

**WELLSPIRE HOLDINGS BERHAD (“WELLSPIRE” OR “COMPANY”)
[REGISTRATION NO. 200701033565 (791593-D)]**

- EXTENSION OF TIME FOR THE UTILISATION OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING

(Unless otherwise defined in this announcement, all terms used herein shall have the same meaning as those defined in the Prospectus of Wellspire dated 27 December 2022)

1.0 INTRODUCTION

Reference is made to the Company’s initial public offering (“**IPO**”) prospectus dated 27 December 2022 (“**IPO Prospectus**”), that was issued in conjunction with the listing of and quotation for the Company’s entire issued share capital on the ACE Market of Bursa Malaysia Securities Berhad on 16 January 2023.

The Board of Directors of Wellspire (“**Board**”) wishes to announce that after due deliberation, the Board has resolved to extend the timeframe for utilisation of the proceeds from the IPO (“**IPO Proceeds**”) of RM5.96 million allocated for working capital for an additional 12 months up to 15 July 2024 (“**Extension of Time**”).

2.0 DETAILS OF THE EXTENSION OF TIME

As at the date of this announcement, the Company has yet to fully utilise the IPO Proceeds allocated for additional working capital which was intended to be utilised within six (6) months from the date of listing i.e., by 15 July 2023.

Details of the Extension of Time are set out in the table below:

Purpose of Utilisation	Approved utilisation of IPO Proceeds⁽¹⁾ RM’000	Actual utilisation of IPO Proceeds RM’000	Reallocation⁽²⁾ RM’000	Balance of IPO Proceeds RM’000	Approved timeframe for utilisation⁽¹⁾	Revised timeframe for utilisation
<u>Working Capital</u>						
• Purchase of inventories/ snack food	4,500	-	-	4,500	Within 6 months from Listing	Within 18 months from Listing
• General administrative expenses, staff cost, utilities and other operating expenditures such as upgrading of accounting system	1,458	(1,692)	912	678		
Total	5,958	(1,692)	912	5,178		

Notes:

- (1) *The approved utilisation of IPO Proceeds and approved time frame for utilisation should be read in conjunction with the IPO Prospectus.*
- (2) *The surplus of RM0.91 million from the estimated listing expenses was re-allocated to the general working capital requirements of the Group.*

3.0 RATIONALE FOR THE EXTENSION OF TIME

The Group intends to utilise the IPO Proceeds allocated for working capital for purchase of new snack food products and other expenses incidental to the distributorship. To this end, the Company is in the midst of undertaking an assessment of new snack food products which include whether the new snack food products fulfil Thailand's local regulatory compliance such as Food and Drug Administration (FDA) and product labelling. This would provide the Company with sufficient time before incurring such costs for purchase of inventories / snack food and other expenses incidental to the distributorship.

4.0 APPROVALS REQUIRED

The Extension of Time does not require the approval of Wellspire's shareholders or any regulatory authorities. Nevertheless, the Board shall continue to be vigilant and prudent in managing the IPO Proceeds and will continue to provide updates on the status of the utilisation of the IPO Proceeds in its quarterly reports and annual report(s) until the proceeds are fully utilised.

5.0 STATEMENT BY THE BOARD

The Board is of the opinion that the aforementioned Extension of Time will not have any adverse effect on the financial performance of the Company and is in the best interest of the Company.

This announcement is dated 28 August 2023.