



*Engineering*

**WENTEL ENGINEERING HOLDINGS BERHAD**  
(Registration No. 202301007290 (1501211-T))



***Delivering Inspired Solutions***

ANNUAL REPORT 2025



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## SCAN QR



Wentel Engineering Holdings Berhad Annual Report 2025 can be accessed at <https://www.wenteleng.com> or by scanning the QR Code with your device.

## WHO WE ARE

# A Trusted Metal Fabricator and Assembler Delivering Comprehensive Manufacturing Solutions

Wentel Engineering Holdings Berhad (“Wentel” or “our Company”) is recognised as one of the key players in metal fabrication and assembly. Through our subsidiaries, we specialise in producing semifinished metal products, precision metal components, and assembling finished products.

Our journey began in 2000 with the establishment of Twin Shell Engineering Sdn. Bhd., which was rebranded as Wentel Engineering Sdn. Bhd. (“WESB”) in 2019. Initially focused on metal parts fabrication, we broadened our expertise to include semifinished metal products that same year. By 2005, we had further evolved to offer finished product assembly services.

### DRIVEN BY INNOVATION

Our competitive edge lies in our advanced production capabilities. Equipped with in-house Computer Numerical Control (“CNC”) machinery, cutting-edge equipment, and surface treatment facilities, we serve as a trusted partner to leading companies across multiple industries.

Our clientele includes manufacturers of security screening equipment, CNC machines, semiconductor manufacturing equipment, medical diagnostic equipment, and industrial 3D printers.

### DEDICATED TO SUSTAINABLE GROWTH

Today, all our operations are unified under Wentel, encompassing WESB—our Johor, Malaysia headquarters—and Wentel Engineering Pte Ltd (“WEPL”), our Singapore sales office. In line with our long-term vision, we proudly achieved our listing on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 6 February 2024, and we continue to reinforce our commitment to transparency and sustainable growth within the industry.



## VISION, MISSION & CORE VALUES



### OUR VISION

To be the leading and preferred provider for sheet metal and structural fabrication, distinguished by our in-house surface treatment and assembly capabilities.



### OUR MISSION

- Exceed customer expectations through excellent service and on-time deliveries.
- Ensure shareholder satisfaction by consistently achieving growth in sales and profitability.
- Prioritise employee satisfaction by cultivating a happy and fulfilling workplace.
- Stay ahead of the industry through continuous technological upgrade and innovation.



### CORE VALUES

**W**

#### WIN-WIN

Foster partnerships and collaborations that benefit all parties involved.

**E**

#### EXCELLENCE

Strive for excellence in everything we do, setting high standards for quality and performance.

**N**

#### NURTURING INNOVATION

Cultivate a culture of innovation and continuous improvement in all aspects of our business.

**T**

#### TRANSPARENCY

Uphold transparency in our operations, communication, and decision-making processes to instil confidence and assurance among our stakeholders.

**E**

#### ENVIRONMENTAL RESPONSIBILITY

Commit to environmentally responsible practices, minimising our ecological footprint.

**L**

#### LIFELONG-LEARNING

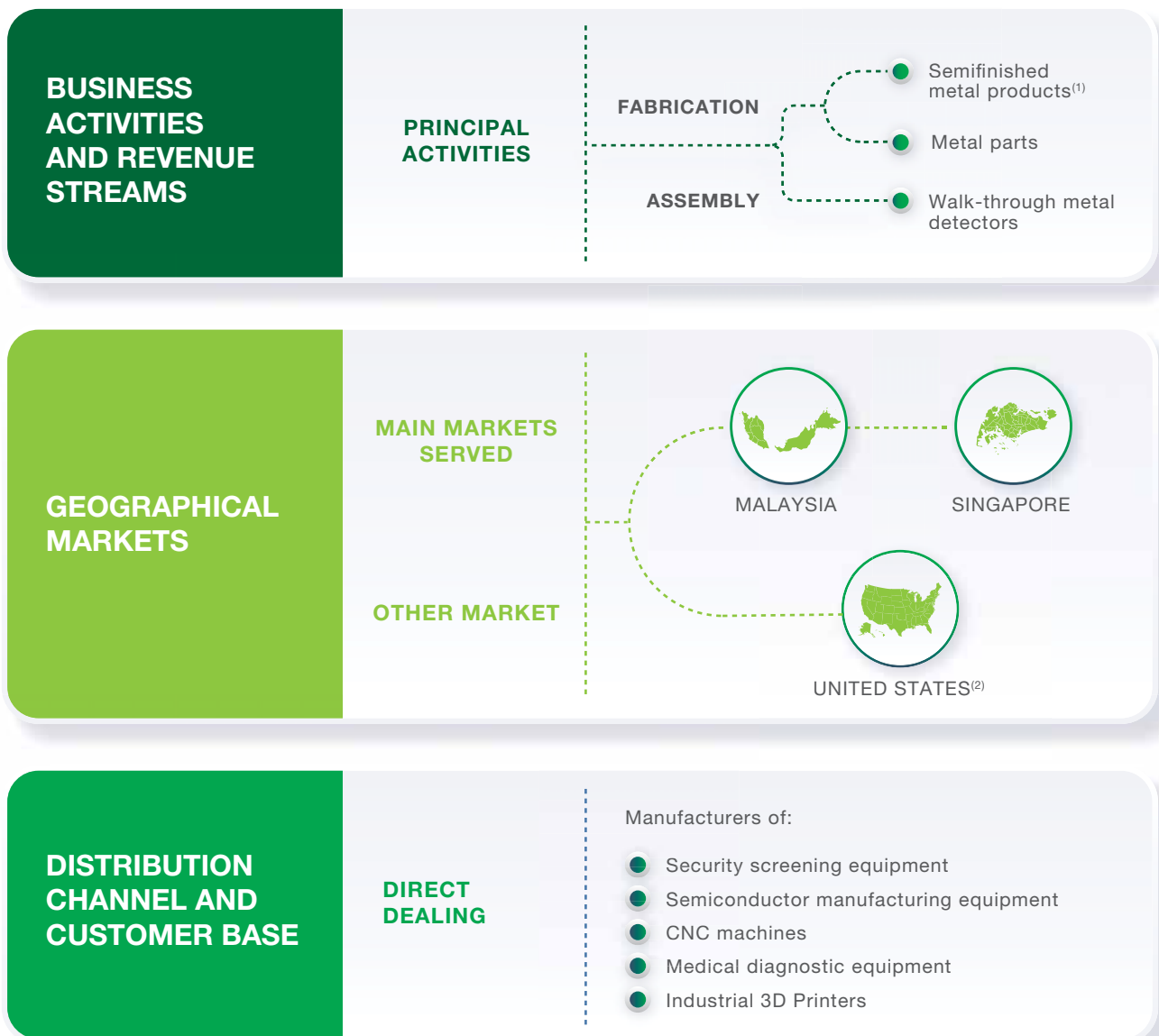
Encourage a culture of continuous learning and development, promoting personal and professional growth.



## BUSINESS MODEL

Our Company was incorporated in Malaysia under the Companies Act 2016 on 1 March 2023 as a private limited company under the name of Wentel Engineering Holdings Sdn Bhd. On 12 June 2023, our Company was converted into a public limited company and assumed our present name of Wentel Engineering Holdings Berhad.

We operate as an investment holding company, and through our subsidiaries, we are principally involved in the fabrication of semfinished metal products, fabrication of metal parts and assembly of finished products. The following diagram illustrates the principal activities carried out by our Company and subsidiaries (our "Group"):



### Notes:

- (1) Semifinished metal products comprise metal bodies and accessories.  
 (2) The United States accounted for 0.50%, 0.73% and 1.58% of our total revenue for the Financial Years Ended ("FYE") 2023, 2024 and 2025 respectively.

# ACCREDITATIONS

Wentel is certified with ISO 9001:2015 for Quality Management and ISO 14001:2015 for Environmental Management Systems. These internationally recognised standards underscore our commitment to consistently delivering high quality products while upholding responsible and sustainable environmental practices.

In addition to these certifications, we have also received various acknowledgements from our business partners in recognition of our strong collaboration, reliable performance, and meaningful contributions to their operations.



ISO 9001:2015 WESB Lot 11



ISO 9001:2015 WESB Lot 58

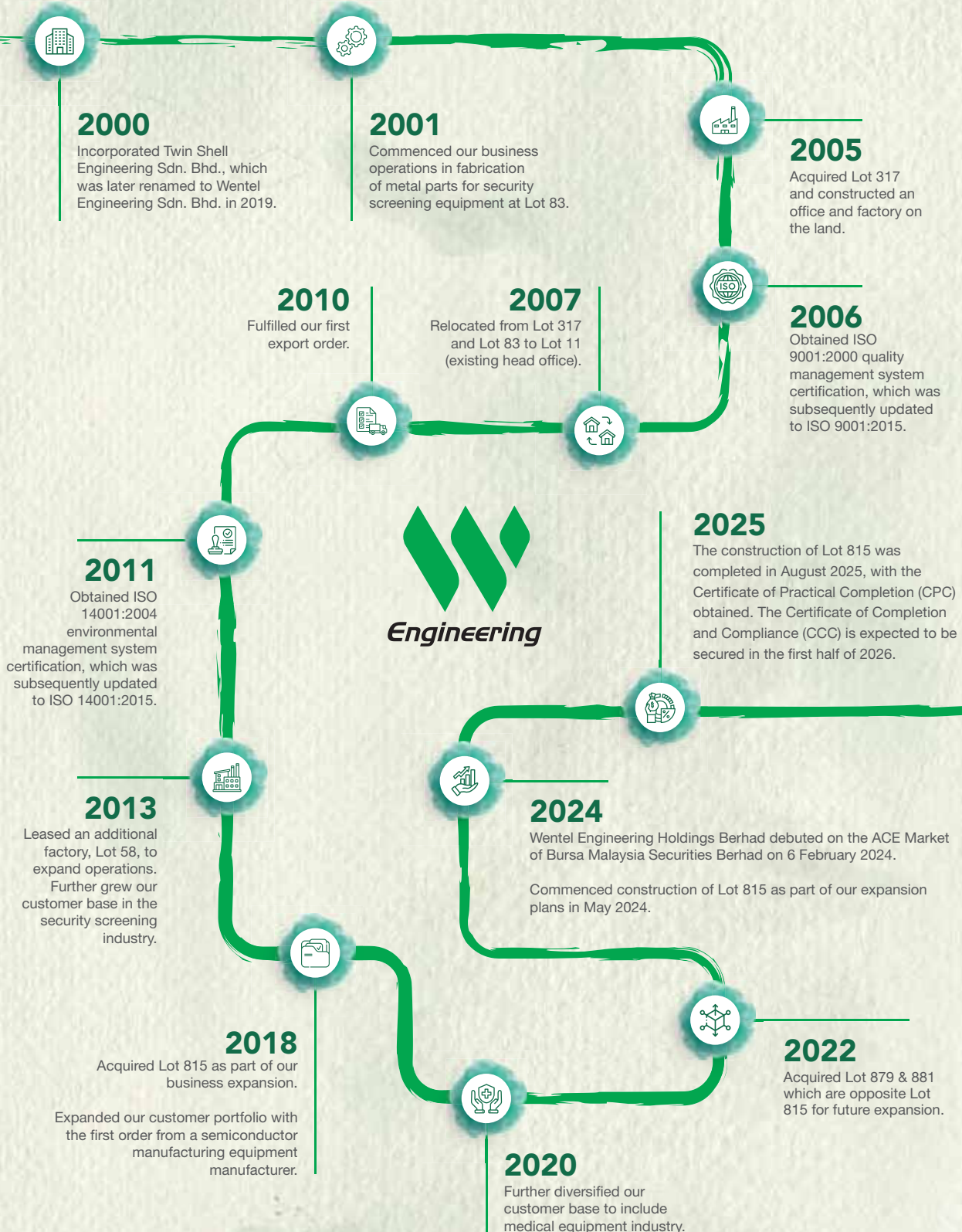


ISO 14001:2015 WESB Lot 11



ISO 14001:2015 WESB Lot 58

## KEY MILESTONES



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Ban Kim Wah

*Non-Independent  
Non-Executive Chairman*

#### Wong Chun Wei

*Executive Director*

#### Siow Chin How

*Independent Non-Executive  
Director*

#### Soo Wee Loon

*Independent Non-Executive  
Director*

#### Wang Sze Min

*Independent Non-Executive  
Director*

#### AUDIT AND RISK MANAGEMENT COMMITTEE

Siow Chin How (*Chairman*)  
Soo Wee Loon  
Wang Sze Min

#### NOMINATION COMMITTEE

Soo Wee Loon (*Chairperson*)  
Wang Sze Min  
Siow Chin How

#### REMUNERATION COMMITTEE

Wang Sze Min (*Chairperson*)  
Siow Chin How  
Soo Wee Loon

#### COMPANY SECRETARIES

Tea Sor Hua (MACS 01324)  
(SSM PC No.: 201908001272)

Lim Kee San (MAICSA 7067348)  
(SSM PC No.: 202308000295)

#### REGISTERED OFFICE

Third Floor, No. 77, 79 & 81  
Jalan SS21/60, Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan  
Tel : +603-7725 1777  
Email : info@cospec.com.my

#### HEAD OFFICE

No. 11, Jalan Gagah  
Kawasan Perindustrian Larkin  
80350 Johor Bahru  
Johor  
Tel : +607-238 1128  
Fax : +607-238 0688  
Website : www.wenteleng.com

#### SHARE REGISTRAR

Tricor Investor & Issuing House  
Services Sdn Bhd  
(Registration No. 197101000970  
(11324-H))  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel : +603-2783 9299  
Fax : +603-2783 9222  
Email : is.enquiry@vistra.com

#### AUDITORS

Crowe Malaysia PLT  
(201906000005 (LLP0018817-LCA)  
& AF 1018)  
Chartered Accountants  
No. 8, Jalan Pesta 1/1  
Taman Tun Dr. Ismail 1  
Jalan Bakri  
84000 Muar, Johor  
Tel : +606 952 4328  
Fax : +606 952 7328

#### PRINCIPAL BANKER

OCBC Bank (Malaysia) Berhad

#### SPONSOR

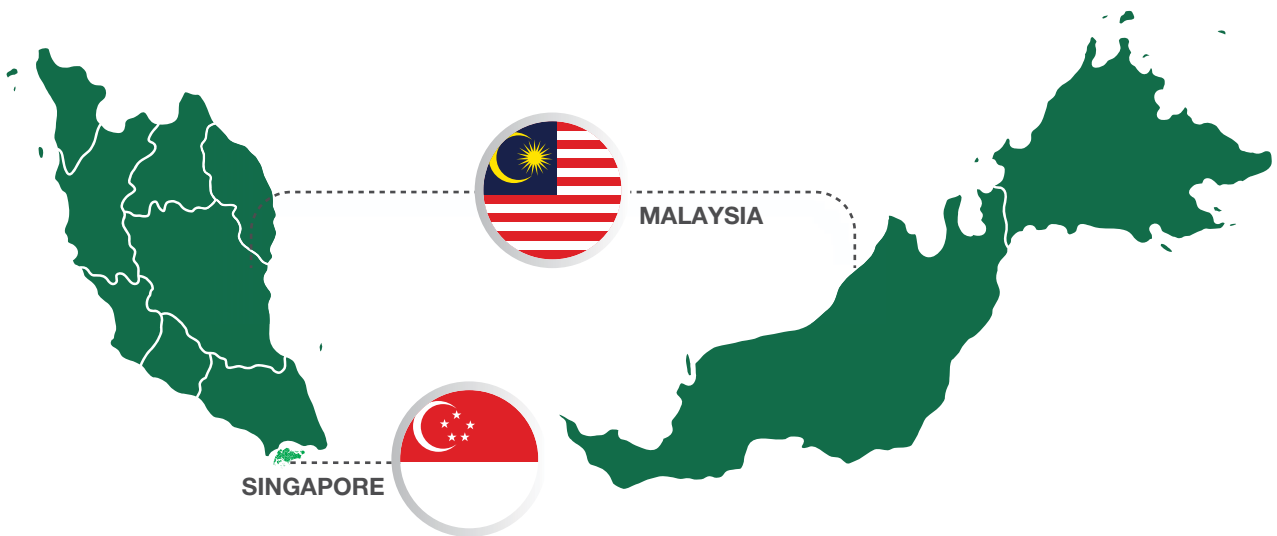
TA Securities Holdings Berhad  
(Registration No.  
197301001467 (14948-M))  
29th Floor, Menara TA One  
22, Jalan P. Ramlee  
50250 Kuala Lumpur  
Tel : +603-2072 1277

#### STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia  
Securities Berhad  
Stock Name : WENTEL  
Stock Code : 0298  
Date of Listing : 6 February 2024



# CORPORATE STRUCTURE

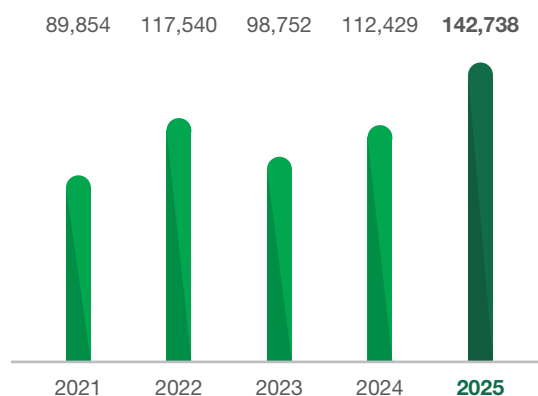


## FINANCIAL HIGHLIGHTS

	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Operating Results (RM'000)</b>					
Revenue	89,854	117,540	98,752	112,429	<b>142,738</b>
Gross Profit ("GP")	22,659	31,191	24,840	31,571	<b>40,262</b>
Earnings Before Interest, Tax, Depreciation & Amortisation ("EBITDA")	24,892	32,876	24,335	25,494	<b>34,150</b>
Profit Before Taxation	17,307	25,693	18,822	20,822	<b>29,146</b>
Profit After Taxation	13,706	20,480	14,101	15,026	<b>23,202</b>
<b>Key Financial Position Data (RM'000)</b>					
Total Assets	92,499	107,551	117,617	214,126	<b>232,386</b>
Total Equity	67,392	87,699	101,929	186,464	<b>209,398</b>
Total Liabilities	25,107	19,852	15,688	27,662	<b>22,988</b>
<b>FINANCIAL RATIOS</b>					
GP Margin (%)	25.22	26.54	25.15	28.08	<b>28.21</b>
Profit Before Taxation Margin (%)	19.26	21.86	19.06	18.52	<b>20.42</b>
Profit After Taxation Margin (%)	15.25	17.42	14.28	13.36	<b>16.25</b>
Weighted Average Number of Ordinary Shares in Issue	1,100,000	1,100,000	260,211,233	1,126,113,661	<b>1,150,000,000</b>
Basic Earnings Per Share (RM)	12.46	18.62	0.05	0.01	<b>0.02</b>

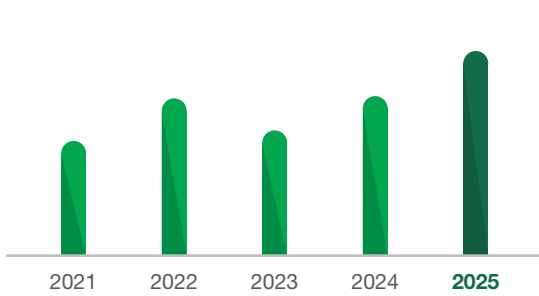
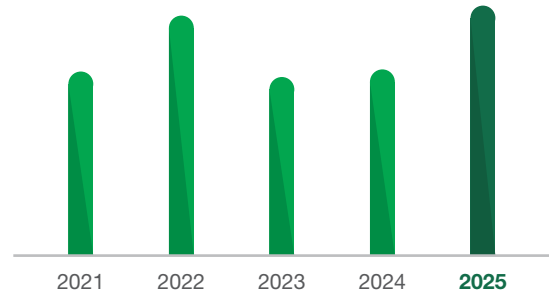
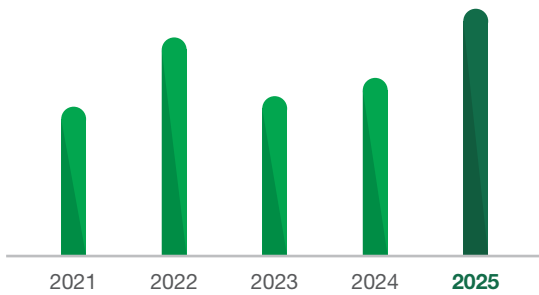
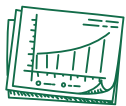
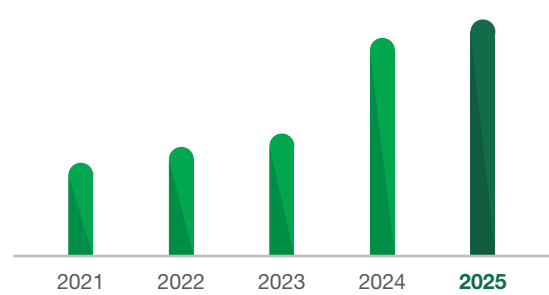
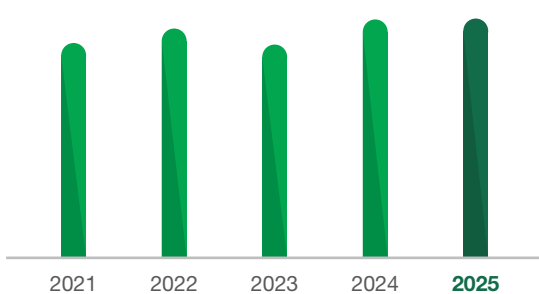
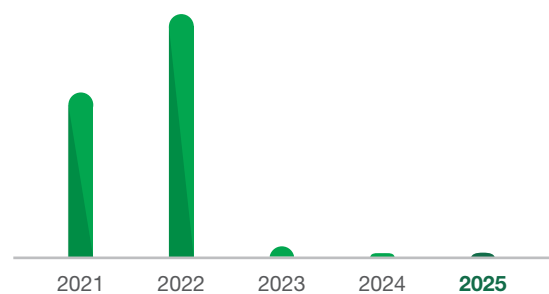


**Revenue**  
(RM'000)  
**142,738**



## FINANCIAL HIGHLIGHTS

(cont'd)

**GP**  
(RM'000)**40,262**22,659 31,191 24,840 31,571 **40,262****EBITDA**  
(RM'000)**34,150**24,892 32,876 24,335 25,494 **34,150****Profit Before Taxation**  
(RM'000)**29,146**17,307 25,693 18,822 20,822 **29,146****Total Assets**  
(RM'000)**232,386**92,499 107,551 117,617 214,126 **232,386****GP Margin**  
(%)**28.21**25.22 26.54 25.15 28.08 **28.21****Basic Earnings Per Share**  
(RM)**0.02**12.46 18.62 0.05 0.01 **0.02**

## PROFILE OF BOARD OF DIRECTORS

### BAN KIM WAH

*Non-Independent Non-Executive Chairman*

 Malaysian  Male  63 years old

.....  
Date First Appointed to the Board:  
1 March 2023

Board Committee Memberships:  
-

**Ban Kim Wah** (“Mr. Ban”) was appointed to the Board on 1 March 2023 and was re-designated to his current position on 28 March 2023. Leveraging on his experience in the industry in which the Group operates, he is mainly responsible for leading the Board in providing collective oversight to the Group’s management as well as overseeing the Group’s corporate governance framework in complying with the relevant legal and regulatory requirements governing the Group’s operations. He is also a major shareholder of the Company.

Mr. Ban completed his Malaysian Certificate of Education at Dato Jaafar Secondary School, Johor, in 1980. Starting as a salesperson at Syarikat Wanfy in 1981, he focused on marketing and material sourcing. He continued similar roles at Wanfy (M) Sdn. Bhd. until 1997.

In 1997, Mr. Ban co-founded TS Heuls Chemical & Engineering Sdn. Bhd., a company involved in trading of chemicals and provision of maintenance services for wastewater treatment plants, and served as a director until 2021.

In 2000, Mr. Ban co-founded Wentel Engineering Sdn. Bhd. (“WESB”) as a shareholder and became a director of WESB since 2003. He also joined Wentel Engineering Pte Ltd as a director in 2011. He focused on developing the international markets for both companies. From 2018, he reduced his involvement in both companies to manage his personal business operations. He resigned as a director of both companies in March 2023, and assumed the role of Non-Independent Non-Executive Chairman of the Company.

Mr. Ban does not hold any directorship in other public companies and listed corporations.

He attended all four (4) Board meetings held during the financial year ended 31 December 2025.

## PROFILE OF BOARD OF DIRECTORS

(cont'd)

### WONG CHUN WEI

*Executive Director*

 Malaysian  Male  39 years old

.....  
Date First Appointed to the Board:  
1 March 2023

Board Committee Memberships:  
-

**Wong Chun Wei** (“Mr. Wong”) was appointed to the Board on 1 March 2023 and was re-designated to his current position on 28 March 2023. He is mainly responsible for the Group’s corporate development and strategy functions as well as sales and customer service activities.

Mr. Wong graduated with a Bachelor of Economics from La Trobe University, Australia in 2012.

Mr. Wong started his career in 2013 in Golden Oriental Realty Sdn. Bhd. (“GORSB”) as a director, and was responsible for overseeing the company’s development of a residential project in Johor Bahru and managing its daily operations. He also focused on the marketing of properties for the project. Since 2018, with over 70% of properties sold, his involvement become limited. He subsequently resigned as a director of GORSB on 3 February 2026.

In 2018, Mr. Wong joined 5E Resources group of companies, supporting the Managing Director. In 2020, he became the Head of Business Development, and led the efforts to enter new markets and promote the company’s capabilities. He left the group in 2022.

In 2022, Mr. Wong became a director in WESB, where he focused on developing and executing marketing strategies. He actively engaged with customers to understand their needs. In 2023, he became an Executive Director, overseeing corporate development, strategy, sales, and customer service activities of the Group.

With 9 years of experience at GORSB and 5E Resources group of companies, Mr. Wong brings valuable expertise to his role in the Group, where he leads corporate development, strategy, sales, and customer service, supporting the company’s growth and expansion.

Mr. Wong does not hold any directorship in other public companies and listed corporations.




He attended all four (4) Board meetings held during the financial year ended 31 December 2025.

# PROFILE OF BOARD OF DIRECTORS

(cont'd)

## SOO WEE LOON

*Independent Non-Executive Director*

 Malaysian  Female  49 years old

.....  
Date First Appointed to the Board:  
1 June 2023

- Board Committee Memberships:
- Chairperson of Nomination Committee
  - Member of Audit and Risk Management Committee
  - Member of Remuneration Committee

**Soo Wee Loon** (“Ms. Soo”) was appointed to the Board on 1 June 2023. She is the Chairperson of the Nomination Committee and a member of the Audit and Risk Management Committee and Remuneration Committee of the Company.

Ms. Soo graduated with a Bachelor of Laws (Hons) from the University of Liverpool, United Kingdom, in 1996. Following graduation, she completed her Bar Practice Course at the Honourable Society of Lincoln’s Inn, United Kingdom, in 1998, and underwent pupillage with Messrs Nijar, Kumar Netto & Partners in Johor Bahru until 1999, when she was called to the Malaysian Bar. She is an Advocate and Solicitor of the High Court of Malaya and a member of The Honourable Society of Lincoln’s Inn.

In 2000, Ms. Soo commenced her legal career as a Legal Assistant in Messrs Balwant Singh Sidhu & Co, focusing on civil litigation case preparation. After leaving the firm in 2003, she joined Messrs P.Y. Tng & Soo as a Partner mainly providing legal services on litigation and conveyancing until 2004.

Subsequently, Ms. Soo became a Partner in Messrs Neo & Soo in 2004, continuing her focus on litigation and conveyancing until 2007. Since May 2007, she has served as a Partner in Messrs Wang & S.B. Wong, specialising in corporate and conveyancing matters while also overseeing the operations of the firm.

Ms. Soo does not hold any directorship in other public companies and listed corporations.



She attended all four (4) Board meetings held during the financial year ended 31 December 2025.

## PROFILE OF BOARD OF DIRECTORS

(cont'd)

### WANG SZE MIN

*Independent Non-Executive Director*

 Malaysian  Female  53 years old

.....  
Date First Appointed to the Board:  
1 June 2023

- Board Committee Memberships:
- Chairperson of Remuneration Committee
  - Member of Audit and Risk Management Committee
  - Member of Nomination Committee

**Wang Sze Min** (“Ms. Wang”) was appointed to the Board on 1 June 2023. She is the Chairperson of the Remuneration Committee and a member of the Audit and Risk Management Committee and Nomination Committee of the Company.

Ms. Wang graduated from the University of Adelaide, Australia, with a Bachelor of Commerce in 1997 and became a Chartered Accountant and a member of the Malaysian Institute of Accountants (“MIA”) in 2001.

Starting as an Audit Assistant in HL Lim & Co in 1997, Ms. Wang progressed to roles as Audit Senior and Audit Manager in 1999 and 2003, respectively. As an Audit Manager, she handled audits and supervised the firm’s branch office operations until her departure in 2007.

In 2007, Ms. Wang founded Wang Accounting Services, offering accounting solutions to small and medium businesses. Since 2017, she’s been the Chief Operations Officer of TJ Wang Accounting Management Sdn. Bhd., focusing on managing the company’s operations, resource planning, and client relations.

Since 2021, Ms. Wang also provides management and consultancy services as a Partner of Wang & Partners PLT, a limited liability partnership. Currently, she is concurrently involved in her roles in Wang Accounting Services, TJ Wang Accounting Management Sdn. Bhd. and Wang & Partners PLT.

Ms. Wang is also an Independent Non-Executive Director of 5E Resources Holdings Berhad since 21 August 2025. Save for the above, Ms. Wang does not hold any directorship in other public companies and listed corporations.

She attended all four (4) Board meetings held during the financial year ended 31 December 2025.

## PROFILE OF BOARD OF DIRECTORS

(cont'd)

### SIOW CHIN HOW

*Independent Non-Executive Director*

 Malaysian  Male  46 years old

.....  
Date First Appointed to the Board:  
1 June 2023

Board Committee Memberships:

- Chairman of Audit and Risk Management Committee
- Member of Remuneration Committee
- Member of Nomination Committee

**Siow Chin How** ("Mr. Siow") was appointed to the Board on 1 June 2023. He is the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee and Nomination Committee of the Company.

Mr. Siow graduated with a Bachelor of Arts (Hons) in Accountancy and Finance from the University of Abertay Dundee, United Kingdom, in 2002. In 2006, he earned a Master of Business Administration from Victoria University, Australia. He became a Chartered Member of The Institute of Internal Auditors Malaysia (CMIIA) in 2008. Since 2015, he is a Chartered Accountant and a member of both the Institute of Singapore Chartered Accountants and the Malaysian Institute of Accountants, as well as a Certified Practising Accountant (CPA) registered with CPA Australia.

Starting his career in 2002 as an Internal Auditor at Persekutuan Tiong-Hua, Johor Bahru, he focused on assessing internal controls. In 2003, he moved to Maya Manufacturing & Trading Company (Malaysia) Sdn. Bhd. as an Internal Auditor, ensuring internal controls and compliance with policies.

In 2010, Mr. Siow became the Head of Corporate Division in Maya Asia Resources Sdn. Bhd., overseeing corporate matters. Since 2014, he has been the Finance Director, managing internal audit, controls, finance functions, and corporate affairs.

Since 2015, Mr. Siow has also served as the Chief Financial Officer in Maya Asia Resources Pte Ltd, Singapore, managing the overall finance functions of the company.

Mr. Siow is also an Independent Non-Executive Director of 5E Resources Holdings Berhad since 21 August 2025. Save for the above, Mr. Siow does not hold any directorship in other public companies and listed corporations.

He attended all four (4) Board meetings held during the financial year ended 31 December 2025.


#### Notes:-

1. None of the Directors have any family relationship with any Directors and/or major shareholders of the Company except for the following:-
  - a) Ban Kim Wah, who is the uncle of Wong Chun Wei, the Executive Director of the Company, is also the brother of Wong Kim Fatt and brother-in-law of Loo Sok Ching, the major shareholders of the Company.
  - b) Wong Chun Wei, who is the nephew of Ban Kim Wah, the Non-Independent Non-Executive Chairman of the Company, is also the son of Wong Kim Fatt and Loo Sok Ching, the major shareholders of the Company.
2. None of the Directors have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries, except the recurrent related party transactions disclosed in the Circular to Shareholders dated 24 April 2026.
3. None of the Directors have been convicted of any offences in the past five (5) years other than for traffic offences (if any) or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 31 December 2025.

## PROFILE OF KEY SENIOR MANAGEMENT

### CHUAH CHONG SYN

Group Chief Executive Officer

 Malaysian  Male  46 years old

**Chuah Chong Syn** (“Mr. Chuah”), the Group Chief Executive Officer is primarily responsible for the overall business operations of the Group. He also manages the Group’s operations functions and supply chain functions jointly to ensure an effective and efficient production operation through prudent procurement and production planning to meet customers’ requirements.

Mr. Chuah obtained a Bachelor of Engineering (Mechanical) from Universiti Teknologi Malaysia in 2002.

Mr. Chuah began his career in 2002 when he joined Wentel Engineering Sdn. Bhd. (“WESB”) as an Engineer where he was mainly responsible for providing engineering support to the company’s manufacturing operations. He was subsequently promoted to Senior Engineer in 2004 with his job functions remained unchanged.

In 2005, Mr. Chuah was promoted to Assistant Operation Manager where he was mainly responsible for the smooth running of the Operation Department. His responsibilities also included liaising with customers on technical aspects of the products to be manufactured.

In 2008, Mr. Chuah was promoted to Operation Manager where his responsibilities were extended to include, among others, overseeing the company’s quality assurance and production functions. He was also responsible for departmental overall manpower, capacity and operation planning, departmental budget control, project co-ordination and implementation, and machinery planning and support.

Having been with the Group for approximately 23 years with exposures to various aspects of the business operations, Mr. Chuah assumed the role of Group Chief Executive Officer since 28 March 2023.

As at 10 April 2026, Mr. Chuah has direct interest of 2,842,000 ordinary shares in the securities of the Company, which represents 0.25% of the total number of issued shares of the Company.

### TAI YUAN HENG

Director of Wentel Engineering Sdn. Bhd. (former General Manager of the Group)

 Malaysian  Male  56 years old

**Tai Yuan Heng** (“Mr. Tai”) previously served as the Group’s General Manager, where he was principally responsible for overseeing the Group’s day-to-day production operations.

Mr. Tai obtained his Malaysian Certificate of Education from Sekolah Menengah Seri Kota Melaka in 1987. He began his career in 1988 when he joined an engineering company involved in metal fabrication in Singapore as a technician where he learned various techniques used in metal fabrication such as welding, drilling and grinding. He left the company in 1991.

In 1991, Mr. Tai joined Hup Fatt Brothers Engineering Pte Ltd, a company involved in fabrication of precision sheet metal products in Singapore, as a technician where he was part of the manufacturing operations responsible for the production of metal products. In 1994, he was transferred to HFB Technologies (M) Sdn. Bhd. to assume the role of Plant Manager where he was mainly responsible for monitoring the company’s factory operations and supervising factory workers involved in the production of metal products and structures. He left the company in 2000.

In 2000, Mr. Tai co-founded WESB as a shareholder and held the position of Director of the company since then. As Director and Factory Manager of WESB since its incorporation and subsequently as General Manager of the Group since 28 March 2023, his main responsibilities include overseeing the Group’s day-to-day production operations, supervising production workers and production planning.

Mr. Tai has since 31 December 2025 retired from his executive role as General Manager of the Group. Nevertheless, he continues to serve as a Director of WESB.

## PROFILE OF KEY SENIOR MANAGEMENT

(cont'd)

### YAP YEW WEI

*Group Financial Controller*

Malaysian



Male



33 years old

**Yap Yew Wei** (“Mr. Yap”), the Group Financial Controller is mainly responsible the Group’s overall accounting and finance matters including internal controls, as well as administrative matters.

Mr. Yap graduated with a Bachelor of Science (Hons) in Accounting and Finance from University of London, United Kingdom in 2015. He became a member of the Association of Chartered Certified Accountants (ACCA) in 2020 and was subsequently admitted as a Fellow of the Association of Chartered Certified Accountants (FCCA) in 2025. Since 2021, he is also a Chartered Accountant of MIA and became a Chartered Member of The Institute of Internal Auditors Malaysia in 2022.

Mr. Yap began his career in 2016 when he joined Maya Asia Resources Sdn. Bhd. as an Internal Auditor where he was mainly involved in evaluating the adequacy of and recommending improvements in internal controls of the company. In 2020, he was promoted to Finance Manager where he was mainly responsible for supervising corporate affairs, internal audit as well as accounting and finance functions of the company. He left the company in 2021 and has been our Group Financial Controller since December 2021. He was subsequently appointed as a Director of Wentel Engineering Pte. Ltd., a wholly-owned subsidiary of the Company on 20 August 2025.

**Notes:-**

1. None of the key senior management personnel have any family relationship with any Directors and/or major shareholders of the Company.
2. None of the key senior management have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
3. None of the key senior management personnel have been convicted of any offences in the past five (5) years other than for traffic offences (if any) or been imposed on any public sanction or penalty by relevant regulatory bodies during the financial year ended 31 December 2025.
4. None of the key senior management personnel have any other directorship in public companies and listed corporations.

## CHAIRMAN'S STATEMENT

“

### Dear Valued Shareholders,

On behalf of the Board of Directors (“Board”), I am pleased to present the Annual Report of Wentel Engineering Holdings Berhad (“Wentel” or “the Company”) and its subsidiaries (“the Group”) for the financial year ended 31 December 2025 (“FYE2025”).

**MR BAN KIM WAH**

*Non-Independent Non-Executive Chairman*

”

# CHAIRMAN'S STATEMENT

(cont'd)



Revenue

**RM142.7**

million



Gross Profit

**RM40.3**

million



Profit before Tax

**RM29.1**

million



Profit after Tax

**RM23.2**

million

## INDUSTRY ENVIRONMENT

FYE2025 was characterised by a challenging yet opportunity-rich operating environment. Continued global tariff implementations and ongoing geopolitical tensions contributed to heightened uncertainty and a less predictable global trade landscape, affecting customer demand visibility and investment decisions across the manufacturing sector. Changes in trade policies, cross-border regulations, and geopolitical alignments led to more cautious ordering behaviour while increasing the complexity of supply chain planning and sourcing strategies. Heightened geopolitical risks also contributed to volatility in currency movements and logistics conditions, requiring manufacturers to remain agile in managing costs, lead times, and operational planning.

Despite these external challenges, the Group demonstrated resilience and adaptability throughout the year. Demand from the security screening segment remained robust, supported by heightened global security requirements and ongoing product development initiatives.

In the Electrical & Electronics (“E&E”) segment, the ongoing China-US trade tensions and broader geopolitical realignments accelerated project transfers and production shifts to Southeast Asia. This structural shift benefited the Group as customers relocated new projects and expanded existing programmes within the region.

Similarly, the medical segment recorded steady growth as New Product Introduction (“NPI”) programmes successfully transitioned into mass production following project transfers. Collectively, these trends illustrate how the Group was able to navigate uncertainties while capitalising on emerging opportunities.

## FINANCIAL PERFORMANCE

The Group's ability to respond effectively to a dynamic operating environment translated into a strong financial performance in FYE2025.

Revenue rose to RM142.7 million, representing a significant year-on-year increase from RM112.4 million in FYE2024. Gross profit increased to RM40.3 million (FYE2024: RM31.6 million), with gross profit margin improving slightly to 28.2% (FYE2024: 28.1%). Profit before taxation rose to RM29.1 million from RM20.8 million in the preceding year, while profit after taxation increased to RM23.2 million, up from RM15.0 million in FYE2024. These results reflect the Group's ability to scale operations efficiently while maintaining disciplined cost management.

The improved performance was driven primarily by higher revenue contribution and consistency of order flow in the security, CNC machining, and medical segments. In addition, there was year-on-year growth in semiconductor-related manufacturing equipment, supported by higher utilisation of existing production capacity.

## CHAIRMAN'S STATEMENT

(cont'd)

Costs related to Lot 815, our new manufacturing facility, did not materially impact the Group's profitability for FYE2025, as depreciation of the capitalised costs is expected to commence only in the second half of 2026. A portion of the construction expenditure was funded by proceeds from our initial public offering exercise, with the remainder covered by internally generated funds. Other operating expenses increased gradually due to inflationary pressures but remained manageable.

With a strong balance sheet, prudent liquidity management practices, as well as a diversified customer base, the Board remains confident in the Group's financial resilience. This robust financial foundation positions Wentel to withstand global market volatility while continuing to create shareholder value for the long term.

### STRATEGY AND COMPETITIVE POSITIONING

The Group's Lot 815 manufacturing facility is expected to benefit all end-markets in which we have a strong presence, namely the security, E&E, CNC machining, and medical segments. This expansion enhances both our capacity and technical capabilities, enabling the Group to support higher-value and more complex projects. We are also looking into separation of certain finishing processes to meet certain customers seeking stringent finishing standards which require finishing processes to be carried out in a standalone and segregated facility to minimise potential contamination risks.

This strengthening of the Group's manufacturing and engineering capabilities is critical to maintaining our competitiveness against manufacturers in China and Vietnam. Our differentiation lies in the completeness of our integrated capabilities, combined with a customer-centric approach. By collaborating closely with our customers from the research and development stage, we provide engineering solutions to complex manufacturing challenges rather than competing solely on price. This approach has reinforced Wentel's position as a long-term engineering and manufacturing partner to our customers, supported by deep customer relationships built on trust, technical expertise, and consistent execution.

The Board is confident that the Group's integrated capabilities, robust quality management and compliance systems, close customer collaboration, and commitment to value creation will continue to provide a sustainable competitive advantage for the foreseeable future.

### SUSTAINABILITY AND GOVERNANCE

As customers increasingly emphasise sustainability, regulatory compliance, and governance standards, the Group continues to strengthen its frameworks to meet these evolving expectations.

Effective governance and operational discipline are maintained through routine internal audits, continuous staff training, and regular reviews of standard operating procedures. These practices provide ongoing assurance over the adequacy and effectiveness of our internal controls, risk management processes, and compliance frameworks. As our operations and manufacturing capacity expand, these measures ensure that our internal controls remain robust, scalable, and aligned with regulatory requirements and recognised best practices.

Workforce development also remains a key priority to support long-term growth and operational excellence. Structured talent development programmes focus on leadership, management capability, and technical skill enhancement, building a sustainable pipeline of competent, future-ready talent across all levels of the organisation. These initiatives strengthen succession planning, enhance operational efficiency, and support evolving business requirements.

Equally important is employee engagement and well-being. Annual dinners, festive celebrations, birthday recognition, and regular activities are means for the Group to foster a positive, inclusive, and collaborative workplace culture. These initiatives strengthen organisational cohesion and support the attraction, retention, and motivation of talent, supporting the Group's ability to achieve our long-term strategic objectives.

For further details on our sustainability practices, please refer to our Sustainability Statement on pages 31 to 73 of this Annual Report.

# CHAIRMAN'S STATEMENT

(cont'd)

## OUTLOOK AND FORWARD DIRECTION

Looking ahead, the Board expects balanced growth across all business segments in FYE2026 and beyond, supported by the Group's expanded capacity and ongoing engagement with both new and existing customers.

Key risks being closely monitored include global demand volatility, cyclical fluctuations in the semiconductor industry, potential supply chain disruptions, talent availability and retention, and evolving sustainability and regulatory compliance requirements. In addition, ongoing geopolitical tensions and conflicts in certain regions may contribute to volatility in energy prices, logistics conditions, and global trade flows, which could indirectly affect operating costs and supply chain stability.

Despite these challenges, the Board and Management remain committed to proactively identifying, assessing, and managing risks through prudent planning, diversified customer and end-market exposure, disciplined operational execution, and continuous review of the Group's risk management frameworks. This approach aims to safeguard the continuity of our business and preserve our ability to create value.

## ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express our heartfelt gratitude to our shareholders, customers, business partners, and employees for your continued trust, support, and engagement. Your confidence in our vision and commitment to our mission has been instrumental in driving our growth and success.

To our shareholders, thank you for your faith in our leadership and long-term strategy, which enables us to pursue innovation and sustainable growth. To our customers, we are grateful for your loyalty and feedback, which inspire us to continually improve and deliver excellence. To our business partners, we value your collaboration and shared commitment, which allow us to achieve results together. And to our employees, your dedication, creativity, and hard work are at the heart of everything we accomplish.

Together, you form the foundation of the Group's achievements. Your support motivates us to continue creating value and strengthening the relationships that drive our success. We look forward to the future with confidence and optimism, knowing that, with your sustained support, we can reach even greater milestones.

## MR BAN KIM WAH

*Non-Independent Non-Executive Chairman*



# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF THE GROUP

Wentel Engineering Holdings Berhad (“Wentel” or “the Group”) is a precision engineering group with over two decades of experience in precision fabrication and assembly, supported by a well-established industry reputation. The Group has built long-term relationships with major industry players, fostering trust and providing a foundation for consistent business growth over time.

Our in-house engineering capabilities and technical expertise enable us to maintain high manufacturing standards across our operations, while quality assurance remains a core priority, underpinned by our ISO 9001:2015 Quality Management Systems certification and adherence to stringent industry requirements.

## WHAT WE DO

Through our subsidiaries, the Group is principally engaged in the fabrication of semi-finished metal products, fabrication of metal parts, and the assembly of finished products for customers operating in the security screening, semiconductor manufacturing, medical diagnostics, and CNC machining industries – mission-critical and specification-driven industries which typically require high precision, stringent quality controls, and extensive qualification and audit processes before suppliers are approved for production. As a result, the Group’s business is characterised by long customer engagement cycles and high switching costs.



### Fabrication

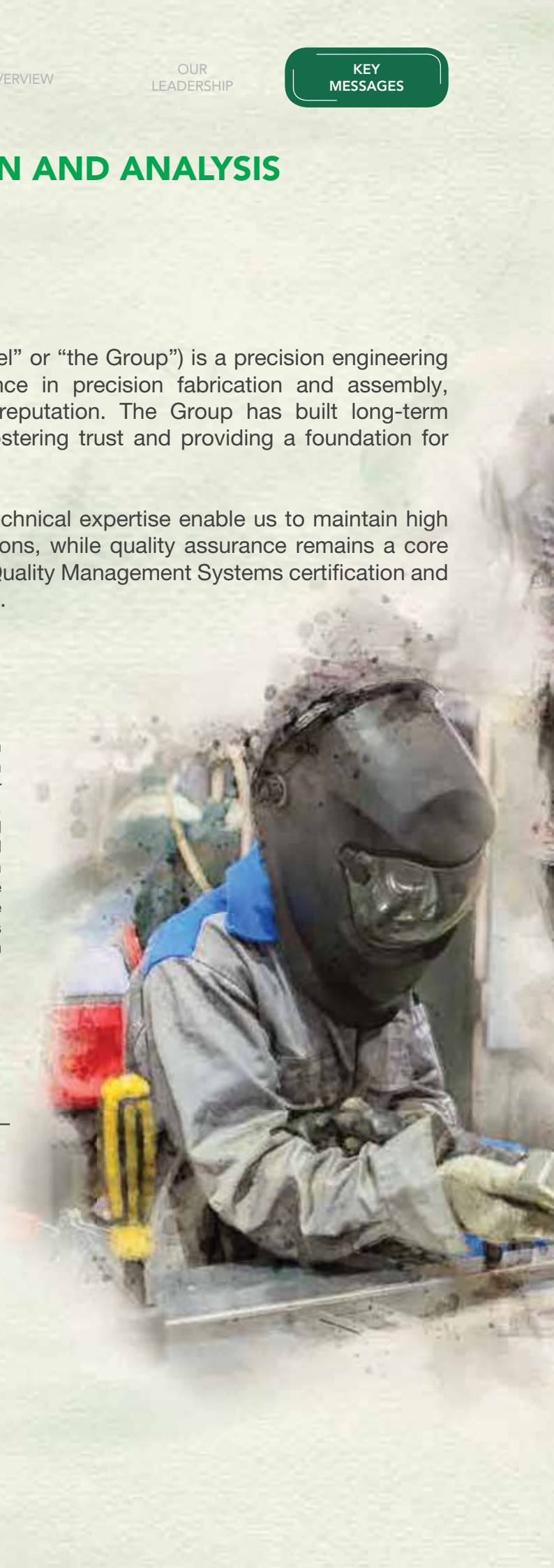
Semi-finished  
metal products

Metal parts



### Assembly

Finished Products



# MANAGEMENT DISCUSSION AND ANALYSIS

(cont'd)

## WHERE WE SERVE



Malaysia serves as the Group's primary manufacturing and fabrication base, underpinned by its established infrastructure, skilled workforce, and cost competitiveness, and delivered stable and reliable operational performance throughout the year under review. Our operations in Singapore played a complementary role, focusing on engineering coordination, technical support, and regional customer engagement to support project execution and customer requirements. The United States remained a strategically important end-market, particularly for customers in the security and semiconductor industries.

## OUR BUSINESS MODEL

A key feature of Wentel's operations is its qualification-centric approach to customer engagement. Before products are approved for mass production, customers typically require suppliers to complete inspection, testing, and qualification processes, which may take several weeks to several months, depending on product and customer requirements.

Revenue contribution during the qualification and New Product Introduction ("NPI") stages is generally limited, building progressively as products move into pilot runs and mass production. While this results in a time lag between engineering effort and financial return, it also creates barriers to entry and supports long-term customer relationships. These qualification activities can thus be deemed a strategic investment that underpins sustainable growth and earnings visibility over time.

## SURFACE ENGINEERING AND FINISHING CAPABILITIES

To meet increasingly stringent customer requirements, the Group has integrated surface treatment and finishing as a core element of its manufacturing and quality control framework. These processes go beyond durability, corrosion resistance, and aesthetic considerations, and are critical in ensuring consistency, repeatability, and readiness for customer qualification and mass production.

The Group performs key surface preparation processes in-house, including sandblasting, degreasing, buffing, and zinc phosphate treatment, enabling greater control over process quality, turnaround time, and production scheduling.

In addition, the Group offers in-house surface coating solutions such as zinc electroplating, powder coating, and spray painting to enhance corrosion resistance, abrasion protection, and product longevity. Retaining these core coating capabilities internally supports production consistency and delivery responsiveness, while reducing reliance on external providers.

For specialised finishing requirements beyond in-house capabilities, the Group works with a network of trusted and qualified third-party subcontractors to provide treatments such as chemical film processing, nickel and chrome electroplating, and aluminium anodising. These external processes are governed by defined quality standards and qualification criteria, allowing the Group to deliver customised surface finishing solutions while maintaining oversight and compliance.

# MANAGEMENT DISCUSSION AND ANALYSIS

(cont'd)

## OPERATIONAL REVIEW

### Market Review and Operating Environment

The operating environment during FYE2025 was shaped by resilient global economic conditions alongside sector-specific trends most relevant to the Group's end markets.

Global Gross Domestic Product ("GDP") growth was estimated by the IMF World Economic Outlook (January 2026) to have remained stable at approximately 3.3% in 2025 (3.3% in 2024), providing a supportive macroeconomic backdrop. Within this context, global manufacturing activity, as tracked by the S&P Global Purchasing Managers Index, recorded a second consecutive year of marginal growth, reflecting cautious capital expenditure and production planning across industrial sectors. In contrast, according to UN Tourism, the global tourism sector returned to pre-pandemic growth trends and reached new record levels of international tourist arrivals in 2025, supporting ongoing investment in airport infrastructure and security screening systems.

At the same time, geopolitical developments and evolving trade policies continued to influence global production and trade dynamics. Ongoing tariff measures, regulatory changes, and supply chain realignments prompted customers to reassess sourcing strategies and production footprints. The shift towards supply chain diversification remained evident during the year, with Southeast Asia continuing to benefit from project transfers as companies sought alternative manufacturing hubs to enhance resilience and cost efficiency. Malaysia, in particular, remained well positioned within these realignment trends, supporting order inflows for manufacturers with established capabilities and quality systems.

Within this operating environment, the security industry continued to demonstrate relative stability, supported by regulatory-driven demand and infrastructure investment linked to increased travel activity. The semiconductor and medical industries, characterised by longer qualification cycles and cautious customer planning, continued to present growth opportunities underpinned by technological advancement and long-term structural demand. Across these industries, customers increasingly prioritised suppliers with proven quality systems, reliable delivery performance, and the ability to support complex and evolving requirements.

The Group's diversified exposure across security, CNC machining, semiconductor, and medical applications helped moderate volatility arising from sector-specific fluctuations, enabling the Group to sustain order inflows despite uneven demand patterns during the year.

### Business Performance

The Group's diversified business exposure enables it to balance performance across multiple segments. Periods of cautious ordering in certain industries were partially offset by growth in others, contributing to overall revenue stability during the year.

In FYE2025, the fabrication of semi-finished metal products remained the Group's largest and most significant revenue contributor, supported by recurring orders, long-standing customer relationships, and its integral role within customers' manufacturing value chains. Performance in this segment improved as demand gained traction during the year. CNC machining-related demand recovered following disruptions in prior periods, as customers resumed deferred projects and normalised procurement activity, resulting in higher utilisation levels. In parallel, organic growth from the security industry was driven by sustained demand for precision-engineered components used in security-related applications.

Semiconductor-related activities continued to be characterised by longer qualification cycles. As at the end of FYE2025, most semiconductor programmes remained in the qualification stage, with a gradual transition into mass production expected as customers complete validation processes and align production ramp-ups with their respective market conditions. In support of these programmes, the Group's ongoing automation and smart manufacturing initiatives enhanced production consistency, improved throughput predictability, and strengthened quality outcomes, while reducing scrap and rework rates.

During the year, the Group also experienced heightened variability in customer lead times and production urgency, reflecting frequent adjustments to order patterns amid changing market conditions. Shorter demand cycles and more dynamic scheduling requirements created a high-velocity operating environment, placing increased emphasis on planning agility, cross-functional coordination, and execution discipline.

In response, the Group strengthened collaboration between sales, engineering, and production functions, while further leveraging automation and process standardisation to enhance operational responsiveness. These measures improved the Group's ability to accommodate urgent orders without compromising quality or delivery performance, particularly for customers operating in time-sensitive markets.

# MANAGEMENT DISCUSSION AND ANALYSIS

(cont'd)

## FINANCIAL REVIEW

FYE2025 represented the Group's second year as a publicly listed entity following its listing on the ACE Market of Bursa Malaysia Securities Berhad in February 2024. During the year, we continued to focus on strengthening our business fundamentals, enhancing our capabilities, and positioning the Group for scalable growth, while maintaining a prudent financial profile.

### Financial Performance

	FYE2024	FYE2025	% change
<b>Operating Results (RM'000)</b>			
Revenue	112,429	142,738	27.0
Gross Profit ("GP")	31,571	40,262	27.5
Earnings Before Interest, Tax, Depreciation & Amortisation ("EBITDA")	25,494	34,150	34.0
Profit Before Taxation	20,822	29,146	40.0
Profit After Taxation	15,026	23,202	54.4
<b>Key Financial Position Data (RM'000)</b>			
Total Assets	214,126	232,386	8.5
Total Equity	186,464	209,398	12.3
Total Liabilities	27,662	22,988	(16.9)
<b>Financial Ratios</b>			
GP Margin (%)	28.08	28.21	-
Profit Before Taxation Margin (%)	18.52	20.42	-
Profit After Taxation Margin (%)	13.36	16.25	-
Weighted Average Number of Ordinary Shares in Issue	1,126,113,661	1,150,000,000	-
Basic Earnings Per Share (RM)	0.01	0.02	-
<b>Segmental Revenue (RM'000)</b>			
Semi-Finished Metal Products	83,532	108,730	30.2
Metal Parts	22,939	26,133	13.9
Finished Products	5,958	7,875	32.2
<b>Total</b>	<b>112,429</b>	<b>142,738</b>	<b>27.0</b>

For FYE2025, the Group delivered a strong improvement in financial performance, underpinned by robust order flows, improved capacity utilisation, and a favourable product mix. Revenue increased by 27.0% year-on-year to RM142.74 million, compared to RM112.43 million in FYE2024, reflecting both volume growth and recovery across our business segments.

Gross profit rose by 27.5% to RM40.26 million (RM31.57 million in FYE2024), broadly in line with revenue growth, while gross profit margin remained stable at 28.21% (FYE2024: 28.08%). Margin stability was supported by disciplined cost management and a higher contribution from value-added and engineering-intensive products, which offset modest increases in labour-related costs. Management believes that margin quality, rather than short-term margin expansion, remains the appropriate focus as the Group scales its operations. As capacity ramps up, operational efficiency gains and product mix discipline are expected to support margin sustainability over the medium term.

# MANAGEMENT DISCUSSION AND ANALYSIS

(cont'd)

Overall cost control remained a key management focus, particularly in an environment of fluctuating demand and rising expectations on quality and delivery performance. The Group's cost structure during FYE2025 reflected both external cost trends and internal efficiency initiatives. Raw material costs remained broadly stable, supported by long-term supplier relationships and disciplined procurement practices. Labour costs increased modestly due to salary adjustments and continued investment in skilled personnel, reflecting the importance of human capital in precision manufacturing. Energy costs remained manageable, aided by operational efficiencies and effective monitoring.

Earnings before interest, tax, depreciation & amortisation ("EBITDA") increased by 34.0% to RM34.15 million (RM25.49 million in FYE2024), while profit before taxation grew by 40.0% to RM29.15 million, with the corresponding margin expanding to 20.42% (FYE2024: 18.52%). Profit after taxation rose by 54.4% to RM23.20 million (RM15.03 million in FYE2024), translating into a net profit margin of 16.25%, compared with 13.36% in the previous year. The improvement in profitability reflects the Group's effective cost control measures implemented by management.

Basic earnings per share increased to RM0.02 in FYE2025 (RM0.01 in FYE2024), in line with the higher earnings recorded by the Group.

From a segmental perspective, the fabrication of semi-finished metal products remained the Group's core revenue driver and recorded a 30.2% increase in revenue to RM108.73 million in FYE2025 (FYE2024: RM83.53 million). This growth was driven by higher CNC machining demand and resilient order flows from the security industry, supported by regulatory requirements and infrastructure-related spending. The segment continued to account for the majority of Group revenue, underscoring its central role in customers' manufacturing value chains.

Revenue from the fabrication of metal parts increased by 13.9% to RM26.13 million (RM22.94 million in FYE2024), reflecting steadier demand conditions and ongoing customer engagement across multiple industries. The assembly of finished products recorded the highest growth rate among the segments, with revenue increasing by 32.2% to RM7.88 million (FYE2024: RM5.96 million), albeit from a smaller base. The improvement was supported by selected programme ramp-ups as certain customer projects advanced from NPI stages into production and assembly phases, resulting in higher order volumes.

## Financial Position

The Group's financial position remained sound as at the end of FYE2025, with total assets, equity, and liabilities remaining broadly stable. The strong profitability and cash generation during the year provide a solid foundation to support ongoing capacity expansion, operational investments, and future growth initiatives.

Wentel's balance sheet continued to strengthen in FYE2025, with total equity increasing by 12.30% to RM209.40 million from RM186.46 million in FYE2024, driven by sustained profitability during the year.

Total assets rose by 8.53% to RM232.39 million from RM214.13 million, reflecting continued expansion of the Group's operations. This was primarily supported by a significant increase in non-current assets, which grew to RM118.79 million from RM71.90 million, following ongoing capital investments in property, plant and equipment to enhance production capacity.

In contrast, current assets declined to RM113.60 million from RM142.23 million, mainly due to lower fixed deposits, partially offset by higher trade receivables and cash balances in line with business growth.

## Liquidity

The Group further strengthened its financial position by reducing total liabilities by 16.90% to RM22.99 million from RM27.66 million. This was largely attributable to the full repayment of term borrowings and lower lease and deferred tax liabilities, reflecting prudent financial management and healthy cash flow generation.

## Capital Expenditure for Lot 815

During FYE2025, the Group incurred significant capital expenditure in relation to the expansion of its new manufacturing facility at Lot 815. This expansion is expected to enhance our production capacity, improve workflow efficiency, and support future growth in high-specification and qualification-driven segments.

Funding for the expansion and ramp-up phase is supported by IPO proceeds and internally generated funds. The Group maintains a strong liquidity position and does not anticipate any immediate need for external borrowings, providing flexibility to pursue growth opportunities while maintaining financial discipline.

# MANAGEMENT DISCUSSION AND ANALYSIS

(cont'd)

## DIVIDENDS

It is the Board's policy to recommend dividends to allow shareholders to participate in the Group's profits. Despite the Group's improved financial performance in FYE2025, no dividends were declared as the Board elected to retain earnings to support growth opportunities, operational scalability, and disciplined capital allocation.

The Board considers this approach appropriate to reinforce the Group's balance sheet strength, provide flexibility for investment initiatives, and position Wentel for sustainable long-term growth amid evolving market conditions.

As a holding company, Wentel's ability to declare and pay dividends or make other distributions to shareholders is dependent on dividends received from its subsidiaries, whether present or future. The Board remains committed to declaring dividends when financially prudent and will continue to evaluate the Group's profitability, cash flow position, and capital requirements in determining future dividend distributions.

## STRATEGIC INITIATIVES

### Technology and Manufacturing Capability

Throughout FYE2025, the Group continued to strengthen its manufacturing capabilities to meet increasingly stringent customer requirements, particularly in the semiconductor and electrical and electronics ("E&E") industries. Investments were made in upgrading our machinery, expanding automation, and enhancing our inspection and testing systems, enabling higher throughput and consistent quality whilst reducing variability in our production processes.

At the same time, the Group focused on developing technical expertise within the organisation. Knowledge transfer initiatives and cross-functional collaboration ensured that our employees were equipped with the skills required to operate advanced equipment and implement process improvements to maintain our high standards in production. The Group also maintained a disciplined approach to operational performance monitoring, tracking metrics like equipment uptime and yield rates to identify and address bottlenecks or deviations in a timely manner and minimise disruptions to our production schedules.

### Customer Relationships and Market Positioning

The Group takes a proactive approach to early-stage customer engagement, which continued to deliver strategic benefits during FYE2025. By working closely with customers throughout the design, development, and qualification phases – not only during production – Wentel becomes deeply embedded in their product development cycles. This early and sustained involvement enables the Group to anticipate customer requirements and provide timely technical input from the outset. Such integration is key to building stronger relationships and enhancing trust, thereby increasing the likelihood of repeat business and programme expansion.

In managing customer concentration risk, the Group actively mitigates exposure through diversification across industries, geographies, and product segments, while continuously expanding its customer portfolio to ensure balanced and sustainable revenue streams. The NPI pipeline remained a critical indicator of future growth potential in FYE2025, providing visibility into customers' production plans and enabling early engineering collaboration. The latter is critical to optimising product design, enhancing manufacturability, and reducing time-to-market.

# MANAGEMENT DISCUSSION AND ANALYSIS

(cont'd)

## KEY RISKS AND MITIGATION

Wentel continues to recognise that effective risk management is fundamental to maintaining business continuity, financial resilience, and long-term sustainability. During FYE2025, the Group maintained a structured approach to identifying key risks and implementing appropriate mitigation measures to manage potential exposures.

The table below summarises the principal risks faced by the Group, their potential impact, as well as the mitigation strategies in place and the resulting outcomes.

### Raw Material Price Volatility

The Group relies on raw materials such as metals, which are subject to price volatility due to global supply-demand dynamics, inflation, and geopolitical factors.

#### Potential Impact

- Higher production costs, reduced profit margins, and pricing challenges for customers.

#### Mitigation Strategies

- Ongoing monitoring of raw material markets and flexible procurement strategies.
- Adjustments to pricing where appropriate to maintain margin stability.

#### Results

- Improved cost management and reduced impact of material price volatility.

### Currency Fluctuations

As the Group operates in international markets, revenue and procurement transactions are exposed to currency fluctuations.

#### Potential Impact

- Profitability may be affected by unfavourable exchange rate movements and increased cost of imports.

#### Mitigation Strategies

- Active monitoring of foreign exchange exposure, with hedging applied where necessary.
- Matching revenue and expenses in foreign currencies where possible.
- Procure from or work with local institutions as much as practicable.

#### Results

- Reduced impact of currency fluctuations on financial performance and improved predictability.

### Reliance on Major Customers

A significant portion of revenue is derived from a few key customers, increasing revenue concentration risk.

#### Potential Impact

- Loss of a major customer could significantly impact revenue and profitability.

#### Mitigation Strategies

- Diversification of customer base and active management of key account relationships.
- Delivery of value-added services to strengthen client partnerships.

#### Results

- Greater revenue diversification, reduced dependency on single clients, and increased market stability.

# MANAGEMENT DISCUSSION AND ANALYSIS

(cont'd)

## Predominantly Short-Term Contracts

The Group operates on purchase-order-based transactions rather than long-term contracts, making revenue streams less predictable.

### Potential Impact

- Volatility in order volumes and uncertainty in long-term revenue visibility.

### Mitigation Strategies

- Proactive engagement with customers to encourage repeat orders.
- Strengthening customer relationships through responsive service and support.

### Results

- More consistent order flow, stronger customer loyalty, and improved revenue predictability.

## Concentration in a Single Industry Segment

A significant portion of revenue is derived from the security screening equipment industry.

### Potential Impact

- Business performance is sensitive to regulatory changes, budget allocations, technological advancements, and evolving security threats.

### Mitigation Strategies

- Diversification into adjacent industries, such as industrial automation.
- Development of solutions for multiple industries and market segments.

### Results

- A more resilient business model, reduced reliance on any single industry, and better risk distribution.

## Workforce Retention Challenges

The loss of skilled and experienced employees due to competitive job markets and workforce mobility.

### Potential Impact

- Increased recruitment and training costs, potential loss of technical expertise, and disruptions to operations.

### Mitigation Strategies

- Competitive compensation packages and retention incentives.
- Targeted training and leadership development programmes.
- Employee engagement initiatives and well-being programmes.

### Results

- Higher employee retention, a motivated workforce, and reduced disruption from turnover.

## Increasing Customer Demands on Sustainability and Governance

The growing expectations from customers for stringent governance, regulatory adherence, and robust sustainability practices across operations.

### Potential Impact

- Risk of reputational damage, contractual non-compliance, or delayed project approvals if requirements are not met.
- Increased operational and reporting burdens, potentially affecting efficiency and cost management.

### Mitigation Strategies

- Implementation of comprehensive governance and sustainability frameworks aligned with industry standards.
- Regular internal audits, monitoring, and risk assessments to ensure adherence to policies and regulations.
- Training and awareness programmes for employees and management on governance and sustainability best practices.
- Proactive engagement with customers to align on expectations and reporting requirements.

### Results

- Enhanced trust and confidence among customers and other stakeholders.
- Reduced risk of non-compliance and operational disruptions.
- Stronger organisational reputation and improved long-term business relationships.

# MANAGEMENT DISCUSSION AND ANALYSIS

(cont'd)

## OPERATIONAL SUSTAINABILITY AND GOVERNANCE

Building on the Group's commitment to robust governance and risk management as highlighted in the preceding section, sustainability and governance considerations remained integral to the Group's strategic and operational approach during the financial year. Our customers have increasingly incorporated economic, environmental, social, and governance criteria into their supplier audits, tender processes, and qualification assessments, particularly in regulated and high-specification industries such as security and semiconductor-related applications.

As part of these requirements, our customers have requested information relating to our compliance certifications, environmental performance metrics, workforce practices, and supply chain and material traceability. In response, the Group continued to uphold high standards of operational transparency, regulatory compliance, and environmental responsibility across its operations. This included maintaining relevant compliance certifications, adhering to applicable regulatory and industry requirements, as well as strengthening internal processes related to environmental management and responsible sourcing, amongst others.

In addition, the Group placed emphasis on workforce practices, including workplace safety and health as well as skills development, recognising the importance of employee well-being and a stable and capable workforce in supporting operational sustainability. Governance practices were also reinforced through clear policies as well as internal controls and oversight mechanisms to support ethical conduct and regulatory compliance.

For further information on the Group's sustainability framework, initiatives, and performance, please refer to the Sustainability Statement on pages 31 to 73 of this Annual Report.

## THE WAY FORWARD

Prior to the recent escalation of conflict in the Middle East, global economic growth was projected to remain resilient at around 3.3% in 2026, according to the IMF's World Economic Outlook (January 2026). While the IMF has not yet revised its outlook, noting that it is "too early" to assess the full economic impact, the fund said it is closely monitoring developments and warned of potential risks to the global economy, including trade disruptions, surges in energy prices, and volatility in financial markets.

Similarly, UN Tourism had expected international tourism to continue its recovery in 2026, projecting 3–4% growth in international arrivals, supported by strong travel demand, expanding air connectivity, and major global events such as the Milano Cortina Winter Olympics and the FIFA World Cup. However, recent geopolitical tensions have disrupted regional air travel and connectivity in parts of the Middle East, a key global

transit hub accounting for around 5% of international arrivals and 14% of international transit traffic, with knock-on effects for global travel flows. Despite these challenges, industry groups such as the World Travel & Tourism Council emphasise that travel and tourism remains one of the most resilient sectors, with demand historically rebounding relatively quickly following security-related disruptions when traveller confidence is restored.

Against this backdrop, the Group is cautiously optimistic about its growth prospects, supported by favourable long-term industry fundamentals and continued customer engagement across key end-markets. Over the next three to five years, the semiconductor and medical industries are expected to present the most attractive growth opportunities. These sectors continue to benefit from global trends such as digitalisation, automation, healthcare innovation, and investment in advanced manufacturing technologies.

The security industry is expected to continue providing a stable and resilient revenue base. Demand in this segment is typically less cyclical and supported by long-term infrastructure, public safety, and regulatory requirements, offering the Group a degree of earnings stability and downside protection during periods of economic uncertainty. Revenue and earnings contributions from qualification, NPI, and early-stage development activities are expected to materialise progressively as customer programmes transition from development and pilot phases into mass production. While timing depends on customer project schedules and end-market conditions, the Group is encouraged by the visibility provided by the current NPI pipeline. Medium-term margin profiles are expected to remain broadly consistent, supported by stable pricing dynamics, cost structures, and operational efficiencies.

For FYE2026, the Group will continue to prioritise operational excellence as a core strategic focus. Key priorities include maintaining our on-time-in-full delivery performance, achieving zero-defect manufacturing standards, and further developing employee capabilities across our quality and operational functions, amongst others. These initiatives enhance the scalability and resilience of our Group, positioning Wendel strategically to support our customers' long-term growth requirements while delivering sustainable value to shareholders.

Our new manufacturing plant at Lot 815 will also progressively enhance production capacity and efficiency, supported by state-of-the-art automation and smart manufacturing technologies. Supply chain resilience remains a key priority for us, with diversified sourcing and strengthened supplier networks ensuring our timely delivery of high-quality products. In addition, Wendel is continuing to advance our precision fabrication through next-generation CNC machining, laser cutting, and advanced metal processing, while expanding our regional presence to capture new opportunities and strengthen customer relationships.

## SUSTAINABILITY STATEMENT

Wentel Engineering Holdings Berhad (“Wentel” or “the Company”) and its subsidiaries (“the Group”) continue to prioritise sustainability as the foundation of our long-term growth. In 2025, we remain committed to economic, environmental, social, and governance best practices, strengthening transparency and stakeholder engagement to ensure our operations align with national development goals.

Our sustainability agenda remains firmly rooted in our Vision: to be the leading and preferred provider of sheet metal and structural fabrication, distinguished by our in-house surface treatment and assembly capabilities.

### ABOUT THIS STATEMENT

This Sustainability Statement provides a transparent account of our ongoing efforts and performance across key sustainability areas that are material to both our business and stakeholders.



# SUSTAINABILITY STATEMENT

(cont'd)

## SCOPE AND BOUNDARY

This statement covers the Malaysian business operations and activities of our wholly-owned subsidiary, Wentel Engineering Sdn. Bhd. ("WESB").

## REPORTING FRAMEWORKS AND STANDARDS

### Primary

- Bursa Malaysia's Sustainability Reporting Guide (3<sup>rd</sup> Edition)
- National Sustainability Reporting Framework
- Malaysian Code on Corporate Governance 2021 ("MCCG")

### Reference

- Global Reporting Initiative
- FTSE4Good Index Series
- United Nations' Sustainable Development Goals ("SDGs")

## STATEMENT OF ASSURANCE

The data presented in this Sustainability Statement has been reviewed and validated by senior management and the relevant data custodians, and has received formal approval from the Board. This Statement has been prepared using data and information available during the reporting period, following established internal processes to support accuracy and completeness. While this Sustainability Statement has not been subjected to internal audit review or external independent assurance, the Group remains committed to progressively strengthening the robustness, reliability and completeness of its sustainability data collection and reporting processes.

Moving forward, Wentel aims to continuously enhance the transparency and quality of its sustainability disclosures as part of its broader commitment to responsible corporate governance and accountability.

## REPORTING PERIOD

This statement details our sustainability-related activities from 1 January 2025 to 31 December 2025 ("FYE2025").

## REPORTING CYCLE

Our Sustainability Statements are produced annually, coinciding with our financial reporting period to ensure consistency in our disclosures.

## FEEDBACK AND INQUIRIES

We welcome your feedback and suggestions. Please direct any comments or inquiries to [corporate@wenteleng.com](mailto:corporate@wenteleng.com).

# SUSTAINABILITY STATEMENT

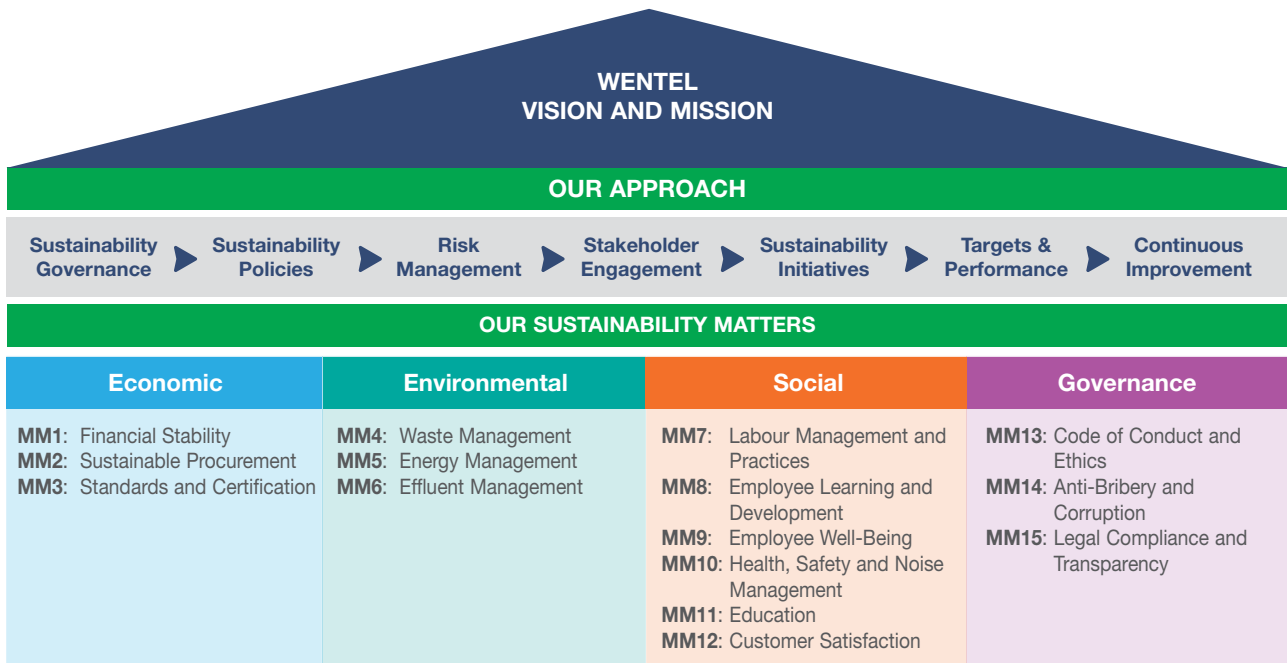
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## OUR APPROACH TO SUSTAINABILITY

Wentel’s sustainability approach is anchored in the integration of responsible and sustainable practices across our business operations to create long-term value for all stakeholders. We actively pursue business opportunities while identifying and mitigating sustainability-related risks, with a clear commitment to supporting the national development agenda and contributing to the SDGs.

Our sustainability strategy is underpinned by a strong governance framework that promotes accountability, transparency, and meaningful stakeholder engagement.

## SUSTAINABILITY FRAMEWORK



**Outcomes:** Achieve our Vision and Mission as well as the SDGs whilst contributing to the national agenda.



In 2025, the Group continues to be guided by a comprehensive Sustainability Framework that directs our approach to addressing material sustainability issues across the business. This framework informs how we conduct our operations responsibly, encompassing product development, customer service, employee well-being, and community engagement. It articulates our vision and mission while aligning our initiatives with the SDGs.

Our sustainability commitments are aligned with national development priorities, including the Thirteenth Malaysia Plan (RMK-13, 2026–2030), which builds upon RMK-12 and supports the Ekonomi MADANI principles to promote sustainable, inclusive, and digitally driven growth. This structured approach reinforces the Group’s commitment to advancing societal progress and contributing to a more equitable and sustainable future.

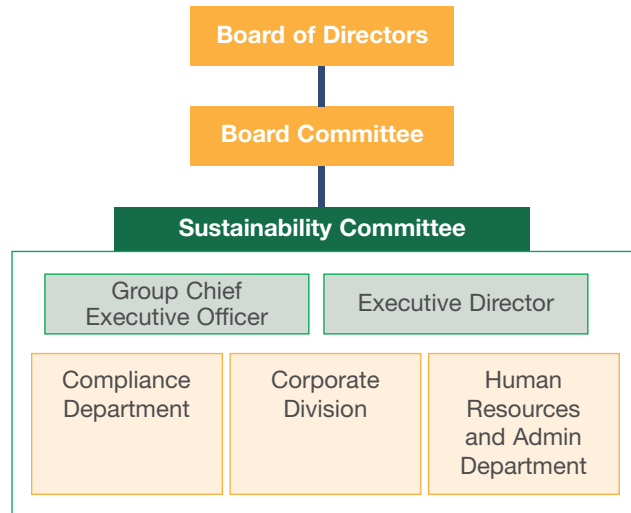
# SUSTAINABILITY STATEMENT

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## SUSTAINABILITY GOVERNANCE

In 2025, Wentel continues to maintain a robust sustainability governance structure designed to ensure clear accountability, effective oversight, and ongoing review in managing material sustainability matters. This structure clearly defines roles, responsibilities, reporting lines, and governing bodies, establishing a strong and consistent line of accountability across the Group.

Anchored at the highest levels of the organisation, the Board of Directors plays a pivotal role in advancing sustainability integration by providing strategic direction, appropriate resources, and effective systems to manage sustainability-related matters. Guided by these governance principles and a proactive response to evolving sustainability challenges, we continuously strengthen our ability to deliver sustainable products and create long-term value for our stakeholders.



Role	Responsibilities
<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>Oversees the Group’s sustainability strategy, reporting, and management of sustainability-related risks.</li> <li>Reviews sustainability initiatives, key performance indicators (“KPIs”), and performance on a regular basis.</li> <li>Appoints and provides oversight to the Sustainability Committee to support the execution of sustainability-related matters.</li> </ul>
<b>Board Committee</b>	<ul style="list-style-type: none"> <li>Reviews and recommends sustainability strategies to the Board.</li> <li>Ensures alignment with evolving industry trends and the Group’s operational capacity and resources.</li> <li>Supports the preparation and review of the Group’s Sustainability Statement.</li> </ul>
<b>Sustainability Committee</b>	<ul style="list-style-type: none"> <li>Implements and monitors the sustainability strategies approved by the Board.</li> <li>Reviews and reports on sustainability-related risks, emerging trends, and performance.</li> <li>Oversees community, environmental, and corporate responsibility initiatives across the Group.</li> <li>Recommends sustainability-related policies, frameworks, and reporting standards to the Board.</li> </ul>

## SUSTAINABILITY-RELATED POLICIES

The Group’s Sustainability Policy complements our existing internal policies, several of which are outlined below. Together, these policies provide essential frameworks that guide how we identify, manage, and address key sustainability matters across our operations.

The Sustainability Policy continues to be reviewed and refined to provide clearer direction, strengthen governance, and maintain alignment with evolving regulatory requirements and best practices. Clearly articulating our objectives and standards enables these policies to support regulatory compliance while fostering a culture of accountability, transparency, and continuous improvement.

Anti-Bribery and Anti-Corruption Policy	Whistle-Blowing Policy	Child Labour
Human Rights	Freedom of Association & Collective Bargaining	Code of Ethics and Conduct
Diversity and Inclusivity	Modern Slavery and Human Trafficking	Disciplinary & Grievance Practices

For more detailed information about our policies, please visit our website at [www.wenteleng.com](http://www.wenteleng.com).

# SUSTAINABILITY STATEMENT

(cont'd)

## STAKEHOLDER ENGAGEMENT

Stakeholder engagement remains a cornerstone of Wentel’s sustainability strategy in 2025. Our ongoing and structured engagement throughout the year enables us to more effectively identify, understand, and respond to the evolving concerns and expectations of our stakeholders. We have, in this respect, established a range of communication and collaboration platforms tailored to the specific needs of each stakeholder group. This approach strengthens our stakeholder relationships while providing valuable insights that support our risk management practices and inform our decision-making processes.

The following table outlines the Group’s key stakeholder groups, their principal areas of interest, as well as the engagement approach and actions undertaken to address these matters.

EMPLOYEES	
<p><b>Concerns/Issues</b></p> <ul style="list-style-type: none"> <li>• Workplace health and safety</li> <li>• Training and career advancement</li> <li>• Personal and professional development</li> <li>• Compensation and employment benefits</li> </ul>	<p><b>Our Responses and Engagement Approach</b></p> <ul style="list-style-type: none"> <li>• Established a dedicated Safety and Health Committee to promote and maintain a safe and secure working environment.</li> <li>• Regularly review and update safety, health, and environmental procedures to ensure compliance with applicable laws and regulations.</li> <li>• Provide comprehensive and structured training programmes for employees across all levels.</li> <li>• Conduct ongoing employee engagement and performance discussions focused on goal-setting and career development.</li> <li>• Regularly benchmark salary and benefits packages against industry standards to ensure competitiveness.</li> </ul>
SHAREHOLDERS/INVESTORS	
<p><b>Key Concerns</b></p> <ul style="list-style-type: none"> <li>• Financial performance</li> <li>• Ethical business conduct</li> <li>• Effective risk management and mitigation</li> <li>• Transparent and timely reporting of key information</li> </ul>	<p><b>Our Responses and Engagement Approach</b></p> <ul style="list-style-type: none"> <li>• Continuously enhance processes to improve performance and operational efficiency.</li> <li>• Identify new business opportunities and implement appropriate strategies to support sustainable growth.</li> <li>• Strengthen business resilience through proactive risk identification and effective risk management practices.</li> <li>• Uphold strong corporate governance standards and ethical business conduct across the Group.</li> <li>• Actively encourage shareholder participation at annual general meetings and facilitate the sharing of views and feedback.</li> <li>• Provide transparent, accurate, and timely disclosures through the corporate website and Bursa Malaysia Securities Berhad’s platform.</li> </ul>
SUPPLIERS	
<p><b>Key Concerns</b></p> <ul style="list-style-type: none"> <li>• Financial stability</li> <li>• Ethical business practices</li> <li>• Enduring partnerships</li> </ul>	<p><b>Our Responses and Engagement Approach</b></p> <ul style="list-style-type: none"> <li>• Maintain a fair and transparent procurement process, supported by regular supplier performance assessments.</li> <li>• Foster strong and collaborative relationships with suppliers through ongoing communication and engagement.</li> </ul>
COMMUNITY	
<p><b>Key Concerns</b></p> <ul style="list-style-type: none"> <li>• Community well-being</li> <li>• Community health and safety</li> <li>• Environmental sustainability</li> <li>• Support for local procurement and hiring</li> </ul>	<p><b>Our Responses and Engagement Approach</b></p> <ul style="list-style-type: none"> <li>• Maintain ongoing engagement with local communities to better understand and respond to their needs and concerns.</li> <li>• Contribute to and support community development programmes, welfare initiatives, and social causes.</li> <li>• Implement and uphold stringent standards on waste management, environmental protection, and occupational health and safety.</li> <li>• Support regional economic development by prioritising local sourcing and employment opportunities.</li> </ul>

# SUSTAINABILITY STATEMENT

(cont'd)

## STAKEHOLDER ENGAGEMENT (CONT'D)

CUSTOMERS	
<p><b>Key Concerns</b></p> <ul style="list-style-type: none"> <li>• Data confidentiality and cybersecurity</li> <li>• Timely delivery</li> <li>• Product quality and safety</li> <li>• After-sales support</li> <li>• Innovative solutions</li> </ul>	<p><b>Our Responses and Engagement Approach</b></p> <ul style="list-style-type: none"> <li>• Implement rigorous quality control processes to consistently achieve high product and service standards.</li> <li>• Cultivate a strong culture of safety and quality across the organisation.</li> <li>• Maintain open and proactive communication channels with customers to understand and address their needs and concerns.</li> <li>• Conduct regular customer satisfaction surveys to identify gaps and opportunities for improvement.</li> <li>• Drive continuous innovation to enhance safety, quality, and overall customer experience.</li> <li>• Strengthen cybersecurity and data protection measures to safeguard customer information.</li> </ul>
GOVERNMENT/REGULATORY AUTHORITIES	
<p><b>Key Concerns</b></p> <ul style="list-style-type: none"> <li>• Ethical business practices</li> <li>• Environmental sustainability</li> <li>• Employee health and safety</li> <li>• Regulatory compliance</li> </ul>	<p><b>Our Responses and Engagement Approach</b></p> <ul style="list-style-type: none"> <li>• Ensure full compliance with all applicable laws and regulations governing our operations.</li> <li>• Promote ethical business conduct and uphold strong governance standards across the Group.</li> <li>• Conduct regular employee training on ethics, occupational health and safety, and environmental management to reinforce regulatory compliance.</li> </ul>

## MATERIALITY

In FYE2025, we carried out a materiality review to reassess the sustainability matters identified in our FYE2024 assessment. The review confirmed that all previously identified sustainability matters remain relevant. This outcome reflects the continued alignment of these matters with the Group’s business activities, risk profile, and strategic priorities.

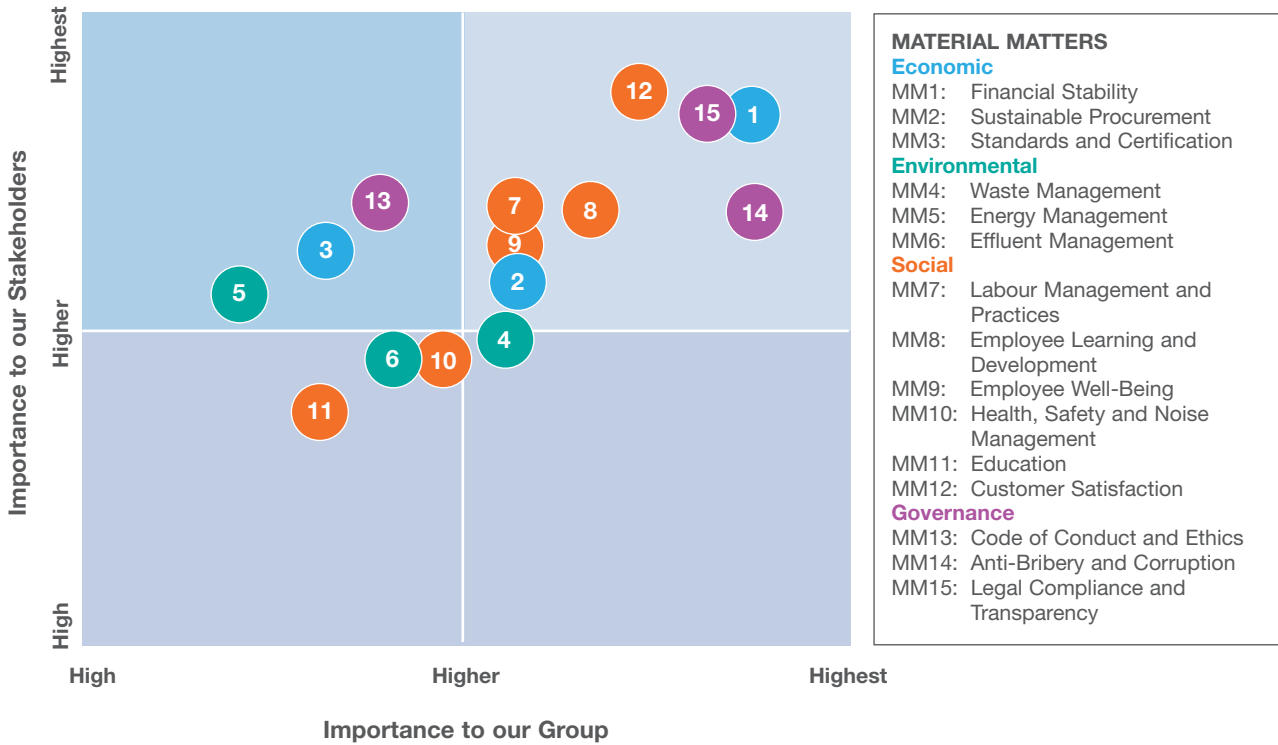
The Group’s materiality assessment was conducted through a structured and step-by-step process. This approach ensured that our sustainability focus remains aligned with our stakeholders’ expectations and business priorities whilst taking into account emerging sustainability considerations. The key phases of the materiality assessment process are outlined below:



# SUSTAINABILITY STATEMENT

(cont'd)

## Materiality Matrix



The materiality matrix visually represents the significance of 15 material sustainability matters, referred to as Material Matters (“MM”), to both Wentel and our stakeholders. The horizontal axis reflects the significance to the Group, while the vertical axis indicates the importance to stakeholders. Each material matter is positioned on the matrix based on its assessed relevance and impact, enabling Wentel to prioritise sustainability efforts in a structured and balanced way.

Key matters such as Financial Stability (MM1), Customer Satisfaction (MM12), Legal Compliance and Transparency (MM15), and Anti-Bribery and Corruption (MM14) appear in the upper-right quadrant, indicating their high importance to both the Group and our stakeholders. Other topics, including Sustainable Procurement (MM2), Employee Well-Being (MM9), and Labour Management and Practices (MM7), are significant to both parties, while areas such as Standards and Certification (MM3) and Code of Conduct and Ethics (MM13) hold higher strategic importance to our stakeholders.

Although Energy Management (MM5), Effluent Management (MM6), and Education (MM11) rank lower in priority, Wentel remains committed to proactively addressing them, recognising their growing relevance in the broader sustainability context. This matrix guides our sustainability strategy and reporting focus, ensuring alignment with stakeholder expectations while supporting our long-term business objectives.

## SUSTAINABILITY RISK MANAGEMENT

Effective management of our material sustainability matters requires a proactive and structured understanding of the risks and opportunities that may influence Wentel’s long-term performance. In FYE2025, the Group continued to strengthen the integration of sustainability-related considerations into our overall risk management framework, supporting a more forward-looking and comprehensive approach to risk oversight in an increasingly dynamic business environment.

The Audit and Risk Management Committee (“ARMC”), with guidance and oversight from the Board, plays a central role in the Group’s risk governance. The ARMC oversees the identification, assessment, and management of both financial and non-financial risks, and evaluates the effectiveness of our policies, controls, and mitigation measures. Ongoing risk assessments, supported by our structured monitoring and reporting processes, enable the ARMC to more effectively identify emerging risks and facilitate timely, proactive responses to enhance our Group’s resilience and preparedness.

# SUSTAINABILITY STATEMENT



(cont'd)

## SUSTAINABILITY RISK MANAGEMENT (CONT'D)

Embedding sustainability considerations into risk oversight allows the ARMC to ensure that the Group's strategic and operational decisions are aligned not only with our immediate business priorities, but also with Wentel's long-term sustainability objectives. This integrated approach strengthens risk awareness across our organisation and positions the Group to capitalise on opportunities arising from evolving regulatory, environmental, and market developments.

Looking ahead, Wentel remains committed to further enhancing our risk management framework by progressively incorporating a broader range of material sustainability matters into the Group's risk register. This will enable more holistic risk evaluation, improving our anticipation of potential threats and helping align our risk management practices more effectively with the Group's long-term sustainability strategy.



The table below outlines the key sustainability-related risks and opportunities that have the potential to materially influence our long-term performance, resilience, and overall success:

 <b>ECONOMIC</b>		
<b>MM1: Financial Stability</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Exposure to market volatility (including fluctuations in foreign exchange, interest rates, and commodity prices), along with liquidity constraints or high leverage, may affect financial performance and weaken supplier relationships.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Strengthening financial resilience through diversified revenue streams, effective hedging strategies, and cost optimisation can enhance long-term growth and foster stronger partnerships with suppliers.</li> </ul>
<b>MM2: Sustainable Procurement</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Disruptions in operations and margin pressure may arise from supplier non-compliance or increased costs associated with sustainable materials.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Adopting ethical sourcing practices can deepen supplier relationships, enhance brand reputation, and provide a competitive advantage in the marketplace.</li> </ul>
<b>MM3: Standards and Certification</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Failure to meet quality standards or maintain required certifications could result in legal penalties and damage to reputation.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Maintaining robust quality certifications reinforces customer trust, unlocks new market opportunities, and ensures operational excellence.</li> </ul>
 <b>ENVIRONMENTAL</b>		
<b>MM4: Waste Management</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Inefficient waste management practices may cause environmental harm and result in regulatory penalties.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Implementing waste reduction initiatives and enhancing recycling programmes can lower disposal costs, improve operational efficiency, and strengthen Wentel's sustainability credentials.</li> </ul>
<b>MM5: Energy Management</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Rising energy prices and potential supply disruptions could increase operating costs and affect profitability.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Investing in energy efficiency measures and renewable energy solutions can reduce costs, improve environmental performance, and enhance the Group's resilience to energy market fluctuations.</li> </ul>

# SUSTAINABILITY STATEMENT

(cont'd)

## SUSTAINABILITY RISK MANAGEMENT (CONT'D)

 <b>ENVIRONMENTAL (CONT'D)</b>		
<b>MM6: Effluent Management</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Inadequate treatment of effluent or accidental leakages may cause environmental pollution and expose the business to legal liabilities.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Adopting advanced effluent management and leakage prevention processes can minimise environmental impact, ensure regulatory compliance, and optimise operational efficiency.</li> </ul>
 <b>SOCIAL</b>		
<b>MM7: Labour Management and Practices</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Poor labour practices may cause recruitment challenges, operational disruptions, legal issues, high turnover, and reputational harm.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Upholding fair labour practices strengthens recruitment, improves employee engagement and productivity, reduces attrition and disciplinary incidents, and enhances the Group's brand image.</li> </ul>
<b>MM8: Employee Learning and Development</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Limited investment in training can result in skill gaps, affecting quality, productivity, and innovation.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Continuous learning and development programmes support talent retention, foster innovation, and enhance both quality and operational efficiency.</li> </ul>
<b>MM9: Employee Well-Being</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Neglecting employee well-being can lead to health problems, higher absenteeism, and lower productivity.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Prioritising employee well-being boosts morale, reduces turnover, and improves overall organisational performance.</li> </ul>
<b>MM10: Health, Safety and Noise Management</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Inadequate health and safety measures may cause workplace accidents, legal penalties, and operational downtime.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Implementing proactive health, safety, and noise management programmes mitigates risks, enhances productivity, and supports employee satisfaction.</li> </ul>
<b>MM11: Education</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Limited access to education in communities can contribute to skills gaps and social inequality.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Supporting educational initiatives strengthens community relationships, builds a skilled talent pipeline, and enhances social impact.</li> </ul>
<b>MM12: Customer Satisfaction</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Failure to meet evolving customer expectations due to technological, process, or quality issues can lead to negative publicity, churn, and reduced sales.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Continuously aligning with customer needs and improving product quality and delivery timelines increases satisfaction, loyalty, repeat business, and brand reputation.</li> </ul>

# SUSTAINABILITY STATEMENT

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## SUSTAINABILITY RISK MANAGEMENT (CONT'D)

 <b>GOVERNANCE</b>		
<b>MM13: Code of Conduct and Ethics</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Breaches of ethical standards or misconduct can result in legal liabilities and reputational damage.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Maintaining a strong code of conduct reinforces brand integrity, builds stakeholder confidence, and ensures ongoing regulatory compliance.</li> </ul>
<b>MM14: Anti-Bribery and Corruption</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Incidents of bribery or corruption can lead to legal penalties, reputational harm, and operational disruptions.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Implementing robust anti-corruption policies strengthens governance, attracts ethical investors, and enhances corporate credibility.</li> </ul>
<b>MM15: Legal Compliance and Transparency</b>	<b>Risks</b> <ul style="list-style-type: none"> <li>Insufficient awareness of legal or regulatory changes may lead to fines, litigation, and reputational damage.</li> </ul>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>Proactively monitoring and adapting to legal and regulatory requirements ensures strong compliance, improves transparency, and mitigates operational and reputational risks.</li> </ul>

## PERFORMANCE SCORECARD

Wentel remains committed to transparency and accountability, ensuring stakeholders are kept informed of our impacts and progress toward long-term sustainable value creation. In FYE2025, we continued to advance our sustainability journey by refining the targets linked to our material matters, while further strengthening the foundations for clear and achievable performance measurement.

During the year, we focused on defining key metrics and establishing baselines to better assess our performance, identify areas for improvement, and inform the development of future goals. In setting these targets, we considered industry benchmarks and historical performance, amongst others, to ensure they are both meaningful and practical. We will progressively introduce more quantitative targets to enhance our measurement processes and decision-making effectiveness.

FYE2025 PERFORMANCE SCORECARD			
Material Matters	Targets	Performance	Strategic Plans
<b>MM2: Sustainable Procurement</b>	<b>Target: Ongoing</b> Maintain proportion of spending on local suppliers at over 50% of total spending	FYE2025: 54%	<ul style="list-style-type: none"> <li>Prioritise local suppliers and strengthen supplier engagement</li> </ul>

# SUSTAINABILITY STATEMENT

(cont'd)

## PERFORMANCE SCORECARD (CONT'D)

FYE2025 PERFORMANCE SCORECARD			
Material Matters	Targets	Performance	Strategic Plans
<b>MM7: Labour Management and Practices</b>	<p><b>Target: Ongoing</b></p> <p>Maintain zero complaints related to discrimination, harassment, violence, forced labour, and child labour in the workplace</p>	FYE2025: 0 cases	<ul style="list-style-type: none"> <li>Enforce fair labour practices and strengthen grievance and reporting mechanisms</li> </ul>
	<p><b>Target: Ongoing</b></p> <p>Maintain zero incidents of human rights violations</p>	FYE2025: 0 incidents	<ul style="list-style-type: none"> <li>Conduct supplier and employee awareness programmes and monitor labour standards</li> </ul>
	<p><b>Target: Ongoing</b></p> <p>Maintain female participation at the Board and management levels at above 40%</p>	FYE2025: 40% (Board) 43% (Management)	<ul style="list-style-type: none"> <li>Provide tailored training, leadership development, or upskilling programmes for female employees</li> <li>Establish clear promotion pathways and monitor advancement rates for women</li> <li>Encourage women's participation in decision-making and strategy discussions</li> </ul>
<b>MM8: Employee Learning and Development</b>	<p><b>Target: Ongoing</b></p> <p>Maintain average training days per employee per year at above 5 days</p>	FYE2025: 6.7 days	<ul style="list-style-type: none"> <li>Develop and roll out a comprehensive training and development programme</li> <li>Empower managers to recognise skill gaps and actively support employees' career growth</li> <li>Monitor training effectiveness through regular performance reviews</li> <li>Regularly refine the programme to ensure it meets evolving business priorities and individual development objectives</li> </ul>
<b>MM10: Health, Safety and Noise Management</b>	<p><b>Target: Ongoing</b></p> <p>Maintain zero workplace fatalities</p>	FYE2025: 0 fatalities	<ul style="list-style-type: none"> <li>Enhance the safety management framework</li> <li>Strengthen two-way communication between management and employees on safety matters</li> <li>Improve and expand safety and health training programmes across all levels of the organisation</li> <li>Ensure consistent implementation of safety and health protocols across all operations</li> <li>Maintain accurate and accessible work-related injury records</li> </ul>
	<p><b>Target: FYE2028</b></p> <p>Reduce Lost Time Incident Rate ("LTIR") to zero (Baseline: 2.53 in FYE2023)</p>	FYE2025: 6.80	

# SUSTAINABILITY STATEMENT

(cont'd)

## PERFORMANCE SCORECARD (CONT'D)

FYE2025 PERFORMANCE SCORECARD			
Material Matters	Targets	Performance	Strategic Plans
<b>MM12: Customer Satisfaction</b>	<b>Target: Ongoing</b> Maintain overall customer satisfaction rate at or above 80%	FYE2025: 88%	<ul style="list-style-type: none"> <li>Continuously gather and analyse customer feedback</li> <li>Implement targeted actions based on customer insights</li> <li>Strengthen customer relationships through consistent service excellence and responsive product support</li> <li>Regularly review and refine internal processes to uphold quality standards across all operations</li> </ul>
	<b>Target: Ongoing</b> Maintain zero cybersecurity breaches	FYE2025: 0 breaches	<ul style="list-style-type: none"> <li>Enhance IT security controls and conduct cybersecurity awareness training</li> </ul>
<b>MM14: Anti-Bribery and Corruption</b>	<b>Target: Ongoing</b> Maintain zero confirmed incidents of corruption	FYE2025: 0 incidents	<ul style="list-style-type: none"> <li>Ensure the highest standards of corporate governance and ethical business practices</li> <li>Enforce a strict zero-tolerance policy toward fraud, bribery, and corruption</li> </ul>
<b>MM15: Legal Compliance and Transparency</b>	<b>Target: Ongoing</b> Maintain zero cases of non-compliance with laws and regulations	FYE2025: 0 cases	<ul style="list-style-type: none"> <li>Continuously monitor applicable laws and regulations</li> <li>Provide regular training on regulatory requirements, updates, and best practices</li> <li>Conduct periodic internal audits and risk assessments</li> <li>Promote a culture of responsibility by encouraging timely reporting and prompt corrective actions in response to any non-compliance</li> </ul>

## MANAGEMENT APPROACH TO MATERIAL MATTERS

Our approach to managing material sustainability matters reflects our commitment to long-term success and continuous improvement.

By ensuring our initiatives are aligned with stakeholder expectations as well as national and global priorities, we reinforce the Group's resilience and long-term relevance. This forward-looking approach enables us to generate sustainable value for our business and stakeholders, while contributing meaningfully to the achievement of the SDGs. The sections that follow describe our management approach to material matters and how we address key sustainability issues across each area.

# SUSTAINABILITY STATEMENT

(cont'd)



Wentel remains committed to driving sustainable economic growth by strengthening our financial performance, diversifying our business activities, and delivering long-term value to our stakeholders. As a precision engineering group with over two decades of experience in precision fabrication and assembly, the Group plays a vital role in supporting key industries such as security, CNC machining, semiconductor, and medical applications.

The Group's emphasis on operational efficiency, technological capability, and prudent cost management underpins its resilience in an increasingly competitive and dynamic operating environment. At the same time, the Group prioritises sustainable procurement, skills development, and talent retention, contributing to workforce capability, community well-being, and economic empowerment.

Through these initiatives, the Group supports national development priorities and advances global sustainability objectives in alignment with SDGs 8, 9, 12 and 17.

- MM1:** Financial Stability
- MM2:** Sustainable Procurement
- MM3:** Standards and Certification



## MM1: FINANCIAL STABILITY

Financial stability is a critical enabler of Wentel's long-term sustainability, providing the foundation for operational resilience, responsible investment, and sustainable growth. As a precision fabricator and assembler serving mission-critical and specification-driven industries such as security screening, semiconductor manufacturing, medical diagnostics, and CNC machining, the Group operates within an environment that demands consistent quality, high reliability, and long-term customer engagement. Maintaining a strong financial position allows Wentel to meet these requirements while adapting to evolving market conditions and customer expectations.

The Group's status as an ACE Market constituent since February 2024 has strengthened its financial capacity, corporate visibility, and stakeholder confidence, enabling Wentel to invest in advanced manufacturing capabilities, automation, and quality systems, as well as to support workforce development and operational scalability. Financial strength is particularly important given the Group's qualification-centric business model, where upfront engineering effort and extended qualification cycles precede revenue generation. These qualification activities are viewed as strategic investments that support long-term earnings visibility and customer retention.

Strong financial performance during FYE2025 reflects the effectiveness of the Group's disciplined operational execution and diversified exposure across multiple industries. Revenue growth, improved capacity utilisation, and stable margin performance supported robust cash generation, strengthening the Group's ability to fund ongoing capital expenditure, including the expansion of its manufacturing facility at Lot 815. This investment is expected to enhance production capacity, improve workflow efficiency, and support future growth in high-specification and qualification-driven programmes.

Beyond business performance, financial stability enables Wentel to generate direct economic value for its stakeholders, including employees, suppliers, customers, and shareholders. The Group contributes to the national economy through employment creation, local procurement, tax contributions, and sustained industrial activity. The following table outlines the Group's economic contributions and value generated and distributed to key stakeholders during the financial year.

Direct Economic Contributions (RM'000)			
	FYE2025	FYE2024	FYE2023
Revenue	142,738	112,429	98,752
Tax expenses	5,944	5,795	4,721
Employee wages	26,383	21,225	20,161
Dividend	0	0	0

# SUSTAINABILITY STATEMENT

(cont'd)



## ECONOMIC (CONT'D)

### MM2: SUSTAINABLE PROCUREMENT

Wentel regards our supply chain as a critical enabler of sustainable, inclusive, and resilient economic growth. As a precision engineering group operating in quality- and compliance-driven industries, we recognise that managing our supply chain responsibly is essential to maintaining our stakeholders' confidence and delivering long-term value across our operations.

The Group prioritises partnerships with suppliers that demonstrate a strong commitment to responsible and sustainable business conduct. All our suppliers are expected to comply with applicable environmental, health, and safety regulations, provide safe and fair working conditions, and adhere to the Group's Code of Conduct. Supplier compliance is supported through structured assessments, ongoing engagement, and periodic audits, all of which help to ensure their alignment with legal requirements, ethical standards, as well as Wentel's expectations on governance and sustainability.

Local sourcing remains a key pillar of Wentel's supply chain strategy. Where feasible, we prioritise procurement from local suppliers to stimulate job creation and promote the circulation of economic value within the communities in which we operate. Over the past three financial years, more than 40% of the Group's procurement spend has been directed towards local suppliers, reflecting our deliberate efforts to strengthen local supply networks and contribute to national economic development.

Beyond economic benefits, local sourcing enhances supply chain resilience and operational efficiency. Close collaboration with nearby suppliers improves delivery reliability and responsiveness while reducing exposure to global supply chain disruptions. In addition, shorter transportation distances help lower logistics-related emissions, contributing to a reduced environmental footprint across the supply chain.

To support consistent and responsible sourcing practices, Wentel has established a procurement procedure that sets clear standards tailored to the goods and services we procure. It provides a structured approach to supplier selection, evaluation, and engagement, helping ensure that our procurement decisions align with our values and operational needs.

Suppliers are required to formally acknowledge and comply with the Group's Anti-Bribery & Anti-Corruption Policy and Sustainability Policy, which outline our expectations on ethical conduct, labour practices, and environmental responsibility. These requirements reinforce our zero-tolerance stance towards forced labour, child labour, corruption, and other forms of misconduct, and support the development of a responsible and accountable supply chain.

Under this framework, suppliers are required to:

- Operate in accordance with Wentel's procurement standards and processes;
- Ensure that raw materials and components are responsibly sourced and, where applicable, traceable;
- Prohibit all forms of forced labour, child labour, and exploitative practices; and
- Comply fully with all applicable laws and regulations, including those relating to labour rights, occupational health and safety, and environmental protection.

The Group also engages our suppliers through ongoing dialogue and collaboration to strengthen sustainability practices across the value chain. We work with suppliers through periodic reviews and information sharing to support the development of long-term supplier relationships built on trust, transparency, and mutual growth.

Proportion of Spending on Local Suppliers			
Period	Total Amount Spent on All Suppliers (RM'000)	Total Amount Spent on Local Suppliers (RM'000)	Proportion of Spending on Local Suppliers (%)
FYE2025	64,935	34,917	54%
FYE2024	53,769	29,797	55%
FYE2023	43,390	18,374	42%

# SUSTAINABILITY STATEMENT (cont'd)



## ECONOMIC (CONT'D)

### MM3: STANDARDS AND CERTIFICATION

Adherence to internationally recognised standards is a cornerstone of Wentel’s approach to sustainability, quality assurance, and operational excellence. These standards provide a robust and credible framework for managing quality, environmental responsibility, and operational risk, while ensuring transparency and alignment with global best practices. Consistent compliance not only strengthens stakeholder confidence but also enables structured performance monitoring and continuous improvement across the Group.

#### ISO Certifications

During the financial year, the Group successfully maintained its ISO 9001:2015 Quality Management System and ISO 14001:2015 Environmental Management System certifications. These certifications are particularly significant given Wentel’s involvement in precision engineering and qualification-driven industries, where customers place a strong emphasis on supplier reliability, process consistency, and responsible environmental management.

ISO 9001:2015 underpins the Group’s commitment to delivering reliable, high-quality products that consistently meet stringent customer specifications. The certification confirms that our Quality Management System is effectively designed, implemented, and continuously maintained in line with international standards. It also enhances customer confidence, reinforces our reputation for reliability, and supports our ability to compete in and access global markets.

To ensure the ongoing effectiveness of our quality assurance framework, the Group has established a proactive programme of internal audits and performance evaluations. A dedicated quality team conducts regular reviews to monitor operational performance and identify opportunities for improvement. Audit findings are then translated into targeted corrective and preventive action plans, embedding improvements across our manufacturing processes, customer service functions, and supply chain management. This structured cycle of review and enhancement supports our operational consistency as well as risk mitigation and innovation.

Complementing our quality focus, ISO 14001:2015 provides a systematic framework for identifying, managing, and reducing the environmental impacts of our operations. This certification supports regulatory compliance and promotes responsible resource use across our Group. Integrating environmental considerations into our daily operations and strategic planning helps Wentel in reinforcing our commitment to long-term sustainability.

Collectively, these certifications demonstrate Wentel’s dedication to exceeding our customers’ expectations while upholding globally recognised standards. They embed quality and environmental responsibility into decision-making at all levels, supporting our resilient operations and sustainable growth.



# SUSTAINABILITY STATEMENT

(cont'd)



## ENVIRONMENTAL

Environmental stewardship is integral to Wentel's commitment to operational excellence and long-term sustainability. As customers in regulated and mission-critical industries increasingly expect suppliers to demonstrate robust environmental controls and compliance with recognised standards, the Group embeds environmental management into our operational practices, supplier qualification processes, and customer audit requirements. This ensures that our environmental initiatives remain aligned with both regulatory obligations and customer expectations.

As our principal activities are centred on precision engineering and manufacturing, the Group is not involved in extractive industries such as mining or quarrying, and none of our facilities are located within or adjacent to protected areas, biodiversity hotspots, or areas of high conservation value. Accordingly, our operations are not assessed to pose a direct or significant risk to biodiversity.

Notwithstanding this, Wentel recognises the importance of responsible environmental stewardship and the need to manage indirect environmental impacts associated with our fabrication and assembly activities. We are committed to optimising our resource use by improving our material and energy efficiency, reducing consumption at source, and minimising waste. Accordingly, biodiversity considerations are integrated into our broader environmental management practices, with an emphasis on efficient resource use and pollution prevention.

The Group's Environmental Management System ("EMS") is certified to ISO 14001:2015, demonstrating its commitment to maintaining internationally recognised environmental standards. Continuous improvements in process efficiency and materials management are undertaken to minimise waste and reduce environmental impact.

### Our Environmental Policy

At the core of our environmental approach is our Environmental Policy, aligned with ISO 14001:2015. The Group's initiatives focus on managing environmental responsibilities across our operations while driving continuous improvement and long-term sustainability. Key efforts include:

- Maintaining full compliance with all environmental laws and regulations, including the Environmental Quality Act 1974, Environmental Quality (Clean Air) Regulations 2014, and Environmental Quality (Scheduled Wastes) Regulations 2005;
- Minimising waste by reducing reliance on virgin materials and implementing the 4Rs (Reduce, Reuse, Recycle, Recover);
- Enhancing resource efficiency, investing in renewable energy, and optimising operational processes;
- Controlling and monitoring air emissions to reduce environmental impact;
- Conserving water through reuse systems and rainwater harvesting initiatives;
- Promoting environmental awareness among employees and stakeholders through training and communication; and
- Establishing and pursuing measurable environmental targets to support long-term sustainability.

### Environmental Policy and Governance

Oversight of our Environmental Policy is provided through our EMS Steering Committee, which is led by the Chief Executive Officer and overseen by the Environmental Management Representative. The Committee is structured around four key focus areas: Environmental Control Management, Training and Communication, Emergency Preparedness and Response, and Legal and Compliance. Each area is responsible for driving targeted environmental initiatives, ensuring effective implementation, regulatory compliance, and continuous improvement across the Group's operations.

# SUSTAINABILITY STATEMENT

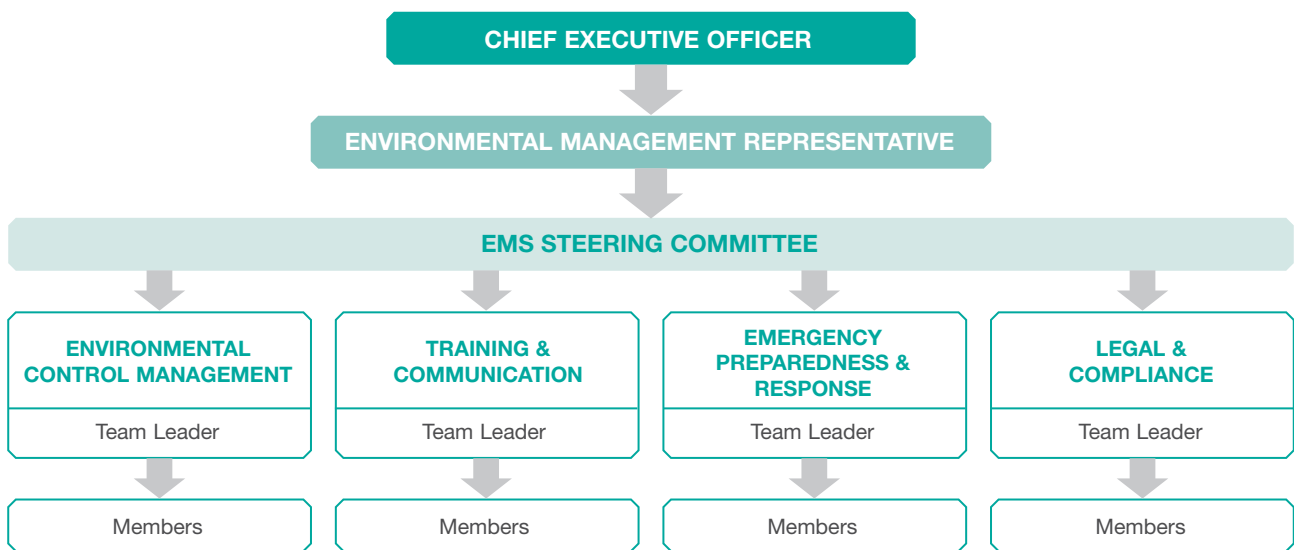
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## ENVIRONMENTAL (CONT'D)

### Environmental Policy and Governance (Cont'd)

This governance structure reinforces clear accountability and leadership oversight in managing environmental risks and opportunities. In line with the Group's commitment to strengthening its environmental management framework, Wentel is working towards obtaining ISO 14001 certification for its new manufacturing plant in 2026. This initiative reflects the Group's ongoing efforts to enhance our environmental performance and be aligned with international best practices.



This governance framework is operationalised through the Group's EMS, which provides a structured and systematic approach to managing environmental impacts and driving continuous improvement across operations. The EMS is aligned with ISO 14001 principles and is designed to integrate environmental considerations into day-to-day activities and decision-making.

The Group's EMS follows the Plan-Do-Check-Act ("PDCA") cycle, ensuring disciplined implementation and ongoing performance evaluation:

- **Plan:** Identify environmental aspects and impacts, determine applicable legal and regulatory requirements, and establish environmental objectives and targets
- **Do:** Implement the EMS through defined roles and responsibilities, adequate resources, employee competencies, and documented procedures
- **Check:** Monitor, measure, and audit environmental performance to assess effectiveness and compliance
- **Act:** Address non-conformities, implement corrective actions, and drive continual improvement

Leadership oversight ensures that the EMS remains aligned with the Group's regulatory obligations and stakeholder expectations, reinforcing accountability while supporting effective environmental risk management and long-term sustainability. Guided by this framework, the Group's environmental material matters reflect the key risks, impacts, and opportunities arising from its operations and are aligned with SDGs 6, 12, and 13.

- MM4: Waste Management
- MM5: Energy Management
- MM6: Effluent Management



# SUSTAINABILITY STATEMENT

(cont'd)



## ENVIRONMENTAL (CONT'D)

### MM4: WASTE MANAGEMENT

Wentel is committed to reducing the environmental impact of waste generated from our operations by prioritising waste avoidance, minimisation at source, and improved resource efficiency. Guided by circular economy principles, we focus on reducing reliance on virgin materials and enhancing resource efficiency across our operations.

#### Material Input Monitoring

As a precision engineering and manufacturing group, Wentel primarily utilises steel, aluminium, brass, and lead in our processes. Tracking our material consumption enables the Group to monitor resource efficiency, identify trends in usage, and support ongoing efforts to optimise material yield, minimise waste generation, and improve overall environmental performance.

The Group is in the process of strengthening its data collection for raw material consumption and aims to provide more comprehensive information in future reporting cycles.

#### Waste Classification and Handling

As an ISO 14001:2015-certified group, we integrate structured waste management practices into our EMS to ensure waste is managed responsibly, safely, and in compliance with applicable regulations. Waste generated by the Group is classified into scheduled and non-scheduled waste streams. Scheduled waste includes contaminated rags and containers, while non-scheduled waste comprises food waste and office waste. Segregation practices are implemented at source to support appropriate handling, treatment, and disposal.

Scheduled waste is handled and disposed of exclusively by Department of Environment-approved contractors in accordance with the Environmental Quality (Scheduled Wastes) Regulations 2005 under the Environmental Quality Act 1974. Non-scheduled waste is managed by appointed contractors in line with regulatory and environmental requirements. Contractor selection and performance are subject to defined environmental and safety criteria to ensure compliance and accountability.

#### Monitoring, Documentation, and Traceability

Waste handling, storage, and disposal processes are governed by the Group's EMS. Waste volumes are documented and monitored to ensure traceability, regulatory compliance, and effective oversight. These controls support consistent implementation across our operations and enable the identification of opportunities for improvement.

#### Waste Performance and Disposal Outcomes

During the financial year under review, the Group generated a total of 121.20 metric tonnes of hazardous waste. Due to the nature of these materials and applicable regulatory restrictions, none was suitable for recycling. All scheduled waste was therefore handled and disposed of in accordance with regulatory requirements and approved procedures at licensed waste management facilities.

For general waste generated across our operations, the Group prioritises recovery and recycling wherever possible through licensed contractors. Any remaining waste is sent to approved waste management facilities for safe disposal.

Waste (Metric Tonnes)								
Period	Total Waste Generated			Total Waste Generated			% of Waste Recycled vs. Generated	% of Hazardous Waste Generated
	Hazardous Waste	General Waste	Total	Recycled (diverted from disposal)	Non-Recycled (directed to disposal)	Total		
FYE2025	121.20	188.62	309.82	188.98	120.84	309.82	61%	39%
FYE2024	99.17	0.00	99.17	0.00	99.17	99.17	0%	100%

# SUSTAINABILITY STATEMENT

(cont'd)



## ENVIRONMENTAL (CONT'D)

### MM4: WASTE MANAGEMENT (CONT'D)

#### *Continuous Improvement and Employee Awareness*

Despite the limitations on recycling scheduled waste, the Group continues to review its waste streams, production processes, and treatment options to identify opportunities for waste reduction at source and potential alternative disposal or recovery methods where technically and legally feasible. Employee awareness initiatives reinforce the principles of reducing, reusing, and recycling, while waste considerations are incorporated into our process improvement efforts and the planning of new facilities, including the Group's expanded manufacturing plant at Lot 815, to support more efficient resource use over the long term.

#### Recycling Fest

Recycling Fest serves to raise awareness among employees on the importance of recycling and environmental sustainability. The initiative aims to reduce waste sent to landfills by encouraging proper waste segregation and promoting the reuse and reprocessing of recyclable materials.

In 2025, the event was held on 12 December, involving approximately 40 participants, including contributors, committee members and crew members from SWM Environment. As an internal initiative, it provided employees with hands-on engagement and reinforced Wentel's environmental commitments.

Total recyclables collected increased to 364kg in 2025 from 331kg in 2024, reflecting improved staff awareness and participation. The Recycling Event will continue as Wentel's annual sustainability initiative, with plans to further strengthen employee involvement and environmental impact in the coming years.



### MM5: ENERGY MANAGEMENT

With energy a critical input to Wentel's manufacturing operations, the Group is committed to using energy responsibly to conserve natural resources and reduce our GHG emissions. In recognising the environmental and cost implications of our energy use, we have and continue to implement practical measures to optimise consumption across our facilities.

To reduce unnecessary energy usage, the Group has introduced behavioural and operational initiatives such as Project Lunchtime, which encourages employees to switch off lighting and air-conditioning during lunch breaks. In addition, solar-powered systems have been installed at selected car parks and security posts to support the use of clean energy. The Group has also transitioned to energy-efficient LED lighting across all factories, helping us to lower electricity consumption and improve operational efficiency.

# SUSTAINABILITY STATEMENT

(cont'd)



## ENVIRONMENTAL (CONT'D)

### MM5: ENERGY MANAGEMENT (CONT'D)

As a manufacturer, energy consumption remains a key sustainability challenge due to the energy-intensive nature of our production processes. Wentel continues to focus on reducing our dependence on conventional energy sources while enhancing energy efficiency through process improvements, equipment upgrades, and the adoption of renewable energy where feasible.

The Group is currently exploring opportunities to adopt renewable energy, including the potential installation of rooftop solar PV systems, as part of its longer-term efforts to support a gradual transition towards cleaner energy sources.

Energy Consumption											
Period	Non-Renewable Energy (GJ)				Renewable Energy (Solar) (GJ)			Total Energy Consumption		Percentage Consumed	
	Electricity	Fuel	Gas	Diesel	Generated	Consumed	Sold	GJ	MWh	Grid Electricity	Renewable Energy
FYE2025	13,356.18	827.20	4,019.62	1,598.63	0.00	0.00	0.00	19,801.65	5,500.45	67.45%	0%
FYE2024	12,291.91	773.86	8,915.17	7,308.02	0.00	0.00	0.00	29,288.96	8,135.82	41.97%	0%
FYE2023	10,965.57	742.28	8,316.20	6,320.62	0.00	0.00	0.00	26,344.67	7,317.96	41.62%	0%

**Note:**

Beginning FYE2025, the Group reports fuel, gas and diesel usage in alignment with Bursa Malaysia's sustainability reporting practices. The adoption of this revised methodology has resulted in variations in the reported figures compared to prior years, as earlier disclosures were prepared using a different basis. Accordingly, year-on-year comparisons may not be directly comparable.

GHG Emissions (tCO <sub>2</sub> e)			
Period	Scope 1	Scope 2	Scope 3
FYE2025	300	2,745	286
FYE2024	8,380	1,140	125,949

**GHG Framework:** Greenhouse Gas Protocol

**Note:** The methodology for calculating Scope 3 emissions (employee commuting and business travel) was updated in FYE2025 using a US Environmental Protection Agency-based template. Accordingly, FYE2024 figures have been restated for consistency and comparability.

Scope	Definition	Emission Factors
Scope 1	Emissions from sources that are owned or controlled by the Group	<ul style="list-style-type: none"> <li>2006 IPCC Guidelines for National Greenhouse Gas Inventories</li> <li>United States Environmental Protection Agency ("US EPA")</li> </ul>
Scope 2	Emissions from the generation of purchased electricity consumed by the Group	<ul style="list-style-type: none"> <li>Malaysia Grid Emissions Factor</li> <li>US EPA</li> </ul>
Scope 3	Emissions that occur as a consequence of the Group's activities but from sources not owned or controlled by the Group (employee commuting and business travel)	<ul style="list-style-type: none"> <li>US EPA</li> <li>Department for Environment, Food &amp; Rural Affairs ("DEFRA")</li> <li>Construction Industry Development Board ("CIDB") Malaysia</li> </ul>

# SUSTAINABILITY STATEMENT

(cont'd)



## ENVIRONMENTAL (CONT'D)

### MM6: EFFLUENT MANAGEMENT

Water stewardship is a core component of Wentel's environmental strategy. The Group is committed to reducing our water consumption and improving water-use efficiency across our operations, implementing measures to optimise use at source, recycle and reuse where feasible, and monitor performance to minimise environmental impact. We believe that by managing water resources prudently, we safeguard the health of our surrounding ecosystems and communities, while adopting a proactive and preventive approach to water use and effluent management throughout our manufacturing processes.

Wentel integrates water management considerations into operational planning, process controls, and facility design to minimise water intensity and reduce the risk of adverse environmental impacts. All wastewater and industrial effluent are subject to controlled treatment processes prior to discharge, ensuring compliance with applicable environmental regulations and alignment with the requirements of ISO 14001:2015. These controls are designed not only to meet regulatory thresholds, but also to reduce long-term pressure on local water bodies.

To strengthen oversight and performance, the Group implements systematic monitoring and testing of effluent quality, supported by defined operating procedures and corrective action mechanisms under the EMS. Where feasible, water reuse practices and efficiency measures are incorporated to optimise our resource utilisation and reduce freshwater withdrawal.

The Group utilises a cooling system that operates in a closed-loop configuration, where water is recycled within the system to reduce the need for freshwater intake and minimise the risk of contamination to nearby water sources. Periodic washing and cleaning of the system are carried out to maintain its efficiency and ensure proper operation.

Total Volume of Water Used (Megalitres)			
Period	Surface (River, Lake, Stream and Pond) and Sea Water	Others	Total
FYE2025	16.28	0	16.28
FYE2024	28.69	0	28.69
FYE2023	24.31	0	24.31

**Note:** "Others" refers to groundwater (wells, boreholes), used quarry water collected in the quarry, municipal potable water, harvested rainwater and others

Water Discharge or Effluents (Megalitres)			
Period	Surface (River, Lake, Stream, Pond) and Sub-Surface (Public Sewer, Well) Discharge	Off-Site Water Treatment Discharge (Kualiti Alam)	Total
FYE2025	0	3.89	3.89
FYE2024	0	3.75	3.75
FYE2023	0	2.98	2.98

Wentel has maintained full compliance with all applicable water quality and quantity permits, standards, and regulations during FYE2025. No incidents of non-compliance were recorded, reflecting the effectiveness of our EMS and ongoing monitoring of water use across our operations.

# SUSTAINABILITY STATEMENT

(cont'd)



At Wentel, social sustainability is a core pillar of our long-term growth strategy and is centred on our employee and customer relationships. We recognise that our employees are the driving force behind the Group's performance and resilience, and that creating a safe, supportive, and inclusive workplace is both a business imperative and a fundamental responsibility. A positive work environment fosters higher engagement, productivity, and a shared sense of belonging and purpose across our Group.

The Group's approach to social sustainability extends beyond compliance and basic obligations. We are committed to providing a safe and healthy working environment, developing our employees' capabilities through structured training and knowledge transfer, and supporting workforce stability in a precision-driven manufacturing setting. Having in place fair employment practices, growth opportunities, and meaningful recognition enables us to create an environment where our people can thrive both professionally and personally.

Our social material matters and the SDGs they address are as follows:

- MM7:** Labour Management and Practices
- MM8:** Employee Learning and Development
- MM9:** Employee Well-Being
- MM10:** Health, Safety and Noise Management
- MM11:** Education
- MM12:** Customer Satisfaction



## Creating Shared Value with Our Communities

Wentel's social sustainability efforts address a set of interconnected social priorities that have a direct impact on our operations and stakeholders. These priorities guide our investment in targeted initiatives that create shared value for our employees, business partners, customers, and the wider community. We recognise that addressing social challenges requires collaboration, and we therefore engage closely with our stakeholder groups to co-create solutions that foster mutual growth and long-term value creation.

In FYE2025, Wentel continued to embed social responsibility into our operations by supporting initiatives that contribute meaningfully to the communities surrounding our facilities. Our approach, featuring constructive stakeholder engagement, is anchored in respect for human rights and practical actions that deliver positive social outcomes alongside business benefits.

During the year, we prioritised programmes that promote education, safety awareness, health, and environmental responsibility. These included outreach initiatives to engage students, raising awareness of career opportunities within the engineering and manufacturing sector; community-based safety education programmes aimed at strengthening everyday risk awareness; and employee-led participation in public health initiatives such as blood donation campaigns.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### Creating Shared Value with Our Communities (Cont'd)

#### Cabaran Kaca Pun Boleh

Cabaran Kaca Pun Boleh was introduced to raise awareness about glass bottle recycling, particularly in communities where access to proper recycling facilities is limited or where there is low awareness that glass can be recycled. The initiative aimed to encourage more responsible waste management habits, with a focus on fostering early awareness and participation within the school community.

Conducted over a four-month period from July to November 2025, the programme engaged an estimated 32,400 students and teachers from 60 schools across the Johor district. Through this initiative, participants were encouraged to adopt more sustainable practices, helping to build a culture of environmental responsibility at a young age.

Wentel will consider continuing its support for similar initiatives in future years, subject to relevance and impact assessment, as part of its ongoing efforts to contribute positively to environmental awareness and community engagement.



#### Community and Society

Period	Total Amount Invested in the Community Where the Target Beneficiaries are External to the Group (MYR)	Total Number of Beneficiaries of the Investment in Communities
FYE2025	46,839	32,407 <sup>(1)</sup>
FYE2024	7,672	5 <sup>(2)</sup>

**Notes:**

<sup>1</sup> The methodology to arrive at this figure is as follows:

School Initiative

60 schools x 500 students/school = 30,000 students

60 schools x 40 teachers/school = 2,400 teachers

Therefore the total number of beneficiaries = 32,400 pax

<sup>2</sup> This figure represents the total number of institutions supported. Beginning FYE2025, the Group reports the estimated number of individual beneficiaries in line with Bursa Malaysia's sustainability reporting practices.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### Creating Shared Value with Our Communities (Cont'd)

FYE2025 Charitable Donations		
Beneficiary	Purpose	Amount (MYR)
Rotary Club of Puteri Lagoon Johor Bahru	Fundraising for Rotary service projects	1,500
Persatuan Kebajikan Juara Johor Bahru	Support for club activities	8,888
Persekutuan Tiong-Hua Johor Bahru	Upkeep and maintenance of the club	3,000
Jemaah Pengurusan SJK (C) Foon Yew	Upkeep and maintenance of the school	10,000
Yayasan Johor Corporation	Support for the Glass Bottle Recycling Programme	10,000
Pertubuhan Kebajikan Pelita Johor Bahru	Support for a Career Fair	1,000
Persatuan Kebajikan Bakti Mewah Johor Bahru	Upkeep and maintenance of the club	5,000
<b>Total</b>		<b>39,388</b>

In addition, a total of 67 individuals participated in our blood donation campaign in August 2025, reflecting a strong spirit of volunteerism and a shared commitment to supporting the healthcare needs of the wider community.

### MM7: LABOUR MANAGEMENT AND PRACTICES

At Wentel, we strongly believe in having a workplace that supports employee growth, well-being, and long-term success. Our people practices are grounded in fair employment, inclusivity, as well as equal access to opportunities, with diversity recognised as a key strength that drives innovation and sustainable growth.

The Group maintains a strict zero-tolerance stance against discrimination, harassment, bullying, or intimidation of any kind. We uphold respect for all our employees, regardless of their race, gender, age, nationality, religion, disability, ethnicity, educational background, or national origin. These principles are embedded across our recruitment, training, performance evaluation, remuneration, and career progression processes, ensuring that our employees can expect fair treatment, equal pay for equal work, and transparent succession planning as they grow with our Group.

Wentel's commitment to an ethical and respectful workplace is embedded in the Group's Code of Conduct, which explicitly prohibits sexual harassment, discrimination, and any form of bias. Managers and supervisors receive regular training to recognise, prevent, and address bullying, harassment, or other workplace misconduct, ensuring that concerns are handled promptly, sensitively, and in accordance with policy. Any violations of these standards are investigated thoroughly and may result in disciplinary action, including termination of employment and, where applicable, legal proceedings, reinforcing a safe, inclusive, and accountable work environment.

#### Holistic Benefits

Wentel fully complies with all statutory obligations under Malaysian labour law, including the Employment Act 1955 and its related legislation. Compliance, however, represents only the foundation of our approach. We go further by ensuring that our employees are supported not only in their professional roles, but also in their financial security, health, and overall well-being.

Our comprehensive benefits framework is designed to support employees' financial security, health, and overall well-being, reflecting the Group's commitment to providing a stable and supportive working environment. These benefits, offered across our workforce in accordance with applicable policies and statutory requirements, include:

- Medical and hospitalisation insurance coverage;
- Contributions to the Employees Provident Fund ("EPF") and the Social Security Organisation ("SOCSO");
- Comprehensive leave entitlements, including annual leave, sick leave, marriage leave, and compassionate leave; and
- Personal accident insurance coverage

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM7: LABOUR MANAGEMENT AND PRACTICES (CONT'D)

#### Attractive Performance-Based Incentives

In addition to providing comprehensive employee benefits, the Group also offers performance-based incentives to recognise individual contributions and collective achievements, reinforcing the value we place on our people as the driving force behind our success. These recognition mechanisms include monthly performance-based incentives linked to production and sales targets, and annual bonuses and performance incentives aligned with individual and organisational performance.

#### Fair Compensation

Wentel is committed to equitable compensation practices, ensuring that employees performing equal work receive fair and consistent remuneration based on their role, skills, experience, and performance. Remuneration decisions are guided by merit-based performance evaluations that prioritise transparency, equity, and accountability, enabling employees to progress and share in the Group's long-term success.

The Group's compensation and benefit policies are documented in our human resources operating procedures and guidelines, which clearly outline employee rights, company obligations, and disciplinary protocols to ensure consistency and accountability. We continue to review and enhance our benefits framework to ensure it remains competitive and responsive to our workforce needs.

#### Percentage of Employees by Gender, Age Group and Employee Category

FYE2025	Gender		Age*		
Employee Category	Male	Female	< 30 Years	30-50 Years	> 50 Years
Senior Management	80%	20%	0%	80%	20%
Management	50%	50%	6%	81%	13%
Executive	49%	51%	45%	52%	3%
Non-Executive	87%	13%	51%	46%	3%
<b>Total</b>	<b>76%</b>	<b>24%</b>	<b>47%</b>	<b>50%</b>	<b>3%</b>
FYE2024	Gender		Age		
Employee Category	Male	Female	< 30 Years	30-50 Years	> 50 Years
Senior Management	75%	25%	0%	75%	25%
Management	57%	43%	7%	79%	14%
Executive	52%	48%	40%	54%	6%
Non-Executive	87%	13%	57%	42%	1%
<b>Total</b>	<b>78%</b>	<b>22%</b>	<b>50%</b>	<b>46%</b>	<b>3%</b>
FYE2023	Gender		Age		
Employee Category	Male	Female	< 30 Years	30-50 Years	> 50 Years
Senior Management	75%	25%	0%	75%	25%
Management	57%	43%	14%	72%	14%
Executive	49%	51%	52%	45%	3%
Non-Executive	92%	8%	59%	39%	2%
<b>Total</b>	<b>80%</b>	<b>20%</b>	<b>55%</b>	<b>42%</b>	<b>3%</b>

\* Percentage may not total to 100% due to rounding.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM7: LABOUR MANAGEMENT AND PRACTICES (CONT'D)

#### Fair Compensation (Cont'd)

Percentage of Directors by Gender & Age Group			
By Gender			
	FYE2025	FYE2024	FYE2023
Male	60%	60%	60%
Female	40%	40%	40%
By Age Group			
Age	FYE2025	FYE2024	FYE2023
< 30	0%	0%	0%
31-50	60%	60%	60%
> 50	40%	40%	40%

Percentage of Employees by Employment Type			
	FYE2025	FYE2024	FYE2023
Contractual	50%	46%	45%
Permanent	50%	54%	55%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Employee Turnover (Number)			
	FYE2025	FYE2024	FYE2023
Senior Management	1	0	2
Management	4	1	5
Executive	30	23	25
Non-Executive	60	43	46
<b>Total</b>	<b>95</b>	<b>67</b>	<b>78</b>

Percentage of Employees by Ethnicity			
	FYE2025	FYE2024	FYE2023
Malay	35%	33%	33%
Chinese	15%	13%	9%
Indian	0%	2%	0%
Other Ethnic Minorities	1%	0%	0%
Non-Malaysian	50%	52%	58%

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM7: LABOUR MANAGEMENT AND PRACTICES (CONT'D)

#### *Supporting an Inclusive and Sustainable Workforce*

While foreign labour continues to play an important role in sustaining our operations, Wentel remains firmly committed to prioritising local employment wherever feasible and creating meaningful career opportunities for Malaysians, including under-privileged groups with limited formal education or without prior work experience. Recognising the challenges of attracting and retaining local talent, we actively strengthen our recruitment outreach, expanding collaborations with universities and training institutions whilst promoting long-term career pathways within the Group.

Our structured internship programmes serve as a key talent pipeline supporting skills development and long-term employability. We also provide practical workplace support measures, including accommodation for out-of-state employees and extended Friday lunch breaks to accommodate religious observances for Muslim employees.

To further promote inclusive workforce participation, we offer post-retirement contractual employment opportunities for healthy employees who wish to remain active in the workforce. These roles enable experienced personnel to continue contributing their expertise while supporting a gradual transition into retirement, aligning with national efforts to address the challenges of an ageing population.

#### *Safeguarding Labour Rights and Human Dignity*

Wentel remains committed to upholding high standards of labour rights and fair employment practices across our operations and value chain. Our approach is aligned with applicable Malaysian legislation and relevant international principles as we support social equity, responsible workforce management, and sustainable economic participation. Key focus areas under this approach include:

- **Child Labour:** We fully comply with the Children and Young Persons (Employment) Act 1966 and Children's Rights and Business Principles ("CRBP"), with a strict prohibition on child labour across our operations and supply chain;
- **Freedom of Association and Collective Bargaining:** We respect our employees' rights to freely associate, join unions, and engage in collective bargaining, ensuring that workers can exercise these rights without fear of retaliation or discrimination in accordance with Malaysian labour laws;
- **Disciplinary and Grievance Practices:** We maintain fair, transparent, and respectful processes with zero tolerance for corporal punishment, coercion, intimidation, or verbal abuse;
- **Working Hours:** We comply with statutory requirements governing working hours, overtime, rest periods, and leave entitlements; and
- **Remuneration and Benefits:** Our competitive, merit-based compensation and benefits are aligned with employee performance, role responsibilities, and legal requirements.

We prioritise ethical recruitment practices for our foreign workers that are supported by clear and transparent employment contracts, regular audits and spot checks, as well as ongoing supply chain reviews to identify and mitigate potential human rights risks. For both potential new operations and existing projects, Wentel recognises the importance of assessing risks related to forced labour, modern slavery, and human trafficking. While such assessments are not yet formally in place, the Group is working towards strengthening its approach to better identify and address labour-related risks across its operations.

The Group strictly prohibits harassment, abuse, intimidation, confinement, and the retention of personal identification documents. Our foreign worker accommodation is maintained to meet or exceed the requirements of the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 (Act 446), and we avoid the use of conflict minerals associated with human rights violations.

Our labour standards, including policies on sexual harassment, public holidays, minimum wages, and EPF contributions for foreign workers, are communicated to all employees and translated into relevant local languages to support clear understanding across our diverse workforce.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM7: LABOUR MANAGEMENT AND PRACTICES (CONT'D)

#### Human Rights

Wentel is committed to respecting and supporting internationally recognised human rights, in line with the International Bill of Human Rights. The Group proactively assesses potential human rights impacts across our operations as part of our core business processes and implements measures to avoid or mitigate adverse effects. This includes ongoing monitoring, employee training, and stakeholder engagement to ensure our operations uphold human dignity, promote fairness, and contribute positively to the well-being of employees, contractors, and the wider community.

Human rights expectations are embedded into our corporate practice through clear communication to our stakeholders. Relevant employees receive training on the Group's human rights policies to ensure awareness, understanding, and consistent application, sustaining a culture of respect and responsible business conduct.

The Group has established formal grievance mechanisms that explicitly cover human rights, ensuring confidentiality and accessibility for both internal and external stakeholders. Where the Group identifies that our operations have caused or contributed to adverse human rights impacts, appropriate remedial actions would be implemented to resolve the issue.

During FYE2025, no substantiated human rights complaints were recorded, reflecting the effectiveness of Wentel's governance framework, ethical labour practices, and commitment to maintaining a safe, fair, and respectful workplace.

Human Rights Violations			
	FYE2025	FYE2024	FYE2023
Number of substantiated complaints concerning human rights violations	0	0	0

### MM8: EMPLOYEE LEARNING AND DEVELOPMENT

In an increasingly dynamic manufacturing and high-technology environment, continuous capability development remains essential to sustaining competitiveness and operational excellence. At Wentel, we cultivate a strong learning culture that supports individual growth while strengthening organisational resilience. Guided by our ethos of *"Together, Building a Better World Through Engineering"*, we deliver structured and relevant training programmes covering workplace safety, advanced manufacturing processes, quality and technical competencies, leadership development, and personal effectiveness.

Training and development form a core pillar of the Group's annual business planning process and are closely aligned with performance management. During the year, a structured training needs analysis was conducted to identify competency gaps, evolving operational requirements, and future skills required to support automation, qualification-driven programmes, and smart manufacturing initiatives. Based on these insights, targeted training plans were implemented to enhance workforce readiness and deepen technical expertise across the organisation.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM8: EMPLOYEE LEARNING AND DEVELOPMENT (CONT'D)

Training initiatives are organised into three key categories:

- Company-wide training**  
 Programmes designed to equip employees with foundational knowledge and core competencies essential to our operations, ensuring consistent understanding of quality standards, safety requirements, and organisational objectives.
- Department-specific training**  
 Specialised technical and functional training tailored to operational and engineering needs, delivered through a combination of internal knowledge sharing and accredited external courses. Training effectiveness is evaluated post-completion, with refresher and cross-training programmes implemented to reinforce skills, reduce dependency risks, and support workforce sustainability.
- Induction training**  
 A structured onboarding programme for new employees, conducted during their initial period of employment, covering company policies, occupational safety and health requirements, quality systems, and ISO-related standards to ensure a smooth and compliant integration into the organisation.

To further support long-term career development and leadership continuity, Wentel conducts annual performance appraisals across the organisation. These appraisals provide a structured platform to assess individual performance, technical competencies, and behavioural strengths, while identifying areas for improvement and future development needs. Appraisal outcomes are used to guide personalised development plans, including targeted training, job rotations, and expanded responsibilities, ensuring alignment between employee aspirations and organisational requirements. The appraisal process also supports proactive workforce and succession planning by identifying high-potential employees and critical roles, enabling the Group to build leadership depth and ensure business continuity.

The Group views training and development as a cornerstone of building a competitive, resilient, and future-ready workforce. Our year-round programmes are designed to enhance immediate job performance while supporting long-term career advancement by exposing employees to emerging industry trends, technological developments, and best practices. Many of these initiatives are supported by the Human Resource Development Fund ("HRDF"), enabling our employees to access impactful learning opportunities that contribute to both individual growth and the Group's long-term success and sustainability.

Total Hours of Training by Employee Category

Period	Senior Management	Management	Executive	Non-Executive	Total Number of Hours	Total Number of Employees	Average Hours Per Employee	Average Days Per Employee
FYE2025	201	1,248	7,487	11,403	20,339	379	53.7	6.7
FYE2024	474	1,067	7,213	8,772	17,526	372	47.1	5.9
FYE2023	111	405	3,476	11,246	15,238	373	40.9	5.1

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM9: EMPLOYEE WELL-BEING

At Wentel, our employees are recognised as a core driver of the Group's performance and long-term success, and their well-being and professional fulfilment are important to us. We strive to cultivate a positive and inclusive workplace culture where employees feel valued and empowered to develop their capabilities as they pursue meaningful careers within our Group.

To foster strong team cohesion and a sense of belonging, the Group organises annual dinners, festive celebrations, and internal engagement activities that provide opportunities for our employees to connect, celebrate personal achievements, and recognise collective milestones. We also support individual growth through personalised career development pathways that are underpinned by targeted training and structured performance management. Employee contributions and long-term commitment are recognised through our Employee Service Awards, while performance-based rewards – including salary adjustments and bonuses – are aligned with individual and organisational outcomes.



### *Fair and Competitive Compensation*

Wentel is committed to providing fair, transparent, and competitive remuneration that reflects employees' roles, responsibilities, performance, and experience, while remaining fully compliant with applicable labour regulations.

All employees covered under the relevant salary scales are remunerated in accordance with the Malaysian Government's Minimum Wages Order, including the implementation of the revised minimum wage of RM1,700 with effect from February 2025. For other employee groups, remuneration is determined based on job scope, qualifications, skills, and performance outcomes. Salaries are paid on or before the seventh day of each month, providing employees with financial certainty and stability.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM9: EMPLOYEE WELL-BEING (CONT'D)

#### Employee Benefits and Work-Life Balance

To support employee well-being and retention, the Group offers a comprehensive suite of benefits, including performance-based incentives, insurance coverage, travel allowances, bereavement support, education assistance, and memberships in relevant professional bodies. Employees are also entitled to various forms of leave, such as annual, medical, maternity, and paternity leave, to support work-life balance and family responsibilities.

The Group actively monitors working hours across all operations and implements measures to prevent excessive working hours. Overtime work is subject to prior approval and strictly monitored to ensure that no employee exceeds 104 hours of overtime per month.

#### Supporting Long-Term Financial Security

In line with our commitment to employee welfare and long-term financial resilience, the Group makes statutory employer contributions to the EPF, SOCSO, and Employment Insurance System (“EIS”). These contributions provide employees with essential social protection, income security, and support in the event of unforeseen circumstances, reinforcing their financial well-being beyond active employment.

#### Structured Onboarding and Integration

Wentel’s onboarding process is designed to provide our new employees with a strong foundation from the outset. The programme includes orientation on our culture, values, policies, and expectations, as well as role-specific training to support early effectiveness. Open communication and ongoing support are emphasised during the initial employment period to facilitate smooth integration and build confidence, enabling our new hires to contribute meaningfully to the organisation from an early stage.

### MM10: HEALTH, SAFETY AND NOISE MANAGEMENT

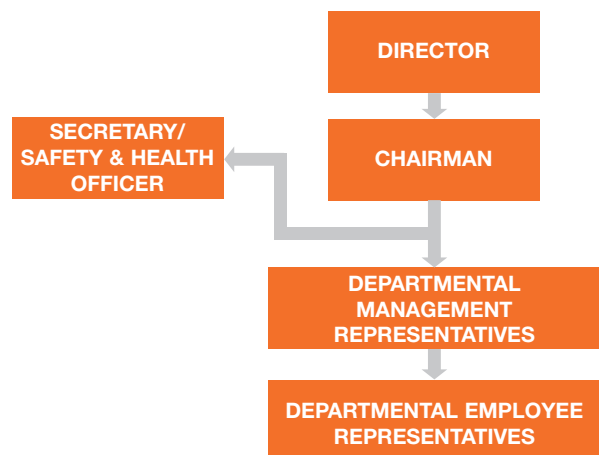
At Wentel, workplace safety and health are fundamental to our employees’ well-being, operational resilience, and long-term business performance. Across our manufacturing and administrative facilities, we maintain safe, clean, and well-organised working environments supported by clearly defined procedures to identify, assess, and mitigate operational risks. Our approach is built on strong governance, systematic risk management, active employee participation, and continuous improvement.

#### Health and Safety Governance Structure

Wentel places the highest priority on maintaining a safe and healthy workplace, recognising that employee well-being is integral to sustainable growth and business continuity.

To ensure effective implementation and oversight of our safety practices, the Group has established an Occupational Safety and Health Management System Committee and a Safety and Health Committee, both operating under a defined governance structure. These committees are responsible for monitoring compliance, reviewing our safety performance, and driving continuous improvement initiatives across our operations.

Our health and safety framework is aligned with key regulatory requirements, including the Occupational Safety and Health (Amendment) Act 2022 and the Occupational Safety and Health (Safety and Health Committee) Regulations 1996, ensuring full compliance with applicable laws and standards.



# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM10: HEALTH, SAFETY AND NOISE MANAGEMENT (CONT'D)

#### *Ensuring a Safe and Healthy Workplace*

We prioritise employee safety by providing appropriate Personal Protective Equipment (“PPE”), including ear plugs, helmets, safety shoes, eye goggles, masks, and gloves. All workspaces are regularly evaluated for potential hazards, and our facilities are covered by round-the-clock security camera surveillance to enhance workplace safety.

Our employees are required to comply with established safe work practices and are encouraged to actively identify and report unsafe conditions or operations to the Safety and Health Committee to enable timely response and risk control. Contractors and visitors are also subject to safety inductions and briefings to ensure awareness of site-specific hazards and emergency procedures.

#### *Strengthening Safety Systems and Procedures*

The Group continues to strengthen our workplace safety, regulatory compliance, and risk management through the following measures:

- Introduction of a standardised PPE inventory template to systematically record our PPE issuance, usage, and stock levels, improving accountability and monitoring;
- Ongoing updates to our Emergency Contact and Safety Procedures documentation to enhance accessibility and organisational preparedness;
- Development and implementation of a standardised safety inspection checklist, supported by training and periodic reviews, to ensure our inspections are thorough and always aligned with evolving regulatory requirements; and
- Implementation of a formalised PPE acknowledgment process, together with documented safety inspections and communications in our Monthly Inspection Reports, to strengthen transparency and traceability whilst promoting continuous improvement.

#### *Nurturing a Strong Safety Culture*

Wentel is committed to cultivating a strong safety culture across all levels of our Group. By undertaking ongoing training programmes and toolbox meetings whilst practising clear communication, we reinforce safety and health values among our employees, contractors, and other stakeholders.

Our safety performance is supported through the setting of measurable health and safety objectives, regular monitoring of performance indicators, and the disciplined implementation of the 5S methodology, i.e. Sort, Set in Order, Shine, Standardise, and Sustain. These practices lay the foundation for us to reduce hazards and raise our operational efficiency and productivity through improved workplace organisation.

The Group also recognises our responsibility to minimise health and safety risks beyond the workplace, ensuring our operations are conducted in a manner that safeguards the surrounding environment and local communities.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM10: HEALTH, SAFETY AND NOISE MANAGEMENT (CONT'D)

#### *Safety and Health Risk Management*

Wentel adopts a systematic approach to safety and health risk management through a structured risk register, which captures potential hazards at our workplace and evaluates their likelihood and impact. It also outlines mitigation measures with clear accountability.

Key risk management initiatives include:

- Chemical Health Risk Assessments conducted every five years to evaluate our employees' exposure to hazardous substances;
- Audiometric testing conducted annually, or when major facility changes occur, to protect our employees' hearing health;
- Fire safety and emergency preparedness measures to prevent injury, minimise property damage, and ensure operational continuity; and
- Role-specific training programmes tailored to operational and functional risks to ensure our employees are equipped to manage job-related hazards effectively.

These measures are supported by the Group's Health and Safety Manual, which serves as a comprehensive reference that outlines the requisite procedures, roles, and responsibilities to maintain a safe and resilient workplace.

#### *Safety Communication, Incident Management, and Continuous Improvement*

Transparency and open communication are critical to our safety culture. Our employees are required to promptly report all accidents, injuries, and near-miss incidents to enable timely investigation and root cause analysis and facilitate the implementation of corrective and preventive actions. We use the lessons learned from these reviews to further strengthen our safety controls and prevent recurrence of such cases.

To reinforce safety awareness daily, we conduct toolbox meetings at the start of each work shift across our operational areas. These short, focused sessions provide a platform for our employees to raise safety, health, and environmental concerns, share their observations, and highlight potential hazards before their work commences. These toolbox meetings also reinforce key safety expectations, including equipment checks, housekeeping, and compliance with procedures, while communicating updates on regulatory or internal requirements. This inclusive approach increases shared accountability and empowers employees at all levels to contribute to a safer working environment.

#### *Safety and Health Compliance and Performance*

In FYE2025, Wentel remained committed to full compliance with all applicable occupational safety and health legislation. During the year, the Group recorded a Lost Time Incident Rate ("LTIR") of 6.80, compared with 1.97 in FYE2024. While this increase reflects the challenges encountered in operational safety during the year, all incidents were thoroughly investigated, with corrective and preventive measures implemented to address root causes, reinforce safe work practices, and prevent recurrence.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM10: HEALTH, SAFETY AND NOISE MANAGEMENT (CONT'D)

#### Safety and Health Compliance and Performance (Cont'd)

Wentel continues to prioritise safety improvements across our operations, with ongoing training, hazard identification, and risk mitigation initiatives aimed at reducing the LTIR and promoting a safer and healthier workplace for our employees.

Lost Time Incident Rate and Work-Related Fatalities				
EMPLOYEES				
Period	Total Number of Hours Worked in the Reporting Period	Number of Lost Time Injuries in the Reporting Period	Lost Time Incident Rate ("LTIR")	Work-Related Fatalities
FYE2025	470,253	16	6.80	0
FYE2024	811,004	8	1.97	0
FYE2023	789,470	10	2.53	0
CONTRACTORS & SUBCONTRACTORS				
Period	Total Number of Hours Worked in the Reporting Period	Number of Lost Time Injuries in the Reporting Period	Lost Time Incident Rate ("LTIR")	Work-Related Fatalities
FYE2025	3,425	0	0.00	0
FYE2024	2,053	0	0.00	0
FYE2023	1,588	0	0.00	0

#### Notes:

- [1] LTIR is calculated as a rate, where the number of lost time incidents during the reporting period is expressed per the total number of hours worked as at the end of the reporting period.
- [2] The value of 200,000 represents a standardised value of the total number of hours that 100 employees work weekly for 40 hours for a duration of 50 weeks ( $100 \times 40 \times 50 = 200,000$ ).

Number of Employees Trained on Safety and Health Standards		
Period	Total Number of Employees	Total Number of Employees Trained on Safety and Health Standards
FYE2025	379	294
FYE2024	372	232
FYE2023	373	263

In FYE2025, we carried out an environmental boundary noise and noise risk assessment to gain a clearer picture of our noise footprint and how it interacts with the surrounding environment. This gave us a better understanding of how our operations may be experienced by nearby communities. It also helped us identify where improvements may be needed.

Lot 815 has obtained fire insurance coverage, which commenced in mid-August 2025, providing protection for the property against fire-related risks. Our application for the Certificate of Completion and Compliance is currently in progress and is being followed up to ensure it is secured in due course.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM11: EDUCATION

At Wentel, we actively promote a culture that values lifelong learning as a cornerstone of employee development and organisational sustainability. We are cognisant that continuous skills enhancement not only supports individual employees' performance and career progression, but also strengthens our Group's operational capabilities and readiness to meet evolving industry demands.

The Group provides structured learning opportunities through a balanced mix of internal and external training programmes. Internal training is delivered by supervisors and experienced personnel, focusing on practical, job-specific skills, process knowledge, and quality requirements that are closely aligned with our operational and business objectives. This approach supports effective knowledge transfer and reinforces best practices, building technical depth across our teams.

Our employees are also encouraged to participate in external training programmes conducted by accredited third-party providers. These programmes offer exposure to specialised technical knowledge, emerging industry practices, as well as recognised certifications, enabling our employees to broaden their expertise and remain aligned with industry standards and technological advancements.

We continue to evaluate additional initiatives to further strengthen continuing professional development across our organisation. These initiatives are intended to provide more structured learning pathways, support professional certification, and equip our employees with future-ready skills in response to rapid changes in manufacturing technologies and industry requirements.

#### FYE2025 Employee Training Summary

Types of Training	Number of Hours	Number of Employees
Safety and Health	2,161	294
Environment	711	134
Operations (e.g., Finance, Technical, Risk Management and IT)	17,466	435
<b>Total</b>	<b>20,338</b>	<b>863</b>

### MM12: CUSTOMER SATISFACTION

Wentel's products serve the security screening, medical diagnostics equipment, CNC machining, and semiconductor manufacturing industries. As these products often function as critical components within our customers' operations and supply chains, consistency, quality, and reliability are paramount. The Group places strong emphasis on close collaboration with customers to develop a deep understanding of their technical and operational requirements, enabling us to deliver solutions that meet stringent performance standards and support long-term partnerships.

#### *Quality Policy and Continuous Improvement*

To embed quality across all aspects of our operations, the Group has established a formal Quality Policy that guides our approach to fabricating semi-finished metal products and metal parts, and the assembly of finished goods. The policy reflects our commitment to operational excellence and regulatory compliance, whilst upholding customer satisfaction.

Our Quality Management System, aligned with ISO 9001 standards, is supported by robust internal controls to ensure compliance with applicable customer specifications and regulatory requirements. Beyond compliance, we emphasise continuous improvement through systematic monitoring. We also undertake corrective actions and performance reviews with the objective of enhancing our product reliability, process efficiency, and overall effectiveness of our operations.

# SUSTAINABILITY STATEMENT

(cont'd)



## SOCIAL (CONT'D)

### MM12: CUSTOMER SATISFACTION (CONT'D)

#### *Proactive Customer Engagement and Communication*

Proactive engagement with our customers is an integral part of our quality assurance framework. Our technical sales team works closely with customers to monitor our product quality and address any matters arising promptly, as well as provide timely support throughout the project lifecycle. We conduct monthly site visits to brief customers on our progress with their projects and provide updates on our production and facility capabilities. We also disseminate weekly order status updates to help ensure delivery schedules are met and expectations are managed effectively.

#### *Performance Monitoring and Customer Feedback*

Customer-led audits and annual business reviews form a key component of Wentel's performance evaluation process, providing independent assessments of our compliance with customer specifications, quality standards, as well as service requirements. These engagements enable us to validate our operational performance while strengthening transparency and accountability with our customers.

The Group also actively gathers customer feedback through structured annual satisfaction surveys administered by our customer service team. The surveys cover key performance areas including delivery reliability, product quality, service responsiveness, and communication effectiveness. Insights gained from these surveys are systematically reviewed and used to guide continuous improvements across our quality control and customer engagement processes, ensuring that we remain responsive to our customers' evolving needs.

All customer complaints received during the year are treated with priority and escalated to the quality control team for investigation and corrective action, where necessary. Root cause analyses are conducted to prevent recurrence and to strengthen process controls.

For FYE2025, the Group achieved 90% for on-time delivery, 80% for product quality, 84% for speed of response to complaints or requests, and 90% for communication courtesy. Wentel has consistently exceeded our internal customer satisfaction benchmark of 80%, reflecting the effectiveness of our quality management and the trust placed in us by our customers.

#### *Data Privacy and Cybersecurity*

Alongside product quality and reliability, the protection of customer data is a critical pillar in maintaining trust and long-term partnerships. Wentel complies fully with the Personal Data Protection Act ("PDPA") 2010, ensuring that customer data is collected with explicit consent, used transparently, and managed responsibly throughout its lifecycle.

The Group has established clear protocols governing the storage, access, and sharing of customer information. Customer data is disclosed to external parties or service providers only when legally required or operationally necessary, and appropriate safeguards are in place to mitigate the risks of unauthorised access, misuse, or data breaches. These controls form part of a broader governance framework designed to uphold confidentiality across all business dealings, including compliance with applicable non-disclosure agreements.

To further strengthen cybersecurity resilience, Wentel enforces a Computer Usage Policy that sets out clear expectations for the secure use of company devices and networks. All employees are required to familiarise themselves with this policy, which provides guidance on secure data handling, password management, software restrictions, and safe online practices. In addition, the Group conducts periodic reviews of its data protection protocols, provides cybersecurity awareness training, and continues to invest in systems and controls that enhance digital security.

We are pleased to report that there were no recorded data breaches or cybersecurity incidents during FYE2025, underscoring the effectiveness of our data protection measures. Looking ahead, the Group is assessing the feasibility of implementing an automated daily backup schedule to further strengthen the protection and integrity of human resource-related data.

Number of Substantiated Cybersecurity Complaints	
FYE2025	0
FYE2024	0
FYE2023	0

# SUSTAINABILITY STATEMENT

(cont'd)



## GOVERNANCE

Strong governance underpins Wentel’s ability to operate sustainably and with long-term integrity. Our Board of Directors and senior management are entrusted with safeguarding the interests of our stakeholders while ensuring that our operations are conducted ethically, transparently, and in full compliance with all applicable laws and regulations. With the Board setting the tone at the top, governance is embedded through a top-down approach that promotes accountability and responsible decision-making across our Group.

Our governance framework focuses on upholding high standards of business conduct, preventing bribery and corruption, and ensuring effective oversight at all levels. As we adhere to the principles of sound governance, we strengthen trust with investors, regulators, employees, suppliers, customers, and the communities in which we operate. These commitments are reflected in our material matters and support our contribution to SDGs 12 and 16.


- MM13:** Code of Conduct and Ethics
- MM14:** Anti-Bribery and Corruption
- MM15:** Legal Compliance and Transparency



### MM13: CODE OF CONDUCT AND ETHICS

The Group’s Code of Conduct (“the Code”) serves as a central framework guiding ethical behaviour, accountability, and transparency across all areas of our business. It establishes clear standards of conduct for our employees and business partners, addressing key principles such as integrity, fairness, mutual respect, and compliance with all applicable laws and regulations. By providing practical guidance on expected behaviours, the Code supports informed and responsible decision-making and reinforces a strong culture of ethical conduct throughout our organisation.

We review the Code on a periodic basis to ensure it remains aligned with evolving regulatory requirements, industry standards, and recognised best practices. Awareness of and adherence to the Code are integral to maintaining consistent governance standards and safeguarding our stakeholders’ trust. The Code is publicly accessible on the Group’s website at <https://www.wenteleng.com/policies>.


	WENTEL ENGINEERING HOLDINGS BERHAD		Doc. No.	WEH-COR-M003
	TITLE	Code of Conducts	Rev. No.	00
			Page No.	1

### MM14: ANTI-BRIBERY AND CORRUPTION

Wentel is committed to conducting our business with the highest standards of integrity. This commitment applies across the Group and extends to all directors, senior management, employees, and business partners. We expect everyone associated with Wentel to act responsibly and ethically in all business dealings, reinforcing a culture where integrity and accountability are inextricably linked with our day-to-day operations.

#### Zero-Tolerance Approach

The Group maintains a strict zero-tolerance policy towards all forms of corruption, including bribery, facilitation payments, money laundering, and obstruction of justice. Our Anti-Bribery & Anti-Corruption (“ABAC”) Policy prohibits the offering, solicitation, or acceptance of bribes, kickbacks, or any form of improper advantage, whether directly or indirectly. The policy provides guidance on ethical conduct and ensures compliance with applicable laws and recognised best practices. It is publicly available on our website at <https://www.wenteleng.com/policies>.

	WENTEL ENGINEERING HOLDINGS BERHAD		Doc. No.	WEH-COR-M015
	TITLE	Anti-Bribery & Anti-Corruption Policy	Rev. No.	00
			Page No.	1

# SUSTAINABILITY STATEMENT

(cont'd)



## GOVERNANCE (CONT'D)

### MM14: ANTI-BRIBERY AND CORRUPTION (CONT'D)

#### *Gifts, Hospitality, and Conflicts of Interest*

To safeguard transparency, employees and their immediate family members are strongly discouraged from giving or receiving gifts, hospitality, or services from suppliers, customers, bankers, or other business counterparties. Any items received beyond nominal value must be formally declared and surrendered for review and appropriate handling.

#### *Embedding Ethical Conduct*

**0**  
confirmed  
incidents of  
corruption

Ethical practices are reinforced through mandatory training, regular communication, monitoring, and established reporting channels. Employees are trained on the ABAC Policy, covering the various forms of corruption, their reporting obligations, and the Group's disciplinary measures. We strictly prohibit political contributions to parties, candidates, or related organisations to maintain our neutrality and integrity.

#### Percentage of Employees who have Received Training on Anti-Corruption by Employee Category

Period	Employee Category	Total Number of Employees	Number of Employees who Received Training	Percentage of Employees who Received Training
FYE2025	Senior Management	5	0	0%
	Management	17	8	47%
	Executive	99	15	15%
	Non-Executive	258	2	1%

#### Confirmed Incidents of Corruption and Action Taken

Period	Confirmed Incidents of Corruption	Number of Actions Taken
FYE2025	0	0
FYE2024	0	0
FYE2023	0	0

During the financial year, Wentel recorded no confirmed incidents of bribery or corruption, reflecting the strength of our personnel and robust internal controls.

### MM15: LEGAL COMPLIANCE AND TRANSPARENCY

Maintaining legal compliance and transparency is fundamental to Wentel's governance framework and essential for sustaining our stakeholders' trust. Operating within a complex regulatory landscape, the Group proactively identifies, interprets, and implements the laws, regulations, and industry requirements governing our operations. Compliance is embedded at all levels of our organisation, from our policies and procedures to our day-to-day operations, ensuring potential risks are minimised.

During the year, Wentel maintained a strong compliance record with no fines, penalties, or official notices issued by authorities, demonstrating the effectiveness of our governance systems and employee vigilance.

# SUSTAINABILITY STATEMENT

(cont'd)



## GOVERNANCE (CONT'D)

### MM15: LEGAL COMPLIANCE AND TRANSPARENCY (CONT'D)

#### Accountability and Reporting

Wentel encourages our employees and other stakeholders to report any concerns they may have that are related to unethical conduct, legal non-compliance, or policy breaches. Our Whistleblowing Policy, publicly available on our website at <https://www.wenteleng.com/policies>, provides secure, confidential reporting channels, ensuring reports are handled impartially and without fear of retaliation. Disclosures may cover fraud, corruption, abuse of authority, conflicts of interest, health and safety risks, misuse of resources, or other misconduct. Corrective and preventive actions are implemented where required.

	<b>WENTEL ENGINEERING HOLDINGS BERHAD</b>		Doc. No.	WEH-COR-M016
	TITLE	<b>WHISTLEBLOWING POLICY</b>	Rev. No.	00
	DEPT.	<b>CORPORATE DEPARTMENT</b>	Page No.	3

#### Risk Assessment and Oversight

Wentel conducts comprehensive due diligence on all new business partners, including suppliers and contractors, to assess and mitigate corruption risks. For operations assessed as high-risk, the Group implements enhanced procedures, including stricter approval processes, monitoring, audits, and reporting mechanisms, to address all forms of corruption. These measures ensure that both employees and partners adhere to Wentel's ABAC Policy, act ethically, and maintain transparency across all business activities.

Wentel plans to progressively conduct corruption risk assessments across relevant operations as part of strengthening our anti-corruption and governance framework.

#### Governance Enhancement

Structured oversight is maintained through internal audits, management reviews, and external assessments. Regular training and awareness programmes ensure our employees are familiar with their rights, responsibilities, and reporting mechanisms.

# SUSTAINABILITY STATEMENT

(cont'd)

## CSI PERFORMANCE DATA TABLE

### WENTEL ENGINEERING HOLDINGS BERHAD

BMLR Transition Period

Date & Time: 2026-04-17 16:04:28

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	No assurance
Diversity - Percentage of employees by gender and age group, for each employee category (Age Group by Employee Category)	Senior Management Under 30	Percentage	0	—	No assurance
—	Senior Management Between 30-50	Percentage	80	—	No assurance
—	Senior Management Above 50	Percentage	20	—	No assurance
—	Management Under 30	Percentage	6	—	No assurance
—	Management Between 30-50	Percentage	81	—	No assurance
—	Management Above 50	Percentage	13	—	No assurance
—	Executive Under 30	Percentage	45	—	No assurance
—	Executive Between 30-50	Percentage	52	—	No assurance
—	Executive Above 50	Percentage	3	—	No assurance
—	Non-executive/Technical Staff Under 30	Percentage	51	—	No assurance
—	Non-executive/Technical Staff Between 30-50	Percentage	46	—	No assurance
—	Non-executive/Technical Staff Above 50	Percentage	3	—	No assurance
Diversity - Percentage of employees by gender and age group, for each employee category (Gender Group by Employee Category)	Senior Management Male	Percentage	80	—	No assurance
—	Senior Management Female	Percentage	20	—	No assurance
—	Management Male	Percentage	50	—	No assurance

# SUSTAINABILITY STATEMENT

(cont'd)

Date & Time: 2026-04-17 16:04:28  
FYE 31/12/2025

WENTEL ENGINEERING HOLDINGS BERHAD  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Management Female	Percentage	50	—	No assurance
—	Executive Male	Percentage	49	—	No assurance
—	Executive Female	Percentage	51	—	No assurance
—	Non-executive/Technical Staff Male	Percentage	87	—	No assurance
—	Non-executive/Technical Staff Female	Percentage	13	—	No assurance
Diversity - Percentage of directors by gender and age group	Male	Percentage	60	—	No assurance
—	Female	Percentage	40	>40	No assurance
—	Under 30	Percentage	0	—	No assurance
—	Between 30-50	Percentage	60	—	No assurance
—	Above 50	Percentage	40	—	No assurance
Diversity	Number of Board Directors	Number	5	—	No assurance
—	Number of Independent Directors on the Board	Number	3	—	No assurance
—	Number of women on the Board	Number	2	—	No assurance
Energy Management	Total energy consumption	MWh	5,488.97	—	No assurance
Health and Safety	Number of work-related fatalities	Number	0	0	No assurance
—	Lost Time Incident Rate ("LTIR")	Rate	6.80	0.00	No assurance
—	Number of employees trained on health and safety standards	Number	294	—	No assurance

# SUSTAINABILITY STATEMENT

(cont'd)

Date & Time: 2026-04-17 16:04:28  
FYE 31/12/2025

WENTEL ENGINEERING HOLDINGS BERHAD  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Labour Practices and Standards - Total hours of training by employee category	Senior Management	Hours	201	—	No assurance
—	Management	Hours	1,248	—	No assurance
—	Executive	Hours	7,487	—	No assurance
—	Non-executive/Technical Staff	Hours	11,403	—	No assurance
Labour Practices and Standards	Percentage of employees that are contractors or temporary staff	Percentage	50	—	No assurance
Labour Practices and Standards - Total number of employee turnover by employee category	Senior Management	Number	1	—	No assurance
—	Management	Number	4	—	No assurance
—	Executive	Number	30	—	No assurance
—	Non-executive/Technical Staff	Number	60	—	No assurance
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	0	0	No assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage	54	>50	No assurance
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	No assurance
Water	Total volume of water used	Megallitres	16.28	—	No assurance
Waste Management	Total waste generated	Metric tons	309.82	—	No assurance
Emission Management	Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tons	289.69	—	No assurance
—	Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tons	2,745.44	—	No assurance

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# SUSTAINABILITY STATEMENT

(cont'd)

Date & Time: 2026-04-17 16:04:28  
FYE 31/12/2025

WENTEL ENGINEERING HOLDINGS BERHAD  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Scope 3 emissions in tonnes of CO2e (business travel and employee commuting)	Metric tons	286.4	—	No assurance

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Wentel Engineering Holdings Berhad (“Company”) recognises the importance of maintaining high standards of corporate governance for transparency, accountability, integrity and a well-managed company. As a fundamental part of discharging its duties and responsibilities, the Board is committed towards ensuring good corporate governance practices are implemented and maintained throughout the Company and its subsidiaries (“the Group”) to enhance shareholders’ value, and to be consistent with the principles and best practices as set out in the Malaysian Code on Corporate Governance (“MCCG”).

This Corporate Governance Overview Statement (“Statement”) is augmented with a Corporate Governance Report, based on a prescribed format as enumerated in Rule 15.25(2) of the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) so as to provide a detailed articulation on the application of the Group’s corporate governance practices as set out in the MCCG throughout the financial year ended 31 December 2025 (“FYE2025”). The Corporate Governance Report is available on the Company’s corporate website at [www.wenteleng.com](http://www.wenteleng.com), as well as via an announcement on the website of Bursa Securities at [www.bursamalaysia.com](http://www.bursamalaysia.com).

This Statement makes reference to the following three (3) key principles of the MCCG:-

- Principle A - Board leadership and effectiveness
- Principle B - Effective audit and risk management
- Principle C - Integrity in corporate reporting and meaningful relationship with stakeholders

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### PART I – BOARD RESPONSIBILITIES

#### 1.1 Board Roles and Responsibilities

The Board is accountable for the overall performance and business affairs of the Group. The Board provides necessary leadership, which includes practising a high level of good governance to ensure the long-term success of the Group and the delivery of sustainable value to its stakeholders.

In carrying out its fiduciary obligations and leadership role, the Board is guided by the Board Charter, which sets out the Board’s duties and responsibilities, the matters reserved for its decision, and those delegated to the Executive Director/Group Chief Executive Officer and Management. To support the Board in fulfilling its oversight functions effectively, the Board has established the following Board Committees to assist in the execution of its responsibilities:-

- a. Audit and Risk Management Committee (“ARMC”);
- b. Nomination Committee (“NC”); and
- c. Remuneration Committee (“RC”).

The Board committees operate in accordance with clearly defined Terms of Reference (“TOR”) as reviewed and approved by the Board. The Board Committees’ TOR can be accessed via the Company’s corporate website at [www.wenteleng.com](http://www.wenteleng.com).

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Group, among others, it has the following duties:-

- Promoting a good corporate governance culture within the Group that emphasizes ethical, prudent and professional conduct;
- Reviewing, challenging and deciding on Management’s proposals for the Group, and monitoring its implementation;
- Ensuring that the Group’s strategic plan supports long-term value creation and includes strategies on economic, environmental and social considerations;
- Ensuring there is a sound framework for internal controls and risk management;
- Identifying the principal risks of the Group’s business and ensuring that business decisions involve appropriate risk-taking;

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.1 Board Roles and Responsibilities (Cont'd)

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Group, among others, it has the following duties:- (Cont'd)

- Ensuring that Senior Management possesses the necessary skills and experience, and implementing measures for the orderly succession of Board and senior management;
- Ensuring the Group has in place procedures to facilitate effective communication with shareholders and stakeholders; and
- Ensuring the integrity of the Group's financial and non-financial reporting.

#### 1.2 The Chairman of the Board

The Chairman of the Board, Mr. Ban Kim Wah, holds a Non-Independent Non-Executive position and he is responsible for leading the Board to ensure its effectiveness and integrity and the entrenchment of good corporate governance practices within the Group.

The Board recognises the importance of preserving strong governance practices and is of the view that the Chairman should not serve on any Board Committees. This practice reinforces a clear separation of roles, thereby strengthening the system of checks and balances and ensuring that the deliberations of the Board Committees remain objective, and free from undue influence.

Consistent with the principles and best practices set out in the MCCG, the Chairman does not hold membership in any of the Board Committees.

#### 1.3 The Chairman and Group Chief Executive Officer (“Group CEO”)

The roles of the Chairman and the Group Chief Executive Officer (“Group CEO”) are held by two separate individuals, with a clearly defined division of responsibilities. This separation ensures an appropriate balance of power and authority, thereby strengthening the principles of accountability and effective governance.

The Chairman of the Board is responsible for ensuring the orderly conduct and effectiveness of the Board, as well as facilitating constructive deliberations on matters in hand. Meanwhile, the Group CEO has overall responsibilities over the day-to-day management of the Group's business and implementation of the Board's policies and decisions. The Executive Director is also accountable to the Board for the overall organisation, management and staffing of the Company and/or the Group as well as the procedures in financial and other matters, including conduct and discipline.

#### 1.4 Qualified and Competent Company Secretaries

The Board is supported by two (2) Company Secretaries who are experienced and qualified to act as Companies Secretaries under Section 235(2) of the Companies Act 2016 (“CA 2016”) and are registered holders of the Practising Certificate issued by the Companies Commission of Malaysia. All Directors have access to the advice and services of the Company Secretaries.

The Company Secretaries consistently participate in relevant training programs, conferences, or seminars organised by authorities and professional bodies. This ensures they stay updated on corporate governance developments and regulatory changes pertinent to their role, enabling them to provide valuable advisory services to the Board.

The Board acknowledges that the Company Secretaries play an important role and will ensure that the Company Secretaries fulfil the functions for which they have been appointed.

During the FYE2025, all Board and Board Committees meetings were properly convened. Accurate and proper records of the proceedings and resolutions passed at these meetings were taken and maintained in the statutory records of the Company.

Overall, the Board is satisfied with the performance and support rendered by the Company Secretaries and their team to the Board in the discharge of their duties and functions.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.5 Meeting of Board and Board Committees

To facilitate effective time planning for the Directors, the Company Secretaries prepare an annual meeting calendar ahead of each new financial year. The calendar sets out the scheduled dates for Board and Board Committee meetings, as well as the annual general meeting (“AGM”). It also specifies the closed periods for securities trading by Directors and principal officers, in line with the anticipated release dates of the Group’s quarterly financial results.

Notices of Board and Board Committee meetings, together with the relevant meeting papers, are circulated to Directors via email at least five (5) business days prior to each meeting. This practice ensures that Directors are provided with adequate time and comprehensive information to support well-informed and effective decision-making.

The deliberations and decisions of all matters considered at Board and Board Committees’ meetings are properly documented in the minutes, including any instances where a Director abstains from deliberation or voting on a particular matter. Draft minutes are circulated to the Board or the respective Board Committees in a timely manner for review prior to their confirmation and adoption at the subsequent meeting. The Company Secretaries ensure that all discussions and decisions are accurately and comprehensively recorded.

All records of proceedings and resolutions passed by the Board and Board Committees are maintained at the Company’s registered office.

For matters which require the Board’s decision on an urgent basis outside of Board Meetings, board papers along with Directors’ Written Resolution will be circulated for the Board’s consideration. All written resolutions approved by the Board will be tabled for notation at the next Board Meeting.

#### 1.6 Board Charter

The Company has formalised and adopted a Board Charter that outlines the composition, balance, authorities, roles, responsibilities, operations, and processes of the Board, along with internal processes and principles governing its functions. Additionally, the Board Charter serves as a key point of reference and primary induction material, offering valuable insights to new Board members.

The Board Charter will undergo periodic reviews to ensure that it remains aligned with the Board’s objectives, responsibilities, and evolving regulatory requirements. Regular updates are undertaken to preserve the relevance and effectiveness of the Board Charter, enabling the Board to continue operating in accordance with best practices and applicable regulatory standards.

The Board Charter is published on the Company’s corporate website at [www.wenteleng.com](http://www.wenteleng.com).

#### 1.7 Code of Ethics and Conduct

The Board has implemented a Code of Ethics and Conduct (“Code”) to proactively foster an ethical corporate culture and to strengthen governance practices throughout the Group. The Code outlines general principles and provides guidance on ethical behaviour and professional conduct for Directors and employees, emphasising their duties and obligations. To reinforce its significance, the Code has been incorporated into the Company’s Board Charter, which outlines the Board’s functions, authority, roles, and responsibilities. The Code further underscores the expectation that all Directors and employees conduct themselves with professionalism, integrity, and trustworthiness.

The Board will review the Code periodically to ensure that it remains relevant, appropriate, and aligned with evolving governance standards and regulatory requirements.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.8 Whistleblowing Policy

The Group is committed to the highest standard of integrity, transparency and accountability in the conduct of its business and operations. To support this commitment, the Group has established the Whistleblowing Policy that provides clearly defined communication and reporting channels to facilitate the responsible disclosure of concerns. The Policy is designed in accordance with the CA 2016 and Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 (“MACC Act 2018”), both of which include provisions safeguarding individuals who report any breach, non-compliance, or serious misconduct involving fraud, dishonesty, or corruption.

The Board is committed to reviewing and updating the Whistleblowing Policy at least once every three (3) years to ensure its continued effectiveness and alignment with applicable legislation, regulatory requirements, and best practices in corporate governance.

The Whistleblowing Policy is published on the Company’s corporate website at [www.wenteleng.com](http://www.wenteleng.com).

#### 1.9 Anti-Bribery and Anti-Corruption Policy

In line with the MACC Act 2018, the Company has put in place an Anti-Bribery and Anti-Corruption Policy (“ABAC Policy”) to promote a culture of integrity, transparency, and ethical behaviour across all Group activities. This policy which adheres to the Listing Requirements and the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACC Act 2018, sets out the obligations of the Group and all individuals acting on behalf of the Group in upholding the Group’s zero-tolerance stance on bribery and corruption. It outlines key anti-bribery and anti-corruption principles applicable to all engagements with customers, business partners, and third parties, and provides guidance on the prevention, management, and remediation of bribery- and corruption-related risks.

The ABAC Policy will be reviewed at least once in every three (3) years to ensure that it continues to remain relevant and appropriate. The ABAC Policy is available for viewing on the Company’s corporate website at [www.wenteleng.com](http://www.wenteleng.com).

#### 1.10 Directors’ Fit and Proper Policy

The Board has adopted the Directors’ Fit and Proper Policy in accordance with Rule 15.01A of the Listing Requirements of Bursa Securities. This policy serves as a guide to the NC and the Board in their review and assessment of potential candidates for appointment to the Board, as well as retiring Directors seeking re-election at the AGM.

The Directors’ Fit and Proper Policy ensures that the NC and the Board apply robust and objective criteria in their assessments, enabling the selection of individuals who possess the appropriate qualifications, experience, competencies, and integrity to discharge their duties effectively.

The Board will regularly review the Directors’ Fit and Proper Policy and may revise it as deemed necessary to ensure continued alignment with the Board’s objectives, prevailing laws, regulatory expectations, and best governance practices. The Directors’ Fit and Proper Policy is available on the Company’s corporate website at [www.wenteleng.com](http://www.wenteleng.com).

The Board has also adopted the Nomination and Appointment of New Directors Process and Procedures to formalise the process for the nomination and appointment of a new Director to be undertaken by the NC and the Board in discharging their responsibilities in terms of the nomination and appointment of new Directors.

#### 1.11 Conflict of Interest Policy

The Board has adopted a Conflict of Interest (“COI”) Policy that outlines the guidelines and procedures for identifying, disclosing, and managing any conflicts of interest that may arise within the Group. This COI Policy aims to ensure that any actual, potential, or perceived conflicts are addressed in a timely and appropriate manner, thereby safeguarding the integrity of decision-making processes. It also ensures compliance with the Listing Requirements of Bursa Securities and the CA 2016, while reinforcing the principles of sound corporate governance, transparency, and accountability.

The Board will review the COI Policy from time to time and update it as necessary to ensure it remains aligned with the Board’s objectives, applicable laws, and evolving best practices.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.12 Sustainability Governance

The Board emphasizes the significance of sustainable business practices in fostering long-term value, acknowledging that responsible conduct is integral to achieving operational excellence.

The oversight of sustainability, including strategies, priorities, and targets, resides with the Board, while Management is charged with executing operations pertaining to Environmental, Social, and Governance (ESG) factors as essential elements of the Group's corporate strategy.

As stewards of the Company's shareholders, the Board prioritizes the promotion of exemplary corporate governance practices, characterized by a commitment to ethics, integrity, and corporate responsibility. Furthermore, the Board ensures that both internal and external stakeholders are well-informed about the Company's sustainability strategies, priorities, targets, and overall performance, as outlined in the Sustainability Statement included in this Annual Report.

In addition, the Board has integrated the evaluation of its understanding of sustainability issues into the annual performance review, recognizing their critical importance to the Company's performance.

### PART II – BOARD COMPOSITION

#### 2.1 Board Composition and Balance

The Board currently comprises five (5) members and the composition of the current Board is set out in the table below:-

	Names	Designation
1.	Ban Kim Wah	Non-Independent Non-Executive Chairman
2.	Wong Chun Wei	Executive Director
3.	Siow Chin How	Independent Non-Executive Director
4.	Soo Wee Loon	Independent Non-Executive Director
5.	Wang Sze Min	Independent Non-Executive Director

This current Board composition complies with Rule 15.02 of the Listing Requirements of Bursa Securities, which requires that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors.

The Board composition is also in line with Practice 5.2 of the MCGG of having at least half of the Board comprising Independent Non-Executive Directors. This composition is able to provide independent and objective judgement as well as provide an effective check and balance to safeguard the interest of the minority shareholders and other stakeholders, and ensure high standards of conduct and integrity are maintained.

The Independent Directors, who are professionals of credibility and repute, demonstrate independent judgement and objectivity in the Board's deliberations. The diverse professional backgrounds of the Directors provide the Board with an effective mix of members with industry-specific knowledge and broad business experience.

A brief profile of the Directors is presented in the Board of Directors' Profile of this Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – BOARD COMPOSITION (CONT'D)

#### 2.1 Board Composition and Balance (Cont'd)

The Board recognises and values the advantages of a diverse Board composition and acknowledges that Board-level diversity is a key driver of long-term competitiveness. A diverse Board encompasses a broad range of skills, regional and industry experience, backgrounds, race, gender, and other attributes that contribute to effective decision-making. These factors are taken into consideration when determining the optimal Board composition and, where practicable, are appropriately balanced.

All Board appointments are based on merit, with due consideration given to the skills, experience, independence, and knowledge required for the Board to discharge its responsibilities effectively as a whole.

#### 2.2 Tenure of Independent Directors

The Board acknowledges the recommendation by the MCCG that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. However, if the Board intends to retain a Director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting. Furthermore, the Board recognises that as per the Listing Requirements of Bursa Securities, the tenure of an Independent Director should not exceed a cumulative term of twelve (12) years.

The Board has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years, being a step-up practice. Notwithstanding that, the assessment of the independence of Independent Directors will be conducted annually via the Annual Evaluation of Independence of Directors to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.

During the FYE2025, none of the Directors has served the Board as an Independent Director of the Company for a cumulative term of more than nine (9) years.

#### 2.3 Board Diversity and Senior Management Team

The Board recognises the significance of diversity in both its composition and that of the Senior Management Team, as advocated by the MCCG. To advance the Group's diversity agenda, candidates for directorships and senior management positions are sourced from a broad and diverse talent pool and are selected based on merit and objective criteria, while also taking into account diversity in skills, knowledge, experience, age, cultural background, gender, and overall contribution.

In accordance with the MCCG's recommendation on gender diversity, the Board has established and adopted a Gender Diversity Policy. This policy outlines a framework for promoting gender diversity at both the Board and senior management levels. Emphasizing the importance of diversity among Board members, the policy encompasses factors such as race, ethnicity, age, gender, skills, competencies, experiences, and expertise. It aims to enhance gender diversity not only within the Board but also throughout the senior management hierarchy.

Currently, there are two (2) female Directors on the Board, namely, Ms. Soo Wee Loon and Ms. Wang Sze Min, representing 40% of the Board composition.

#### 2.4 Board Committees

The Board Committees are set up to manage specific tasks for which the Board is responsible within a clearly defined TOR. This ensures that the Board members can spend their time more efficiently while the Board Committees are entrusted with the authority to examine particular issues.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – BOARD COMPOSITION (CONT'D)

#### 2.4 Board Committees (Cont'd)

The Board has established three (3) Board Committees and the membership of each committee is set out in the table below:-

Composition	ARMC	NC	RC
Siow Chin How <i>(Independent Non-Executive Director)</i>	Chairman	Member	Member
Soo Wee Loon <i>(Independent Non-Executive Director)</i>	Member	Chairperson	Member
Wang Sze Min <i>(Independent Non-Executive Director)</i>	Member	Member	Chairperson

The TOR of the respective Board Committees are available on the Company's corporate website at [www.wenteleng.com](http://www.wenteleng.com).

#### 2.5 NC

The NC is chaired by Ms. Soo Wee Loon, an Independent Non-Executive Director of the Company.

The NC is responsible for identifying and recommending suitable candidates for appointment to the Board, as well as undertaking ongoing evaluations of the performance of Directors. Notwithstanding the NC's role, the Board retains ultimate authority over all Director appointments. This process ensures that the Board's composition remains aligned with the Company's long-term strategic objectives and evolving business needs. As part of this responsibility, the NC also formulates and maintains a Board skills matrix to support the Company's strategic direction and requirements.

The NC has written TOR dealing with its authority and duties which include the selection and assessment of Directors. The TOR of the NC had incorporated the relevant practices recommended under the MCCG. The TOR of the NC is published on the Company's corporate website at [www.wenteleng.com](http://www.wenteleng.com).

The activities undertaken by the NC during the FYE2025 are as follows:-

- Evaluated the balance of skills, knowledge and experience of the Board. Carried out the assessment and rating of each Director's performances against the criteria as set out in the annual assessment form. The performance of Non-Executive Directors was also carefully considered, including whether he/she could devote sufficient time to the role.
- Undertaken an effectiveness evaluation exercise of the Board and its Committees as a whole with the objective of assessing its effectiveness.
- Reviewed and assessed the independence of the Independent Directors of the Company.
- Reviewed and recommended to the Board the contribution and performance of the ARMC.
- Reviewed and recommended to the Board for consideration, the re-election of the Directors who were due to retire at the AGM.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – BOARD COMPOSITION (CONT'D)

#### 2.6 Appointment to the Board

An appointment of a new Director is a matter for consideration and decision by the Board upon appropriate recommendation from the NC. In identifying suitable candidates, the Board does not rely solely on proposals from existing Directors, Management, or major shareholders. Instead, the Board may draw from a range of independent sources to ensure that the selection process is objective, comprehensive, and aligned with the Group's strategic needs. It is essential that any nominated candidate possesses the requisite professional competencies, experience, and personal qualities expected of a Board member.

The criteria for the recruitment or appointment of a Director is guided by fit and proper assessment by the NC.

In the case of candidates for the position of Independent Non-Executive Directors, the NC shall also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

#### 2.7 Re-election and Re-appointment of Directors

The NC is tasked by the Board to make independent recommendations for appointments to the Board. In evaluating the suitability of candidates, the NC considers, inter-alia, the character, experience, integrity, commitment, competency, qualification and track record of the proposed new nominee for appointment to the Board. In the case of a nominee for the position of Independent Non-Executive Director, NC evaluates the nominee's ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors. The Board has in the review of the skills of Directors, identified information technology, legal, public relations and experience in the relevant industries as the matrix of skills of Directors that would be prioritised when selecting candidates for appointment to the Board.

In accordance with the Listing Requirements of Bursa Securities and the Company's Constitution, one-third (1/3) of the Directors of the Company for the time being shall retire at the AGM of the Company provided always that all Directors, shall retire from office at least once in every three (3) years but shall be eligible for re-election at the AGM. Additionally, the Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the conclusion of the next AGM and shall be eligible for re-election.

In assessing the Directors' eligibility for re-election, the NC considers their competencies, commitment, contribution, performance based on their respective performance evaluation to the Board and their ability to act in the best interest of the Company.

The Board makes recommendations concerning the re-election, re-appointment and continuation in office of any Director for shareholders' approval at the AGM.

#### 2.8 Annual Evaluation of the Directors, Board and Board Committees as a whole

The Board has, through the NC, undertaken a formal and objective annual evaluation to assess the effectiveness of the Board and the Board Committees as a whole and the contribution of each Director, including the independence of the Independent Non-Executive Directors, referring to the guides available and the good corporate governance compliance. The evaluation process was carried out by sending the following customised assessment forms to Directors:-

- i) Performance of Group Chief Executive Officer/Executive Director;
- ii) Performance of Non-Executive Directors/Chairman;
- iii) Independence of the Independent Directors;
- iv) Performance of the ARMC; and
- v) Effectiveness of the Board and Board Committees as a whole.

In evaluating the performance of Non-Executive Directors, the assessment comprises amongst others, the attendance at Board and/or Board Committees' meetings, adequate preparation for Board and/or Board Committees' meetings, regular contribution to Board and/or Board Committees' meetings, personal input to the role and other contributions to the Board and/or Board Committees as a whole.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – BOARD COMPOSITION (CONT'D)

#### 2.8 Annual Evaluation of the Directors, Board and Board Committees as a whole (Cont'd)

In evaluating the performance of the Executive Director, the assessment was carried out against diverse key performance indicators including amongst others, financial, strategic and sustainability, conformance and compliance, business acumen or increase shareholders' wealth, succession planning and personal input to the role.

#### 2.9 Attendance of Board and Board Committees' Meetings

The Board meets at least once every quarter on a scheduled basis and additional meetings are to be convened as and when deemed necessary. All the Directors have attended all Board meetings held during the FYE2025 and complied with the requirement on attendance at Board meetings as stipulated in the Listing Requirements of Bursa Securities.

The number of meetings held and attended by each member of the Board and Board Committees during the FYE2025 are as follows:

Name of Director	Board	ARMC	NC	RC
	No. of Meetings Attended/Held			
Ban Kim Wah <i>(Non-Independent Non-Executive Chairman)</i>	4/4	-	-	-
Wong Chun Wei <i>(Executive Director)</i>	4/4	-	-	-
Siow Chin How <i>(Independent Non-Executive Director)</i>	4/4	4/4	1/1	2/2
Soo Wee Loon <i>(Independent Non-Executive Director)</i>	4/4	4/4	1/1	2/2
Wang Sze Min <i>(Independent Non-Executive Director)</i>	4/4	4/4	1/1	2/2

To facilitate an effective way to discharge the responsibilities, the Board Committees have been established and guided by the respective TOR. The Board Committees are chaired by Independent Non-Executive Directors who exercise skilful leadership with in-depth knowledge of the industry.

#### 2.10 Board Training

The Directors are encouraged to attend relevant seminars and training programmes to equip themselves with the knowledge to effectively discharge their duties as Directors. The Board will assess the training needs of the Directors and ensure Directors have access to continuing education programmes to keep abreast of changes in both the regulatory and business environments, as well as with new developments within the industry in which the Group operates.

During the FYE2025, the Directors have attended the following training programmes in compliance with Rule 15.08 of the Listing Requirements of Bursa Securities:

Name of Directors	Training/Seminar attended
Ban Kim Wah	<ul style="list-style-type: none"> <li>Key Amendments to the Listing Requirements of Bursa Securities</li> <li>Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction</li> </ul>
Wong Chun Wei	<ul style="list-style-type: none"> <li>Key Amendments to the Listing Requirements of Bursa Securities</li> <li>Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction</li> </ul>

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – BOARD COMPOSITION (CONT'D)

#### 2.10 Board Training (Cont'd)

Name of Directors	Training/Seminar attended
Siow Chin How	<ul style="list-style-type: none"> <li>Key Amendments to the Listing Requirements of Bursa Securities</li> <li>Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction</li> <li>Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level Programme</li> <li>Board Simulation – Balancing Risks &amp; Opportunity in Sustainability Leadership Programme</li> </ul>
Soo Wee Loon	<ul style="list-style-type: none"> <li>Key Amendments to the Listing Requirements of Bursa Securities</li> <li>Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction</li> </ul>
Wang Sze Min	<ul style="list-style-type: none"> <li>Key Amendments to the Listing Requirements of Bursa Securities</li> <li>Key Amendments to the Listing Requirements of Bursa Securities in relation to enhance continuing disclosure requirements and exempted related party transaction</li> </ul>

The Board would continuously evaluate and assess the training needs of each Director to keep them abreast with the state of the economy, technological advances, regulatory updates, management strategies and development in various aspects of the business environment to enhance the Board's skills and knowledge in discharging its responsibilities.

#### 2.11 COI and Related Party Transactions

To ensure accountability and mitigate conflicts of interest regarding matters brought before the Board, Directors receive reminders from the Company Secretaries regarding their statutory duties and responsibilities, along with updates on any related changes. Consequently, all related party transactions and conflicts of interest situations, if any, undergo quarterly review by the ARMC.

Directors also acknowledge their obligation to refrain from participating in discussions and voting on resolutions in which they have an interest, whether at Board meetings or general meetings. Should a corporate proposal require shareholders' approval, the interested Directors will abstain from voting on resolutions related to their shareholdings. Additionally, they will ensure that persons connected with them similarly refrain from voting on such resolutions.

### PART III - REMUNERATION

#### 3.1 Remuneration Policy

The Board had established a formal and transparent Remuneration Policy to attract and retain Directors and Senior Management of the Company. The Remuneration Policy is available on the Company's corporate website at [www.wenteleng.com](http://www.wenteleng.com).

The RC assists the Board in implementing its policies and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company. The RC is also responsible for ensuring that the remuneration packages are commensurate with the expected responsibility and contribution by the Directors and link to the strategic objectives of the Company.

The Board will determine the remuneration package of the Executive Director, taking into consideration the recommendations of the RC for the Executive Director. The remuneration packages for the Executive Director are structured in such a way that they link rewards to both corporate and individual performance.

The Independent Non-Executive Directors of the Company will be paid a basic fee as ordinary remuneration based on their responsibilities in Committees and the Board, their attendance and/or the special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by a commission on or percentage of profits or turnover. Apart from Directors' fees, all Independent Non-Executive Directors are entitled to meeting allowances for attending Board and Board Committees' meetings. Each Director shall abstain from the deliberation and voting on matters pertaining to their own remuneration.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART III - REMUNERATION (CONT'D)

#### 3.2 Remuneration of Directors

The remuneration payable to each of the individual Director and the Group Chief Executive Officer of the Company and of the Group for the FYE2025 are as follows:-

##### The Company

Name	Fees (RM'000)	Allowance (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits-in Kind (RM'000)	Other emoluments* (RM'000)	Total (RM'000)
<b>Directors</b>							
Ban Kim Wah	101	4	-	-	-	-	105
Wong Chun Wei	-	-	-	-	-	-	-
Siow Chin How	89	4	-	-	-	-	93
Soo Wee Loon	71	4	-	-	-	-	75
Wang Sze Min	71	4	-	-	-	-	75
<b>Group Chief Executive Officer</b>							
Chuah Chong Syn	-	-	-	-	-	-	-
<b>Total</b>	<b>332</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>348</b>

##### The Group

Name of Directors	Fees (RM'000)	Allowance (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits-in Kind (RM'000)	Other emoluments* (RM'000)	Total (RM'000)
<b>Directors</b>							
Ban Kim Wah	101	4	-	-	-	-	105
Wong Chun Wei	-	-	306	136	-	54	496
Siow Chin How	89	4	-	-	-	-	93
Soo Wee Loon	71	4	-	-	-	-	75
Wang Sze Min	71	4	-	-	-	-	75
<b>Group Chief Executive Officer</b>							
Chuah Chong Syn	-	-	324	207	17	65	613
<b>Total</b>	<b>332</b>	<b>16</b>	<b>630</b>	<b>343</b>	<b>17</b>	<b>119</b>	<b>1,457</b>

Note:-

\* Other emoluments include the Employees Provident Fund (EPF), Social Security Organisation (SOCSSO) and Employment Insurance System (EIS).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART III - REMUNERATION (CONT'D)

#### 3.3 Remuneration of Senior Management

The remuneration of the Senior Management of the Group is as follows:-

Range of Remuneration*	No. of Senior Management Officer
RM250,001 to RM300,000	1
RM300,001 to RM350,000	2
RM350,001 to RM400,000	1
RM450,001 to RM500,000	1

\* Successive band of RM400,001 to RM450,000 is not shown entirely as they are not represented.

Due to the confidentiality and sensitivity of the remuneration packages of Senior Management as well as security concerns, the Board opts not to disclose the Senior Management's remuneration components on a named basis in the bands of RM50,000.

The Board is of the view that the disclosure of the Senior Management's remuneration components on a named basis would not be in the best interest of the Company given that the competitive human resources environment as such disclosure may give rise to recruitment and talent retention issues. The Board is of the opinion that the disclosure of Senior Management's aggregated remuneration on an unnamed basis in the bands of RM50,000 is adequate.

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

### PART I – ARMC

#### 4.1 Effective and Independent ARMC

The ARMC is relied upon by the Board to, amongst others, provide advice on and oversee the areas of financial reporting, external audit, internal control environment and internal audit processes, review related party transactions as well as conflict of interest situations. The ARMC also undertakes to provide oversight on the risk management framework of the Group.

The ARMC is chaired by Mr. Siow Chin How, an Independent Non-Executive Director who is distinct from the Chairman of the Board. The majority of the members of the ARMC are financially literate, whilst the Chairman of the ARMC is a member of the Malaysian Institute of Accountants.

The ARMC comprises three (3) members. The composition of the ARMC complies with Rules 15.09 and 15.10 of the Listing Requirements of Bursa Securities and the recommendation of MCCG whereby all three (3) ARMC members are Independent Non-Executive Directors. None of the Independent Non-Executive Directors has appointed alternate directors.

None of the members of the ARMC were former key audit partners and to uphold utmost independence, the Board has no intention to appoint any former key audit partner as a member of the ARMC.

The members of the ARMC are equipped with the requisite skills and knowledge to fulfill their responsibilities outlined in the TOR of the ARMC. They possess a deep understanding of matters falling within the purview of the ARMC, including the financial reporting process.

It is expected that they dedicate ample time to updating their knowledge and enhancing their skills through relevant continuing education programs. This ensures their active engagement and informed participation during deliberations. The ARMC members have consistently stayed informed about developments in accounting and auditing standards, practices, and regulations.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

### PART I – ARMC (CONT'D)

#### 4.2 Financial Reporting

The Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and ensuring that the financial statements of the Group comply with the CA 2016 and applicable approved financial reporting standards in Malaysia.

The ARMC assists the Board in discharging its fiduciary duties by ensuring that the audited financial statements and quarterly financial reports are prepared in accordance with the Malaysian Financial Reporting Standards and the Listing Requirements. In presenting the annual audited financial statements and quarterly announcements of results to shareholders, the Board aims to present a balanced and fair assessment of the Company's financial position and prospects. The ARMC reviews the Company's quarterly financial results and annual audited financial statements to ensure accuracy adequacy and completeness prior to presentation to the Board for its approval.

#### 4.3 External Auditors

The Group maintains a transparent and effective relationship with the External Auditors, granting them direct communication authority. This enables the External Auditors to bring to the attention of the ARMC any matters requiring the Board's attention regarding compliance with accounting standards and related regulatory requirements.

The Board has established the External Auditors Assessment Policy together with the annual performance evaluation form, which outlines the guidelines and procedures for the ARMC to review, assess, and monitor the performance, suitability, and independence of the External Auditors.

The ARMC obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

During FYE2025, the ARMC conducted the annual performance assessment of the External Auditors and was satisfied with their performance, suitability, and independence. Accordingly, the ARMC has recommended the re-appointment of the Company's External Auditors, Crowe Malaysia PLT, for shareholders' approval at the forthcoming AGM of the Company.

## PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

### 5.1 Risk Management and Internal Control Framework

The Board acknowledges its overall responsibilities in establishing a sound risk management framework and internal control system within the Group. The risk management framework and internal control system are designed to manage the Group's risks within an acceptable risk appetite, rather than eliminate the risk of failure to achieve the policies, goals and objectives of the Group. It provides reasonable assurance against material misstatement of financial information and records or against financial losses or fraud.

The Company also engages Internal Auditors to provide independent assessments of the adequacy, efficiency and effectiveness of the Company's internal control system. The Internal Auditors report directly to the ARMC and internal audit plans are tabled to the ARMC for review and approval by the Board to ensure adequate coverage.

Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control in this Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

### PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

#### 5.2 Internal Audit Function

The internal audit function of the Group is outsourced to Messrs. GovernanceAdvisory.com Sdn. Bhd. (“GA”), an independent professional consulting company, which is independent of the activities and operations of the Group as its Internal Control Consultant to review the adequacy and sufficiency of systems, procedures and controls of the Group.

The Board had established the Internal Auditors Assessment Policy together with the annual performance evaluation form, to outline the guidelines and procedures for the ARMC to review, assess and monitor the performance, suitability and independence of the Internal Auditors.

The ARMC had obtained assurance from GA confirming that they are, and have been, independent throughout the conduct of the internal audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The internal audit functions and activities carried out during the FYE2025 are as disclosed in the ARMC Statement in this Annual Report.

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### PART I – ENGAGEMENT WITH STAKEHOLDERS

#### 6.1 Continuous Communication with Stakeholders

The Board values the importance of the dissemination of information on major developments of the Group to the shareholders, potential investors and the general public in a timely and equitable manner and hence, a Corporate Disclosure Policy has been adopted.

The quarterly results, announcements and annual reports serve as primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and developments.

The Company's corporate website at [www.wenteleng.com](http://www.wenteleng.com) serves as one of the most convenient ways for shareholders, business partners and members of the public to gain access to corporate information, news and events relating to the Group.

The Company's AGM serves as a primary platform for communication between the Group and its shareholders. During the AGM, shareholders will have the opportunity to pose questions regarding proposed resolutions and other matters concerning the Group's performance, developments, and future trajectory. The Board is committed to ensuring transparency and understanding by providing a comprehensive written explanation for each item of special business included in the meeting notice, facilitating shareholders' comprehension and evaluation of the resolutions and their implications.

### PART II – CONDUCT OF GENERAL MEETINGS

#### 6.2 General Meetings

The Board will ensure that the Notice of the AGM is sent out at least twenty-eight (28) days prior to the meeting to allow sufficient time for the shareholders to go through the Annual Report and make necessary attendance and voting arrangements.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

### PART II – CONDUCT OF GENERAL MEETINGS (CONT'D)

#### 6.2 General Meetings (Cont'd)

In line with Practice 13.1 of MCGG, the notice convening the Second (“2<sup>nd</sup>”) AGM of the Company was issued to shareholders at least twenty-eight (28) days prior to the AGM, providing shareholders with sufficient time to prepare themselves to attend the AGM or to appoint a proxy to attend and vote on their behalf. Similarly, the notice for the upcoming Third (“3<sup>rd</sup>”) AGM of the Company, scheduled to be held on 25 May 2026, will also be issued to the shareholders at least 28 days before the date of the meeting.

The Company’s 2<sup>nd</sup> AGM was held physically at a venue that was easily accessible. Board members, External Auditors, Company Secretaries, Sponsors, and relevant senior management personnel were present to engage with shareholders and aid the Board in addressing any queries raised.

All resolutions set out in the Notice of the 2<sup>nd</sup> AGM were put to vote by poll and the votes cast were validated by an independent scrutineer appointed by the Company. The outcome of all resolutions proposed at the general meetings is announced to Bursa Securities on the same day.

#### 6.3 Effective Communication and Proactive Engagement

All Directors and Senior Management attended the 2<sup>nd</sup> AGM physically and were accountable to the shareholders for their stewardship of the Company. The Chairman of the Board and its Board Committees members were available to respond to shareholders’ queries concerning the Company and the Group in the 2<sup>nd</sup> AGM. The External Auditors were also invited to attend the AGM and assist the Board in addressing relevant queries made by the shareholders.

From the Company’s standpoint, the AGM provides an opportunity for Directors to directly interact with shareholders, gaining insights into their requirements and soliciting feedback. The Board encourages shareholders to pose questions and provide feedback during and after the shareholders’ meetings, ensuring that their queries are addressed thoroughly.

The Board will ensure that the required infrastructure and tools will be in place to enable the smooth conduct of the 3<sup>rd</sup> AGM and meaningful engagement with the shareholders. The summary of key matters discussed at the 3<sup>rd</sup> AGM will also be published on the Company’s website within thirty (30) business days after the 3<sup>rd</sup> AGM for the shareholders’ information.

## STATEMENT BY THE BOARD ON CORPORATE GOVERNANCE STATEMENT

The Board has reviewed, deliberated, and approved this statement. Based on its assessment, the Board is satisfied that, to the best of its knowledge, the Company has complied with the principles and practices of the MCGG, the relevant provisions of the Listing Requirements of Bursa Securities on corporate governance, and all other applicable laws and regulations throughout FYE2025.

The Board acknowledges that corporate governance is a continuous journey and remains committed to identifying opportunities for enhancement, ensuring that the Group continues to foster trust and confidence among its stakeholders.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Pursuant to Rule 15.15 of the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Audit and Risk Management Committee (“ARMC” or “the Committee”) of Wentel Engineering Holdings Berhad (“the Company”) is pleased to present the ARMC Report which lays out the ARMC’s functions and activities held for the financial year ended 31 December 2025 (“FYE 2025”).

## 1. OBJECTIVES

The ARMC was established with the primary objective of assisting the Board in fulfilling its statutory obligations effectively. By conducting impartial and independent assessments, the Committee provides additional assurance to the Board concerning the effectiveness of financial, operational, and administrative controls and procedures, thereby enhancing governance and risk management practices within the Company and its subsidiaries (“Group”).

## 2. COMPOSITION OF ARMC

The ARMC comprises the following members, all of whom are Independent Non-Executive Directors:

Name of Committee members	Designation and Directorship
Siow Chin How	Chairman, Independent Non-Executive Director
Soo Wee Loon	Member, Independent Non-Executive Director
Wang Sze Min	Member, Independent Non-Executive Director

The Company has complied with Rule 15.09 of the Listing Requirements of Bursa Securities as well as Practice 9.1 and Practice 9.4 under Principle B of the Malaysian Code of Corporate Governance as the ARMC members fulfill the requirements as prescribed.

The Chairman of ARMC, Mr. Siow Chin How is a Chartered Accountant of the Malaysian Institute of Accountants, a chartered member of The Institute of Internal Auditors Malaysia, a member of the Certified Practising Accountants of Australia and a Chartered Accountant of Singapore of the Institute of Singapore Chartered Accounts. In this respect, the composition of ARMC complies with Rule 15.09(1)(c)(i) of the Listing Requirements of Bursa Securities.

The authorities and duties of the ARMC are governed by the Terms of Reference of the ARMC, which can be accessed on the Company’s website at [www.wenteleng.com](http://www.wenteleng.com).

## 3. ATTENDANCE OF MEETINGS

During the FYE 2025, the ARMC convened a total of four (4) meetings. The attendance record of each ARMC member at these meetings is as follows:

Name	Meeting attended/held
Siow Chin How	4 of 4
Soo Wee Loon	4 of 4
Wang Sze Min	4 of 4

During the ARMC meetings, Executive Director, designated Key Senior Management, External Auditors, and Internal Auditors were invited to facilitate direct communication and provide clarifications on audit issues, areas of concern, operational matters and to brief the ARMC on specific issues arising from the internal audit report or any other matters of interest.

To enhance the effectiveness of the Group’s internal controls and seek professional guidance for fulfilling its duties, Messrs. GovernanceAdvisory.com Sdn. Bhd. (“GA”) has been appointed as the independent Internal Auditors. GA conducts reviews of the internal control system and reports its findings directly to the ARMC.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(cont'd)

## 4. SUMMARY OF WORKS OF THE ARMC FOR THE FYE 2025

The works carried out by the ARMC for the FYE 2025, amongst others, included the review and deliberation of the following prior to presenting its recommendations to the Board for consideration, approval and adoption:

- (a) The audit plan and scope are carefully reviewed to ensure comprehensive coverage of the external audit before commencing the statutory audit of the financial statements for the FYE 2025.
- (b) The Audit Review Memorandum with the External Auditors upon completion of the annual audit, covering findings on the results and issues arising from their audit of the financial statements of the Group and their resolutions of such issues highlighted in their report to the ARMC.
- (c) The Company's quarterly and year-end financial results prior to presenting its recommendations to the Board for consideration and approval for release of the announcements of the financial results to Bursa Securities.
- (d) The Group's annual audited financial statements to ensure compliance with accounting standards and legal requirements. Engaging in discussions with the External Auditors regarding their audit findings, particularly focusing on matters related to changes in accounting standards and other disclosure requirements.
- (e) The performance of the External Auditors based on competency, efficiency and transparency as demonstrated during their audit, recommendation on their re-appointment and proposed audit fee to the Board for consideration and approval.
- (f) The risk-based 2-year internal audit plan and its adequacy of scope and coverage as proposed by the Internal Auditors. The findings of the internal audit reports and follow-up audit status as well as considered the management responses thereto, and ensured that appropriate actions are taken by the management on the recommendations raised by the Internal Auditors.
- (g) Related party transactions and/or recurrent related party transactions that transpired during the financial year under review entered into by the Group (if any), to ascertain that such transactions are carried out on arm's length basis.
- (h) The Circular to Shareholders in relation to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature dated 30 April 2025.
- (i) The Corporate Governance Overview Statement, ARMC Report, Statement on Risk Management and Internal Control, Additional Compliance Information and Sustainability Statement to ensure adherence to legal and regulatory reporting requirements before recommending to the Board for approval for inclusion in the Annual Report.
- (j) Appropriate measures are implemented to identify corporate liability risks, including those associated with bribery, corruption, and compliance. Additionally, any findings from whistleblowing, anti-bribery and anticorruption efforts within the Group are reviewed and reported to the ARMC on a quarterly basis.
- (k) The assessment of the Internal Auditors' performance is based on various criteria, among others, including calibre and quality of the engagement team, the level of its audit governance and independence, as well as the effectiveness and efficiency of their internal audit reviews.
- (l) Annual self-appraised performance of the ARMC and submission of the evaluation forms to the Nomination Committee for assessment.
- (m) The Conflict of Interest ("COI") questionnaires submitted by the Directors and Key Senior Management of the Group. Based on this review, no significant COI were identified that would necessitate further examination and implementation of specific mitigation measures. The only exemptions were related party transactions that had been duly disclosed and entered into with the Group, which are being managed in accordance with the established governance and approval processes.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(cont'd)

## 4. SUMMARY OF WORKS OF THE ARMC FOR THE FYE 2025 (CONT'D)

- (n) The recoverability of trade receivables, including the adequacy and reasonableness of impairment provisions, to ensure compliance with applicable accounting standards and the appropriateness of Management's judgments and assumptions.
- (o) The implications arising from the implementation of new government policies, in particular those relating to the Sales and Services Tax ("SST") and the additional 2% Employees Provident Fund ("EPF") contribution for foreign employees, and assessed their potential financial, operational, and compliance impacts on the Group.

## 5. INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent internal audit consulting firm. This arrangement ensures an independent assessment and assists the ARMC in assessing the adequacy and effectiveness of the Group's governance and internal control system. Additionally, the Internal Auditors presents significant audit findings and offers recommendations for continuous enhancement of the system.

The personnel conducting and carrying out the internal audit function are free from any relationship or conflict of interest or undue influence of others which could impair their independence. GA reports directly to the ARMC.

The cost incurred on the outsourced internal audit functions for FYE 2025 by the Group amounted to RM18,000.00.

One (1) internal audit review was conducted in respect of the scope on information and communication for the FYE 2025.

The internal audit review is conducted based on functional areas, serving as a valuable platform for evaluating processes and provide reasonable assurance that all areas of concern, findings and recommendations are addressed. Subsequent follow-up audit reviews are conducted to assess the implementation of appropriate actions and enhancements as deemed necessary by Management.

The ARMC believes that the internal audit function operates independently, and the Internal Auditors have performed their audit assignments with impartiality, proficiency, and due professional care.

## 6. RELATIONSHIP WITH AUDITORS

The Board fosters a transparent and appropriate relationship with both External and Internal Auditors through the ARMC. The ARMC maintains direct communication channels with auditors and may engage in discussions without the presence of Executive Director and Management when deemed necessary. Both External and Internal Auditors have direct reporting lines to the ARMC, granting them unrestricted access to report their findings and concerns. This ensures that issues are addressed independently, objectively, and impartially, without any undue influence from the Management.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Malaysian Code on Corporate Governance requires the Board of Directors (“Board”) to establish a sound risk management framework and internal controls system to safeguard shareholders’ investments and assets of Wentel Engineering Holdings Berhad (“Company”) and its subsidiaries (“Group”). Pursuant to Rule 15.26(b) of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), a listed corporation must ensure that its Board include in their Annual Report, a statement about the state of internal control and risk management of the listed corporation as a group.

The Board recognises the responsibilities and importance of maintaining a sound system of risk management and internal controls. The Board remains committed to maintain sound systems of risk management and internal control throughout the Group and in compliance with the AMLR of Bursa Securities and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies (SORMIC Guide 2025).

The Board is pleased to provide the following statement which outlines the nature and scope of risk management and internal control of the Group during the financial year ended 31 December 2025 (“FYE 2025”) and up to the date of approval of the statement for inclusion in the annual report.

## BOARD’S RESPONSIBILITIES

The Board acknowledges its overarching responsibility for maintaining a sound system of internal controls and recognises the importance of obtaining regular assurance on the adequacy, effectiveness, and integrity of the Group’s risk management and internal control systems. These systems are essential in supporting the Group’s strategies, achieving its business objectives, and safeguarding shareholders’ investments and the Group’s assets.

The Board has delegated the responsibility for reviewing the adequacy and effectiveness of the Group’s risk management and internal control systems to the Audit and Risk Management Committee (“ARMC”) in accordance with its approved Terms of Reference. ARMC supported by the Management, Independent Internal Auditors and External Auditors, conducts periodic evaluations to ascertain whether risks potentially impeding the Group’s objectives are adequately assessed, managed, and controlled. During ARMC meetings, issues and corresponding management actions are reviewed and deliberated upon, with resulting minutes presented to the Board. The Board emphasises the integration of risk management across all Group’s activities and establishes acceptable risk thresholds to inform decision-making and governance processes.

The Board also recognises that any system of internal controls has inherent limitations. As such, the Group’s internal control system is designed to mitigate, rather than eliminate, risks that may hinder the achievement of business objectives. Accordingly, the system can only provide reasonable, but not absolute, assurance against material misstatements, fraud, or errors.

## RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

### 1. Risk Management System

The Group has put in place a Risk Management and Internal Control Framework (“Framework”) to identify, evaluate and manage significant risks faced by the Group. The Framework entails compiling the Group’s risk profile, and risk registers and implementing appropriate control measures to mitigate risks to acceptable levels. The Board is of the view that the effectiveness of a sound risk management and internal control system is underpinned by a clear understanding and appreciation of the following key components of the Framework:

- a. A formalised Framework to streamline the Group’s risk management activities;
- b. The Board and the Executive Director must first ascertain the levels of the risk appetite of the Group to determine the extent of the risk context;
- c. A risk management structure which outlines the lines of reporting and establishes the responsibility of personnel at different levels, i.e. the Board, ARMC and Management;
- d. The Heads of Department and key management staff are responsible for identifying, assessing and managing strategic and operational risks from time to time;

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

## RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

### 1. Risk Management System (cont'd)

- e. The identified key risks which are included in the risk register are monitored regularly to provide an early warning signal of increasing risk exposures;
- f. The effectiveness of the control measures/actions stated in the risk register will be reviewed and reported to the ARMC periodically or on a frequency as determined by the ARMC; and
- g. Integrating Environmental, Social, and Governance (ESG) related risks, including environmental compliance, corporate governance, and social responsibility, into the risk assessment framework to align with sustainability goals.

### 2. Internal Control System

The Group's system of internal controls includes the following key elements: -

- a. An organisational structure with clearly defined lines of accountability and responsibilities provides a sound framework within the organisation, facilitating checks and balances for proper decision-making at the appropriate authority levels of management, including matters requiring the Board's approval;
- b. The ARMC and the Board meet at least once quarterly to review and deliberate on financial reports, annual financial statements, internal audit reports, etc. Discussions with Management are conducted to address identified internal control issues;
- c. The ARMC and the Board review findings from both internal and external auditors regarding accounting and internal control issues, and hold discussions with Management on actions to be taken to resolve them;
- d. Internal policies and procedures have been established for the key business units within the Group to guide employees in their day-to-day activities. These policies and procedures are periodically reviewed and updated to cater to the changing business environment and operational requirements, and statutory reporting needs;
- e. The Group has also documented policies and procedures to regulate relevant key processes in compliance with its International Organisation for Standardisation ("ISO") 9001:2015 and ISO 14001:2015;
- f. Cybersecurity measures have been strengthened to protect sensitive information and ensure data integrity, with continuous monitoring and updates on Information Technology (IT) security frameworks; and
- g. Implementation of anti-bribery and corruption policies in line with regulatory requirements, including a whistleblowing mechanism to encourage transparency and ethical conduct.

### 3. Internal Audit Function

The Group continues to engage Messrs. GovernanceAdvisory.com Sdn. Bhd. as its independent Internal Auditor to provide objective assurance on the adequacy and effectiveness of the Group's system of internal control. The Internal Auditor adopts a risk-based audit approach and reports its audit findings and recommendations directly to the ARMC, including assessments of compliance with internal policies, procedures and applicable regulatory requirements on a regular basis.

The management is responsible for ensuring that corrective actions are taken to address reported weaknesses and the internal auditor will subsequently perform follow-up reviews to ensure that the identified areas have been rectified for control improvement.

The outsourced internal auditor is free from any relationship or conflict of interest which could impair their objectivity and independence. The outsourced internal auditor possesses relevant experience, knowledge, competency and authority to discharge its functions effectively, obtained sufficient resources and has unrestricted access to employees and information for the internal audit activity.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

## RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

### 3. Internal Audit Function (cont'd)

One (1) internal audit review was conducted in respect of the scope on information and communication for the FYE 2025.

The Board has reviewed the adequacy and effectiveness of the Group's risk management activities and internal control framework and ensured that necessary actions have been or are being taken to rectify identified weaknesses. The Board concludes that continual improvement on the effective systems of risk management and internal control is in place to safeguard the stakeholders' interest and the Group's assets.

Based on the internal audit review conducted, none of the weaknesses noted has resulted in any material losses, contingencies, or uncertainties that would require separate disclosure in this Annual Report 2025.

## BOARD ASSURANCE AND LIMITATION

For the financial year under review, the Board affirms its satisfaction with the overall adequacy and effectiveness of the Group's systems of risk management and internal control, which have been designed and implemented to support the orderly and efficient conduct of the Group's operations. The Board further notes that, during the financial year, no material losses were incurred as a result of any significant deficiencies or weaknesses in the Group's internal control framework.

In discharging its oversight responsibilities, the Board has received formal assurance from the Executive Director, the Group Chief Executive Officer and the Group Financial Controller that the Group's risk management and internal control systems are operating effectively and are subject to continuous review and enhancement. Such assurances provide the Board with reasonable confidence that appropriate processes and controls are in place, and will continue to be strengthened where necessary, to ensure the maintenance of a sound, robust and effective system of risk management and internal control across the Group.

However, stakeholders should note that all such systems could only manage, not eliminate, risks of failing to achieve business objectives. Therefore, these systems can only provide reasonable, but not absolute, assurance against material misstatements, frauds and losses.

## REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the AMLR of Bursa Securities, the External Auditors are required to review this Statement on Risk Management and Internal Control ("this Statement"). The review has been performed in accordance with the Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants.

Based on the review conducted in accordance with AAPG 3, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the disclosures contained in this Statement are inconsistent with their understanding of the processes adopted by the Board and Management in relation to the Group's system of risk management and internal control.

## CONCLUSION

The Board is satisfied that the existing system of internal controls and risk management is sound and adequate to safeguard the Group's assets at the existing level of operations of the Group for the financial year under review, and up to the date of approval of this Statement. The Board remains committed to maintaining and, where appropriate, enhancing the Group's risk management and internal control framework to support effective operations, regulatory compliance and the Group's long-term sustainability. Recognising that risk management and internal control processes are dynamic in nature, the Board will continue to review and strengthen these processes to address evolving business and regulatory requirements.

## ADDITIONAL COMPLIANCE INFORMATION

### 1. UTILISATION OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

In conjunction with and as an integral part of the listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("Listing"), the Company undertook a public issuance of 273,200,000 new ordinary shares at an issue price of RM0.26 per ordinary share, raising total gross proceeds of approximately RM71.03 million ("Listing Proceeds").

The Company had on 31 July 2025 resolved to extend the timeframe for the utilisation of RM25.03 million of the Listing Proceeds which have been earmarked to part finance the purchase of new machinery and equipment for a further 24 months period until 5 August 2027.

The status of the utilisation of the Listing Proceeds as at 31 December 2025 was as follows:-

Details of utilisation of proceeds	Proposed utilisation RM'000	Actual utilisation RM'000	Reallocation RM'000	Balance to be utilised RM'000	Initial timeframe for the utilisation upon Listing	Revised timeframe for utilisation <sup>(2)</sup>
Part finance the construction of new manufacturing plant	40,000	(40,663)	663	-	Within 18 months	-
Part finance the purchase of new machinery and equipment	25,032	(930)	-	24,102	Within 18 months	Within 24 months
Estimated listing expenses	6,000	(5,337)	(663) <sup>(1)</sup>	-	Within 3 months	-
	<b>71,032</b>	<b>(46,930)</b>	<b>-</b>	<b>24,102</b>		

Notes:

- (1) In view that the actual listing expenses were less than estimated, the surplus has been re-allocated to fund the construction of new manufacturing plant.
- (2) Being additional timeframe from the expiry date of the initial timeframe for the utilisation of Listing Proceeds upon Listing.

### 2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid and payable to the External Auditors, Crowe Malaysia PLT for services rendered by them to the Company and Group for the financial year ended 31 December 2025 are as follows:

Type of Services	Company RM'000	Group RM'000
Audit Fees		
- Financial audit	68	176
Non-Audit Fees		
- Review of Statement of Risk Management and Internal Control	8	8
<b>Total</b>	<b>76</b>	<b>184</b>

## ADDITIONAL COMPLIANCE INFORMATION

(cont'd)

### 3. MATERIAL CONTRACTS

Save as disclosed below, the Company and its subsidiaries (“the Group”) has not entered into any material contracts which involved the interests of the Directors, chief executive and/or major shareholders, either still subsisting at the end of the financial year ended 31 December 2025 or entered into since the end of the previous financial year:-

- (i) Sale and purchase agreements dated 18 March 2026 entered into between Wentel Engineering Sdn. Bhd., a wholly-owned subsidiary of Wentel and Twin Galaxy Development Sdn Bhd for the acquisition of 2 units of medium industrial semi-detached factories to be erected on the master freehold land held under Title No. GRN 99403 Lot No. 813, Mukim Tebrau, District of Johor Bahru, State of Johor, forming part of a proposed industrial development project named “Galaxy Industrial Park” for a total cash consideration of RM29.58 million.

### 4. RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING NATURE (“RRPTs”)

The details of the Shareholders’ Mandate for the RRPTs are set out in the Circular to Shareholders dated 24 April 2026 which is available on Bursa Malaysia Securities Berhad’s website and the Company’s website.

The details of the transactions with related parties undertaken by the Group during the financial year ended 31 December 2025 are disclosed in Note 29 to the audited financial statements for the financial year ended 31 December 2025.

## STATEMENT OF DIRECTORS' RESPONSIBILITY

In connection with the preparation of the annual audited financial statements of Wentel Engineering Holdings Berhad ("the Company") and its subsidiaries ("the Group"), the Directors are required to ensure that the audited financial statements are drawn up in accordance with the provisions of the Companies Act 2016 ("Act") and the applicable approved accounting standards as prescribed by the Malaysian Accounting Standards Board so as to give a true and fair view of the state of affairs of the Group as at 31 December 2025 and of the results and cash flows of the Company and the Group for the financial year then ended.

In preparing the financial statements for the financial year ended 31 December 2025, the Directors are/have:-

- (a) responsible for ensuring proper accounting records are kept, which disclose with reasonable accuracy the financial positions of the Group and Company;
- (b) adopted and consistently applied suitable accounting policies;
- (c) made judgements and estimates that are prudent and reasonable;
- (d) ensured applicable financial reporting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- (e) prepared it on a going concern basis unless it is inappropriate to presume that the Company and the Group will continue to be in business.

The Board has ensured that the quarterly reports and annual audited financial statements of the Company are released to Bursa Malaysia Securities Berhad in a timely manner in order to keep our investing public informed of the Group's latest performance and developments.

The Board has also ensured that the Company and the Group maintain proper accounting records in accordance with the Act. The Board also has the overall responsibility of taking such steps as are reasonably open to them to safeguard the assets of the Company and of the Group and to prevent and detect fraud and other irregularities.

# FINANCIAL REPORT

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# DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary company are set out in the "Subsidiaries" section of this report.

There have been no significant changes in the nature of these activities during the financial year.

## RESULTS

	The Group RM	The Company RM
Profit/(Loss) after taxation for the financial year	23,202,446	(1,039,100)
Attributable to:		
Owners of the Company	23,202,446	(1,039,100)

## DIVIDENDS

No dividend was recommended by the directors for the financial year.

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

## ISSUES OF SHARES AND DEBENTURES

During the financial year:

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

## OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

## BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

# DIRECTORS' REPORT

(cont'd)

## BAD AND DOUBTFUL DEBTS (CONT'D)

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

## CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

## VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

## CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

## CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

## ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

# DIRECTORS' REPORT

(cont'd)

## DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:

Ban Kim Wah  
Wong Chun Wei  
Soo Wee Loon  
Siow Chin How  
Wang Sze Min

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:

Tai Yuan Heng  
Loo Juan Pang  
Wong Ying Jia (Appointed on 20 August 2025)  
Yap Yew Wei (Appointed on 20 August 2025)

## DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:

	← Number of Ordinary Shares →			
	At 1.1.2025	Bought/ Allotted	Sold	At 31.12.2025
<b>The Company</b>				
<i>Direct Interests</i>				
Ban Kim Wah	152,399,500	-	-	152,399,500
Siow Chin How	1,100,000	600,100	-	1,700,100
Soo Wee Loon	300,000	-	-	300,000
Wang Sze Min	300,000	-	-	300,000

The other directors holding office at the end of the financial year had no interest in shares, or debentures of the Company or its related corporations during the financial year.

## DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from the following transactions:

	The Group RM
<b>Company where a director has financial interests</b>	
- Waste management service	(153,976)

# DIRECTORS' REPORT

(cont'd)

## DIRECTORS' BENEFITS (CONT'D)

Neither during nor at the end of the financial year was the Group and of the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Group and of the Company or any other body corporate.

## DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:

	From the Company RM	From the Subsidiary RM	Total RM
Fees	332,000	-	332,000
Salaries, bonuses and other benefits	16,000	443,471	459,471
Defined contribution plan	-	53,051	53,051
	<u>348,000</u>	<u>496,522</u>	<u>844,522</u>

## INDEMNITY AND INSURANCE COSTS

No indemnities were given to, nor insurance effected for, the directors, officers or auditors of the Company.

## SUBSIDIARIES

(a) The details of the Company's subsidiaries are as follows:

Name of subsidiary	Principal place of business and country of incorporation	Percentage of issued share capital held by parent	Principal activities
<i>Subsidiaries of the Company</i>			
Wentel Engineering Sdn. Bhd.	Malaysia	100%	Fabrication of semi-finished metal products, fabrication of metal parts and assembly of finished products.
Wentel Engineering Pte. Ltd. <sup>^</sup>	Singapore	100%	Sales, marketing and after sales support.

<sup>^</sup> The subsidiary was audited by other firms of chartered accountants.

(b) The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

# DIRECTORS' REPORT

(cont'd)

## SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

On 18 March 2026, a subsidiary of the Company, Wentel Engineering Sdn. Bhd. entered into 2 conditional sale and purchase agreements to acquire 2 units of medium industrial semi-detached factories to be erected on the master freehold land held under Title No. GRN 99403 Lot No. 813, Mukim Tebrau, District of Johor Bahru, State of Johor, forming part of a proposed industrial development project named "Galaxy Industrial Park" from Twin Galaxy Development Sdn. Bhd., being a related party of the Group, for a total cash consideration of RM 29,576,970, of which a deposit of RM 591,539 has been paid and is included under deposits in the financial statements. As at the date of authorisation of this report, the transaction has not yet been completed.

## AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:

	The Group RM	The Company RM
Audit fees	175,900	68,000
Non-audit fees	8,000	8,000
	<u>183,900</u>	<u>76,000</u>

Signed in accordance with a resolution of the directors dated 17 April 2026

**Ban Kim Wah**

**Wong Chun Wei**

## STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Ban Kim Wah and Wong Chun Wei, being two of the directors of Wentel Engineering Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 109 to 148 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 17 April 2026

**Ban Kim Wah**

**Wong Chun Wei**

## STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Yap Yew Wei, MIA Membership Number: 48847, being the officer primarily responsible for the financial management of Wentel Engineering Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 109 to 148 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned  
Yap Yew Wei at Muar in the State of Johor Darul Takzim  
on this 17 April 2026

**Yap Yew Wei**

Before me

Lim Pei Ling  
License No.: J 328  
Commissioner for Oaths

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WENTEL ENGINEERING HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No.: 202301007290 (1501211-T)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Wentel Engineering Holdings Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2025, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 109 to 148.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WENDEL ENGINEERING HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No.: 202301007290 (1501211-T)

(cont'd)

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>Carrying amount of inventories</b>	
Refer to Note 9 to the financial statements	
<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p>The Group held inventories with carrying amount of RM 23,953,840 as at 31 December 2025.</p> <p>The carrying value of inventories is stated at the lower of cost and net realisable value.</p> <p>We have considered the carrying value of inventories to be a key audit matter as management periodically reviews the inventories for potential write-down by considering the impact of market price fluctuation and net realisable value.</p> <p>These reviews involve judgements and estimation uncertainty in forming expectations about future consumptions, sales and demands.</p>	<p>Our procedures included, among others:</p> <ul style="list-style-type: none"> <li>Compared the net realisable value to the cost of inventories at the end of the reporting period to assess the reasonableness of inventories write-downs; and</li> <li>Performed inventory observation to assess the existence and physical condition of inventories and to evaluate the need for impairment of slow-moving inventories.</li> </ul>
<b>Impairment of trade receivables</b>	
Refer to Note 10 to the financial statements	
<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p>The Group's trade receivables amounted to RM 34,306,793 as at 31 December 2025.</p> <p>The Group recognises loss allowances for trade receivables based on the Expected Credit Loss ("ECL") model, which requires management to exercise judgement and make assumptions in estimating the recoverability of receivables.</p> <p>The determination of ECL involves judgement in assessing customers' credit risk profiles, historical default rates, ageing of receivables, forward-looking information, and the impact of current and expected economic conditions. Changes in these assumptions could have a significant effect on the amount of impairment recognised.</p> <p>We have considered the impairment of trade receivables to be a key audit matter due to the significant judgements involved and the level of estimation uncertainty in assessing their recoverability.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of management's ECL methodology, including customer segmentation, ageing analysis and the determination of historical default rates;</li> <li>Assessed the reasonableness of key assumptions used in the ECL model, including expected credit risk, forward-looking adjustments and current economic conditions;</li> <li>Reviewed the trade receivables ageing analysis and tested its accuracy;</li> <li>Reviewed subsequent collections after the reporting date to assess the recoverability of trade receivables outstanding at year end; and</li> <li>Assessed the adequacy of loss allowances recognised by comparing them against historical collection patterns and considering specific customers with known financial difficulties, where applicable.</li> </ul>

There are no key audit matters to report for the Company.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WENTEL ENGINEERING HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No.: 202301007290 (1501211-T)

(cont'd)

## Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WENTEL ENGINEERING HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No.: 202301007290 (1501211-T)

(cont'd)

## Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we had not acted as auditors, is disclosed in Note 5 to the financial statements.

## OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

Muar, Johor Darul Takzim

Date : 17 April 2026

**Low Chong Lian**  
03623/12/2027 J  
Chartered Accountant

**STATEMENTS OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Investment in subsidiaries	5	-	-	87,679,900	87,679,900
Property, plant and equipment	6	115,341,245	66,965,007	-	-
Right-of-use assets	7	3,445,780	4,935,699	-	-
Intangible assets	8	5	10	-	-
		118,787,030	71,900,716	87,679,900	87,679,900
<b>CURRENT ASSETS</b>					
Inventories	9	23,953,840	21,916,728	-	-
Trade receivables	10	34,306,793	26,934,035	-	-
Amount owing by a subsidiary	11	-	-	63,740,600	56,840,600
Other receivables, deposits and prepayments	12	6,567,239	1,620,270	35,974	95,648
Current tax assets		1,215,200	1,452,200	-	-
Fixed deposits with licensed banks	13	5,017,740	58,755,221	-	-
Cash and bank balances		42,538,018	31,546,833	341,866	8,221,547
		113,598,830	142,225,287	64,118,440	65,157,795
<b>TOTAL ASSETS</b>		<b>232,385,860</b>	<b>214,126,003</b>	<b>151,798,340</b>	<b>152,837,695</b>

The annexed notes form an integral part of these financial statements.

**STATEMENTS OF FINANCIAL POSITION**AS AT 31 DECEMBER 2025  
(cont'd)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owner of the Company</b>					
Share capital	14	157,467,174	157,467,174	157,467,174	157,467,174
Merger deficit	15	(86,442,719)	(86,442,719)	-	-
Foreign exchange translation reserve	16	25,273	294,135	-	-
Retained profits/(Accumulated losses)		138,347,776	115,145,330	(5,876,834)	(4,837,734)
<b>TOTAL EQUITY</b>		<b>209,397,504</b>	<b>186,463,920</b>	<b>151,590,340</b>	<b>152,629,440</b>
<b>NON-CURRENT LIABILITIES</b>					
Lease liabilities	17	1,562,956	3,516,901	-	-
Deferred tax liabilities	18	160,000	879,065	-	-
		1,722,956	4,395,966	-	-
<b>CURRENT LIABILITIES</b>					
Trade payables	19	7,737,808	7,132,124	-	-
Other payables and accruals	20	11,437,971	13,276,651	208,000	178,255
Lease liabilities	17	1,978,058	1,448,365	-	-
Term loan	21	-	1,408,977	-	-
Current tax liabilities		111,563	-	-	30,000
		21,265,400	23,266,117	208,000	208,255
<b>TOTAL LIABILITIES</b>		<b>22,988,356</b>	<b>27,662,083</b>	<b>208,000</b>	<b>208,255</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>232,385,860</b>	<b>214,126,003</b>	<b>151,798,340</b>	<b>152,837,695</b>

The annexed notes form an integral part of these financial statements.

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
REVENUE	22	142,738,165	112,428,811	-	-
COST OF SALES		(102,475,717)	(80,857,437)	-	-
GROSS PROFIT		40,262,448	31,571,374	-	-
OTHER INCOME		2,153,977	3,890,831	16,682	135,898
SELLING AND DISTRIBUTION EXPENSES		(357,656)	(320,834)	-	-
ADMINISTRATIVE EXPENSES		(9,912,964)	(12,290,457)	(1,085,782)	(4,867,716)
OTHER EXPENSES		(2,610,355)	(1,833,935)	-	-
FINANCE COSTS		(230,068)	(195,436)	-	-
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	23	(159,390)	-	-	-
PROFIT/(LOSS) BEFORE TAXATION	24	29,145,992	20,821,543	(1,069,100)	(4,731,818)
INCOME TAX EXPENSE	25	(5,943,546)	(5,795,056)	30,000	(30,000)
PROFIT/(LOSS) AFTER TAXATION		23,202,446	15,026,487	(1,039,100)	(4,761,818)
OTHER COMPREHENSIVE INCOME/ (EXPENSES)					
<u>Items that will be reclassified subsequently to profit or loss</u>					
Foreign currency translation differences		(268,862)	(279,104)	-	-
TOTAL OTHER COMPREHENSIVE INCOME/ (EXPENSES)		(268,862)	(279,104)	-	-
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) FOR THE FINANCIAL YEAR		22,933,584	14,747,383	(1,039,100)	(4,761,818)
<b>PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		23,202,446	15,026,487	(1,039,100)	(4,761,818)
<b>TOTAL COMPREHENSIVE INCOME/ (EXPENSES) ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		22,933,584	14,747,383	(1,039,100)	(4,761,818)
<b>EARNINGS PER SHARE (RM)</b>	26				
Basic		0.02	0.01		
Diluted		0.02	0.01		

The annexed notes form an integral part of these financial statements.

**STATEMENTS OF CHANGES IN EQUITY**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The Group	Note	Non - distributable				Distributable		Total equity RM
		Share capital RM	Merger deficit RM	Foreign exchange translation reserve RM	Retained profits RM	Attributable to the owners of the Company RM		
Balance at 1 January 2024		87,680,000	(86,442,719)	573,239	100,118,843	101,929,363	101,929,363	
Profit after taxation for the financial year		-	-	-	15,026,487	15,026,487	15,026,487	
Other comprehensive income for the financial year:		-	-	(279,104)	-	(279,104)	(279,104)	
- Foreign currency translation differences		-	-	(279,104)	-	(279,104)	(279,104)	
Total comprehensive income for the financial year		-	-	(279,104)	15,026,487	14,747,383	14,747,383	
Issuance of shares by the Company	14	71,032,000	-	-	-	71,032,000	71,032,000	
Share issuance expenses	14	(1,244,826)	-	-	-	(1,244,826)	(1,244,826)	
Total contributions by and distributions to owners		69,787,174	-	-	-	69,787,174	69,787,174	
Balance at 31 December 2024/1 January 2025		157,467,174	(86,442,719)	294,135	115,145,330	186,463,920	186,463,920	
Profit after taxation for the financial year		-	-	-	23,202,446	23,202,446	23,202,446	
Other comprehensive income for the financial year:		-	-	(268,862)	-	(268,862)	(268,862)	
- Foreign currency translation differences		-	-	(268,862)	-	(268,862)	(268,862)	
Total comprehensive income for the financial year		-	-	(266,862)	23,202,446	22,933,584	22,933,584	
Balance at 31 December 2025		157,467,174	(86,442,719)	25,273	138,347,776	209,397,504	209,397,504	

The annexed notes form an integral part of these financial statements.

**STATEMENTS OF CHANGES IN EQUITY**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

<b>The Company</b>	<b>Note</b>	<b>Share capital RM</b>	<b>Accumulated losses RM</b>	<b>Total equity RM</b>
Balance at 1 January 2024		87,680,000	(75,916)	87,604,084
Loss after taxation and total comprehensive expenses for the financial year		-	(4,761,818)	(4,761,818)
Issuance of shares	14	71,032,000	-	71,032,000
Share issuance expenses	14	(1,244,826)	-	(1,244,826)
Total contributions by and distributions to owners		69,787,174	-	69,787,174
Balance at 31 December 2024/1 January 2025		157,467,174	(4,837,734)	152,629,440
Loss after taxation and total comprehensive expenses for the financial year		-	(1,039,100)	(1,039,100)
Balance at 31 December 2025		157,467,174	(5,876,834)	151,590,340

The annexed notes form an integral part of these financial statements.

**STATEMENTS OF CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES</b>					
Profit/(Loss) before taxation		29,145,992	20,821,543	(1,069,100)	(4,731,818)
Adjustments for:					
Amortisation of intangible assets	5	-	-	-	-
Depreciation of property, plant and equipment		2,938,770	2,749,333	-	-
Depreciation of right-of-use assets		1,835,490	1,727,711	-	-
Gain on disposal of property, plant and equipment		(57,900)	(79,999)	-	-
Gain on modification of lease		-	(7,621)	-	-
Impairment losses on trade receivables		159,390	-	-	-
Property, plant and equipment written off		4,654	13,048	-	-
Unrealised loss/(gain) on foreign exchange		206,323	(653,451)	-	-
Interest expenses		230,068	195,436	-	-
Interest income		(1,683,806)	(2,912,958)	(16,682)	(124,768)
Operating profit/(loss) before working capital changes		32,778,986	21,853,042	(1,085,782)	(4,856,586)
Inventories		(2,037,112)	(6,384,956)	-	-
Trade receivables		(7,904,527)	(7,032,652)	-	-
Other receivables, deposits and prepayments		(990,653)	2,360,651	59,674	(56,148)
Trade payables		613,425	634,979	-	-
Other payables and accruals		(1,211,428)	5,778,504	29,745	108,255
<b>CASH FROM/(FOR) OPERATIONS</b>		21,248,691	17,209,568	(996,363)	(4,804,479)
Tax paid		(6,309,080)	(5,073,483)	-	-
<b>NET CASH FROM/(FOR) OPERATING ACTIVITIES</b>		14,939,611	12,136,085	(996,363)	(4,804,479)

The annexed notes form an integral part of these financial statements.

**STATEMENTS OF CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES</b>					
Net advances to a subsidiary		-	-	(6,900,000)	(58,135,837)
Proceeds from disposal of property, plant and equipment		156,000	80,000	-	-
Purchase of property, plant and equipment	27(a)	(56,021,929)	(24,132,059)	-	-
Withdrawal/(Additions) of fixed deposits with tenures exceeding 3 months		55,733,933	(50,580,970)	-	-
Interest received		1,683,806	2,912,958	16,682	124,768
<b>NET CASH FROM/(FOR) INVESTING ACTIVITIES</b>		<b>1,551,810</b>	<b>(71,720,071)</b>	<b>(6,883,318)</b>	<b>(58,011,069)</b>
<b>CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES</b>					
Repayment of lease liabilities	27(b)	(1,769,770)	(1,752,189)	-	-
Repayment of term loan	27(b)	(1,408,977)	(1,522,311)	-	-
Interest paid		(230,068)	(195,436)	-	-
Proceeds from issuance of ordinary shares		-	71,032,000	-	71,032,000
<b>NET CASH (FOR)/FROM FINANCING ACTIVITIES</b>		<b>(3,408,815)</b>	<b>67,562,064</b>	<b>-</b>	<b>71,032,000</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>13,082,606</b>	<b>7,978,078</b>	<b>(7,879,681)</b>	<b>8,216,452</b>
<b>EFFECT OF FOREIGN EXCHANGE TRANSLATION</b>		<b>(94,969)</b>	<b>(70,552)</b>	<b>-</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		<b>34,568,121</b>	<b>26,660,595</b>	<b>8,221,547</b>	<b>5,095</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	27(d)	<b>47,555,758</b>	<b>34,568,121</b>	<b>341,866</b>	<b>8,221,547</b>

The annexed notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business are as follows:

Registered office : Third Floor, No. 77 & 79 & 81  
Jalan SS21/60, Damansara Utama  
47400 Petaling Jaya  
Selangor Darul Ehsan

Principal place of business : No. 11, Jalan Gagah  
Kawasan Perindustrian Larkin  
80350 Johor Bahru  
Johor Darul Takzim

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 17 April 2026.

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5. There have been no significant changes in the nature of these activities during the financial year.

## 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have 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 121: Lack of Exchangeability

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

## 3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

<b>MFRSs and/or IC Interpretations (including the Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
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
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

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 and the Company upon their initial application except as follows:

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 statements of financial position and the statements of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

## 4. MATERIAL ACCOUNTING POLICY INFORMATION

### 4.1 Critical accounting estimates and judgements

#### *Key sources of estimation uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:

#### (a) Depreciation of property, plant and equipment

The estimates for the residual values, useful lives, and related depreciation charges for property, plant, and equipment are based on commercial factors that could change significantly due to technical innovations and competitors' actions in response to market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in expected usage levels and technological development could affect the economic useful lives and the residual values of these assets; therefore, future depreciation charges may be revised.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.1 Critical accounting estimates and judgements (Cont'd)

#### *Key sources of estimation uncertainty (Cont'd)*

#### (b) Write-down of inventories

Management periodically reviews damaged, obsolete, and slow-moving inventory. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

#### (c) Impairment of trade receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for its trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts them for qualitative and quantitative, reasonable and supportable, forward-looking information, where applicable. If the expectation is different from the estimation, such a difference will impact the carrying value of trade receivables.

#### (d) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on their understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

#### (e) Discount rates used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

#### *Critical judgements made in applying accounting policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:

#### **Lease terms**

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances, including past practice and any costs that will be incurred to change the asset if an option to extend is not exercised. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.2 Financial instruments

#### (a) Financial assets

##### Financial assets at amortised cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without a significant financing component which are measured at the transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

#### (b) Financial liabilities

##### Financial liabilities at amortised cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

#### (c) Equity

##### Ordinary shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

#### (d) Financial guarantee contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

### 4.3 Basis of consolidation

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for by applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital and capital reserves of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate.

### 4.4 Investment in subsidiaries

Investments in subsidiaries, which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.5 Property, plant and equipment

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:

Single-storey terrace house	1%
Furniture, equipment and renovation	20%
Motor vehicles	20%
Plant and machinery	20%

Capital work-in-progress represents factory buildings under construction. They are not depreciated until such time when the asset is available for use.

### 4.6 Right-of-use assets and lease liabilities

#### (a) Short-term leases and leases of low-value assets

The Group applies the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

#### (b) Right-of-use assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

#### (c) Lease liabilities

Lease liabilities are initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the entity’s incremental borrowing rate. Subsequent to the initial recognition, lease liabilities are measured at amortised cost and are adjusted for any lease reassessments or modifications.

### 4.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

**5. INVESTMENT IN SUBSIDIARIES**

	The Company	
	2025 RM	2024 RM
Unquoted shares, at cost	87,679,900	87,679,900

The details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business and country of incorporation	Percentage of issued share capital held by parent		Principal activities
		2025	2024	
<i>Subsidiaries of the Company</i>				
Wentel Engineering Sdn. Bhd.	Malaysia	100%	100%	Fabrication of semi-finished metal products, fabrication of metal parts and assembly of finished products.
Wentel Engineering Pte. Ltd. <sup>^</sup>	Singapore	100%	100%	Sales, marketing and after sales support.

<sup>^</sup> The subsidiary was audited by other firms of chartered accountants.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

**6. PROPERTY, PLANT AND EQUIPMENT**

The Group	At	Disposal	Write off (Note 24)	Depreciation charges (Note 24)	Effect of movements in exchange rates	At
	1.1.2025					RM
<b>2025</b>						
<b>Carrying amount</b>						
Freehold industrial land	36,838,073	-	-	-	-	36,903,784
Single-storey terrace house	117,875	-	-	(1,380)	-	116,495
Furniture, equipment and renovation	2,301,575	-	(4,654)	(973,556)	(512)	5,489,266
Motor vehicles	1,183,963	(98,100)	-	(393,137)	-	1,218,349
Plant and machinery	5,190,703	-	-	(1,570,697)	-	4,256,764
Capital work-in-progress	21,332,818	-	-	-	-	67,356,587
	66,965,007	(98,100)	(4,654)	(2,938,770)	(512)	115,341,245
<b>2024</b>						
<b>Carrying amount</b>						
Freehold industrial land	36,798,733	-	-	-	-	36,838,073
Single-storey terrace house	119,255	-	-	(1,380)	-	117,875
Furniture, equipment and renovation	2,252,132	-	(13,044)	(844,145)	(321)	2,301,575
Motor vehicles	1,062,550	-	(2)	(401,489)	(395)	1,183,963
Plant and machinery	2,037,377	(1)	(2)	(1,502,319)	-	5,190,703
Capital work-in-progress	513,316	-	-	-	-	21,332,818
	42,783,363	(1)	(13,048)	(2,749,333)	(716)	66,965,007

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

**6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

	At cost RM	Accumulated depreciation RM	Carrying amount RM
<b>The Group</b>			
<b>2025</b>			
Freehold industrial land	36,903,784	-	36,903,784
Single-storey terrace house	138,000	(21,505)	116,495
Furniture, equipment and renovation	12,627,020	(7,137,754)	5,489,266
Motor vehicles	3,161,286	(1,942,937)	1,218,349
Plant and machinery	45,520,126	(41,263,362)	4,256,764
Capital work-in-progress	67,356,587	-	67,356,587
	<b>165,706,803</b>	<b>(50,365,558)</b>	<b>115,341,245</b>
<b>2024</b>			
Freehold industrial land	36,838,073	-	36,838,073
Single-storey terrace house	138,000	(20,125)	117,875
Furniture, equipment and renovation	8,506,626	(6,205,051)	2,301,575
Motor vehicles	2,990,779	(1,806,816)	1,183,963
Plant and machinery	44,908,364	(39,717,661)	5,190,703
Capital work-in-progress	21,332,818	-	21,332,818
	<b>114,714,660</b>	<b>(47,749,653)</b>	<b>66,965,007</b>

(a) The freehold industrial land of the Group with carrying amount of RM 19,189,016 (2024: RM 19,189,016) has been pledged to licensed bank as security for bank guarantees granted to a subsidiary of the Company (2024 : banking facilities as disclosed in Note 21(a)).

(b) There is no property, plant and equipment in the Company throughout the current and previous financial years.

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)**7. RIGHT-OF-USE ASSETS**

The Group	At 1.1.2025 RM	Modification of lease liabilities (Note 17) RM	Derecognition due to lease modification RM	Depreciation charges (Note 24) RM	Effect of movements in exchange rates RM	At 31.12.2025 RM
<b>2025</b>						
<b>Carrying amount</b>						
Factory building	4,918,474	-	-	(1,788,534)	-	3,129,940
Office space	17,225	357,527	-	(46,956)	(11,956)	315,840
	4,935,699	357,527	-	(1,835,490)	(11,956)	3,445,780

The Group	At 1.1.2024 RM	Modification of lease liabilities (Note 17) RM	Derecognition due to lease modification RM	Depreciation charges (Note 24) RM	Effect of movements in exchange rates RM	At 31.12.2024 RM
<b>2024</b>						
<b>Carrying amount</b>						
Factory building	1,495,017	5,365,612	(235,947)	(1,706,208)	-	4,918,474
Office space	40,092	-	-	(21,503)	(1,364)	17,225
	1,535,109	5,365,612	(235,947)	(1,727,711)	(1,364)	4,935,699

The Group leases a factory building and an office space of which the leasing activities are summarised below:

**(i) Factory building**

The Group has leased 1 (2024 : 1) factory building that runs 3 (2024 : 3) years, with an option to renew the lease after that date. The Group is not allowed to sublease the factory building.

**(ii) Office space**

The Group has leased 1 (2024 : 1) office that runs 2 (2024 : 2) years, with an option to renew the lease after that date. The Group is not allowed to sublease the office.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 8. INTANGIBLE ASSETS

	The Group	
	2025 RM	2024 RM
<b>Trademarks</b>		
<b>Cost</b>		
At 1 January/31 December	10	10
<b>Accumulated amortisation</b>		
At 1 January	-	-
Additions	(5)	-
At 31 December	(5)	-
<b>Carrying amount</b>		
At 31 December	5	10

## 9. INVENTORIES

	The Group	
	2025 RM	2024 RM
Raw materials	13,002,102	11,423,932
Work-in-progress	3,409,347	4,893,134
Finished goods	7,542,391	5,599,662
	23,953,840	21,916,728
<b>Recognised in profit or loss</b>		
Inventories recognised as cost of sales	102,475,717	80,857,437

## 10. TRADE RECEIVABLES

	The Group	
	2025 RM	2024 RM
Third parties	34,675,356	27,143,208
Allowance for impairment losses	(368,563)	(209,173)
	34,306,793	26,934,035
<b>Allowance for impairment losses</b>		
At 1 January	(209,173)	(209,173)
Addition during the financial year (Note 23)	(159,390)	-
At 31 December	(368,563)	(209,173)

The Group's normal trade credit terms range from 30 to 60 (2024 : 30 to 60) days.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 11. AMOUNT OWING BY A SUBSIDIARY

The amount owing by a subsidiary is non-trade in nature and represents unsecured, interest-free advances from the Company. The amount owing is repayable on demand and is to be settled in cash.

## 12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Advances to suppliers	673,842	277,239	-	-
Deposits	1,993,509	661,144	1,300	1,300
Prepayments	3,885,371	674,631	34,674	94,348
Goods and services tax recoverable	14,517	7,256	-	-
	6,567,239	1,620,270	35,974	95,648

- (a) The advances to suppliers are unsecured and interest-free. The amount owing will be offset against future purchases from the suppliers.
- (b) Included in deposits of the Group is an amount of RM 591,539 (2024 : RM Nil) paid for the acquisition of 2 units of medium industrial semi-detached factories (Notes 27(a) and 33).
- (c) Included in prepayments of the Group is an amount of RM 3,504,522 (2024 : RM 138,020) paid for the future purchase of property, plant and equipment (Note 27(a)).

## 13. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group at the end of the reporting period bear effective interest rates of 3.50% (2024 : 3.70% to 3.80%) per annum. The fixed deposits have maturity periods ranging from 3 (2024 : 3 to 6) months.

## 14. SHARE CAPITAL

	The Group/The Company			
	2025 Number of shares	2024	2025 RM	2024 RM
<b>Issued and fully paid-up</b>				
Ordinary shares				
At 1 January	1,150,000,000	876,800,000	157,467,174	87,680,000
Issuance of shares	-	273,200,000	-	71,032,000
Share issuance expenses	-	-	-	(1,244,826)
At 31 December	1,150,000,000	1,150,000,000	157,467,174	157,467,174

- (a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

## 14. SHARE CAPITAL (CONT'D)

- (b) In the previous financial year, the Company increased its issued and paid-up share capital from RM 87,680,000 to RM 158,712,000 (before deducting share issuance expenses of RM 1,244,826) by way of issuance of 273,200,000 new ordinary shares for a cash consideration of RM 0.26 each in conjunction with the initial public offering ("IPO") on ACE Market of Bursa Malaysia Securities Berhad. The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

## 15. MERGER DEFICIT

The merger deficit represents the difference between the carrying value of the investment in subsidiaries and the share capital of the Company's subsidiaries upon consolidation under the merger accounting principle.

## 16. FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arises from the translation of the financial statements of Wentel Engineering Pte. Ltd. whose functional currency is different from the Group's presentation currency.

## 17. LEASE LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 January	4,965,266	1,596,799
Changes due to lease modification (Note 27(b))	357,527	5,365,612
Derecognition due to lease modification (Note 27(b))	-	(243,568)
Interest expense recognised in profit or loss (Note 24)	204,634	100,075
Repayment of principal	(1,769,770)	(1,752,189)
Repayment of interest expense	(204,634)	(100,075)
Effect of movements in exchange rates	(12,009)	(1,388)
At 31 December	3,541,014	4,965,266
<b>Analysed by:</b>		
Current liabilities	1,978,058	1,448,365
Non-current liabilities	1,562,956	3,516,901
	3,541,014	4,965,266

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)**18. DEFERRED TAX LIABILITIES**

<b>The Group</b>	<b>At 1.1.2025 RM</b>	<b>Recognised in profit or loss (Note 25) RM</b>	<b>At 31.12.2025 RM</b>
<b>2025</b>			
<b>Deferred tax liabilities</b>			
Property, plant and equipment	929,267	(681,267)	248,000
<b>Deferred tax assets</b>			
Provisions	(50,202)	(37,798)	(88,000)
	879,065	(719,065)	160,000

<b>The Group</b>	<b>At 1.1.2024 RM</b>	<b>Recognised in profit or loss (Note 25) RM</b>	<b>At 31.12.2024 RM</b>
<b>2024</b>			
<b>Deferred tax liabilities</b>			
Property, plant and equipment	-	929,267	929,267
<b>Deferred tax assets</b>			
Provisions	-	(50,202)	(50,202)
	-	879,065	879,065

**19. TRADE PAYABLES**

	<b>The Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
Third parties	7,721,933	7,132,124
Related party	15,875	-
	7,737,808	7,132,124

The normal trade credit terms granted to the Group range from 30 to 90 (2024 : 30 to 90) days.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 20. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables	6,282,498	9,336,518	30,000	-
Accruals	5,155,473	3,940,133	178,000	178,255
	11,437,971	13,276,651	208,000	178,255

Included in other payables of the Group is an amount of RM 2,305,089 (2024 : RM 2,950,703) payable for the purchase of property, plant and equipment (Note 27(a)).

## 21. TERM LOAN

	The Group	
	2025 RM	2024 RM
Current liabilities	-	1,408,977

(a) As at 31 December 2024, the term loan was secured by the following:

- (i) Certain freehold industrial land held as property, plant and equipment of the Group (Note 6); and
- (ii) Corporate guarantee by the Company.

(b) As at 31 December 2024, the Group's adjusted leverage ratio did not exceed 1.5 times and the Group had complied with the loan covenants.

(c) The term loan at the end of the previous reporting period bore effective interest rate of 4.83% per annum.

## 22. REVENUE

	The Group	
	2025 RM	2024 RM
<b>Revenue from contracts with customers recognised at a point in time</b>		
Sale of metal products and parts	142,738,165	112,428,811

The information about the performance obligations in contracts with customers is summarised below:

Nature of goods or services	Timing and method of revenue recognition	Significant payment terms	Variable considerations	Warranty and obligation for returns or refunds
Sale of metal products and parts	When the goods are delivered and accepted by customers	Credit periods ranging from 30 to 60 days from the invoice date	Not applicable	Not applicable

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)**23. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS**

	The Group	
	2025 RM	2024 RM
Impairment losses on trade receivables	159,390	-

**24. PROFIT/(LOSS) BEFORE TAXATION**

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before taxation is arrived at after charging/(crediting):				
Auditors' remuneration:				
- Audit fees:				
- auditor of the Company	132,000	132,000	68,000	68,000
- other auditors	43,900	44,128	-	-
- Non-audit fees:				
- auditor of the Company	8,000	8,000	8,000	8,000
Directors' remuneration (Note 28(a))	1,653,332	1,269,276	348,000	263,000
<b>Material expenses/(income)</b>				
Amortisation of intangible assets	5	-	-	-
Depreciation:				
- property, plant and equipment (Note 6)	2,938,770	2,749,333	-	-
- right-of-use assets (Note 7)	1,835,490	1,727,711	-	-
Interest expenses on financial liabilities that are not at fair value through profit or loss:				
- term loan	25,434	95,361	-	-
Interest expense on lease liabilities (Note 17)	204,634	100,075	-	-
Lease expenses:				
- short-term leases	623,288	258,900	-	-
Loss/(Gain) on foreign exchange:				
- realised	2,399,378	1,820,887	-	(11,130)
- unrealised	206,323	(653,451)	-	-
Property, plant and equipment written off (Note 6)	4,654	13,048	-	-
Staff costs (including other key management personnel as disclosed in Note 28(b)):				
- short-term employee benefits	23,138,650	18,712,663	-	-
- defined contribution plan	1,590,518	1,242,893	-	-
Gain on modification of lease	-	(7,621)	-	-
Gain on disposal of property, plant and equipment	(57,900)	(79,999)	-	-
Interest income on financial assets measured at amortised cost:				
- fixed deposits with licensed banks	(1,363,832)	(2,599,896)	-	-
- current accounts	(319,974)	(313,062)	(16,682)	(124,768)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 25. INCOME TAX EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax				
- for the financial year	6,831,764	5,254,025	-	30,000
- over provision in the previous financial year	(169,153)	(338,034)	(30,000)	-
	6,662,611	4,915,991	(30,000)	30,000
Deferred tax (Note 18)				
- (reversal)/origination of temporary differences	(15,000)	879,065	-	-
- over provision in the previous financial year	(704,065)	-	-	-
	(719,065)	879,065	-	-
	5,943,546	5,795,056	(30,000)	30,000

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before taxation	29,145,992	20,821,543	(1,069,100)	(4,731,818)
Tax at the statutory tax rate	6,995,000	4,997,170	(257,000)	(1,135,636)
Tax effects of:				
Non-deductible expenses	470,764	1,430,997	257,000	1,165,636
Non-taxable income	(173,000)	(180,423)	-	-
Utilisation of tax incentives	(358,000)	-	-	-
Differential in tax rate of foreign subsidiary	(118,000)	(114,654)	-	-
Over provision of current tax in the previous financial year	(169,153)	(338,034)	(30,000)	-
Over provision of deferred taxation in the previous financial year	(704,065)	-	-	-
	5,943,546	5,795,056	(30,000)	30,000

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 : 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 26. EARNINGS PER SHARE

### (a) Basic earnings per share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	The Group	
	2025	2024
Profit after taxation attributable to owners of the Company (Basic)(RM)	23,202,446	15,026,487
Weighted average number of ordinary shares in issue (Basic)(Number)	1,150,000,000	1,126,113,661
Basic earnings per share (RM)	0.02	0.01

### (b) Diluted earnings per share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares as at the end of the reporting period.

## 27. CASH FLOWS INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment is as follows:

	The Group	
	2025 RM	2024 RM
<b>Property, plant and equipment</b>		
Cost of property, plant and equipment purchased (Note 6)	51,418,274	26,944,742
Less: Other payables - balances remained unpaid at the financial year end (Note 20)	(2,305,089)	(2,950,703)
Less: Prepayments made in the previous financial year	(138,020)	-
Add: Payments in respect of the previous financial year's purchases	2,950,703	-
Add: Deposits and prepayments made for future purchases (Notes 12(b) and 12(c))	4,096,061	138,020
	56,021,929	24,132,059

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

**27. CASH FLOWS INFORMATION (CONT'D)**

(b) The reconciliations of liabilities arising from financing activities are as follows:

<b>The Group</b>	<b>Lease liabilities RM</b>	<b>Term loan RM</b>	<b>Total RM</b>
<b>2025</b>			
At 1 January	4,965,266	1,408,977	6,374,243
<u>Changes in financing cash flows</u>			
Repayment of principal	(1,769,770)	(1,408,977)	(3,178,747)
Repayment of interests	(204,634)	(25,434)	(230,068)
	(1,974,404)	(1,434,411)	(3,408,815)
<u>Other changes</u>			
Modification of leases (Note 17)	357,527	-	357,527
Foreign exchange adjustments (Note 17)	(12,009)	-	(12,009)
Interest expense recognised in profit or loss (Note 24)	204,634	25,434	230,068
	550,152	25,434	575,586
At 31 December	3,541,014	-	3,541,014
<b>2024</b>			
At 1 January	1,596,799	2,931,288	4,528,087
<u>Changes in financing cash flows</u>			
Repayment of principal	(1,752,189)	(1,522,311)	(3,274,500)
Repayment of interests	(100,075)	(95,361)	(195,436)
	(1,852,264)	(1,617,672)	(3,469,936)
<u>Other changes</u>			
Modification of leases (Note 17)	5,365,612	-	5,365,612
Derecognition due to lease modification	(243,568)	-	(243,568)
Foreign exchange adjustments (Note 17)	(1,388)	-	(1,388)
Interest expense recognised in profit or loss (Note 24)	100,075	95,361	195,436
	5,220,731	95,361	5,316,092
At 31 December	4,965,266	1,408,977	6,374,243

**NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)**27. CASH FLOWS INFORMATION (CONT'D)**

(c) The total cash outflows for leases as a lessee are as follows:

	The Group	
	2025	2024
	RM	RM
Payment of short-term leases	623,288	258,900
Interest paid on lease liabilities	204,634	100,075
Payment of lease liabilities	1,769,770	1,752,189
	2,597,692	2,111,164

(d) The cash and cash equivalents comprise the following:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fixed deposits with licensed banks	5,017,740	58,755,221	-	-
Cash and bank balances	42,538,018	31,546,833	341,866	8,221,547
	47,555,758	90,302,054	341,866	8,221,547
Less: Fixed deposits with tenures exceeding 3 months	-	(55,733,933)	-	-
	47,555,758	34,568,121	341,866	8,221,547

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 28. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors, non-executive directors and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:

### (a) Directors

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>Directors of the Company</u>				
Short-term employee benefits:				
- fees	332,000	251,000	332,000	251,000
- salaries, bonuses and other benefits	459,471	369,847	16,000	12,000
Defined contribution plan	53,051	44,344	-	-
	844,522	665,191	348,000	263,000
<u>Directors of the subsidiaries</u>				
Short-term employee benefits:				
- salaries, bonuses and other benefits	733,265	538,171	-	-
Defined contribution plan	75,545	65,914	-	-
	808,810	604,085	-	-
Total directors' remuneration (Note 24)	1,653,332	1,269,276	348,000	263,000

The monetary value of benefits-in-kind provided by the Group to the directors of the Group was RM 11,100 (2024 : RM 11,100).

### (b) Other key management personnel

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Short-term employee benefits:				
- salaries, bonuses, and other benefits	936,546	775,560	-	-
Defined contribution plan	111,710	97,631	-	-
Total compensation for other key management personnel	1,048,256	873,191	-	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 29. RELATED PARTY DISCLOSURES

### (a) Subsidiaries

The subsidiaries are disclosed in Note 5.

### (b) Significant related party transactions and balances

The Group and the Company carried out the following transactions with the related parties during the financial year:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Subsidiary</b>				
- Advances to	-	-	8,000,000	69,000,000
<b>Companies controlled by certain shareholders</b>				
- Factory rental expense	(1,924,836)	(1,550,562)	-	-
- Waste management service	(153,976)	(173,032)	-	-

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the Notes 11 and 19.

## 30. OPERATING SEGMENTS

### 30.1 Business segments

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely metal fabrication and assembly.

### 30.2 Geographical information

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments.

The Group	Revenue		Non-current assets	
	2025 RM	2024 RM	2025 RM	2024 RM
United States	2,254,728	823,838	-	-
Singapore	40,150,549	30,918,644	328,677	25,175
Malaysia	100,322,888	80,686,329	118,458,353	71,875,541
	142,728,165	112,428,811	118,787,030	71,900,716

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 30. OPERATING SEGMENTS (CONT'D)

### 30.3 Major customers

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:

	The Group	
	2025	2024
	RM	RM
Customer #1	19,894,734	11,821,413
Customer #2	42,355,884	39,635,712
Customer #3	46,479,224	38,113,045

## 31. CAPITAL COMMITMENTS

	The Group	
	2025	2024
	RM	RM
Construction of property, plant and equipment	16,829,084	47,965,696

## 32. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

### 32.1 Financial risk management policies

The policies in respect of the major areas of treasury activity are as follows:

#### (a) Market risk

##### (i) Foreign currency risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily Euro ("EUR"), Pound Sterling ("GBP"), United States Dollar ("USD"), Singapore Dollar ("SGD") and Japanese Yen ("JPY"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 32. FINANCIAL INSTRUMENTS (CONT'D)

### 32.1 Financial risk management policies (Cont'd)

#### (a) Market risk (Cont'd)

##### (i) Foreign currency risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:

#### *Foreign currency exposure*

The Group	EUR RM	GBP RM	USD RM	SGD RM	JPY RM	MYR RM	Total RM
<b>2025</b>							
<u>Financial assets</u>							
Trade receivables	-	-	11,239,801	2,225,539	-	20,841,453	34,306,793
Fixed deposits with licensed banks	-	-	-	-	-	5,017,740	5,017,740
Cash and bank balances	1,177,672	50,715	21,520,817	12,240,102	-	7,548,712	42,538,018
	1,177,672	50,715	32,760,618	14,465,641	-	33,407,905	81,862,551
<u>Financial liabilities</u>							
Trade payables	(528,928)	-	(247,620)	(683,669)	-	(6,277,591)	(7,737,808)
Other payables and accruals	-	-	(272,530)	(245,970)	-	(10,919,471)	(11,437,971)
	(528,928)	-	(520,150)	(929,639)	-	(17,197,062)	(19,175,779)
Net financial assets	648,744	50,715	32,240,468	13,536,002	-	16,210,843	62,686,772
Less: Net financial assets denominated in the respective entities' functional currencies	-	-	-	(6,155,268)	-	(16,210,843)	(22,366,111)
Currency exposure	648,744	50,715	32,240,468	7,380,734	-	-	40,320,661

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 32. FINANCIAL INSTRUMENTS (CONT'D)

### 32.1 Financial risk management policies (Cont'd)

#### (a) Market risk (Cont'd)

##### (i) Foreign currency risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below: (Cont'd)

##### *Foreign currency exposure (Cont'd)*

The Group	EUR RM	GBP RM	USD RM	SGD RM	JPY RM	MYR RM	Total RM
<b>2024</b>							
<u>Financial assets</u>							
Trade receivables	-	-	9,578,159	2,958,441	-	14,397,435	26,934,035
Fixed deposits with licensed banks	-	-	-	-	-	58,755,221	58,755,221
Cash and bank balances	3,407,496	591,256	8,067,452	4,888,026	721,730	13,870,873	31,546,833
	3,407,496	591,256	17,645,611	7,846,467	721,730	87,023,529	117,236,089
<u>Financial liabilities</u>							
Term loan	-	-	-	-	-	(1,408,977)	(1,408,977)
Trade payables	(395,902)	-	(116,313)	(926,595)	-	(5,693,314)	(7,132,124)
Other payables and accruals	-	-	-	(1,158,986)	(1,938,193)	(10,179,472)	(13,276,651)
	(395,902)	-	(116,313)	(2,085,581)	(1,938,193)	(17,281,763)	(21,817,752)
Net financial assets/ (liabilities)	3,011,594	591,256	17,529,298	5,760,886	(1,216,463)	69,741,766	95,418,337
Less: Net financial assets denominated in the respective entities' functional currencies	-	-	-	(4,670,155)	-	(69,741,766)	(74,411,921)
Currency exposure	3,011,594	591,256	17,529,298	1,090,731	(1,216,463)	-	21,006,416

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 32. FINANCIAL INSTRUMENTS (CONT'D)

### 32.1 Financial risk management policies (Cont'd)

#### (a) Market risk (Cont'd)

##### (i) Foreign currency risk (Cont'd)

###### *Foreign currency risk sensitivity analysis*

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:

	The Group	
	2025	2024
	RM	RM
<b>Effects on profit after taxation</b>		
EUR/RM		
- strengthened by 10%	49,305	228,881
- weakened by 10%	(49,305)	(228,881)
GBP/RM		
- strengthened by 10%	3,854	44,935
- weakened by 10%	(3,854)	(44,935)
USD/RM		
- strengthened by 10%	2,450,276	1,332,227
- weakened by 10%	(2,450,276)	(1,332,227)
SGD/RM		
- strengthened by 10%	560,936	82,896
- weakened by 10%	(560,936)	(82,896)
JPY/RM		
- strengthened by 10%	-	(92,451)
- weakened by 10%	-	92,451

There is no impact on the Group's equity.

The Company does not have any transactions or balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

##### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio of fixed and floating rate borrowings.

The Group and the Company do not have any interest-bearing borrowings and hence, are not exposed to interest rate risk at the end of the reporting period.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the previous reporting period are disclosed in Note 21.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

## 32. FINANCIAL INSTRUMENTS (CONT'D)

### 32.1 Financial risk management policies (Cont'd)

#### (a) Market risk (Cont'd)

##### (ii) Interest rate risk (Cont'd)

##### *Interest rate risk sensitivity analysis*

Any reasonably possible change in the interest rates of floating rate term loan at the end of the previous reporting period did not have a material impact on the profit after taxation and equity of the Group and of the Company and hence, no sensitivity analysis was presented.

##### (iii) Equity price risk

The Group and the Company do not have any quoted investments and hence, are not exposed to equity price risk.

#### (b) Credit risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to a subsidiary, and corporate guarantee given to financial institutions for credit facilities granted to a subsidiary. The Company monitors the ability of the subsidiary to serve its loans on an individual basis.

##### (i) Credit risk concentration profile

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by 2 (2024 : 2) customers which constituted approximately 84% (2024 : 76%) of its trade receivables, net of loss allowance.

##### (ii) Maximum exposure to credit risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also included corporate guarantees provided to its subsidiary of RM 1,442,425, representing the outstanding banking facilities of the subsidiary as at the end of the previous reporting period. These corporate guarantees had not been recognised in the Company's financial statements as their fair values on initial recognition were not material.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 32. FINANCIAL INSTRUMENTS (CONT'D)

### 32.1 Financial risk management policies (Cont'd)

#### (b) Credit risk (Cont'd)

##### (iii) Assessment of impairment losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group closely monitors the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group evaluates whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of the financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of the following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

#### ***Trade receivables***

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for its trade receivables.

#### *Inputs, assumptions and techniques used for estimating impairment losses*

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on an individual basis.

The expected loss rates are based on the payment profiles of sales over 12 (2024 : 12) months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions that correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 32. FINANCIAL INSTRUMENTS (CONT'D)

### 32.1 Financial risk management policies (Cont'd)

#### (b) Credit risk (Cont'd)

##### (iii) Assessment of impairment losses (Cont'd)

###### *Trade receivables (Cont'd)*

###### *Allowance for impairment losses*

The reconciliation of allowance for impairment losses on trade receivables is disclosed in Note 10.

The information about the credit exposure and loss allowances recognised for trade receivables is as follows:

	Gross amount RM	Lifetime collective allowance RM	Carrying amount RM
<b>The Group</b>			
<b>2025</b>			
Current (not past due)	21,806,205	(48,970)	21,757,235
1 to 30 days past due	5,969,774	(49,109)	5,920,665
31 to 60 days past due	4,802,128	(89,801)	4,712,327
61 to 90 days past due	2,059,723	(180,683)	1,879,040
More than 90 days past due	37,526	-	37,526
	<b>34,675,356</b>	<b>(368,563)</b>	<b>34,306,793</b>
<b>The Group</b>			
<b>2024</b>			
Current (not past due)	13,361,833	(91,581)	13,270,252
1 to 30 days past due	8,060,152	(44,328)	8,015,824
31 to 60 days past due	2,949,604	(37,585)	2,912,019
61 to 90 days past due	2,738,630	(35,534)	2,703,096
More than 90 days past due	32,989	(145)	32,844
	<b>27,143,208</b>	<b>(209,173)</b>	<b>26,934,035</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 32. FINANCIAL INSTRUMENTS (CONT'D)

### 32.1 Financial risk management policies (Cont'd)

#### (b) Credit risk (Cont'd)

##### (iii) Assessment of impairment losses (Cont'd)

###### **Trade receivables (Cont'd)**

###### *Allowance for impairment losses (Cont'd)*

Trade receivables that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has been no significant change in the gross amounts of trade receivables that has impacted the allowance for impairment losses.

###### **Fixed deposits with licensed banks and bank balances**

The Group and the Company consider licensed banks to be of low credit risk. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and is therefore not provided for.

###### **Financial guarantee contracts**

Corporate guarantees for borrowing facilities granted to subsidiaries are a financial guarantee contract.

###### *Inputs, assumptions and techniques used for estimating impairment losses*

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

###### *Allowance for impairment losses*

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties to which the financial guarantee contracts were issued. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

#### (c) Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practice prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

**32. FINANCIAL INSTRUMENTS (CONT'D)****32.1 Financial risk management policies (Cont'd)****(c) Liquidity risk (Cont'd)*****Maturity analysis***

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

<b>The Group</b>	<b>Contractual interest rate % per annum</b>	<b>Carrying amount RM</b>	<b>Contractual undiscounted cash flows RM</b>	<b>Within 1 year RM</b>	<b>1-5 years RM</b>
<b>2025</b>					
<u>Non-derivative financial liabilities</u>					
Lease liabilities	4.83 - 5.25	3,541,014	3,701,864	2,106,691	1,595,173
Trade payables	-	7,737,808	7,737,808	7,737,808	-
Other payables and accruals	-	11,437,971	11,437,971	11,437,971	-
		<b>22,716,793</b>	<b>22,877,643</b>	<b>21,282,470</b>	<b>1,595,173</b>
<b>2024</b>					
<u>Non-derivative financial liabilities</u>					
Lease liabilities	4.83 - 5.25	4,965,266	5,311,481	1,943,018	3,368,463
Term loan	4.83	1,408,977	1,442,425	1,442,425	-
Trade payables	-	7,132,124	7,132,124	7,132,124	-
Other payables and accruals	-	13,276,651	13,276,651	13,276,651	-
		<b>26,783,018</b>	<b>27,162,681</b>	<b>23,794,218</b>	<b>3,368,463</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 32. FINANCIAL INSTRUMENTS (CONT'D)

### 32.1 Financial risk management policies (Cont'd)

#### (c) Liquidity risk (Cont'd)

##### *Maturity analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period): (Cont'd)

The Company	Contractual interest rate % per annum	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM
<b>2025</b>				
<u>Non-derivative financial liabilities</u>				
Other payables and accruals	-	208,000	208,000	208,000
<b>2024</b>				
<u>Non-derivative financial liabilities</u>				
Accruals	-	178,255	178,255	178,255
Financial guarantee contracts in relation to corporate guarantee given to a subsidiary	-	-	1,442,425	1,442,425
		178,255	1,620,680	1,620,680

The potential exposure of the financial guarantee contracts is equivalent to the outstanding amount of the credit facilities of the said subsidiary at the end of the reporting period. The financial guarantees have not been recognised in the financial statements because their fair values on initial recognition were not material.

### 32.2 Capital risk management

Capital structure is a combination of equity and debt used by an entity to finance its overall operations and growth. The objective of the capital management of the Group and of the Company is to maintain an optimal capital structure and ensure availability of funds in order to support its businesses and related shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. As the Group and the Company have insignificant external borrowings, the debt-to-equity ratio may not provide a meaningful indicator of the risk of borrowings.

There were no changes in the approach to capital management during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025  
(cont'd)

## 32. FINANCIAL INSTRUMENTS (CONT'D)

### 32.3 Classification of financial instruments

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
<b>Financial assets</b>				
<u>Amortised cost</u>				
Trade receivables	34,306,793	26,934,035	-	-
Amount owing by a subsidiary	-	-	63,740,600	56,840,600
Fixed deposits with licensed banks	5,017,740	58,755,221	-	-
Cash and bank balances	42,538,018	31,546,833	341,866	8,221,547
	81,862,551	117,236,089	64,082,466	65,062,147
<b>Financial liabilities</b>				
<u>Amortised cost</u>				
Term loan	-	1,408,977	-	-
Trade payables	7,737,808	7,132,124	-	-
Other payables and accruals	11,437,971	13,276,651	208,000	178,255
	19,175,779	21,817,752	208,000	178,255

### 32.4 Gains or losses arising from financial instruments

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
<b>Financial assets</b>				
<u>Amortised cost</u>				
Net gains recognised in profit or loss	1,524,416	2,912,958	16,682	124,768
<b>Financial liabilities</b>				
<u>Amortised cost</u>				
Net losses recognised in profit or loss	(25,434)	(95,361)	-	-

### 32.5 Fair value information

At the end of the reporting period, there were no financial instruments carried at fair values in the statements of financial position.

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The fair value of the Group's term loan that carries floating interest rate approximated its carrying amount as it is repriced to market interest rate on or near the reporting date.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(cont'd)

## 33. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

On 18 March 2026, a subsidiary of the Company, Wentel Engineering Sdn. Bhd. entered into 2 conditional sale and purchase agreements to acquire 2 units of medium industrial semi-detached factories to be erected on the master freehold land held under Title No. GRN 99403 Lot No. 813, Mukim Tebrau, District of Johor Bahru, State of Johor, forming part of a proposed industrial development project named "Galaxy Industrial Park" from Twin Galaxy Development Sdn. Bhd., being a related party of the Group, for a total cash consideration of RM 29,576,970, of which a deposit of RM 591,539 has been paid and is included under deposits as disclosed in Note 12(b). As at the date of authorisation of this report, the transaction has not yet been completed.

## DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Rule 9.25A of the ACE Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

### (a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 (RM)	2024 (RM)
Revenue		142,738,165	112,428,811
Other Income		2,153,977	3,890,831
<b>Total</b>		<b>144,892,142</b>	<b>116,319,642</b>
<b>Total Assets</b>		<b>232,385,860</b>	<b>214,126,003</b>

### (b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM)	2024 (RM)
Interest income		1,683,806	2,912,958
<b>Total</b>		<b>1,683,806</b>	<b>2,912,958</b>

### (c) Component of Financial Position

#### (i) Cash Component

Islamic Account / Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Cash at bank	Including cash in hand	42,201,011	23,330,381
Deposits with licensed bank		5,017,740	38,483,988
<b>Total Cash</b>		<b>47,218,751</b>	<b>61,814,369</b>
<b>Conventional Account / Instruments</b>			
Cash at bank		337,007	8,216,452
Deposits with licensed bank		-	20,271,233
<b>Total Cash</b>		<b>337,007</b>	<b>28,487,685</b>

## DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

(cont'd)

## (c) Component of Financial Position (Cont'd)

## (ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 (RM)	2024 (RM)
Current		-	-
Non-Current		-	-
<b>Total Financing</b>		-	-

Conventional Borrowing	Remarks	Group	
		2025 (RM)	2024 (RM)
Current			
Term loans		-	1,408,977
Non-Current		-	-
<b>Total Debt</b>		-	<b>1,408,977</b>

**LIST OF PROPERTIES**

AS AT 31 DECEMBER 2025

Title Details/Property Address	Description and Existing use	Date of Acquisition or Revaluation (if any)	Tenure	Approximate Age of Building	Area (sq. ft)	Net Book Value as at 31 December 2025 (RM)
HSD 605719, PTD 204073 Mukim of Tebrau, District of Johor Bahru, State of Johor	<b>Description:</b> Industrial zoned land <b>Existing use:</b> Vacant	08/12/2018	Freehold	N/A	426,074	19,189,016.43
Geran 66782, Lot 36706, Mukim Tebrau, District of Johor Bahru, State of Johor	<b>Description:</b> Single storey terrace house <b>Existing use:</b> Vacant	24/05/2010	Freehold	38	1,540	116,495.00
1) HSD 529923, PTD 172995, 2) HSD 529924, PTD 172996, 3) HSD 529928, PTD 173004, 4) HSD 529929, PTD 173005, 5) HSD 529930, PTD 173006, 6) HSD 529931, PTD 173007, 7) HSD 529936, PTD 173012, 8) HSD 529937, PTD 173013, 9) HSD 529944, PTD 173023, 10) HSD 529946, PTD 173025, 11) HSD 529925, PTD 172997, 12) HSD 529926, PTD 172998, 13) HSD 529927, PTD 172999, 14) HSD 529932, PTD 173008, 15) HSD 529933, PTD 173009, 16) HSD 529934, PTD 173010, 17) HSD 529935, PTD 173011, 18) HSD 529938, PTD 173014, 19) HSD 529939, PTD 173015, 20) HSD 529940, PTD 173016, 21) HSD 529941, PTD 173017, 22) HSD 529942, PTD 173018, 23) HSD 529943, PTD 173019, 24) HSD 529945, PTD 173024, 25) HSD 529947, PTD 173026, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor.	<b>Description:</b> 25 pieces of adjoining freehold vacant industry land comprising 24 vacant semi-detached industry lots and 1 vacant detached industry lot <b>Existing use:</b> Vacant	15/05/2023	Freehold	N/A	405,368	17,714,768.01

# ANALYSIS OF SHAREHOLDINGS

AS AT 10 APRIL 2026

Class of equity securities : Ordinary Shares ("Shares")  
 Total number of issued Shares : 1,150,000,000 Shares  
 Voting rights : One (1) vote for every Share held

## DISTRIBUTION SCHEDULE OF SHAREHOLDERS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	6	0.27	102	0.00
100 - 1,000	216	9.99	86,298	0.01
1,001 - 10,000	691	31.95	4,689,400	0.40
10,001 - 100,000	938	43.36	35,730,800	3.11
100,001 - less than 5% of issued Shares	309	14.29	345,560,900	30.05
5% and above of issued Shares	3	0.14	763,932,500	66.43
<b>Total</b>	<b>2,163</b>	<b>100.00</b>	<b>1,150,000,000</b>	<b>100.00</b>

## DIRECTORS' SHAREHOLDINGS

(As per the Register of Directors' Shareholdings)

Name of Directors	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Ban Kim Wah	152,399,500	13.25	-	-
Wong Chun Wei	-	-	-	-
Siow Chin How	2,178,600	0.19	-	-
Soo Wee Loon	300,000	0.03	-	-
Wang Sze Min	300,000	0.03	-	-

## SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

(As per the Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Ban Kim Wah	152,399,500	13.25	-	-
Wong Kim Fatt	423,120,000	36.79	195,280,000 <sup>(1)</sup>	16.98
Loo Sok Ching	6,867,000	0.60	611,533,000 <sup>(2)</sup>	53.17
Wencor (M) Sdn. Bhd. ("Wencor")	188,413,000	16.38	-	-

Notes:

- (1) Deemed interested by virtue of his spouse's interest as well as his shareholding in Wencor pursuant to Section 8 of the Companies Act 2016 ("Act").
- (2) Deemed interested by virtue of her spouse's interest as well as her shareholding in Wencor pursuant to Section 8 of the Act.

# ANALYSIS OF SHAREHOLDINGS

AS AT 10 APRIL 2026  
(cont'd)

## 30 LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORS

(without aggregating securities from different securities accounts belonging to the same registered holder)

No	Name	No. of Shares held	%
1	Wong Kim Fatt	420,320,000	36.55
2	Wencor (M) Sdn. Bhd.	188,413,000	16.38
3	Ban Kim Wah	152,399,500	13.25
4	Citigroup Nominees (Tempatan) Sdn Bhd <i>Lembaga Tabung Haji (AIIAMAN)</i>	46,430,100	4.04
5	Tai Yuan Heng	33,805,700	2.94
6	Universal Trustee (Malaysia) Berhad <i>KAF Core Income Fund</i>	33,500,000	2.91
7	Maybank Nominees (Tempatan) Sdn Bhd <i>National Trust Fund (IFM KAF) (446190)</i>	18,000,000	1.57
8	HSBC Nominees (Tempatan) Sdn Bhd <i>HSBC (M) Trustee Bhd for AHAM Select Asia (Ex Japan) Quantumfund</i>	10,000,000	0.87
9	Loo Sok Ching	6,867,000	0.60
10	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ng Sooi Sheng</i>	6,160,900	0.54
11	HLIB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chan Kok San</i>	6,100,000	0.53
12	Wang Han Lin	5,000,000	0.43
13	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad <i>Exempt AN for AHAM Asset Management Berhad (TSTAC/CLNTT)</i>	4,982,800	0.43
14	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tai Yuan Heng</i>	3,952,400	0.34
15	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chong Khong Shoong</i>	3,850,000	0.33
16	Chang Choon Wee	3,683,100	0.32
17	AllianceGroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ting Siew Pin (8118995)</i>	3,508,300	0.31
18	HLB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chong Khong Shoong</i>	3,448,600	0.30
19	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chong Khong Shoong (E-IMO/JSI)</i>	3,050,000	0.27
20	Maybank Nominees (Tempatan) Sdn Bhd <i>Exempt AN for AHAM Asset Management Berhad (TSTAC/CLT-MB-T/I)</i>	3,000,100	0.26
21	TA Nominees (Asing) Sdn Bhd <i>Pledged Securities Account for Boon Kim Peng</i>	2,895,700	0.25

## ANALYSIS OF SHAREHOLDINGS

AS AT 10 APRIL 2026  
(cont'd)

### 30 LARGEST SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORS (CONT'D)

(without aggregating securities from different securities accounts belonging to the same registered holder)

No	Name	No. of Shares held	%
22	RHB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chuah Chong Syn</i>	2,842,000	0.25
23	Wong Kim Fatt	2,800,000	0.24
24	Maybank Nominees (Tempatan) Sdn Bhd <i>Maybank Trustees Berhad for KAF Islamic Dividend Income Fund (290411)</i>	2,741,900	0.24
25	Maybank Nominees (Tempatan) Sdn Bhd <i>AHAM Asset Management Berhad for Yayasan Sabah (270762)</i>	2,736,800	0.24
26	Maybank Nominees (Tempatan) Sdn Bhd <i>Exempt AN for Tradeview Capital Sdn. Bhd.</i>	2,631,000	0.23
27	Phillip Nominees (Tempatan) Sdn Bhd <i>Exempt AN for Phillip Capital Management Sdn Bhd</i>	2,248,100	0.20
28	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Labuan Reinsurance (L) Ltd</i>	2,210,800	0.19
29	Siow Chin How	2,178,600	0.19
30	AllianceGroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Boon Ping (7004677)</i>	2,150,000	0.19

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Third Annual General Meeting (“3<sup>rd</sup> AGM” or “Meeting”) of Wentel Engineering Holdings Berhad (“Wentel” or “the Company”) will be held at Trading Post (Hall) of Ponderosa Golf & Country Resort Berhad, No. 3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor on Monday, 25 May 2026 at 2:00 p.m. or at any adjournment thereof, to transact the following businesses, with or without modifications:-

## AGENDA

### AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of Directors’ fees and/or benefits of up to RM500,000.00 for the period commencing from the date immediately after the 3<sup>rd</sup> AGM until the next Annual General Meeting (“AGM”) of the Company.
3. To re-elect the following Directors who retire by rotation pursuant to Clause 95 of the Company’s Constitution:
  - i. Ban Kim Wah
  - ii. Soo Wee Loon
4. To re-appoint Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.

**PLEASE REFER TO  
EXPLANATORY NOTE 1**

**ORDINARY RESOLUTION 1**

**ORDINARY RESOLUTION 2  
ORDINARY RESOLUTION 3**

**ORDINARY RESOLUTION 4**

### AS SPECIAL BUSINESS:

To consider and if thought fit, pass the following resolutions, with or without modifications:

5. **GENERAL AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT NEW ORDINARY SHARES IN THE COMPANY (“SHARES”) PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (“ACT”)**

**ORDINARY RESOLUTION 5**

“THAT subject always to the Constitution of the Company, the Act, the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new Shares to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit and expedient in the interest of the Company, provided that the aggregate number of Shares to be issued does not exceed ten per centum (10%) of the total number of issued Shares (excluding treasury shares, if any) at any point of time (“Mandate”) AND the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional Shares so issued on Bursa Securities AND such authority shall continue in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company held after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier.

AND THAT the new Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank *pari passu* in all respects with the existing Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares.”

# NOTICE OF ANNUAL GENERAL MEETING

(cont'd)

6. **PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE AND/OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")**

**ORDINARY RESOLUTION 6**

"THAT authority be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, for the Company and/or its subsidiaries ("the Group") to enter into any of the recurrent related party transactions with the related parties as set out in Section 2.7 of the Circular to Shareholders dated 24 April 2026 in relation to the Proposed Renewal of Shareholders' Mandate which are necessary for the day-to-day operations of the Group within the ordinary course of business of the Group, to be made on an arm's length basis and on normal commercial terms which are not more favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company;

AND THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until:

- (i) the conclusion of the Company's next Annual General Meeting ("AGM") following the general meeting at which the ordinary resolution for the Proposed Renewal of Shareholders' Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may deem fit, necessary, expedient and/or appropriate in order to implement the Proposed Renewal of Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Renewal of Shareholders' Mandate in the best interest of the Company."

7. To transact any other business of which due notice shall have been given.

By order of the Board

**TEA SOR HUA (MACS 01324) (SSM PC No.: 201908001272)**  
**LIM KEE SAN (MAICSA 7067348) (SSM PC No.: 202308000295)**  
Company Secretaries

Petaling Jaya, Selangor Darul Ehsan  
24 April 2026

# NOTICE OF ANNUAL GENERAL MEETING

(cont'd)

**Notes:**

- a) A member who is entitled to present, participate, speak and to vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- b) A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
- c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised.
- d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- f) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 71(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 18 May 2026. Only members whose names appear in the General Meeting Record of Depositors as at 18 May 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
- g) To be valid, the instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or adjourned meeting:
  - (i) In hard copy form  
In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.
  - (ii) By electronic form  
The proxy form can be electronically lodged via Vistra Share Registry and IPO (MY) portal ("the Portal") at <https://srmy.vistra.com>. Please refer to the Administrative Guide for the 3<sup>rd</sup> AGM on the procedure for electronic lodgement of the proxy form via the Portal.
- h) All the resolutions set out in this Notice of Meeting will be put to vote by poll.
- i) The members are advised to refer to the Administrative Guide on the registration process for the Meeting.
- j) Kindly check Bursa Securities' website and the Company's website at [www.wenteleng.com](http://www.wenteleng.com) for the latest updates on the status of the Meeting.

**EXPLANATORY NOTES TO ORDINARY AND SPECIAL BUSINESS****1. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 December 2025**

The Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require the formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

# NOTICE OF ANNUAL GENERAL MEETING

(cont'd)

## 2. Item 2 of the Agenda – Directors' Fees and/or Benefits

Pursuant to Section 230(1) of the Act, the directors' fees and any benefits payable to the directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting. This resolution is to facilitate payment of Directors' fees and benefits for the period commencing from the date immediately after this 3<sup>rd</sup> AGM until the next AGM of the Company. In the event the proposed amount is insufficient due to more meetings or an enlarged Board size, approval will be sought at the next AGM for the shortfall.

## 3. Item 3 of the Agenda – Re-election of Directors

Clause 95 of the Company's Constitution provides that one-third (1/3) of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Following thereto, Mr. Ban Kim Wah and Ms. Soo Wee Loon will retire by rotation pursuant to Clause 95 of the Company's Constitution (collectively referred to as "Retiring Directors"). The Retiring Directors being eligible, have offered themselves for re-election at the 3<sup>rd</sup> AGM.

The Board has endorsed the Nomination Committee's recommendation to seek for shareholders' approval to re-elect the abovementioned Retiring Directors as they possess the required skill sets to facilitate and contribute to the Board's effectiveness and value.

The Retiring Directors had abstained from all deliberations and decisions on their own eligibility to stand for re-election at the Board meeting.

The details and profiles of the Retiring Directors are provided in the Profile of Board of Directors section of the Company's Annual Report 2025.

## 4. Item 4 of the Agenda - Re-appointment of Auditors

The Audit and Risk Management Committee ("ARMC") has undertaken an annual assessment of the suitability, effectiveness, and independence of Crowe Malaysia PLT as Auditors. Based on the outcome of the assessment, the ARMC is satisfied that Crowe Malaysia PLT has maintained its independence and has performed its duties effectively. Accordingly, the ARMC recommended to the Board that Crowe Malaysia PLT be re-appointed as the Auditors of the Company.

The Board has endorsed the ARMC's recommendation and will seek shareholders' approval for the re-appointment of Crowe Malaysia PLT as Auditors for the financial year ending 31 December 2026, and to hold office until the conclusion of the next AGM.

## 5. Item 5 of the Agenda – General Authority for the Directors to issue and allot new Shares pursuant to Sections 75 and 76 of the Act

The Ordinary Resolution 5 proposed under item 5 of the Agenda, is to seek a general mandate for issuance and allotment of new Shares by the Company pursuant to Sections 75 and 76 of the Act. This Ordinary Resolution, if passed, is to empower the Directors to issue and allot new Shares up to an amount not exceeding in total ten per centum (10%) of the total number of issued Shares for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening a general meeting to approve the issuance and allotment of such new Shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

This general mandate will provide flexibility for the Directors of the Company for issuance and allotment of new Shares for any possible fund raising activities, including but not limited to further placing of shares for the purpose of funding current and/or future project(s), working capital, acquisitions, investments and/or for issuance of shares as a form of settlement of purchase consideration or repayment of borrowings or debt settlement/repayment or such other applications as the Directors may deem fit and expedient in the best interest of the Company.

# NOTICE OF ANNUAL GENERAL MEETING

(cont'd)

The Company had at its Second AGM held on 30 May 2025 ("2<sup>nd</sup> AGM"), obtained a general mandate pursuant to Sections 75 and 76 of the Act from its shareholders, to empower the Directors to issue and allot new Shares to such persons, at any time, and upon such terms and conditions and for such purposes, as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of Shares to be issued does not exceed 10% of the total number of issued Shares (excluding treasury shares) at any point of time ("General Mandate"). This General Mandate will expire at the conclusion of the 3<sup>rd</sup> AGM.

As at the date of this notice, no new Shares were issued and allotted pursuant to the General Mandate granted to the Directors at the 2<sup>nd</sup> AGM, which will lapse at the conclusion of the 3<sup>rd</sup> AGM, and accordingly, no proceeds were raised.

## **6. Item 6 of the Agenda – Proposed Renewal of Shareholders' Mandate**

The Ordinary Resolution 6 proposed under item 6 of the Agenda, if passed, will renew the mandate for the Group to enter into recurrent related party transactions of a revenue and/or trading nature in accordance with Rule 10.09 of the Listing Requirements of Bursa Securities. This mandate, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

Please refer to the Circular to Shareholders dated 24 April 2026 for further information.

# ADMINISTRATIVE GUIDE

FOR THE THIRD ANNUAL GENERAL MEETING OF WENDEL ENGINEERING HOLDINGS BERHAD  
("WENDEL" OR "THE COMPANY") ("3<sup>RD</sup> AGM" OR "MEETING")

- Day and Date** : Monday, 25 May 2026
- Time** : 2:00 p.m. or at any adjournment thereof
- Meeting Venue** : Trading Post (Hall) of Ponderosa Golf & Country Resort Berhad, No. 3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor

## A. REGISTRATION ON THE DAY OF 3<sup>RD</sup> AGM

1. The registration will commence at 1:00 p.m., on Monday, 25 May 2026 and will open until the conclusion of the 3<sup>rd</sup> AGM or such time as may be determined by the Chairman of the meeting.
2. Please read the signage as to where you should register yourself for the meeting and join the queue accordingly.
3. Please present your original National Registration Identity Card (NRIC) or Passport (for non-Malaysians) to the registration staff for verification.
4. Registration must be done in person. No person is allowed to register on behalf of another.
5. The registration counter will handle verification of identity, registration and revocation of proxy/proxies.
6. An identification wristband will be given to you thereafter for voting purposes. No one will be allowed to enter the meeting room without an identification wristband.

## B. APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

Shareholders who appoint proxy(ies) to participate at the 3<sup>rd</sup> AGM must ensure that the duly executed proxy forms are deposited in a hard copy form or by electronic means to Tricor Investor & Issuing House Services Sdn. Bhd. not later than forty-eight (48) hours before the time appointed for holding the 3<sup>rd</sup> AGM.

The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner:-

(i) In hard copy form

*In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.*

(ii) By electronic form

*The proxy form can be electronically lodged via Vistra Share Registry and IPO (MY) portal ("the Portal") at <https://smy.vistra.com>. Please refer to the Procedures for Electronic Submission of Proxy Form below.*

Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

Any authority to participate in the 3<sup>rd</sup> AGM pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan not later than Saturday, 23 May 2026 at 2:00 p.m. to participate in the 3<sup>rd</sup> AGM. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

## ADMINISTRATIVE GUIDE

FOR THE THIRD ANNUAL GENERAL MEETING OF WENTEL ENGINEERING HOLDINGS BERHAD  
("WENTEL" OR "THE COMPANY") ("3<sup>RD</sup> AGM" OR "MEETING")  
(cont'd)

For a corporate member who has appointed a representative, please deposit the ORIGINAL certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan on/or before the 3<sup>rd</sup> AGM. The certificate of appointment should be executed in the following manner:-

- (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:-
  - (a) at least two (2) authorised officers, of whom one shall be a director; or
  - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

### C. PROCEDURES FOR ELECTRONIC SUBMISSION OF PROXY FORM

The procedures to submit your Proxy Form electronically via the Portal are summarised below:

Procedure	Action
<b>i. Steps for Individual Shareholders</b>	
Register as a User at the Portal	<ul style="list-style-type: none"> <li>● Visit the website at <a href="https://srmy.vistra.com">https://srmy.vistra.com</a></li> <li>● Click "Register" and select "Individual Holder" and complete the New User Registration Form.</li> <li>● For guidance, you may refer to the tutorial guide available on the homepage.</li> <li>● Once registration is completed, you will receive an email notification to verify your registered email address.</li> <li>● After verification, your registration will be reviewed and approved within one (1) working day. A confirmation letter will be sent once approved.</li> <li>● Once you receive the confirmation, activate your account by creating your password.</li> </ul> <p><i>If you are an existing user with the Portal or our TIH Online portal previously, you are not required to register again.</i></p>
Proceed with submission of form of proxy	<ul style="list-style-type: none"> <li>● After the release of the Notice of Meeting by the Company, login with your email address and password.</li> <li>● Select the corporate event: "<b>WENTEL ENGINEERING HOLDINGS BERHAD 3<sup>RD</sup> AGM 2026</b>".</li> <li>● Navigate to the 3 dots at the end of the corporate event and choose "<b>SUBMISSION OF PROXY FORM</b>".</li> <li>● Read and agree to the Terms and Conditions and confirm the Declaration.</li> <li>● Indicate the total number of shares assigned to your proxy(s) to vote on your behalf.</li> <li>● Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy.</li> <li>● Indicate your voting instructions – FOR or AGAINST or ABSTAIN.</li> <li>● Print the proxy form for your record.</li> </ul>

## ADMINISTRATIVE GUIDE

FOR THE THIRD ANNUAL GENERAL MEETING OF WENTEL ENGINEERING HOLDINGS BERHAD  
("WENTEL" OR "THE COMPANY") ("3<sup>RD</sup> AGM" OR "MEETING")  
(cont'd)

Procedure	Action
<b>ii. Steps for Corporation or Institutional Shareholders</b>	
Register as a User at the Portal	<ul style="list-style-type: none"> <li>• Visit the website at <a href="https://srmy.vistra.com">https://srmy.vistra.com</a></li> <li>• Click "Register" and select "Representative of Corporate Holder" and complete the New User Registration Form.</li> <li>• Complete the registration form with your personal details.</li> <li>• Once registration is completed, you will receive an email notification to verify your registered email address.</li> <li>• After verification, your registration will be reviewed and approved within two (2) working days. A confirmation email will be sent once approved.</li> <li>• Once you receive the confirmation, activate your account by creating your password.</li> </ul> <p>Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact the persons stated under "ENQUIRY" section below if you need clarifications on the user registration.</p>
Proceed with submission of form of proxy	<ul style="list-style-type: none"> <li>• Login to <a href="https://srmy.vistra.com">https://srmy.vistra.com</a> with your email address and password.</li> <li>• Select the corporate event: "<b>WENTEL ENGINEERING HOLDINGS BERHAD 3<sup>RD</sup> AGM 2026</b>"</li> <li>• Navigate to the icon "&gt;" at the end of the corporate event.</li> <li>• Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>• Select the corporate holder's name.</li> <li>• Proceed to download the submission file.</li> <li>• Prepare the file for the appointment of proxy(ies) by inserting the required data.</li> <li>• Proceed to upload the duly completed proxy appointment file.</li> <li>• Select "Confirm" to complete your submission.</li> <li>• Print the confirmation report of your submission for your record.</li> </ul>

### D. GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining who shall be entitled to attend the 3<sup>rd</sup> AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 18 May 2026 and only a depositor whose name appears on such Record of Depositors shall be eligible to attend the 3<sup>rd</sup> AGM.

### E. NO RECORDING OR PHOTOGRAPHY

**Unauthorised recording or photography** of the proceedings of the 3<sup>rd</sup> AGM is **strictly not allowed**. The Company reserves the rights to take appropriate legal actions against anyone who violates this rule.

### F. ENQUIRY

If you have any enquiries on the above, please contact our Share Registrar during office hours on Mondays to Fridays from 9:00 a.m. to 5:30 p.m. (except on public holidays):-

Tricor Investor & Issuing House Services Sdn. Bhd.		
Telephone Number	General Line	+603-2783 9299
Contact Person	Ms. Nur Qaisara Naaila	+603-2783 9272 nur.qaisara.naaila@vistra.com
	Mr. Mohammad Amirul Iskandar	+603-2783 9279 mohammad.amirul@vistra.com
	Mr. Syafiqul Hafidz	603-2783 9024 syafiqul.hafidz@vistra.com
Email	is.enquiry@vistra.com	

**WENTEL ENGINEERING HOLDINGS BERHAD**

202301007290 (1501211-T)

(Incorporated in Malaysia)

No. of shares held	:	
CDS Account No.	:	

**PROXY FORM**

(Before completing this form please refer to the notes below)

I/We\* \_\_\_\_\_ \*NRIC/Passport/Registration No.\* \_\_\_\_\_  
(Full name in block)of \_\_\_\_\_  
(Address)

with email address \_\_\_\_\_ mobile phone no. \_\_\_\_\_

being a member/members\* of **WENTEL ENGINEERING HOLDINGS BERHAD** ("the Company") hereby appoint(s):-

Full Name (in Block and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

and/or\* (delete as appropriate)

Full Name (in Block and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

or failing him/her\*, the Chairman of the Meeting as my/our\* proxy to vote for me/us\* on my/our\* behalf at the Third Annual General Meeting ("3<sup>rd</sup> AGM" or "Meeting") of the Company to be held at Trading Post (Hall) of Ponderosa Golf & Country Resort Berhad, No. 3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor on Monday, 25 May 2026 at 2:00 p.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her\* discretion.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees and/or benefits of up to RM500,000.00 for the period commencing from the date immediately after the 3 <sup>rd</sup> AGM until the next Annual General Meeting of the Company.		
2.	To re-elect Ban Kim Wah as a Director of the Company.		
3.	To re-elect Soo Wee Loon as a Director of the Company.		
4.	To re-appoint Crowe Malaysia PLT as Auditors of the Company.		
5.	To approve the general authority for the Directors to issue and allot new ordinary shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016.		
6.	To approve the Proposed Renewal of the Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading Nature.		

*\*delete whichever is not applicable*

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

\_\_\_\_\_  
Signature of Member(s)/Common Seal

Notes:

- a) A member who is entitled to present, participate, speak and to vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- b) A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
- c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised.
- d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- f) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 71(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 18 May 2026. Only members whose names appear in the General Meeting Record of Depositors as at 18 May 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

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AFFIX  
STAMP

The Share Registrar

**WENTEL ENGINEERING HOLDINGS BERHAD**  
**[Registration No. 202301007290 (1501211-T)]**

c/o Tricor Investor & Issuing House Services Sdn. Bhd.  
Unit 32-01, Level 32, Tower A, Vertical Business Suite,  
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur.

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- g) To be valid, the instrument appointing a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or adjourned meeting:
  - (i) In hard copy form  
In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or the drop box located at the Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.
  - (ii) By electronic form  
The proxy form can be electronically lodged via Vistra Share Registry and IPO (MY) portal ("the Portal") at <https://srmy.vistra.com>. Please refer to the Administrative Guide for the 3<sup>rd</sup> AGM on the procedure for electronic lodgement of the proxy form via the Portal.
- h) All the resolutions set out in this Notice of Meeting will be put to vote by poll.
- i) The members are advised to refer to the Administrative Guide on the registration process for the Meeting.
- j) Kindly check Bursa Securities' website and the Company's website at [www.wenteleng.com](http://www.wenteleng.com) for the latest updates on the status of the Meeting.

[www.wenteleng.com](http://www.wenteleng.com)

**WENTEL ENGINEERING HOLDINGS BERHAD**  
(Registration No. 202301007290 (1501211-T))

No. 11, Jalan Gagah, Kawasan Perindustrian Larkin,  
80350 Johor Bahru, Johor Darul Takzim, Malaysia.

**T** : +607-238 1128    **F** : +607-238 0688  
**E** : enquiry@wenteleng.com