

Alliance Islamic Bank Berhad (“AIS”), being the Sponsor, was responsible for the admission of WTEC Group Berhad to the Official List of the ACE Market of Bursa Malaysia Securities Berhad on 29 April 2025. Notwithstanding this, AIS assumes no responsibility for the contents of this announcement.

WTEC GROUP BERHAD (“WTEC GROUP” OR “THE COMPANY”)

VARIATION AND EXTENSION OF TIMEFRAME FOR THE USE OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING OF WTEC GROUP (“VARIATION AND EXTENSION OF TIMEFRAME”)

1. INTRODUCTION

The Board of Directors of WTEC Group (“**Board**”) wishes to announce that it has resolved to approve the variation and extension of timeframe for the use of proceeds raised from the initial public offering (“**IPO**”) in conjunction with the listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Variation and Extension of Timeframe**”).

Further details of the Variation and Extension of Timeframe are set out in the ensuing sections of this announcement.

2. DETAILS OF THE VARIATION AND EXTENSION OF TIMEFRAME

Reference is made to the use of proceeds raised from the public issue as disclosed in the Company’s prospectus dated 9 April 2025 issued in conjunction with the IPO (“**IPO Prospectus**”). The Company was listed on the ACE Market of Bursa Securities on 29 April 2025, and has raised a total gross proceeds of RM22.54 million from its IPO (“**IPO Proceeds**”).

As at 31 March 2026, being the latest practicable date prior to the date of this announcement (“**LPD**”), the Company has utilised RM9.68 million of the IPO Proceeds whilst the remaining balance which is unutilised is RM12.87 million.

After due consideration of the rationale stated in Section 3 of this announcement, the Board has resolved to vary and extend the time for the use of IPO Proceeds as follows:

- (a) to vary the use of the IPO Proceeds amounting to RM2.00 million, representing approximately 8.87% of the total IPO proceeds, from the unutilised proceeds originally earmarked for the renovation of the Company’s new manufacturing facility to be established (“**New Factory**”) to fund the acquisition of the New Factory; and
- (b) to extend the timeframe for utilisation of the unutilised balance of the IPO Proceeds amounting to RM0.87 million allocated for the sales and marketing expenses and RM0.17 million allocated for the working capital, respectively, by an additional 12 months from 28 April 2026 to 28 April 2027.

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2. DETAILS OF THE VARIATION AND EXTENSION OF TIMEFRAME

The details of the Variation and Extension of Timeframe for the use of the IPO Proceeds are as follows:

No.	Purposes	Original use of proceeds ⁽¹⁾ RM'000	Actual use of proceeds as at the LPD RM'000	Balance of proceeds as at the LPD	Variation RM'000	Revised use of proceeds after the Variation RM'000	Original timeframe for the use of proceeds (from the listing date)	Revised timeframe for the use of proceeds (from the date of this announcement)
1.	Purchase and renovation of New Factory:	9,425	-	9,425	-	9,425	Within 24 months	No change
	1.1 Acquisition of the New Factory	7,425	-	7,425	2,000 ⁽²⁾	9,425	-	-
	1.2 Renovation of the New Factory	2,000	-	2,000	(2,000) ⁽²⁾	-	-	-
2.	Purchase of new machinery and equipment	3,000	595	2,405	-	2,405	Within 24 months	No change
3.	Sales and marketing expenses	1,000	134	866	-	866	Within 12 months	Within 12 months
4.	Working capital	5,117	4,946	171	-	171	Within 12 months	Within 12 months
5.	Estimated listing expenses	4,000	4,000	-	-	-	Within 3 months	Fully utilised
	Total	22,542	9,675	12,867	-	12,867		

Notes:

(1) As disclosed in the Company's IPO Prospectus.

(2) The IPO Proceeds of RM2.00 million allocated for the renovation of the New Factory will be reallocated to fund the acquisition of the New Factory.

3. RATIONALE FOR THE VARIATION AND EXTENSION OF TIMEFRAME

The Company had on 17 April 2026 entered into a Letter of Offer with a vendor to purchase a detached factory with office to facilitate its expansion plan (“**Proposed Acquisition**”). As stated in the IPO Prospectus, the Company plans to consolidate some of the existing manufacturing operations currently carried out at 4 different facilities into a new factory in order to achieve greater operational efficiency and more effective management of its manufacturing operations.

After due consideration of the Company’s current operational requirements, the Board is of the view that the Variation to fund the Proposed Acquisition is more prudent and beneficial to the Company at this juncture. The renovation works for the New Factory can be undertaken progressively and, if required, will be funded through internally generated funds at a later stage.

Additionally, the Board believes that the Extension of Timeframe will provide the Company with greater flexibility to better align with the prevailing market conditions to implement its sales and marketing strategies, as well as to utilise the working capital more effectively, without compromising the Company’s financial discipline and cost management.

4. EFFECTS OF THE VARIATION AND EXTENSION OF TIMEFRAME

The Board is of the opinion that the Variation and Extension of Timeframe will not have any adverse effect on the issued share capital, substantial shareholders’ shareholdings, net assets, gearing and earnings per share of the Company for the financial year ending 31 December 2026.

5. APPROVALS REQUIRED

The Variation and Extension of Timeframe is not subject to the approval from Bursa Securities or shareholders of the Company pursuant to Rule 8.24 of the ACE Market Listing Requirements of Bursa Securities as the amount of the Variation is less than 25% of the total IPO Proceeds. Nevertheless, the Board shall continue to be vigilant and prudent in managing the IPO Proceeds and will continue to disclose the status of the utilisation of IPO Proceeds in the Company’s quarterly results and annual reports until the IPO Proceeds are fully utilised.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED WITH THEM

None of the Directors, major shareholders and/or chief executive of the Company and/or persons connected with them has any interest, whether direct or indirect, in the Variation and Extension of Timeframe.

7. DIRECTORS’ STATEMENT

The Board, after taking into consideration all aspects of the Variation and Extension of Timeframe, including its rationale and effects, is of the opinion that the Variation and Extension of Timeframe is in the best interest of the Company.

This announcement is dated 28 April 2026.