WTEC GROUP BERHAD

(Registration No. 202401017425 (1563275-K))
(Incorporated in Malaysia under the Companies Act 2016)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2026

Alliance Islamic Bank Berhad ("**AIS**"), being the Sponsor, was responsible for the admission of WTEC Group Berhad to the ACE Market of Bursa Malaysia Securities Berhad on 29 April 2025. AIS assumes no responsibility for the contents of this unaudited interim consolidated financial report ("interim financial report") for the Second quarter ended 30 June 2026.

WTEC GROUP BERHAD

(Registration No: 202401017425 (1563275-K))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME [1]

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT QUARTER 30.6.2026 Unaudited RM'000	PRECEDING CORRESPONDING QUARTER 30.6.2025 Unaudited RM'000	CURRENT YEAR-TO-DATE 30.6.2026 Unaudited RM'000	PRECEDING YEAR-TO-DATE 30.6.2025 Unaudited RM'000
Revenue	14,350	13,251	25,117	24,414
Cost of sales	(8,577)	(8,896)	(15,868)	(16,432)
Gross profit ("GP")	**5,773**	**4,355**	**9,249**	**7,982**
Other income	329	224	588	354
Selling and distribution expenses	(1,010)	(942)	(1,983)	(1,807)
Administrative expenses	(1,489)	(2,712)	(2,866)	(4,070)
Share of profits of equity accounted associate	4	4	12	13
Profit from operations	**3,607**	**929**	**5,000**	**2,472**
Finance costs	(19)	(39)	(43)	(74)
Profit before taxation ("PBT")	**3,588**	**890**	**4,957**	**2,398**
Income tax expense	(929)	(559)	(1,252)	(924)
Profit after taxation ("PAT")	**2,659**	**331**	**3,705**	**1,474**
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial periods	**2,659**	**331**	**3,705**	**1,474**
Total comprehensive income for the financial periods attributable to:				
Owners of the Company	2,659	331	3,705	1,474
Basic and diluted earnings per share (sen) [2] [3]	0.55	0.07	0.77	0.35

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (1) (CONT'D)

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income are disclosed in Note A1 and should be read in conjunction with the Audited Financial Statements of WTEC Group Berhad ("**WTEC Group**" or the "**Company**") and its subsidiaries (the "**Group**") for the financial year ended ("**FYE**") 31 December 2025 and the accompanying explanatory notes attached in the interim financial report.

(2) Computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares ("**Shares**") in issue as at the end of the financial period, as disclosed in Note B11.

(3) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

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WTEC GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION [1]

	UNAUDITED 30.6.2026 RM'000	AUDITED 31.12.2025 RM'000
ASSETS		
Non-current assets		
Property, plant, and equipment	27,365	16,950
Right-of-use assets	625	998
Investment properties	1,874	1,899
Investment in an associate	916	904
Intangible asset	3	3
	30,783	**20,754**
Current assets		
Inventories	5,206	4,666
Trade receivables	10,294	9,047
Other receivables, deposits and prepayments	1,211	1,153
Fixed deposits with licensed banks	3,716	3,699
Short-term investments	5,856	18,358
Cash and bank balances	11,661	9,832
Current tax assets	-	492
	37,944	**47,247**
TOTAL ASSETS	**68,727**	**68,001**
EQUITY AND LIABILITIES		
EQUITY		
Share capital	50,585	50,585
Merger deficit	(28,237)	(28,237)
Retained profits	37,889	36,584
TOTAL EQUITY	**60,237**	**58,932**
LIABILITIES		
Non-current liabilities		
Loans and borrowings	283	392
Lease liabilities	123	329
Deferred tax liabilities	976	976
	1,382	**1,697**
Current liabilities		
Trade payables	2,328	2,435
Other payables and accruals	3,674	3,640
Loans and borrowings	359	554
Lease liabilities	528	697
Current tax liabilities	219	46
	7,108	**7,372**
TOTAL LIABILITIES	**8,490**	**9,069**
TOTAL EQUITY AND LIABILITIES	**68,727**	**68,001**
Net assets per share (RM) [2]	0.13	0.12

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION [(1)] (CONT'D)

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Financial Position are disclosed in Note A1 and should be read in conjunction with the Audited Financial Statements of the Group for the FYE 31 December 2025 and the accompanying explanatory notes attached in the interim financial report.

(2) Computed based on total equity attributable to owners of the Company divided by the number of Shares of 480,000,000 units.

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WTEC GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY [(1)]

	SHARE CAPITAL RM'000	INVESTED CAPITAL RM'000	MERGER DEFICIT RM'000	RETAINED PROFITS RM'000	TOTAL EQUITY RM'000
Balance at 1.1.2025 (Audited)	1	1,000	-	31,999	33,000
Total comprehensive income for the financial year	-	-	-	4,585	4,585
- Issuance of new Shares for the acquisition of a subsidiary	29,237	(1,000)	(28,237)	-	-
- Issuance of new Shares for public issue	22,542	-	-	-	22,542
- Share issuance expenses	(1,195)	-	-	-	(1,195)
Total contributions by and distributions to owners	50,584	(1,000)	(28,237)	-	21,347
Balance at 31.12.2025 / 1.1.2026 (Audited)	50,585	-	(28,237)	36,584	58,932
Total comprehensive income for the financial period	-	-	-	3,705	3,705
Distribution to owners: - Dividend paid	-	-	-	(2,400)	(2,400)
Balance at 30.6.2026 (Unaudited)	**50,585**	**-**	**(28,237)**	**37,889**	**60,237**

Note:

(1) The basis of preparation of Unaudited Condensed Consolidated Statements of Changes in Equity are disclosed in Note A1 and should be read in conjunction with the Audited Financial Statements of the Group for the FYE 31 December 2025 and the accompanying explanatory notes attached in the interim financial report.

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WTEC GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS [(1)]

	CURRENT YEAR-TO-DATE 30.6.2026 Unaudited RM'000	PRECEDING YEAR-TO-DATE 30.6.2025 Unaudited RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
PBT	4,957	2,398
Adjustments for:		
Amortisation of intangible asset	*	*
Depreciation of property, plant and equipment ("**PPE**")	678	690
Depreciation of right-of-use ("**ROU**") assets	373	365
Depreciation of investment properties ("**IP**")	25	25
Fair value gain on short-term investments	(1)	-
Gain on disposal of PPE	-	(22)
Gain on reassessment of lease	-	(1)
Interest expense	41	70
Unrealised (gain)/loss on foreign exchange	(81)	51
Share of profits of equity accounted associate	(12)	(13)
Dividend income from short-term investments	(233)	-
Interest income	(220)	(219)
Operating profit before working capital changes	5,527	3,344
Changes in working capital:		
Inventories	(540)	391
Trade and other receivables	(1,223)	813
Trade and other payables	(73)	29
Cash from operations	3,691	4,577
Income tax paid	(1,012)	(1,185)
Income tax refunded	425	-
Net cash generated from operating activities	**3,104**	**3,392**
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition of intangible asset	-	(3)
Dividend income from short-term investments	233	-
Interest income received	220	219
Proceed from disposal of PPE	-	40
Proceed from disposal of short-term investments	12,503	-
Purchase of PPE	(11,175)	(94)
Net cash generated from investing activities	**1,781**	**162**

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WTEC GROUP BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS [1] (CONT'D)

	CURRENT YEAR-TO-DATE 30.6.2026 Unaudited RM'000	PRECEDING YEAR-TO-DATE 30.6.2025 Unaudited RM'000
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Additions to pledged fixed deposit	(17)	(15)
Dividend paid	(2,400)	-
Interest paid	(41)	(70)
Payment of share issue expenses	-	(1,195)
Proceeds from issuance of Shares	-	22,542
Repayment of banker's acceptance	-	(400)
Repayment of hire purchase payables	(95)	(75)
Repayment of lease liabilities	(375)	(359)
Repayment of term loans	(209)	(466)
Net cash (used in)/generated from financing activities	**(3,137)**	**19,962**
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,748	23,516
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	81	(51)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	9,832	6,346
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	**11,661**	**29,811**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD COMPRISES:		
Cash and bank balances	11,661	27,811
Fixed deposits with licensed banks	3,716	2,714
	15,377	30,525
Less: Fixed deposit pledged with a licensed bank	(716)	(714)
Less: Fixed deposit with tenure more than 3 months	(3,000)	-
	11,661	29,811

Notes:

(1) The basis of preparation of the Unaudited Condensed Consolidated Statements of Cash Flows are disclosed in Note A1 and should be read in conjunction with the Audited Financial Statements of the Group for the FYE 31 December 2025 and the accompanying explanatory notes attached in the interim financial report.

* Amount is less than RM1,000.

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRSs") 134 INTERIM FINANCIAL REPORTING

A1 Basis of preparation

The interim financial statement of WTEC Group Berhad ("**WTEC Group**" or the "**Company**") and its subsidiaries (the "**Group**") are unaudited and have been prepared in accordance with the requirements of the MFRS 134 "Interim Financial Reporting" issued by Malaysian Accounting Standards Board ("**MASB**") and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**").

This interim financial report should be read in conjunction with the Audited Financial Statements of the Group for the FYE 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

A2 Significant Accounting Policies

The significant accounting policies and presentation adopted by the Group in this interim financial report are consistent with those adopted in the Group's Audited Financial Statements for the FYE 31 December 2025, save for the followings:

(i) During the current financial period, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

MFRSs and/or IC Interpretations (Including the Consequential Amendments)
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments

Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity

Annual Improvements to MFRS Accounting Standards – Volume 11

(ii) The Group have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the MASB but are not yet effective for the current financial period:

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	**Effective Date**
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	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
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

A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A2 Significant Accounting Policies (Cont'd)

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and their accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group has yet to be assessed.

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A3 Auditors' report on preceding annual financial statements

The Audited Financial Statements of the Group for the FYE 31 December 2025 were not subject to any qualification.

A4 Seasonal and cyclical factors

The Group's business operations do not experience any material seasonality effects in the business as the demand for the product and services are not subject to seasonal fluctuations.

A5 Unusual items affecting assets, liabilities, equity, net income or cash flows.

There were no items or events that arose, which affected the assets, liabilities, equity, net income or cash flows of the Group, that are unusual by reason of their nature, size or incidence for the financial quarter under review.

A6 Material changes in estimates

There were no material changes in estimates which have a material effect on the results for the financial quarter under review.

A7 Debt and equity securities

There were no other issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial quarter under review.

A8 Dividend paid

There was no dividend paid during the current financial quarter under review.

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A9 Segment information

The segmental reporting of the Group's result is as follows:

BUSINESS SEGMENT	Manufacturing of foam products RM'000	Manufacturing of non-foam products RM'000	Trading RM'000	Total RM'000
Current quarter 30.6.2026				
Revenue				
Total revenue	11,040	2,046	2,172	15,258
Internal-segment revenue	(850)	(58)	-	(908)
Revenue from external customer	10,190	1,988	2,172	14,350
Segment profit	4,519	1,016	238	5,773
Other income				329
Selling and distribution expenses				(1,010)
Administrative expenses				(1,489)
Finance costs				(19)
Share of profits of equity accounted associate				4
Income tax expense				(929)
Profit for the financial period				2,659
Current year-to-date 30.6.2026				
Revenue				
Total revenue	19,744	3,381	3,940	27,065
Internal-segment revenue	(1,873)	(74)	(1)	(1,948)
Revenue from external customer	17,871	3,307	3,939	25,117
Segment profit	7,261	1,639	349	9,249
Other income				588
Selling and distribution expenses				(1,983)
Administrative expenses				(2,866)
Finance costs				(43)
Share of profits of equity accounted associate				12
Income tax expense				(1,252)
Profit for the financial period				3,705

A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A9 Segment information (Cont'd)

The segmental reporting of the Group's result is as follows: (Cont'd)

BUSINESS SEGMENT	Manufacturing of foam products RM'000	Manufacturing of non-foam products RM'000	Trading RM'000	Total RM'000
Preceding corresponding quarter 30.6.2025				
Revenue				
Total revenue	9,377	2,366	2,945	14,688
Internal-segment revenue	(1,381)	(56)	-	(1,437)
Revenue from external customer	7,996	2,310	2,945	13,251
Segment profit	2,943	1,159	253	4,355
Other income				224
Selling and distribution expenses				(942)
Administrative expenses				(2,712)
Finance costs				(39)
Share of profits of equity accounted associate				4
Income tax expense				(559)
Profit for the financial period				331
Preceding year-to-date 30.6.2025				
Revenue				
Total revenue	18,303	4,492	4,094	26,889
Internal-segment revenue	(2,412)	(63)	-	(2,475)
Revenue from external customer	15,891	4,429	4,094	24,414
Segment profit	5,497	2,133	352	7,982
Other income				354
Selling and distribution expenses				(1,807)
Administrative expenses				(4,070)
Finance costs				(74)
Share of profits of equity accounted associate				13
Income tax expense				(924)
Profit for the financial period				1,474

A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A10 Valuation of property, plant and equipment

There was no valuation of property, plant and equipment, and investment properties undertaken during the financial quarter under review.

A11 Significant events subsequent to the end of the interim financial period

Save as disclosed in Note B6, there were no other significant events subsequent to the end of the current financial quarter under review.

A12 Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter under review.

A13 Gain or losses arising from financial instruments

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	CURRENT QUARTER 30.6.2026 Unaudited RM'000	PRECEDING CORRESPONDING QUARTER 30.6.2025 Unaudited RM'000	CURRENT YEAR-TO-DATE 30.6.2026 Unaudited RM'000	PRECEDING YEAR-TO-DATE 30.6.2025 Unaudited RM'000
Fair value gain on short-term investments	-	-	1	-

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING (CONT'D)

A14 Capital commitments

	INDIVIDUAL QUARTER	
	CURRENT QUARTER 30.6.2026 Unaudited RM'000	PRECEDING CORRESPONDING QUARTER 30.6.2025 Unaudited RM'000
Purchase of a two-storey detached factory[(1)]	-	15,680
Purchase of PPE	454	-
Total	454	15,680

Note:

(1) On 29 August 2025, the Group issued a notice of termination for the acquisition of the factory.

A15 Contingent assets and contingent liabilities

There were no contingent assets or contingent liabilities as at the end of the financial quarter under review

A16 Significant related party transactions

The related party transactions of the Group have been entered into in the normal course of business. Listed below are the significant transactions with related parties of the Group during the current financial quarter under review:

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	CURRENT QUARTER 30.6.2026 Unaudited RM'000	PRECEDING CORRESPONDING QUARTER 30.6.2025 Unaudited RM'000	CURRENT YEAR-TO-DATE 30.6.2026 Unaudited RM'000	PRECEDING YEAR-TO-DATE 30.6.2025 Unaudited RM'000
Transactions with related companies				
Sales of goods	8	1	10	12
Purchase of goods	2,651	1,768	4,474	3,688
Lease expenses	6	6	12	12
Upkeep expenses	15	6	15	14
Printing and stationery expenses	7	-	17	7
Purchase of PPE	3	6	3	6

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS

B1 Review of performance

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	CURRENT QUARTER 30.6.2026 Unaudited RM'000	PRECEDING CORRESPONDING QUARTER 30.6.2025 Unaudited RM'000	CURRENT YEAR-TO-DATE 30.6.2026 Unaudited RM'000	PRECEDING YEAR-TO-DATE 30.6.2025 Unaudited RM'000
Revenue	14,350	13,251	25,117	24,414
GP	5,773	4,355	9,249	7,982
PBT	3,588	890	4,957	2,398
PAT	2,659	331	3,705	1,474

(a) Comparison of the current financial quarter ended 30 June 2026 ("**Q2 2026**") with preceding corresponding quarter ended 30 June 2025 ("**Q2 2025**")

For the Q2 2026, the Group recorded revenue of RM 14.35 million representing an increase of 8.29% as compared to RM13.25 million recorded in Q2 2025. The increase was mainly attributed to the higher order volumes and new orders secured for the manufacturing of foam products.

This increase in the manufacturing of foam products was partly offset by the decrease in the manufacturing of non-foam products and trading activity, which was mainly due to lower order volumes from customers in the automotive and electronic and electrical ("**E&E**") industries, respectively.

The Group registered a GP of RM 5.77 million in Q2 2026 and the GP margin improved to 40.23% as compare to 32.87% in Q2 2025. The improvement in both GP and GP margin was mainly attributable to a higher GP contribution from the manufacturing activity, which is of higher margin as compared to the trading activity, coupled with disciplined cost management, efficient sourcing, operational efficiency and a continued emphasis on higher-value customised solutions.

Consequently, the Group's PBT and PAT increased by RM 2.70 million and RM2.33 million, or 303.15% and 703.32%, to RM3.59 million and RM2.66 million respectively. Further, the absent of the one-off listing expenses of RM1.27 million incurred in Q2 2025 contributed to the increase in PBT and PAT in Q2 2026.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B1 Review of performance (Cont'd)

(b) Comparison of current year-to-date ended 30 June 2026 ("**FPE 2026**") with preceding year-to-date ended 30 June 2025 ("**FPE 2025**")

For the FPE 2026, the Group recorded revenue of RM 25.12 million representing an increase of 2.88% as compared to RM24.41 million recorded in FPE 2025. The increase was mainly attributed to the higher order volumes and new orders secured for the manufacturing of foam products.

This increase in the manufacturing of foam products was partly offset by the decrease in the manufacturing of non-foam products, which was mainly due to lower order volumes from customers in the automotive industry.

The Group registered a GP of RM 9.25 million in FPE 2026 and the GP margin improved to 36.82% as compared to 32.69% in FPE 2025. The improvement in both GP and GP margin was mainly attributable to a higher GP contribution from the manufacturing activity, which is of higher margin as compared to the trading activity, coupled with disciplined cost management, efficient sourcing, operational efficiency and a continued emphasis on higher-value customised solutions.

Consequently, the PBT and PAT increased by RM 2.56 million and RM2.24 million, or 106.71% and 151.36%, to RM4.96 million and RM3.71 million respectively. Further, the absent of the one-off listing expenses of RM1.42 million incurred in FPE 2025 contributed to the increase in PBT and PAT in FPE 2026.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B2 Comparison with immediate preceding quarter's results

	INDIVIDUAL QUARTER			
	CURRENT QUARTER 30.6.2026 Unaudited RM'000	PRECEDING QUARTER 31.3.2026 Unaudited RM'000	Changes RM'000	%
Revenue	14,350	10,767	3,583	33.28
GP	5,773	3,476	2,297	66.08
PBT	3,588	1,369	2,219	162.09
PAT	2,659	1,046	1,613	154.21

The Group recorded revenue of RM14.35 million in Q2 2026, as compared to RM10.77 million in preceding financial quarter ended 31 March 2026 ("**Q1 2026**"). The increase was mainly attributed to the increase in order volumes and new orders secured for the manufacturing of foam products.

The Group registered a GP of RM 5.77 million in Q2 2026, as compared to RM3.48 million in Q1 2026, the GP margin improved to 40.23 (Q1 2026: 32.28%). The improvement in both GP and GP margin was mainly attributable to a higher GP contribution from the manufacturing activity, which is of higher margin as compared to the trading activity, coupled with disciplined cost management, efficient sourcing, operational efficiency and a continued emphasis of higher-value customised solutions.

Consequently, the PBT and PAT increased by RM 2.22 million and RM1.61 million, or 162.09% and 154.21% to RM3.59 million and RM2.66 million respectively.

The Group remains in a strong financial position with consistent profitability, demonstrating the resilience of its business model.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B3 Prospects

According to Economic, Monetary and Financial Developments in second quarter of 2026 issued by Bank Negara Malaysia, Malaysia real Gross Domestic Product ("**GDP**") expanded by 6.00% in the second quarter of 2026, with the manufacturing sector growing by 7.30% supported by export-oriented clusters.

Under New Industrial Master Plan 2030, the automotive sector's total industry volume is projected to reach 1.22 million units by 2030, driven by the growing demand of electric vehicles amid a shift in consumer preferences towards environmentally friendly transportation. Growth is also expected in the after sales market, particularly in the expansion of the market for spare parts, repairs and maintenance services.

Similarly, the E&E industry is poised for continued expansion under the 13th Malaysia Plan. Based on Malaysia's Trade Performance January-June 2026 issued by the Malaysia External Trade Development Corporation, the E&E sector recorded RM467.95 billion in export revenue as at 30 June 2026, a 42.50% increase compared to January-June 2025.

These favourable industry developments present opportunities for the Group's foam and non-woven fabric products in automotive interiors, electronic insulation, and emerging segments such as construction, medical devices and personal protective equipment.

Leveraging its strengths in quality and innovation amid supportive industry conditions, the Board of Directors of the Company ("**Board**") remains confident in the Group's outlook and expects continued growth in revenue and earnings. As the Group enters its first full financial year post-listing, management is focused on translating its strengthened capital position into scalable and margin-accretive growth. With a robust balance sheet and stable operational foundation, the Group is well-positioned to capitalise on opportunities across its core industrial segments. Barring unforeseen circumstances, the Board expects the Group's performance for FY2026 to remain encouraging.

B4 Profit forecast

The Group did not issue any profit forecast or guarantee during current financial quarter under review.

B5 Taxation

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	CURRENT QUARTER 30.6.2026 Unaudited RM'000	PRECEDING CORRESPONDING QUARTER 30.6.2025 Unaudited RM'000	CURRENT YEAR-TO-DATE 30.6.2026 Unaudited RM'000	PRECEDING YEAR-TO-DATE 30.6.2025 Unaudited RM'000
In respect of the current period:-				
Income tax expense	929	559	1,252	924
Total	929	559	1,252	924
Effective tax rate (%)	25.89%[(1)]	62.81%	25.26%[(1)]	38.53%

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B5 Taxation (Cont'd)

(1) The effective tax rate for the current financial quarter and current year-to-date was slightly higher than the Malaysia statutory tax rate of 24.00% mainly due to higher non-deductible expenses related to depreciation.

B6 Status of corporate proposals

(i) On 17 April 2026, the Company had announced that WTEC Sdn. Bhd. ("**WTEC**"), a wholly-owned subsidiary of the Company had, on the even date, entered into a letter of offer with Athens Park Machineries Sdn. Bhd. ("**APMSB**") for a proposed acquisition of an industrial building held under HSD 116275, PT28724, Mukim Semenyih, Daerah Ulu Langat, Negeri Selangor Darul Ehsan bearing postal address at No. 13, Jalan 6/9, Seksyen 6, Bandar Rinching, Mukim Semenyih, Daerah Hulu Langat, 43500, Selangor Darul Ehsan ("**Property**") for a total purchase consideration of RM10.80 million ("**Purchase Consideration**") ("**Proposed Acquisition**").

Subsequently, on 14 May 2026, the Company had announced that WTEC had entered into a sale and purchase agreement ("**SPA**") with APMSB for the Proposed Acquisition.

The Proposed Acquisition was completed on 3 July 2026 in accordance with the terms of the SPA, following the payment of the balance Purchase Consideration to APMSB's solicitors.

(ii) On 17 August 2026, the Company had announced that WTEC, a wholly-owned subsidiary of the Company had, on the even date, entered into a SPA with Hartanah Lotus Sdn Bhd ("**Hartanah Lotus**") for the proposed acquisition of one (1) unit of two (2) storey bungalow factory which is currently under construction, for a total cash consideration of RM7,740,000 ("**Proposed Acquisition 2**").

Barring any unforeseen circumstances, the Proposed Acquisition 2 is expected to be completed by the third quarter of 2028.

Save for the Proposed Acquisition 2, there were no other corporate proposals announced but not yet completed as at the date of this interim financial report.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B7 Utilisation of proceeds raise from public issue

As of 30 June 2026, the gross proceeds from the public issue amounting to RM22,542,000 is intended to be utilised in the following manner:

Purpose	Proposed Utilisation RM'000	Proposed Utilisation %	Actual Utilisation RM'000	Balance Unutilised RM'000	Estimated Timeframe For Utilisation (From The Listing Date)
Purchase and renovation of new factory	9,425	41.81	9,425	-	Within 24 months
Purchase of new machinery and equipment	3,000	13.31	595	2,405	Within 24 months
Sales and marketing expenses	1,000	4.44	191	809	Within 24 months
Working capital	5,117	22.70	5,117	-	Within 24 months
Estimated listing expense	4,000	17.74	4,000	-	Within 3 months
	22,542	100.00	19,328	3,214	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus dated 9 April 2025 and the announcement in relation to the Variation and Extension of Timeframe dated 28 April 2026.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B8 Loans and borrowings

The Group's borrowings are as follows:

	Payable Within 12 Months RM'000	Payable After 12 Months RM'000	Total Outstanding RM'000
Bank borrowings			
Hire purchase payables	80	283	363
Term loans	279	-	279
	359	283	642

The bank borrowings and other facilities are secured by way of:

(a) Legal charges over a freehold land and building of a subsidiary; and
(b) Corporate guarantee by the Company.

The bank borrowings and other facilities are denoted in local currency.

B9 Material litigation

As at the date of this report, the Group is not engaged in any material litigation.

B10 Proposed dividend

There was no dividend that has been declared or recommended for payment by the Board during the financial period under review.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B11 Basic and diluted earnings per share

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	CURRENT QUARTER 30.6.2026 Unaudited RM'000	PRECEDING CORRESPONDING QUARTER 30.6.2025 Unaudited RM'000	CURRENT YEAR-TO-DATE 30.6.2026 Unaudited RM'000	PRECEDING YEAR-TO-DATE 30.6.2025 Unaudited RM'000
Net profit for the period attributable to ordinary equity holder of the Company (RM'000)	2,659	331	3,705	1,474
Weighted average number of Shares in issue ('000)	480,000	457,210	480,000	423,707
Basic and diluted earnings per share (sen) [(1) (2)]	0.55	0.07	0.77	0.35

Notes:

(1) Computed based on profit attributable to owners of the Company divided by the weighted average number of Shares in issue as at the end of the financial period.

(2) The diluted earnings per share of the Company is equivalent to the basic earnings per share as the Company does not have convertible options at the end of the reporting period.

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B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS (CONT'D)

B12 Notes to the statement of comprehensive income

	INDIVIDUAL QUARTER		CUMMULATIVE QUARTER	
	CURRENT QUARTER 30.6.2026 Unaudited RM'000	PRECEDING CORRESPONDING QUARTER 30.6.2025 Unaudited RM'000	CURRENT YEAR-TO-DATE 30.6.2026 Unaudited RM'000	PRECEDING YEAR-TO-DATE 30.6.2025 Unaudited RM'000
The following amounts have been included in arriving at PBT:-				
Amortisation of intangible assets	*	*	*	*
Finance costs	19	39	43	74
Depreciation of PPE	339	342	678	690
Depreciation of ROU assets	186	190	373	365
Depreciation of IP	12	13	25	25
Short-term lease	3	3	16	6
Unrealised loss on foreign exchange	28	32	-	51
and after crediting:-				
Dividend income from short-term investments	94	-	233	-
Fair value gain on short-term investments	-	-	1	-
Interest income	127	171	220	219
Lease income	26	26	52	51
Unrealised gain on foreign exchange	-	-	81	-

Note:

* Amount is less than RM1,000.

By Order of the Board

Date: 24 August 2026