

**WELLSPIRE HOLDINGS BERHAD (“WELLSPIRE” OR “COMPANY”)
[REGISTRATION NO. 202101026155 (1426455-A)]**

- 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 and the announcement dated 28 August 2023)

1.0 INTRODUCTION

Reference is made to the Company’s 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 and the announcement dated 28 August 2023.

On 28 August 2023, the Company announced that the Board resolved to extend the timeframe for utilisation of the IPO Proceeds of RM5.96 million allocated for working capital for an additional 12 months up to 15 July 2024.

As at 30 June 2024, the Company has remaining IPO Proceeds of RM18.94 million yet to be utilised. These proceeds were allocated for the abovementioned working capital and for the purpose of acquiring / constructing a warehouse and operational facility in Thailand. Pursuant thereto, the Board has deliberated and resolved to extend the timeframe for the utilisation of IPO Proceeds for a further 12 months up to 15 July 2025 (“**Extension of Time**”).

2.0 DETAILS OF THE EXTENSION OF TIME

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 as at 30 June 2024 RM’000	Reallocation⁽²⁾ RM’000	Balance of IPO Proceeds RM’000	Revised timeframe as announced on 28 August 2023	Extension of time for the utilisation
1. Working Capital					Within 18 months from Listing	Within 30 months from Listing
• Purchase of inventories/ snack food	4,500	(1,559)	-	2,941		
• General administrative expenses, staff cost, utilities and other operating expenditures such as upgrading of accounting system	1,458	(2,370)	912	-		

Purpose of Utilisation	Approved utilisation of IPO Proceeds ⁽¹⁾ RM'000	Actual utilisation of IPO Proceeds as at 30 June 2024 RM'000	Reallocation⁽²⁾ RM'000	Balance of IPO Proceeds RM'000	Revised timeframe as announced on 28 August 2023	Extension of time for the utilisation
2. Acquire/ construct a warehouse and operational facility in Thailand	16,000	-	-	16,000	No change	Within 30 months from Listing
Total	21,958	(3,929)	912	18,941		

Notes:

(1) The approved utilisation of IPO Proceeds 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. 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.

For the IPO Proceeds allocated for acquiring / constructing a warehouse and operational facility in Thailand, the Group requires additional time to identify a suitable warehouse and operational facility / land at the required size and price.

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 15 July 2024.