ARK

ARK RESOURCES HOLDINGS BERHAD

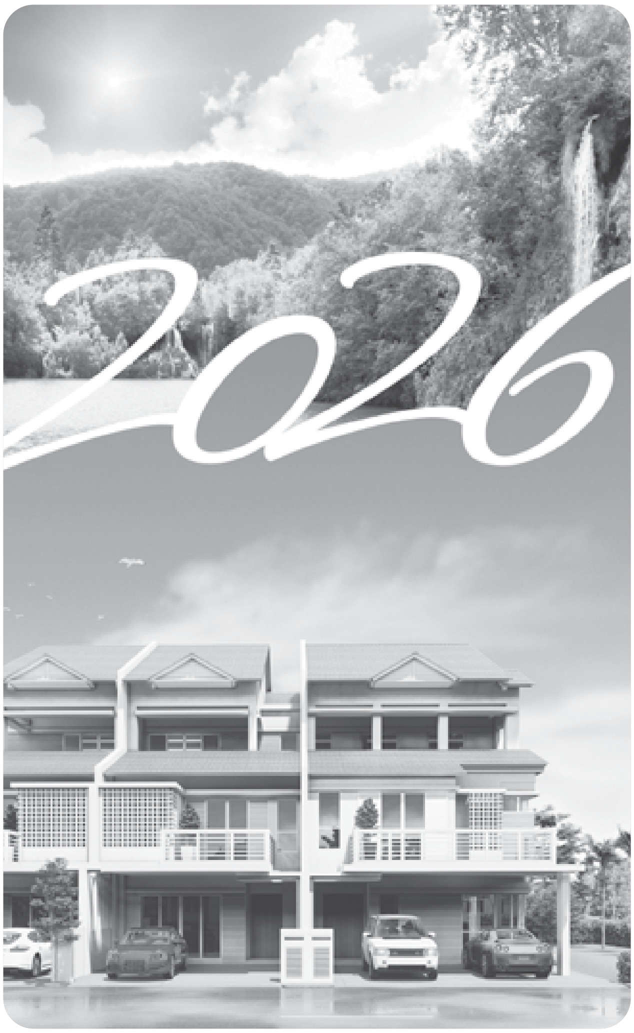
(201701027024) (1241190-V)

2026

Building Beyond Structures
Creating Lasting Impact

ANNUAL REPORT 2026

Contents



9TH ANNUAL GENERAL MEETING

DAY & DATE:
Wednesday, 30 September 2026

TIME:
11:10 a.m.

VENUE:
Citrine, Level 5, Amari SPICE Penang,
2, Persiaran Mahsuri,
11900 Bayan Lepas, Penang,
Malaysia

THEME IN FOCUS

Building Beyond Structures, Creating Lasting Impact

Every development begins with a vision, but its lasting significance is defined by the lives it touches and the communities it helps to shape. Beyond creating physical spaces, the Group is dedicated to fostering environments where people can connect, thrive and build meaningful futures together. Through responsible development and a commitment to sustainable growth, the Group seeks to create positive outcomes that extend far beyond the present. By balancing progress with community well-being and environmental stewardship, it continues to lay the foundations for places that inspire belonging, opportunity and long-term prosperity. As it looks towards the future, the Group remains committed to creating lasting impact, building communities that flourish, enriching lives and contributing to a more sustainable tomorrow.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of 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 11:10 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2026 together with the Reports of the Directors and Auditors thereon. **Please refer to Note 2**

As Ordinary Business

2. To re-elect Dato' Faiza Binti Zulkifli retiring under Clause 76(3) of the Constitution of the Company, and who being eligible, has offered herself for re-election. **Resolution 1**

3. To re-appoint UHY Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 2**

4. To approve the payment of Directors' benefits in accordance with Section 230(1) of the Companies Act 2016 of up to RM250,000 from 30 September 2026 until the next Annual General Meeting of the Company. **Resolution 3**

As Special Business

To consider and if thought fit, to pass with or without modifications the following resolutions:-

5. **Continuation in office as an Independent Non-Executive Director**

   "THAT approval be hereby given for Mr Tan Wooi Chuon who has served as an Independent Non-Executive Director within the Group for a cumulative term of more than nine years, to continue in office as an Independent Non-Executive Director until the conclusion of the next Annual General Meeting of the Company." **Resolution 4**

6. **Authority to Issue Shares**

   "THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed General Mandate").

   THAT such approval on the Proposed General Mandate shall be in force until:

   a. the conclusion of the next Annual General Meeting ("AGM") of the Company held after the approval was given;
   b. the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or
   c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting.

   whichever is the earlier.

Notice of Annual General Meeting

As Special Business (Cont'd)

To consider and if thought fit, to pass with or without modifications the following resolutions:- (Cont'd)

6. **Authority to Issue Shares (Cont'd)**

   THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

   THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

   AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate." **Resolution 5**

7. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By Order of the Board

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

Date: 31 July 2026

Penang

NOTES:

1. Proxy

1.1 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 September 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.

1.2 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.

1.3 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.

1.4 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.

1.5 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.

1.6 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.

Notice of Annual General Meeting

NOTES: (CONT'D)

1. Proxy (Cont'd)

1.7 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.

1.8 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, this proxy form must be deposited at the registered office of the Company situated at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia.

(ii) By electronic means via email
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.

1.9 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 situated at Suite A, Level 9, Wawasan Open University, 54 Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia 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.

1.10 Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.

1.11 Last date and time for lodging this proxy form is 11:10 a.m. on 28 September 2026, Monday.

*1.12 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).

*1.13 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.*

2. Audited Financial Statements for the financial year ended 31 March 2026

This Agenda item is meant for discussion only as the provision of Sections 248(2) and 340(1)(a) of the Companies Act 2016 do not require a formal approval of the shareholders and hence is not put forward for voting.

3. Ordinary Resolution 1 - Re-election of retiring Director

The details and profile of the Director, Dato' Faiza Binti Zulkifli who is standing for re-election at the AGM are set out in the Directors' profile of Annual Report 2026.

The Board through the Nomination Committee ("NC") had conducted an annual assessment on the performance and contribution of the individual Director for the financial year ended 31 March 2026 based on a set of prescribed criteria. The abovementioned Director has also met the relevant requirements under the fit and proper assessment. Based on the results of the assessment, the performance of the Director was found to be satisfactory and the NC had assessed that the Director is fit and proper to continue to hold the position as a Director of the Company.

Premised on the satisfactory outcome of the assessment, the Board endorsed the recommendation of the NC to seek members' approval for the re-election of Dato' Faiza Binti Zulkifli as Director of the Company.

Notice of Annual General Meeting

NOTES: (CONT'D)

4. Ordinary Resolution 3 - Directors' Benefits

The proposed Resolution 3, if passed, will authorise the payment of the Directors' benefits in accordance with Section 230(1) of the Companies Act 2016 of up to RM250,000 from 30 September 2026 until the next Annual General Meeting of the Company.

5. Ordinary Resolution 4 - Continuation in office as Independent Non-Executive Director

Mr Tan Wooi Chuon has been serving as an Independent Non-Executive Director within the Group and has reached the nine (9) years' tenure. The Nomination Committee, with Mr Tan Wooi Chuon ("Mr Tan") abstaining from deliberation of his own assessment, had conducted an assessment of Mr Tan Wooi Chuon who has met the independence guidelines as set out in Chapter 1 of the Listing Requirements and believe that the length of his service does not interfere with his ability and exercise of independent judgement as an Independent Director.

The Board will be seeking shareholders' approval through a two-tier voting process at the Ninth Annual General Meeting to retain Mr Tan Wooi Chuon as an Independent Non-Executive Director.

6. Ordinary Resolution 5 - Authority to issue shares

This Board is desirous of seeking a general mandate for issuance of shares at the 9th AGM. The Ordinary Resolution proposed under Resolution 5, if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to placement of shares for the purpose of funding the Company's current and/or future investment project(s), working capital and/or acquisition(s), by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed 10% of the total number of the issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Eighth AGM.

Statement Accompanying Notice of Annual General Meeting

Statement Accompanying Notice of Annual General Meeting pursuant to Paragraph 8.27(2) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements

There are no individuals who are standing for election as Director (excluding Directors standing for re-election) at the forthcoming Annual General Meeting.

General Mandate for Issue of Securities pursuant to Paragraph 6.03(3) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements

This general mandate for issue of shares ("the Mandate") was sought for in the preceding year and the Board did not carry out the Mandate since the Annual General Meeting ("AGM") of the Company until the latest practicable date before the printing of this Annual Report. The Mandate will expire on 30 September 2026. A renewal of this authority is being sought at the forthcoming AGM.

This Mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to placing of shares, for the purpose of funding further investment project(s), working capital and/or acquisition.

Corporate Information

BOARD OF DIRECTORS

YBhg. Dato' Mohamad Zekri Bin Dato' Haji Ibrahim
Executive Chairman

Tan Wooi Chuon
Independent Non-Executive Director

YBhg. Dato' Bong Yong Chuan
Independent Non-Executive Director

YBhg. Dato' Faiza Binti Zulkifli
Independent Non-Executive Director

AUDIT & RISK MANAGEMENT COMMITTEE

Tan Wooi Chuon
Chairman
Independent Non-Executive Director

YBhg. Dato' Bong Yong Chuan
Independent Non-Executive Director

YBhg. Dato' Faiza Binti Zulkifli
Independent Non-Executive Director

REMUNERATION COMMITTEE

Tan Wooi Chuon
Chairman
Independent Non-Executive Director

YBhg. Dato' Bong Yong Chuan
Independent Non-Executive Director

YBhg. Dato' Faiza Binti Zulkifli
Independent Non-Executive Director

NOMINATION COMMITTEE

YBhg. Dato' Bong Yong Chuan
Chairman
Independent Non-Executive Director

Tan Wooi Chuon
Independent Non-Executive Director

YBhg. Dato' Faiza Binti Zulkifli
Independent Non-Executive Director

COMPANY SECRETARIES

Tan Kok Siong (LS 0009932)
(SSM PC No. 202008001592)

Chiang Sue Mai (MAICSA 7031742)
(SSM PC No. 202008000463)

REGISTERED OFFICE

Suite A, Level 9
Wawasan Open University
54, Jalan Sultan Ahmad Shah
10050 Georgetown
Penang
Tel : 04-229 6318
Fax : 04-228 2118
Email: tricor.penang@vistra.com

PRINCIPAL PLACE OF BUSINESS

Head Office:
1-01-9 (1-SKY) Tingkat Mahsuri 2
11950 Bayan Lepas
Pulau Pinang
Tel : 04-611 8808
Fax : 04-611 8808

KL Office:
E-12-16, Plaza Mont' Kiara
No. 2, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur
Tel : 03-6411 5703
Fax : 03-6411 5704

AUDITORS

UHY Malaysia PLT
202406000040 (LLP0041391-LCA)
(AF 1411)
Chartered Accountants
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Wilayah Persekutuan
Tel : 03-2279 3088
Fax : 03-2279 3099

PRINCIPAL BANKERS

Malayan Banking Berhad
Public Bank Berhad

PLACE OF INCORPORATION

Malaysia

DATE OF INCORPORATION

1 August 2017

REGISTRATION NO.

201701027024 (1241190-V)

REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya
Selangor, Malaysia
Tel : 03-7890 4700
Fax : 03-7890 4670
Email:
bsr.helpdesk@boardroomlimited.com

STOCK EXCHANGE LISTING

Main Board of Bursa Malaysia
Securities Berhad
Stock Name : ARK
Stock Code : 7007

Corporate Structure

ARK

ARK RESOURCES HOLDINGS BERHAD
(201701027024) (1241190-V)

100%

ARK RESOURCES BERHAD
(199601020990) (393342-X)

100%

ARK DEVELOPMENT SDN BHD
(199301027721) (282459-P)

100%

ARK HARTANAH SDN BHD
(199601022741) (395093-K)

100%

ARK ENGINEERING & CONSTRUCTION SDN BHD
(199501040114) (369317-W)

100%

KARYA KORPERAT SDN BHD
(202501037453) (1638862-X)

Board of Directors' Profile

Our Leadership

Dato' Mohamad Zekri Bin Dato' Haji Ibrahim

Executive Chairman

56 +

Dato' Mohamad Zekri Bin Dato' Haji Ibrahim was appointed to the Board on 25 October 2017 as an Executive Director and redesignated as the Executive Chairman on 9 April 2019.

He started his career as an Advocate and Solicitor of the High Court of Malaya in 1997. He was also appointed as the Chief Operation Officer for Tahan Insurance Malaysia Berhad from 2004 to 2009 and served as Board Member-Ex-Officio for Yayasan Guru Malaysia Berhad from 2005 to 2007. He does not hold any directorships in other public companies in Malaysia.

He attended all five (5) Board Meetings held during the financial year. He is a major shareholder of the Company vide his shareholdings in Lakaran Asia Sdn. Bhd. By virtue of this interest, Dato' Mohamad Zekri is deemed to have interest in all the subsidiaries.

Save from that disclosed in the preceding paragraph, Dato' Mohamad Zekri has no family relationship with any director and/or major shareholder of the Company. He does not have any conflict of interest with the Company and has no convictions for offences within the past 5 years other than traffic offences.

Tan Wooi Chuon

Independent Non-Executive Director

57 +

Tan Wooi Chuon was appointed to the Board on 25 October 2017 as an Independent Non-Executive Director. He is the Chairman of the Audit and Risk Management Committee, Chairman of the Remuneration Committee and a Member of the Nomination Committee of the Company.

He has 4 years working experience in an audit firm, 5 years working experience as finance manager in an electronics manufacturing company, 4 years working experience as finance and MIS manager in a consumer products manufacturing company and 3 years working experience as group financial controller of a public company listed on the NASDAQ. He is presently an associate member of the Chartered Institute of Management Accountants UK, ACMA.

He is Non-Independent & Non-Executive Director of Ideal Capital Berhad (formerly known as Ideal United Bintang International Berhad) which is listed on Bursa Malaysia Securities Berhad.

He attended all five (5) Board Meetings held during the financial year. He has no family relationship with any director and/or major shareholder of the Company and does not have any equity interest in the Company. He does not have any conflict of interest with the Company and has no convictions for offences within the past 5 years other than traffic offences.

Board of Directors' Profile

Dato' Bong Yang Chuan

Independent Non-Executive Director

55+

Dato' Bong Yong Chuan was appointed to the Board on 27 November 2018 as an Independent Non-Executive Director. He is the Chairman of the Nomination Committee, a Member of the Audit and Risk Management Committee and a member of the Remuneration Committee of the Company.

He is currently the Managing Director of Sykt Penghantaran & Pengangkutan Heng Sdn. Bhd. and has more than 30 years of working experience in the logistics industry. He does not hold any directorships in other public companies in Malaysia.

He attended five (5) Board Meetings held during the financial year. He has no family relationship with any director and/or major shareholder of the Company and does not have any equity interest in the Company. He does not have any conflict of interest with the Company and has no convictions for offences within the past 5 years other than traffic offences.

Dato' Faiza Binti Zulkifli

Independent Non-Executive Director

65+

Dato' Faiza Binti Zulkifli was appointed to our Board on 30 May 2023.

She holds a Bachelor of Law (Honours) degree from University of Malaya (1984) and Master of Law in Intellectual Property and Information Technology Laws from University of East Anglia, United Kingdom in 2006. She was called to the Malaysian Bar in 2020. She is an experienced senior legal officer with 36 years of working experience in various government agencies.

She started her career in the Judicial and Legal Service in 1984 as a Magistrate in Klang, Selangor. She held various positions in the Judicial and Legal Service. She served as a Legal Advisor to the Ministry of Domestic Trade and Consumer Affairs and as a Senior Assistant Parliamentary Draftsman at Attorney General's Chambers of Malaysia from 2002 to 2007.

She has been appointed as Penang State Legal Advisor and ex-officio member of the State Executive Council of Penang from July 2007 to December 2013. In 2014 she was appointed as the Chairman of the Advisory Board and served as the Chairman of the Board until September 2017. From October 2017 to 2018, she served as the Chairman of the Customs Appeal Tribunal under the Ministry of Finance, and her last position with the government before her retirement in July 2020 was being the Chairman of the Special Commissioners of Income Tax under the Ministry of Finance. She was appointed as a member of the Suruhanjaya Perkhidmatan Air Negara from 2022 to 2023.

She is also an Independent Non-Executive Director of NationGate Holdings Berhad, Mestron Holdings Berhad and NorthEast Group Berhad. All are listed on Bursa Malaysia Securities Berhad.

She attended five (5) Board Meetings held during the financial year. She has no family relationship with any director and/or major shareholder of the Company and does not have any equity interest in the Company. She does not have any conflict of interest with the Company and has no convictions for offences within the past 5 years other than traffic offences.

Audit and Risk Management Committee Report

COMPOSITION OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The composition of the Audit and Risk Management Committee is set out as follows:-

Chairman	**Tan Wooi Chuon** Independent Non-Executive Director
Members	**Dato' Bong Yong Chuan** Independent Non-Executive Director
	Ramelle Ashram Bin Ramli *[Resigned 12.11.2025]* Independent Non-Executive Director
	Dato' Faiza Binti Zulkifli Independent Non-Executive Director

TERMS OF REFERENCE

The Terms of Reference of the Audit & Risk Management Committee is accessible on the Company's website at www.ark-resources.com.my.

MEETINGS AND ATTENDANCE

The Audit and Risk Management Committee held five (5) meetings during the financial year ended 31 March 2026 and the details of the attendance of each member of the Audit and Risk Management Committee are as follows:-

Audit & Risk Management Committee Members	Meeting Attendance
Tan Wooi Chuon	5/5
Dato' Bong Yong Chuan	5/5
Ramelle Ashram Bin Ramli	2/5
Dato' Faiza Binti Zulkifli	5/5

The Company Secretaries act as the Secretaries of the Audit and Risk Management Committee. During the financial year, the Audit and Risk Management Committee of the Company had only 1 private session for FY 31 March 2026 with the external auditors.

The Audit and Risk Management Committee members are provided with the agenda and relevant committee papers at least 5 business days before each meeting. The meetings were structured through distribution of relevant papers to members with sufficient notification, minutes of the meeting are distributed to the Board for notation and the Chairman of the Audit and Risk Management Committee reports to the Board on key issues discussed.

Audit and Risk Management Committee members acknowledge the need for continuous education and training. During the financial year, Audit and Risk Management Committee members were briefed by the External Auditors on development of new or amended accounting standards and how it impacted the Group.

SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

In discharging its functions and duties in accordance with its Terms of Reference, the Audit and Risk Management Committee had carried out the following activities during the financial year ended 31 March 2026:-

Financial Reporting

- Reviewed the quarterly unaudited financial results of the Group through discussions with the Management before submission to the Board for approval. The Audit and Risk Management Committee had ensured that the quarterly unaudited financial results of the Group complied with the Malaysian Financial Reporting Standards ("MFRS") and the Listing Requirements of Bursa Securities. Areas of discussion include among others accounting treatment of significant transactions and the underlying activities that lead to such transactions.

Audit and Risk Management Committee Report

SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

In discharging its functions and duties in accordance with its Terms of Reference, the Audit and Risk Management Committee had carried out the following activities during the financial year ended 31 March 2026:- (Cont'd)

Financial Reporting (Cont'd)

- Reviewed the annual audited financial statements of the Group before recommending to the Board for their consideration and approval to announce to Bursa Malaysia Securities Berhad. The review focused particularly on changes of accounting policies and practices, significant matters highlighted including financial reporting issues, significant judgements made by the Management, significant and unusual events or transactions and how these matters were addressed, going concern assumption and compliance with applicable approved accounting standards in Malaysia and other legal and regulatory requirements.

Internal Audit

- Reviewed the internal audit plan to confirm the annual audit for the Group.

- Reviewed and discussed the Internal Audit Report containing the audit findings and recommendations made by the internal auditors on the contract management.

- Monitored the implementation of the audit recommendation and to obtain assurances that all key risks and control concerns have been fully addressed.

- Reviewed the Statement on Risk Management to ascertain the status of areas highlighted for rectification and to ensure that it is consistent with their understanding of the state of internal controls of the Group.

  The Internal Audit on project management was carried out in January 2026, the objective of the audit is as follows:

  - To ensure adequate planning for project development.
  - To ascertain the effectiveness of project planning and achievement of delivery milestones.
  - To ensure cost management practices are adequate to effectively track and monitor budgeted against actual costs.
  - To ensure Management realises its full contractual entitlement to compensation under terms of contract.
  - To review if the variation orders have undergone appropriate review and adequately approved and documented accordingly.
  - To review approval obtained from local authorities in regard to development.

  Audit was conducted on the basis of enquiry, observation, confirmation and verification of supporting documents and identified processes. Discussions were held with management and the relevant staff members during the course of review. Findings arising from the audit field work were highlighted together with suitable recommendations for improvement for review and further action where necessary. The report was tabled in the Audit and Risk Management Committee Meeting on 27 February 2026.

External Audit

- Reviewed the External Auditor's scope of work and audit plan for the financial year.

- Considered significant issues arising from the annual audit by the External Auditor.

- Received report from external auditors on preliminary audit findings and Key Audit Matters with regards to the relevant disclosures in the annual audited financial statements.

- Reviewed the performance of the external auditors and evaluated their suitability, objectivity and independence before making recommendation to the Board on their re-appointment and remuneration.

The Audit and Risk Management Committee held only 1 private session with the external auditors during the financial year, the external auditors shared information and the proficiency and adequacy of resources in financial reporting functions, particularly in relation to the compliance with the applicable MFRSs. During the private sessions with the external auditors, it was noted that no critical issues were raised.

Audit and Risk Management Committee Report

RELATED PARTY TRANSACTIONS

- Reviewed the related party transaction that arose within the Group and to ensure that transactions are fair and reasonable and are not detrimental to the interest of the Group.

OTHERS

- Reviewed the Audit and Risk Management Committee Report and Statement on Risk Management and Internal Control before submission to the Board for consideration and approval for publishing in the Company's Annual Report.

The Audit and Risk Management Committee Chairman also continuously engaged with senior management and accounts personnel in order to be kept informed of matters affecting the Group. Through such engagements, relevant issues were brought to the attention of the Audit and Risk Management Committee in a timely manner.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to PKF Risk Management Sdn. Bhd., the external consultants to assist the Board and the Audit and Risk Management Committee in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. The internal audit function reports directly to the Audit and Risk Management Committee.

The Audit and Risk Management Committee has full and direct access to the internal auditors. The Audit and Risk Management Committee reviews the reports on all audits performed and monitors follow-up actions, scope, functions, budget, competency and resources of the internal audit function.

The internal auditors carry out internal audits on the Group based on a risk-based plan approved by the Audit and Risk Management Committee. Based on the audit, the internal auditors provide the Audit and Risk Management Committee with periodic reports highlighting observations, recommendations and management action plans to improve the system of internal control.

The scope of internal audit function performed by the internal auditors encompasses audit visits to all relevant subsidiaries of the Group under the audit plan. The objectives for such audit visits are to determine whether adequate controls have been established and are operating effectively in the Group, to provide reasonable assurance that:-

- Business objective and policies are adhered to;
- Assets and resources are satisfactorily safeguarded and efficiently used;
- Integrity of records and information is protected; and
- Applicable laws and regulations are complied with.

The emphasis of such audit visits encompasses critical areas of the Group's operations such as weaknesses in internal controls and procedures. The internal audit did not discover any significant deficiencies or any areas that were rated "High" or "Very High" risk that required immediate attention from the Management. The audit reports and Management's responses are circulated to the Audit and Risk Management Committee for review and comments. Follow-up audits are then carried out to determine whether corrective actions have been taken by the Management.

The cost incurred for the outsourced internal audit function of the Group for the financial year ended 31 March 2026 amounted to RM17,000.

Statement on Risk Management and Internal Control

INTRODUCTION

The Malaysian Code on Corporate Governance 2021 ("the Code") promulgates, inter-alia, the need for listed companies to maintain a sound risk management framework and internal control system to safeguard shareholders' investment and the Group's assets. The Board of Directors ("the Board") of ARK Resources Holdings Berhad and its subsidiaries ("the Group") is committed in maintaining a robust system of risk management and internal control and is pleased to present the Statement on Risk Management and Internal Control ("the Risk Management and Internal Control Statement") which is prepared in accordance with Paragraph 15.26(b) of Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements") and has taken into account the guidance mentioned in the Statement on Risk Management & Internal Control: Guidance for Directors of Listed Issuers ("Internal Control Guidance") issued by the Institute of Internal Auditors Malaysia and adopted by Bursa Securities.

BOARD'S RESPONSIBILITY

The Board acknowledges its responsibility for ensuring the adequacy and effectiveness of the Group's risk management and internal control system. This includes the establishment of an appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems to safeguard shareholders' investment and the Group's assets.

Whilst acknowledging its responsibilities, the Board is aware of the limitations that are inherent in any systems of internal control and risk management where such systems being designed to manage, rather than eliminate, the risks that may impede the achievement of the Group's business objectives. Accordingly, it can only provide a reasonable, but not absolute assurance against material misstatement or losses, fraud or breaches of laws or regulations.

The Group has established an ongoing process for identifying, evaluating and managing the significant risks that may affect the achievement of its business objectives. Any issues that affects the Group from achieving its business objectives are discussed in Management meetings held during the financial year. The Management is responsible for assisting the Board in implementing the processes for identifying, evaluating, monitoring and reporting risks and internal controls throughout the period.

The key elements of the Group's risk management and internal control system are described under the following headings:-

Risk Management Framework

The Board recognises that an important element for a sound system of internal control is to have in place a risk management framework in order to identify principal risks and implement appropriate controls to manage such risks. The Board has delegated its authority to the Audit Committee to review and determine the levels of different categories of risks, whilst the Management and Heads of Business Units are delegated the responsibility to manage risks related to their respective operating business units. The process requires the Management and Heads of Business Units to comprehensively identify and assess the relevant types of risks in terms of likelihood and magnitude of impact, as well as to identify and evaluate the adequacy and effectiveness of applying the mechanisms in place to manage and mitigate these risks. Key risks relating to the Group's operations are deliberated at the business units' attended by key management personnel. There is a procedure in place to communicate significant risks to the Board.

The Group has implemented the Anti-Bribery and Anti-Corruption policy with effective from 29 May 2020 with the objective of compliance with subsection (4) of section 17A under the Malaysian Anti-Corruption Commission (MACC) Act 2009.

The Group has been emphasising the safety and health of employees by enforcing precautionary measures and guidelines in office as stipulated by the relevant authorities since the pandemic of COVID-19.

The Audit and Risk Management Committee continuously review the on-going process of identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives throughout the financial year under review.

Statement on Risk Management and Internal Control

BOARD'S RESPONSIBILITY (CONT'D)

Internal Control Environment

In striving to operate a sound system of risk management and internal control that drives the Group towards achieving its goals, the Board has put in place an organisational structure with formally defined lines of responsibility and delegation of authority.

The Board is responsible towards the overall effectiveness of the Group's risk management and internal control system through establishing, directing and supervising the operation of a risk framework that adequately manages the various risks faced by the Group whilst the Audit Committee, as an independent party, is overall responsible for providing assurance to the Board on the effectiveness of the internal control systems and risk management in the Group.

The daily running of business is entrusted to the Management team. This close-to-operations management style enables timely identification and reporting of significant matters.

In order to inculcate a standard of ethical behaviour for directors and employees of the Group, a Code of Ethics & Conduct has been established and communicated to all directors and employees of the Group.

Internal Audit Function

The Audit Committee evaluates the internal audit function to assess its effectiveness in discharge of its responsibilities. The Group's internal audit function is outsourced to PKF Risk Management Sdn. Bhd., an external consultant to assist the Board and Audit Committee in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control systems. The Group's internal audit function reports directly to the Audit Committee.

The Audit Committee is of the opinion that the internal audit function is effective and able to function independently.

For the financial year under review, risk-based approach internal audits were carried out in accordance to the internal audit plan that has been reviewed and approved by the Audit Committee. Observations from these audits are presented, together with the Management's response and proposed action plans, to the Audit Committee for review. Further details of the activities of the internal audit function are provided in the Audit Committee Report.

Information and Communication

Flowing from a clear organisational reporting structure, information is communicated and disseminated to key management within the Group. Information critical to the achievement of the Group's business objectives is communicated through established reporting lines across the Group. Matters that require the Board and the Management's attention are highlighted for review, deliberation and decision on a timely basis.

The Audit Committee holds meetings to deliberate on the findings and recommendations for improvement by the internal auditors on the state of the internal control system and reports to the Board. The Audit Committee also reviews and deliberates on any matters relating to internal control highlighted by the external auditors in the course of their statutory audit of the financial statements of the Group.

Control and Monitoring Process

The Board is responsible for setting the Group's long-term business objectives and monitors the conduct of the Group's operations through various Board Committees. The processes adopted by the Board to monitor the effectiveness of the Group's internal control system are as follows:-

- The Board and the Audit Committee meet to discuss matters raised by the Management, internal auditors and external auditors on business and operational matters.
- The Board has delegated the responsibilities to the Management of the Group to implement and monitor the Board's policies on control.
- Delegation of authority is designed to ensure accountability and responsibility.
- Internal procedures and policies are documented.
- Management meetings are held during the financial year in order to assess the performance of the Group.

Statement on Risk Management and Internal Control

BOARD'S RESPONSIBILITY (CONT'D)

Control and Monitoring Process

The monitoring, review and reporting arrangements in place give reasonable assurance that the structure of controls and its operations are appropriate to the Group's operations that risks are at an acceptable level throughout the Group's businesses. Such arrangement, however, do not eliminate the possibility of human error or deliberate circumvention of control procedures by employees and others.

Periodic reviews of adequacy and integrity of selected areas of internal control system are carried out by the internal audit function and results of such reviews are reported to the Audit Committee. The internal audit function thereby provides independent assurance on the areas reviewed by the internal audit function to the Board on the effectiveness of the Group's internal control system.

Key Risk Management and Internal Control Processes

The Group has also put in place the following key elements of internal controls:-

(i) The Group has organisation structure with well-defined scopes of responsibility, and each function and/or operating business segments is led by a head of department. Line of accountability, responsibility, approval, authorisation and control procedures have been laid down and communicated throughout the Group;

(ii) The Audit Committee comprises Non-Executive Directors of the Board, with a majority being independent. The Audit Committee has full and unrestricted access to any information pertaining to the Group and has direct communication channels with the external auditors and internal auditors. Informal discussion sessions are held at least once during each financial year with both the external auditors and internal auditors without the presence of the Management;

(iii) A set of documented internal operating policies and procedures to ensure compliance with internal controls, laws and regulations, which are subjected to regular reviews and improvement, have been communicated to all levels;

(iv) Clearly defined levels of authority for day-to-day business aspects of the Group covering procurement, payments, investments, acquisition and disposal of assets have been disseminated to all employees;

(v) Key result areas and key performance indicators are established and aligned with the strategic business objectives and goals and are monitored on an ongoing basis;

(vi) There is an annual budgeting and target setting process being formulated for each operating business segment. The budget has been presented to the Board for review and approval and the Management will be guided by the approved budget in managing and monitoring their respective operating unit;

(vii) The Group's policies and procedures, which set out guidelines and expected standards for the Group's operations, are reviewed regularly and updated to maintain effectiveness at all times;

(viii) Regular and comprehensive financial information is provided to the Audit Committee for quarterly and ad-hoc reviews and thereafter, presented to the Board for approval;

(ix) The Group has delegated certain authority levels for tenders and capital expenditure to the Executive Chairman. The approval of capital and revenue proposals above certain limits is reserved for decision by the Board. Other investment decisions are delegated for approval in accordance with authority limits;

(x) The Group conducts regular meetings of the senior management to deliberate and decide on matters requiring decision and reporting on progress of works and resolve on urgent company matters. Decisions are then communicated to all relevant staff levels in a timely manner. From these meetings, the Management is able to identify significant operational and financial risks of the business units concerned;

(xi) Board meetings are held at least once in a quarter with a formal agenda on matters for discussion. The Board is kept updated on the Group's activities and operations on a timely and regular basis; and

(xii) The Group has a Whistleblowing Policy in place to provide an avenue for whistleblowing.

Statement on Risk Management and Internal Control

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

In accordance to the Bursa Securities's guidance, the Management is responsible to the Board for identifying risks relevant to the business of the Group's objectives and implementing strategies to mitigate those risks; maintaining a sound system of risk management and internal control; and monitoring and reporting to the Board of material control deficiencies and changes in risks that could significantly affect the Group's achievement of its objective and performance.

For the financial year under review, the Board has received assurance from the Audit Committee that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management and internal control system of the Group.

BOARD ASSURANCE AND LIMITATION

The Board is of the view that the Group's risk management and internal control framework and systems for identifying, evaluating and managing significant risks faced or potentially to be encountered by the Group are in place for the financial year under review and up to the date of issuance of the financial statements.

Nonetheless, the Board recognises that the internal control system should be continuously improved to be in line with the evolving business development. It should also be noted that all risk management and internal control systems could only manage rather than eliminate risks of failure to achieve business objectives. Therefore, the Group's risk management and internal control system can only provide reasonable, but not absolute assurance against material misstatements, frauds, losses or other significantly adverse consequences.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Listing Requirements of Bursa Securities, the external auditors have reviewed the Risk Management and Internal Control Statement. Their review was performed in accordance with Audit and Assurance Practice Guide (AAPG) 3: Guidance for Auditors on Engagements to Report on Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Risk Management and Internal Control Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of internal control of the Group.

CONCLUSION

Based on the risk management framework and system of internal controls maintained by the Group, as well as the assurance provided to the Board by the Group Managing Director and Chief Financial Officer that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects, the Board is of the view that the system of internal control and risk management in place for the financial year under review, and up to the date of approval of this Statement, are adequate in safeguarding the shareholders' interests and assets of the Group.

This statement was approved by the Board on 30 July 2026.

Corporate Governance Overview Statement

The Board of Directors is committed to maintain high standards of corporate governance and strives to ensure that it is practised throughout the Company and its subsidiaries ("the Group") as a fundamental part of discharging its responsibilities in order to protect and enhance shareholders' value and improve the performance of the Group.

COMPLIANCE WITH THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

In this Statement, the Board reports on the manner the Group has adopted and applied the principles and best practices as set out in the Malaysian Code on Corporate Governance ("the Code") and the governance standards prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") throughout the year under review. This Statement is to be read together with the CG Report 2026 of the Company which is available on the Company's website at www.ark-resources.com.my.

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

I. BOARD RESPONSIBILITIES

The Company is led and managed by an experienced Board, comprising members who have a wide range of experience in fields such as management, finance, construction and architecture to successfully direct and supervise the Group's business activities. A brief profile of each Director is presented on page 9 and 10 of the Annual Report.

The Board will continue to retain full and effective control of the Group. This includes responsibility for reviewing and adopting a strategic plan for the Company and overseeing the conduct of the Company's business.

Key decisions relating to acquisitions and disposals, material agreements, major capital expenditure, budgets, long-range plans and succession planning for top management is the prerogative of the Board.

The Board delegates the responsibility of implementing the Group's strategies, business plans, policies and decisions to the Management which is led by the Executive Director.

The Board will always act in the best interests of the Company and has a duty of confidentiality in relation to the Company's confidential information.

The Board has three Board Committees namely the Nomination Committee, the Audit and Risk Management Committee and the Remuneration Committee, to assist the Board and each Committee is governed by their Terms of Reference.

The Chairman is responsible for the overall leadership and efficient functioning of the Board. The key roles of the Chairman, amongst others, are as follows:-

(i) ensuring that the Board functions effectively, cohesively and independently of the Management;

(ii) leading the Board in establishing and monitoring good corporate governance practices in the Company and the Group;

(iii) leading the Board, including presiding over Board meetings and Company meetings and directing Board discussions to effectively address the critical issues facing the Company, in addition to encouraging active participation from Board members;

(iv) promoting constructive and respectful relationships among Board members and between Board members and the Management; and

(v) ensuring that there is effective communication between the Company and/or Group and its shareholders and relevant stakeholders.

Corporate Governance Overview Statement

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

The Executive Director is responsible to the Board for the day-to-day management of the Group. The Board gives direction and exercises judgment in setting the Company's objectives and overseeing their implementation. The key roles of the Executive Director, amongst others, are as follows:-

(i) developing the strategic direction of the Group;

(ii) ensuring that the Company's and/or the Group's business is properly and efficiently managed by ensuring that the executive team implements the policies and strategies adopted by the Board and its Committees;

(iii) ensuring an effective management team below the level of the Executive Chairman and to develop an active succession plan;

(iv) ensuring that the objectives and standards of performance are understood by the Management and employees;

(v) ensuring that the operational planning and control systems are in place;

(vi) monitoring performance results against plans; and

(vii) taking remedial actions, where necessary.

The Executive Director also provides assistance whenever appropriate and works with the Board and the Board Committees in discharging their duties. He will report on the performance and activities of the Group for the period under review, including explanations when there are changes or significant fluctuations.

The Board will consider the appointment of a Chief Executive Officer upon identifying a suitable candidate and when the need arises.

The Company is supported by two (2) qualified named Company Secretaries who possess the requisite qualification and are qualified to act as Company Secretary under section 235(2) of the Companies Act 2016. They play a supportive role by ensuring adherence to the Company's Constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations from time to time. The Company Secretaries monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations.

The Company has in place a Board Charter that sets out, among others, the responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, as well as the relationship between the Board with its Management and shareholders. The Board Charter is reviewed by the Board annually and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is made available for reference in the Company's website at www.ark-resources.com.my.

The Board Charter was last reviewed on 27 February 2026.

The Directors are expected to conduct themselves with the highest ethical standards. All Directors and employees of the Company are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Company.

The Company communicates the Code to all Directors and employees upon their appointment/employment and is deemed to be part of the Terms and Conditions of Service.

The Code of Ethics has been adopted by the Board on 18 April 2017 and is made available for reference on the Company's website, www.ark-resources.com.my.

Corporate Governance Overview Statement

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

II. BOARD COMPOSITION

The current Board of ARK Resources Holdings Berhad ("ARK") is made up of three (3) male and one (1) female members comprising one (1) Executive Chairman and three (3) Independent Non-Executive Directors. In view of their diversified background and extensive experience, they bring a wide range of technical skills and expertise to the Group and have contributed significantly towards performance monitoring, control as well as governance.

In reviewing and recommending to the Board on the appointment of new Board member, the Nomination Committee considers the candidate's ability to discharge such responsibilities/function as well as the candidate's competencies, commitment, contribution and performance, skills, knowledge, expertise and experience, professionalism, age, cultural backgrounds, leadership qualities and integrity. For appointment of Independent Director, considerations will also be given on whether the candidate meets the criteria for independence as prescribed by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and time commitment expected from him.

The Board believes that the current composition is appropriate given the collective skills and experiences of the Directors and the Group's current size and nature of ARK's business. The Board will continue to monitor and review the Board's size and composition as may be needed. If there is a need to appoint additional Board member, ARK will consider utilising the pool of directors from independent sources.

At present, none of the Independent Directors has exceeded the 12-years' tenure.

The Group does not practice discrimination on any form of gender, ethnicity and age group as the Group is an equal opportunity employer and all appointments and employments are based strictly on merits and suitability. The Board does not have any target or measure to meet the 30% women directors. The Board is supportive of the gender boardroom diversity recommended by the Code and had on 30 May 2023 appointed a female director on Board upon the Nomination Committee's recommendation, taking into consideration her qualifications, experiences, time commitment, independence and evaluation of the Fit and Proper Declaration Form.

The Board Diversity Policy is made available for reference in the Company's website at www.ark-resources.com.my.

The age and gender diversity of the Board during the financial year were as follows:-

Total Directors	4
Gender	
Male	3
Female	1
Ethnic	
Bumiputera	2
Chinese	2
Age Group	
51 – 60	3
61 – 70	1

The Board through the Nomination Committee periodically reviews its required mix of skills and experience and other qualities, including core competencies that Non-Executive Directors should bring to the Board. The Nomination Committee will carry out its duties and responsibilities as set out in its Terms of Reference which can be viewed on the Company's website. The Nomination Committee will convene its meeting at least once a year and they may invite other Board members, officers of the Company, employees and any other external parties to attend meetings or part thereof as and when necessary. Through its Chairman, the Nomination Committee reports to the Board on matters discussed at the next Board of Directors' Meeting after each meeting. The Company Secretary is the Secretary to the Nomination Committee.

Corporate Governance Overview Statement

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

II. BOARD COMPOSITION (CONT'D)

During the financial year ended 31 March 2026, the Nomination Committee had assisted the Board to carry out the following activities:-

(a) recommended to the Board for those directors who retired under the Constitution.

(b) reviewed the structure, size and composition of the Board and its Committees.

(c) assessed and reviewed the required mix of skills, experience, core competencies and contributions of each Director.

(d) assessed the training needs of the Board members.

(e) assessed the independence of the Independent Directors.

(f) reviewed the term of office and performance of the Audit and Risk Management Committee and each of its members.

(g) reviewed the terms of reference of the Nomination Committee.

(h) reviewed the Directors' Fit & Proper Policy.

The Nomination Committee has based on the guidelines set out in the Listing Requirements assessed the independence of candidate for directors and existing directors. The Directors are also required to confirm their independence by completing the independence checklist on an annual basis.

III. REMUNERATION

The Remuneration Committee, comprises only Independent Directors, will recommend to the Board the remuneration packages of the Directors to ensure that the Company attracts and retains directors needed to run the Company. The Remuneration Committee is responsible for recommending to the Board the policy framework on terms of employment and on all elements of the remuneration of Executive Directors.

The Directors' fees and emoluments are subject to endorsement of the Board and approval of the shareholders. The Directors are paid an attendance allowance for each meeting they attend. Directors who are shareholders will abstain from voting at general meetings to approve their fees. Executive Directors will also not be involved in deciding their own remuneration.

Details of the Directors' Remuneration for the financial year ended 31 March 2026 are as follows:-

	DMZ RM	TWC RM	DB RM	RA RM	DF RM
Directors' fees	-	-	-	-	-
Salaries	-	-	-	-	-
EPF	-	-	-	-	-
Other allowances	**9,000**	**9,250**	**7,000**	**2,750**	**7,750**
Bonus	-	-	-	-	-
Benefits-in-kind	-	-	-	-	-
Total	**9,000**	**9,250**	**7,000**	**2,750**	**7,750**

Corporate Governance Overview Statement

PRINCIPLE A - ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

III. REMUNERATION (CONT'D)

Details of the Directors' Remuneration for the financial year ended 31 March 2026 are as follows:- (Cont'd)

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
RM1 to RM50,000	**1**	**4**

Notes:
DMZ refers to Dato' Mohamad Zekri Bin Dato' Haji Ibrahim
VTWC refers to Tan Wooi Chuon
DB refers to Dato' Bong Yong Chuan
RA refers to Ramelle Ashram Bin Ramli *[Resigned 12.11.2025]*
DF refers to Dato' Faiza Binti Zulkifli

IV. DIRECTORS' TRAINING AND DEVELOPMENT

Apart from the regular briefings by the Company Secretaries and the external auditors of the latest updates on the Listing Requirements, Companies Act, approved accounting standards and etc., the Directors have also attended the following development programmes:

Directors	Programmes
Dato' Mohamad Zekri Bin Dato' Haji Ibrahim	• MAP Part II: Leading for Impact (LIP) • Market Microstructure FCPO by Bursa Malaysia
Tan Wooi Chuon	• MAP Part II: Leading for Impact (LIP) • 2025 MFRS Updates by KPMG
Dato' Bong Yong Chuan	• MAP Part II: Leading for Impact (LIP) • Hedge Like a Pro by Bursa Malaysia
Dato' Faiza Binti Zulkifli	• MAP Part II: Leading for Impact (LIP) • Strategic Plan SPAN 2026-2030 [Towards a sustainable, reliable and affordable water services]

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee comprises 3 Independent Non-Executive Directors. The Chairman of the Audit and Risk Management Committee, who is an Independent Director, is not the Chairman of the Board. The Audit and Risk Management Committee has a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit and Risk Management Committee. The Audit and Risk Management Committee has assessed the suitability, objectivity and independence of the external auditors.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Group's internal audit function is outsourced to a professional services firm, PKF Risk Management Sdn. Bhd. to assist the Board and Audit and Risk Management Committee in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control systems.

The risk management framework and internal audit function are disclosed under the Statement on Risk Management and Internal Control on page 14 to 17 of this Annual Report.

Corporate Governance Overview Statement

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

I. COMMUNICATION WITH STAKEHOLDERS

Recognising the importance of timely dissemination of information to shareholders and other stakeholders, the Board will continue to ensure that the shareholders and other stakeholders are well informed of major developments of the Company and the information is communicated via Bursa Securities' website and the Company's website, www.ark-resources.com.my.

The Company encourages all employees and stakeholders to report any improper conduct on the part of employees, Management, Directors and vendors in particular with respect of their obligation to the Company's interest. Employees and stakeholders who have been aggrieved or have concerns to raise can raise them through the grievance procedure or to the Audit and Risk Management Committee Chairman.

The Whistleblowing Policy is made available for reference on the Company's website, www.ark-resources.com.my.

II. CONDUCT OF GENERAL MEETINGS

Through the Company's general meetings, it provides shareholders with the opportunity to engage in candid dialogue and to seek and clarify issues and to have a better understanding of the Group's performance. The Board encourages shareholders' active participation at such meetings and members of the Board and the external auditors will be present to address any queries raised during the meetings. The Company will also ensure that the notice for AGM will be given to its shareholders at least 28 days prior to the meeting.

The Statement was approved by the Board on 30 July 2026.

Directors' Responsibility Statement

(Pursuant to paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The Directors are required to prepare financial statements for the financial year to give a true and fair view of the state of affairs of the Group and of the Company in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. In preparing the financial statements, the Directors have:-

- adopted and used accounting policies consistently in dealing with items which are considered material in relation thereto;
- made appropriate accounting estimates where applicable that are prudent, just and reasonable;
- ensured accounting and other records are properly kept to enable the preparation of financial statements with reasonable accuracy;
- ensured that the Company and the Group have taken reasonable and appropriate steps to detect and/or prevent fraud and other irregularities; and
- ensured adequate system of internal control is in place to safeguard the interest of the Group through prevention and detection of fraud and other irregularities.

The Board is satisfied that in preparing the financial statements of the Group and of the Company for the financial year ended 31 March 2026, the Group has adopted the appropriate accounting policies and applied them consistently, and that all applicable approved accounting standards have been followed.

Additional Compliance Information

The following disclosures are made in accordance with Part A of Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Corporate Proposals

Private Placement of 9,048,000 new ordinary shares of the Company at the issue price of RM0.215 each which was completed on 1 December 2025 and is 31.57% utilised as at 31 March 2025, the utilisation of its proceeds has been published in the Company's quarterly announcement.

Acquisition

The Company had on 24 September 2025 acquire the entire equity interest comprising one (1) ordinary share in the capital of Karya Koperat Sdn. Bhd. ("KKSB") from Norulhuda Binti Abu Bakar (NRIC: 840214-11-5172) at a cash consideration of Ringgit Malaysia One (RM1.00) only. KKSB had on 31 March 2026 entered into a conditional sale and purchase agreement ("SPA") with Boustead Penang Shipyard Sdn. Bhd. ("BPSSB") for the acquisition of three (3) adjoining parcels of vacant industrial land legally 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 (collectively, the "Lands"), measuring in aggregate approximately 107,058 square metres ("sq m") (1,152,362 square feet ("sq ft")), for a total cash consideration of RM28.00 million ("Purchase Consideration").

Material Contracts

There were no material contracts of the Company and its subsidiaries involving the interests of the Directors and major shareholders which were still subsisting at the end of the financial year or entered into since the end of the previous financial year.

Recurrent Related Party Transactions

There were no recurrent related party transactions of a revenue or trading nature which require shareholders' mandate during the financial period under review.

Audit and Non-Audit Fees

The fees payable to the external auditors, Messrs UHY, by the Company and its subsidiaries for the financial year ended 31 March 2026 are as follows:-

	Company RM	Group RM
Audit fees		
- current year	**27,000**	**88,000**
- prior years	**-**	**-**
Non-audit fees	**5,000**	**5,000**

Management Discussion and Analysis

FINANCIAL HIGHLIGHTS

REVENUE
FYE 2026
RM123.8 million
(FYE 2025: RM162.3 million)

NET ASSETS
FYE 2026
RM28.67 million
(FYE 2025: RM24.66 million)

The evaluation of the financial year concluding on 31 March 2026, ARK Group enters the remainder of 2026 on a stronger financial footing. The completed stabilisation of its construction works from development sites at Seberang Prai Utara, Pulau Pinang provides a steady and recurring source of cash inflows, enhancing the Group's income visibility and supporting its overall financial stability. Throughout this period, the Group demonstrated unwavering attention in cost containment and prioritising lean and efficient operational practices to enhance performance. Our commitment rises above mere operational efficiency, these efforts are essential in sustaining our position in the development and construction sector.

For the year under review, the Group recorded a revenue of RM123.8 million (FYE 2025: RM162.3 million). The Group achieved a Profit before Taxation ("PBT") of RM2.1 million in FYE 2026 compared to PBT of RM3 million recorded in FYE 2025. The decrease reflects the completion of successive phases of construction works from development sites at Seberang Prai Utara, Pulau Pinang, which had been the primary driver of construction revenue in prior years. The Group's Net Assets increased from RM24.66 million in FYE 2025 to RM28.67 million in FYE 2026, this is derived from the profits generated from the ongoing construction projects and the increase in share capital from its private placement exercise completed on 1 December 2025.

OVERVIEW OF GROUP'S BUSINESS OPERATIONS & RISKS

The Group places sustained emphasis on robust risk management and acknowledges the potential risks that may materially influence its performance and financial position. To mitigate these exposures, a comprehensive risk management framework is embedded within business operations, facilitating the continuous identification, assessment, and monitoring of both existing and emerging risks. Further elaboration on the Group's risk management framework is presented in the Statement on Risk Management and Internal Control section of this Annual Report.

The Group acknowledges that severe end-financing schemes may influence buyer sentiment in the property market. We monitor market trends closely and align our offerings with buyer affordability, while collaborating with reputable banking institutions to facilitate financing for our customers. During the financial year under review, the main activities in TDBB were centred on the planning to develop 40 units of two-storey semi-detached houses and the 52 units of 2 & 3 storey shop offices and had on 14 November 2025 entered into a Joint Venture Agreement to construct, develop and complete a residential development, the gross development value is approximately RM275 million.

Looking ahead to the remaining of 2026, the Group will continue to focus on its ongoing construction projects at Seberang Prai Utara, Pulau Pinang, construction remained the Group's core revenue driver, supported commercial and infrastructure works undertaken by its subsidiaries. Despite operational headwinds, ARK continued to emphasise disciplined project execution, value engineering, and cost optimisation to preserve margins and maintain delivery standards.

Property development operations are subject to strict regulations and government approvals. Changes in laws or delays in obtaining necessary permits may affect project timelines and costs, the Group remains proactive in monitoring regulatory developments and adapting new policies and guidelines issued by relevant authorities.

Management Discussion and Analysis

OVERVIEW OF GROUP'S BUSINESS OPERATIONS & RISKS (CONT'D)

The recent escalation of geopolitical tensions in the Middle East has amplified both regional and global economic uncertainty, particularly with respect to the pricing and stability of oil and natural gas supplies. This volatility has translated into elevated energy costs, which subsequently increased logistics expenses and exerted upward pressure on the prices of building materials. Coupled with the broader implementation of the Sales and Service Tax, these dynamics collectively contribute to rising construction costs within the property sector. In response, the Group adopts a disciplined approach to cost management, engaging in strategic negotiations throughout the tendering process and maintaining continuous oversight of operating expenditures. Long-standing partnerships with local suppliers and contractors further reinforce the resilience and sustainability of the Group's supply chain, ensuring adaptability in the face of external shocks.

The construction industry remains highly competitive, with project awards mainly have to secure through competitive tendering processes. The Group's future performance is dependent on its ability to secure new projects and maintain a sustainable order book to support its operations and growth objectives. Changes in market conditions, reduced construction activities, intense competition and pricing pressures may affect the Group's ability to secure projects on acceptable commercial terms. Failure to replenish the Group's order book may adversely affect future revenue and profitability.

To mitigate this risk, the Group continuously reviews its business strategies, strengthens relationships with clients and business partners, and actively pursues suitable opportunities in both the public and private sectors. The Group also adopts prudent tendering practices to ensure that projects undertaken are commercially viable and aligned with its operational capabilities.

Prospects

According to the Ministry of Finance ("MOF"), Malaysia's economy continued to record positive growth, supported by domestic demand, investment activities and the implementation of development projects. The outlook for the property market is expected to remain relatively stable, although somewhat subdued due to broader economic headwinds arising from ongoing global trade tensions, geopolitical conflicts, and cautious consumer sentiment amid persistently rising costs. While external challenges persist, the Group's strategic focus on high-demand locations and innovative concepts is expected to enable it to navigate adverse market conditions effectively.

The Group is positive on its prospects for the coming year as they look forward to the steady recovery of Malaysia's economy despite the ongoing uncertainties in the global economy and political affairs, the Group remains persistent to take full advantage of this. As a Property Development Company listed on the Main Market, ARK Group is poised to benefit from healthy domestic economic growth and the positive trajectory of the construction sector. In order to accelerate growth, ARK Group is proactively pursuing new opportunities to secure more construction as well as property development projects that synergise with its core operations, which is aimed at strengthening the Group's order book and overall growth.

CORPORATE PROPOSALS

(a) The Group had on 11 August 2025 announced to undertake a proposed private placement of up to 9,048,000 new ordinary shares, representing up to approximately 10.0% of the total number of issued ARK Shares, to independent third-party investor(s) to be identified and approval is obtained from Bursa Securities, vide its letter dated 11 September 2025. The Group has on 17 November 2025 fixed the issue price at RM0.215 per Placement Share which represents a discount of approximately 8.5% or RM0.02 to the 5D-VWAMP of ARK Shares from 10 November 2025 to 14 November 2025 of approximately RM0.235 per ARK Share, and the announcement for the completion of the listing shares had announced on 1 December 2025.

Management Discussion and Analysis

CONCLUSION

Going into the financial year ending 2027, we expect a landscape to remain unpredictable. Global economic fluctuations, driven by geopolitical tensions, trade complexities, and the ongoing recovery from the pandemic's impacts, will continue to paint an uncertain tableau. Of particular concern is the enigmatic trajectory of crude oil prices, deeply intertwined with the material costs. The protracted surge in oil prices has cascaded into a drastic escalation of material prices, amplifying our cost burdens. Moreover, potential governmental measures to recalibrate fuel and electricity subsidies loom ominously, further squeezing our margins and intensifying the challenges ahead.

However, in the face of these headwinds, the Group remains staunch in its commitment to cost rationalisation and operational optimisation. By enhancing performance efficiency, bolstering productivity, we aim to mitigate cost pressures and safeguard liquidity amidst this turbulent economic backdrop. Despite the prevailing market condition, ARK Group is continually on the lookout for more strategic land banks with development potential across the country and also other business opportunities to expand the Group's income stream and steadfast focus on strengthening internal structures to navigate these challenges with resilience.

ACKNOWLEDGEMENT AND APPRECIATION

Ark Group would like to express our sincere thanks to all our shareholders, clients, bankers, sub-contractors, suppliers as well as the other business partners and associates. Our success would not have been possible without their continuous support and confidence in our group.

The Group will continue to balance its business growth and operational needs while seeking to create long-term value for shareholders.

Sustainability Statement

ABOUT THIS STATEMENT

This statement presents Ark Resources Holdings Berhad's ("ARK") environmental, social and governance ("ESG") initiatives and performance for the financial year ending 31 March 2026. It has been prepared in accordance with Bursa Malaysia's Main Market Listing Requirements and with reference to the Bursa Malaysia Sustainability Reporting Guide.

FORWARD LOOKING STATEMENTS

This statements contains forward-looking notes base on the current and prevailing conditions, which are subject to unforeseen changes. We advise against placing excessive reliance on these sustainability report due to the inherent risk and uncertain factors such as market fluctuations, economic conditions, and unexpected incidents could cause actual outcomes to differ from those anticipated in these report.

OUR COMMITMENT TO SUSTAINABILITY

ARK's believe that sustainable growth is essential to our long term success, our commitment is anchored in our Vision and Mission. To fostering a future ready business model, we seek not only to remain competitive in a rapidly evolving environment but also to create enduring value for our stakeholders, communities, and the environment.

The Group has always been prudent in making business decisions that could negatively impact our business growth. Nevertheless, we believe that the current economic situation should not impede us from moving forwards with our sustainability journey. We have used this opportunity to transition into more sustainable operations to become a more responsible company that is in line with Malaysia's sustainability agenda.

The data disclosed in this Statement has not been subjected to assurance by either internal or external parties. However, we recognise the importance of assurance in enhancing data accuracy and credibility and will evaluate the need to undertake an assurance exercise for our sustainability reporting in the upcoming year. Moving forward, the Company will continue to enhance its sustainability reporting processes and explore opportunities for third-party assurance to further strengthen transparency and credibility.

Scope and Boundary:
This Statement covers all subsidiaries directly controlled by ARK through a majority stake. This report primarily highlights the construction segment because it was the Group's most active during the period under review.

Reporting Period:
This Statement specifies our ESG activities from 1 April 2025 to 31 March 2026. Historical information collected from previous years was included to provide a basis for comparison.

Report Guideline:
- Bursa Malaysia Sustainability Reporting Guide, 3rd Edition
- Malaysian Code on Corporate Governance 2021

Reporting Cycle:
Annually; coinciding with our financial year-end.

Feedback:
We welcome your feedback. E-mail us at info@ark-resources.com.my.

Sustainability Statement

OUR VISION

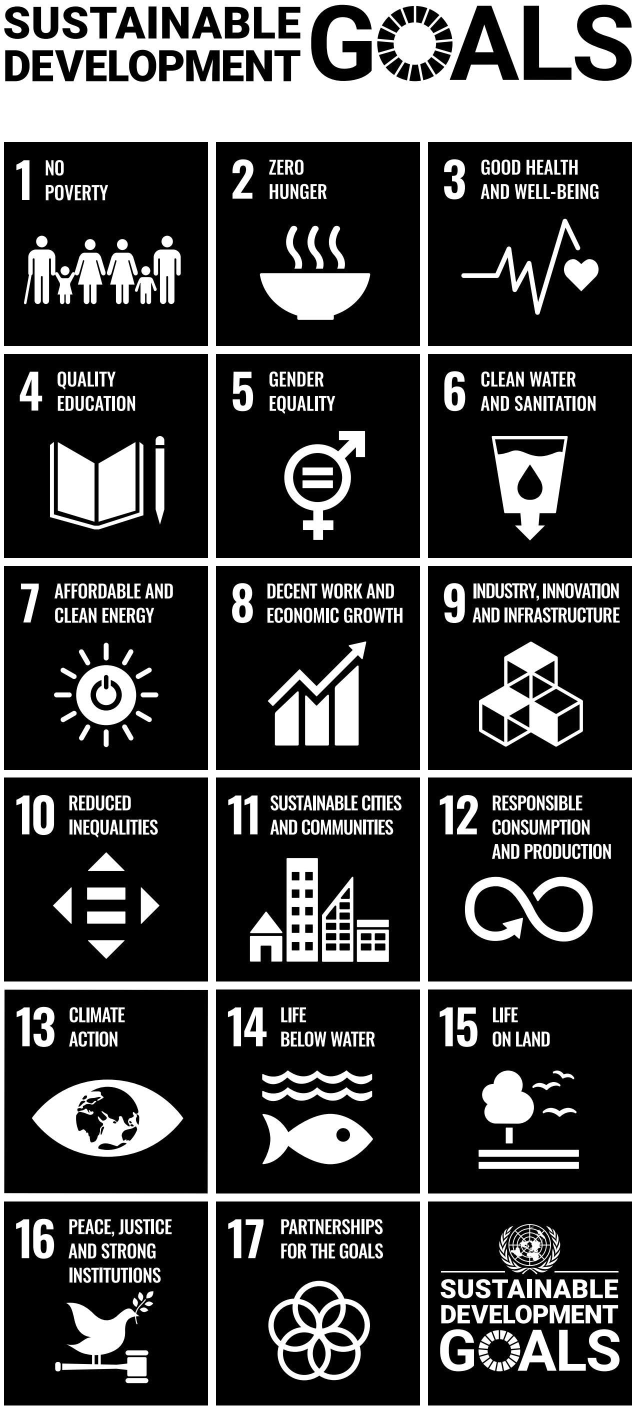
To be a recognised property development group with a reputation for technical and delivery excellence.

OUR MISSION

- To enhance our stakeholders' value by espousing good corporate governance and transparency in our transactions whilst striving for continued sustainable growth in our corporate earnings.
- To ensure that we operate in the most efficient and effective manner by adopting the best practices and rigorous risk management strategies at every level of our enterprise.
- To provide a challenging and stimulating working environment where our people can realise their potential, be rewarded for their efforts and attain meaningful careers.
- To meet or even exceed our customers' expectations by providing comprehensive and innovative customer-focused solutions.
- To act as an environmentally and socially responsible corporate citizen in the communities where we operate by being sensitive and respectful to local customs and regulations.

OUR APPROACH

Sound governance is key to drive ARK's sustainability strategy. The Group's sustainability is integrated into the overall corporate governance structure. With the introduction of new disclosures by Bursa Malaysia, strategic planning and decision-making on sustainability and climate-related matters have become more crucial. The Group's governance structure ensures the sustainability agenda is given sufficient oversight by the Board. This approach allows for the management of the economic, environmental and social risks and opportunities ("sustainability matters") to be progressively integrated into strategic decision-making as sustainability concerns can now be given due consideration at the Board level based on the ESG data.



The United Nations Sustainable Development Goals ("SDGs") are a universal set of goals that serves as a shared blueprint for peace and prosperity for people and the planet, now and in the future. It is a call for action to urgently address the world's most pressing economic, environmental and social issues. Governments, stock exchanges and other regulators of member states have heeded this call and have taken concerted efforts to translate SDGs into laws, regulations and requirements.

Sustainability Statement

ARK is aligned with the Malaysian government in pursuing the SDGs. In this light, we meticulously assess every aspect of our business and operations to find areas where we can apply the SDGs. We are looking forward to commencing our sustainability-inclined projects and calibrating our activities to produce positive contributions.

SUSTAINABILITY GOVERNANCE

In line with the best practices outlined in the Malaysian Code on Corporate Governance ("MCCG") 2021, our Board of Directors has assumed greatest responsibility for ESG oversight, ensuring that this considerations are embedded in the company's day to day operations.

The Board and the Management primarily take charge of creating an effective sustainability governance structure, which entails setting the company's sustainability targets and strategies for achieving them, as well as monitoring progress.

SUSTAINABILITY GOVERNANCE STRUCTURE

THE BOARD

Ultimate responsibility in managing sustainability matters relating to the Group.

THE MANAGEMENT

Oversees the development and execution of sustainability strategies.

THE OPERATING DIVISIONS

Progress is further support by various department for implementation.

The Board

The Board directly oversees the integration of sustainability into our operations. They exercise oversight and empower the Management to address the impacts of our business actions. The Board reviews all existing strategies to make sure that they are consistent with the current best practices.

The Management

Headed by the Executive Chairman, the Management enforces the sustainability strategies approved by the Board and monitors their implementation's progress. The Management coordinates with head of various departments to ensure that all sustainability issues are adequately handled.

The Operating Division

Led by the Heads of Division, each operating division is responsible to drive and implement the action plans mapped out to achieve the sustainability targets and to collect relevant data for reporting purposes, progress is further supported by the working-level representatives from various departments involved in the on-the-ground implementation.

Sustainability Risk Management

We perform sustainability risk management with an objective-centric approach wherein materiality and risks are assessed comprehensively. Under this framework, the Management and the Heads of Departments (HODs) jointly identify all the pertinent statutory, regulatory, environmental, health and safety risks. They then select appropriate mechanisms to be applied for managing and mitigating such risks. Given that sustainability is such an ever-changing landscape, we have taken the imperative to monitor emerging risks and regulations as we move forward to our next venture.

Sustainability Statement

ANTI BRIBERY AND CORRUPTION

Integrity is a fundamental virtue that must be observed in all business transactions of ARK and its subsidiaries. Our directors and employees are expected to always exhibit a high standard of ethical behaviour, as prescribed in our Code of Ethics and Conduct ("CEC") and our Anti-Bribery and Anti-Corruption Policy ("ABAC"). These policies cover critical items, such as Conflicts of Interest, Related Party Transactions, Bribery, Corruption and Business Courtesies. The policies is shown in our website www.ark-resources.com.my.

We are committed to conducting business with integrity and in full compliance with all applicable anti-corruption laws. ARK has established its ABAC in accordance with the Malaysian Anti-Corruption Commission (Amendment) Act 2018, safeguarding a zero tolerance stance towards bribery, scam and any form of corrupt practices. All directors, employees, and relevant third parties are informed of the specifics of these policies to ensure clarity and compliance. No incidents of corruption were reported during the financial period.

	FYE2024	FYE2025	FYE2026
Management staff who have received training on anti-corruption	100%	100%	**100%**
Executive staff who have received training on anti-corruption	70%	85%	**90%**
Operations assessed for corruption-related risks	95%	95%	**95%**
Confirmed incidents of corruption and action taken	Nil	Nil	**Nil**

In addition, we have enacted the Whistle-blowing Policy to provide a platform where our stakeholders can report in good faith any suspected misconduct, discrimination or other unethical practices regarding any aspect of our operations. Since the Group was established, we have not received any reports of incidence of bribery, corruption, discrimination, or any other form of ethical misconduct. By strengthening internal controls and promoting awareness, ARK is committed to fostering a culture of integrity and compliance, safeguarding the Company against corruption risks while upholding ethical business standards.

COMMUNITY & SOCIETY

Community and Social Investment

We have always been aware that our responsibilities go beyond our duties as a business owner. We believe that how we lead, engage, and respond as a corporate citizen is central to our own success and to the interest of our stakeholders that make up our vibrant, connected ecosystem. While the Group has yet to allocate financial commitment towards community investments, we remain dedicated in identifying and supporting future initiatives that foster social, educational, and economic advantages in local communities.

	FYE2024	FYE2025	FYE2026
Amount invested in the community where the target beneficiaries are external to the listed issuer	Nil	RM8,200.00	**Nil**
Number of beneficiaries of the investment in communities	Nil	One (1)	**Nil**

Sustainability Statement

Community Health and Safety

To safeguard the health and safety of nearby communities, we have incorporated strategies that promote their safety and address their health concerns.

Some forms of hazards are inherent and unavoidable in construction sites, such as dust, noise, soil erosion, waste, traffic congestion, floods, stagnant water and pedestrian accidents. Thus, our first step in every project is to evaluate the impacts of our construction activities on the community.

Human Rights

The Group strictly abides by the Children and Young Persons (Employment) Act 1966. We safeguard children from any form of maltreatment or exploitation, and we condemn the employment of child labour in the workforce. We strictly monitor the employment of foreign workers by subcontractors to ensure that they comply with the relevant immigration laws and that the current best recruitment practices, remuneration and accommodation are applied. The salary rates are in accordance with the 'Guidelines on the Implementation of the Minimum Wages' as prescribed by the National Wages Consultative Council Act 2011 (Act 732). We are pleased to report there has been zero substantiated complaints concerning human rights violations for FYE2026.

	FYE2024	FYE2025	FYE2026
Number of substantiated complaints concerning human rights violations	Nil	Nil	**Nil**

We aim to maintain zero substantiated complaints concerning human rights violations for FY2027 and beyond.

Community Engagement

In line with good governance practices, we encourage stakeholders to report employees, managers, directors or vendors who commit any wrongdoing. A whistle-blower may choose to identify himself/herself or remain anonymous.

Compliance

Our business divisions fully comply with the Occupational Health and Safety Act 1994, the Factories and Machinery Act 1967, the Prevention of Infectious Disease Act 342, the Employment Act 1955, the Occupational Health Notification of Accident and Dangerous Occurrence, and all other applicable laws and regulations in our business sector.

With this report, we hereby declare that we have adhered to all pertinent regulations and have maintained a zero-non-compliance record in all our operational activities that may exert environmental, health and social impacts on the community where we operate.

MATERIALITY

Materiality Analysis

Materiality analysis enables us to identify the ESG themes that are deemed most significant by the Group and our stakeholders. We regularly perform materiality analysis by identifying all the relevant issues and categorising them in order of importance based on our business activities and the input of our stakeholders. The results were submitted to the Top Management and subsequently to the Board of Directors for their validation and approval.

Materiality Review

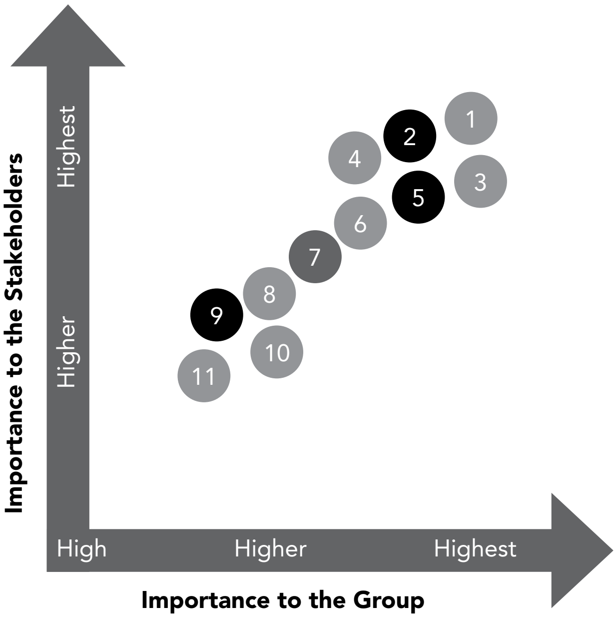
The previously identified material issues are consistent with our present business activities and have all been retained, albeit with slight changes in priority in the year under review. However, we have added Climate Change in our material themes in recognition of the amendments in the MCCG and emerging green trends in construction and property development.

Sustainability Statement

Materiality Matrix

The below materiality matrix displays the eleven (11) material sustainability issues that were identified during the reassessment. Those that are mapped on the upper right-hand quadrant are the ones considered most significant by both the Group and our stakeholders. These are: Governance, Ethics & Compliance, Health, Safety and Supply Chain Management.

Affordable Housing and Community Welfare again ended up low in our list of priorities, but this will potentially change in the subsequent year when development projects are commenced.

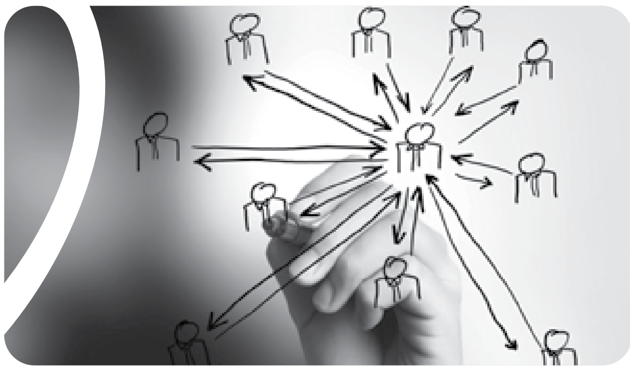


Sustainability Matters

1. Governance
2. Ethics & Compliance
3. Health & Safety
4. Supply Chain Management
5. Quality
6. Enviroment Protection
7. Employee Welfare
8. Climate Change
9. Diversity & Inclusivity
10. Community Welfare
11. Affordable Housing

STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement is crucial in driving sustainable growth and fostering strong relationships with key parties. We maintain regular interactions with guests, employees, business partners, suppliers, regulatory bodies, and local communities to help address concerns, align expectations, and enhance sustainability efforts. Engagement methods such as surveys, feedback channels, meetings, and industry collaborations are also practiced to ensure that sustainability initiatives remain relevant and impactful. By maintaining open communication and integrating stakeholder insights into decision-making, we are committed to responsible and sustainable business practices which will reinforce and create long-term value for all involved.



As preparation for our upcoming projects, we plan to address our stakeholders' needs by implementing more effective communication channels and providing more meaningful solutions in order to respond to our stakeholders' needs. Our capacity to manage their expectations and concerns can only improve our overall performance. For this reason, we have identified our key stakeholder groups and designated a mode of engagement that is suited to their needs. In this way, they can immediately raise any concerns they might have rather than wait for the next scheduled meeting.

Engaging stakeholders support the Group in determining material sustainability topics by understanding how these individuals or groups can impact the business model in terms of its capital, brand reputation and value creation. The outcomes from undertaking stakeholders' engagement initiatives could result in stronger economies, better product range which support better living conditions, and more opportunities. ARK deems a stakeholder to be an individual or a group that has an effect on, or is affected by the Group's business. As the Group begins to look forward towards transitioning into a low-carbon economy, the engagement with the stakeholders provides crucial insights, fosters collaborative efforts and ensures alignment with broader ESG goals.

Sustainability Statement

STAKEHOLDER GROUP	CONCERNS	RESPONSE & ENGAGEMENT CHANNELS
Customers	• Quality • Timely Completion & Handover • Design & Pricing	o Corporate Website o Enhanced customer satisfaction o Design a healthier and more aesthetically pleasing environment for the people using the space
Suppliers and Contractors	• Environmental Protection • Occupational Health and Safety • Contract Terms & Conditions • Mutual Growth	o EHS training and monitoring o Fair contract terms & bidding process o Cost effective o Technical discussions
Employees	• Promotion • Career Development • Remuneration • Safe and secured workplace	o Performance reviews o Training and up skilling programmes o Provision of benefits o Occupational Health and Safety compliance
Government Agencies	• Compliance of Regulatory requirements • Knowledgeable • National Housing Agenda • Site visits and inspection	o Submission of regulatory reports o Renewal and updating of licenses and permits o Compliance and regulatory training o Alignment with national environmental agenda
Local Communities	• Local Pollution • Health and Safety Measures • Human Rights Protection	o Establishment of the Whistle-blowing Policy o Implementation of the COVID-19 ordinance o Monitoring of vendors' recruitment and documentation of migrant workers.
Shareholders	• Up-to-date Information • Quality Disclosure • Sustainable Strategies • Transparency	o Updating of information on the company website o Performance reporting during AGM o Shareholder engagements o Disclosure of management strategies
Business Partners	• Partnership in Good Faith • Project Innovation	o Creating supportive environment for partnership o Develop cooperation and arrangements

SUPPLY CHAIN MANAGEMENT

Property development and Construction is a strictly regulated industry, which is why we make sure that we have a sound supply chain management. All potential vendors undergo meticulous vetting regarding their efficiency and sustainability practices. As we focus on sustainable property developments moving forward, we are expanding our social supply chain to include prevention of human rights violation and emerging sustainability issues.

Supplier Management

Supply chain management is an essential aspect of our operations. It ensures that all our processes adhere to all relevant statutory, regulatory and customer requirements and other agreed-upon standards. We have adopted this framework to avoid non-compliance issues. All our suppliers must follow the necessary training programmes, standards updates and monitoring schedules.

Sustainability Statement

Supplier Accreditation and Bidding Process

In line with our Mission, our supply chain process was created to cater beyond short-term needs. The following shows our supplier accreditation and bidding process in detail:

Identify Requirements:
Vendors must submit their vendor profile, which includes their technical, commercial and Environmental, Health and Safety credentials and proposal.

Sustainability Screening:
ESG, technical and compliance screenings are conducted to vendors who are qualified to bid for projects.

Manage and Regulate:
After contracts are awarded to respective suppliers, the specifications of each contract must be followed rigorously by vendors. The vendors are informed of the Group's guidelines, policies and best practices.

Non-Conformance Reports (NCRs) will be issued to vendors exhibiting lack of compliance. Should a vendor remain unresponsive to the NCRs after reminders, that vendor will be dismissed, and its accreditation terminated.

Review and Renew:
Vendors who have achieved an exemplary record will be given priority during the next tender process. Vendors who do not perform well will be appraised and evaluated for further improvement

Supply Chain Environment, Health and Safety

We see it as our responsibility to protect the environment and to nurture the health and safety of our people against the hazards caused by our activities. Therefore, we expect our suppliers to comply with the rules and regulations prescribed by the Department of Occupational Safety and Health and the Department of Environment. We expect our suppliers to share our commitments to climate change, fair employment opportunities, employee diversity and inclusiveness. We intend to improve our accreditation process by including environmental, health and safety parameters in our vetting process.

Supplier Monitoring and Due Diligence

We monitor the performance of our vendors through the issuance of Non-Conformance Reports (NCRs), which indicate whether there has been any failure of compliance to health and safety, environmental and quality standards. Our strategy is to ensure that our entire supply chain is part of our sustainability journey. In the future, we intend to conduct due diligence and run checks on potential suppliers to verify that they are legitimate, credible organisations that are compliant with local regulatory authorities. Suppliers and other third parties will also undergo additional screening, verifying, onboarding, and monitoring processes on their policies about environmental protection, health and safety, human rights and other matters relating to sustainability.

	FYE2024	FYE2025	FYE2026
Proportion of spending on local suppliers	100%	100%	**100%**

100% of the Group's direct material spending is attributable to purchases from local suppliers. By fostering close relationships with local suppliers, we promote transparency and mutual accountability across the supply chain, which in turn would help us in achieving better consistency in terms of quality and reliability.

Sustainability Statement

EMPLOYEE

Training

We continue to invest in programmes that enrich the wellbeing and develop the skills of our employees. We strongly believe that when we empower our employees and realise their full potential, we are able to gain more opportunities and overcome market challenges, thereby guaranteeing their growth alongside us. Our employees undergo internal and external training sessions for up skilling and inculcating awareness on various topics depending on their job scope.

Internal Training:
Newly hired employees, vendors, and contractors undergo internal training programmes on SOPs and policies. Employees are required to attend regular briefings and meetings to remind them of their responsibilities and job scope. Workers at our project sites are trained about health, safety and environmental protection through work induction briefings and toolbox meetings.

External Training:
Employees undergo training programmes conducted by third-party affiliates on various subjects, including sustainability, accounting and engineering.

For the year, our Group implemented a comprehensive training and development plan, covering key areas relevant to the development & construction industry. These programs aimed to improve employee competencies, ensure compliance with industry regulations, and enhance development quality.

TYPE OF TRAININGS

Working at Height and Lifting Supervision Course

New OSH Commitment

Project Cost Management, Planning and Control

Geotechnical Engineering

Year	Total Training Hours
2026	**72 hours**
2025	152 hours
2024	136 hours

Health and Safety

"Should ensure adequate safety measures and provide proper protection to workers and employees at the workplace". Consistent with our CEC, we have set up health & safety ("H&S") areas at our project sites for the use of all stakeholders working or visiting the sites. Our supply chain accreditation process requires contractors to submit their H&S requirements. In addition, suppliers and contractors must comply with the Group's H&S SOPs.

Every project will be appointed with an H&S officer, who is mainly responsible for creating a safe environment for all workers. The H&S officer ensures that all implemented H&S policies and regulations are followed. Additionally, the officer takes charge of meetings and checks that all types of machinery used at the site are safe to operate. Employees who work at the project sites must attend the meetings to be kept informed of the recent H&S updates in ongoing projects.

	FYE2024	FYE2025	FYE2026
Number of work-related fatalities	Nil	Nil	**Nil**
Lost time incident rate ("LTIR")	Nil	Nil	**Nil**
Number of employees trained on health and safety standards	Three (3)	Eight (8)	**Six (6)**

Sustainability Statement

Remuneration and Benefits

ARK believes in the fundamental principles of equal opportunity and equal pay for equal work in the treatment of all employees based on their professional abilities and experiences.

We offer fair remuneration and abide by the Employment Act 1955. Our non-monetary benefits include annual, sick, hospitalisation, maternity, compassionate and celebratory leaves. Our health packages cover reimbursements for medical consultations, hospitalisation, surgical procedures and personal accidents.

Our Workforce

We uphold the basic human rights of all individuals and condemn all forms of discrimination. Our corporate culture does not tolerate prejudice and discrimination. Our employees are treated equally, with respect and without discrimination, regardless of their gender, ethnicity, nationality and religious beliefs.

Age Group Breakdown				
Period	20–30	31–40	41–50	51>
FYE2026	**0**	**7**	**4**	**4**
FYE2025	0	6	4	4
FYE2024	0	2	2	4

Ethnic Composition				
Period	Malay	Chinese	Others	Total
FYE2026	**5**	**9**	**1**	**15**
FYE2025	4	9	1	14
FYE2024	5	3	0	8

Number of Contractor & Temporary Workers at Project Sites	
FYE2026	**106 pax**
FYE2025	382 pax
FYE2024	102 pax

Gender Breakdown Directors & Employees						
Period	FYE2026		FYE2025		FYE2024	
Position	Male	Female	Male	Female	Male	Female
Directors	**3**	**1**	4	1	4	1
Managers	**2**	**0**	2	0	1	0
Executives	**10**	**2**	9	2	2	0
Non-Executive	**0**	**1**	0	1	0	0

Number of employee turnover	
FYE2026	**Nil**
FYE2025	Nil
FYE2024	Nil

Sustainability Statement

CUSTOMER

ARK strongly believes that sustainable success can be attained when the wellbeing of the consumers is valued. Thus, we have devised SOPs on how we can leverage effective construction and engineering services to provide high-quality properties for our customers.

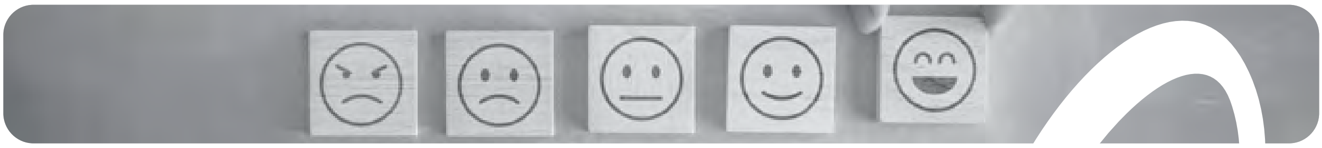
Quality

To satisfy our customers' expectations, ARK has adopted a quality management system consisting of policies, processes and procedures that are geared towards meeting national and international standards.

International Standard:
We abide by the ISO 9001 standard so that there is consistency in our build quality, methodology and adherence to legislation. We are proud that all our projects are completed with reliable top-notch quality and within the defined guidelines indicated in the scope of work.

National Standard:
We are aligned with the mission of the Construction Industry Development Board ("CIDB") to assist in the development of the construction industry's capacity and capability by enhancing quality and productivity through the promotion of professionalism, innovation and knowledge.

Customer Satisfaction:
One of our primary goals is to provide products and services that fulfil our customers' requirements and give them satisfaction. We maintain intensive communication with our clients and implement the agreed-upon specifications and work scope to meet or even exceed their expectations.



Warranty Management

At ARK, we guarantee that all development, construction and engineering projects undergo and pass stringent screening processes and are defect-free. During the defect liability period, our customers can easily reach out and raise any concerns they might have about our products and services.

Our engineering and construction divisions follow the industry-standard approach when it comes to contract management. To facilitate smooth transitions, we conduct regular client meetings and briefings so that all parties can fully understand the specificities of the contract. Project handovers occur once the terms defined in the contract have been verified as completed. The meeting is planned well in advance, and the client is furnished with the information relevant to the project.

Data Protection

In recent years, the rapid evolution of trends such as remote work, e-commerce, and automation has accelerated the implementation of digital technologies and infrastructure. While these developments offer significant advantages, they have also increased exposure to cyber security threats. As such, we recognize our responsibility to proactively manage the growing risk of cyber-attacks and protect our customers' sensitive data from potential breaches, threats, or loss.

ARK abides by the Personal Data Protection Act ("PDPA") and implements measures that safeguard our customers' privacy. We enforce a strict corporate policy stipulating that customer information cannot be shared with any third party. Our measures and policies regarding sensitive and confidential information are regularly reviewed and updated. During FYE2026, there were zero substantiated complaints concerning breaches of customer privacy and data loss.

	FYE2024	FYE2025	FYE2026
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Nil	Nil	**Nil**

Data management and protection form a critical part of our Risk Management framework. We perform regular assessments to evaluate the adequacy of our data privacy and security measures, focusing on lawful data collection, transparency in usage, and restricted access protocols. Customer data within our sales booking, sales administration, and accounting systems is accessible only to authorized personnel. Access rights and user activity are continuously monitored to guard against unauthorized access.

Sustainability Statement

ENVIRONMENT

Part of our ongoing sustainability journey is recognising our part in realising environmental sustainability and environmental protection. We stand by our commitment "*to ensure the effective use of natural resources*" espoused in our CEC. We intend to reduce our environmental impacts by adopting sustainable construction practices and integrating environmental protection at all stages of our operations – from conceptualisation, and handover, to occupancy.

Each of our projects has a dedicated environmental officer who checks whether all activities are performed in accordance with the policies prescribed by the Department of Environment ("DOE"). Part of the officer's duties is to organise briefings, work introductions and toolbox meetings.

Climate Change

Opportunities can unexpectedly present themselves even in times of hardship and challenges. When lockdowns were imposed during the height of the COVID-19 pandemic, people resorted to various solutions, such as digitalisation, e-commerce, remote working, video conferencing and food home delivery, in order to cope with the changes. These practices have become the norm during the endemic phase and are expected to be retained. Russia's invasion of Ukraine has led to an energy crisis, which turned into an economic crisis. This situation has intensified the calls for the development of renewable energy.

Similarly, climate change has been affecting the world and our work practices in many ways. These changes have become impossible to ignore, as their impacts can be observed across all industries and business sectors.

Climate Risk Management

ARK Group recognises that our energy consumption and greenhouse gas ("gHg") emissions play a significant role in driving climate change. As a responsible corporate citizen, we are committed to reducing our carbon footprint and embracing opportunities that arise from the global shift towards a low-carbon economy. Moving forward, we will identify and analyse the potential scenarios and incorporate strategic planning and risk management processes. We will evaluate the resiliency of our strategic plans to the range of scenarios and identify areas where we can bolster ARK's resilience against climate-related risks by adjusting our operational and financial plans.

Environmental Strategies

Our current environmental sustainability strategy chiefly involves reducing our adverse ecological impacts. We choose building methods and materials that impose the least impact on nature. We consider the surrounding natural elements in planning our designs so that the structures can complement or adapt to the character of the land.

We implement various energy optimisation solutions to minimise and conserve our energy consumption. One such strategy is the regular collection and analysis of data to identify potential optimisation in the schedule and usage of equipment. We reduce our building footprints through proper material management and rigorous material planning. This process prevents the generation of excess materials and waste. We strictly conform to the technical specifications and purchase only what is necessary. We apply precautionary measures to prevent pollutants and silt from entering the water system due to runoff from construction work.

As we forge ahead on our pipeline projects, we will adopt the new sustainability trends, such as sustainability building indexes. We will focus on enhancing the efficiency of our resource use, including energy, water and materials. We consider the environmental impacts of our building activities from the design up to the end of its lifecycle.

In the year under review, as stipulated in our construction contract, we collected and disposed of our wastes in accordance with the DOE requirements. We were issued no environmental violations or fines for our waste management.

Sustainability Statement

Energy Management

The Group is aware that energy costs are expected to keep rising, in line with the government's policy of reducing its energy subsidy spending. This will put upward pressure on our operating costs. We are also aware of the increased risk of power disruptions due to climate related factors. To minimise project delays caused by such interruptions, we regularly assess the adequacy of our generators at construction sites. Our goal is to prevent significant delays that could lead to potential liquidated damages.

	FYE2024	FYE2025	FYE2026
Total energy consumption in megawatt (MW)	146.97	310.8	**417.08**

The Group's total energy consumption for the reporting periods. Energy usage is measured in megawatt and reflects electricity consumption across the Group's project sites. For FYE2026, total energy consumption increased to 417.08 MW compared to 310.8 MW in FYE2025. The increase is primarily attributable to the operational activity during the year.

In response, we are continually exploring strategies to reduce energy consumption and improve efficiency across our construction operations. We implement various energy optimisation solutions to minimise and conserve our energy consumption. One such strategy is the regular collection and analysis of data to identify potential optimisation in the schedule and usage of equipment. To manage our energy consumption effectively, we have implemented preventive maintenance and energy usage monitoring across our operations. Preventive maintenance helps ensure equipment runs efficiently and reduces unnecessary energy waste, while regular monitoring of energy usage enables us to track performance, identify inefficiencies and implement timely corrective actions.

The design of our pipeline project will take into account the energy usage and efficiency of the building to reduce the energy consumed by the occupants of the building.

Water Management

Our construction process has adopted the use of ready mixed concrete so as not to burden the clean water source of the community. Our contractors are also given awareness trainings on conserving water on site.

Aware that our construction activities' reliance on water, we recognise that a reliable supply of clean water is essential for the smooth operation of our projects. Disruptions to the water supply can severely impact the progress and efficiency of our activities, leading to potential delays. We are aware of the risks posed by climate change, including the occurrence of more frequent flash floods, which can affect water treatment facilities, as well as the infrastructure upgrades by local authorities that may temporarily interrupt water access. To address this, we continue to engage with our partners and stakeholders to assess potential water supply issue and develop contingency plans for extended disruptions. This includes rainwater harvesting systems or retention ponds to capture and store rainwater for non-potable uses, such as dust control and landscaping, while also promoting water-efficient practices across our sites to reduce reliance on external supplies.

	FYE2024	FYE2025	FYE2026
Total volume of water used in megalitres	12.789	81.419	**32.704**

The table above presents the Group's total water consumption for the reporting periods. Water usage is measured in megalitres and reflects consumption across the project sites. For FYE2026, total water consumption amounted to 32.704 megalitres is recorded. The Group remains mindful of its water usage and continues to explore practical measures to improve efficiency.

Sustainability Statement

Waste Management

We recognise that our development & construction activities are resource-intensive and generate significant waste. We are aware of the potential impacts this waste can have on human health, the environment, and natural resources, as well as the hidden costs associated with inefficient waste management, including shadow costs and other indirect effects. In response, we are committed to minimising our environmental impact through effective resource management and waste reduction strategies.

We also understand the risks associated with scheduled waste management and recognise the challenges that may arise if we fail to comply with regulations. Therefore, we closely monitor scheduled waste generated at our sites and manage it in accordance with the Environmental Quality (Scheduled Waste) Regulations 2007. We ensure that all scheduled waste is properly stored and collected by licensed contractors. Additionally, refuse station have been set up at our construction site to encourage collection and segregation of recyclable materials.

Our waste primarily consists of non-hazardous waste from the residuals of building materials and domestic waste such as nails, wiring, plaster, scrap metal and cement. The Group utilises a rigorous material budgeting process to prevent generating excess materials and waste. We only purchase what we need and conform to technical specifications to avoid the dumping of unused materials.

Proper provisions are made for the disposal of waste and refuse by enlisting qualified waste contractors with the appropriate licences and permits. Building contractors are regularly monitored, and non-compliant contractors are issued with NCRs, Illegal burning by contractors is not tolerated and will result in the loss of their vendor accreditation in case of repeated offence.

Emission Management

We support Malaysia's net-zero aspirations and have established targets to reduce our emissions.

While a robust emissions calculation mechanism is not yet in place, ARK is committed to strengthening its approach in the near future. In the meantime, we focus on minimising emissions through preventive maintenance, energy efficiency, proper waste management, and adherence to relevant environmental regulations. We aim to enhance monitoring and set reduction targets as part of our ongoing sustainability journey.

Sustainability Statement

Prescribed Table

ARK RESOURCES HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-07-21_16:37:00
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Anti-Corruption	Employees who have received training on anti-corruption by employee category (a) Management (b) Executive	Percentage (%)	(a) Management 100% (b) Executive 85%	(a) Management 100% (b) Executive 85%	(a) Management 100% (b) Executive 90%	No assurance	None.
Anti-Corruption	Operations assessed for corruption-related risks	Percentage (%)	95%	95%	100%	No assurance	None.
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	To maintain zero incident.	No assurance	None.
Community/Society	Amount invested in the community where the target beneficiaries are external to the listed issuer	Ringgit Malaysia (RM)	RM8,200.00	RM -	RM10,000.00	No assurance	None.
Community/Society	Number of beneficiaries of the investment in communities	Number	1	0	2	No assurance	None.
Diversity [Age Group by Employee Category]	(a) Management [Age50-59] (b) Executive [Age 30-39] (c) Executive [Age 40-49] (d) Executive [Age 50-59] (e) Non-Exe [Age > 60]	Percentage (%)	(a) 100% (b) 55% (c) 36% (d) 9% (e) 100%	* (a) 100% (b) 58% (c) 33% (d) 9% (e) 100%	None.	No assurance	None.
Footnote 2026	Mistake on the percentage (%) for year 2026 has been rectified accordingly.						
Diversity [Gender Group by Employee Category]	(a) Management [Male] (b) Executive [Male] (c) Executive [Female] (d) Non-Exe [Female]	Percentage (%)	(a) 100% (b) 79% (c) 21% (d) 100%	* (a) 100% (b) 83% (c) 17% (d) 100%	None.	No assurance	None.
Footnote 2026	Mistake on the percentage (%) for year 2026 has been rectified accordingly.						

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-21_16:37:00

Sustainability Statement

Prescribed Table (Cont'd)

ARK RESOURCES HOLDINGS BERHAD

BMLR Transition Period

Date & Time: 2026-07-21_16:37:00

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity [Directors by gender and age group]	(a) Male (b) Female (c) Age 40-49 (d) Age 50-59 (e) Age > 60	Percentage (%)	(a) 80% (b) 20% (c) 20% (d) 60% (e) 20%	(a) 75% (b) 25% (c) 0% (d) 75% (e) 25%	None.	No assurance	None.
Energy Management	Total energy consumption	Megawatt	310.80	417.08	None.	No assurance	None.
Health and Safety	(a) Number of work-related fatalities (b) Lost time incident rate ("LTIR") (c) Number of employees trained on health and safety standards	Number	(a) Nil (b) Nil (c) 8	(a) Nil (b) Nil (c) 6	None.	No assurance	None.
Labour Practices and Standards	Total hours of training by employee category [Executive]	Hours	152 hours	72 hours	None.	No assurance	None.
Labour Practices and Standards	Employees that are contractors or temporary staff	Percentage (%)	91%	86%	None.	No assurance	None.
Labour Practices and Standards	Total number of employee turnover by employee category	Number	Nil	Nil	None.	No assurance	None.
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	Nil	Nil	None.	No assurance	None.
Supply Chain Management	Proportion of spending on local suppliers	Percentage (%)	100%	100%	None.	No assurance	None.
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	Nil	Nil	None.	No assurance	None.
Water	Total volume of water used	Megalitres	81.419	32.704	None.	No assurance	None.

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-21_16:37:00

Analysis of Shareholdings

As at 15 July 2026

Issued Share Capital : RM30,768,805.10 comprising 99,532,043 ordinary shares
Class of Shares : Ordinary shares
Total Number of Holders : 1,079
Voting right : One vote per ordinary share

ANALYSIS BY SIZE OF HOLDINGS

Holdings	No. of Holders	%	No. of Shares	%
1 – 99	**46**	**4.263**	**1,701**	**0.002**
100 – 1,000	**568**	**52.642**	**350,931**	**0.353**
1,001 – 10,000	**295**	**27.340**	**1,145,600**	**1.151**
10,001 – 100,000	**128**	**11.863**	**4,332,572**	**4.353**
100,001 – 4,976,602 (*)	**39**	**3.614**	**50,331,808**	**50.568**
4,976,603 and above (**)	**3**	**0.278**	**43,369,431**	**43.573**
Total	**1,079**	**100.000**	**99,532,043**	**100.000**

* - Less than 5% of the issued shares
** - 5% and above of the issued shares

SUBSTANTIAL SHAREHOLDERS

	Shareholdings		%	
Name	Direct	Indirect	Direct	Indirect
1. Lakaran Asia Sdn. Bhd.	**17,690,125**	-	**17.773**	-
2. Caturan Elemen Sdn. Bhd.	**15,073,400**	-	**15.144**	-
3. Larutmas Sdn. Bhd.	**10,605,906**	-	**10.656**	-
4. Dato' Mohamad Zekri Bin Dato' Haji Ibrahim	-	(i)**17,690,125**	-	**17.773**
5. Muhamad Adzrill Bin Abu Bakar	-	(ii)**17,690,125**	-	**17.773**
6. Mohd Huzaidi Bin S. Mohamed Husin	-	(v)**10,605,906**	-	**10.656**

Notes:

(i) Deemed interested by virtue of Dato' Mohamad Zekri Bin Dato' Haji Ibrahim's interest in Lakaran Asia Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.
(ii) Deemed interested by virtue of Muhamad Adzrill Bin Abu Bakar's interest in Lakaran Asia Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.
(iii) Deemed interested by virtue of Mohd Huzaidi Bin S. Mohamed Husin's interest in Larutmas Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

Analysis of Shareholdings

As at 15 July 2026

DIRECTORS' SHAREHOLDINGS

Name	Direct No. of shares held	%	Indirect No. of shares held	%
1. Dato' Mohamad Zekri Bin Dato' Haji Ibrahim	-	-	**(i)17,690,125**	**17.773**
2. Tan Wooi Chuon	-	-	-	-
3. Dato' Bong Yong Chuan	-	-	-	-
4. Dato' Faiza Binti Zulkifli	-	-	-	-

Note:

(i) Deemed interested by virtue of Dato' Mohamad Zekri Bin Dato' Haji Ibrahim's interest in Lakaran Asia Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

THIRTY LARGEST SHAREHOLDERS

	Name of Shareholders	Shareholding	%
1.	Lakaran Asia Sdn Bhd	17,690,125	17.773
2.	Caturan Elemen Sdn Bhd	15,073,400	15.144
3.	Larutmas Sdn Bhd	10,605,906	10.656
4.	Ahmad Zaharul Annuar Bin Zainal Abidin	4,524,000	4.545
5.	Goh Teng Whoo	4,524,000	4.545
6.	IC Innotech Sdn Bhd	4,428,000	4.449
7.	Sure Strategy Sdn Bhd	4,300,500	4.321
8.	Ng Sin Joe	3,624,900	3.642
9.	Chung Chin Hock	3,163,750	3.179
10.	Lim Chee Tong	3,163,750	3.179
11.	Lim Thiam Poh	3,025,900	3.040
12.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for SY Choon Yen	2,743,575	2.756
13.	Tay Wai Ming	2,133,300	2.143
14.	Niaga Serimas Sdn Bhd	1,752,625	1.761
15.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Leng Kok Wah	1,593,925	1.601
16.	Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Thomas Tuan Kit Kwong (Margin)	1,447,900	1.455
17.	Chee Ping Ping	1,336,500	1.343
18.	Rashidi Aly Bin Abdul Rais	1,255,587	1.261
19.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Stocks N Options Sdn Bhd	1,150,000	1.155
20.	Pacific Trustees Berhad Exempt AN for ARK Resources Bhd (RCSL S)	857,746	0.862
21.	Lai Thiam Mei	752,700	0.756
22.	Tay Yu Xian	511,110	0.514

Analysis of Shareholdings
As at 15 July 2026

THIRTY LARGEST SHAREHOLDERS (CONT'D)

	Name of Shareholders	Shareholding	%
23.	Lok Wei Seong	490,600	0.493
24.	Sit Chin Kok	424,300	0.426
25.	Ahmad Tajuddin Bin Abdul Carrim	364,000	0.366
26.	Azhar Bin Ahmat	300,000	0.301
27.	Maybank Nominees (Tempatan) Sdn Bhd Chua Eng Ho Wa'a @ Chua Eng Wah	263,400	0.265
28.	Sim Kim Huat	232,400	0.233
29.	Tan Boon Chit	200,000	0.201
30.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Private Wealth Management for Philip A/L K.O.Kunjappy (PW-M00774) (420784)	190,000	0.191
	TOTAL	**92,123,889**	**92.557**

Table of Content

Directors' Report

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

Principal Activities

The principal activities of the Company is investment holding and provision of management services. The principal activities of its subsidiary companies are mainly property development, civil, building construction, engineering works and provision of management services, turnkey construction and investment holding.

There have been no significant changes in the nature of these activities during the financial year.

Financial Results

	Group RM	Company RM
Profit for the financial year, representing attributable to owners of the parent	**2,060,782**	**2,737,734**

Reserves and Provisions

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

Dividends

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Board of Directors does not recommend any dividend in respect of the current financial year.

Issue of Shares and Debentures

During the financial year, the Company increased its issued and paid up share capital from RM28,823,485 to RM30,768,805 by way of issuance of 9,048,000 new ordinary shares pursuant to a private placement exercise at an issue price of RM0.215 per ordinary share.

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

There was no issuance of debentures during the financial year.

Options Granted Over Unissued Shares

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

Directors

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

Dato' Mohamad Zekri Bin Dato' Haji Ibrahim *

Tan Wooi Chuon *

Dato' Bong Yong Chuan

Dato' Faiza Binti Zulkifli

Ramelle Ashram Bin Ramli (Resigned on 12.11.2025)

* *Director of the Company and its subsidiary companies.*

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

Directors’ Report

Directors’ Interests in Shares

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end according to the Register of Directors’ Shareholdings are as follows:

	Number of ordinary shares			
	At 1.4.2025	Bought	Sold	At 31.3.2026
Interests in the Company				
Indirect Interests				
Dato’ Mohamad Zekri Bin Dato’ Haji Ibrahim ^	14,108,125	3,582,000	-	17,690,125

^ *Deemed interest by virtue of his shareholdings in Lakaran Asia Sdn. Bhd.*

By virtue of his interests in the shares of the Company, Dato’ Mohamad Zekri Bin Dato’ Haji Ibrahim is also deemed interested in the shares of all the subsidiary companies during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016 in Malaysia.

None of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year and up to the date of this report.

Directors’ Benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The details of the Directors’ remuneration for the financial year ended 31 March 2026 are set out below:

	Group RM	Company RM
Executive Directors:		
- Other emoluments	**9,000**	**9,000**
Non-executive Directors:		
- Other emoluments	**26,750**	**26,750**
	35,750	**35,750**

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

Indemnity and Insurance Costs

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

Directors' Report

Other Statutory Information

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

  (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and

  (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

  (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

  (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

  (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or

  (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:

  (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

  (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(d) In the opinion of the Directors:

  (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations as and when they fall due;

  (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

  (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Subsidiary Companies

The details of the subsidiary companies are disclosed in Note 7 to the financial statements.

Auditors

The auditors, UHY Malaysia PLT, have expressed their willingness to continue in office.

Directors' Report

Auditors (Cont'd)

The auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2026 are as follows:

	Group RM	Company RM
Auditors' remuneration:		
- Statutory audit	**88,000**	**27,000**
- Non-audit services	**5,000**	**5,000**
	93,000	**32,000**

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 30 July 2026.

DATO' MOHAMAD ZEKRI BIN DATO' HAJI IBRAHIM

TAN WOOI CHUON

PENANG

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 30 July 2026.

DATO' MOHAMAD ZEKRI BIN DATO' HAJI IBRAHIM

TAN WOOI CHUON

PENANG

Statutory Declaration

Pursuant to Section 251(1) of the Companies Act 2016

I, DATO' MOHAMAD ZEKRI BIN DATO' HAJI IBRAHIM, NRIC No.: 691028-05-5253, being the Director primarily responsible for the financial management of Ark Resources Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the)
abovenamed at George Town in the State of)
Penang on 30 July 2026)

DATO' MOHAMAD ZEKRI BIN DATO' HAJI IBRAHIM

Before me,

Commissioner For Oaths

Independent Auditors' Report to the Members

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ark Resources Holdings Berhad, which comprise the statements of financial position as at 31 March 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 57 to 108.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How we addressed the key audit matters
<u>Inventories valuation</u>	
As at 31 March 2026, the Group held significant inventories amounting to approximately RM18 million as disclosed in Note 6 to the financial statements and these inventories constituted approximately 20% of the Group's total assets. The carrying amounts of these inventories comprising land held for development and property development costs amounted to RM2.4 million and RM15.5 million respectively as at 31 March 2026. As described in the Accounting Policies in Note 3(g) to the financial statements, inventories are carried at the lower of cost and net realisable value. There is a risk that the actual costs are different to those forecast across the whole projects resulting in material misstatement of land held for property development and property development costs.	- We verified the actual development costs incurred in the financial year to subcontractors' work certifications and suppliers' invoices to determine their validity. - We assessed the adequacy of estimated selling prices by comparing the estimated selling prices of the properties such as residential houses and shop offices to recently transacted prices and prices of comparable properties located in the same vicinity as the development project of the Group. - We assessed the management's judgements on the profitability of the project with reference to the project budgets. We assessed the management's assumptions in estimating the costs to completion for each project and assessed the budgeted costs to supporting evidence. - We performed site visit to ascertain the existence of the inventories and sighted the land titles and strata titles to ascertain the ownership of the properties.

We have determined that there were no key audit matters in the audit of the financial statements of the Company to communicate in our auditors' report.

Independent Auditors' Report to the Members

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

Independent Auditors' Report to the Members

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

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purposes. We do not assume responsibility to any other person for the content of this report.

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

ANG KAI SING
Approved Number: 03605/10/2027 J
Chartered Accountant

PENANG
30 July 2026

Statements of Financial Position

As at 31 March 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	**93,482**	117,896	**-**	-
Right-of-use assets	5	**164,277**	266,097	**55,109**	102,345
Inventories	6	**2,441,136**	2,441,136	**-**	-
Investments in subsidiary companies	7	**-**	-	**12,253,358**	9,074,919
Goodwill on consolidation	8	**-**	-	**-**	-
Trade receivables	9	**10,541,275**	7,324,678	**-**	-
Other receivables	10	**2,800,090**	1,500,000	**-**	-
		16,040,260	11,649,807	**12,308,467**	9,177,264
Current assets					
Inventories	6	**15,574,033**	13,221,411	**-**	-
Trade receivables	9	**26,681,932**	61,895,806	**-**	-
Other receivables	10	**729,332**	322,002	**18,000**	18,000
Contract assets	11	**2,600,513**	4,587,243	**-**	-
Amount due from subsidiary companies	12	**-**	-	**12,422,218**	11,659,287
Tax recoverable		**28,014**	10,292	**-**	5,447
Deposits, bank and cash balances	13	**27,999,889**	3,082,591	**1,421,861**	79,065
		73,613,713	83,119,345	**13,862,079**	11,761,799
Total assets		**89,653,973**	94,769,152	**26,170,546**	20,939,063

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

Statements of Financial Position

As at 31 March 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
EQUITY					
Share capital	14	**30,768,805**	28,823,485	**30,768,805**	28,823,485
Reserves	15	**31,306,886**	31,306,886	**-**	-
Accumulated losses		**(33,405,291)**	(35,466,073)	**(6,454,043)**	(9,191,777)
Total equity		**28,670,400**	24,664,298	**24,314,762**	19,631,708
LIABILITIES					
Non-current liabilities					
Lease liabilities	16	**69,964**	176,903	**8,925**	60,431
Trade payables	17	**8,348,491**	5,207,488	**-**	-
		8,418,455	5,384,391	**8,925**	60,431
Current liabilities					
Lease liabilities	16	**106,940**	100,807	**51,506**	48,169
Trade payables	17	**30,206,616**	26,613,163	**-**	-
Other payables	18	**22,248,562**	38,006,493	**83,218**	56,043
Amount due to subsidiary companies	12	**-**	-	**1,711,735**	1,142,712
Tax payable		**3,000**	-	**400**	-
		52,565,118	64,720,463	**1,846,859**	1,246,924
Total liabilities		**60,983,573**	70,104,854	**1,855,784**	1,307,355
Total equity and liabilities		**89,653,973**	94,769,152	**26,170,546**	20,939,063

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

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 March 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Revenue	19	**123,775,706**	162,318,042	**-**	-
Cost of sales		**(119,095,159)**	(156,870,730)	**-**	-
Gross profit		**4,680,547**	5,447,312	**-**	-
Other income		**395,224**	68,785	**3,411,230**	1,091,601
Administrative expenses		**(3,429,919)**	(1,598,445)	**(642,591)**	(372,431)
Net gains/(losses) on impairment of financial instruments		**467,800**	(503,896)	**-**	-
Profit from operations		**2,113,652**	3,413,756	**2,768,639**	719,170
Finance costs	20	**(15,595)**	(437,968)	**(16,628)**	(100,477)
Profit before tax	21	**2,098,057**	2,975,788	**2,752,011**	618,693
Taxation	22	**(37,275)**	(26,372)	**(14,277)**	13,462
Profit for the financial year, representing total comprehensive income for the financial year		**2,060,782**	2,949,416	**2,737,734**	632,155
Profit for the financial year attributable to:					
Owners of the parent		**2,060,782**	2,949,416	**2,737,734**	632,155
Total comprehensive income for the financial year attributable to:					
Owners of the parent		**2,060,782**	2,949,416	**2,737,734**	632,155
Earnings per share					
Basic earnings per share (sen)	24	**2.26**	3.46		
Diluted earnings per share (sen)	24	**2.26**	3.46		

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2026

	Note	Share capital RM	Merger reserve RM	Accumulated losses RM	Total equity RM
Group					
2026					
At 1 April 2025		**28,823,485**	**31,306,886**	**(35,466,073)**	**24,664,298**
Profit for the financial year, representing total comprehensive income for the financial year		**-**	**-**	**2,060,782**	**2,060,782**
Transaction with owners:					
Issuance of new ordinary shares	14	**1,945,320**	**-**	**-**	**1,945,320**
At 31 March 2026		**30,768,805**	**31,306,886**	**(33,405,291)**	**28,670,400**
2025					
At 1 April 2024		22,141,597	31,306,886	(38,415,489)	15,032,994
Profit for the financial year, representing total comprehensive income for the financial year		-	-	2,949,416	2,949,416
Transaction with owners:					
Issuance of new ordinary shares	14	6,681,888	-	-	6,681,888
At 31 March 2025		28,823,485	31,306,886	(35,466,073)	24,664,298

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2026

	Note	Share capital RM	Accumulated losses RM	Total equity RM
Company				
2026				
At 1 April 2025		**28,823,485**	**(9,191,777)**	**19,631,708**
Profit for the financial year, representing total comprehensive income for the financial year		**-**	**2,737,734**	**2,737,734**
Transaction with owners:				
Issuance of new ordinary shares	14	**1,945,320**	**-**	**1,945,320**
At 31 March 2026		**30,768,805**	**(6,454,043)**	**24,314,762**
2025				
At 1 April 2024		22,141,597	(9,823,932)	12,317,665
Profit for the financial year, representing total comprehensive income for the financial year		-	632,155	632,155
Transaction with owners:				
Issuance of new ordinary shares	14	6,681,888	-	6,681,888
At 31 March 2025		28,823,485	(9,191,777)	19,631,708

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

Statements of Cash Flows

For the Financial Year Ended 31 March 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from operating activities					
Profit before tax		**2,098,057**	2,975,788	**2,752,011**	618,693
Adjustments for:					
Amortisation of right-of-use assets		**101,820**	101,820	**47,236**	47,236
Depreciation of property, plant and equipment		**24,414**	33,457	**-**	-
Finance costs		**15,595**	437,968	**16,628**	100,477
Impairment losses on goodwill		**3,098**	-	**-**	-
Impairment losses on trade receivables		**36,096**	503,896	**-**	-
Interest income		**(2,207)**	(6,748)	**(232,792)**	(311,201)
Reversal of impairment losses on trade receivables		**(503,896)**	-	**-**	-
Reversal of impairment losses on investments in subsidiary companies		**-**	-	**(3,178,438)**	(780,400)
Unwinding of discount on retention sum		**(103,835)**	-	**-**	-
Operating profit/(loss) before working capital changes		**1,669,142**	4,046,181	**(595,355)**	(325,195)
Changes in working capital:					
Inventories		**(2,352,622)**	(611,153)	**-**	-
Contract assets/Contract liabilities		**1,986,730**	(19,358,651)	**-**	-
Trade and other receivables		**30,579,356**	(32,400,231)	**-**	-
Trade and other payables		**(8,744,437)**	33,141,041	**27,175**	(3,356)
Cash generated from/(used in) operations		**23,138,169**	(15,182,813)	**(568,180)**	(328,551)
Interest received		**2,207**	6,748	**232,792**	311,201
Tax paid		**(63,330)**	(85,129)	**(17,192)**	(18,685)
Tax refunded		**11,333**	765	**8,762**	-
Net cash from/(used in) operating activities		**23,088,379**	(15,260,429)	**(343,818)**	(36,035)

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

Statements of Cash Flows

For the Financial Year Ended 31 March 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from investing activities					
Acquisition of property, plant and equipment	4	**-**	(18,233)	**-**	-
Acquisition of a subsidiary company	7(a)	**-**	-	**(1)**	-
Placement of deposits with licensed banks		**-**	(84,400)	**-**	-
(Advances to)/Repayment from subsidiary companies		**-**	-	**(762,931)**	1,531,019
Net cash (used in)/from investing activities		**-**	(102,633)	**(762,932)**	1,531,019
Cash flows from financing activities					
Interest paid	26	**(15,595)**	(22,129)	**(16,628)**	(100,477)
Payments of lease liabilities	26	**(100,806)**	(94,270)	**(48,169)**	(45,044)
Proceeds from issuance of new ordinary shares	14	**1,945,320**	6,681,888	**1,945,320**	6,681,888
Advances from/(Repayment to) subsidiary companies	26	**-**	-	**569,023**	(8,023,478)
Net cash from/(used in) financing activities		**1,828,919**	6,565,489	**2,449,546**	(1,487,111)
Net increase/(decrease) in cash and cash equivalents		**24,917,298**	(8,797,573)	**1,342,796**	7,873
Cash and cash equivalents at the beginning of the financial year		**2,998,191**	11,795,764	**79,065**	71,192
Cash and cash equivalents at the end of the financial year		**27,915,489**	2,998,191	**1,421,861**	79,065
Cash and cash equivalents at the end of the financial year comprise:					
Cash and bank balances	13	**27,915,489**	2,998,191	**1,421,861**	79,065
Deposits with licensed banks	13	**84,400**	84,400	**-**	-
Total deposits, bank and cash balances		**27,999,889**	3,082,591	**1,421,861**	79,065
Less: Deposits pledged with licensed banks	13	**(84,400)**	(84,400)	**-**	-
		27,915,489	2,998,191	**1,421,861**	79,065

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

Notes to the Financial Statements

31 March 2026

1. Corporate Information

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

The registered office of the Company is located at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 George Town, Penang.

The principal place of business of the Company is at 1-01-9 (1-Sky), Tingkat Mahsuri 2, 11950 Bayan Lepas, Penang.

The principal activities of the Company is investment holding and provision of management services. The principal activities of its subsidiary companies are disclosed in Note 7 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

2. Basis of Preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards ("MFRSs"), IFRS Accounting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

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

Adoption of new and amended standards

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

Amendments to MFRS 121	Lack of Exchangeability

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

Standards issued but not yet effective

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

		Effective dates for financial periods beginning on or after
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature -dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further noticed

Notes to the Financial Statements
31 March 2026

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

The Group and the Company intend to adopt the above new and amendments to MFRSs when they become effective.

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

MFRS 18 Presentation and Disclosure in Financial Statements

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

MFRS 18 additional requirements are as follows:

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

MFRS 18 introduces newly defined "operating profit or loss" and "profit or loss before financing and income tax" subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged.

Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

(ii) Statement of Cash Flows

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

(iii) New disclosures of expenses by nature

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

(iv) Management-defined Performance Measures (MPMs)

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

(v) Enhanced Guidance on Aggregation and Disaggregation

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

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

Notes to the Financial Statements
31 March 2026

2. Basis of Preparation (Cont'd)

(b) Functional and presentation currency

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

(c) Use of estimates and judgements

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

Judgements

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

<u>Satisfaction of performance obligations in relation to contracts with customers</u>

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulation.

The Group recognises revenue over time in the following circumstances:

(a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
(b) the Group does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date; and
(c) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

<u>Determining the lease term of contracts with renewal options - Group and Company as lessee</u>

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

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

The Group and the Company include the renewal period as part of the lease term for leases of buildings with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available.

Notes to the Financial Statements

31 March 2026

2. Basis of Preparation (Cont'd)

(c) Use of estimates and judgements (Cont'd)

Key sources of estimation uncertainty

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

Useful lives/depreciation of property, plant and equipment and amortisation of right-of-use ("ROU") assets

The Group and the Company regularly review the estimated useful lives of property, plant and equipment and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment and ROU assets would increase the recorded depreciation/amortisation and decrease the value of property, plant and equipment and ROU assets.

The carrying amounts at the reporting date for property, plant and equipment and ROU assets are disclosed in Notes 4 and 5 respectively.

Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions used to determine the value-in-use is disclosed in Note 8.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The carrying value of unrecognised deferred tax assets are disclosed in Note 23.

Provision for expected credit loss of financial assets at amortised cost

The Group uses a provision matrix to calculate expected credit loss for trade receivables.

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. Information about the expected credit loss is disclosed in Note 9.

The carrying amount at the reporting date for trade receivables is disclosed in Note 9.

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 6.

Notes to the Financial Statements
31 March 2026

2. Basis of Preparation (Cont'd)

(c) Use of estimates and judgements (Cont'd)

Key sources of estimation uncertainty (Cont'd)

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

Revenue from construction contracts

Construction revenue and costs are recognised over the period of the contract in the profit or loss by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of performance obligation is measured based on the physical proportion of contract work-to-date certified by professional consultants. Significant judgement is required in determining the progress based on the certified work-to-date corroborated by the level of completion of the construction based on actual costs incurred to-date over the estimated total construction costs. The total estimated construction costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, the Group evaluates based on past experience, the work of specialists and a continuous monitoring mechanism.

The details of construction contracts are disclosed in Note 11.

Discount rate used in leases

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

Income taxes

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

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 31 March 2026, the Group has tax recoverable and tax payable of RM28,014 (2025: RM10,292) and RM 3,000 (2025: RM Nil) respectively and the Company has tax payable of RM400 (2025: tax recoverable of RM5,447).

Notes to the Financial Statements

31 March 2026

3. Material Accounting Policy Information

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Group and the Company, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiary companies

Subsidiary companies are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Subsidiary companies are consolidated using the acquisition method of accounting except for the business combination with Ark Resources Berhad, which was accounted for under the merger method of accounting as the business combination of this subsidiary company involved an entity under common control.

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

Under the acquisition method of accounting, subsidiary companies are fully consolidated from the date on which control is transferred to the Group and de-consolidated from the date that control ceased. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combinations occur, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Notes to the Financial Statements
31 March 2026

3. Material Accounting Policy Information (Cont'd)

(a) Basis of consolidation (Cont'd)

(i) Subsidiary companies (Cont'd)

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

(ii) Changes in ownership interest in subsidiary companies without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owner in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiary companies

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(iv) Goodwill on consolidation

The excess of the aggregate of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary company acquired (ie. a bargain purchase), the gain is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised in the profit or loss on straight line basis to write off the cost of each asset to its residual value over its estimated useful life.

Notes to the Financial Statements

31 March 2026

3. Material Accounting Policy Information (Cont'd)

(b) Property, plant and equipment (Cont'd)

Property, plant and equipment are depreciated based on the estimated annual depreciation rates of the assets as follows:

Office equipment	10% - 20%
Renovation	20%
Fixtures and fittings	10% - 20%
Computers	20%
Site equipment and machineries	10%

(c) Leases

<u>As lessee</u>

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated annual depreciation rates of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Buildings	Over the remaining lease term

The ROU assets are subject to impairment.

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option.

(d) Intangible assets

(i) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair values at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(ii) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(e) Financial assets

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

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss ("FVTPL"), directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include trade and other receivables, amount due from subsidiary companies and deposits, bank and cash balances.

Notes to the Financial Statements
31 March 2026

3. Material Accounting Policy Information (Cont'd)

(e) Financial assets (Cont'd)

Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received for financial instrument is recognised in profit or loss.

(f) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(h) Inventories

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

(i) Land held for property development

Land held for property development consists of purchase price of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale. If net realisable value cannot be determined reliably, these inventories will be stated at the lower of cost or fair value costs to see. Fair value is the amount the inventory can be sold in an arm's length transaction.

Notes to the Financial Statements

31 March 2026

3. Material Accounting Policy Information (Cont'd)

(h) Inventories (Cont'd)

(i) Land held for property development (Cont'd)

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current asset.

Land held for property development is transferred to property development costs under current assets when development activities have commenced and are expected to be completed within the normal operating cycle.

(ii) Property development costs

Property under development consists of the cost of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including common costs such as the cost of constructing mandatory infrastructure, amenities and affordable houses (net of estimated approved selling prices) and other related costs. The asset is subsequently recognised as an expense in profit or loss when and as the control of the asset is transferred to the customer.

Properties development costs attributable to unsold properties, upon completion, are transferred to completed properties held for sale.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses.

(i) Construction contracts

Construction contracts are contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

Cost incurred to fulfil the contracts, comprising cost of direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors are recognised as an asset and amortised over to profit or loss systematically to reflect the transfer of the contracted service to the customer.

The Group uses the efforts or inputs to the satisfaction of the performance obligations to determine the appropriate amount to recognise in a given period. This is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the financial year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature. When the carrying amount of the asset exceeds the remaining amount of consideration that the Group expects to receive in exchange of the contracted asset, an impairment loss is recognised in profit or loss.

The Group presents as an asset the gross amount due from customers for contract work in progress for which costs incurred plus recognised profits (less recognised losses) exceed contract liabilities. Contract liabilities not yet paid by customers and retention monies are included within receivables and contract assets. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which contract liabilities exceed costs incurred plus recognised profits (less recognised losses).

(j) Contract assets and contract liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers.

Where there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Notes to the Financial Statements
31 March 2026

3. Material Accounting Policy Information (Cont'd)

(j) Contract assets and contract liabilities (Cont'd)

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

(k) Impairment of financial assets

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

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

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

(l) Provisions

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

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

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the statements of profit or loss and other comprehensive income net of any reimbursement.

<u>Warranties</u>

Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

(m) Revenue and other income recognition

(i) Revenue from contracts with customers

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

The Group recognises revenue from the construction contracts.

Notes to the Financial Statements
31 March 2026

3. Material Accounting Policy Information (Cont'd)

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

(i) Revenue from contracts with customers (Cont'd)

The Group recognises revenue from construction contracts over time when control over the asset has been transferred to the customers. The assets have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to date. Revenue from construction contracts is measured at the transaction price agreed under the construction contracts.

Revenue is recognised over the period of the contract using the output method to measure the progress towards complete satisfaction of the performance obligations under the construction contract i.e. based on the level of completion of the physical proportion of contract work to date, certified by professional consultants.

The Group becomes entitled to invoice customers for construction of promised asset based on achieving a series of performance-related milestones (i.e. progress billing). The Group previously has recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the progress billing exceeds the revenue recognised to date, the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the progress billing is always less than one year.

The Group provides warranties for general repairs of defects existed at the time of sale. These assurance-type warranties are accounted for under MFRS 137 *Provision, Contingent Liabilities and Contingent Assets*, please refer to accounting policy on warranty provisions in Note 3(l) to the financial statements.

(ii) Interest income

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

(n) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as financial liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contracts with Customers*.

(o) Statements of cash flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows. Cash and cash equivalents comprise cash and bank balances and fixed deposits placed with licensed banks that are readily convertible into cash with insignificant risk of changes in value against which deposits pledged with licensed banks, if any, are deducted.

Notes to the Financial Statements

31 March 2026

4. Property, Plant and Equipment

	Office Equipment RM	Renovation RM	Fixtures and Fittings RM	Computers RM	Site Equipment and Machineries RM	Total RM
Group						
2026						
Cost						
At the beginning/end of the financial year	109,930	80,000	61,781	129,796	68,709	450,216
Accumulated depreciation						
At the beginning of the financial year	63,727	80,000	60,280	117,131	11,182	332,320
Charge for the financial year	12,894	-	1,000	3,649	6,871	24,414
At the end of the financial year	76,621	80,000	61,280	120,780	18,053	356,734
Carrying amount						
At the end of the financial year	33,309	-	501	9,016	50,656	93,482

Notes to the Financial Statements
31 March 2026

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

	Office Equipment RM	Renovation RM	Fixtures and Fittings RM	Computers RM	Site Equipment and Machineries RM	Total RM
Group						
2025						
Cost						
At the beginning of the financial year	109,930	80,000	61,781	126,063	54,209	431,983
Additions	-	-	-	3,733	14,500	18,233
At the end of the financial year	109,930	80,000	61,781	129,796	68,709	450,216
Accumulated depreciation						
At the beginning of the financial year	50,833	72,000	59,051	112,185	4,794	298,863
Charge for the financial year	12,894	8,000	1,229	4,946	6,388	33,457
At the end of the financial year	63,727	80,000	60,280	117,131	11,182	332,320
Carrying amount						
At the end of the financial year	46,203	-	1,501	12,665	57,527	117,896

(a) Acquisition of property, plant and equipment

The aggregate cost for the property, plant and equipment of the Group acquired by cash payment.

Notes to the Financial Statements

31 March 2026

5. Right-of-Use Assets

	Buildings RM
Group	
2026	
Cost	
At the beginning/end of the financial year	**407,280**
Accumulated amortisation	
At the beginning of the financial year	**141,183**
Charge for the financial year	**101,820**
At the end of the financial year	**243,003**
Carrying amount	
At the end of the financial year	**164,277**
2025	
Cost	
At the beginning of the financial year	188,944
Additions	218,336
At the end of the financial year	407,280
Accumulated amortisation	
At the beginning of the financial year	39,363
Charge for the financial year	101,820
At the end of the financial year	141,183
Carrying amount	
At the end of the financial year	266,097

Notes to the Financial Statements
31 March 2026

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

	Buildings RM
Company	
2026	
Cost	
At the beginning/end of the financial year	**188,944**
Accumulated amortisation	
At the beginning of the financial year	**86,599**
Charge for the financial year	**47,236**
At the end of the financial year	**133,835**
Carrying amount	
At the end of the financial year	**55,109**
2025	
Cost	
At the beginning/end of the financial year	188,944
Accumulated amortisation	
At the beginning of the financial year	39,363
Charge for the financial year	47,236
At the end of the financial year	86,599
Carrying amount	
At the end of the financial year	102,345

(a) Acquisition of right-of-use assets

The aggregate cost for the right-of-use assets of the Group and of the Company acquired under lease financing are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Cost of right-of-use assets acquired	**-**	218,336	**-**	-
Less: Lease financing	**-**	(218,336)	**-**	-
	-	-	**-**	-

Notes to the Financial Statements

31 March 2026

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

(b) The Group and the Company lease several buildings with lease terms of 4 years (2025: 4 years). These leases include options to extend the agreements upon expiry, subject to mutual agreement with the lessors.

Management has assessed these options on a lease-by-lease basis. The extension periods have been included in the lease term where it is reasonably certain that the extension options will be exercised. Accordingly, the related lease liabilities and right-of-use assets have been measured based on the lease terms including such optional periods as appropriate.

6. Inventories

	Note	Group 2026 RM	Group 2025 RM
Non-current			
Land held for development	(a)	**2,441,136**	2,441,136
Current			
Property development costs	(b)	**15,574,033**	13,221,411
		18,015,169	15,662,547

(a) Land held for development

	Group 2026 RM	Group 2025 RM
Cost		
Land costs		
At the beginning/end of the financial year	**2,441,136**	2,441,136

(b) Property development costs

	Land costs RM	Development expenditure RM	Total RM
Group			
2026			
Cumulative property development costs			
At the beginning of the financial year	**6,580,147**	**6,641,264**	**13,221,411**
Costs incurred during the financial year	**2,050,942**	**301,680**	**2,352,622**
At the end of the financial year	**8,631,089**	**6,942,944**	**15,574,033**

Notes to the Financial Statements
31 March 2026

6. Inventories (Cont'd)

(b) Property development costs (Cont'd)

	Land costs RM	Development expenditure RM	Total RM
Group			
2025			
Cumulative property development costs			
At the beginning of the financial year	6,570,329	6,039,929	12,610,258
Costs incurred during the financial year	9,818	601,335	611,153
At the end of the financial year	6,580,147	6,641,264	13,221,411

7. Investments in Subsidiary Companies

	Company	
	2026 RM	2025 RM
In Malaysia:		
At cost		
Unquoted shares	**17,666,755**	17,666,754
Less: Accumulated impairment losses	**(5,413,397)**	(8,591,835)
	12,253,358	9,074,919

Movements in the accumulated impairment losses are as follows:

	Company	
	2026 RM	2025 RM
At the beginning of the financial year	**8,591,835**	9,372,235
Impairment losses reversed	**(3,178,438)**	(780,400)
At the end of the financial year	**5,413,397**	8,591,835

During the financial year, the Company reassessed the recoverable amount of its investment in Ark Resources Berhad. Based on the subsidiary's audited financial position, including net tangible assets of RM10,803,354 (2025: RM7,624,934), management determined that the recoverable amount exceeded the carrying amount of the investment. As a result, the Company reversed impairment losses amounting to RM3,178,438 (2025: RM780,400) that had been previously recognised. The reversal was recognised in profit or loss under "Other income" and is limited to the extent of the impairment previously recorded. No further reversal was recognised.

Notes to the Financial Statements

31 March 2026

7. Investments in Subsidiary Companies (Cont'd)

Details of the subsidiary companies are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest (%) 2026	2025	Principal activities
Ark Resources Berhad	Malaysia	**100**	100	Property development, civil, building construction, engineering works and provision of management services
Ark Development Sdn. Bhd.	Malaysia	**100**	100	Property development and turnkey construction
Ark Engineering & Construction Sdn. Bhd.	Malaysia	**100**	100	Civil, building construction and engineering works
Ark Hartanah Sdn. Bhd.	Malaysia	**100**	100	Temporarily ceased operations as property development
Karya Koperat Sdn. Bhd.	Malaysia	**100**	-	Investment holding

(a) Acquisition of subsidiary company

On 24 September 2025, the Company had subscribed 1 ordinary shares in total cash consideration of RM1 representing 100% of total issued and paid up capital of Karya Koperat Sdn. Bhd..

The following summarises the major classes of consideration transferred and recognised amounts of assets acquired and liabilities assumed at the acquisition date:

<u>Fair value of identifiable assets acquired and liabilities assumed</u>

	RM
Cash balances	**1**
Other payables	**(3,098)**
	(3,097)

<u>Net cash outflow arising from acquisition of a subsidiary company</u>

	RM
Purchase consideration settled in cash	**1**
Cash and cash equivalents acquired	**(1)**
	-

Notes to the Financial Statements

31 March 2026

7. Investments in Subsidiary Companies (Cont'd)

(a) Acquisition of subsidiary company (Cont'd)

The following summarises the major classes of consideration transferred and recognised amounts of assets acquired and liabilities assumed at the acquisition date: (Cont'd)

Goodwill arising from business combination

	RM
Fair value of consideration transferred	**1**
Fair value of identifiable assets acquired and liabilities assumed	**3,097**
Goodwill	**3,098**

8. Goodwill on Consolidation

	Group	
	2026 RM	**2025 RM**
At cost		
At the beginning of the financial year	**-**	-
Additions	**3,098**	-
At the end of the financial year	**3,098**	-
Accumulated impairment losses		
At the beginning of the financial year	**-**	-
Charges for the financial year	**3,098**	-
At the end of the financial year	**3,098**	-
Carrying amount		
At the end of the financial year	**-**	-

Impairment testing for cash generating units ("CGU") containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management proposes.

The goodwill of RM3,098 arose from the acquisition of Karya Koperat Sdn. Bhd. during the financial year. As at the date of acquisition and as at the end of the financial year, Karya Koperat Sdn. Bhd. was a dormant company with no business operations and was in a net liability position. Accordingly, the recoverable amount of the goodwill was assessed based on fair value less costs of disposal, which was determined to be nil. As a result, the Group fully impaired the goodwill of RM3,098 during the financial year. The impairment loss of RM3,098 is recognised in other expenses in the statements of profit or loss and other comprehensive income.

Notes to the Financial Statements
31 March 2026

9. Trade Receivables

	Group 2026 RM	Group 2025 RM
Non-current		
Retention sum	**10,557,640**	7,324,678
Less: Accumulated impairment losses	**(16,365)**	-
	10,541,275	7,324,678
Current		
Trade receivables	**17,441,572**	54,382,590
Less: Accumulated impairment losses	**(19,731)**	(503,896)
	17,421,841	53,878,694
Retention sum	**9,260,091**	8,017,112
	26,681,932	61,895,806
	37,223,207	69,220,484

Trade receivables are non-interest bearing and are generally on 30 days (2025: 30 days) term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Retention sum is due upon the expiry of the defect liability period stated in the respective construction contracts. The defect liability periods are 24 months (2025: 24 months).

Movements in the allowance for impairment losses are as follows:

	Group 2026 RM	Group 2025 RM
At the beginning of the financial year	**503,896**	-
Impairment losses recognised	**36,096**	503,896
Impairment losses reversed	**(503,896)**	-
At the end of the financial year	**36,096**	503,896

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

Notes to the Financial Statements

31 March 2026

9. Trade Receivables (Cont'd)

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

	Gross amount RM	Loss allowance RM	Net amount RM
2026			
Group			
Neither past due nor impaired	**34,514,687**	**(30,718)**	**34,483,969**
Past due but not impaired:			
Less than 30 days	**2,393,120**	**(3,066)**	**2,390,054**
More than 60 days	**351,496**	**(2,312)**	**349,184**
	2,744,616	**(5,378)**	**2,739,238**
	37,259,303	**(36,096)**	**37,223,207**
2025			
Group			
Neither past due nor impaired	18,888,492	-	18,888,492
Past due but not impaired:			
Less than 30 days	5,517,826	(7,294)	5,510,532
31 to 60 days	2,969,089	(8,099)	2,960,990
More than 60 days	42,348,973	(488,503)	41,860,470
	50,835,888	(503,896)	50,331,992
	69,724,380	(503,896)	69,220,484

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

The Group has applied a provision matrix in calculating loss allowance for trade receivables at an amount equal to lifetime ECL. The Group estimated the loss allowance on trade receivables by applying an ECL rate at each reporting period. The ECL rate is computed based on estimated irrecoverable amounts determined by reference to past default experience of the Group and an analysis of general economic conditions of the industry and an assessment of both the current as well as the forecast direction of economic conditions at the reporting date.

As at 31 March 2026, trade receivables of RM2,390,054 (2025: RM50,331,992) were past due but not impaired. These related to a number of independent customers from whom there is no recent history of default.

Notes to the Financial Statements
31 March 2026

10. Other Receivables

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Non-current					
Deposits	(a)	**2,800,000**	1,500,000	**-**	-
Prepayments		**90**	-	**-**	-
		2,800,090	1,500,000	**-**	-
Current					
Other receivables		**30,266**	3,300	**-**	-
Deposits		**333,562**	316,380	**18,000**	18,000
Prepayments		**365,504**	2,322	**-**	-
		729,332	322,002	**18,000**	18,000
		3,529,422	1,822,002	**18,000**	18,000

(a) Deposits

As at 31 March 2026, included in non-current deposits is an amount of RM2,800,000 paid pursuant to a sale and purchase agreement for the acquisition of a parcel of land intended to be held for development. The remaining contractual commitment in relation to the acquisition is disclosed in Note 27 to the financial statements.

In the previous financial year, included in non-current deposits was an amount of RM1,500,000 paid to a landowner pursuant to a joint venture agreement. During the current financial year, the joint venture agreement was terminated and the deposit was refunded in full by the landowner. Accordingly, the related commitments disclosed in the previous financial year no longer subsist as at 31 March 2026.

11. Contract Assets

	Group	
	2026 RM	2025 RM
Construction contracts		
Construction costs incurred to date	**355,598,109**	245,904,103
Attributable profits	**15,446,786**	10,037,601
	371,044,895	255,941,704
Less: Progress billings	**(368,444,382)**	(251,354,461)
	2,600,513	4,587,243

The contract assets primarily relate to the Group's rights to consideration for work performed but not yet billed at the reporting date for its construction activities. The contract assets will be transferred to trade receivables when the rights become unconditional.

Notes to the Financial Statements

31 March 2026

12. Amount Due From/(To) Subsidiary Companies

	Company	
	2026 RM	2025 RM
Amount due from subsidiary companies		
Non-trade		
Interest bearing	**12,422,218**	11,659,287
Amount due to subsidiary companies		
Non-trade		
Interest bearing	**(1,711,735)**	(1,142,712)

The amount due from/(to) subsidiary companies are non-trade in nature, interest bearing of 2.05% - 2.55% (2025: 2.55%) per annum, unsecured and repayable on demand.

13. Deposits, Bank and Cash Balances

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Cash and bank balances		**27,788,717**	2,872,607	**1,421,861**	79,065
Deposits with licensed banks	(a)	**84,400**	84,400	**-**	-
Housing Development Accounts	(b)	**126,772**	125,584	**-**	-
Total deposits, bank and cash balances		**27,999,889**	3,082,591	**1,421,861**	79,065
Less: Deposits pledged with licensed banks	(c)	**(84,400)**	(84,400)	**-**	-
Total cash and cash equivalents		**27,915,489**	2,998,191	**1,421,861**	79,065

(a) As at 31 March 2026, the deposits with licensed banks of the Group were placement with period of 1 month (2025: 1 month) and subject to interest at rates of 1.8% (2025: 2.30%).

(b) Housing Development Accounts pursuant to Housing Development (Control and Licensing) Act 1966 and are restricted from use in other operations.

(c) Included in deposits pledged with licensed banks is an amount of RM84,400 (2025: RM84,400) placed in the name of a director of the Company, who holds the deposit in trust for the Group. The fixed deposit is pledged to a licensed bank as security for a bank guarantee facility issued in favour of the Group.

Notes to the Financial Statements

31 March 2026

14. Share Capital

	Group and Company			
	Number of ordinary shares		Amount	
	2026 Units	2025 Units	2026 RM	2025 RM
Ordinary shares issued and fully paid:				
At the beginning of the financial year	**90,484,043**	69,603,143	**28,823,485**	22,141,597
Issuance of new ordinary shares	**9,048,000**	20,880,900	**1,945,320**	6,681,888
At the end of the financial year	**99,532,043**	90,484,043	**30,768,805**	28,823,485

During the financial year, the Company increased its issued and paid up share capital from RM28,823,485 to RM30,768,805 by way of issuance of 9,048,000 new ordinary shares pursuant to a private placement exercise at an issue price of RM0.215 per ordinary share.

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

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

15. Reserves

The nature of reserves of the Group is as follows:

Merger reserve

The merger reserve relates to the subsidiary which is consolidated under the merger method of accounting.

The merger reserve arose from the difference between the carrying value of the investment and the nominal value of the shares of the subsidiary upon consolidation using merger accounting principle.

Notes to the Financial Statements
31 March 2026

16. Lease Liabilities

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
At the beginning of the financial year	**277,710**	153,644	**108,600**	153,644
Additions	**-**	218,336	**-**	-
Accretion of interest (Note 20)	**15,595**	22,129	**5,832**	8,955
Payments of principal	**(100,806)**	(94,270)	**(48,169)**	(45,044)
Payments of interest expenses	**(15,595)**	(22,129)	**(5,832)**	(8,955)
At the end of the financial year	**176,904**	277,710	**60,431**	108,600
Presented as:				
Non-current	**69,964**	176,903	**8,925**	60,431
Current	**106,940**	100,807	**51,506**	48,169
	176,904	277,710	**60,431**	108,600
The maturity analysis of lease liabilities of the Group and of the Company at the end of the reporting period:				
Within one year	**116,400**	116,400	**54,000**	54,000
Later than one year and not later than two years	**71,400**	116,400	**9,000**	54,000
Later than two years and not later than five years	**-**	71,400	**-**	9,000
	187,800	304,200	**63,000**	117,000
Less: Future finance charges	**(10,896)**	(26,490)	**(2,569)**	(8,400)
Present value of lease liabilities	**176,904**	277,710	**60,431**	108,600

The Group and the Company lease various buildings. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The lease liabilities bear interest at average effective interest rates of 6.72% (2025: 6.72%) per annum.

Notes to the Financial Statements

31 March 2026

17. Trade Payables

	Group	
	2026 RM	2025 RM
Non-current		
Retention sum	**8,348,491**	5,207,488
Current		
Trade payables	**22,159,364**	20,911,150
Retention sum	**8,047,252**	5,702,013
	30,206,616	26,613,163
	38,555,107	31,820,651

Credit terms of trade payables of the Group ranged from 30 to 90 days (2025: 30 to 90 days), depending on the terms of the contracts.

Retention sum is repayable upon the expiry of the defect liability period. The defect liability periods are 24 months (2025: 24 months).

18. Other Payables

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Other payables	**2,158,971**	176,276	**47,118**	19,943
Accruals	**20,082,541**	37,823,167	**36,100**	36,100
Deposits received	**7,050**	7,050	**-**	-
	22,248,562	38,006,493	**83,218**	56,043

During the financial year, included in other payables is an amount of RM2,000,000 (2025: RM Nil) payable to the landowner pursuant to the Joint Venture Agreement for the development of land.

19. Revenue

	Group	
	2026 RM	2025 RM
Revenue from contracts with customers:		
- Construction contract revenue	**123,775,706**	162,318,042

Notes to the Financial Statements

31 March 2026

19. Revenue (Cont'd)

Breakdown of the Group's revenue from contracts with customers:

	Construction RM
2026	
Construction contract revenue	**123,775,706**
2025	
Construction contract revenue	162,318,042

	Group	
	2026 RM	2025 RM
Timing of revenue recognition:		
Over time	**123,775,706**	162,318,042

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) at the reporting date are as follows:

	Group	
	2026 RM	2025 RM
Revenue recognised over time:		
- Within one year time	**22,475,468**	82,453,350
- Later than one year and not later than two years	**50,431,435**	-
	72,906,903	82,453,350

20. Finance Costs

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Interest expenses of financial liabilities not at fair value through profit or loss:				
- Lease liabilities	**15,595**	22,129	**5,832**	8,955
- Amount due to subsidiary companies	**-**	-	**10,796**	91,522
- Unwinding of discount on retention sum	**-**	415,839	**-**	-
	15,595	437,968	**16,628**	100,477

In the previous financial year, the unwinding of discount on retention sum comprises receivables of RM1,433,216 and payables of RM1,017,377, and has been presented on a net basis for disclosure purposes.

Notes to the Financial Statements
31 March 2026

21. Profit Before Tax

Profit before tax is determined after charging/(crediting) amongst other, the following items:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Auditors' remuneration				
- Statutory audit	**88,000**	83,000	**27,000**	27,000
- Non-audit services	**5,000**	5,000	**5,000**	5,000
Amortisation of right-of-use assets	**101,820**	101,820	**47,236**	47,236
Depreciation of property, plant and equipment	**24,414**	33,457	**-**	-
Impairment losses on goodwill	**3,098**	-	**-**	-
Impairment losses on trade receivables	**36,096**	503,896	**-**	-
Interest income	**(2,207)**	(6,748)	**(232,792)**	(311,201)
Lease expenses relating to short-term leases	**10,800**	10,800	**-**	-
Non-executive Directors' remunerations				
- Other emoluments	**26,750**	28,750	**26,750**	28,750
Reversal of impairment losses on investments in subsidiary companies	**-**	-	**(3,178,438)**	(780,400)
Reversal of impairment losses on trade receivables	**(503,896)**	-	**-**	-
Pre-operating expenses	**2,315**	-	**-**	-
Unwinding of discount on retention sum	**(103,835)**	-	**-**	-

During the financial year, the unwinding of discount on retention sum comprises receivables of RM1,611,517 and payables of RM1,299,513, and has been presented on a net basis for disclosure purposes.

22. Taxation

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Tax expenses recognised in profit or loss				
Current tax				
- Current year	**36,000**	54,400	**13,000**	13,000
- (Over)/Under provision in prior years	**1,275**	(28,028)	**1,277**	(26,462)
	37,275	26,372	**14,277**	(13,462)

Malaysian income tax is calculated at the statutory tax rate of 24% (2025: 24%) of the estimated assessable profits for the financial year.

Notes to the Financial Statements

31 March 2026

22. Taxation (Cont'd)

A reconciliation of income tax expenses applicable to profit before tax at the statutory tax rate to income tax expenses at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Profit before tax	**2,098,057**	2,975,788	**2,752,011**	618,693
At Malaysian statutory tax rate of 24% (2025: 24%)	**503,534**	714,189	**660,483**	148,486
Expenses not deductible for tax purposes	**342,508**	181,436	**115,566**	51,284
Income not subject to tax	**(24,920)**	-	**(762,825)**	(187,296)
Deferred tax assets not recognised	**161,257**	123,602	**-**	526
Utilisation of previously unrecognised deferred tax assets	**(946,379)**	(964,827)	**(224)**	-
	36,000	54,400	**13,000**	13,000
(Over)/Under provision of income tax expenses in prior years	**1,275**	(28,028)	**1,277**	(26,462)
	37,275	26,372	**14,277**	(13,462)

The Group has unabsorbed capital allowances and unutilised tax losses carried forward, which are available to off-set against future taxable profits, subject to approval by the tax authorities, as follows:

	Group	
	2026 RM	**2025 RM**
Unabsorbed capital allowances	**51,400**	48,420
Unutilised tax losses, expiring on:		
- year assessment 2028	**97,564,461**	101,277,630
- year assessment 2029	**1,152,293**	1,152,293
- year assessment 2030	**1,034,444**	1,034,444
- year assessment 2031	**956,532**	956,532
- year assessment 2032	**1,190,457**	1,190,457
- year assessment 2033	**693,544**	693,544
- year assessment 2034	**468,106**	468,106
- year assessment 2035	**370,847**	370,847
- year assessment 2036	**422,601**	-
	103,904,685	107,192,273

Under current tax legislation, unutilised tax losses can be carried forward for up to 10 consecutive years of assessment from the year the losses were first incurred.

In contrast, unabsorbed capital allowances may be carried forward indefinitely, provided there is no substantial change in the shareholding and business of the relevant entity, as stipulated under the Income Tax Act 1967.

Notes to the Financial Statements
31 March 2026

23. Deferred Tax

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Unabsorbed capital allowances	**12,336**	11,621	**-**	-
Unutilised tax losses	**24,924,788**	25,714,525	**-**	-
Other deductible temporary differences	**747,440**	743,540	**1,277**	1,501
	25,684,564	26,469,686	**1,277**	1,501

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

24. Earnings Per Share

(a) Basic earnings per share

The basic earnings per share are calculated based on the consolidated profit for the financial year attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2026 RM	2025 RM
Profit attributable to owners of the parent	**2,060,782**	2,949,416
Weighted average number of ordinary shares in issue:		
Issued ordinary shares as at 1 April	**85,220,912**	69,603,143
Effect of issuance of new ordinary shares	**5,775,847**	15,617,769
Weighted average number of ordinary shares as at 31 March	**90,996,759**	85,220,912
Basic earnings per ordinary share (in sen)	**2.26**	3.46

(b) Diluted earnings per share

The Group has no dilution in their earnings per ordinary share as there are no dilutive potential ordinary shares. There have been no other transactions involving ordinary shares or potential ordinary shares since the end of the financial year and before the authorisation of these financial statements.

Notes to the Financial Statements

31 March 2026

25. Staff Costs

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Salaries, wages and other emoluments	**1,704,139**	775,139	**35,750**	37,750
Social security contributions	**18,680**	6,914	**-**	-
Defined contributionsplans	**120,667**	50,670	**-**	-
	1,843,486	832,723	**35,750**	37,750

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Company and of the subsidiary companies during the financial year as below:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Executive Directors				
Other emoluments	**9,000**	9,000	**9,000**	9,000

26. Reconciliation Of Liabilities Arising From Financing Activities

The table below details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

			Non-cash changes	
	At 1 April 2025 RM	Financing cash flows (i) RM	Accretion of interest (Note 20) RM	At 31 March 2026 RM
Group				
Lease liabilities (Note 16)	**277,710**	**(116,401)**	**15,595**	**176,904**

			Non-cash changes		
	At 1 April 2024 RM	Financing cash flows (i) RM	New lease (Note 16) RM	Accretion of interest (Note 20) RM	At 31 March 2025 RM
Group					
Lease liabilities (Note 16)	153,644	(116,399)	218,336	22,129	277,710

Notes to the Financial Statements

31 March 2026

26. Reconciliation Of Liabilities Arising From Financing Activities (Cont'd)

The table below details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes: (Cont'd)

	At 1 April 2025 RM	Financing cash flows (i) RM	Non-cash changes Accretion of interest (Note 20) RM	At 31 March 2026 RM
Company				
Lease liabilities (Note 16)	**108,600**	**(54,001)**	**5,832**	**60,431**
Amount due to subsidiary companies (Note 12)	**1,142,712**	**558,227**	**10,796**	**1,711,735**

	At 1 April 2024 RM	Financing cash flows (i) RM	Non-cash changes Accretion of interest (Note 20) RM	At 31 March 2025 RM
Company				
Lease liabilities (Note 16)	153,644	(53,999)	8,955	108,600
Amount due to subsidiary companies (Note 12)	9,166,190	(8,115,000)	91,522	1,142,712

(i) The cash flows from lease liabilities and amount due to subsidiary companies make up the net amount of proceeds from or repayments or payments in the statements of cash flows.

27. Commitments

	Group 2026 RM	Group 2025 RM
Capital commitments		
Authorised and contracted for:		
- Commitments for property development land	**63,200,000**	38,500,000

Notes to the Financial Statements

31 March 2026

28. Related Party Disclosures

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Company	
	2026 RM	**2025 RM**
Transactions with subsidiary companies		
- Interest income	**232,792**	308,981
- Interest expense	**10,796**	91,522

(c) Compensation of key management personnel

The remuneration of key management personnel is same as the Directors' remuneration as disclosed in Notes 21 and 25 to the financial statements.

29. Segment Information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable segments as follows:

Property development	Property development activities
Construction	Civil, building construction and engineering work
Management and investment holding	Investment holding and provision of management services

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

Notes to the Financial Statements
31 March 2026

29. Segment Information (Cont'd)

	Property development RM	Construction RM	Management and investment holding RM	Adjustment and elimination RM	Consolidated RM
2026					
Revenue					
External customers	-	123,775,706	-	-	123,775,706
Results					
Segment results	(144,407)	2,896,360	2,527,081	(3,167,589)	2,111,445
Finance costs	(286,727)	(33,931)	(22,192)	327,255	(15,595)
Interest income	1,188	95,482	232,792	(327,255)	2,207
Segment (loss)/profit before tax	(429,946)	2,957,911	2,737,681	(3,167,589)	2,098,057
Taxation	-	(22,998)	(14,277)	-	(37,275)
Segment (loss)/profit after tax	(429,946)	2,934,913	2,723,404	(3,167,589)	2,060,782
Assets and liabilities					
Segment assets	16,172,628	72,452,707	29,014,879	(27,986,241)	89,653,973
Segment liabilities	15,986,819	60,784,242	4,714,446	(20,501,934)	60,983,573
Other information					
Amortisation of right-of-use assets	-	54,584	47,236	-	101,820
Depreciation of property, plant and equipment	-	24,414	-	-	24,414
Impairment losses on goodwill	-	-	-	3,098	3,098
Impairment losses on amount due from related companies	-	10,849	-	(10,849)	-
Impairment losses on trade receivables	-	36,096	-	-	36,096
Reversal of impairment losses on trade receivables	-	(503,896)	-	-	(503,896)
Reversal of impairment losses on investments in subsidiary companies	-	-	(3,178,438)	3,178,438	-
Unwinding of discount on retention sum	-	(103,835)	-	-	(103,835)

Notes to the Financial Statements

31 March 2026

29. Segment Information (Cont'd)

	Property development RM	Construction RM	Management and investment holding RM	Adjustment and elimination RM	Consolidated RM
2025					
Revenue					
External customers	-	162,318,042	-	-	162,318,042
Results					
Segment results	(222,844)	1,433,883	407,970	1,787,999	3,407,008
Finance costs	(310,830)	(505,472)	(100,477)	478,811	(437,968)
Interest income	1,865	172,493	311,201	(478,811)	6,748
Segment (loss)/profit before tax	(531,809)	1,100,904	618,694	1,787,999	2,975,788
Taxation	-	(39,834)	13,462	-	(26,372)
Segment (loss)/profit after tax	(531,809)	1,061,070	632,156	1,787,999	2,949,416
Assets and liabilities					
Segment assets	16,140,670	80,751,599	20,939,063	(23,062,180)	94,769,152
Segment liabilities	15,524,915	72,018,047	1,307,355	(18,745,463)	70,104,854
Other information					
Amortisation of right-of-use assets	-	54,584	47,236	-	101,820
Depreciation of property, plant and equipment	9,490	23,967	-	-	33,457
Impairment losses on trade receivables	-	503,896	-	-	503,896
Reversal of impairment losses on investments in subsidiary companies	-	-	(780,400)	780,400	-

Notes to the Financial Statements
31 March 2026

29. Segment Information (Cont'd)

Adjustments and eliminations

Inter-segment revenues are eliminated on consolidation.

Geographic information

Geographical information is not presented as the Group is primarily engaged in the property development, construction and their related services in Malaysia.

Major customers

Revenue from major customers with revenue equal or more than 10% of the Group's revenue are as follows:

	2026 RM	2025 RM
Customer A	**49,956,194**	63,750,499
Customer B	**63,213,241**	82,307,783
	113,169,435	146,058,282

30. Financial Instruments

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair values gains and losses, are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	At amortised cost RM
2026	
Group	
Financial assets	
Trade receivables	**37,223,207**
Other receivables (excluding prepayments)	**3,163,828**
Deposits, bank and cash balances	**27,999,889**
	68,386,924
Financial liabilities	
Lease liabilities	**176,904**
Trade payables	**38,555,107**
Other payables	**22,248,562**
	60,980,573

Notes to the Financial Statements

31 March 2026

30. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

	At amortised cost RM
2025	
Group	
Financial assets	
Trade receivables	69,220,484
Other receivables (excluding prepayments)	1,819,680
Deposits, bank and cash balances	3,082,591
	74,122,755
Financial liabilities	
Lease liabilities	277,710
Trade payables	31,820,651
Other payables	38,006,493
	70,104,854
2026	
Company	
Financial assets	
Other receivables (excluding prepayments)	**18,000**
Amount due from subsidiary companies	**12,422,218**
Deposits, bank and cash balances	**1,421,861**
	13,862,079
Financial liabilities	
Lease liabilities	**60,431**
Other payables	**83,218**
Amount due to subsidiary companies	**1,711,735**
	1,855,384

Notes to the Financial Statements
31 March 2026

30. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

	At amortised cost RM
2025	
Company	
Financial assets	
Other receivables (excluding prepayments)	18,000
Amount due from subsidiary companies	11,659,287
Deposits, bank and cash balances	79,065
	11,756,352
Financial liabilities	
Lease liabilities	108,600
Other payables	56,043
Amount due to subsidiary companies	1,142,712
	1,307,355

(b) Net losses arising from financial instruments

	Group	
	2026 RM	2025 RM
Net losses on impairment of financial instruments:		
Financial assets at amortised cost		
Impairment losses on trade receivables	**36,096**	503,896
Reversal of impairment losses on trade receivables	**(503,896)**	-
	(467,800)	503,896

(c) Financial risk management objectives and policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its credit, liquidity and interest rate risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

Notes to the Financial Statements

31 March 2026

30. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

The following sections provide details regarding the Group's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers, other receivables, contract assets and deposits with banks and financial institutions. The Company's exposure to credit risk arises principally from other receivables, amount due from subsidiary companies, deposits with banks and financial institutions and financial guarantee given to a subsidiary company's supplier for the supply of goods and services. There are no significant changes as compare to prior periods.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured loans and advances to subsidiary companies. It also provides unsecured financial guarantee to a subsidiary company's supplier. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

At each reporting date, the Group assesses whether any of the receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partial or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represent the Group's and the Company's maximum exposure to credit risk in relation to financial assets except for financial guarantee provided to a subsidiary company's supplier.

The Company's maximum exposure in this respect is RM Nil (2025: RM1,351,479), representing the outstanding balance payable by the subsidiary company to the supplier at the end of the reporting period. There was no indication that the subsidiary company would default on repayment as at the end of the reporting period.

There are no significant changes as compared to previous financial year.

The Group's major concentration of credit risk related to the amount owing by 2 customers (2025: 4 customers) which constituted approximately 95% (2025: 100%) of its trade receivables as at the end of reporting date. The Company has major concentration of credit risk related to amount due from subsidiary companies where risk of default has been assessed to be low.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risks are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

Notes to the Financial Statements

31 March 2026

30. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	Within 1 year or on demand RM	1 to 2 years RM	2 to 5 years RM	Total contractual cash flows RM	Total carrying amount RM
Group					
2026					
Non-derivative financial liabilities					
Lease liabilities	**116,400**	**71,400**	**-**	**187,800**	**176,904**
Trade payables	**30,508,370**	**9,335,249**	**-**	**39,843,619**	**38,555,107**
Other payables	**22,248,562**	**-**	**-**	**22,248,562**	**22,248,562**
	52,873,332	**9,406,649**	**-**	**62,279,981**	**60,980,573**
2025					
Non-derivative financial liabilities					
Lease liabilities	116,400	116,400	71,400	304,200	277,710
Trade payables	26,915,444	5,961,940	-	32,877,384	31,820,651
Other payables	38,006,493	-	-	38,006,493	38,006,493
	65,038,337	6,078,340	71,400	71,188,077	70,104,854
Company					
2026					
Non-derivative financial liabilities					
Lease liabilities	**54,000**	**9,000**	**-**	**63,000**	**60,431**
Other payables	**83,218**	**-**	**-**	**83,218**	**83,218**
Amount due to subsidiary companies	**1,711,735**	**-**	**-**	**1,711,735**	**1,711,735**
	1,848,953	**9,000**	**-**	**1,857,953**	**1,855,384**

Notes to the Financial Statements

31 March 2026

30. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

	Within 1 year or on demand RM	1 to 2 years RM	2 to 5 years RM	Total contractual cash flows RM	Total carrying amount RM
Company					
2025					
Non-derivative financial liabilities					
Lease liabilities	54,000	54,000	9,000	117,000	108,600
Other payables	56,043	-	-	56,043	56,043
Amount due to subsidiary companies	1,142,712	-	-	1,142,712	1,142,712
Financial guarantee liabilities*	1,351,479	-	-	1,351,479	-
	2,604,234	54,000	9,000	2,667,234	1,307,355

* Based on the maximum amount that can be called for under the financial guarantee contract.

The Company provides unsecured financial guarantee to a subsidiary company's supplier and monitors on an ongoing basis the performance of the subsidiary company. At end of the financial year, there was no indication that the subsidiary company would default on repayment.

Financial guarantee has not been recognised since the fair value on initial recognition was deemed not material and the probability of the subsidiary company defaulting on their payment is remote.

(iii) Market risks

<u>Interest rate risk</u>

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Company's variable rate loans and advances are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long term deposits.

The Group and the Company manage its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group and the Company constantly monitor its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group and the Company do not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

Notes to the Financial Statements

31 March 2026

30. Financial Instruments (Cont'd)

(c) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

Interest rate risk (Cont'd)

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group	
	2026 RM	2025 RM
Fixed rate instruments		
Financial assets		
Deposits, bank and cash balances	**84,400**	84,400
Financial liabilities		
Lease liabilities	**(176,904)**	(277,710)

	Company	
	2026 RM	2025 RM
Fixed rate instruments		
Financial liabilities		
Lease liabilities	**(60,431)**	(108,600)
Floating rate instruments		
Financial assets		
Amount due from subsidiary companies	**12,422,218**	11,659,287
Financial liabilities		
Amount due to subsidiary companies	**(1,711,735)**	(1,142,712)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased/(decreased) the Company's profit before tax by RM107,105 (2025: RM105,166), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Notes to the Financial Statements
31 March 2026

30. Financial Instruments (Cont'd)

(d) Fair value of financial instruments

The carrying amounts of short term receivables and payables, cash and cash equivalents and short term borrowings approximate their fair values due to the relatively short term nature of these financial instruments and insignificant impact of discounting.

The carrying amounts of the long term borrowings at the reporting date reasonably approximate their fair values.

(i) Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There were no transfers between levels during current and previous financial years.

(ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(iii) Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

<u>Non-derivative financial instruments</u>

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

(iv) Level 3 fair value

Level 3 fair values for the financial assets and liabilities are estimated using unobservable inputs.

31. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Notes to the Financial Statements
31 March 2026

31. Capital Management (Cont'd)

The Group monitors capital using a gearing ratio. The Group's policy is to maintain a prudent level of gearing ratio that complies with debts covenants and regulatory requirements. The gearing ratios at the end of the reporting period are as follows:

	Group	
	2026 RM	**2025 RM**
Lease liabilities (Note 16)	**176,904**	277,710
Less: Deposits, bank and cash balances (Note 13)	**(27,999,889)**	(3,082,591)
Net debts	**(27,822,985)**	(2,804,881)
Total equity	**28,670,400**	24,664,298
Gearing ratio (times)	**N/A**	N/A

N/A - The gearing ratio is not applicable as the Group has sufficient deposits, bank and cash balances to settle the liabilities as at year end.

There were no changes in the Group's approach h to capital management during the financial year.

32. Date of Authorisation for Issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 July 2026.

Disclosure of Financial Data for Shariah Screening

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

(A) Group Total Income and Total Assets

Remarks	Group 2026 RM	Group 2025 RM
Total Income		
Revenue	**123,775,706**	162,318,042
Other Income	**395,224**	68,785
Total	**124,170,930**	162,386,152
Total Assets	**89,653,973**	94,769,152

(B) Business Activities

Remarks		Group 2026 RM	Group 2025 RM
Shariah Non-Compliant Activities			
Interest Income		**2,207**	6,747
Other Shariah Non-Compliant Activities	(1) Gains/(Losses) on impairment of financial instruments	**467,800**	(503,896)
	(2) Penalty on safety violation	**2,300**	4,800
Total Assets		**472,307**	(492,349)

(C) Components of Financial Position

(i) Cash Components

Remarks	Group 2026 RM	Group 2025 RM
Islamic Account/Instruments		
Cash in Hand	**13,283**	7,630
Deposits with Licensed Bank	**84,400**	84,400
Total Assets	**97,683**	92,030
Conventional Account/Instruments		
Cash at Bank	**27,775,434**	2,864,977
Cash Held Under Conventional Housing Development Accounts	**126,772**	125,584
Total	**27,902,206**	**2,990,561**

Disclosure of Financial Data for Shariah Screening

(C) Components of Financial Position (Cont'd)

(i) Debt Components

		Group	
Remarks		**2026 RM**	**2025 RM**
Islamic Financing			
Current			
		-	-
Non-Current			
		-	-
Total Assets		**-**	-
Conventional Borrowing			
Current			
Other Interest Bearing Debt	*Lease liabilities	**106,940**	100,807
Non-Current			
Other Interest Bearing Debt	*Lease liabilities	**69,964**	176,903
Total		**176,904**	**277,710**

ARK RESOURCES HOLDINGS BERHAD
(201701027024) (1241190-V)

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 Ninth Annual 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 11.10 a.m. or any adjournment thereof, and to vote as indicated below:

Description of Resolution	Resolution	For	Against
Re-election of Dato' Faiza Binti Zulkifli	Resolution 1		
Re-appointment of UHY Malaysia PLT as Auditors and to authorise the Directors to fix their remuneration	Resolution 2		
Approval of Directors' benefits of up to RM250,000	Resolution 3		
Continuation in office as Independent Non-Executive Director for Mr Tan Wooi Chuon	Resolution 4		
Authority to Issue Shares	Resolution 5		

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 September 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, this proxy form must be deposited at the registered office of the Company situated at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia.
   (ii) By electronic means via email
   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 situated at Suite A, Level 9, Wawasan Open University, 54 Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia 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 11.10 a.m. on 28 September 2026, Monday.*
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.*

Fold Here to Seal

AFFIX STAMP

The Company Secretaries

ARK RESOURCES HOLDINGS BERHAD
201701027024 (1241190-V))

Suite A, Level 9, Wawasan Open University,
54, Jalan Sultan Ahmad Shah,
10050 George Town, Penang.

Fold Here to Seal

ARK

www.ark-resources.com.my