUARE METRES (1,152,362 SQUARE FEET) ("THE LANDS") FROM BOUSTEAD PENANG SHIPYARD SDN BHD ("BPSSB") FOR A TOTAL CASH CONSIDERATION OF RM28.00 MILLION ("PROPOSED ACQUISITION")

"**THAT**, subject to all relevant approvals of authorities and/or other parties (if required) being obtained in respect of the Proposed Acquisition, approval be and is hereby granted to KKSB, a wholly-owned subsidiary of the Company to acquire the Lands for a cash consideration of RM28.00 million, subject to and upon such terms and conditions as set out in the conditional sale and purchase agreement dated 31 March 2026 entered into between KKSB and BPSSB in relation to the Proposed Acquisition.

AND THAT approval be and is hereby given to the Board of Directors of the Company ("**Board**") to give full effect to the Proposed Acquisition with full powers and authority to approve, agree and assent to any conditions, variations, revaluations, modifications, and/or amendments in any manner as may be required/permitted by the relevant regulatory authorities or deemed necessary by the Board, to deal with matters, incidental, ancillary to and/or relating thereto and take all steps and do all acts and to execute or enter into all such agreements, arrangements, undertakings, indemnities, transfers, extensions, assignments, deeds, confirmations, declarations and/or guarantees, with any party or parties, to deliver or cause to be delivered all such documents and to do all such acts and matters as the Board may consider necessary to implement, finalise and give full effect to and complete the Proposed Acquisition."

BY ORDER OF THE BOARD OF
ARK RESOURCES HOLDINGS BERHAD

TAN KOK SIONG (LS 0009932) (SSM PC No. 202008001592)
CHIANG SUE MAI (MAICSA 7031742) (SSM PC No. 202008000463)
Company Secretaries

Penang
31 July 2026

Notes:

(1) *For the purpose of determining who shall be entitled to attend this EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 22 September 2026. Only a member whose name appears on this Record of Depositors shall be entitled to attend this EGM or appoint a proxy to attend, speak and vote on his/her/its behalf.*

(2) *A member entitled to attend and vote at this EGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.*

(3) *A member of the Company who is entitled to attend and vote at a EGM of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the EGM.*

(4) *If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.*

(5) *Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*

(6) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*

(7) *Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*

(8) *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the EGM or adjourned EGM at which the person named in the appointment proposes to vote:*

(i) *In hard copy form*
In the case of an appointment made in hard copy form, the proxy form must be deposited at the registered office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 1005 Georgetown, Penang.

By electronic means
In the case of an appointment made via email transmission, this Proxy Form must be received via email at info@ark-resources.com.my.

For option (ii), the Company may request any member to deposit original executed Proxy Form to its registered office before or on the day of meeting for verification purpose.

(9) *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 1005 Georgetown, Penang not less than forty-eight (48) hours before the time appointed for holding the EGM or adjourned EGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*

(10) *Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.*

(11) *Last date and time for lodging this proxy form is Monday, 28 September 2026 at 11.45 a.m.*

(12) *Please bring an* ***ORIGINAL*** *of the following identification papers (where applicable) and present it to the registration staff for verification:*
   a. Identity card (NRIC) (Malaysian), or
   b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
   c. Passport (Foreigner).

(13) *For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the* ***ORIGINAL*** *certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.*

ARK RESOURCES HOLDINGS BERHAD
(Registration No.: 201701027024 (1241190-V))
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.

No. of shares held

I/We ______________________________________ Tel: ____________
[Full name in block, NRIC/Passport/Company No.]
of ______________________________________

being member(s) of **ARK Resources Holdings Berhad**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairperson of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held at Citrine, Level 5, Amari SPICE Penang, 2, Persiaran Mahsuri, 11900 Bayan Lepas, Penang, Malaysia on Wednesday, 30 September 2026 at 11.45 a.m. or immediately following the conclusion or adjournment of the Ninth Annual General Meeting of the Company, and to vote as indicated below:

Resolution		**For**	**Against**
Ordinary Resolution	Proposed Acquisition		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this   day of

____
Signature***Member**

** Manner of execution:*

(a) If you are an individual member, please sign where indicated.
(b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
(c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
(i) at least two (2) authorised officers, of whom one shall be a director; or
(ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:-

(1) *For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 22 Septemer 2026. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.*

(2) *A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.*

(3) *A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.*

(4) *If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.*

(5) *Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*

(6) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*

(7) *Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*

(8) *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:*

(i) *In hard copy form*
In the case of an appointment made in hard copy form, the proxy form must be deposited at the registered office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 1005 Georgetown, Penang.

(ii) *By electronic means*
In the case of an appointment made via email transmission, this Proxy Form must be received via email at info@ark-resources.com.my.

For option (ii), the Company may request any member to deposit original executed Proxy Form to its registered office before or on the day of meeting for verification purpose.

(9) *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 1005 Georgetown, Penang not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*

(10) *Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.*

(11) *Last date and time for lodging this proxy form is Monday, 28 September 2026 at 11.45 a.m.*

(12) *Please bring an* ***ORIGINAL*** *of the following identification papers (where applicable) and present it to the registration staff for verification:*
a. Identity card (NRIC) (Malaysian), or
b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
c. Passport (Foreigner).

(13) *For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the* ***ORIGINAL*** *certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.*

(14) *Those proxy forms which are indicated with "√" in the spaces provided to show how the votes are to be cast will also be accepted.*

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AFFIX
STAMP

The Company Secretaries
ARK RESOURCES HOLDINGS BERHAD
(Registration No.: 201701027024 (1241190-V))
Suite A, Level 9
Wawasan Open University
54, Jalan Sultan Ahmad Shah
10050 Georgetown
Penang

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