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")

SALES FRAMEWORK AGREEMENT ENTERED INTO BETWEEN WTEC SDN. BHD. AND GUANGDONG SHIFENG NEW MATERIALS CO., LTD.

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1. INTRODUCTION

The Board of Directors of WTEC Group ("**Board**") wishes to announce that the Company, through its wholly-owned subsidiary, WTEC Sdn Bhd ("**WTEC**"), had on 30 December 2025, entered into a Sales Framework Agreement ("**SFA**") with GuangDong ShiFeng New Materials Co., Ltd., a wholly-owned subsidiary of Jiangsu ChengFeng New Materials Co., Ltd. (collectively referred to as "**Parties**") in relation to the purchase and supply of polyurethane foam.

2. BACKGROUND OF GUANGDONG SHIFENG NEW MATERIALS CO., LTD. ("GDSF")

GDSF is a company incorporated under the laws of the People's Republic of China, with its principal office located at No.1 General Road, Shiwan Town, Boluo County, Huizhou City, Guangdong Province, China.

GDSF is principally involved in manufacturing of polyurethane foams.

3. SALIENT TERMS OF THE SFA

The SFA includes the following salient points:

i. The SFA shall be effective from the 1 January 2026 to 31 December 2026 and shall be automatically extended for one (1) year unless either party raises an objection within one (1) month prior to the expiry date of the SFA.

ii. The name, specifications, price, quantity, delivery method and other relevant details of the products ordered by WTEC shall be governed exclusively in accordance with written documents mutually confirmed by both Parties, including but not limited to purchase orders.

iii. If the exact price is not expressly stated in the purchase order, the applicable prices shall be determined based on the quotation sheets mutually confirmed by both Parties.

iv. Delivery shall be made by GDSF in accordance with the purchase order mutually confirmed by both Parties. Risk of loss or damage to the goods shall pass to WTEC upon delivery of the goods to the designated vessel or first carrier, whichever later.

v. Payment shall be made within fourteen (14) days from the date of issuance of the bill of lading by the carrier, subject to the issuance of the relevant commercial documents and invoices.

vi. Either party may terminate the agreement by giving sixty (60) days' prior written notice. Obligations in respect of goods already manufactured or ordered prior to termination shall remain enforceable.

vii. Both parties are required to maintain confidentiality of technical, commercial and business information exchanged pursuant to the agreement. Intellectual property rights remain with the originating party.

viii. The SFA is governed by the laws of the People's Republic of China, and any disputes shall be first resolved through amicable consultation, failing which the matter shall be referred to the competent court at the domicile of the plaintiff.

4. RATIONALE OF THE SFA

The Board is of the view that the entering into of the SFA will enable the WTEC Group to supply and distribute jointly developed specialty technical polyurethane foam materials for automotive and electrical and electronic ("E&E") applications across the ASEAN region. This is expected to enhance the Group's product offerings by complementing its existing range of foam products and allowing the Group to expand further into specialised and higher-value market segments in which it already maintains a strong presence, particularly within the automotive, E&E and etc industries.

Premised on the foregoing, the Board believes that the SFA is expected to support the WTEC Group's business growth by facilitating market expansion, strengthening its competitive position in the industry, and reinforcing its capabilities as a manufacturer of foam products.

5. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors or Major Shareholders of WTEC Group or persons connected to the Directors or Major Shareholders of WTEC Group have interest, direct or indirect in the SFA.

6. FINANCIAL EFFECTS

The SFA is not expected to have any effect on the earnings per share, net assets per share and gearing of WTEC Group Berhad and its subsidiaries (collectively known as the "**Group**") for the financial year ending 31 December 2025. It will not have any effect on the share capital and substantial shareholders' shareholdings of the Company. However, it is expected to contribute positively to the future earnings of the Group during the duration of the SFA.

7. RISK FACTORS

The Company does not expect any material risks arising from the SFA other than the normal operational risks associated with the SFA. Nevertheless, the Company will take the necessary steps to mitigate the risks as and when they occur.

8. DIRECTORS' STATEMENT/RECOMMENDATION

After having considered all aspects of the SFA, the Board of Directors of WTEC Group is of the view that the SFA is in the best interests of the Company.

9. APPROVAL REQUIRED

The execution of the SFA is not subject to the approval of the shareholders of WTEC Group or any regulatory authority.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SFA is available for inspection during normal office hours at the registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 30 December 2025.