

ARK RESOURCES HOLDINGS BERHAD (201701027024)(1241190-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For The First Quarter Ended 30 June 2021

(The figures have not been audited)

	(Unaudited) 30.06.21 RM'000	(Audited) 31.03.21 RM'000
ASSETS		
Non-current assets		
ROU, property, plant and equipment	336	344
Inventories	2,441	2,441
	2,777	2,785
Current assets		
Inventories	12,226	12,008
Trade receivables	534	304
Other receivables	1,588	1,547
Cash and cash equivalents	231	547
	14,579	14,406
TOTAL ASSETS	17,356	17,191
EQUITY AND LIABILITIES		
Equity attributable to owners		
Share capital	19,484	19,484
Merger reserve	31,307	31,307
Accumulated losses	(37,990)	(37,720)
TOTAL EQUITY	12,801	13,071
Current liabilities		
Trade payables	1,358	1,032
Other payables	3,197	3,088
	4,555	4,120
TOTAL LIABILITIES	4,555	4,120
TOTAL EQUITY AND LIABILITIES	17,356	17,191
Net assets per share (RM)	0.20	0.21

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial report.

ARK RESOURCES HOLDINGS BERHAD (201701027024)(1241190-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The First Quarter Ended 30 June 2021

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current year Apr-Jun'21 RM'000	Preceding year Apr-Jun'20 RM'000	Current year Apr-Jun'21 RM'000	Preceding year Apr-Jun'20 RM'000
Revenue	350	327	350	327
Cost of sales	(333)	(311)	(333)	(311)
Gross profit /(loss)	<u>17</u>	<u>16</u>	<u>17</u>	<u>16</u>
Other income	75	2	75	2
Administration and operating expenses	(361)	(391)	(361)	(391)
Loss from operations	<u>(269)</u>	<u>(373)</u>	<u>(269)</u>	<u>(373)</u>
Finance costs	-	-	-	-
Loss before tax	<u>(269)</u>	<u>(373)</u>	<u>(269)</u>	<u>(373)</u>
Taxation	-	-	-	-
Loss after tax	<u>(269)</u>	<u>(373)</u>	<u>(269)</u>	<u>(373)</u>
Non-controlling interests	-	-	-	-
Loss for the period	<u>(269)</u>	<u>(373)</u>	<u>(269)</u>	<u>(373)</u>
Other comprehensive income / (loss) for the period	-	-	-	-
Total comprehensive loss for the period	<u><u>(269)</u></u>	<u><u>(373)</u></u>	<u><u>(269)</u></u>	<u><u>(373)</u></u>
Loss for the period attributable to:				
Owners of the parent	(269)	(373)	(269)	(373)
Non-controlling interests	-	-	-	-
	<u><u>(269)</u></u>	<u><u>(373)</u></u>	<u><u>(269)</u></u>	<u><u>(373)</u></u>
Total comprehensive loss for the period attributable to:				
Owners of the parent	(269)	(373)	(269)	(373)
Non-controlling interests	-	-	-	-
	<u><u>(269)</u></u>	<u><u>(373)</u></u>	<u><u>(269)</u></u>	<u><u>(373)</u></u>
Loss per share attributable to Owners of the parent:				
- Basic (sen)	(0.43)	(0.59)	(0.43)	(0.59)
- Diluted (sen)	N/A	N/A	N/A	N/A

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial report.

ARK RESOURCES HOLDINGS BERHAD (201701027024)(1241190-V)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The First Quarter Ended 30 June 2021

(The figures have not been audited)

	Cumulative Quarter	
	Current year Jun'21 RM'000	Preceding year Jun'20 RM'000
Cash flows from operating activities		
Loss before tax	(269)	(373)
Adjustments for:		
Depreciation charge	7	12
Interest income	-	(2)
Operating loss before working capital changes	(262)	(363)
Increase in inventories	(218)	(34)
Decrease in contract assets	-	-
Decrease / (Increase) in trade and other receivables	(271)	115
Increase / (Decrease) in trade and other payables	435	(162)
Cash generated from / (used in) operations	(316)	(444)
Interest received	-	12
Tax paid / (recovered)	-	(12)
Net cash generated from / (used in) operating activities	(316)	(444)
Net increase / (decrease) in cash and cash equivalents	(316)	(444)
Cash and cash equivalents as at 1 April	547	1,499
Cash and cash equivalents as at 30 June	231	1,055

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial report.

ARK RESOURCES HOLDINGS BERHAD (201701027024)(1241190-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The First Quarter Ended 30 June 2021

(The figures have not been audited)

	Share capital RM'000	Merger reserve RM'000	Reorganisation reserve RM'000	Accumulated losses RM'000	Total RM'000
Balance as of 1 April 2021	19,484	31,307	-	(37,720)	13,071
Issue of shares pursuant to private placement	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(270)	(270)
Balance as of 31 March 2021	<u>19,484</u>	<u>31,307</u>	<u>-</u>	<u>(37,990)</u>	<u>12,801</u>
Balance as of 1 April 2020	19,484	31,307	-	(36,133)	14,658
Issue of shares pursuant to internal reorganisation	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(1,587)	(1,587)
Balance as of 31 March 2021	<u>19,484</u>	<u>31,307</u>	<u>-</u>	<u>(37,720)</u>	<u>13,071</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Annual Financial Statements for the year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial report.

ARK RESOURCES HOLDINGS BERHAD (201701027024)(1241190-V)
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For The Financial Quarter Ended 30 June 2021

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021

PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2021.

A2. Changes in accounting policies

The accounting policies and methods of computation adopted by the Group in these financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 March 2021:

Amendments to MFRS 16	Covid-19-Related Rent Concessions
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendments to MFRS 16	Covid-19-Related Rent Concessions Beyond 30 June 2021.

The initial application of the above-mentioned amendments to MFRSs are not expected to have any significant impacts on the financial statements of the Group.

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

Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to MFRSs	Annual Improvements to MFRS Standards 2018-2020
Amendments to MFRSs 101 and 108	Definition of Material
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRSs 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Unaudited Interim Financial Report
For The Financial Quarter Ended 30 June 2021

The Group intends to adopt the above MFRSs/interpretation/amendments when they become effective. The initial application of the above-mentioned MFRSs/interpretation/amendments is not expected to have any significant impacts on the financial statements of the Group.

A3. Auditors' report on preceding annual financial statements

The auditors' report on the preceding annual financial statements of the Group for the financial year ended 31 March 2021 was not subject to any qualification.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter and financial year-to-date.

A5. Seasonal or cyclical factors

The business operations of the Group for the current financial quarter and financial year-to-date were not significantly affected by any seasonal or cyclical factors.

A6. Changes in estimates

There were no changes in estimates of the amounts reported that have a material effect on the financial results of the Group for the current financial quarter and financial year-to-date.

A7. Issuance, cancellations, repurchases, resale and repayment of debt and equity securities

There were no issuances, cancellations, repurchases, resale or repayment of debt and/or equity securities during the financial year-to-date.

A8. Dividends paid

No dividends have been paid during the current financial quarter.

A9. Revaluation of property, plant and equipment and investment properties

The property, plant and equipment and investment properties of the Group have not been revalued during the current financial quarter and financial year-to-date.

A10. Segmental information

Segmental information is presented in respect of the Group's business segments. The segmental information for the period ended 31 March 2021 is as follows:

ARK RESOURCES HOLDINGS BERHAD (201701027024)(1241190-V)
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For The Financial Quarter Ended 30 June 2021

	Property development RM'000	Construction RM'000	Investment holding RM'000	Group RM'000
Segment Revenue				
Total revenue		350	-	350
Segment Results				
Loss from operations	(151)	(52)	(66)	(269)
Finance costs	-	-	-	-
Loss before tax	(151)	(52)	(66)	(269)
Taxation	-	-	-	-
Loss after tax	(151)	(52)	(66)	(269)

A11. Contingent assets or contingent liabilities

There were no contingent assets or contingent liabilities as at the end of the current financial quarter.

A12. Changes in Group composition

There were no changes in the composition of the Group for the current financial quarter and financial year-to-date.

A13. Significant events subsequent to the balance sheet date

There were no significant events subsequent to the end of the current financial quarter that have not been reflected in the financial statements.

A14. Capital commitments

There were no material capital commitments as at the end of the current financial quarter.

ARK RESOURCES HOLDINGS BERHAD (201701027024)(1241190-V)
(Incorporated in Malaysia)

Unaudited Interim Financial Report
For The Financial Quarter Ended 30 June 2021

B ADDITIONAL INFORMATION PURSUANT TO APPENDIX 9B OF BURSA MALAYSIA'S LISTING REQUIREMENTS

B1. Review of the Group's performance for the current financial quarter ended 30 June 2021

	Individual Quarter			Cumulative Quarter		
	Current year	Preceding year	Changes	Current year	Preceding year	Changes
	Apr-Jun'21	Apr-Jun'20		Apr-Jun'21	Apr-Jun'21	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	350	327	7	350	327	7
Loss from operations	(269)	(373)	28	(269)	(373)	28
Loss before interest and tax	(269)	(373)	28	(269)	(373)	28
Loss before tax	(269)	(373)	28	(269)	(373)	28
Loss after tax	(269)	(73)	28	(269)	(373)	28
Loss attributable to ordinary equity holders of the parent	(269)	(373)	28	(269)	(373)	28

Performance of the current financial quarter and financial year-to-date

For the current financial quarter, the Group recorded operating revenue of RM0.35 million as compared to RM0.33 million in the preceding year corresponding period. Lower revenue was recorded for the current financial quarter mainly due to the escalation of COVID-19 pandemic, affected the overall progress of the planning and construction contracts carried out during the current financial quarter.

B2. Comparison of quarterly results with the immediate preceding quarter

	Current quarter	Immediate preceding quarter	Changes	Changes
	Apr-Jun'21	Jan-Mar'21		
	RM'000	RM'000		
Revenue	350	109	241	221
Loss from operations	(269)	(551)	282	51
Loss before interest and tax	(269)	(551)	282	51
Loss before tax	(269)	(551)	282	51
Loss after tax	(269)	(621)	352	57
Loss attributable to ordinary equity holders of the parent	(269)	(621)	352	57

Compared to the immediate preceding quarter, the revenue has increased.

ARK RESOURCES HOLDINGS BERHAD (201701027024)(1241190-V)
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Unaudited Interim Financial Report
For The Financial Quarter Ended 30 June 2021

B3. Prospects

The Property market remained challenging with uncertainties caused by the continuing Covid-19 pandemic, barring any unforeseen circumstances, the Directors anticipates that the performance of the Group remain challenging for the financial year ending 31 March 2022.

B4. Loss per share

Basic loss per share for the current financial quarter is RM0.0043 per share.

Diluted loss per share is not presented as there is no dilutive potential ordinary share outstanding during the period.

B5. Profit forecast / Profit guarantee

There was no profit forecast or profit guarantee in respect of the current financial year.

B6. Taxation

Individual Quarter Current year Apr-Jun'21 RM'000	Cumulative Quarter Current year Apr-Jun'21 RM'000
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Under provision of income tax expense in prior year

- -

No taxation has been provided for the current financial quarter and financial year-to-date as the Company and its subsidiaries were in a tax loss position.

B7. Borrowings and debt securities

The Group has no borrowings and debt securities as at the end of the current financial quarter.

B8. Unquoted investments / properties

There were no disposals of any unquoted securities or properties during the current financial quarter.

B9. Quoted securities

There were no purchases or disposals of any quoted securities during the current financial quarter.

B10. Status of corporate proposals announced

- (a) On 6 July 2021, it was announced that Bursa Malaysia Securities Berhad had approved the listing of and quotation for up to 6,327,500 Placement Shares to be issued pursuant to the Proposed Private Placement on the Main Market of Bursa Securities.

ARK RESOURCES HOLDINGS BERHAD (201701027024)(1241190-V)
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Unaudited Interim Financial Report
For The Financial Quarter Ended 30 June 2021

- (b) The final copy of the bylaws of the ESOS has been submitted to Bursa Malaysia on 25 February 2019. Accordingly, the effective date of implementation of the ESOS shall be 25 February 2019.

B11. Material litigations

There were no material litigations during the current financial quarter.

B12. Dividend

No interim or final dividend has been declared or recommended.

B13. Authorisation for issue

This interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 8th September 2021.

BY ORDER OF THE BOARD

CHEW SIEW CHENG (MAICSA 7019191)
LIM CHOO TAN (LS 0008888)
Company Secretaries
Penang

Date: 8th September 2021