POWERWELL

POWERWELL HOLDINGS BERHAD
200101009151 (544907-X)

ANNUAL REPORT 2026

EMPOWERING POSSIBILITIES

40TH YEARS ANNIVERSARY

RELIABLE BY DESIGN

POWERING PERFORMANCE

ENABLING INFRASTRUCTURE

SUSTAINABLE BY COMMITMENT

ABOUT US

Powerwell Holdings Berhad is a Malaysian power distribution specialist with over 40 years of experience in designing, manufacturing and integrating low- and medium-voltage power distribution systems. Our solutions support data centres, utilities, commercial developments, industrial facilities, transportation, renewable energy, and the oil and gas sector.

Supported by an in-house engineering and research & development ("R&D") team, Powerwell manufactures fully type-tested low-voltage switchboards under the Powerwell brand and is a licensed technology partner of Siemens. Our portfolio also includes medium-voltage switchgear, Power Train Units ("PTUs"), fire protection systems, other products relating to electrical distribution as well as integrated electrical engineering solutions including control systems, PLC-based process automation, Building Management Systems ("BMS"), and SCADA platforms for efficient monitoring and operational control.

Powerwell holds certifications and approvals from SIRIM, Jabatan Kerja Raya Malaysia ("JKR"), Suruhanjaya Tenaga Malaysia, the Construction Industry Development Board ("CIDB") Malaysia, the Association of Short-Circuit Testing Authorities ("ASTA"), and KEMA. The Group is also certified to internationally recognised ISO management system standards, including ISO 9001:2015 for Quality Management Systems and ISO 45001:2018 for Occupational Health and Safety Management Systems. Our products are designed and tested in accordance with applicable standards published by the International Electrotechnical Commission ("IEC"), and/or the Institute of Electrical and Electronics Engineers ("IEEE").

Listed on the ACE Market of Bursa Malaysia Securities Berhad since 2020, Powerwell operates manufacturing and assembly facilities in Malaysia and Indonesia, with projects successfully delivered across Southeast Asia, Australia, Japan, Bangladesh, Pakistan, the Middle East, and other international markets.

Driven by our purpose of ***Empowering Possibilities***, we continue to deliver reliable electrical infrastructure solutions that support the evolving needs of industries worldwide.

VISION

BE A GLOBAL LEADER

We aspire to lead as a world-class manufacturer of electrical distribution systems, distinguished by state-of-the-art innovation adhering to international standards.

QUALITY POLICY

Excellence in Every Product

Dedicated to the pursuit of excellence, we prioritize ensuring that our products consistently meet and exceed the highest quality standards in the market. Our ultimate goal is to achieve total customer satisfaction.

MISSION

FOREFRONT IN INNOVATION AND SAFETY

Our commitment is to deliver cutting-edge industry innovations that strictly adhere to international safety standards and requirements to achieve total customer satisfaction.

CORPORATE OBJECTIVE

Innovating Solutions

We proactively observe market trends, continuously innovating to meet the evolving demands of our customers, ensuring customer satisfaction with our products.

CONTENTS

This Annual Report can also be downloaded as a PDF file or viewed in an interactive format at www.powerwell.com.my or by scanning the QR code with your smart device.

GLOBAL MARKET PRESENCE

MALAYSIA 1

Headquarter
- Powerwell Holdings Berhad

Subsidiaries
- Powerwell Sdn. Bhd.
- Kejuruteraan Powerwell Sdn. Bhd.
- Powerwell International Sdn. Bhd.
- Powerwell Marketing Sdn. Bhd.
- Powerhouse Field Sdn. Bhd.
- DB Power Sdn. Bhd.
- Firerex Technology Sdn. Bhd.
- Brandrich Fire Solutions Sdn. Bhd.

Associate
- Tenaga Kenari Sdn. Bhd.
- Tenaga Kenari Marketing Sdn. Bhd.
- TK Metal Sdn. Bhd.
- Tenaga Kenari Engineering Sdn. Bhd.

Branches
- Kejuruteraan Powerwell Sdn. Bhd. (Powerwell Southern Region, Johor)
- Powerwell International Sdn. Bhd. (Powerwell Northern Region, Penang)

INDONESIA 2

Subsidiary
- PT. Powerwell Listrik Indonesia

Distributors
- PT Duta Fuji Electric
- PT Duta Listrik Graha Prima

PAKISTAN 3

Distributor
- Computer Marketing Co. (PVT.) Ltd.

THAILAND 4

Distributor
- Worldwide Procurement Technology Co. Ltd

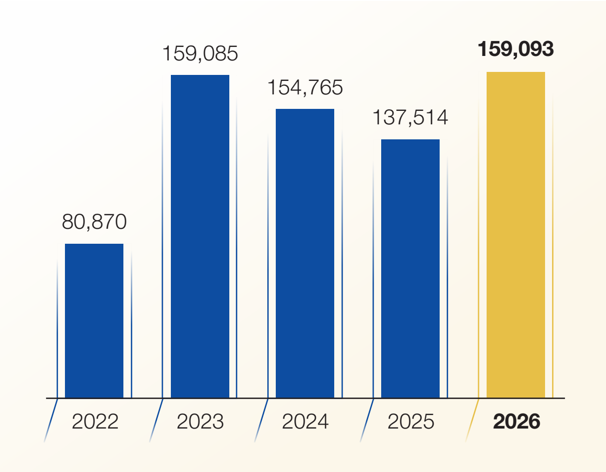
BANGLADESH 5

Distributor
- Industrial Engineering Solutions Ltd

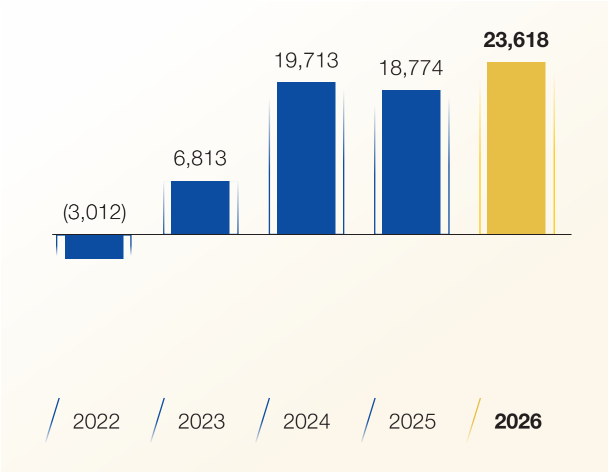
FINANCIAL HIGHLIGHTS

Financial Year	2022	2023	2024	2025	2026
Revenue *(RM'000)*	80,870	159,085	154,765	137,514	**159,093**
Profit/(Loss) After Tax and Non Controlling Interests *(RM'000)*	(3,012)	6,813	19,713	18,774	**23,618**
Total Equity Attributable to Owners *(RM'000)*	69,517	76,369	84,515	97,501	**113,556**
Net Assets Per Share *(Sen)*	11.97	13.15	14.56	16.79	**19.56**

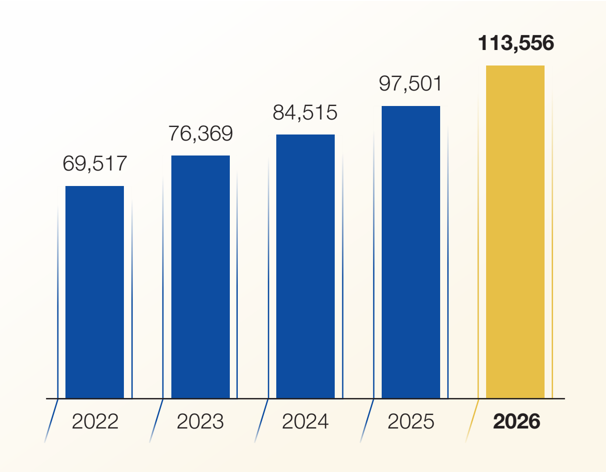
Revenue (RM'000)



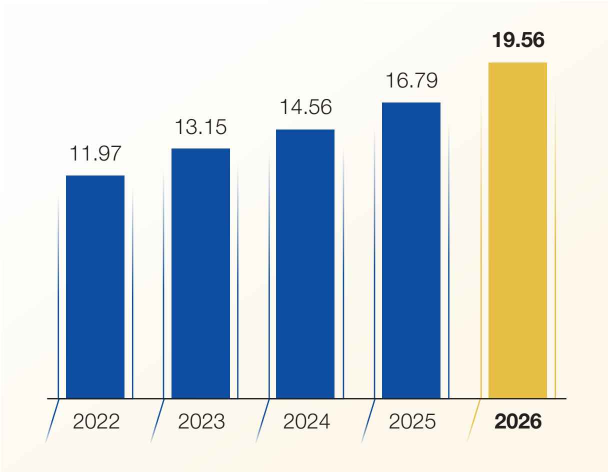
Profit/(Loss) After Tax (RM'000)



Total Equity Attributable to Owners (RM'000)



Net Assets Per Share (Sen)



CORPORATE INFORMATION

BOARD OF DIRECTORS

Tang Yuen Kin
Independent Non-Executive Chairman

Wong Yoke Yen
Managing Director

Soh Wei Wei
Executive Director

Dr. Tou Teck Yong
Senior Independent Non-Executive Director

Selma Enolil Binti Mustapha Khalil
Independent Non-Executive Director

Chong Guang Wei
Non-Independent Non-Executive Director

Tee Joe Ee
Non-Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman
Selma Enolil Binti Mustapha Khalil

Member
Tang Yuen Kin
Dr. Tou Teck Yong

NOMINATION COMMITTEE

Chairman
Dr. Tou Teck Yong

Member
Tang Yuen Kin
Selma Enolil Binti Mustapha Khalil

REMUNERATION COMMITTEE

Chairman
Dr. Tou Teck Yong

Member
Tang Yuen Kin
Selma Enolil Binti Mustapha Khalil

COMPANY SECRETARIES

Tan Fong Shian @ Lim Fong Shian
(SSM PC No. 201908004045)
(MAICSA 7023187)

Tan Kok Siong
(SSM PC No. 202008001592)
(LS0009932)

REGISTERED OFFICE

Unit 30-1, Level 30,
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Email : info@vistra.com
Tel : 03-2783 9191
Fax : 03-2783 9111

BUSINESS OFFICE

1B, Jalan Anggerik Mokara 31/48
Seksyen 31
Kota Kemuning,
40460 Shah Alam Selangor
Tel : 03-5521 3333
Fax : 03-5122 2933
Website : www.powerwell.com.my

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
Email : is.enquiry@my.tricorglobal.com
Tel : 03-2783 9299
Fax : 03-2783 9222

AUDITORS

BDO PLT
201906000013
(LLP0018825-LCA & AF 0206)
Level 8, BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Tel : 03-2616 2888
Fax : 03-2016 3190 / 3191

PRINCIPAL BANKERS

- HSBC Bank Malaysia Berhad
- AmBank (M) Berhad
- UOB Bank Berhad
- OCBC Al-Amin Bank Berhad

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock Name: PWRWELL
Stock Code: 0217

CORPORATE STRUCTURE

POWERWELL HOLDINGS BERHAD
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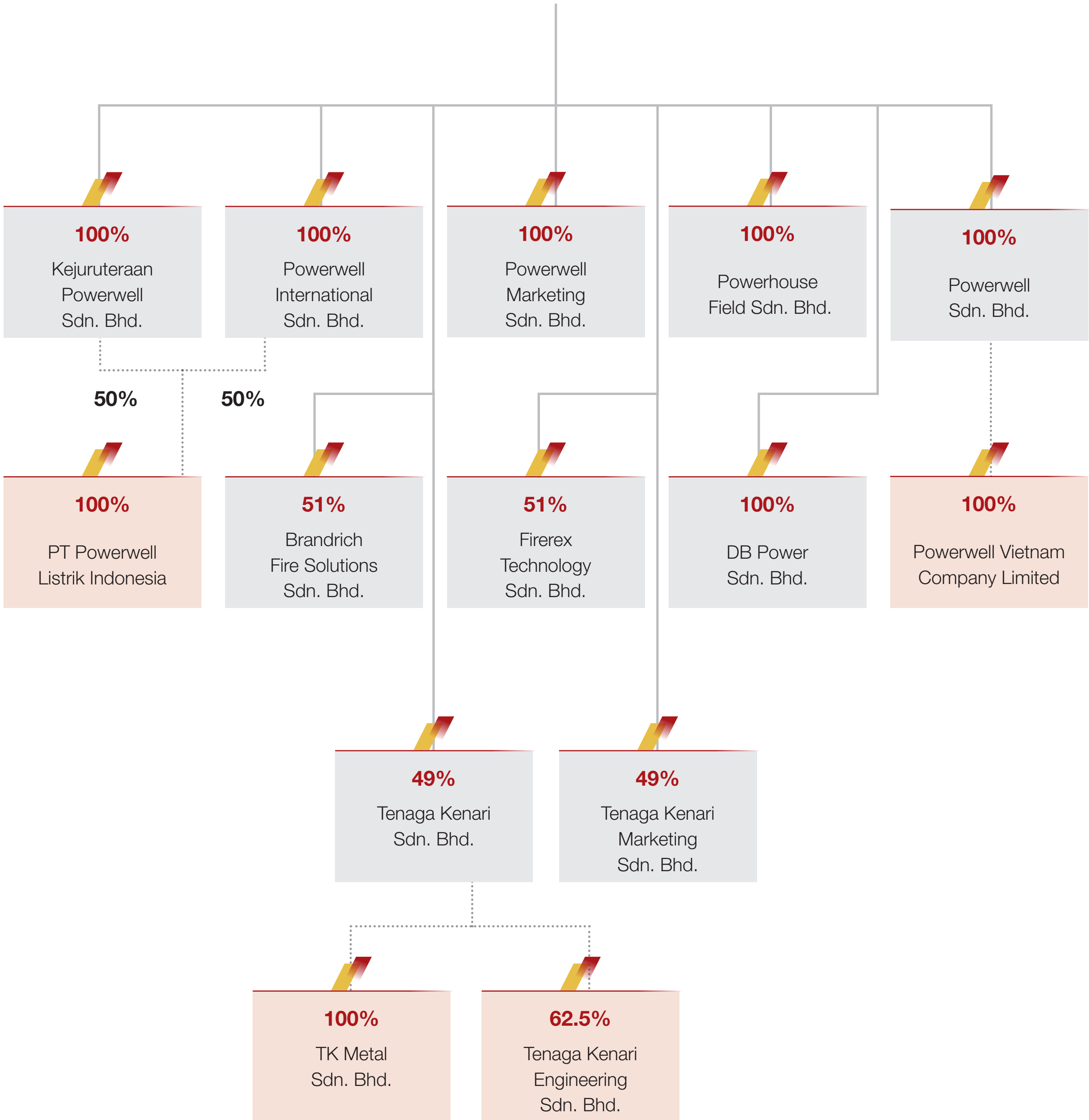


CORPORATE MILESTONES

1991
Inception and commenced manufacturing and sale of LV switchboards

1994
Obtained first ASTA certification for our 3200A main switchboards

1999
Registered as a supplier with Jabatan Kerja Raya (JKR)

2000
Secured first oversea project in Singapore

2001
Incorporation of Powerwell and restructuring of our Group

2005
Established representative office in Vietnam

2006
Collaboration with Siemens (SIVACON 8PT LV switchboards)

2007
Incorporation of Powerwell Vietnam Company Limited and set up manufacturing facility in Vietnam

2011
Collaboration with Schneider (Prisma iPM LV switchboards)

2014
Collaboration with Siemens (SIMOPRIME MV switchgears)

2015
Secured first project for supply of MV switchgears to be used for the industrial development of a crude oil refinery in Kemaman, Terengganu

2017
Established representative office in Indonesia

2018
- Appointed distributor in Pakistan
- Secured project for supply of LV switchboards for elevated Mass Rapid Transit stations from Sungai Buloh to Putrajaya
- Secured our first data center building project in Cambodia for the supply of LV switchboards

2019
- Secured international project for the supply of LV switchboards for international airports in Indonesia
- Secured our first offshore oil and gas project in Thailand for the supply of LV switchboards
- Secured first project for the supply of 33kV Gas Insulated Switchgear (GIS) and cast resin transformer in the Malaysia market
- In April 2019, established PT. Powerwell Listrik Indonesia

2020
- On 22 January 2020, Powerwell Holdings Berhad was listed on the ACE Market of Bursa Malaysia Securities Berhad
- Appointed first distributor in Thailand
- In August 2020, collaborated with Eaton Industries Sdn. Bhd. (Gas Insulated Ring Main Unit -RVAC)
- In September 2020, obtained ISO 45001:2018 certification. Recertification of ISO 9001:2015 certification
- In October 2020, secured project for supply of LV switchboards for Light Rail Transit Line 3 station from Bandar Utama to Johan Setia

2021
- In June 2021, secured first 30 megawatt solar power plant project in Rangpur district, Bangladesh, to supply LV switchboards and MV switchgear panels using 33 kilovolt gas insulated switchgear
- In July 2021, secured an expansion project of a leading multi-national corporation's semiconductor assembly plant and testing facility in Pulau Pinang to supply and install dry type transformer, switchgear and load break switch

Corporate Milestones (Cont'd)

- Completed acquisition of a three (3) storey office block cum single storey factory building at No. 4, Jalan Anggerik Mokara 31/44, Kota Kemuning, Shah Alam
- In November 2021, Kejuruteraan Powerwell Sdn. Bhd. - Johor Baru branch moved to its new semi-detached factory at Taman Ekoperniagaan, Johor Bahru, for the production and assembly of mechanical panels for switchboards
- In March 2022 and June 2022, awarded contracts to supply, install, testing and commissioning of (i) MV switchgears and power distribution transformers and (ii) LV panels for a new building project of a leading multi-national corporation's semiconductor production and testing plant in Kulim Hi-Tech Park, Kedah, Malaysia

2022

- Powerwell International Sdn. Bhd. relocated to its owned new premise at No. 4, Jalan Anggerik Mokara 31/44, Kota Kemuning, Shah Alam
- In February 2023, the Global Business Icon Leadership Award was bestowed to Powerwell in recognition of business excellence, corporate leadership and solidified Powerwell's stance of being recognised locally and internationally
- In April 2023, secured contract for supply and supervision of installation, testing and commissioning of 33 kilovolt substation equipment (800 volt low voltage switchgear panels) for a new solar power plant project in Bhabanipur, Pabna, Bangladesh
- In May 2023, PT Powerwell Listrik Indonesia established a new assembly plant at Komplek Pergudangan Multiguna Alam Sutera, Serpong Utara, Tangerang Selatan, Banten

2023

- Secured major switchboards supply contracts as follows:
  - Sg Rasau Water Supply Scheme and Water Treatment Plant project in Selangor (awarded in April 2024)
  - Data centre project in Selangor (awarded in May 2024)
  - Data centre project in Johor Bahru (awarded in August 2024)
  - Data centre projects in Indonesia (awarded in September 2024)
  - Johor Bahru–Singapore Rapid Transit System (RTS) Link project in Johor Bahru (awarded in September 2024)
  - Data centre project in Johor Bahru (awarded in December 2024)
- Secured PT Powerwell Listrik Indonesia certified in ISO 9001:2015 Certification in June 2024

2024

- One of the first switchboard company in Malaysia to attain the Seismic Test Verification and Design certification by the International Electrotechnical Commission ("IEC") and the Institute of Electrical and Electronics Engineers ("IEEE") in February 2025
- In April 2025, completed acquisition of 51% equity in both Firerex Technology Sdn. Bhd. and Brandrich Fire Solutions Sdn. Bhd. venturing into fire suppression and fire prevention business

2025

- Established a presence in East Malaysia through the strategic acquisition of a 49% equity in both Tenaga Kenari Sdn. Bhd. and Tenaga Kenari Marketing Sdn. Bhd., a power distribution specialist based in Sarawak, completed in April 2026
- Appointed as Valued Added Reseller ("VAR") for Siemens 8DAB10 medium voltage gas-insulated switchgear
- Secured two of the largest data centre switchboard supply contracts in Powerwell's history worth RM158.8 million and RM68.5 million in June 2026 and January 2026 respectively
- Celebrated its 40th (Ruby) anniversary
- Delivered all-time high net profit of RM23.6 million for FY26

2026

ACCREDITATIONS

CERTIFICATIONS & ACCREDITATIONS

Powerwell's certifications and accreditations represent a formidable barrier to entry. Achieving and maintaining internationally recognised standards demands years of investment, deep technical expertise, and rigorous ongoing compliance. Combined with our highly customised engineering solutions, this credentials portfolio underpins our market leadership and forms the foundation of client confidence across every sector we serve.

Our credentials span the full spectrum of international and domestic standards — from product safety and quality management through to seismic resilience and government procurement eligibility. Key certifying and accrediting bodies include SIRIM Berhad ("**SIRIM**"), Jabatan Kerja Raya Malaysia ("**JKR**"), Suruhanjaya Tenaga Malaysia ("**ST**"), the Construction Industry Development Board ("**CIDB**"), the International Organization for Standardization ("**ISO**"), the Association of Short-Circuit Testing Authorities ("**ASTA**"), and ("**KEMA**") — with products designed and verified to International Electrotechnical Commission ("**IEC**") and/or the Institute of Electrical and Electronics Engineers ("**IEEE**") standards.

Certifications & Accreditations	Descriptions
Siemens Technology Partners	• Authorised to manufacture and sell • Siemens SIVACON S8 Licensee - LV Switchgear & MCC • Siemens SIMOPRIME Licensee up to 24kV Medium Voltage Switchgear • Siemens NXPLUS C (up to 36 kV) switchgear • Siemens 8DA/B10 Licensee
Powerwell Switchboard ASTA TYPE TESTED complying to IEC Standard	• Globally recognised certification for electrical equipment • 7 ASTA Full Type Tested Certificate • IEC61439 ranging from 1250A to 6000A • IEC61641 for Arc Fault Containment Test
Powerwell Switchboard KEMA Seismic Test Certification to IEC & IEEE Standard	• International Electrotechnical Commission IEC60068 - Seismic Test Verification • Institute of Electrical and Electronics Engineers IEEE 693:2018 – Seismic Design • One of the first in Malaysia to obtain such certifications
Malaysia Authorities	• Jabatan Kerja Raya • Suruhanjaya Tenaga • CIDB Grade 7 contractor • Bomba Certificate for Clean Agent System, FC227 and Aerosol

Accreditations (Cont'd)

CERTIFICATIONS & ACCREDITATIONS (CONT'D)

Certifications & Accreditations	Descriptions
ISO Certificate	• ISO 9001 : 2015 Quality Management System • ISO 45001 : 2018 Occupational Health & Safety Management System
SIRIM	• EMC accordance with IEC61000 • IP55 IEC60529 • IP41 IEC60529 • BDO Type Test accordance with IEC61439-3 • UL Product Approval Certificate for Clean Agent System • FM Approval Certificate for Clean Agent System • VDS Approval Certificate for Clean Agent System

PROFILE OF DIRECTORS

TANG YUEN KIN

Independent Non-Executive Chairman

Nationality

Malaysian flag

Gender

Age

54

Mr. Tang Yuen Kin ("**Mr. Tang**") is our Independent Non-Executive Chairman and was appointed to the Board on 7 January 2019. Mr. Tang is a member of our Audit and Risk Management Committee, Nomination Committee as well as Remuneration Committee.

Mr. Tang graduated with a Bachelor of Accounting with First Class Honours from the University of Malaya, Malaysia in 1995. In 2000, he earned a Master of Business Administration (Banking & Finance) from Nanyang Technological University, Singapore. He also obtained a Master of Law Executive (Business Law) from International Islamic University, Malaysia in 2006, and a Master of Business Administration from the University of Illinois Urbana-Champaign, United States of America in 2025. He has been a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants since 2000 and 2015 respectively.

Over the span of more than 26 years, he has gained vast experience in the areas of audit, accounting and finance, corporate finance and corporate planning, having worked in, among others, Price Waterhouse (now known as PricewaterhouseCoopers PLT), Securities Commission Malaysia, KPMG Corporate Advisory Sdn Bhd, AmInvestment Bank Berhad, Alliance Investment Bank Berhad and Sasbadi Holdings Berhad. Mr. Tang is presently the group chief financial officer of Dancomech Holdings Berhad.

Mr. Tang currently sits on the board of directors of both Sasbadi Holdings Berhad, which is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") and Wellspire Holdings Berhad, which is listed on the ACE Market of Bursa Securities as an Independent Non-Executive Director. He also sits on the board of Farmiera Berhad, which is listed on the ACE Market of Bursa Securities, as an Independent Non-Executive Chairman.

He has no family relationship with any Director and/or major shareholder of the Company.

Profile of Directors (Cont'd)

WONG YOKE YEN

Managing Director

Nationality

Gender

Age

60

Ms. Wong Yoke Yen ("**Ms. Wong**") has been an integral pillar of Powerwell since her appointment to the Board on 30 August 2018, and serves as Managing Director with effect from 11 November 2024. With a career spanning over three decades, Ms. Wong brings to the Board an exceptional breadth of leadership experience and institutional knowledge that has been central to the Powerwell Group's sustained growth and evolution. She holds the London Chamber of Commerce & Industry (LCCI) qualification, obtained from the Regent School of Economics in 1984.

Ms. Wong commenced her professional career with Public Bank Berhad, where she developed a strong foundation in customer relations and financial operations. In 1990, she made a decisive career pivot into the corporate sector, joining NEC Sales (Malaysia) Sdn. Bhd., where she progressed from Accounting Clerk to Senior Accounts Assistant — an experience that sharpened her expertise in financial management and corporate accounting, laying a solid foundation for her future endeavours.

Ms. Wong joined Powerwell Group in 1993, initially overseeing tender management and client quotations. Her capabilities and commitment to excellence saw her rise steadily through the organisation, ascending to the roles of Administration Manager and subsequently Finance Director. In these capacities, she assumed comprehensive oversight of finance, office administration, and human resources, and played a pivotal role in the Group's attainment of ISO 9001 certification — a milestone reflecting Powerwell's enduring commitment to quality.

As her responsibilities grew, Ms. Wong took on stewardship of pre- and post-project commercial negotiations and the review of complex commercial contracts. Following her appointment as Executive Director (Administration) in 2018, she assumed leadership of the Group's strategic financial planning, budget governance, and financial reporting frameworks, while also directing materials planning to ensure the optimal allocation of resources in alignment with the Group's operational objectives.

Ms. Wong holds executive oversight of the Group's core operational functions encompassing finance, collections, payments, and human capital management, as well as direct responsibility for Powerwell's operations in Indonesia. In her external-facing capacity, she serves as the Group's principal liaison with financial institutions and regulatory authorities, ensuring full compliance and cultivating the institutional relationships that underpin the Group's continued expansion.

In March 2023, Ms. Wong was featured in The Edge (Options) Malaysia, a leading business and financial publication, in recognition of her significant role in Powerwell's listing on Bursa Securities. Further recognising her entrepreneurial leadership, Ms. Wong was named a Top Nominee in the Technology Entrepreneur category at the EY Entrepreneur Of The Year™ Malaysia 2025 programme — one of the most prestigious business recognition programmes in the world — in acknowledgement of her role in transforming Powerwell into a leading power distribution specialist with a growing global footprint.

Ms. Wong does not hold any directorships in other public companies or listed corporations. She has no family relationship with any other director or major shareholder of the company.

Profile of Directors (Cont'd)

SOH WEI WEI
Executive Director

Nationality

Gender

Age

44

Mr. Soh Wei Wei ("**Mr. Soh**") was appointed to the Board on 11 July 2024 and currently as Executive Director of Powerwell. With a robust career spanning over 17 years in sales and marketing, Mr. Soh has been instrumental in driving Powerwell Group's growth and expanding its market presence. He graduated with a Diploma in Computer Studies from Sunway College in 2005, which laid the strong foundation for his analytical and strategic capabilities.

Mr. Soh began his career with Powerwell Group in 2006 as a Marketing Executive. His exceptional skills and dedication quickly propelled him through the ranks. As Assistant Marketing Manager, he played a crucial role in developing and implementing marketing strategies. His innovative approach and leadership were further recognised with his promotions to Marketing Manager and Senior Sales and Marketing Manager. In these roles, he was responsible for overseeing strategic marketing plans, managing marketing budgets, and ensuring the effective execution of sales and marketing operations across Group's projects.

In 2012, Mr. Soh was appointed as Sales and Marketing Director, a role in which he focused on expanding Powerwell's market presence in Malaysia and the Indochina region. He established and led a dedicated marketing team, contributing substantially to the Group's regional growth. His efforts have been pivotal in securing key projects and further enhancing Powerwell's market position.

As Executive Director, Mr. Soh continues to lead Group's sales and marketing initiatives with a strategic, customer-centric approach. His strengths in market strategy, customer relationship management, and business development have been vital in achieving the Group's sales targets and expanding its global footprint.

Mr. Soh does not hold any directorships in other public companies or listed corporations. He has no family relationship with any director or major shareholder of the company.

Profile of Directors (Cont'd)

SELMA ENOLIL BINTI MUSTAPHA KHALIL

Independent Non-Executive Director

Nationality

Gender

Age

55

Puan Selma Enolil Binti Mustapha Khalil ("**Puan Selma**") is our Independent Non-Executive Director and was appointed to the Board on 7 January 2019. Puan Selma is the Chairman of our Audit and Risk Management Committee. She is also a member of our Nomination Committee and Remuneration Committee. Puan Selma graduated from University of Wales, Aberystwyth with a Bachelor of Laws in 1994 and obtained her certificate in legal practice in 1995. Puan Selma was called to the Malaysian Bar as an advocate and solicitor in 1996.

Puan Selma started her career as an advocate and solicitor with Messrs Abu Talib Shahrom & Zahari in 1997. In 1998, she joined TNB Remaco Sdn Bhd as a legal executive. Puan Selma left TNB Remaco Sdn Bhd in 2000 and resumed practising law as an advocate and solicitor with Messrs Raslan Loong in 2000. She left Messrs Raslan Loong in 2003. In the same year, she cofounded Messrs Enolil Loo, of which she is currently a partner.

Puan Selma currently serves as Independent Non-Executive Director on the board of directors of Selangor Dredging Berhad, Techbond Group Berhad, Life Water Berhad and Unique Fire Holdings Berhad ("UFHB"), all of which are listed on the Main Market of Bursa Securities.

Puan Selma has no family relationship with any Director and/or major shareholder of the Company. Puan Selma does not have any other conflict of interest except which may arise by virtue of her being a Director of UFHB. She will recuse herself from participating in any discussion on matters involving the interests of UFHB and will abstain from deliberation and voting on such matters at the Board and Board Committee meetings of the Company.

Profile of Directors (Cont'd)

DR TOU TECK YONG

Senior Independent Non-Executive Director

Nationality

Gender

Age

68

Dr Tou Teck Yong ("**Dr Tou**") is our Senior Independent Non-Executive Director and was appointed to the Board on 7 January 2019. Dr Tou is the Chairman of our Nomination Committee as well as Remuneration Committee. He is also a member of our Audit and Risk Management Committee. Dr Tou obtained a Bachelor of Science (Physics) degree and a Doctor of Philosophy ("PhD") in physics from the University of Malaya, Malaysia ("UM") in 1982 and 1987 respectively. Dr Tou has been a fellow of the Academy of Science Malaysia and the Institute of Physics Malaysia since 2005.

Upon completion of his PhD in 1987, Dr Tou worked as a full-time physics researcher at the Australian National University, Canberra, Australia. In 1989, Dr Tou returned to UM to work as a research fellow. Dr Tou continued his career as a physics lecturer at UM in 1991. In 1999, he left UM and joined Multimedia University ("MMU") as a professor in the Faculty of Engineering, where he taught at both undergraduate and postgraduate levels in the field of electronic engineering. Dr Tou was also involved in the administration of the R&D division of MMU, where he acted as the director between year 2001 to 2007 and vice president between year 2008 to 2013 respectively. Dr Tou resigned as a professor in MMU in 2018.

Dr Tou currently acts as an adjunct professor at MMU in Cyberjaya until December 2025. His role is to provide advice to students and act as student mentor. Dr Tou has been on board of trustees of Top Glove Foundation since 2008, where he has been involved in overseeing and monitoring the charity foundation's activities. He has been the R&D advisor for Top Glove Corporation since 2013, where he provides advice and guidance in relation to the R&D plans of Top Glove Corporation and its group of companies.

Dr Tou does not hold any directorship in any other public companies or listed corporations, except for his appointment as Independent Non-Executive Chairman of Dancomech Holdings Berhad on 11 June 2026. He has no family relationship with any Director and/or major shareholder of the Company.

CHONG GUANG WEI

Non-Independent Non-Executive Director

Nationality

Gender

Age

33

Mr. Chong Guang Wei ("**Mr. Lavis**"), is our Non-Independent Non-Executive Director and was appointed to the Board on 11 November 2024. Mr. Lavis began his career as an Equity Analyst at AmInvestment Bank Berhad, where he conducted comprehensive primary research on publicly listed companies and formulated investment recommendations to institutional clients. Mr. Lavis specialised in covering the technology and manufacturing sectors.

In 2018, Mr. Lavis joined Kenanga Investment Bank Berhad as a Senior Equity Analyst. Within the same year, he was promoted to Assistant Vice President. During this period, he expanded his expertise to the building materials sector. In 2019, Mr. Lavis joined Principal Asset Management Berhad as a Senior Analyst. With his extensive investment knowledge, he was soon promoted to Portfolio Manager, where he took on the challenge of managing high-value portfolios. The ranking of the portfolios under his management improved significantly, further cementing his reputation in the industry.

In 2023, Mr. Lavis transitioned into an executive leadership role, serving as Executive Director of Delloyd Industries (M) Sdn. Bhd., Delloyd Electronics (M) Sdn. Bhd., Delloyd R&D (M) Sdn. Bhd., and Wemaz Auto Technology (M) Sdn. Bhd., which collectively form one of the nation's largest automotive component manufacturing groups. In this capacity, he leverages his investment expertise to identify merger and acquisition opportunities, manage access to capital markets, and contribute to the Group's strategic direction. Following a corporate reorganisation, the companies were subsequently placed under Delloyd Technology Berhad, where he continues to serve as Executive Director.

Mr. Lavis does not hold any directorship in any other public companies and listed corporations, except for his appointment as Executive Director of Delloyd Technology Berhad. He has no family relationship with any Director and/or major shareholder of the Company.

Profile of Directors (Cont'd)

TEE JOE EE

Non-Independent Non-Executive Director

Nationality

Gender

Age

33

Ms. Tee Joe Ee ("**Ms. Tee**"), appointed to the Board on 08 December 2025. Ms. Tee began her career as an Account Executive in 2015 before joining Siemens Malaysia in 2016 through its prestigious graduate programme. During her tenure, she gained broad exposure across partner relationship management, rotated through various central functions, and completed a three-month international assignment with Siemens Vietnam, enriching her global business perspective.

Upon completing the programme, Ms. Tee advanced into the Project Commercial Department, where she played a pivotal role in supporting project tenders. Her portfolio encompassed complex electrical projects across diverse industries including oil and gas, semiconductor manufacturing, cement production, and other industrial sectors.

In 2019, Ms. Tee transitioned into the asset management industry, overseeing multiple investment properties. She primarily manages a retail complex in Seremban, spanning a gross floor area of 550,000 square feet with a net lettable area of 400,000 square feet. Her responsibilities include end-to-end mall operations, leasing strategy, and marketing initiatives. She also leads major upgrading efforts focused on enhancing the tenancy mix and executing renovation works to elevate the mall's commercial appeal.

Ms. Tee's robust experience in commercial project management, strategic business development, and property management coupled with her international exposure and leadership acumen positions her as a valuable asset to Powerwell, contributing meaningfully to its ongoing growth and value creation.

Ms. Tee does not hold any directorships in other public companies or listed corporations. She is the daughter of Datin Lim Swee Choo, a major shareholder of the Company.

ADDITIONAL INFORMATION

Save as disclosed above, none of the Directors has any:

- conflict of interest or potential conflict of interest (including competing business) with the Company or its subsidiaries;
- conviction for offences within the past five (5) years; and
- public sanction or penalty imposed by the relevant regulatory bodies on him or her during the financial year ended 31 March 2026,

which require disclosure pursuant to paragraph 3(h) of Appendix 9C of the ACE Market Listing Requirements of Bursa Securities.

PROFILE OF KEY SENIOR MANAGEMENT

HOH MOON HENG

Technical Director

Nationality	Gender	Age
		57

Mr. Hoh Moon Heng ("**Mr. Hoh**") graduated from Institut Teknologi Jaya in 1993 with a part-time diploma course in Electrical and Electronic Engineering.

Mr. Hoh has over 33 years of experience in supervising and overseeing switchboard manufacturing projects. He joined our Group in 1997 as Project Manager and was responsible for overseeing project execution and production activities. His responsibilities also included supervising switchboard manufacturing projects, including monitoring the design of LV switchboards, in compliance with ISO 9001 standards.

In 2010, Mr. Hoh was promoted to Project Director. He oversaw the Group's project and production activities, including quality assurance and quality control, in support of the Group's objectives and targets. He also assisted the Managing Director in monitoring switchboard standardisation, ensuring project costs remained within budget, addressing customer complaints arising from quality defects, and monitoring work progress. In addition, he also assists the Managing Director to drive the expansion of the Group's business in the local market.

In September 2023, Mr. Hoh was redesignated as Technical Director. He is responsible for providing strategic direction and guidance to the technical teams, maintaining the technical standards of the Group's products, and ensuring compliance with applicable regulatory requirements and industry standards.

IR LEONG YEK LOONG

Regional Sales and Marketing Director

Nationality	Gender	Age
		53

Ir Leong Yek Loong ("**Ir Leong**") graduated from Staffordshire University, United Kingdom with a Bachelor of Electrical Engineering in 1996. He subsequently obtained a Master of Business Administration from the University of Southern Queensland, Australia in 2010. He has been a registered member of the Board of Engineers since 2004 and Fellow Member of Malaysia Institute of Management.

Ir Leong has over 26 years of extensive experience in the electrical engineering industry. He joined the Group in 2005 as a Senior Manager, where he was responsible for the after-sales division, overseeing the upgrading, modifying and replacement of low voltage ("LV") switchboards and medium voltage ("MV") switchgears. He was also responsible for troubleshooting LV switchboard issues and performing scheduled maintenance for LV switchboards, MV switchgears, generator sets and transformers.

Ir Leong has been invited as a speaker and has conducted various seminars on IEC 61439 standards, a LV Switchgear and Control Gear Assembly & Type Test Certificate Design Verification Assessment standard to the Institute of Engineers Malaysia and Jabatan Kerja Raya (JKR) in Malaysia. He has also delivered similar seminars across the region, including Indonesia, Philippines, Vietnam and others since 2016.

In 2014, Ir Leong has been promoted to Regional Sales and Marketing Director and he has been pivotal in driving the Group's overseas market expansion. He also serves as President Director of PT Powerwell Listrik Indonesia since 2020, overseeing the Group business growth and operations in Indonesia. In 2025, Ir. Leong was appointed Director for Firerex Technology Sdn. Bhd. and Brandrich Fire Solutions Sdn. Bhd.. It's the Group's newly established business segment in fire suppression and fire prevention systems. Under his leadership, the new division is poised to grow strategically and serve as a catalyst for the Group's broader expansion into complementary products within the mechanical and electrical segment.

Profile of Key Senior Management (Cont'd)

LEOW MEN KEN

Business Director

Nationality	Gender	Age
Malaysian	Male	50

Mr. Leow Men Ken ("**Mr. Leow**") holds a Bachelor of Engineering (Hons) in Electronics and Electrical Engineering from the University of Sunderland, United Kingdom, and a Bachelor's degree in Technology Management from the University of Ballarat, Australia (now known as Federation University Australia).

Mr. Leow has more than 21 years of experience in the electrical power distribution industry, specializing in medium-voltage ("MV") switchgear, power transformers and low-voltage ("LV") switchboards. He joined the Group in 2018 as General Manager, where he led the technical engineering and sales operations for LV switchgear and MV switchgear licensed equipment. His extensive background in technical engineering and sales, gained through prior roles at leading multinational corporations such as Schneider Electric Malaysia and Siemens Malaysia, has significantly contributed to the Group's success in driving product portfolio and market expansion.

In 2023, Mr. Leow was promoted to Business Director and currently oversees the overall business operations of Powerwell International Sdn. Bhd., focusing on international markets. His leadership continues to play a key role in the Group's growth, innovation and strategic direction.

ANG AUN LEONG

Business Director

Nationality	Gender	Age
Malaysian	Male	44

Mr. Ang Aun Leong ("**Mr. Ang**") holds a Bachelor of Arts (Hons) in Marketing from the University of Hertfordshire, United Kingdom. He joined the Powerwell Group in 2006 as a Sales and Marketing Executive and has since contributed significantly to the Group's growth and market expansion efforts.

Throughout his career, Mr. Ang has taken on roles of increasing responsibility, contributing significantly to the development of strategic marketing plans, brand positioning, and market expansion initiatives. His efforts have been instrumental in enhancing Powerwell's brand visibility and competitive positioning.

In 2023, Mr. Ang was appointed Senior Marketing Manager, where he led key brand initiatives, product campaigns, and the overall marketing function. In 2025, Mr. Ang was promoted to Business Director and currently leads the business operations of Kejuruteraan Powerwell Sdn. Bhd., and he is responsible for strengthening the Group's position in the domestic Malaysian market. His leadership and deep industry knowledge are expected to further drive operational excellence and strategic growth in the local market.

Profile of Key Senior Management (Cont'd)

TAN YEE SIN

Chief Financial Officer

Nationality	Gender	Age
		33

Mr. Tan Yee Sin ("**Mr. Tan**") graduated from Sunway University with a Bachelor of Science in Accounting and Finance in 2014. Mr. Tan is a Chartered Accountant of Malaysian Institute of Accountants and a member of Certified Practising Accountant of Australia.

Mr. Tan has built a diverse professional background across corporate finance, advisory, restructuring, banking and financial management. He began his career in 2015 with a boutique advisory firm specialising in recovery and advisory work. In 2017, he joined Ernst & Young, where he was involved in corporate restructuring, deal and financial advisory, as well as rescue and rehabilitation assignments across various industries. In 2020, he joined the Wholesale Credit Division of Hong Leong Bank Berhad, where he focused on corporate lending, financial review and credit risk management.

Prior to joining Powerwell Holdings Berhad, Mr. Tan served as the Chief Financial Officer of a private company since 2023, where he was primarily responsible for cashflow management, corporate planning, financial reporting, investment planning, treasury management and debt-capital structuring.

Mr. Tan joined the Group in November 2024 as Chief Financial Officer. He oversees the Group's accounting and finance functions including taxation, internal controls procedures, and compliance with Bursa Securities reporting requirements. Additionally, he also supports the Managing Director with all aspects of financial, legal, treasury, regulatory and other matters of the Group. Mr. Tan is also responsible for reporting the Group's financial performance and accounts to the Board and ensuring timely financial reporting.

ADDITIONAL INFORMATION

None of the Key Senior Management has any:

- directorship in public companies and listed corporations;
- family relations with any Director and/or major shareholder of the Company;
- conflict of interest or potential conflict of interest (including competing business) with the Company or its subsidiaries;
- conviction for offences within the past five (5) years; and
- public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 March 2026,

which require disclosure pursuant to paragraph 3(h) of Appendix 9C of the ACE Market Listing Requirements of Bursa Securities.

MANAGEMENT DISCUSSION AND ANALYSIS

Dear Valued Shareholders,

On behalf of the Board of Directors (the "**Board**") of Powerwell Holdings Berhad ("**Powerwell**" or the "**Group**"), I am pleased to present to you the annual report and audited financial statements for the financial year ended 31 March 2026 ("**FY2026**").

FY2026 was a landmark year for Powerwell in every sense of the word. We celebrated our 40th anniversary and strategically expanded into East Malaysia. Fittingly, we also delivered our best-ever bottom-line performance in the financial year under review with a profit after tax and non-controlling interest ("**PATNCI**" or "**net profit**") of RM23.6 million.

This was no mean feat as the performance was achieved amidst an uncertain environment. Throughout the year, reciprocal tariff developments and geopolitical conflicts remained at centre stage, placing sustained pressure on the demanding business operating landscape.

In recognition of the commendable performance and commitment to shareholders, Powerwell rewarded shareholders with a total dividend of 1.5 sen per share. This translated to a dividend payout of 36.9% based on FY2026 net profit.

FY2026 Revenue:
RM159.0
million

FY2026 Net Profit:
RM23.6
million
All-Time High

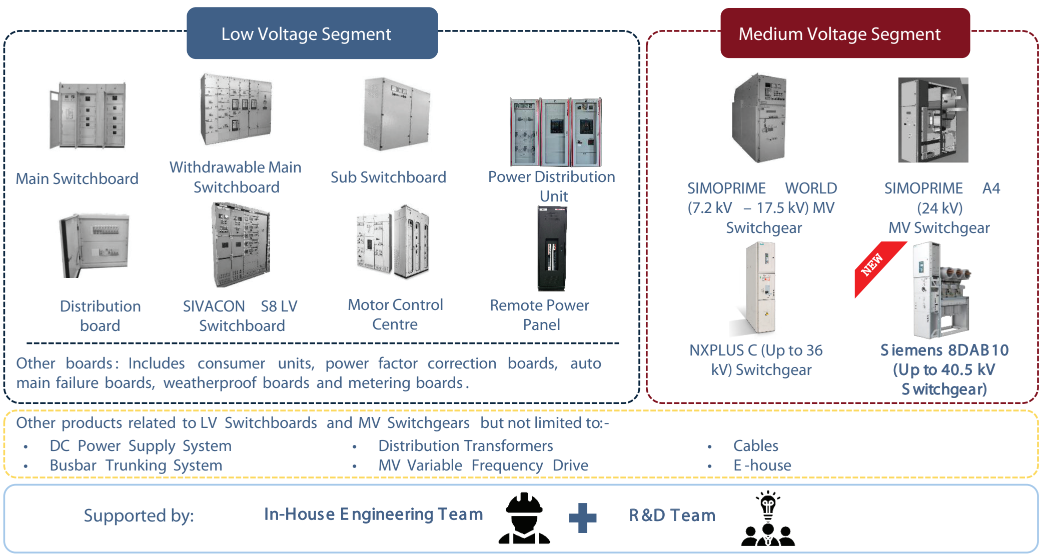
FY2026 Dividend Payout:
36.9%
of Net Profit

BUSINESS OVERVIEW

Powerwell is a leading homegrown power distribution specialist manufacturing low voltage ("**LV**") and medium voltage ("**MV**") electrical distribution equipment. The Group manufactures and customises LV switchboards and MV switchgears. It has 40 years of industry experience with an established track record and deep technical expertise, supported by our in-house research and development ("**R&D**") team.

Listed on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**") since 2020, the Group's headquarters and manufacturing facilities are located in Shah Alam, Selangor, with assembly plants in Johor and Indonesia. The Group also has branch offices in Johor and Penang to support the sales and marketing team as well as provide after-sales services.

The Group provides highly customised power distribution solutions specialising in LV switchboards and MV switchgears.



Management Discussion and Analysis (Cont'd)

BUSINESS OVERVIEW (CONT'D)

We design and manufacture fully type-tested LV switchboards under our own "Powerwell" brand. Additionally, we are also a licensee of our technology partner Siemens AG, a German multinational technology conglomerate. Under this arrangement, we are authorised to manufacture and distribute Siemens advanced Low Voltage SIVACON S8 switchboards and cutting-edge Medium Voltage SIMOPRIME switchgears, including a localised adaptation of the 33kV gas insulated NXPLUS C switchgear.

Exterior of Switchboard **Interior of Switchboard**

FIREREX INERT GAS

Clean Agent - Inert Gas System

CARBON DIOXIDE (CO_2)

CO2 Extinguishing System

In FY2026, the Group's portfolio was further broadened to include fire-suppression systems and related products. This was through the strategic acquisition of Firerex Technology Sdn Bhd and Brandrich Fire Solutions Sdn Bhd (collectively referred to as "**Firerex**"), which concluded in April 2025. Powerwell now has the expertise in fire suppression and prevention solutions, serving key sectors such as semiconductor plants, data centres, oil and gas, power distribution, commercial and residential projects, hospitals, and industrial applications.

The Group has a presence in more than 10 countries, supported by six non-exclusive regional distributors — two in Indonesia and one each in Bangladesh, Singapore, Thailand, and Pakistan. Powerwell serves a broad and growing range of end-markets:

Commercial Developments	Industrial Developments	Residential & Mixed Developments
Hotel	Data Centres	High Rise Residential
Shopping Malls	Factories	Mixed Developments
Office Towers	Oil & Gas Refineries	

Infrastructure

Airports · Seaports · MRT · Renewable Energy · Water Treatment Plant

Management Discussion and Analysis (Cont'd)

BUSINESS & OPERATIONAL REVIEW

The year under review was marked by heightened global uncertainty. In early 2025, the United States (U.S.) introduced sweeping reciprocal tariffs on key trading partners, disrupting global supply chains, dampening business sentiment, and raising concerns of a broader trade war. These measures increased cost pressures and prompted businesses to reassess supply chains and capital allocation.

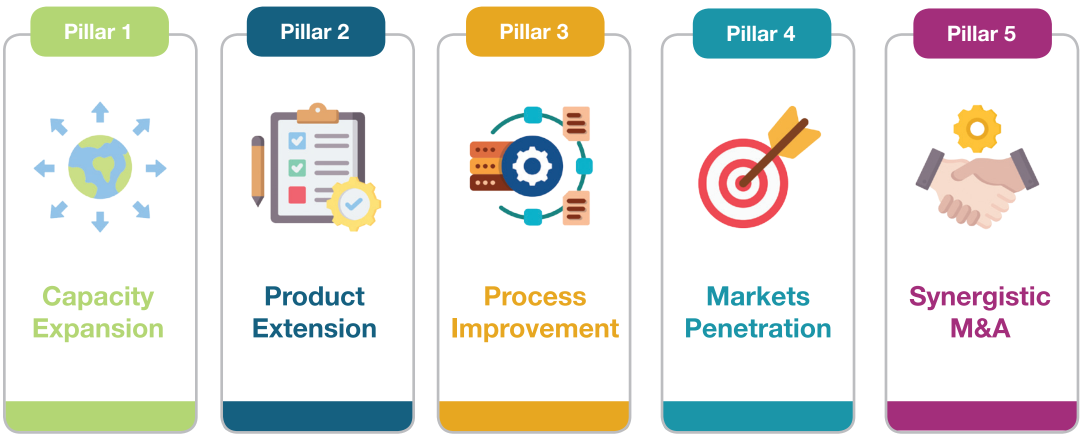
Although conditions showed signs of stabilisation in the second half of 2025 amid ongoing negotiations, this proved temporary. In early 2026, a U.S. Supreme Court ruling on tariffs, followed by new measures, reignited volatility in global trade and renewed market uncertainty.

Geopolitical tensions further weighed on the outlook, particularly the Middle East conflict, which drove energy price volatility, disrupted shipping routes, and sustained risk aversion.

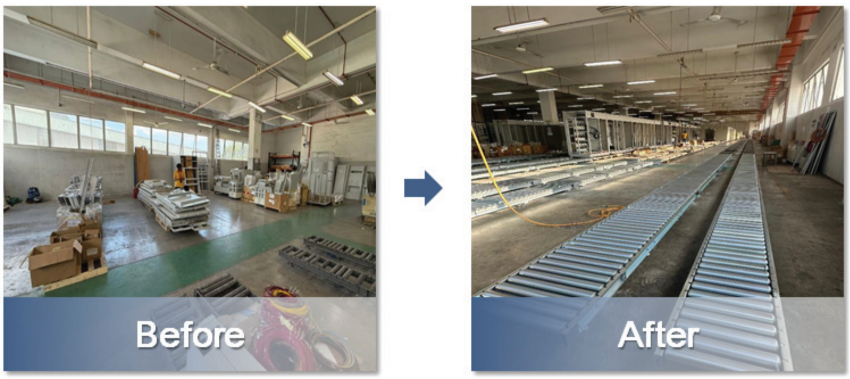
Amid these challenges, Malaysia's economy remained resilient, with gross domestic product ("**GDP**") growth reaching 5.2% in 2025, supported by domestic demand, according to the Ministry of Finance ("**MoF**").

For Powerwell, FY2026 was both challenging and rewarding. Our disciplined and prudent approach enabled us to navigate external uncertainties while maintaining momentum, supported by the continued execution of our 5-pillar growth strategies.

5-PILLAR GROWTH STRATEGIES



In the financial year under review, the Group completed 20% expansion of the assembly lines at our Kota Kemuning plant through the optimisation of existing floor space, with minimal capital outlay, in preparation for the exciting opportunities ahead.



Management Discussion and Analysis (Cont'd)

BUSINESS & OPERATIONAL REVIEW (CONT'D)

Powerwell completed the acquisition of a 51% stake in Firerex in April 2025 for RM4.2 million in cash, extending our product portfolio into fire-suppression systems and strengthening the Group's value proposition across our end-markets. Backed by a vendor profit guarantee of at least RM1.2 million profit after tax ("**PAT**") per annum through 31 March 2026, the acquisition has begun to deliver, contributing positively to FY2026 with cross-selling initiatives underway and integration progressing well across our shared client base.

Under our process improvement pillar, the Group implemented 5S principles to enhance workplace safety, efficiency, and productivity—driving waste reduction, space optimisation, and continuous improvement. In parallel, automation levels at our production facilities are being progressively increased to strengthen throughput and operational consistency.

Won A Data Centre Contract Worth
RM68.5 million
in January 2026

Outstanding Order Book
RM150.8 million
As of 31 March 2026

Our in-house engineering and research and development ("**R&D**") team also made strong technological progress. The team developed artificial intelligence ("**AI**")-enabled software customisations to improve production design efficiency, while introducing a modular design framework that reduces fabrication and assembly time, lowers material costs, and enhances manufacturing scalability.

On the contract front, the Group secured four data centre projects in FY2026, which includes the single largest data centre job at that point of time, worth RM68.5 million in January 2026 from a valued returning client. This underscores our proven delivery track record and strong technical expertise. As of 31 March 2026, Powerwell's order book remains healthy at RM150.8 million, giving clear earnings visibility.

CORPORATE DEVELOPMENTS

40th Anniversary

2026 marked Powerwell's Ruby Anniversary — 40 years of sustained growth, industry relevance, and operational resilience. We commemorated this milestone with a celebration that brought together those who shaped our journey, reflecting on our progress while reaffirming our commitment to the decades ahead.

Since our founding, Powerwell has grown alongside Malaysia's industrial development, establishing a strong presence across key sectors while continuously adapting to evolving market conditions. Throughout this journey, our people have remained our greatest strength. We continue to invest in a culture that recognises and rewards employees, while building the talent pipeline needed to sustain future growth.

Management Discussion and Analysis (Cont'd)

CORPORATE DEVELOPMENTS (CONT'D)

Special Fuel Allowance

Our commitment to our people is not aspirational — it is demonstrated through action. When fuel prices rose and placed an immediate financial strain on our workforce, Powerwell acted swiftly and decisively, introducing a special fuel allowance of RM100 per employee — making us among the first Malaysian employers to proactively roll out such a benefit in direct response to the rising cost of living. This is a reflection of how Powerwell approaches employee welfare, not as a compliance exercise, but as a genuine expression of care for the people who drive our business forward every day.

Employee Share Option Scheme ("ESOS")

In addition, the Group established an ESOS of up to 15% of the total issued shares of Powerwell (excluding treasury shares, if any), as approved by shareholders at an extraordinary general meeting. The ESOS reflects our belief that those who build the business should share in its success, aligning employees' interests with shareholders and fostering long-term value creation.

It recognises the dedication, expertise, and contributions of our team, while strengthening our ability to attract and retain skilled talent. Ultimately, the ESOS serves as both a reward for past achievements and an opportunity for our people to shape the Group's future.

Strategically Expanded Into East Malaysia

On 1 April 2026, Powerwell completed the acquisition of a 49% equity interest in:

I. Tenaga Kenari Sdn Bhd ("**TKSB**") for a total cash consideration of RM12.5 million;

II. Tenaga Kenari Marketing Sdn Bhd ("**TKMSB**") for a total cash consideration of RM4.2 million;

(purchase consideration of TKSB and TKMSB shall be collectively referred to as the "**Total Purchase Consideration**") (TKSB and TKMSB are collectively referred to as "**Tenaga Kenari**")

Established in 1994, Tenaga Kenari is an experienced electrical engineering company with over 30 years of expertise in designing and manufacturing customised, high-performance electrical switchgear and control-gear assemblies. Its offerings include mechanical and electrical ("**M&E**") control systems, process-related control panels integrated with Programmable Logic Controllers ("**PLCs**"), Building Management Systems ("**BMS**"), and Supervisory Control and Data Acquisition ("**SCADA**") solutions.

Supported by an in-house engineering team and over 80 skilled personnel, Tenaga Kenari has built a strong track record across sectors such as semiconductor, high-tech manufacturing, utilities, infrastructure, petrochemical, renewable energy, and industrial and commercial facilities. The company has delivered more than 150 projects, mainly in Sarawak, with an aggregate value exceeding RM100 million over the past 10 years.

In addition to customised solutions, Tenaga Kenari operates dedicated production lines for standardised electrical enclosures, including Low Voltage Current Transformer Cabinets, High Tension Meter Cabinets, and residential Low Tension Meter Cabinets, supplying to Sarawak Energy Berhad. This blend of bespoke engineering and scalable production supports recurring income and sustainable growth.

The acquisition includes a profit guarantee whereby Tenaga Kenari shall achieve a cumulative profit after tax ("**PAT**") of RM12.0 million over three financial years ("**Profit Guarantee**"). Based on a valuation of RM34.0 million and average PAT of RM4.0 million per annum, the total purchase consideration implies a price-to-earnings ("**PE**") multiple of 8.5 times.

CORPORATE DEVELOPMENTS (CONT'D)

Inclusion In The Bursa Malaysia Quality 50 Index

In January 2026, Powerwell was included as a constituent of the newly launched Bursa Malaysia Quality 50 Index ("**BMQ**") by Bursa Malaysia. It selects just 50 companies from the Main Market and ACE Market that are not part of FBMKLCI based on demonstrated financial strength across profitability, capital structure, and earnings quality.

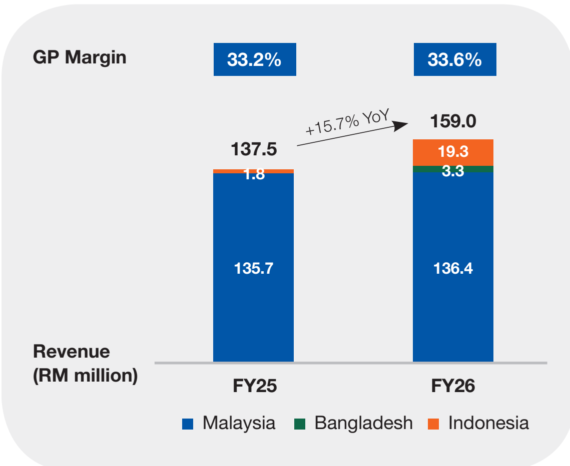
Inclusion In The List Of Shariah-Compliant Securities

Separately, Powerwell has been included in the list of Shariah-Compliant securities by the Shariah Advisory Council ("**SAC**") of the Securities Commission Malaysia ("**SC**") since November 2025. This designation opens our shares to a wider pool of Shariah-sensitive investors and funds, enhancing our market visibility and broadening shareholder participation in our growth journey. Powerwell will endeavour to maintain this status as part of our ongoing commitment to good governance and long-term stakeholder value.

FINANCIAL REVIEW

Revenue

For FY2026, Powerwell's revenue grew 15.7% year-on-year ("**YoY**") to RM159.0 million from RM137.5 million in the prior year. The top-line improvement was predominantly driven by stronger contributions from the Group's operations in Bangladesh and Indonesia, as project deliveries across both markets ramped up during the year. Malaysia remained the Group's anchor revenue contributor, accounting for RM136.4 million or 85.7% of total revenue, while Indonesia contributed RM19.3 million (12.1%) and Bangladesh RM3.3 million (2.1%).

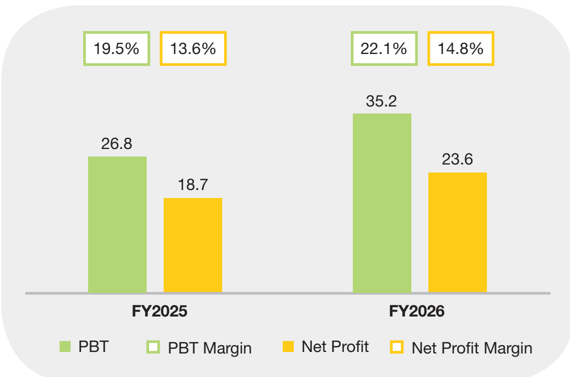


Gross profit ("GP") & GP margin (%)

At the gross profit level, the Group delivered a 17.3% YoY improvement to RM53.5 million from RM45.6 million in FY2025. GP margin remained stable at 33.6%, broadly in line with the 33.2% recorded in the prior year, underpinned by a healthy mix of high-complexity, high-specification projects that command higher margins.

Profit before tax ("PBT") & profit after tax and non-controlling interest ("PATNCI" or "net profit")

The Group posted our 2nd consecutive best-ever PBT performance in the financial year under assessment. In tandem with the rise in revenue, FY2026 PBT rose to a record RM35.2 million vis-à-vis RM26.8 million in the preceding year. Sequentially, net profit reached an all-time high of RM23.6 million for FY2026 from RM18.7 million in the prior year. The Group's net profit has exceeded the RM20 million threshold for the first time.



Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW (CONT'D)

Capital Structure & Capital Resources

The Group's total assets grew to RM196.7 million as of 31 March 2026, from RM182.2 million a year ago — an increase of RM14.5 million or 7.9% YoY. This was predominantly driven by the recognition of goodwill arising from the acquisition of Firerex, alongside a higher inventory. Total cash and cash equivalents as of end-FY2026 stood at RM58.3 million versus RM67.6 million in the previous year.

On the other hand, total equity rose to RM115.5 million as of 31 March 2026, compared to RM97.5 million. This mainly stemmed from a rise in retained earnings. Total liabilities were lower on a YoY basis to RM81.2 million at the close of FY2026 versus RM84.7 million last year. This was chiefly attributed to a reduction in borrowings and lease liabilities to RM11.5 million from RM17.2 million as of 31 March 2025.

Net Gearing, Net Cash Per Share, Net Operating Cash Flow ("NOCF") & Net Assets Per Share

Powerwell remained in a net cash position with net cash per share of 8.1 sen as of 31 March 2026. The Group has been in a net cash position every year since our listing in 2020. Powerwell generated a positive NOCF in the financial year under review, amounting to RM11.1 million. Lastly, the uptrend in the net assets per share continued with an improvement to 19.6 sen per share as of end-March 2026 from 16.8 sen a year ago.

Balance Sheet Highlights as of 31 March 2026

TOTAL ASSETS
RM196.7
MILLION

TOTAL EQUITY
RM115.5
MILLION

TOTAL LIABILITIES
RM81.2
MILLION

TOTAL CASH & CASH EQUIVALENT
RM58.3
MILLION

NET ASSETS PER SHARE
RM19.6
SEN

NET OPERATING CASH FLOW
RM11.1
MILLION

ANTICIPATED OR KNOWN RISKS

Operational Risk

The uninterrupted operation of our manufacturing facilities is critical to fulfilling client commitments and sustaining financial performance. Unplanned disruptions—such as equipment failure, power outages, or unforeseen shutdowns—may delay project deliveries and impact earnings.

To mitigate these risks, the Group maintains comprehensive insurance coverage, including fire, burglary, and personal accident protection. We also recognise risks beyond our control—such as natural disasters, extreme weather, disease outbreaks, civil unrest, and industrial action—and remain vigilant in monitoring and managing their potential impact on our operations.

ANTICIPATED OR KNOWN RISKS (CONT'D)

Supply Chain Disruptions

Supply chain continuity remains a key operational priority, managed with discipline and foresight. The Group maintains close communication with suppliers, monitors inventory closely, and leverages long-standing relationships for reliability and flexibility. A key safeguard is our back-to-back procurement approach, securing raw materials shortly after contract awards to limit price fluctuations and protect project margins. In addition, Powerwell proactively identifies alternative materials and suppliers as contingency measures, ensuring production continuity and reducing reliance on single-source dependencies.

Competition for Skilled Workers

The highly customised nature of switchboard and switchgear manufacturing requires skilled workers with deep technical expertise, a resource that remains scarce and difficult to retain across the industry. The Group addresses this through competitive compensation, structured on-the-job training, and open employee communication, supported by formal talent retention programmes and an Employees' Share Option Scheme that grants eligible employees a direct equity stake in Powerwell—aligning their interests with long-term performance and fostering ownership.

We also invest in building a strong talent pipeline through structured internship programmes with local universities, equipping students with industry-relevant skills while identifying high-potential candidates for future recruitment. Together, these initiatives reflect our belief that recognising, rewarding, and developing our people is essential to sustaining long-term growth.

Political, Economic & Regulatory Risks

Operating across multiple geographies exposes the Group to evolving legal and regulatory frameworks. Changes in policies such as minimum wage, export tariffs, currency exchange, and trade agreements may impact operations and costs. The Group mitigates these risks through full regulatory compliance, proactive engagement with regulators and industry bodies, and close monitoring of policy developments across all markets.

In the current environment of heightened trade uncertainty and shifting geopolitical dynamics, such vigilance is critical. With over 40 years of experience navigating regulatory changes across jurisdictions, we remain confident in our ability to adapt and deliver on our commitments.

OUTLOOK & PROSPECTS

As we move forward, macroeconomic conditions are expected to remain dynamic. The International Monetary Fund ("**IMF**") forecasts global growth to ease from 3.2% in 2025 to 3.1% in 2026, amid rising downside risks. The ongoing Middle East conflict poses a significant challenge, with potential disruptions to energy supply and trade flows that could materially weaken global growth.

These pressures are far-reaching—elevated energy prices are driving broader inflation, disrupting shipping and logistics, and weighing on global sentiment. According to the IMF, global headline inflation is projected to rise to 4.4% in 2026 from an estimated 4.2% in 2025. Together with lingering trade policy uncertainties, these factors create a challenging and unpredictable operating environment for internationally exposed businesses.

Closer to home, the outlook is more positive. Malaysia recorded gross domestic product ("**GDP**") growth of 5.2% in 2025, according to the Ministry of Finance ("**MoF**"), while Bank Negara Malaysia ("**BNM**") projects growth of between 4.0% and 5.0% for 2026, supported by domestic resilience and a diversified export base.

Against this backdrop, the Group remains vigilant, maintaining a disciplined and prudent approach while continuing to execute our 5-pillar growth strategies that have underpinned our performance.

At the same time, structural tailwinds remain strong. Powerwell is well-positioned to capitalise on growth across data centres, infrastructure, renewable energy, and broader industrial expansion, supported by increasing foreign direct investments ("**FDI**") into Malaysia and the region.

Management Discussion and Analysis (Cont'd)

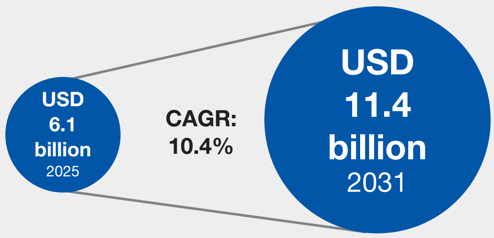
OUTLOOK & PROSPECTS (CONT'D)

Building on Our Data Centre Momentum

June 2026: Secured Single-largest Contract In Powerwell's History Worth
RM158.8 million

In June 2026, the Group was awarded a RM158.8 million data centre contract from a returning customer, eclipsing the previous record of RM68.5 million for a data centre job secured in January 2026. This was a defining milestone — not only the Group's largest data centre win to date, but the single largest contract in Powerwell's history.

Malaysia Data Centre Market Size



The broader market opportunity reinforces the Group's conviction in this segment. Malaysia's data centre industry is forecast to expand from USD6.1 billion in 2025 to USD11.4 billion in 2031, according to Arizton Advisory & Intelligence — driven by rising demand for cloud computing, artificial intelligence infrastructure, and digital connectivity across the region. The Group's established market presence, deep technical capabilities, and demonstrated ability to execute on complex, large-scale projects place Powerwell in a strong position to continue winning in this high-growth space.

Infrastructure & Renewable Energy — Structural Tailwinds Ahead

Beyond data centres, the Group sees strong opportunities in infrastructure and renewable energy. The 13th Malaysia Plan ("**13MP**") development allocation of RM430 billion, alongside public and private initiatives, is expected to drive a sustained pipeline of infrastructure projects. At the same time, the renewable energy outlook in Bangladesh remains bright, where Powerwell has over 15 years of presence and has delivered 100 megawatts ("**MW**") of solar projects. The country is targeting 40% renewable energy by 2041, with solar capacity projected to nearly double to 2,277 MW by 2030.

Together, these structural drivers provide a deep and durable pipeline that the Group is well-positioned to capture.

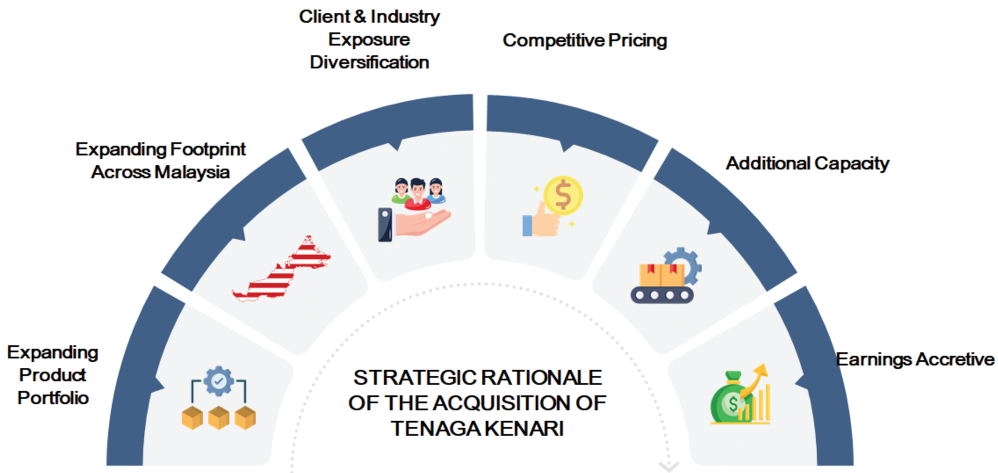
Scaling Up Space To Seize Opportunities

In anticipation of future opportunities, the Group is expanding its manufacturing capacity in both Malaysia and Indonesia. Following the completion of assembly line expansion at our Malaysian plant, we are now increasing capacity in Indonesia with a new 13,000 sqft facility near our existing plant, including 10,000 sqft of manufacturing space—up from the current 6,300 sqft, effectively doubling our production footprint. Assembly line installation at the Indonesian facility is expected to be completed in the near term. Together, these expansions strengthen the Group's operational readiness to support the growing volume and complexity of orders in our pipeline.

OUTLOOK & PROSPECTS (CONT'D)

Expanding Our Reach Into East Malaysia

The acquisition of Tenaga Kenari marks a significant milestone in the Group's geographic expansion, establishing Powerwell's presence in East Malaysia and opening access to the vast opportunities that the region presents. The combination brings together Tenaga Kenari's bespoke engineering capabilities, deep local knowledge, and established customer relationships with Powerwell's execution track record and financial strength — enabling the enlarged Group to pursue and deliver larger, more complex projects than either entity could undertake independently.



Looking ahead, this partnership will meaningfully diversify the Group's customer base and end-market exposure, while reinforcing Powerwell's standing as the leading homegrown power distribution specialist in Malaysia. Taken together, Powerwell's prospects continue to be exciting premised upon the abovementioned factors coupled with our healthy order book of RM150.8 million as of end-March 2026.

DIVIDENDS

Powerwell declared a total dividend of 1.5 sen per share for financial year 2026 (FY2026), amounting to RM8.7 million and representing a dividend payout ratio of 36.9% based on FY2026 net profit, compared to 1.0 sen per share and 31.0% in financial year 2025 (FY2025). This reflects the Group's consistent track record of rewarding shareholders over the past three financial years.

The Board remains committed to disciplined financial management, balancing shareholder returns with maintaining sufficient reserves to fund growth and strategic initiatives. In line with this, the Board aims to deliver a consistent and sustainable dividend stream, guided by operating cash flow, financial obligations, and planned capital expenditure.

As the Group's earnings base strengthens, we aspire to progressively enhance shareholder returns in line with the continued growth and performance of the business.

FY2026 DIVIDEND PER SHARE

1.5 sen

FY2026 DIVIDEND PAYOUT

36.9%

Management Discussion and Analysis (Cont'd)

APPRECIATION

On behalf of the Board, I extend my sincere appreciation to the Powerwell team for their grit, adaptability, and competence, which enabled us to achieve our best-ever bottom-line performance—a testament to our shared purpose and determination.

I also express my deepest gratitude to our stakeholders—including shareholders, customers, business partners, and suppliers—for their unwavering support and trust, which have been instrumental in our continued progress and value creation.

I would like to warmly welcome Ms. Tee Joe Ee, who joined the Board as Non-Independent Non-Executive Director in December 2025. She brings valuable expertise in project management, strategic business development, and property management, alongside strong leadership and international experience that have positively contributed to the Group.

Finally, I thank my fellow Board members for their professionalism, insight, and camaraderie. It is a privilege to serve alongside you, and I am confident that, together, we will continue to drive the Group forward, achieve new milestones, and create enduring value for all stakeholders.

Sincerely,

Wong Yoke Yen
Managing Director

SUSTAINABILITY STATEMENT

LEADERSHIP STATEMENT

At Powerwell Holdings Berhad, sustainability is recognised as part of our responsible business practice and compliance with regulatory requirements. In FYE 2026, we focused on improving our internal processes by monitoring energy use, recycling metal by-products, and expanding employee training to uphold workplace safety and technical standards.

Governance remains the anchor of our approach. With oversight from the Board of Directors and the Audit and Risk Management Committee, we continue to uphold integrity, transparency, and adherence to laws and regulations. Policies on anti-corruption, whistleblowing, and labour practices safeguard our operations and stakeholders. While our sustainability journey is steady and practical, we are committed to incremental improvements that meet compliance standards and contribute to Malaysia's power sector with dependable products and services. We extend our sincere appreciation to our customers, employees, suppliers, investors, regulators, and communities for their continued trust and support in this journey.

ABOUT OUR SUSTAINABILITY STATEMENT

This Statement details the environmental, social and governance ("ESG") performance of Powerwell Holdings Berhad ("Powerwell" or "the Group").

Reporting Scope and Boundaries

Our reporting period for this Statement covers the financial year ("FYE") of 2026 from 1 April 2025 to 31 March 2026. This Statement covers the operations of Powerwell located in Malaysia, which includes:

- Kejuruteraan Powerwell Sdn Bhd
- Powerwell International Sdn Bhd
- Powerhouse Field Sdn Bhd
- Powerwell Marketing Sdn Bhd

Reporting Framework

This Statement has been prepared in alignment with Bursa Malaysia enhanced Sustainability Reporting Framework, ACE Market Listing Requirements and the Malaysian Code of Corporate Governance. The statement takes reference from the United Nations Sustainability Development Goals ("UNSDG"), and the Global Reporting Initiative ("GRI").

Assurance

The Statement has not been subjected to external assurance process. All information and data disclosed have been internally reviewed by the Audit and Risk Management Committee for accuracy and consistency. We will evaluate the need for independent assurance process in the following year.

OUR SUSTAINABILITY OBJECTIVES

At Powerwell, we believe that a reliable and efficient electrical infrastructure is the driving force towards a sustainable future. Our core business remains the provision of skilled manpower, professional project management, and reliable support services. By sourcing components from various suppliers, we innovate on flexible, safe, and efficient electrical solutions that suit our customers' demands and budgets. These solutions provide smart energy across homes, buildings, data centres, industries, infrastructure, and grids. Through an inclusive culture, we empower our people to provide the electrical backbone necessary for Malaysia's evolving energy landscape, ensuring a steady and sustainable path forward for all stakeholders.

Sustainability Statement (Cont'd)

OUR SUSTAINABILITY OBJECTIVES (CONT'D)

Our FYE 2026 agenda prioritises the tangible reduction of environmental impact and the continuous development of our people. Recognising our role as a key link in the energy value chain, we have intensified our efforts in promoting Occupational Health and Safety, resulting **100%** employee attendance for health and safety training, regardless of job scope. Internally, we are bolstering our Talent Development and Retention by achieving a **144%** increase in total training hours, ensuring our workforce remains at the forefront of technical excellence and safety standards. Furthermore, we are refining our Waste Management protocols by transitioning our logistics and assembly operations toward a circular model, specifically targeting on recovery of high-value steel and copper scrap.

Sustainability Focus Areas	FYE 2026 Highlights
Occupational Health and Safety	**All** our employees attended health and safety training, regardless of job scope
Talent Development and Retention	**144%** increase in total training hours; drastically reduced employee turnover
Waste Management	**190.93 tonnes** of metal by-products recycled

STAKEHOLDER ENGAGEMENT

At Powerwell, trust is at the heart of everything we do; it is the foundation upon which we nurture existing partnerships and the catalyst for discovering new opportunities. By building on the formal engagement and mapping processes established last year, we have continued to deepen the trust of our stakeholders. These ongoing interactions facilitate better understanding of their expectations and timely responses to key concerns, leading to informed decisions across our business.

Stakeholders	Areas of Interest	Method of Engagement	Frequency
Customers	• Product and service quality • Competitive pricing • On-time order • Customer experience and support	• Customer feedback • Surveys • Site inspection • Website	• Throughout the year
Employees	• Career development and training opportunities • Workplace health and safety • Equal opportunity and compensation	• Development and training programmes • Meetings and discussions • Performance reviews	• As and when required • Annually
Suppliers & Contractors	• Contractual agreements • Reliability • Procurement standards • Payment practices	• Supplier audits • Site visits • Forums and exhibitions	• As and when required • Annually
Investors & Shareholders	• Business performance • ESG practices and commitments • Risk management	• Results announcements • Annual report • Website	• Quarterly • Annually
Government & Regulators	• Legal compliance • Effective corporate governance • Health, safety and environment certifications	• Government initiatives • Audits and inspections • Meetings • Site visits	• As and when required • Annually

MATERIALITY ASSESSMENT

We believe that to stay relevant, we must focus on the issues that truly drive our success and create lasting value. These "material matters" are the guideposts that shape our strategy and define our ability to serve our stakeholders effectively. In FYE 2026, we reached out to both our internal teams and external partners to conduct a fresh materiality assessment, ensuring our focus remains aligned with the world around us.

The results of this assessment show a clear evolution in what matters most. While our core values remain steady, we have seen "Business Ethics and Anti-Corruption" gain significant momentum in our matrix, and "Talent Development and Retention" has emerged as a top-priority topic for the first time. We have also sharpened our language to be more precise; for example, we have renamed "Customer Centric and Engagement" to "Product Safety and Quality" to better highlight our dedication to engineering integrity. Looking ahead, we will continue to revisit these priorities to stay agile and responsive to shifting market dynamics and regulatory changes.

Our materiality assessment process is detailed as follows.

Step 1

Identification

Internally, we revisited previous identified material sustainability topics through desktop research on industrial peers, industrial standards and current business operation. The material topics are sustainability matters that are significant to the Group's stakeholders and reflect the Group's business operations.

Step 2

Prioritisation

Following the identified material topic, a targeted online questionnaire was disseminated to internal and external stakeholders to ensure alignment with the overarching strategy. Material topics were then evaluated based on a dual-materiality lens: assessing both the environmental or social impact, as well as the potential impact on the Group's financial performance and reputation.

Step 3

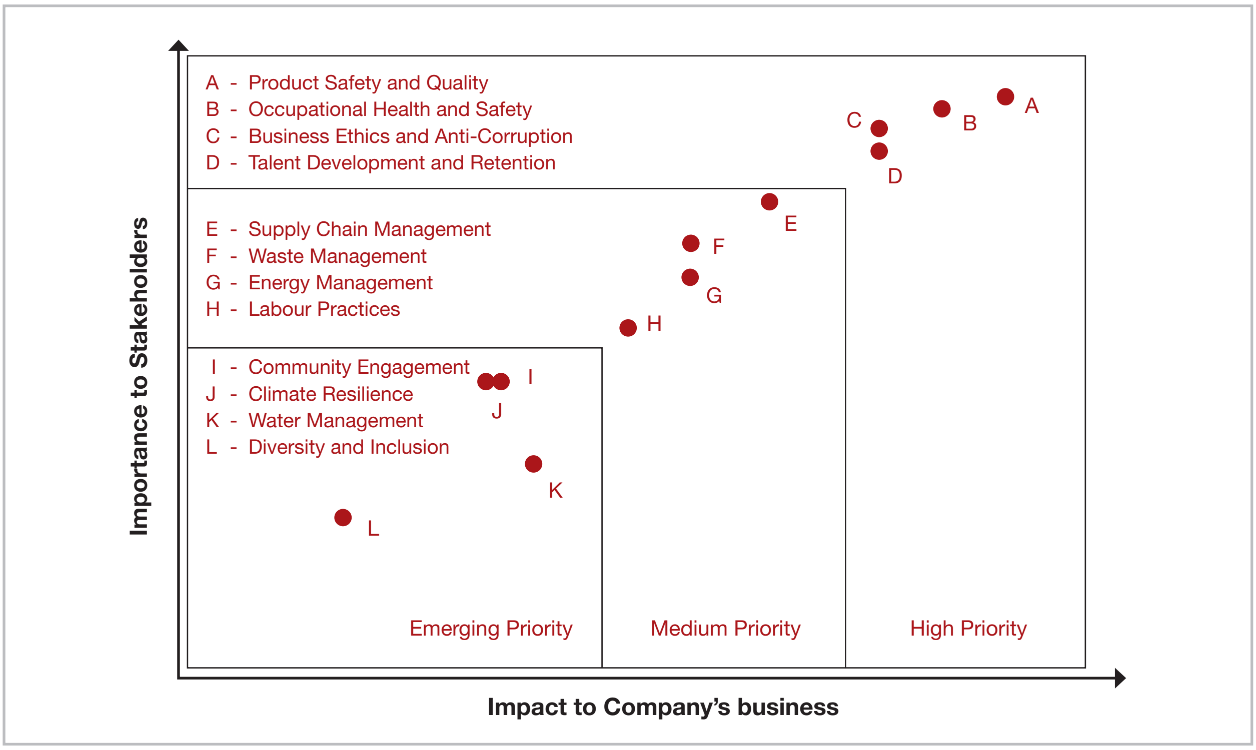
Validation

The outcomes derived from the prioritisation phase were reviewed by the Management Team to ensure tight alignment with the Group's overall business objectives. Subsequently, the definitive Materiality Matrix and the final list of material topics were reviewed and approved by the Board of Directors.

Sustainability Statement (Cont'd)

MATERIALITY ASSESSMENT (CONT'D)

Materiality Matrix FYE 2026



Material Topic	Significance to Powerwell	Priority
Product Safety and Quality	Power distribution equipment must meet strict technical and safety standards to prevent electrical failures, fire hazards, or infrastructure disruption. High product quality protects customers, reduces warranty claims, ensures regulatory compliance, and strengthens our reputation in infrastructure and energy projects.	High
Occupational Health and Safety	Manufacturing electrical equipment and performing installation or engineering works involve risks such as electrical hazards, heavy machinery, and workplace accidents. Strong safety management protects employees, reduces downtime, ensures regulatory compliance, and lowers insurance and liability costs.	High
Business Ethics and Anti-Corruption	Engineering procurement projects often involve large contracts, tender processes, and multiple stakeholders. Strong anti-corruption and ethical governance systems help prevent bribery, protect corporate integrity, and maintain compliance with regulatory frameworks and investor expectations.	High

MATERIALITY ASSESSMENT (CONT'D)

Materiality Matrix FYE 2026 (Cont'd)

Material Topic	Significance to Powerwell	Priority
Talent Development & Retention	Skilled engineers, technicians, and technical specialists are essential to our operations. Trained and committed employees ensure operational excellence, innovation capacity, and employee retention in a digitalising industry.	High
Supply Chain Management	Powerwell depends on specialised components and electrical parts from suppliers. Effective supply chain management ensures continuity of supply, mitigates disruptions, manages supplier risks, and supports responsible sourcing practices aligned with ESG commitments.	Medium
Waste Management	Our processes generate industrial waste such as metal scraps, packaging materials, and electronic components. Proper waste management reduces environmental impact, supports regulatory compliance, and improves resource efficiency.	Medium
Energy Management	Important for strategic future positioning as a provider of green-compliant distribution systems. Supporting energy transition initiatives creates new business opportunities, strengthens long-term competitiveness, and aligns the company with global decarbonisation trends.	Medium
Labour Practices	Fair employment conditions, compliance with labour laws, and respect for worker rights are critical for maintaining employee morale, reducing turnover, and avoiding legal or reputational risks.	Medium
Climate Resilience	Manufacturing facilities consume energy and may generate greenhouse gas ("GHG") emissions. Managing emissions, improving energy efficiency, and preparing for climate-related risks helps the company align with investor expectations and future climate regulations.	Emerging
Community Engagement	Powerwell operates within local communities where manufacturing facilities and engineering projects may affect stakeholders. Community engagement strengthens relationships, builds social trust, and supports corporate citizenship initiatives.	Emerging
Water Management	Our operations require water for cleaning, cooling, and facility operations. Responsible water management helps ensure compliance with environmental regulations and supports resource efficiency.	Emerging
Diversity and Inclusion	Promoting diversity and equal opportunities enhances innovation, strengthens organizational culture, and helps attract talent in engineering and technical roles that traditionally have gender imbalances.	Emerging

Sustainability Statement (Cont'd)

OUR SUSTAINABILITY APPROACH

Powerwell's Sustainability Framework is structured around Economic, Environmental, Social and Governance ("EESG") pillars which collectively guide the Group's approach to managing the risks and opportunities of the material sustainability matters. These pillars are aligned with the UNSDGs to ensure that the Group's initiatives support global sustainability priorities while remaining relevant to its core business activities.

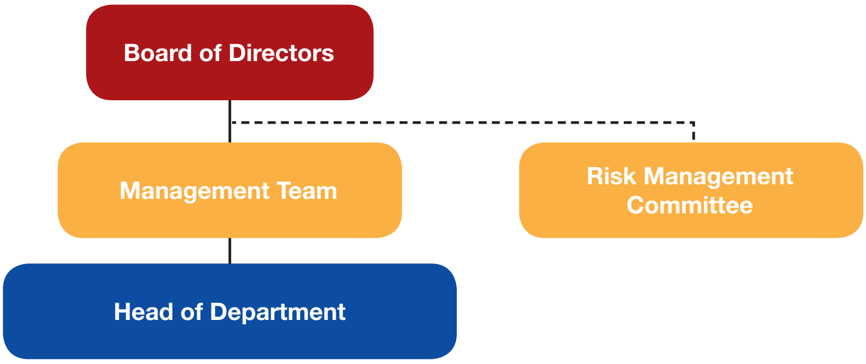
UN SDGs	Relevant Targets	Description & Initiatives in FYE 2026
SDG 3: Good Health & Well-Being	Ensure safe working environments and reduce occupational risks.	Achieved 100% employee participation in health and safety training, strengthened workplace safety protocols, and reduced accident risks across manufacturing and installation activities.
SDG 4: Quality Education	Increase access to skills and lifelong learning.	Delivered a 144% increase in training hours, improved technical excellence, and reduced turnover through structured talent development programmes.
SDG 8: Decent Work & Economic Growth	Promote decent work conditions and fair labour practices.	Enforced compliance with Malaysian labour laws, protected young workers, ensured equal opportunity and compensation, and maintained zero human rights violations.
SDG 12: Responsible Consumption & Production	Reduce waste generation through prevention, reduction, recycling, and reuse.	Transitioned logistics and assembly operations toward circularity, recycling 190.93 tonnes of steel and copper by-products in FYE 2026.
SDG 13: Climate Action	Strengthen resilience and adaptive capacity to climate-related risks.	Established 2026 as baseline year for GHG disclosures (Scope 1, 2, and selected Scope 3), reduced Scope 2 emissions through energy efficiency, and initiated monitoring of fuel consumption for Scope 1 emissions.

GOVERNANCE

Powerwell recognise that trust is anchored in the strength of our governance. The Group is dedicated to cultivating robust systems that uphold the highest standards of integrity and transparency. While our journey is one of continuous growth and refinement, we are making steady, meaningful strides in maturing our frameworks to ensure we remain a dependable partner to all our stakeholders.

Sustainability Governance Structure

Powerwell continues to adopt a three-tiered sustainability governance framework in FYE 2026 that serves as the foundation for our sustainability journey and long-term business success.



- **The Board of Directors:** The Board of Directors has ultimate responsibility and oversight for the Group's sustainability strategy, which reviews and approves the Group's material topics, climate strategy, and annual sustainability statement. Every member is expected to conduct themselves with the highest level of professionalism and integrity while fulfilling their fiduciary duties. This commitment is formalised through our Board Charter which serves as an integral guide for the duties of each director and is reviewed on an annual basis to ensure it effectively optimises corporate performance and accountability to all stakeholders.

- **Management Team:** The team translates Board's ESG directives into operational reality. They are responsible for formulating targets, monitoring performance, and ensuring resource allocation for ESG initiatives. They are required to approve all sustainability data before it is submitted to the Board of Directors for final review.

- **Heads of Department:** Operational execution is decentralised to the respective Heads of Department (examples include Procurement, Operations, HR), ensuring that sustainability is embedded in daily workflows rather than treated as a standalone function.

The Board of Directors delegates responsibilities to an independent Audit and Risk Management Committee ("ARMC") which oversees the adequacy of internal controls, risk management processes, and data governance for material ESG matters and reviews the alignment of sustainability disclosures with regulatory requirements and recognised reporting frameworks.

While a formal ESG Committee has yet to be established and remains under development, sustainability initiatives are currently being overseen by the respective Heads of Department, with guidance and oversight provided by the Management Team. Upon its establishment, the ESG Committee will report directly to the Board and play a key role in ensuring the effective implementation and monitoring of the Group's strategic ESG initiatives. The Committee will be responsible for advancing the Group's sustainability agenda, providing strategic guidance, and ensuring alignment with evolving stakeholder expectations and regulatory requirements.

Sustainability Statement (Cont'd)

GOVERNANCE (CONT'D)

Business Ethics and Anti-Corruption

Our ethical standards are clearly defined in the Code of Conduct and Ethics as well as the Code of Business Conduct and Integrity Policy. These documents establish a standard of behaviour for all directors and employees based on the principles of transparency and accountability. We maintain a strict zero tolerance approach toward bribery and corruption which is communicated to all employees, suppliers, and customers. This includes a comprehensive gift policy where no employee may offer or accept gifts in the form of money, loans, or kickbacks that could improperly influence a business relationship. The Group has established and adopted the Anti-Bribery and Anti-Corruption ("ABAC") Policy, guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018). The ABAC Policy sets out the parameters to prevent the occurrence of bribery and corrupt practices and to provide information and guidance to all employees, directors and associated third party on how to recognise and handle bribery and corruption incidents. To reinforce these values, 94.6% of our management-level staff attended Anti-Bribery and Anti-Corruption training organised by professional training providers in FYE 2026.

In December 2025, Powerwell conducted an internal control review focusing on strengthening governance, risk management, and compliance practices. The assessment covered key operational areas including corporate policies, financial management, procurement, sales, inventory, production, and human resources. While the review noted that certain processes such as authority limits, SOP documentation, and departmental KPIs are still being formalised, these gaps reflect the subsidiaries' ongoing learning and integration into Powerwell's wider governance framework. Importantly, approximately 30% of the scope, covering authority limits and procurement/vendor evaluation, was directly assessed for corruption risk, ensuring alignment with the Guidelines on Adequate Procedures under Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

Powerwell acknowledges these findings as part of its growth journey and is committed to implementing improvements in a measured manner. The Board and ARMC will continue to oversee the strengthening of controls, documentation, and compliance systems, reinforcing stakeholder confidence in the Group's integrity and resilience.

Whistleblowing Policy

The Group has also established a formal Whistleblowing Policy to provide a safe channel for employees and stakeholders to report genuine concerns about malpractices or illegal acts. This includes the reporting of suspected fraud, abuse of power, or the misuse of confidential information without the fear of reprisal. We treat any form of retaliation against a whistleblower as gross misconduct. Reports are investigated thoroughly by considering the seriousness and credibility of the allegation and the results are then deliberated by the ARMC. If a person is not satisfied with the initial handling of their reports, they may escalate the matter directly to the Chairman of the ARMC, Selma Enolil Binti Mustapha Khalil, for further independent review.

Human Rights and Labour Practices

The protection of human rights and the welfare of younger workers is another critical component of our governance oversight. We strictly comply with the Children and Young Persons Employment Act 1966 and have implemented a specific policy to protect those under the age of eighteen. We define a child as anyone who has not completed their fifteenth year and a young person as someone under eighteen. Our policy ensures that young workers are never exposed to hazardous conditions or verbal abuse and are prohibited from working night shifts between 8 PM and 7 AM. We also guarantee that these workers receive at least twelve hours of rest each day and one full day off per week. Our Human Resources department maintains a rigorous age verification process during hiring to ensure total compliance with national laws. We are pleased to report zero cases of human rights violation in FYE 2026, continuing the same record from the previous years.

ENVIRONMENT

Environment Policy

Powerwell believes that responsible manufacturing starts with a clear framework that addresses the entire lifecycle of our electrical distribution systems. Our environmental commitment is anchored by a formal Environment Policy to ensure that our environmental stewardship is consistent across all our facilities. This systematic approach allows us to move beyond mere compliance, fostering a culture where every team member understands their role in reducing our collective footprint and contributing to a more sustainable industrial landscape.

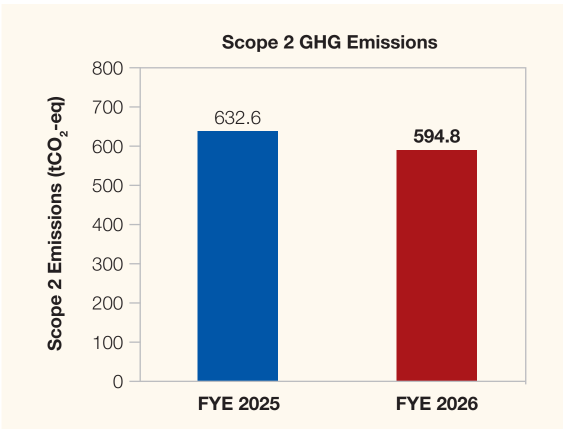
Climate Resilience

Climate resilience has evolved from a corporate responsibility into a fundamental pillar of Powerwell's commercial viability. With Malaysia's formal commitment to implementing a Carbon Tax by 2026, the financial landscape for the electrical and manufacturing sectors is undergoing a paradigm shift. This pricing mechanism, which initially targets carbon-intensive industries such as iron, steel, and energy, represents a direct financial risk to our supply chain. For Powerwell, carbon footprint is no longer just an environmental metric; it is a future cost of doing business. As the price per tonne of CO_2 is formalised, unmanaged emissions will lead to higher raw material costs and potential "carbon leakage" across our value chain. By quantifying our footprint now, we are de-risking our financial future and ensuring our competitiveness in a low-carbon economy.

GHG Emissions	Scope 1 Emissions (direct)	Scope 2 Emissions (indirect)	Scope 3 Emissions (indirect)
Sources that are measured in FYE 2026	• Diesel in heavy vehicles • LPG gas in furnaces • CO_2 laser	• Purchased electricity	• Business travel • Employee Commuting
FYE 2026 Emissions (tonnes CO_2 equivalent)	80.2	594.8	161.8
FYE 2025 Emissions (tonnes CO_2 equivalent)	–	632.6	–

Note: Emissions factors used for calculating Scope 1 emissions are 2.66155 kg CO_2e per L for diesel, and 2.33984 kg CO_2e per L for petrol combustion. Source: United Kingdom Department of Security and Net Zero ("UK DEFRA") published factors (2025). Grid emission factor used for calculating Scope 2 emissions is the latest available published value of 0.740 kg CO_2 per kWh for Peninsular Malaysia. Source: Energy Commission Malaysia (2024). Scope 3 emissions for Business Travel are calculated using RM 1.99/L subsidised rate for RON 95 petrol for petrol claims, and UK DEFRA published emission factor of 2.33984 kg CO_2e per L for petrol combustion in cars.

In FYE 2026, the Group reached a significant milestone in our environmental stewardship by expanding our carbon reporting to cover a greater proportion of our value chain. We are proud to report that our Scope 2 (Indirect) emissions, derived from purchased electricity, have seen a measurable reduction in FYE 2026 compared to the previous year. This achievement is a direct result of our focused efforts on operational efficiency and energy conservation across our manufacturing facilities. Building on this momentum, we are disclosing our Scope 1 (Direct) and selected Scope 3 (Value Chain) emissions for the first time. By accounting for the direct impacts of our operations and the broader footprint of our supply chain, we are gaining the comprehensive data necessary to manage transition risks effectively.



Sustainability Statement (Cont'd)

ENVIRONMENT (CONT'D)

Climate Resilience (Cont'd)

To ensure our progress is measurable and accountable, we have established 2026 as our baseline year for these disclosures. This baseline will serve as the essential benchmark against which all future decarbonisation targets and climate resilience strategies will be measured. We acknowledge that other Scope 3 categories, particularly those arising from our customers' use of our electrical products (Scope 3.11), are significant and likely exceed our current Scope 1 and Scope 2 totals. We are, therefore, actively exploring robust measurement systems to enable the accurate tracking and reporting of these downstream emissions in the coming years, ensuring Powerwell remains a transparent and dependable leader in the regional energy transition.

Fuel Management

In FYE 2026, we monitored and managed fuel consumption associated with our mobile operations as part of its broader energy management and GHG emissions tracking. Fuel usage for the year primarily arose from the operation of company vehicles supporting logistics, site visits, and operational activities.

Diesel consumption totalled 8,711.5 litres, which was attributed mainly to the operation of our trucks used for material transportation and logistics support. Petrol consumption amounted to 8,056.4 litres, arising from the use of company vehicles for operational and administrative travel.

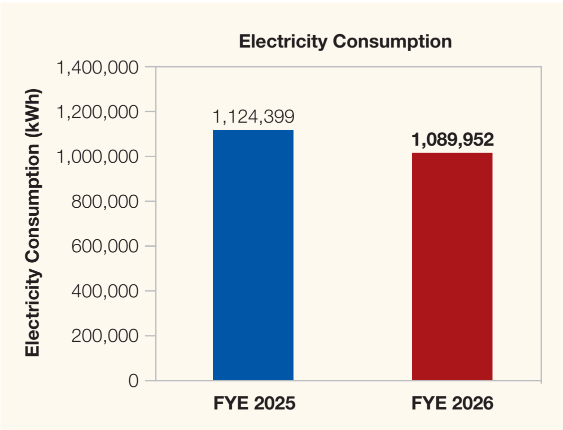
The resulting direct GHG emissions from fuel combustion were calculated using recognised emissions factors, with diesel fuel consumption contributing 23.19 tonnes of CO_2 equivalent, while petrol consumption contributed 18.85 tonnes of CO_2 equivalent. These emissions are reported as part of the Group's Scope 1 (Direct) greenhouse gas emissions, representing emissions sources that are directly controlled by the Group.

FYE 2026 Fuel Consumption (L)		Scope 1 Emissions (tonnes CO_2 equivalent)
Diesel	8,711.5	23.2
Petrol	8,056.4	18.9

By monitoring fuel consumption by vehicle type, we gain better visibility over emissions intensity associated with its transport activities. This data establishes an important baseline for future fuel efficiency initiatives, route optimisation, and vehicle utilisation planning, as well as for assessing potential emissions reduction opportunities as climate-related regulatory expectations continue to evolve.

Energy Management

We recognise that energy consumption is a relevant environmental matter given the nature of our manufacturing operations, which rely on equipment such as CNC laser cutters, hydraulic press brakes, welding machines, curing ovens, as well as air-conditioning and mechanical ventilation systems. As a result, electricity usage forms a significant part of our operating cost and environmental footprint and is therefore monitored as part of our day-to-day operations.



ENVIRONMENT (CONT'D)

Energy Management (Cont'd)

We track electricity consumption across our facilities and review trends periodically to identify areas where usage can be reduced or managed more efficiently. In FYE 2026, our total energy consumption was 1,089,952 kWh, a decrease from 1,124,399 kWh in FYE 2025 (restated). This reduction was mainly attributed to incremental efficiency improvements in our operations and better control over energy usage in production areas. In parallel, we also monitor energy intensity to better understand consumption relative to business activity. Energy intensity per revenue improved significantly to 0.00685 kWh per RM in FYE 2026 from 0.00819 kWh per RM in FYE 2025, signifying an improved energy efficiency across our operations.

Part of our electricity needs is supported by on-site solar generation. In FYE 2026, solar output amounted to 286,174 kWh, contributing approximately 26.3% of our total electricity consumption, compared to 269,545 kWh or 24.0% in the previous financial year. This has helped to partially offset our dependence on grid electricity.

During FYE 2026, several practical measures were implemented to manage electricity usage. These included replacing conventional lighting with LED lighting in production areas, installing high-volume low-speed fans to improve air circulation in factories, and reinforcing a power-off practice to reduce unnecessary usage when equipment is not in operation. These measures were implemented where feasible within existing operations, and we continue to review opportunities to improve equipment efficiency over time.

We also encourage employees to be mindful of energy usage during daily operations, particularly in relation to switching off idle machinery, lighting, and cooling systems. While these are simple measures, they contribute to overall reductions in electricity consumption when applied consistently.

We will continue to monitor our energy consumption and maintain a focus on operational efficiency. Based on current practices, we aim to maintain a general downward trend in electricity consumption where operationally practical, considering production requirements and operational constraints. Improvements will be implemented on a practical basis, with a focus on managing usage more efficiently over time rather than committing to specific reduction targets.

Financial Year End	Total Energy Consumption (kWh)	Main Areas of Energy Consumption	Energy Savings Initiatives FYE 2026	Solar Output (kWh) and Offset (%)
FYE 2026	1,089,952	• CNC laser cutters • Hydraulic press brakes • Welding machines • Curing ovens • Air-conditioning and mechanical ventilation	• Switching to energy-efficient LEDs • High-volume low-speed (HVLS) fans installed at factories • Power off policy	286,174 kWh (26.3%)
FYE 2025	1,124,399 (restated)			269,545 kWh (24.0%)

Financial Year End	Revenue (RM)	Energy Intensity (kWh/RM)
FYE 2026	159,093,269	0.00685
FYE 2025	137,513,843	0.00818

Sustainability Statement (Cont'd)

ENVIRONMENT (CONT'D)

Waste and Effluents Management

Responsible resource management is a fundamental pillar of Powerwell's environmental commitment. In FYE 2026, we achieved a significant milestone in our waste-to-wealth journey by successfully recycling approximately 190 tonnes of metal scrap at our Kota Kemuning facility. Our manufacturing process, which involves the precision fabrication of steel enclosures and high-conductivity copper busbars, naturally generates high-value metallic off-cuts. 190.93 tonnes of metal scraps were generated at our facilities in FYE 2026, which were then sorted by source into standard waste, programming waste, cutting waste, quality waste, rejection waste, and miscellaneous waste. By partnering with third-party metal recovery contractors strictly qualified by the Department of Environment ("DOE") Malaysia, we ensure that most of this metal waste is reintegrated into the circular metal economy. Through rigorous sorting at source and streamlined logistics, we have transformed an operational output into a valuable resource, providing a secondary revenue stream which acts as a natural hedge against raw material price hikes.

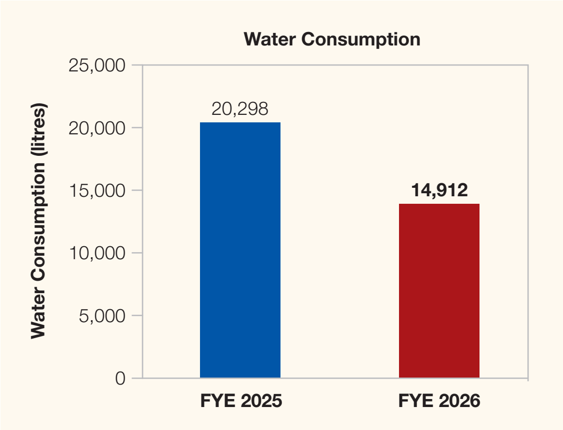
As detailed in our Environmental Policy, our waste management strategy comprises domestic, scheduled and chemical waste categories. For domestic waste such as operational plastics, our primary focus is on the reduction of product energy consumption, which aligns our internal efficiencies with the sustainability of the solutions we provide to our customers. When dealing with scheduled waste such as hydraulic fluids, we work closely with our suppliers to ensure they provide necessary servicing and collect any leftovers for proper treatment.

Furthermore, for any chemical wastage that cannot be disposed of through standard means, such as iron phosphate used as degreaser, we adhere to rigorous disposal timelines, ensuring that chemicals are collected by licensed third-party contractors within 6 months or once they reach a weight of 1 metric tonne, thereby preventing any long-term environmental risks at our sites. Moving forward, we aim to strengthen the data collection of our total generated waste streams to enable direct intervention and target setting for future disclosures.

Waste Type	Total Recycled (FYE 2026)
Metal Scraps	190.93 tonnes

Water Management

Powerwell manages water use through efficient fixtures and regular monitoring of our facilities. As a manufacturer of electrical distribution systems, our water footprint is primarily associated with sanitation and drinking water within our facilities, as well as general maintenance and cleaning of our assembly areas. In FYE 2026, we reduced our total consumption to 14,912 litres, down from 20,298 litres in FYE 2025. This 26.5% decrease reflects our commitment to resource conservation and operational efficiency within our manufacturing footprint.



Water Management	FYE 2025	FYE 2026
Water Consumption (litres)	20,298	**14,912**

ENVIRONMENT (CONT'D)

Our Unique Contribution to Environmental Projects

Our manufacturing capability in medium-voltage switchgear enables us to support renewable energy infrastructure, including solar power plants in Bangladesh with capacities of 30 MW and 100 MW in FYE 2025, contributing to the reliability and stability of local power supply. By supplying critical electrical distribution equipment for these solar installations, the Group plays a role in facilitating the integration of clean energy into national grids, helping to reduce reliance on fossil fuel–based electricity generation and supporting the broader transition towards a lower-carbon energy system.

In addition, our air-insulated switchgear systems are deployed at the Ulu Jelai Hydroelectric Plant in Cameron Highlands, ensuring safe and efficient power distribution within the hydroelectric generation facility. These projects demonstrate how our engineering and manufacturing capabilities support renewable power generation and grid stability, forming an important component of the Group's environmental sustainability strategy by enabling cleaner energy production, improving energy efficiency within power infrastructure, and contributing to long-term climate resilience in the energy sector.

ECONOMICS & BUSINESS

Supply Chain Management

At Powerwell, we rely on a network of suppliers and contractors to support our manufacturing and project delivery, particularly for specialised electrical components and materials, and disruptions or quality issues within the supply chain can directly affect our ability to meet project timelines and customer requirements. We therefore monitor our supplier base as part of our operational processes, with a focus on maintaining a stable and responsive network.

To reduce operational risk, we maintain a mix of local and international suppliers rather than relying on a single source or region. In FYE 2026, local suppliers accounted for 36.6% of our supplier base, compared to 32.2% in FYE 2025, while international suppliers accounted for 63.4%, compared to 67.8% in the previous year. This reflects a slight increase in local sourcing, which provides more flexibility in meeting project requirements and managing lead times.

We assess our suppliers and subcontractors using a structured internal evaluation process. Suppliers are reviewed based on operational factors such as workmanship, adherence to delivery schedules, responsiveness to instructions, housekeeping and safety practices, management commitment, material control, manpower resources, supervision, technical capability, and cost competitiveness. In addition to operational performance, we also check for the presence of formal policies, including environmental, safety and health, anti-corruption, whistleblowing, and other business conduct-related policies. These criteria are reflected in our supplier assessment framework and are scored to form an overall evaluation of supplier performance.

Supply Chain Management	FYE 2025	FYE 2026
Local suppliers	32.2%	**36.6%**
International suppliers	67.8%	**63.4%**
Number of supplier desktop evaluations conducted	136	**145**

Based on the results of these assessments, suppliers are categorised to determine whether they remain on our Approved Vendor List, are subject to restrictions, or require further review. This allows us to monitor supplier performance and take follow-up action where necessary. In FYE 2026, a total of 145 supplier desktop evaluations were conducted, compared to 136 in FYE 2025, indicating continued monitoring of supplier performance.

Sustainability Statement (Cont'd)

ECONOMICS & BUSINESS (CONT'D)

Supply Chain Management (Cont'd)

In practice, supplier selection continues to be guided primarily by technical capability, reliability of supply, and cost considerations. Where available, we also consider factors such as the supplier's certifications (for example ISO standards) and the presence of relevant policies, particularly for key suppliers. These considerations are applied on a case-by-case basis depending on project requirements and availability of suppliers.

We will continue to carry out supplier evaluations and maintain a balanced supplier base to support our operations, with any improvements implemented progressively based on operational needs and procurement practices.

Product Safety and Quality

Powerwell's reputation as a trusted partner in the electrical distribution industry builds upon our unwavering commitment to product quality and safety. In an environment where electrical failure can have significant safety and financial consequences, we ensure that every switchboard we design, manufacture, and commission meets the highest international benchmarks for reliability and performance.

Our quality assurance ("QA") framework is anchored by our ISO 9001:2015 certification, which governs our end-to-end operational processes. This management system ensures that our products are not only built to precision but are also subject to rigorous quality control procedures at every stage of production. To provide our stakeholders with ultimate peace of mind, our solutions are certified by ASTA by Intertek, a globally recognised mark of safety and excellence in the electrical sector. This certification confirms that our assemblies have undergone stringent testing to ensure compliance with IEC Standards 60439 and 61439, the definitive global regulations for low-voltage switchgear and control gear.

SOCIAL

Occupational Health and Safety ("OHS")

At Powerwell, the safety and well-being of our people are non-negotiable. Our operations involve inherent risks, including high-voltage testing, heavy lifting, and complex on-site installations. A robust safety culture prevents costly operational disruptions, reduces potential legal liabilities, and ensures the continuity of our project timelines. By treating OHS as a foundational discipline, we protect the technical expertise that drives our competitive advantage.

In FYE 2026, we are proud to report a Lost Time Injury Rate ("LTIR") of zero, with no work-related fatalities recorded across our operations. This exemplary performance is underpinned by our comprehensive management system, which holds a valid ISO 45001:2018 certification for the Design, Manufacturing, and Commissioning of Switchboards. This international standard ensures that safety is integrated into every stage of our product lifecycle, from the initial fabrication in our facilities to the high-voltage environments where our teams perform on-site commissioning.

Forklift skills, safety and daily maintenance training

SOCIAL (CONT'D)

Occupational Health and Safety ("OHS") (Cont'd)

To maintain these international standards, we conduct annual external audits and empower our Safety, Health, and Environment ("SHE") committees to monitor practices across all departments. Our proactive approach includes continuous Hazard Identification, Risk Assessment, and Risk Control ("HIRARC") reviews, regular staff training, and quarterly SHE meetings to foster a strong safety culture. Further reflecting our commitment, all our employees were trained on health and safety standards in FYE 2026, compared to 35 in FYE 2025.

Furthermore, we continue to enhance our Personal Protective Equipment ("PPE") standards. By sourcing certified equipment that meets national and international safety requirements, we ensure our teams are properly protected. Our focus remains on high-quality PPE monitoring, strategic inventory management, and comprehensive training on correct usage, ensuring that safety and employee well-being are integrated into our daily efficiency.

Talent Development and Retention

Our people are the engine of our innovation. In the complex world of electrical distribution, Powerwell's technical edge is held not in our machinery, but in the collective expertise and dedication of our workforce. For Powerwell, failing to prioritise talent development and retention represents a significant financial risk; the high costs of recruitment, lost productivity during transition periods, and the erosion of institutional knowledge can directly impact our project margins and long-term market competitiveness. Conversely, a stable, highly skilled team allows us to execute projects with greater precision and efficiency, safeguarding our financial resilience and our reputation as a trusted industry leader.

Training Type	Notable Examples of Training Conducted in FYE 2026	Training Mode
Technical	Data Management, Foreign Worker Hiring, SICAM Top-Level Qualification	Physical
Health and Safety	Forklift Skills & Safety, Fire Drill & Safety Procedures	Physical
Professional and Compliance	Transfer Pricing, Employment Law, Stamp Duty, Sustainability & ESG Masterclass	Physical or webinar
Leadership and Governance	Strategic Leadership, High Impact Board Leadership (ICDM), Project Management	Physical
Future Skills and Strategy	Artificial Intelligence Transformation, Macro-economic Outlook, Strategic Risk Management	Physical or webinar

We are committed to creating an environment where talent thrives. By investing in our people, we strengthen the expertise, commitment, and leadership that power our shared success throughout our journey. In FYE 2026, we significantly increased our investment in human capital, recording a total of 2,720 training hours, compared to 1,113 hours in FYE 2025. This upskilling included forward-looking initiatives such as the "Empowering Administrative Staff with Artificial Intelligence" programme, ensuring our workforce remains agile in an increasingly digitalising industry.

Employee Training Hours by Category	Hours	
	FYE 2025	FYE 2026
Management	497	**1,262**
Executive	490	**1,253**
Non-Executive	126	**205**
General Workers	–	**–**
Total	1,113	**2,720**

Sustainability Statement (Cont'd)

SOCIAL (CONT'D)

Talent Development and Retention (Cont'd)

Our commitment to our people extends beyond professional development to encompass holistic well-being and inclusivity. We actively promote a healthy work-life balance through initiatives like the Enercal Wellness Programme, which provided free health screenings for our employees. Furthermore, we continue to celebrate the diversity of our workforce through events such as our foreign staff appreciation gatherings, fostering a culture of mutual respect and belonging.

Empowering Administrative Staff with Artificial Intelligence ("AI") in December 2025

Free health screening for employees in December 2025

SOCIAL (CONT'D)

Talent Development and Retention (Cont'd)

The impact of these engagement efforts is clearly reflected in our strengthened retention rates. In FYE 2026, we achieved zero turnover within our management team. We also recorded a substantial reduction in employee turnover across both the executive and non-executive categories, with the number of employee departures decreasing from 15 to 7 in the executive category and from 9 to 4 in the non-executive category compared with the previous year. By nurturing our talent and prioritising their well-being, we ensure a stable and motivated workforce ready to support Powerwell's long-term growth.

Employee Turnover by Category	Percentage of Each Category	
	FYE 2025	FYE 2026
Management	11.43%	**0.00%**
Executive	17.44%	**6.36%**
Non-Executive	18.00%	**7.84%**
General Workers	11.43%	**7.14%**

Employee Turnover by Category	Turnover Headcount	
	FYE 2025	FYE 2026
Management	4	**0**
Executive	15	**7**
Non-Executive	9	**4**
General Workers	12	**7**

Diversity and Inclusion

A diverse workforce is a fundamental driver of innovation and strategic resilience. For Powerwell, cultivating an inclusive environment is not merely a social goal but a business necessity; by bringing together varied perspectives across gender, age, and ethnicity, we safeguard our decision-making processes against narrow viewpoints and "groupthink". From a financial perspective, companies with high levels of diversity are better positioned to attract top-tier talent and meet the increasingly stringent governance requirements of institutional investors and regulators, such as the 30% female board representation target set by the MCCG. In FYE 2026, we continued to uphold our commitment to fundamental rights, maintaining zero substantiated complaints regarding human rights violations. We are particularly proud of the progress made within our leadership; our Board of Directors now comprises 42.9% female representation, exceeding national benchmarks and demonstrating our dedication to gender-balanced governance.

Our inclusivity extends throughout our organisational levels, where we balance a wealth of experience with youthful energy. While our management team remains stable with a strong core of professionals aged 30 and above, our executive and non-executive categories are increasingly vibrant, with a significant influx of talent under the age of 30. Furthermore, our workforce reflects the multicultural fabric of Malaysia, with our team growing to include 99 Malay, 69 Chinese, 4 Indian, and 98 colleagues from other backgrounds. By fostering this inclusive culture, we ensure that every employee feels valued and empowered to contribute to Powerwell's collective success.

Sustainability Statement (Cont'd)

SOCIAL (CONT'D)

Diversity and Inclusion (Cont'd)

Directors by Gender	Number (Percentage)	
	FYE 2025	FYE 2026
Male	4 (66.7%)	**4 (57.1%)**
Female	2 (33.3%)	**3 (42.9%)**

Directors by Age	Number (Percentage)	
	FYE 2025	FYE 2026
Below 30 years old	0 (0%)	**0 (0.0%)**
30 to 50 years old	2 (33.3%)	**3 (42.9%)**
Above 50 years old	4 (66.7%)	**4 (57.1%)**

Employees by Gender by Category	Number (Percentage)			
	FYE 2025		FYE 2026	
	Male	Female	Male	Female
Management	26 (74.3%)	9 (25.7%)	**29 (78.4%)**	**8 (21.6%)**
Executive	53 (61.6%)	33 (38.4%)	**65 (59.1%)**	**45 (40.9%)**
Non-Executive	43 (86.0%)	7 (14.0%)	**45 (88.2%)**	**6 (11.8%)**
General Workers	105 (100%)	0 (0.0%)	**98 (100%)**	**0 (0.0%)**

Employees by Age by Category	Number (Percentage)					
	FYE 2025			FYE 2026		
	Below 30	30 to 50	Above 50	Below 30	30 to 50	Above 50
Management	0 (0.0%)	25 (71.4%)	10 (28.6%)	**0 (0.0%)**	**28 (75.7%)**	**9 (24.3%)**
Executive	26 (30.2%)	56 (65.1%)	4 (4.7%)	**49 (44.5%)**	**57 (51.8%)**	**4 (3.7%)**
Non-Executive	17 (34.0%)	26 (52.0%)	7 (14.0%)	**16 (31.4%)**	**29 (56.9%)**	**6 (11.7%)**
General Workers	47 (44.8%)	57 (54.3%)	1 (0.9%)	**45 (45.9%)**	**53 (54.1%)**	**0 (0.0%)**

SOCIAL (CONT'D)

Diversity and Inclusion (Cont'd)

Employees by Race	Number (Percentage)	
	FYE 2025	FYE 2026
Malay	77 (27.9%)	**99 (33.4%)**
Chinese	66 (23.9%)	**69 (23.3%)**
Indian	4 (1.5%)	**4 (1.4%)**
Others	129 (46.7%)	**124 (41.9%)**

Community Engagement

At Powerwell, our responsibility extends beyond our factory walls and into the heart of the communities where we operate. Strengthening our "social license to operate" is essential for building long-term brand trust and maintaining positive relationships with local stakeholders. We view community engagement as an investment in our social capital; by supporting the next generation and assisting the underprivileged, we foster a stable, supportive environment that indirectly bolsters our operational security and local reputation.

In FYE 2026, we focused our efforts on education and social welfare through meaningful, direct interactions. Highlights of our community initiatives include:

- Empowering the Next Generation: We hosted a site visit and knowledge-sharing session for the UTAR IEEE Sungai Long Campus, bridging the gap between academic theory and industrial practice for aspiring engineers.

UTAR IEEE Sungai Long Campus site visit and knowledge sharing session

Sustainability Statement (Cont'd)

SOCIAL (CONT'D)

Community Engagement (Cont'd)

- Supporting Underprivileged Children: Our team conducted a visit to Lighthouse Children Homes, providing support and engagement for children in need.

Lighthouse Children Homes visit

- Direct Community Aid: In December 2025, we launched a giving programme for SK Pelabuhan Klang, providing essential support to 123 underprivileged students.

Giving programme for SK Pelabuhan Klang

These initiatives ensure that Powerwell remains a proactive and caring member of society, using our resources and expertise to create a lasting positive impact on the lives of those around us.

SOCIAL (CONT'D)

Looking Ahead

In FYE 2026, Powerwell continued to make steady progress in its sustainability journey. By embracing the enhanced Bursa Malaysia reporting standards ahead of many of our peers, we have positioned ourselves to meet evolving regulatory expectations more effectively, ensuring we remain well-prepared for future requirements. This year, we successfully established a baseline for our value chain emissions and observed positive trends in our resource efficiency and waste management. Our ongoing focus on workplace safety and talent retention has provided a stable foundation for our teams. We remain committed to these efforts, focusing on the incremental improvements that support our operational resilience and the expectations of our stakeholders.

Restatements

Due to improvements in quantitative data collection, we hereby make the following restatements.

- Water consumption in FYE 2025
- Electricity consumption in FYE 2025
- Scope 2 emissions in FYE 2025

Sustainability Statement (Cont'd)

POWERWELL HOLDINGS BERHAD

BMLR Transition Period

Date & Time: 2026-07-2712:05:05

Ace Market | Group 3 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Talent Development and Retention	Total training hours	Hours	N/A	2,720	-	No assurance
Talent Development and Retention	Percentage of contractors or temporary staff	Percentage	N/A	4.73%	-	No assurance
Talent Development and Retention	Turnover of management employees	Number	N/A	0	-	No assurance
Talent Development and Retention	Turnover of executive employees	Number	N/A	7	-	No assurance
Talent Development and Retention	Turnover of non-executive employees	Number	N/A	4	-	No assurance
Talent Development and Retention	Turnover of general worker employees	Number	N/A	7	-	No assurance
Occupational Health and Safety	Number of work-related fatalities	Number	N/A	0	0	No assurance
Occupational Health and Safety	Lost-time incident rate (LTIR)	Rate	N/A	0	0	No assurance
Occupational Health and Safety	Number of employees trained on health and safety standards	Number	N/A	296	-	No assurance
Product Quality and Safety	Total number of valid ISO and ASTA certifications	Number	N/A	27	27	No assurance
Business Ethics and Anti-Corruption	Confirmed incidents of corruption and action taken	Number	N/A	0	0	No assurance
Business Ethics and Anti-Corruption	Percentage of management- -level employees receiving anti-corruption training	Percentage	N/A	94.6%	-	No assurance
Business Ethics and Anti-Corruption	Percentage of operations assessed for anti-corruption risk	Percentage	N/A	28%	-	No assurance

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Page 1 of 4

Sustainability Statement (Cont'd)

POWERWELL HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-07-27 12:05:05
Ace Market | Group 3 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Waste Management	Total waste directed from disposal	Metric tonnes	N/A	190.93	-	No assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage	N/A	36.6%	-	No assurance
Supply Chain Management	Number of supplier audits conducted	Number	N/A	145	-	No assurance
Energy Management	Electricity consumption	MWh	N/A	1,090	-	No assurance
Emissions Management	Scope 1 emissions in tonnes of CO2 equivalent	Metric tonnes	N/A	80.2	-	No assurance
Emissions Management	Scope 2 emissions in tonnes of CO2 equivalent	Metric tonnes	N/A	594.8	-	No assurance
Emissions Management	Scope 3 emissions in tonnes of CO2 equivalent (Business Travel and Employee Commuting)	Metric tonnes	N/A	161.8	-	No assurance
Water Management	Water consumption	Litres	N/A	14,912	-	No assurance
Human Rights	Complaints on unethical practices	Number	N/A	0	0	No assurance
Community Engagement	Total amount invested in the community	RM	N/A	33,000	-	No assurance
Community Engagement	Total number of beneficiaries	Number	N/A	6	-	No assurance
Diversity	Management below 30 years old	Number	N/A	0	-	No assurance
Diversity	Management between 30 to 50 years old	Number	N/A	28	-	No assurance
Diversity	Management above 50 years old	Number	N/A	9	-	No assurance
Diversity	Executive below 30 years old	Number	N/A	49	-	No assurance

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Sustainability Statement (Cont'd)

POWERWELL HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-07-2712:05:05
Ace Market | Group 3 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Executive between 30 to 50 years old	Number	N/A	57	-	No assurance
Diversity	Executive above 50 years old	Number	N/A	4	-	No assurance
Diversity	Non-executive below 30 years old	Number	N/A	16	-	No assurance
Diversity	Non-executive between 30 to 50 years old	Number	N/A	29	-	No assurance
Diversity	Non-executive above 30 years old	Number	N/A	6	-	No assurance
Diversity	General worker below 30 years old	Number	N/A	45	-	No assurance
Diversity	General worker between 30 to 50 years old	Number	N/A	53	-	No assurance
Diversity	General worker above 30 years old	Number	N/A	0	-	No assurance
Diversity	Management male	Number	N/A	29	-	No assurance
Diversity	Management female	Number	N/A	8	-	No assurance
Diversity	Executive male	Number	N/A	65	-	No assurance
Diversity	Executive female	Number	N/A	45	-	No assurance
Diversity	Non-executive male	Number	N/A	45	-	No assurance
Diversity	Non-executive female	Number	N/A	6	-	No assurance
Diversity	General worker male	Number	N/A	98	-	No assurance
Diversity	General worker female	Number	N/A	0	-	No assurance
Diversity	Male directors	Percentage	N/A	571%	-	No assurance

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Page 3 of 4

Sustainability Statement (Cont'd)

POWERWELL HOLDINGS BERHAD
BMLR Transition Period

Date & Time: 2026-07-27_12:05:05
Ace Market | Group 3 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Female directors	Percentage	N/A	42.9%	-	No assurance
Diversity	Directors below 30 years old	Percentage	N/A	0.0%	-	No assurance
Diversity	Directors between 30 to 50 years old	Percentage	N/A	42.9%	-	No assurance
Diversity	Directors above 50 years old	Percentage	N/A	57.1%	-	No assurance

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GROUP HIGHLIGHTS

CORPORATE & BUSINESS EVENTS

Presentation to Ministry of Investment, Trade and Industry (“MITI”)

Powerwell 40th Anniversary Dinner – Celebrating 40 Years of Excellence

Group Highlights (Cont'd)

CORPORATE SOCIAL RESPONSIBILITY EVENT

University Visitation - Inspiring the Next Generation Through Industry Exposure

1. **University Malaya**

2. **Tunku Abdul Rahman University of Management and Technology**

Group Highlights
(Cont'd)

CORPORATE SOCIAL RESPONSIBILITY EVENT (CONT'D)

Community Support & Social Responsibility Contributions

1. **Lighthouse Children Welfare Home**

2. **SK Pelabuhan Klang, here we come! (Giving Out School Goodie Bags to 123 Underprivileged Students)**

Group Highlights (Cont'd)

CORPORATE SOCIAL RESPONSIBILITY EVENT (CONT'D)

Staff Engagement

1. **Staff Retirement**

2. **Sport Activities**

Group Highlights (Cont'd)

CORPORATE SOCIAL RESPONSIBILITY EVENT (CONT'D)

Staff Engagement (Cont'd)

3. Staff Gathering

4. Staff Wellness Programme

CORPORATE SOCIAL RESPONSIBILITY EVENT (CONT'D)

Trainings

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Powerwell Holdings Berhad ("Powerwell" or "the Company") acknowledges the importance of the principles and practices as set out in the Malaysian Code on Corporate Governance ("MCCG") in managing Powerwell and its subsidiaries' ("the Group") business towards its mission of sustainable growth.

The Board is fully committed to promoting good corporate governance culture within the Group in creating and delivering sustainable value and long-term success of the Group's businesses.

This Corporate Governance ("CG") Overview statement provides an overview of the CG practices by the Group during the financial year ended ("FYE") 31 March 2026. This CG Overview Statement takes guidance from the key principles laid out in the MCCG and is to be read together with the Corporate Governance Report which is available on the Company's corporate website at www.powerwell.com.my.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board is responsible for formulating and reviewing the strategic plans and key policies of the Company, and charting the course of the Group's business operations whilst providing effective oversight of Management's performance, risk assessment and controls over business operations.

The Board is guided by the Company's Board Charter which outlines the roles and responsibilities, operation and processes of the Board. The roles and responsibilities of the Board include, among others, the following:

- overseeing the conduct of the Company and the Group's business to ensure it is being properly managed;
- establishing the corporate vision and mission, as well as the philosophy of the Group, setting goals of the Management and monitoring the performance of the Management;
- identifying principal risks of the Company and the Group and ensuring the implementation of appropriate risk management and internal control systems to address these risks;
- succession planning of the Company;
- reviewing and adopting a strategic plan for the Company and the Group, and subsequently monitoring the implementation of the strategic plan by the Management to ensure sustainable growth of the Company and the Group;
- promoting good corporate governance culture within the Group;
- reviewing the adequacy and integrity of the Company and the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines; and
- monitoring the Group's financial performance and operating results.

The Board delegates and confers some of its authorities and discretions to the Independent Non-Executive Chairman, Managing Director, Executive Directors and Management as well as the properly constituted Board Committees comprising exclusively Non-Executive Directors.

The roles of the Chairman of the Board and Managing Director are separated and held individually by two (2) persons. There is a clear division of responsibilities between the Chairman of the Board and the Managing Director to ensure that there is a balance of power and authority. The Chairman who is an Independent Non-Executive Director, Mr Tang Yuen Kin, is responsible for leadership of the Board in ensuring the effectiveness of all aspects of the Board, while the Managing Director, Ms Wong Yoke Yen, is responsible for the implementation of the policies laid down and execute the decision-making.

Decisions of the Board are made collectively during Board meetings. In order to ensure that meetings are properly facilitated, and the Board properly led, the Chairman also plays a crucial and pivotal leadership role in ensuring that the Board works effectively.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

The role of Management is to support the Executive Directors including Managing Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

In general, the Non-Executive Directors are independent from Management. Their roles are to constructively challenge Management and monitor the success of Management in delivering the approved targets and business plans within the risk appetite set by the Board. They have free and open contact with Management at all levels, and they engage with the external and internal auditors to address matters concerning Management and oversight of the Company's business and operations.

Key matters reserved for the Board's approval include the financial statements, annual budget, declaration of dividends, business continuity plan, issuance of new securities, corporate restructuring plan, material acquisition and disposal of assets.

In order to ensure effective discharge of its functions and responsibilities, the Board has delegated certain responsibilities to the Board Committees to assist in carrying out its responsibilities and functions as follows:-

(a) Audit and Risk Management Committee ("ARMC") – review processes and practices of financial reporting, system of internal controls, related party transactions, conflicts of interest, internal audit as well as external audit process, and ensure implementation of any risk management policies.

(b) Remuneration Committee – review and assists the Board in determining the policy and structure for remuneration of Directors and key senior management of the Group.

(c) Nomination Committee – review candidatures for Board appointment and re-appointment as well as annual assessment of the Board, Board Committees and Directors.

The Board is supported by two (2) qualified and experienced Company Secretaries, namely Mr Tan Kok Siong and Ms Tan Fong Shian @ Lim Fong Shian, who are licensed by the Companies Commission of Malaysia and Associate members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA), respectively. Both the Company Secretaries are qualified pursuant to the requirements of the Companies Act 2016 ("the Act").

The Board obtains appropriate advice and support from the Company Secretaries on company secretarial matters, compliance with the relevant laws and regulations and adoption of corporate governance best practices. The Company Secretaries ensure that the Board and Board Committees meetings are properly convened and the proceedings are properly recorded. The Company Secretaries also work closely with Management to ensure that there are timely and appropriate information flows within and to the Board and Board Committees.

The Board is regularly updated and apprised by the Company Secretaries on changes in the Act, new and/or changes in relevant rules/regulations issued by regulatory authorities.

Supply of, and Access to Information

Every Director has full and unrestricted access to information within the Group. Where required, the Board and its Committees are provided with independent professional advice, the cost of which is borne by the Company. The Board may also seek advice from the Management or request further explanation, information or update on any aspect of the Group's operations or business concerns. The Board is supplied with quality and timely information, which allows it to discharge its responsibilities effectively and efficiently.

The agenda for each meeting together with a set of comprehensive board papers for each agenda item are delivered via email to each Director in advance of meetings, to afford the Board sufficient time to review the matters to be deliberated for effective discussion and decision making during the meeting, and where necessary, to obtain supplementary information before the meeting.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

During FYE 31 March 2026, there were six (6) Board meetings held and the details of Directors' attendance are set out below:

Member	Attendance
Tang Yuen Kin	6/6
Wong Yoke Yen	6/6
Soh Wei Wei	6/6
Dr Tou Teck Yong	6/6
Selma Enolil Binti Mustapha Khalil	6/6
Chong Guang Wei	6/6
Tee Joe Ee *(appointed on 8 December 2025)*	1/1

Board Charter

The Board has established a Board Charter to provide clarity and guidance in the roles and responsibilities to the Board members and Management. The Board Charter addresses, among others, objectives, vision and mission, role of the Board, operation and processes of the Board.

The Board Charter serves as a referencing point for Board's activities to enable Directors to carry out their stewardship role and discharge their fiduciary duties towards the Company. The Board Charter is made publicly available on the Company's website at www.powerwell.com.my in line with Practice 2.1 of the MCCG.

Code of Conduct and Ethics

The Board is committed to adhering to best practices in corporate governance and observing the highest standards of integrity and behaviour in all activities conducted by the Company and the Group, including the interaction with its shareholders, employees, creditors, customers and within the community and environment in which the Company and the Group operate.

The Board has established a Code of Conduct and Ethics for its directors and employees. The Code of Conduct and Ethics spells out certain ethical conduct, principles and standards of good conduct expected of the Directors and employees of the Group at work.

The Code of Conduct and Ethics is made publicly available on the Company's website at www.powerwell.com.my in line with Practice 3.1 of the MCCG and is subject to annual review.

Whistleblowing Policy

The Group has formalised and established a Whistleblowing Policy. This is to provide an avenue for all employees and stakeholders to raise genuine concerns about unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements without fear of reprisal should they act in good faith when reporting such concerns.

The Whistleblowing Policy is subject to periodic assessment and review to ensure that it remains relevant to the Group's changing business circumstances. The Whistleblowing Policy is available on the Company's website at www.powerwell.com.my.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

Anti-Bribery and Anti-Corruption Policy

The Group has established and adopted the Anti-Bribery and Anti-Corruption Policy ("ABAC Policy"), guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018). The ABAC Policy sets out the parameters to prevent the occurrence of bribery and corrupt practices and to provide information and guidance to all employees, directors and associated third party on how to recognise and deal with bribery and corruption issues. The Group is committed to conducting business dealings in an honest and ethical manner. The ABAC Policy can be viewed on the Company's website, www.powerwell.com.my.

Sustainability

The Board views the commitment to promote sustainability strategies in the environment, social and governance aspects as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

The Board oversees the Group's operations by taking into consideration the economic, environmental and social risks and opportunities in setting the strategic direction of the Group and ensuring the integration of sustainability practices into the Group's operations, policies and procedures.

The Group strives to achieve a sustainable long-term balance between meeting its business goals, preserving the environment to sustain the ecosystem, and improving the welfare of its employees and the communities in which it operates. The Group's efforts in this regard have been set out in the Sustainability Statement in this Annual Report.

II. BOARD COMPOSITION

The success of the Board in fulfilling its oversight responsibility depends on its size, composition and leadership qualities of its members. Currently, the Board consists of seven (7) members, comprising two (2) Executive Directors including the Managing Director, three (3) Independent Non-Executive Directors including the Chairman and Senior Independent Non-Executive Director and two (2) Non-Independent Non-Executive Directors.

The Company is in compliance with Rule 15.02 of ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The composition of the Board reflects a diversity of backgrounds, skills and experiences in the areas of business, economics, finance, general management and strategy that contributes effectively in leading and directing the management and affairs of the Group. Given the calibre and integrity of its members and the objectivity and independent judgment brought by the Independent Directors, the Board is of the opinion that its current size and balanced mixed skills composition contribute to an effective Board.

The Board through the Nomination Committee assess the independence of the Independent Directors on an annual basis based on the criteria formulated by the Nomination Committee. This is to mitigate risks arising from conflict of interest or undue influences from interested parties. Based on the assessment in FYE 31 March 2026, the Board reviewed, assessed and was satisfied with the independence demonstrated by all of the Independent Directors, and their ability to act in the best interest of the Company.

The MCCG provides that the tenure of an independent director does not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the board as a non-independent director. If the board intends to retain an independent director beyond nine (9) years, it should justify and seek annual shareholders' approval through a two-tier voting process.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

As the Company was listed on 22 January 2020, none of the Independent Non-Executive Directors had served the Company for a cumulative term of nine (9) years. The Company also did not have a policy which limits the tenure of the Independent Non-Executive Directors to nine (9) years.

Notwithstanding the recommendation of MCCG, the Board is presently of the view that there is no necessity to fix a maximum tenure limit for directors as there are significant advantages to be gained from long service directors who possess in-depth insights to the Group's business and affairs. The ability of a director to serve effectively as an Independent Non-Executive Director is very much dependent on his integrity and objectivity, and may not necessarily has a direct connection to his tenure as an Independent Non-Executive Director.

The Board recognises and embraces the benefits of having a diverse Board and Senior Management, and sees increasing diversity at the Board and Senior Management level as essential elements in maintaining competitive advantages and attainment of strategic objectives. In assessing the suitability of candidates, various criteria will be taken into account including but not limited to mix of skills, knowledge, expertise, independence, experience, professionalism, age, cultural background and gender.

The profiles of the Directors and Senior Management are presented separately in the Annual Report.

The Board is supportive of gender diversity in the boardroom as recommended by the MCCG and the Group has adopted the Diversity Policy to promote diversity in the Board and the workforce of the Group. There are three female directors on the Board out of a total of seven Board members, representing a percentage of 42.86% during FYE 31 March 2026. The Managing Director, Ms Wong Yoke Yen, Independent Non-Executive Director, Puan Selma Enolil Binti Mustapha Khalil and Non-Independent Non-Executive Director, Ms Tee Joe Ee were active participants of the Board.

The Group's Diversity Policy is available on the Company's website at www.powerwell.com.my.

Nomination Committee

The Nomination Committee chaired by the Senior Independent Director, has been established with specific terms of reference by the Board, comprising exclusively of Independent Non-Executive Directors, as follows:-

Chairman
Dr Tou Teck Yong – Senior Independent Non-Executive Director

Members
Tang Yuen Kin – Independent Non-Executive Director
Selma Enolil Binti Mustapha Khalil – Independent Non-Executive Director

The Terms of Reference of the Nomination Committee is made publicly available on the Company's website at www.powerwell.com.my in line with Rule 15.08A(2) of AMLR of Bursa Securities.

The Nomination Committee is primarily responsible for recommending suitable appointments to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the Directors should bring to the Board. It assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director, including Non-Executive Directors.

In assessing and evaluating the suitability of candidates for recommendation to the Board for appointment, the Nomination Committee will not be solely relied on recommendations by the Board members, Management or Major Shareholders but also from reliable independent sources such as industry professionals and associations, as well as independent search firms, if needed, to identify suitably qualified candidates for new appointments.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

The final decision on the appointment of a candidate recommended by Nomination Committee rests with the Board or, on the recommendation of the Board, the shareholders in general meeting, as the case may be. The Board is entitled to the services of the Company Secretary who would ensure that all appointments are properly made upon obtaining all necessary information from the Directors.

A summary of the activities carried out by the Nomination Committee during FYE 31 March 2026 is as follows:

- Reviewed the Board's and Board Committees' structure, size, composition and diversity, and was satisfied with the review given the size of the Group and its business operations.

- Reviewed the assessment of performance of the individual Directors, the Board as a whole and the Board Committees, and the independence of the Independent Directors, and was satisfied with the experiences, contributions, competencies and mix of skills of the Directors to enable the Board and the Board Committees to discharge their respective duties and responsibilities effectively, as well as with the independence of the Independent Directors. It was also concurred from the assessment that the Board could work as a team and arrive at consensual decisions.

- Reviewed the term of office and performance of the ARMC and each of its members and was satisfied that the ARMC had carried out its duties in accordance with its Terms of Reference.

- Reviewed and assessed the performance and contributions of the Directors who are subject to retirement by rotation and casual vacancy, and recommended to the Board for the tabling for shareholders' approval of the re-election of the said Directors at the Twentieth Annual General Meeting ("AGM") of the Company. The assessment took into consideration the appropriate fit and proper criteria, skills, knowledge, competence and experience necessary to meet the needs of the Group.

- Reviewed and recommended to the Board on the appointment of Ms Tee Joe Ee as Non-Independent Non-Executive Director of the Company.

The Board is satisfied with the level of time committed by the Directors in discharging their respective duties and roles as Directors of the Company. All the Directors of the Company have complied with Rule 15.06 of the AMLR of Bursa Securities on the restriction on the number of directorships held in public listed companies.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

The Directors are encouraged to attend continuing education programmes to upgrade their knowledge and enhance their skills. Details of some of the training programmes, forums, seminars or conferences attended or participated by the Directors for FYE 31 March 2026 are as follows:-

Director	Title of Training Programme/ Forums/ Seminar/ Conference	Date
Tang Yuen Kin	• iMBA (Online), University of Illinois Urbana-Champaign, United States of America	Commenced in March 2021 and Completed in December 2025
	• Seminar on SST Revision & Expansion 2025 (Strategy, Impact and Compliance for Malaysian Businesses)	28 August 2025
Wong Yoke Yen	• Sustainability & ESG Masterclass	7 April 2025
	• Navigate 2025 Strategic Insights Across Foreign Exchange & Trade	14 May 2025
	• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	20 – 21 May 2025
	• 5th Annual Future CFO Conference Malaysia 2025	18 June 2025
	• Employment Law Conference 2025	30 – 31 July 2025
	• Anti Bribery & Corruption Awareness Training	22 August 2025
	• Practical AI for Administrative Productivity (GPT, Gamma & Notion)	18 December 2025
	• HSBC Asian Outlook 2026	16 January 2026
	• Forum Ekonomi Malaysia 2026 (FEM 2026)	5 February 2026
Soh Wei Wei	• Mandatory Accreditation Programme Part II (MAP II)	22 – 23 September 2025
Dr Tou Teck Yong	• Top Glove Annual Leadership Summit	16 August 2025
Selma Enolil Binti Mustapha Khalil	• The Journey into the AI Age – Game Changer for your Digital Transformation (ICDM/Bursa Malaysia)	17 June 2025
	• Materiality Assessment of Sustainability-Related Risks & Opportunities (Asia School of Business)	8 September 2025
	• Corporate Governance for Management and Employees (SGS Academy)	8 December 2025
Chong Guang Wei	• Mandatory Accreditation Programme Part II (MAP II)	22 – 23 September 2025
Tee Joe Ee	• Mandatory Accreditation Programme Part I (MAP I)	4 – 5 March 2026

In addition, the Directors' training also includes briefings by the Company Secretaries and the external auditors from time to time during the Board and ARMC meetings on the relevant updates pertaining to statutory and regulatory requirements.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION

The present composition of the Remuneration Committee consists of three (3) members, all of whom are Independent Non-Executive Directors as follows:-

Chairman
Dr Tou Teck Yong – Senior Independent Non-Executive Director

Members
Tang Yuen Kin – Independent Non-Executive Director
Selma Enolil Binti Mustapha Khalil – Independent Non-Executive Director

The primary objective of the Remuneration Committee is set the policy framework and to make recommendations to the Board on all elements of the remuneration, terms of employment, reward structure and fringe benefits for Managing Director, Executive Directors and other key senior management with the aim to attract, retain and motivate individuals of the quality required to manage the Company's business and to align the interests of the executive directors with those of the Company's shareholders.

The Terms of Reference of the Remuneration Committee is made publicly available on the Company's website at www.powerwell.com.my in line with Practice 7.2 of the MCCG.

The Remuneration Committee has put in place a Remuneration Framework and Policies for Directors and Senior Management with the objectives of creating a fair and transparent system for determining the appropriate levels of remuneration for both Executive and Non-Executive Directors and senior management, and to ensure that the levels of remuneration are sufficient to attract and retain persons having the right skills, experience, competence and expertise to serve as Executive Directors and senior management in the Group.

In recommending the proposed Directors' fees, the Remuneration Committee takes into consideration the qualification, duty and responsibility, and contribution required from a Director in view of the Group's complexity. The Board then collectively determines the remuneration for the Independent Non-Executive Directors based on the Remuneration Committee's recommendation. All Directors shall abstain from discussion and decisions on their own remuneration.

During FYE 31 March 2026, the Remuneration Committee had undertaken the following:-

- Discussed and deliberated on the remuneration packages of the Managing Director and Executive Director and recommended the same to the Board for approval;
- Reviewed the remuneration package of the Key Senior Management of the Group; and
- Recommended the proposed Directors' fees and benefits payable to the Non-Executive Directors of the Company.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION (CONT'D)

The remuneration of the Directors received from the Company and its Group for FYE 31 March 2026 is set out below:-

Director	Fees RM'000	Salaries RM'000	Bonuses RM'000	Benefits in Kind/ Allowance RM'000	Total RM'000
Managing Director and Executive Directors					
Wong Yoke Yen	–	796	255	28	1,079
Soh Wei Wei	18	594	330	33	975
Non-Executive Directors					
Tang Yuen Kin	64	–	–	6	70
Dr Tou Teck Yong	57	–	–	6	63
Selma Enolil Binti Mustapha Khalil	57	–	–	6	63
Chong Guang Wei	57	–	–	6	63
Tee Joe Ee *(appointed on 8 December 2025)*	19			1	20
Total	**272**	**1,390**	**585**	**86**	**2,333**

The Company has also arranged for Directors' and Officers' Liability Insurance to indemnify the Directors and officers of the Group against liabilities incurred by them in the discharge of their duties while holding office as Directors and officers.

With the best interest of the Group in mind, and taking into consideration the sensitivity, privacy, security, issue of staff poaching, the Board has opted not to disclose on a named basis the top five senior management's remuneration in the bands of RM50,000.

The number of top five (5) key senior management whose total remuneration falls within the following bands for FYE 31 March 2026 are as follows:-

Remuneration Bands	No. of Key Senior Management
RM350,001 – RM400,000	2
RM500,001 – RM550,000	1
RM550,001 – RM600,000	2

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC was established in 2019 in order to accurately reflect the powers of oversight over the risk management matters delegated to the ARMC.

The primary objective of the ARMC is to assist the Board to review the adequacy and integrity of the Group's financial administration and reporting, internal control and risk management systems, including the management information system and systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The ARMC consists of the following three (3) members, all of whom are Independent Non-Executive Directors:-

Chairman
Selma Enolil Binti Mustapha Khalil – Independent Non-Executive Director

Members
Tang Yuen Kin – Independent Non-Executive Director
Dr Tou Teck Yong – Senior Independent Non-Executive Director

Please refer to the Audit and Risk Management Committee Report contained in the Annual Report for more information on the ARMC.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board has authorised the ARMC to review the effectiveness of the internal audit function and to provide oversight on the establishment and implementation of a risk management framework and reviewing the effectiveness of the risk management framework in identifying and managing risks and internal processes which include but not limited to ensuring the adequacy of risk management policy and infrastructure to facilitate the implementation of action plans of risk management.

Details on the risk management and internal control system of the Group are set out in the Statement on Risk Management and Internal Control of this Annual Report.

The Group has outsourced the internal audit function to a professional service firm, Vaersa Advisory Sdn Bhd, which is independent of the activities and operations of the Group. The outsourced internal auditors report directly to the ARMC.

Details on the internal audit function are set out in the Audit and Risk Management Committee Report and the Statement on Risk Management and Internal Control of this Annual Report.

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. ENGAGEMENT WITH STAKEHOLDERS

The Board is aware of the need to establish corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulators, shareholders and stakeholders. On this basis, the Board will not only comply with the disclosure requirements as stipulated in the AMLR of Bursa Securities, but is also responsible to disclose material information to regulators, shareholders and stakeholders.

The Group also maintains a corporate website, www.powerwell.com.my to disseminate information and enhance its investor relations. All timely disclosures, material information and announcements made to Bursa Securities are published on the website shortly after the same is released by the Company.

Corporate Governance Overview Statement (Cont'd)

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

I. ENGAGEMENT WITH STAKEHOLDERS (CONT'D)

The Board recognises the importance of being transparent and accountable to the Company's investors and, as such, has various channels to maintain communication with them. The various channels of communications are through the quarterly announcements on financial results to Bursa Securities, relevant announcements and circulars, when necessary, the Annual and Extraordinary General Meetings and through the Group's website where shareholders can access pertinent information concerning the Group.

II. CONDUCT OF GENERAL MEETINGS

The Company's AGM serves as a principal forum for communication and dialogue with shareholders. Shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions.

The Company will despatch its notice of AGM together with the Annual Report and related documents to shareholders at least twenty-eight (28) days before the meeting to provide the shareholders with sufficient time to prepare and participate in the meeting and to make informed decisions at the meeting. In addition, the notice was published in the national newspaper within the mandatory period as well as through announcement via Bursa Securities and the Group's website.

The Company's Twentieth AGM held on 25 September 2025 was conducted physically, providing shareholders with the opportunity to engage directly with the Board and Management. All Directors were present at the meeting, demonstrating their commitment to accountability and shareholder engagement. Shareholders were given the opportunity to participate actively in the proceedings, including raising questions and seeking clarification on the Group's performance, strategy, and operations. The Chairman together with the other Board members addressed all relevant questions raised, ensuring transparency and meaningful dialogue.

The forthcoming Twenty-First AGM will be held physically, and all the Directors are expected to be present at the AGM. The Company will allocate sufficient time and opportunities during the AGM and any other general meetings for a Question-and-Answer session whereby the Chairman together with the other Board members will be able to answer any questions and possible concerns that the shareholders may have on the Group and its operations.

The Management team and the Group's external auditors as well as the Company's advisers are also available to respond to shareholders' questions during the general meeting as the case may be.

Pursuant to Rule 8.31 of the AMLR of Bursa Securities, the Company shall conduct poll voting for all resolutions set out in the notice of any general meeting and appoint an independent scrutineer to validate the votes cast.

The Minutes of the twentieth AGM including the responses to the questions raised were uploaded on the Company's website within 30 business days after the meeting.

COMPLIANCE STATEMENT

The Board is satisfied that throughout FYE 31 March 2026, the Company has applied the principles and recommendations of the corporate governance set out in the MCCG, where necessary and appropriate.

This CG Overview Statement was approved by the Board on 16 July 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of Powerwell Holdings Berhad ("Powerwell" or "the Company") is pleased to present its Statement on Risk Management and Internal Control which outlines the nature and scope of the risk management and internal control of Powerwell and its subsidiaries ("the Group") for the financial year ended ("FYE") 31 March 2026. This Statement has been prepared in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines").

BOARD RESPONSIBILITY

The Board acknowledges its responsibility and re-affirms its commitment in maintaining a sound system of risk management and internal control to safeguard shareholders' investments and the Group's assets as well as for reviewing the adequacy and effectiveness of the system.

Nevertheless, the Board recognises the inherent limitations in any system of risk management and internal control as the system is designed to mitigate and manage rather than to eliminate the risks that may affect the achievement of the Group's business objectives. Therefore, such a system can only provide reasonable but not absolute assurance against material misstatement of financial information and record, or against financial losses or fraud.

The Group has in place an on-going process to identify, evaluate, monitor and manage any significant risks through the internal control system in order to attain a reasonable assurance that business objectives have been met. The system is regularly reviewed by the Board and subject to continuous improvement.

RISK MANAGEMENT

Risk management is regarded by the Board to be an integral part of business operations. Risk management and internal controls are embedded in the Group's management system. Key Management staff and Heads of Department are delegated with the responsibility of identifying and managing risks related to their functions/departments.

The Group has, on 22 January 2022, formalised and adopted an Enterprise Risk Management Framework ("ERM Framework") formulated to assist the Group in managing the various risks faced in its daily business operations. The risk management methodology employed is based on assessment of risk and evaluated in terms of the risk impact on the enterprise and probability of occurrence. The risks are then mapped accordingly for a holistic review.

The Company's risk management framework is based on the principles and guidelines outlined in the **ISO 31000 Risk Management – Guidelines**, an internationally recognised standard. This framework provides a structured and consistent approach to identifying, assessing, managing, and monitoring key risks that may affect the achievement of the Company's strategic and operational objectives. It also supports the Board and Management in embedding risk awareness into the corporate culture and decision-making processes.

Risk analysis of the Group is conducted on a regular basis, including constantly reviewing the process in identifying, evaluating and implementing appropriate actions to assess and monitor the impact of the risks on key business areas. Significant risks identified are brought to the attention of the Audit and Risk Management Committee ("ARMC") at their scheduled meetings.

Statement on Risk Management and Internal Control (Cont'd)

RISK MANAGEMENT (CONT'D)

Some of the key risks identified with relevant mitigations that were tabled during the ARMC meetings are summarized as follows:

Performance Risk

The Group faces performance risk when there is a project delivery delays, which could lead to the imposition of Liquidated Ascertained Damages (LAD) by customers. To mitigate this, the Group proactively engages with customers, suppliers, and partners to minimize delays, ensures proper planning and monitoring by the production and project teams.

Competition Risk

The Group operates in a competitive industry where there is pressure from the market players. This competition could potentially impact on the Group's market share, pricing power, and profitability. To mitigate this risk, the Group is committed to have proper certifications of the products, continuous innovation enhancing product quality, and expanding its range of solutions to meet evolving customer needs. The Group also focuses on building strong, long-term relationships with customers through reliable delivery, excellent service, and customised offerings, while actively monitoring market trends to stay ahead of competitors.

Cost Overrun Risk

The Group is exposed to the risk of cost overruns arising from unexpected increases in material prices, labour costs, changes in project scope, or unforeseen operational challenges. Such cost escalations could adversely impact project profitability and overall financial performance. To mitigate this risk, the Group implements strict budgetary controls, thorough project planning, and continuous monitoring of project progress and costs. The Group also works closely with suppliers and subcontractors to secure competitive pricing and maintain flexibility to adjust procurement strategies as needed. Regular reviews and risk assessments are conducted to identify potential cost pressures early and implement corrective actions promptly.

Integration of Emerging & Evolving Risks

To meet the evolving macroeconomic environment, the Group's Risk Process explicitly incorporates Environmental, Social and Governance ("ESG") and Climate-Related Risks: Integrating environmental sustainability, carbon emission management, and supply chain climate vulnerabilities directly into our ERM framework

The Group acknowledges the growing importance of Environmental, Social, and Governance ("ESG") considerations in driving long-term sustainability. While ESG risk is not currently designated as a standalone principal risk, relevant ESG factors are embedded within existing risk categories such as operational, regulatory, health and safety, and reputational risks through the Group's ERM framework.

ESG-related risks are identified and assessed as part of the Group's risk assessment cycle, including through regulatory reviews, stakeholder engagements and operational monitoring. Mitigation measures, such as environmental compliance controls, safety protocols and regulatory monitoring processes, are integrated into the Group's overall internal control system.

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL

Internal controls are important to support the function of the risk management system and the Board and Management of the Group has put in place key internal controls to assure the achievement of the Group's objectives and its operational effectiveness.

The Group continues to enforce its lines of responsibility, reporting and approval authority under its management organisation structure and the standard operating procedures. These controls are reviewed by the Internal Auditors and strengthened by the Management to ensure its effectiveness

In addition, external and relevant professionals would be drawn on to assist and provide advices to the management team when necessary. In order to ensure the objectivity of the review of the risk management and internal control system of the Group, the ARMC is instituted by the Board to undertake this role. This process is regularly reviewed by the ARMC and reported to the Board.

The ARMC assists the Board to review the adequacy and integrity of the internal control system and its compliance with the Group's policies and procedures.

KEY ELEMENTS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

To complement and enhance the risk management and internal control system, the Group has put in place the following practices / structures:

- The Group maintains clearly defined and structured lines of reporting and responsibilities including proper segregation of duties, appropriate authority limits, and adequate review and approval procedures.

  Formal Standard Operating Policies and Procedures are in place and regularly reviewed and updated to ensure that they continue to support the Group's business activities as the Group continues to grow; Certain subsidiaries within the Group adhere to and apply the International Organization for Standardization ("ISO") Quality Policies and Procedures. In addition, the Group also ensures compliance with the relevant Safety and Health procedures. With such certification, audits are conducted by external parties periodically to ensure compliance with the requirements of the certification.

- Board Committees (i.e. ARMC, Nomination Committee and Remuneration Committee) which undertake their duties and responsibilities according to their delegated functions as set out in their respective Terms of Reference.

- Formalised Code of Conduct and Ethics, Whistleblowing Policy and Anti-Fraud, Bribery and Corruption Policy. For FYE 31 March 2026, there were no concerns raised of any wrongdoing or improper conduct involving the Group or its Directors or employees.

- Regular and comprehensive information provided to the Board, covering financial performance and key business indicators.

- Periodic Board, Board Committee and management meetings being held to deliberate on, among others, financial, operational, risk and compliance matters.

- Outsourced internal audit function which reports to the ARMC.

- Active participation of executive members of the Board in the day-to-day running of the operations.

- Regular management meeting with all key personnel of respective departments to address weaknesses and improve efficiency.

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL AUDIT FUNCTION

The internal audit function of the Group is outsourced to Vaersa Advisory Sdn Bhd ("Vaersa Advisory"), an external professional firm which was appointed by the Company on 2 June 2020. Vaersa Advisory is independent of the activities and operations of the Group and reports directly to the ARMC.

The internal audit exercises are carried out based on a recognized framework for internal auditing, such as the International Professional Practices Framework issued by the Institute of Internal Auditors in assessing the effectiveness of the Group's internal control system. Scheduled internal audits are carried out by Vaersa Advisory based on the audit plan presented to and approved by the ARMC.

The work carried out by Vaersa Advisory for the Group is headed by Mr Quincy Gan Hoong Huat, the Advisory Partner, who is a Certified Internal Auditor. He is supported by the engagement team of Internal Auditors who have the relevant professional qualifications.

During the FYE 31 March 2026, Vaersa Advisory has carried out the following work:

a) Undertook internal control review of PT Powerwell Listrik Indonesia on the following areas:
   - Policies and Procedures and Corporate Function
   - Financial and Treasury Management
   - Production and Project Management
   - Procurement & Vendor Evaluation
   - Sales, Marketing and Business Development Management
   - Inventory Control Management
   - Human Resources and Administrative Management

b) Undertook internal control review of Firerex Technology Sdn Bhd and Brandrich Fire Solutions Sdn Bhd on the following areas:
   - Policies and Procedures and Corporate Function
   - Financial and Treasury Management
   - Production / Project Management
   - Procurement & Vendor Evaluation
   - Sales Management
   - Inventory Control Management
   - Human Resources and Administrative Management

The key audit findings together with the recommendations for improvement by the outsourced internal auditors, and management responses were presented and deliberated at the ARMC meetings. The status of implementation is monitored through follow up audits which are reported at ARMC meetings. The Management is responsible in ensuring that corrective actions to control weaknesses are implemented within a defined time frame. The ARMC keeps track and addresses any issues that relates to this matter at every quarterly meeting and its members are constantly being updated on any activities that relates to the above.

Beside the above, the outsourced internal auditors undertook a review of Enterprise Risk Assessment of the Group whereby the main risks in the following main business areas have been reviewed:-

- Strategic risks
- Human Resources risks
- Operational risks
- Financial risks
- Legal & Regulatory risks
- Information Technology General Control risks

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL AUDIT FUNCTION (CONT'D)

The risk management methodology employed involves the identification and assessment of risks, which are evaluated based on two primary dimensions: the potential impact on the Group's operations and strategic objectives, and the probability of the risk occurrence. To facilitate a comprehensive and structured evaluation, a risk matrix format is adopted where potential risks are ranked as High, Moderately High, Moderate, Moderately Low, or Low. This approach enables the Group to map and prioritise key risks, ensuring a holistic review and effective monitoring of mitigation strategies by Management and the Board.

Upon completion of the risk management assessment performed for FYE 31 March 2026, the risk ratings as compared to FYE 31 March 2025 together with the risk management activities carried out during the assessment were presented and deliberated at the ARMC meetings.

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

In accordance to the Guidelines, the Management is responsible to the Board for identifying risks relevant to the business of the Company's objectives and strategies, implementing and maintaining a sound system of risk management and internal control, and monitoring and reporting to the Board of significant control deficiencies and changes in risks that could significantly affect the Company's achievement of its objectives and performance.

In producing this Statement, the Board has received assurance from the Managing Director, Executive Director and the Chief Financial Officer that, to the best of their knowledge, the Group's risk management and internal control system is in place for FYE 31 March 2026 and is operating adequately and effectively, in all material aspects.

BOARD ASSURANCE AND LIMITATION

The Board is satisfied that there is ongoing process for identifying, evaluating and managing significant risks faced by the Group and the existing system of risk management and internal control is effective to enable the Group to achieve its business objectives. During FYE 31 March 2026 and up to the date of approval for issuance of this Statement, there were no material losses incurred by the Group arising from weaknesses in its internal control system.

Despite the above, it should be noted that the risk management and internal control system could only manage rather than eliminate risks of failure to achieve business objectives. Therefore, the system of risk management and internal control in the Group can only provide reasonable but not absolute assurance against material misstatements, frauds and losses.

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

As required by Rule 15.23 of the ACE Market Listing Requirements of Bursa Securities, the Company's external auditors have reviewed this Statement for inclusion in the Annual Report for FYE 31 March 2026. Based on their procedures performed, the External Auditors have reported to the Board that nothing has come to their attention which causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph Section 7 of the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

Their limited assurance review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information and, Audit and Assurance Practice Guide ("AAPG") 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control system of the Group.

This Statement on Risk Management and Internal Control is made by the Board in accordance to its resolution dated 16 July 2026.

STATEMENT ON DIRECTORS' RESPONSIBILITY

The Directors are required by the Companies Act 2016 ("the Act") to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year under review and their results and cash flows for the financial year then ended. As required by the Act and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the financial statements have been prepared in accordance with the applicable approved accounting standards in Malaysia.

In preparing the financial statements of the Group and the Company for the financial year ended 31 March 2026, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgments and estimates that are prudent and reasonable;
- ensured applicable approved accounting standards have been complied with, subject to any material departures being disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company. The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and the Company and to prevent and detect fraud and other such irregularities.

This statement is made in accordance with the resolution of the Board dated 16 July 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee ("ARMC") was established in 2019 with the primary objective to assist the Board of Directors ("the Board") of Powerwell Holdings Berhad ("Powerwell" or "the Company") in the effective discharge of its fiduciary responsibilities for corporate governance, financial reporting to shareholders and the public, and internal control. *(Note: Powerwell and our subsidiaries are collectively referred to as "the Group" herein)*.

The ARMC adopts practices aimed at maintaining appropriate standards of responsibility, integrity and accountability to all the Company's shareholders.

MEMBERSHIP

The ARMC is composed exclusively of Independent Non-Executive Directors, with no alternate directors appointed as a member of the ARMC. The ARMC comprises the following members:

Chairman
Selma Enolil Binti Mustapha Khalil – Independent Non-Executive Director

Members
Tang Yuen Kin – Independent Non-Executive Director
Dr Tou Teck Yong – Senior Independent Non-Executive Director

COMPOSITION

The composition of the ARMC complies with Rule 15.09 of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), as follows:

a) The ARMC presently consists of three (3) members;
b) All the members of the ARMC are independent non-executive directors; and
c) Mr Tang Yuen Kin is a member of the Malaysian Institute of Accountants.

TERMS OF REFERENCE

The full Terms of Reference of the ARMC setting out the objective, membership, functions, meeting procedures, authority, duties and responsibilities is made publicly available on the Company's website at www.powerwell.com.my in line with Rule 15.11 of AMLR of Bursa Securities.

MEETINGS

During the financial year ended 31 March 2026, the ARMC has met five (5) times and the details of attendance of the ARMC members are as follows:

Name	Attendance
Selma Enolil Binti Mustapha Khalil (Chairman)	5/5
Tang Yuen Kin	5/5
Dr Tou Teck Yong	5/5

Audit and Risk Management Committee Report (Cont'd)

MEETINGS (CONT'D)

The agenda for the meetings, together with the relevant papers and reports together with the minutes of the previous ARMC meeting, were distributed to the ARMC members prior to the meetings. The Company Secretary attended all the meetings held during the financial year under review. In addition, the Managing Director, the Executive Director, the Chief Financial Officer, key management personnel, external auditors and outsourced internal auditors also attended the meetings when invited by the ARMC to provide information and present reports during the deliberation of matters pertaining to their respective areas.

The Chairman of the ARMC provided a report, highlighting significant points of the decisions and recommendations made by the ARMC to the Board, as well as matters reserved for the Board's approval, if any.

SUMMARY OF WORK OF THE ARMC

During the financial year ended 31 March 2026, the ARMC had, in discharging its functions and duties, carried out amongst others, the following activities:

a) Reviewed the quarterly unaudited financial results of the Group for announcement to Bursa Securities before recommending them for the Board's approval. The review was to ensure that the unaudited quarterly financial results were prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134, International Accounting Standard 34: *Interim Financial Reporting*, and provisions of the AMLR of Bursa Securities.

b) Reviewed the audited financial statements of the Group and the Company for the financial year ended 31 March 2025 prior to their submission for consideration and approval by the Board. The review was to ensure that the audited financial statements were drawn up in accordance with the requirements of the Companies Act 2016 and the applicable MFRS and International Financial Reporting Standards.

c) Reviewed the Group's management budget for the financial year ended 31 March 2026 before recommending for the Board's approval and adoption.

d) Reviewed and discussed with the external auditors, BDO PLT, on the results of the audit, the audit report and the management letter, including management's response, on the financial statements of the Group for the financial year ended 31 March 2025.

e) Without the presence of Executive Directors and Management, discussed with BDO PLT on any issues, problems and reservations arising from the audit for the financial year ended 31 March 2025, and any other matters that they would want to bring to the attention of the ARMC.

f) Reviewed the provision of non-assurance services provided by BDO PLT.

g) Reviewed and discussed with the external auditors, BDO PLT, on their audit plan for the financial year ended 31 March 2026 covering (i) responsibilities, (ii) audit status and significant changes to audit plans, (iii) finding on areas of significant auditor attention, (iv) compliance with laws and regulations, fraud-related matters and review of material litigations and claims, (v) summary of misstatements, (vi) recommendation for improvement in internal controls, (vii) key audit matters, (viii) opinion on statutory reporting matters, (ix) professional independence, (x) statement of communication, (xi) listed issuer updates, (xii) other updates and (xii) Transparency report, before endorsing and recommending to the Board for adoption.

h) Reviewed related party transactions, if any, entered into by the Group on a quarterly basis to ensure that the transactions were undertaken on normal commercial terms and not detrimental to the interest of the Company and its minority shareholders.

i) Reviewed and recommended to the Board for the re-appointment of BDO PLT as the external auditors of the Company for the financial year ended 31 March 2026, after assessing their independence, suitability and performance.

Audit and Risk Management Committee Report (Cont'd)

SUMMARY OF WORK OF THE ARMC (CONT'D)

During the financial year ended 31 March 2026, the ARMC had, in discharging its functions and duties, carried out amongst others, the following activities (Cont'd):

j) Reviewed the Statement on Risk Management and Internal Control and the ARMC Report prior to recommending the same to the Board for approval to include in the 2025 Annual Report of the Company.

k) Reviewed and deliberated on the outsourced internal auditors', i.e. Vaersa Advisory Sdn Bhd ("Vaersa Advisory"), reports as detailed in the Internal Audit Function section below, and followed up on the actions taken by Management in addressing the issues and recommendations raised by outsourced internal auditors.

l) Reviewed and evaluated the performance of Vaersa Advisory to ensure that the internal audit function is effective and function independently.

INTERNAL AUDIT FUNCTION

The internal audit function of the Group is outsourced to Vaersa Advisory, an external professional firm which was appointed by the Company on 2 June 2020. Vaersa Advisory is independent of the activities and operations of the Group and reports directly to the ARMC.

During the financial year ended 31 March 2026, Vaersa Advisory has carried out the following work:

a) Undertook internal control review of PT Powerwell Listrik Indonesia on the following areas:
   - Policies and Procedures and Corporate Function
   - Financial and Treasury Management
   - Production and Project Management
   - Procurement & Vendor Evaluation
   - Sales, Marketing and Business Development Management
   - Inventory Control Management
   - Human Resources and Administrative Management

b) Undertook internal control review of Firerex Technology Sdn Bhd and Brandrich Fire Solutions Sdn Bhd on the following areas:
   - Policies and Procedures and Corporate Function
   - Financial and Treasury Management
   - Production / Project Management
   - Procurement & Vendor Evaluation
   - Sales Management
   - Inventory Control Management
   - Human Resources and Administrative Management

c) Review of Enterprise Risk Assessment of the Group.

d) Presented the report on the internal control reviews highlighting the key audit findings together with the recommendations for improvement as well as management responses and action plans, to the ARMC for deliberation.

The fees incurred by the Group in relation to the outsourced internal audit function for the financial year ended 31 March 2026 were RM43,300.

ADDITIONAL INFORMATION

1. UTILISATION OF PROCEEDS

No proceeds were raised from any corporate proposals during the financial year ended 31 March 2026.

2. AUDIT FEE AND NON-AUDIT FEE

Details of the audit and non-audit fees incurred by the Company and its subsidiaries for services rendered by the external auditors during the financial year ended 31 March 2026 are set out below:-

	Company RM'000	Group RM'000
Audit services	30	185
Non-audit services	8	8
TOTAL	**38**	**193**

3. MATERIAL CONTRACTS INVOLVING DIRECTORS AND/OR MAJOR SHAREHOLDERS

There were no material contracts entered by the Company and/or its subsidiaries involving the interest of Directors' and/or major shareholders either subsisting at the end of the financial year ended 31 March 2026 or entered into since the end of the previous financial year ended 31 March 2025.

4. RECURRENT RELATED PARTY TRANSACTIONS

During the financial year ended 31 March 2026, there were no Recurrent Related Party Transactions of a revenue or trading nature which requires shareholders' mandate.

Additional Information (Cont'd)

5. EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The ESOS of the Group is governed by the ESOS By-Laws and was approved by shareholders at the Extraordinary General Meeting of the Company held on 25 September 2025. The ESOS was implemented effective from 30 September 2025 for a duration of five (5) years, expiring on 30 September 2030. During the financial year ended 31 March 2026, the Company has made the first offer of options to its eligible employees and director under the Company's ESOS to subscribe for the new ordinary shares in the Powerwell, details as set out below:-

i. ESOS details, including the first grant offered under the scheme.

Total Number of Approved ESOS Shares as at 1 April 2025		N/A
Total Number of Approved ESOS Shares as at 30 September 2025		87,082,800 (100.00%)
Date of First Grant		31 October 2025
Exercise price of ESOS Options offered		RM0.50
Number of ESOS Options Granted to employees		42,550,000 (48.86%)
Number of ESOS Participants		54 employees including one (1) executive director
Vesting Period of ESOS Options offered		:
Vesting Date	*Exercisable Period*	Maximum Percentage of ESOS Options Exercisable
31 December 2026	Upon vested until 30 June 2028	25.00%
31 December 2027	Upon vested until 30 June 2028	35.00%
31 December 2028	Upon vested until 30 June 2029	40.00%
Total Number of ESOS Options Exercised		Nil (0.00%)
Total Number of ESOS Options Forfeited		Nil (0.00%)
Total Number of ESOS Options Outstanding/Unexercised		42,550,000 (48.86%)
Balance Number of Approved ESOS Shares as at 31 March 2026		44,523,800 (51.14%)

ii. ESOS granted to directors, senior management and other employees

Category	No. of Participants	No. of Options Granted	No. of Options Exercised	Percentage (First Grant)	Percentage (Cumulative)
Executive Director	1	8,000,000	–	18.80%	9.19%
Senior Management	5	15,000,000	–	35.25%	17.22%
Other Employees	48	19,550,000	–	45.95%	22.45%
Total	**54**	**42,550,000**	**–**	**100.00%**	**48.86%**

Notes:

1. *Pursuant to the ESOS By-Laws, the aggregate allocation of ESOS options granted to directors and senior management must not exceed 80% of the total number of ESOS shares available under the scheme.*
2. *As at 31 March 2026, the aggregate ESOS options granted to directors and senior management represented 26.41% of the total number of ESOS shares available under the scheme, which is within the prescribed limit of 80%.*
3. *As at 31 March 2026, no ESOS options had been exercised, as the options granted had not yet vested.*

Additional Information (Cont'd)

6. 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

	Group	
Total Income	**2026 (RM)**	**2025 (RM)**
Revenue	159,093,269	137,513,843
Other income	3,234,947	3,776,103
Total	**162,328,216**	**141,289,946**
Total Assets	**196,670,779**	**182,245,128**

(b) Business Activities

	Group	
Shariah Non-Compliant Activities	**2026 (RM)**	**2025 (RM)**
Interest income	1,378,772	1,654,996
Total	**1,378,772**	**1,654,996**

(c) Components of Financial Position

(i) Cash component

		Group	
Islamic Account/ Instruments	**Remarks**	**2026 (RM)**	**2025 (RM)**
Cash and bank (exclude cash in hand)		29,256,120	19,408,921
Deposits with licensed bank		–	11,045,911
Money market instruments		4,061,170	–
Other cash equivalents	Cash in hand	–	–
Total		**33,317,290**	**30,454,832**

Additional Information (Cont'd)

6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

(c) Components of Financial Position (Cont'd)

(i) Cash component (Cont'd)

Conventional Account/ Instruments	Remarks	2026 (RM)	2025 (RM)
Cash and bank (exclude cash in hand)		5,331,535	9,848,930
Deposits with licensed bank		19,686,432	25,635,644
Money market instruments		–	1,618,977
Other cash equivalents	Cash in hand	33,079	53,380
Total		**25,051,046**	**37,156,931**

(ii) Debt Component

		Group	
Islamic Financing	**Remarks**	**2026 (RM)**	**2025 (RM)**
Current			
Hire purchase payables		89,554	107,472
Bank borrowings		–	–
Bank overdrafts		–	–
Banker's acceptance		–	–
Term Loan		–	–
Non-Current			
Hire purchase payables		–	89,554
Bank borrowings		–	–
Bank overdrafts		–	–
Banker's acceptance		–	–
		–	–
Total Financing		**89,554**	**197,026**

	Remarks		
Conventional Borrowing			
Current			
Hire purchase payables		258,160	188,350
Banker's acceptance		2,614,653	–
Term Loan		549,614	519,444
Non-Current			
Hire purchase payables		785,492	699,176
Bank borrowings			
Banker's acceptance			
Term Loan		6,405,595	6,960,056
Total Debt		**10,613,514**	**8,367,026**

05 FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are mainly design, manufacturing and trading of electricity distribution products, property investment and management, trading of firefighting and fire prevention equipment, design, supply, install and maintenance of fire protection and detection system.

Further details of the subsidiaries are set out in Note 10 to the financial statements.

RESULTS

	Group RM	Company RM
Profit for the financial year	24,343,895	11,493,145
Attributable to:		
Owners of the parent	23,618,090	11,493,145
Non-controlling interest	725,805	–
	24,343,895	11,493,145

DIVIDENDS

Dividends paid, declared or proposed by the Company since the end of the previous financial year were as follows:

	Company RM
First interim single tier dividend of 1.0 sen per ordinary share in respect of financial year ended 31 March 2025, paid on 29 July 2025	5,805,520
First interim single tier dividend of 0.5 sen per ordinary share in respect of financial year ended 31 March 2026, paid on 7 January 2026	2,902,748
	8,708,268

On 26 May 2026, the Board of Directors declared a second interim single tier dividend of 1.0 sen per ordinary share of RM5,805,520 for the financial year ended 31 March 2026, which is to be paid on 20 August 2026 to shareholders of the Company whose names appeared in the Record of Depositors on 21 July 2026. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2027.

The Directors do not recommend the payment of any final dividend in respect of the current financial year.

Directors' Report (Cont'd)

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

On 30 September 2025, the Company established an ESOS for the granting of ESOS to eligible Directors and employees of the Group. The ESOS was implemented on 30 September 2025.

The ESOS is administered by the Nomination and Remuneration Committee and governed by the By-Laws of the ESOS.

The salient features of the ESOS are as follows:

(a) The total number of new ordinary shares in the Company, which may be made available under the ESOS shall not exceed in aggregate 15% of the total number of issued ordinary shares of the Company (excluding treasury shares, if any) at any one time during the duration of the ESOS;

(b) The ESOS shall be in force for a period of five (5) years from the effective date and may be extended for a period of up to another five (5) years, provided that the duration of the ESOS shall not in aggregate exceed ten (10) years from the effective date or such other period as may be determined by the relevant authorities;

(c) Subject to the discretion of the Nomination and Remuneration Committee, an employee or a Director of the Group who fulfils the relevant conditions of the By-Laws of the ESOS shall be eligible to participate in the ESOS ("Eligible Person");

(d) The number of the options to be offered to an Eligible Person in accordance with the ESOS shall be determined at the discretion of the ESOS Committee after taking into consideration, inter alia, the Eligible Person's position, ranking, performance, contribution, seniority, length of service, fulfilment of the relevant eligibility criteria, and/or such other matters as the ESOS Committee deems fit, subject to the following:

    (i) not more than 80% of the total number of new ordinary shares available to be issued under the ESOS shall be allocated, in aggregate, to the Directors and Senior Management of the Group; and

    (ii) not more than 10% of the new ordinary shares available under the ESOS shall be allocated to any Eligible Person who, either singly or collectively through persons connected with him/her, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any);

(e) Subject to any adjustments made under the By-Laws of the ESOS and pursuant to the listing requirements of Bursa Malaysia Securities Berhad, the exercise price shall be determined by the ESOS Committee based on the five (5)-day volume weighted average market price of the ordinary shares of the Company immediately preceding the date of the offer, with a discount, if any, provided always that such discount is not more than ten percent (10%), if deemed appropriate, or such other percentage of discount as may be permitted by any prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authorities as amended from time to time during the option period; and

(f) The new ordinary shares to be issued and allotted upon the exercise of the ESOS options will, upon issuance and allotment, rank equally in all respects with the existing ordinary shares of the Company, save and except that such new ordinary shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid to shareholders where the entitlement date of which precedes the relevant date of issuance and allotment of such new ordinary shares.

Directors' Report (Cont'd)

EMPLOYEES' SHARE OPTION SCHEME ("ESOS") (CONT'D)

Details of the ESOS options granted are as follows:

			[----- Number of options over ordinary shares -----] [------- Movements during the financial year--------]			
	Exercise price RM	**Date of offer**	**Balance as at 1.4.2025**	**Granted**	**Outstanding as at 31.3.2026**	**Exercisable as at 31.3.2026**
First Grant	0.5	31.10.2025	–	42,550,000	42,550,000	–

The ESOS options granted on 31 October 2025 will vest in three (3) tranches on 31 December 2026, 31 December 2027 and 31 December 2028 respectively. No ESOS options were exercisable as at 31 March 2026.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

<u>Powerwell Holdings Berhad</u>

Wong Yoke Yen*
Tang Yuen Kin
Dr. Tou Teck Yong
Selma Enolil Binti Mustapha Khalil
Soh Wei Wei*
Chong Guang Wei
Tee Joe Ee (Appointed on 8 December 2025)

* These Directors of the Company are also the Directors of certain subsidiaries of the Company.

<u>Subsidiaries of Powerwell Holdings Berhad (excluding those who are listed above)</u>

Pursuant to Section 253(2) of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries during the financial year and up to the date of this report are as follows:

Ang Aun Leong (Appointed 10 December 2025)
Leow Men Ken (Appointed 16 December 2025)
Leong Yek Loong
Sarah Jane Claresta
Tham Kien Wai
Tai Kwang Tong
Leong Yeow Cheng
Hoh Moon Heng (Retired on 10 December 2025)

Directors' Report (Cont'd)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares of the Company and of its related corporations during the financial year ended 31 March 2026 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	----- Number of ordinary shares -----			
	Balance as at 1.4.2025/ date of appointment	**Acquired**	**Disposed**	**Balance as at 31.3.2026**
Shares in the Company				
Direct interests				
Wong Yoke Yen	27,914,197	–	–	27,914,197
Tang Yuen Kin	100,000	–	–	100,000
Dr. Tou Teck Yong	100,000	–	–	100,000
Selma Enolil Binti Mustapha Khalil	50,000	–	–	50,000
Soh Wei Wei	16,005,095	–	(1,600,510)	14,404,585
Indirect interests				
Chong Guang Wei	29,000,000	–	–	29,000,000
Tee Joe Ee	140,777,000	–	–	140,777,000

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) 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 other than the remuneration received and receivable by certain Directors from the related corporations in their capacity as Directors or Executives of the related corporation.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Report (Cont'd)

DIRECTORS' REMUNERATION

The remuneration of Directors during the financial year were as follows:

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Directors of the Company:				
Fees	271,600	201,350	253,600	201,350
Salaries and allowances	1,715,879	1,829,290	25,000	17,000
Defined contribution plan	279,376	309,424	–	–
Other employees' benefits	4,035	5,912	–	–
	2,270,890	2,345,976	278,600	218,350
Benefits-in-kind	61,000	76,296	–	–
	2,331,890	2,422,272	278,600	218,350
Directors of subsidiaries:				
Fees	18,000	–	–	–
Salaries and allowances	1,689,595	681,174	–	–
Defined contribution plans	232,008	110,640	–	–
Other employees' benefits	6,464	1,759	–	–
	1,946,067	793,573	–	–
Benefits-in-kind	–	–	–	–
	1,946,067	793,573	–	–
	4,277,957	3,215,845	278,600	218,350

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There were no indemnity given to or insurance effected for any Directors or officers or auditors of the Group and of the Company during the financial year.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

(b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

(c) The Directors are not aware of any circumstances:

(i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and

(iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) In the opinion of the Directors:

(i) there has not arisen any item, transaction or event of a material and unusual nature likely 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; and

(ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

(e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

Directors' Report (Cont'd)

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

1. During the financial year, Powerwell Vietnam Company Limited ("PVCL"), a wholly-owned subsidiary of the Group held through Powerwell Sdn Bhd, engaged Tricor Services Vietnam Company Limited as its corporate service provider to facilitate the deregistration of the company. As at the date of this report, the deregistration process is still in progress.

2. On 29 December 2025, the Company entered into Shares Sale Agreements to acquire a 49% equity interest each in Tenaga Kenari Sdn. Bhd. ("TKSB") and Tenaga Kenari Marketing Sdn. Bhd. ("TKMSB") for a total cash consideration of RM16,660,000. Pursuant to the Shareholders' Agreements entered with the shareholders of TKSB and TKMSB, the Company will have majority control over the boards of directors of TKSB and TKMSB and accordingly, TKSB and TKMSB will become subsidiaries of the Company.

   Subsequent to the end of the reporting period, the balance of the purchase consideration was fully paid in accordance with the provisions of the Shares Sale Agreements and the acquisitions were completed on 1 April 2026.

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

The details of auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2026 were as follows:

	Group RM	Company RM
Statutory audit	184,919	30,300
Other services	7,500	7,500
	192,419	37,800

Signed on behalf of the Board in accordance with a resolution of the Directors.

Wong Yoke Yen
Director

Soh Wei Wei
Director

Kuala Lumpur
16 July 2026

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 100 to 160 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions 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 at 31 March 2026 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

....	....
Wong Yoke Yen	**Soh Wei Wei**
Director	Director

Kuala Lumpur
16 July 2026

STATUTORY DECLARATION

I, Tan Yee Sin (CA 53555), being the officer primarily responsible for the financial management of Powerwell Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 100 to 160 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed at)
Kuala Lumpur)
on 16 July 2026)

Tan Yee Sin
Chief Financial Officer

Before me:

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF POWERWELL HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Powerwell Holdings Berhad, which comprise the statements of financial position as at 31 March 2026 of the Group and of the Company, and 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 100 to 160.

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 March 2026, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), 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 ("ISAs"). 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 application 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.

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.

1. Impairment of trade receivables

As at 31 March 2026, trade receivables of the Group were RM51,416,414 as disclosed in Note 12 to the financial statements.

The Group has further impaired trade receivables during the financial year as disclosed in Note 12(d) to the financial statements.

We determined this to be key audit matter because it requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

Independent Auditors' Report (Cont'd)

KEY AUDIT MATTERS (CONT'D)

1. Impairment of trade receivables (Cont'd)

Audit response

Our audit procedures included the following:

(a) recomputed the probability of default using historical data and forward-looking information adjustment, applied by the Group;

(b) recomputed the correlation coefficient between forward-looking factors used by the Group and historical credit losses to determine the appropriateness of the forward-looking information used by the Group;

(c) inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses; and

(d) assessed the adequacy of credit impaired assessment performed by management on trade receivables who are in significant financial difficulties and have defaulted on payments.

2. Revenue from sales of electricity distribution products

Revenue from sales of electricity distribution products during the financial year as disclosed in Note 21 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the satisfaction of performance obligations as stated in contracts with customers and determining whether there is any exposure to liquidated damages arising from delays in delivery of products for a project.

Audit response

Our audit procedures included the following:

(a) Reviewed the terms and conditions of major transactions to determine the revenue recognised conforms with the Group policies and the requirements of MFRS 15 *Revenue from Contracts with Customers*;

(b) Inspected documentation acknowledged by customers to support the delivery of goods and the acceptance by customers;

(c) Inquired the Group's in-house operational and financial personnel regarding the basis for seeking an extension of time from the customer and assessed the potential exposure to liquidated damages; and

(d) Inspected relevant correspondences with a customer in relation to the late delivery of products.

We have determined that there are no key audit matters to be communicated in our auditors' report of the audit of the separate financial statements of the Company.

Independent Auditors' Report (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 Directors' Report and 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 financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, 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 ability of the Group and of the Company 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 ISAs 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 decision 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) 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.

(b) 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.

Independent Auditors' Report (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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (Cont'd)

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(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 ability of the Group or of the Company 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.

(e) 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.

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance 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.

Independent Auditors' Report (Cont'd)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 10 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.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Law Kian Huat
02855/06/2028 J
Chartered Accountant

Kuala Lumpur
16 July 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
ASSETS					
Non-current assets					
Property, plant and equipment	6	29,614,369	30,065,567	–	–
Right-of-use assets	7	2,065,287	1,685,012	–	–
Intangible assets	8	650,261	84,376	–	–
Goodwill on consolidation	9	3,014,433	–	–	–
Investments in subsidiaries	10	–	–	29,696,140	25,549,094
		35,344,350	31,834,955	29,696,140	25,549,094
Current assets					
Inventories	11	45,576,306	26,879,306	–	–
Trade and other receivables	12	57,155,536	53,226,987	1,947,693	16,754,610
Current tax assets		226,252	2,692,117	95,333	115,666
Short-term funds	13	4,061,170	1,618,977	–	811,282
Cash and bank balances	14	54,307,165	65,992,786	15,228,842	110,970
		161,326,429	150,410,173	17,271,868	17,792,528
TOTAL ASSETS		196,670,779	182,245,128	46,968,008	43,341,622
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	15	36,348,121	36,348,121	36,348,121	36,348,121
Retained earnings		75,897,458	60,987,636	9,406,321	6,621,444
Foreign exchange translation reserve	16	266,516	164,777	–	–
Share options reserve	16	1,043,612	–	1,043,612	–
		113,555,707	97,500,534	46,798,054	42,969,565
Non-controlling interests		1,916,184	–	–	–
TOTAL EQUITY		115,471,891	97,500,534	46,798,054	42,969,565

Statements of Financial Position (Cont'd)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
LIABILITIES					
Non-current liabilities					
Lease liabilities	7	1,056,420	846,700	–	–
Deferred tax liabilities	17	1,174,101	944,113	–	–
Contract liabilities	19	265,954	–	–	–
Bank borrowings	20	6,405,595	6,960,056	–	–
		8,902,070	8,750,869	–	–
Current liabilities					
Trade and other payables	18	66,145,691	66,580,187	169,954	372,057
Bank borrowings	20	3,164,267	8,913,002	–	–
Current tax liabilities		1,135,862	22,392	–	–
Contract liabilities	19	947,820	–	–	–
Lease liabilities	7	903,178	478,144	–	–
		72,296,818	75,993,725	169,954	372,057
TOTAL LIABILITIES		81,198,888	84,744,594	169,954	372,057
TOTAL EQUITY AND LIABILITIES		196,670,779	182,245,128	46,968,008	43,341,622

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		Group		Company	
		2026	**2025**	**2026**	**2025**
	Note	**RM**	**RM**	**RM**	**RM**
Revenue	21	159,093,269	137,513,843	13,581,200	10,251,800
Cost of sales		(105,590,769)	(91,892,244)	–	–
Gross profit		53,502,500	45,621,599	13,581,200	10,251,800
Other income	22	3,234,947	3,776,103	113,329	51,275
Net reversal of impairment losses/ (impairment losses) on financial assets	24(b)	1,960,242	(1,971,242)	–	–
Administrative and distribution expenses		(21,248,364)	(18,392,772)	(2,079,028)	(754,675)
Other operating expenses		(1,523,869)	(1,431,383)	(110,817)	–
Profit from operations		35,925,456	27,602,305	11,504,684	9,548,400
Finance costs	23	(753,119)	(758,920)	–	–
Profit before tax	24(a)	35,172,337	26,843,385	11,504,684	9,548,400
Taxation	25	(10,828,442)	(8,069,811)	(11,539)	13,547
Profit for the financial year		24,343,895	18,773,574	11,493,145	9,561,947
Other comprehensive income, net of tax					
Item that will be reclassified subsequently to profit or loss:					
Foreign currency translation gain		101,739	17,678	–	–
Total comprehensive income for the financial year		24,445,634	18,791,252	11,493,145	9,561,947

Statements of Profit or Loss and Other Comprehensive Income (Cont'd)

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Profit attributable to:					
Owners of the parent		23,618,090	18,773,574	11,493,145	9,561,947
Non-controlling interests		725,805	–	–	–
		24,343,895	18,773,574	11,493,145	9,561,947
Total comprehensive income attributable to:					
Owners of the parent		23,719,829	18,791,252	11,493,145	9,561,947
Non-controlling interests		725,805	–	–	–
		24,445,634	18,791,252	11,493,145	9,561,947
Earnings per share attributable to owners of the parent (sen):					
- Basic and diluted	26	4.07	3.23		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

Group		[---------------- Attributable to owners of the parent				-----------------]		
		[------------ Non-distributable	----------]		Distributable			
		Share capital RM	Foreign exchange translation reserve RM	Share options reserve RM	Retained earnings RM	Total equity attributable to owners of the parent RM	Non-controlling interests RM	Total equity RM
Balance as at 1 April 2025		36,348,121	164,777	–	60,987,636	97,500,534	–	97,500,534
Profit for the financial year		–	–	–	23,618,090	23,618,090	725,805	24,343,895
Other comprehensive income, net of tax		–	101,739	–	–	101,739	–	101,739
Total comprehensive income		–	101,739	–	23,618,090	23,719,829	725,805	24,445,634
Transactions with owners								
Dividends paid	27	–	–	–	(8,708,268)	(8,708,268)	–	(8,708,268)
Acquisition of subsidiaries	10	–	–	–	–	–	1,170,779	1,170,779
Additional shares in a subsidiary issued to non-controlling interests		–	–	–	–	–	19,600	19,600
ESOS share options expenses	16	–	–	1,043,612	–	1,043,612	–	1,043,612
Total transactions with owners		–	–	1,043,612	(8,708,268)	(7,664,656)	1,190,379	(6,474,277)
Balance as at 31 March 2026		36,348,121	266,516	1,043,612	75,897,458	113,555,707	1,916,184	115,471,891

Statements of Changes in Equity (Cont'd)

Group		[-------------- Attributable to owners of the parent ----------]					
		[---- Non-distributable ----]		Distributable			
		Share capital RM	Foreign exchange translation reserve RM	Retained earnings RM	Total equity attributable to owners of the parent RM	Non-controlling interest RM	Total equity RM
Balance as at 1 April 2024		36,348,121	147,099	48,019,582	84,514,802	–	84,514,802
Profit for the financial year		–	–	18,773,574	18,773,574	–	18,773,574
Other comprehensive income, net of tax		–	17,678	–	17,678	–	17,678
Total comprehensive income		–	17,678	18,773,574	18,791,252	–	18,791,252
Transaction with owners							
Dividends paid	27	–	–	(5,805,520)	(5,805,520)	–	(5,805,520)
Total transaction with owners		–	–	(5,805,520)	(5,805,520)	–	(5,805,520)
Balance as at 31 March 2025		36,348,121	164,777	60,987,636	97,500,534	–	97,500,534

Statements of Changes in Equity (Cont'd)

Company	Note	Share capital RM	Share options reserve RM	Distributable Retained earnings RM	Total equity RM
Balance as at 1 April 2024		36,348,121	–	2,865,017	39,213,138
Profit for the financial year		–	–	9,561,947	9,561,947
Other comprehensive income, net of tax		–	–	–	–
Total comprehensive income		–	–	9,561,947	9,561,947
Transaction with owners					
Dividends paid	27	–	–	(5,805,520)	(5,805,520)
Total transaction with owners		–	–	(5,805,520)	(5,805,520)
Balance as at 31 March 2025/ 1 April 2025		36,348,121	–	6,621,444	42,969,565
Profit for the financial year		–	–	11,493,145	11,493,145
Other comprehensive income, net of tax		–	–	–	–
Total comprehensive income		–	–	11,493,145	11,493,145
Transactions with owners					
Dividends paid	27	–	–	(8,708,268)	(8,708,268)
ESOS share option expenses	16	–	1,043,612	–	1,043,612
Total transactions with owners		–	1,043,612	(8,708,268)	(7,664,656)
Balance as at 31 March 2026		36,348,121	1,043,612	9,406,321	46,798,054

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		35,172,337	26,843,385	11,504,684	9,548,400
Adjustments for:					
Depreciation of:					
- property, plant and equipment	6	1,783,175	1,612,169	–	–
- right-of-use assets	7	976,895	729,227	–	–
Amortisation of intangible assets	8	22,084	21,094	–	–
Dividend income	21	–	–	(13,581,200)	(10,251,800)
Gain on disposal of property, plant and equipment	22	(87,204)	(264,500)	–	–
Gain on disposal of right-of-use assets	22	(29,700)	(887,842)	–	–
Gain on remeasurement of right-of-use assets	7	(505)	(122)	–	–
Impairment losses on:					
- trade receivables	12(d)	2,108,261	6,424,212	–	–
- investment in a subsidiary	10(d)	–	–	106,354	–
- goodwill	9(e)	–	484,751	–	–
Investment income	22	(84,868)	(59,493)	(6,851)	(31,739)
Interest income	22	(1,293,904)	(1,595,503)	(5,478)	(19,536)
Interest expense	23	753,119	758,920	–	–
Waiver of debt		–	–	(101,000)	–
ESOS share option expenses		1,043,612	–	1,043,612	–
Net unrealised (loss on foreign exchange		1,333,120	853,689	–	–
Reversal of impairment losses on:					
- trade receivables	12(d)	(4,068,503)	(4,447,291)	–	–
- other receivables	12(e)	–	(5,679)	–	–
Write off of:					
- deposits	24(a)	10,000	–	–	–
- inventories	11(d)	–	940,751	–	–
- property, plant and equipment	24(a)	9,121	8,954	–	–
Operating profit/(loss) before changes in working capital		37,647,040	31,416,722	(1,039,879)	(754,675)
Changes in working capital:					
Inventories		(17,149,173)	(10,473,760)	–	–
Trade and other receivables		721,669	(30,522,611)	(1,248,479)	(420,120)
Trade and other payables		(1,963,644)	9,171,343	(202,103)	204,330
Cash generated from/(used in) operations		19,255,892	(408,306)	(2,490,461)	(970,465)
Tax refunded		4,173,721	133,204	39,194	–
Tax paid		(10,919,805)	(8,673,336)	(30,400)	(35,300)
Net cash from/(used in) operating activities		12,509,808	(8,948,438)	(2,481,667)	(1,005,765)

Statements of Cash Flows (Cont'd)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of subsidiaries for cash, net of cash acquired	10	(3,339,276)	–	(4,233,000)	–
Net advances to subsidiaries		–	–	16,156,396	(4,335,629)
Dividends received	21	–	–	13,581,200	10,251,800
Investment income received		84,868	59,493	6,851	31,739
Acquisition of shares in a subsidiary	10(g)	–	–	(20,400)	–
Interest received		1,293,904	1,595,503	5,478	19,536
Net placement of fixed deposits pledged with licensed banks with original maturity of more than three (3) months		(2,226,210)	(335,615)	–	–
Proceeds from disposal of property, plant and equipment		91,431	264,500	–	–
Proceeds from disposal of right-of-use assets		29,700	887,842	–	–
Purchase of:					
- property, plant and equipment	6	(1,182,128)	(1,107,770)	–	–
- right-of-use asset		(50,131)	(509,209)	–	–
- intangible assets	8	(587,969)	–	–	–
Net cash (used in)/from investing activities		(5,885,811)	854,744	25,496,525	5,967,446
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest paid		(659,100)	(708,982)	–	–
Net (repayments)/drawdowns of borrowings		(6,303,196)	3,392,590	–	–
Payments of lease liabilities	7	(812,360)	(615,648)	–	–
Dividends paid		(8,708,268)	(13,933,248)	(8,708,268)	(13,933,248)
Net cash used in financing activities		(16,482,924)	(11,865,288)	(8,708,268)	(13,933,248)
Net (decrease)/increase in cash and cash equivalents		(9,858,927)	(19,958,982)	14,306,590	(8,971,567)
Effects of exchange rate changes on cash and cash equivalents		(1,610,711)	(825,356)	–	–
Cash and cash equivalents at beginning of financial year		50,151,541	70,935,879	922,252	9,893,819
Cash and cash equivalents at end of financial year	14(f)	38,681,903	50,151,541	15,228,842	922,252

Statements of Cash Flows (Cont'd)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

		Group	
	Note	2026 RM	2025 RM
Bank borrowings			
At 1 April		15,873,058	12,480,468
Cash flows:			
- net (repayments)/drawdowns of borrowings		(6,303,196)	3,392,590
- interest paid		(659,100)	(708,982)
Non-cash flows:			
- interest expense		659,100	708,982
At 31 March	20	9,569,862	15,873,058
Lease liabilities			
At 1 April		1,324,844	953,953
Cash flows:			
- payments of lease liabilities		(812,360)	(615,648)
Non-cash flows:			
- unwinding of interest		94,019	49,938
- additions of lease liabilities		1,173,554	984,603
- acquisition of subsidiaries		452,946	–
- reassessments and remeasurement		(253,754)	(43,515)
- net foreign exchange differences		(19,651)	(4,487)
At 31 March	7	1,959,598	1,324,844

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

1. CORPORATE INFORMATION

Powerwell Holdings Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur.

The principal place of business of the Company is located at No. 1B, Jalan Anggerik Mokara 31/48, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor.

The consolidated financial statements for the financial year ended 31 March 2026 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 16 July 2026.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are mainly design, manufacturing and trading of electricity distribution products, property investment and management, trading firefighting and fire prevention equipment, design, supply, install and maintenance of fire protection and detection system. The principal activities and details of the subsidiaries are disclosed in Note 10 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of the new MFRSs during the financial year. The new MFRSs and amendments to MFRSs adopted during the financial year are disclosed in Note 4.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

4. ADOPTION OF NEW MFRSS AND AMENDMENTS TO MFRSS

4.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ('MASB') during the financial year:

Title	Effective Date
Amendments to MFRS 121 *Lack of Exchangeability*	1 January 2025

Adoption of the above Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

4.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2026

The following Standards and Amendments of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been early adopted by the Group and the Company:

Title	Effective Date
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
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
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
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

5.1 Critical judgements made in applying accounting policies

There are no critical judgements made by the management in the process of applying the accounting policies of the Group and of the Company that have the most significant effect on the accounts recognised in the financial statements.

Notes to the Financial Statements (Cont'd)

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

5.2 Key sources of estimation uncertainty

Estimates and judgements are continually evaluated by the management of the Group and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have a material impact to the Group's and the Company's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(a) Impairment of trade and other receivables

The impairment allowances for trade and other receivables are based on assumptions about risk of default and expected credit loss rates. The Group adopts judgement in making these assumptions and selecting inputs for computing such impairment losses, broadly based on the available customers' historical data and the existing market conditions, including forward looking estimates as at the end of the reporting period.

(b) Depreciation of property, plant and equipment and right-of-use assets

The Group estimates the useful lives of property, plant and equipment and right-of-use assets at the time the assets are acquired based on historical experience, the expected usage, wear and tear of the assets, and technical obsolescence arising from changes in the market demands or service output of the assets. The estimated useful lives of property, plant and equipment and right-of-use assets are reviewed periodically and are updated if expectations differ from previous estimates due to changes in the factors mentioned above. Changes in these factors could impact the useful lives and the residual values of these assets; therefore future depreciation charges could be revised.

(c) Determination of the discount rates and lease term for leases

The Group determines the discount rates for leases based on the incremental borrowing rates of the Group. Significant judgements are required to be exercised by management in determining the appropriate discount rate for the respective leases based on prevailing market borrowing rates over similar lease terms, of similar value as the respective right-of-use assets in a similar economic environment.

The Group determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Group is reasonably certain to exercise the relevant options. Management is required to exercise significant judgements in considering the relevant facts and circumstances that create an economic incentive for the Group to either exercise the option to extend the lease, or to exercise the option to terminate the lease.

Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Group.

(d) Determination of the exposure to liquidated damages

Management exercised significant judgment in determining that the delay in the delivery and installation of completed panels was not attributable to the Group but rather due to the installation site not being prepared or made available by the customer. This judgment is significant as it would impact the evaluation of potential exposure to liquidated damages.

(e) Impairment of goodwill on consolidation

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill is allocated. When value-in-use calculations are undertaken, the Group uses its judgement to decide the discount rates to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including prevailing market conditions. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than the expected.

6. PROPERTY, PLANT AND EQUIPMENT

Group

2026	Freehold land RM	Freehold buildings RM	Furniture and fittings RM	Office equipment RM	Office renovation RM	Machinery RM	Tools and equipment RM	Motor vehicles RM	Total RM
At cost									
Balance as at 1 April 2025	11,529,520	11,873,750	360,852	2,504,149	2,066,422	10,394,381	663,853	443,722	39,836,649
Acquisition of subsidiaries	–	–	23,582	65,396	41,816	52,116	–	278,123	461,033
Additions	–	–	47,147	612,975	–	201,326	150,177	170,503	1,182,128
Disposals	–	–	–	–	–	–	–	(124,148)	(124,148)
Written off	–	–	–	(424,328)	–	(10,500)	(2,500)	(84,750)	(522,078)
Net exchange differences	–	–	(3,234)	(12,796)	(19,706)	(9,891)	(4,808)	(579)	(51,014)
Balance as at 31 March 2026	11,529,520	11,873,750	428,347	2,745,396	2,088,532	10,627,432	806,722	682,871	40,782,570
Accumulated depreciation									
Balance as at 1 April 2025	–	1,376,815	265,014	1,556,667	695,556	5,108,865	415,889	352,276	9,771,082
Acquisition of subsidiaries	–	–	1,540	28,683	1,584	22,847	–	204,603	259,257
Charge for the financial year	–	237,475	35,041	382,630	190,071	827,940	49,749	60,269	1,783,175
Disposals	–	–	–	–	–	–	–	(119,921)	(119,921)
Written off	–	–	–	(417,394)	–	(8,313)	(2,500)	(84,750)	(512,957)
Net exchange differences	–	–	(1,467)	(4,265)	(4,295)	(1,567)	(745)	(96)	(12,435)
Balance as at 31 March 2026	–	1,614,290	300,128	1,546,321	882,916	5,949,772	462,393	412,381	11,168,201
Net book value as at 31 March 2026	11,529,520	10,259,460	128,219	1,199,075	1,205,616	4,677,660	344,329	270,490	29,614,369

Notes to the Financial Statements (Cont'd)

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group

2025	Freehold land RM	Freehold buildings RM	Furniture and fittings RM	Office equipment RM	Office renovation RM	Machinery RM	Tools and equipment RM	Motor vehicles RM	Total RM
At cost									
Balance as at 1 April 2024	11,529,520	11,873,750	351,704	2,084,625	1,812,128	10,247,902	627,087	1,509,095	40,035,811
Additions	–	–	12,028	526,605	274,000	158,109	43,401	93,627	1,107,770
Disposals	–	–	–	–	–	–	–	(1,158,733)	(1,158,733)
Written off	–	–	–	(97,695)	–	(5,238)	(2,736)	–	(105,669)
Net exchange differences	–	–	(2,880)	(9,386)	(19,706)	(6,392)	(3,899)	(267)	(42,530)
Balance as at 31 March 2025	11,529,520	11,873,750	360,852	2,504,149	2,066,422	10,394,381	663,853	443,722	39,836,649
Accumulated depreciation									
Balance as at 1 April 2024	–	1,139,340	235,003	1,391,570	522,314	4,249,648	373,883	1,509,095	9,420,853
Charge for the financial year	–	237,475	30,910	258,936	175,580	863,764	43,568	1,936	1,612,169
Disposals	–	–	–	–	–	–	–	(1,158,733)	(1,158,733)
Written off	–	–	–	(91,552)	–	(3,928)	(1,235)	–	(96,715)
Net exchange differences	–	–	(899)	(2,287)	(2,338)	(619)	(327)	(22)	(6,492)
Balance as at 31 March 2025	–	1,376,815	265,014	1,556,667	695,556	5,108,865	415,889	352,276	9,771,082
Net book value as at 31 March 2025	11,529,520	10,496,935	95,838	947,482	1,370,866	5,285,516	247,964	91,446	30,065,567

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

(b) Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal depreciation periods are as follows:

Freehold buildings	50 years
Furniture and fittings	5 to 10 years
Office equipment	3 to 10 years
Office renovation	10 years
Machinery	5 to 10 years
Tools and equipment	5 to 10 years
Motor vehicles	5 years

Freehold land has unlimited useful life and is not depreciated.

(c) The freehold land and certain buildings of the Group with carrying amounts of RM7,176,054 (2025: RM7,300,944) have been pledged to licensed banks for banking facilities granted to the Group as disclosed in Note 20 to the financial statements.

(d) The Group assessed whether there are any indications of impairment of property, plant and equipment and right-of-use assets during the financial year. In doing this, management considered the current environment, taking into consideration performance of Cash Generating Unit ("CGU"). Management considered the loss-making CGU as impairment indications.

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group as lessee

Right-of-use assets

2026

Group	Buildings RM	Motor vehicles RM	Total RM
Cost			
Balance as at 1 April 2025	824,135	2,019,281	2,843,416
Additions	968,554	255,131	1,223,685
Acquisition of subsidiaries	–	406,274	406,274
Reassessment and remeasurement	(205,203)	(238,149)	(443,352)
Disposals	–	(69,508)	(69,508)
Net exchange differences	(39,867)	–	(39,867)
Balance as at 31 March 2026	1,547,619	2,373,029	3,920,648

Notes to the Financial Statements (Cont'd)

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

The Group as lessee (Cont'd)

Right-of-use assets (Cont'd)

2026 (Cont'd)

Group	Buildings RM	Motor vehicles RM	Total RM
Accumulated depreciation			
Balance as at 1 April 2025	586,807	571,597	1,158,404
Charge for the financial year	501,092	475,803	976,895
Reassessment and remeasurement	(190,103)	–	(190,103)
Disposals	–	(69,508)	(69,508)
Net exchange differences	(20,327)	–	(20,327)
Balance as at 31 March 2026	877,469	977,892	1,855,361
Carrying amount as at 31 March 2026	670,150	1,395,137	2,065,287

2025

Group	Buildings RM	Motor vehicles RM	Total RM
Cost			
Balance as at 1 April 2024	780,766	2,933,009	3,713,775
Additions	361,943	1,131,869	1,493,812
Reassessment and remeasurement	(302,718)	–	(302,718)
Disposals	–	(2,045,597)	(2,045,597)
Net exchange differences	(15,856)	–	(15,856)
Balance as at 31 March 2025	824,135	2,019,281	2,843,416
Accumulated depreciation			
Balance as at 1 April 2024	557,089	2,188,472	2,745,561
Charge for the financial year	300,505	428,722	729,227
Reassessment and remeasurement	(259,325)	–	(259,325)
Disposals	–	(2,045,597)	(2,045,597)
Net exchange differences	(11,462)	–	(11,462)
Balance as at 31 March 2025	586,807	571,597	1,158,404
Carrying amount as at 31 March 2025	237,328	1,447,684	1,685,012

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

The Group as lessee (Cont'd)

Lease liabilities

Group	Buildings RM	Motor vehicles RM	Total RM
2026			
Balance at 1 April 2025	240,292	1,084,552	1,324,844
Additions	968,554	205,000	1,173,554
Acquisition of subsidiaries	–	452,946	452,946
Foreign exchange differences	(19,651)	–	(19,651)
Reassessment and remeasurement	(15,605)	(238,149)	(253,754)
Lease payments	(376,687)	(435,673)	(812,360)
Interest expense	29,489	64,530	94,019
Balance as at 31 March 2026	826,392	1,133,206	1,959,598
2025			
Balance at 1 April 2024	228,493	725,460	953,953
Additions	54,603	930,000	984,603
Foreign exchange differences	(4,487)	–	(4,487)
Reassessment and remeasurement	(43,515)	–	(43,515)
Lease payments	(5,881)	(609,767)	(615,648)
Interest expense	11,079	38,859	49,938
Balance as at 31 March 2025	240,292	1,084,552	1,324,844

	Group 2026 RM	Group 2025 RM
Represented by:		
Current liabilities	903,178	478,144
Non-current liabilities	1,056,420	846,700
Total lease liabilities	1,959,598	1,324,844

	Group 2026 RM	Group 2025 RM
Lease liabilities owing to financial institutions	1,133,206	1,084,552
Lease liabilities owing to non-financial institutions	826,392	240,292
	1,959,598	1,324,844

Notes to the Financial Statements (Cont'd)

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

The Group as lessee (Cont'd)

(a) Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of lease liabilities.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the right-of-use assets. The principal depreciation periods used are as follows:

Buildings	1 to 3 years
Motor vehicles	5 years

(b) The Group has a lease of building, machinery and motor vehicles with lease term of 12 months or less. The Group applies the "short-term lease" exemption for these leases.

(c) The following are the amounts recognised in profit or loss:

	Group	
	2026 RM	**2025 RM**
Depreciation charge of right-of-use assets (included in cost of administrative and distribution expenses)	976,895	729,227
Interest expense on lease liabilities (included in finance costs)	94,019	49,938
Expense relating to short-term leases (included in cost of administrative and distribution expenses)	30,452	12,841
Gain on remeasurement of right-of-use assets (included in other income)	(505)	(122)
Gain on disposal of right-of-use assets (included in other income)	(29,700)	(887,842)
	1,071,161	(95,958)

(d) The Group made the following cash outflows for leases as a lessee:

	Group	
	2026 RM	**2025 RM**
Included in net cash used in operating activities:		
Payments relating to short-term leases	30,452	12,841
Included in net cash used in financing activities:		
Payments of lease liabilities	812,360	615,648
	842,812	678,427

Notes to the Financial Statements (Cont'd)

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

The Group as lessee (Cont'd)

(e) The following table sets out the carrying amounts, the incremental borrowing rate and the remaining maturities of the lease liabilities of the Group:

Group 2026	Incremental borrowing rate per annum %	Less than 1 year RM	More than 1 year but less than 5 years RM	More than 5 years RM	Total RM
Fixed rates					
Lease liabilities	2.16 - 4.44	903,178	1,023,188	33,232	1,959,598
2025					
Fixed rates					
Lease liabilities	1.88 - 4.70	478,144	846,700	–	1,324,844

Sensitivity analysis for lease liabilities as at the end of the reporting period is not presented as fixed rate instruments are not affected by changes in interest rate.

(f) The impairment assessment on the right-of-use assets is disclosed in Note 6(d) to the financial statements.

(g) Information on financial risks of lease liabilities is disclosed in Note 31(b) to the financial statements.

8. INTANGIBLE ASSETS

Group	Computer software RM	Distribution rights Low voltage power RM	Distribution rights Middle voltage power RM	Total RM
Cost				
Balance as at 1 April 2024/31 March 2025/ 1 April 2025	105,470	463,857	514,932	1,084,259
Additions	587,969	–	–	587,969
Balance as at 31 March 2026	693,439	463,857	514,932	1,672,228

Notes to the Financial Statements (Cont'd)

8. INTANGIBLE ASSETS (CONT'D)

Group	Computer software RM	Distribution rights Low voltage power RM	Distribution rights Middle voltage power RM	Total RM
Accumulated amortisation				
Balance as at 1 April 2024	–	463,857	514,932	978,789
Amortisation	21,094	–	–	21,094
Balance as at 31 March 2025/1 April 2025	21,094	463,857	514,932	999,883
Amortisation	22,084	–	–	22,084
Balance as at 31 March 2026	43,178	463,857	514,932	1,021,967
Carrying amount as at 31 March 2025	84,376	–	–	84,376
Carrying amount as at 31 March 2026	650,261	–	–	650,261

(a) Intangible assets are recognised only when the identifiability, control and future economic benefit probability criteria are met. Acquired intangible assets that have finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal amortisation periods are as follows:

Distribution rights	5 years
Computer software	5 years

Computer software is not amortised until such time when the asset is available for use.

Notes to the Financial Statements (Cont'd)

9. GOODWILL ON CONSOLIDATION

	Group 2026 RM	Group 2025 RM
Cost		
Balance as at 1 April	494,507	494,507
Acquisition of subsidiaries (Note 10(f))	3,014,433	–
Balance as at 31 March	3,508,940	494,507
Accumulated impairment losses		
Balance as at 1 April	(494,507)	(9,756)
Impairment for the year	–	(484,751)
Balance as at 31 March	(494,507)	(494,507)
Carrying amount	3,014,433	–

(a) Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

(b) After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any. Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount could be impaired. Objective events that would trigger a more frequent impairment review include adverse industry or economic trends, significant restructuring actions, significantly lowered projections of profitability, or a sustained decline in the acquiree's market capitalisation. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(c) Allocation of goodwill

For impairment testing purposes, goodwill has been allocated to the Group's cash generating units ("CGUs"), which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes:

	Group 2026 RM	Group 2025 RM
Electrical products	–	–
Firefighting and fire prevention equipment	3,014,433	–
	3,014,433	–

Notes to the Financial Statements (Cont'd)

9. GOODWILL ON CONSOLIDATION (CONT'D)

(d) For the purpose of impairment testing, goodwill is allocated to the subsidiaries acquired, which represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

The recoverable amount of the subsidiaries is determined based on the value-in-use ("VIU") calculation. The VIU is calculated using the pre-tax cash flow projections based on financial budgets approved by management. VIU is determined by discounting the future cash flows to be generated from the continuing use of the CGU under the expected cash flow approach based on the following key assumptions:

(i) The VIU calculations apply discounted cash flow projections prepared and approved by management, covering a 5-year period.

(ii) Cash flows are projected based on management's expectations of revenue growth, operating cost and margins based on their recent experience.

(iii) The forecasted growth rates are based on anticipated growth rates of the CGU obtained from financial budget approved by management.

(iv) Discount rates used for cash flows discounting purpose was the pre-tax discount rate of 12.30% the Group adjusted for specific risks relating to the CGU after taking into consideration the effect of increasing Overnight Policy Rate ("OPR").

Estimating a value-in-use amount required management to make an estimate of the expected future cash flow from the subsidiary and also to choose a suitable discount rate in order to calculate the present value of those cash flow.

Based on the annual impairment assessment undertaken by the Group, no further impairment loss is required for the carrying amount of the goodwill as at 31 March 2026 as the recoverable amount is in excess of the carrying amount. However, the value-in-use calculation was sensitive to changes in certain key assumptions.

The management believed that a reasonably possible change in the key assumptions on which management had based its determination of the CGU's recoverable amount would not cause the CGU's carrying amount at period end to further exceed its recoverable amount.

(e) In the previous financial year, an impairment loss of RM484,751 was recognised as the management believed that the recoverable amount would be lower than its carrying amount.

10. INVESTMENTS IN SUBSIDIARIES

	Company	
	2026 RM	2025 RM
Unquoted shares, at cost	39,908,881	35,655,481
Less: Accumulated impairment losses	(10,212,741)	(10,106,387)
Net carrying amount	29,696,140	25,549,094

10. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Details of the subsidiaries are as follows:

Name of company	Country of incorporation and principal place of business	Effective interest in equity held by Group 2026 %	Effective interest in equity held by Group 2025 %	Principal activities
Kejuruteraan Powerwell Sdn. Bhd. ("KEJ")	Malaysia	100	100	Design, manufacturing and trading of electricity distribution products
Powerwell International Sdn. Bhd. ("PISB")	Malaysia	100	100	Design, manufacturing and trading of electricity distribution products
Powerhouse Field Sdn. Bhd.	Malaysia	100	100	Property investment and management
Powerwell Sdn. Bhd. ("PSB")	Malaysia	100	100	Inactive
DB Power Sdn. Bhd.	Malaysia	100	100	Inactive
Powerwell Marketing Sdn. Bhd.	Malaysia	100	100	Inactive
Firerex Technology Sdn. Bhd.	Malaysia	51	–	Trading firefighting and fire prevention equipment; export and import of a variety of goods without any particular specialization; investment advisory services
Brandrich Fire Solutions Sdn. Bhd.	Malaysia	51	–	Design, supply, install and maintenance of fire protection and detection system
Subsidiary of PSB				
Powerwell Vietnam Company Limited *(In member's voluntary liquidation)*	Vietnam	100	100	Inactive
Joint venture of KEJ and PISB				
PT. Powerwell Listrik Indonesia [1]	Indonesia	100	100	Trading of electricity distribution products

[1] Not audited by BDO PLT or member firms of BDO International

Notes to the Financial Statements (Cont'd)

10. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Investments in subsidiaries are stated in the separate financial statements of the Company at cost less impairment losses, if any.

(c) All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(d) The Company has assessed whether there are any indications of impairment during the financial year. In doing this, management considered the current environment and the losses of the Cash Generating Units ("CGUs") or certain subsidiaries in the current financial year as impairment indications.

During the financial year, impairment loss on investment in a subsidiary of RM106,354 has been recognised within other operating expenses in the statements of profit or loss and other comprehensive income in respect of a subsidiary that was inactive.

(e) A CGU's recoverable amount is determined as being the higher of the CGU's fair value less costs of disposal or its value-in-use. Where the value-in-use model was used, management has made estimates about the future results and key assumptions applied to cash flow projections of the CGUs. These key assumptions include forecast growth in future revenue, operating profit margins and an appropriate pre-tax discount rate.

With regard to the assessment of value-in-use, management is not aware of any reasonably possible change in the key assumptions that would cause the carrying amounts of the investments in the subsidiaries to materially exceed its recoverable amounts.

(f) Acquisitions of subsidiaries

On 12 March 2025, the Company entered into Share Sale Agreements to acquire a 51% equity interest each in Firerex Technology Sdn. Bhd. ("FTSB") and Brandrich Fire Solutions Sdn. Bhd. ("BFSSB") for a total cash consideration of RM4,233,000. The acquisitions were completed on 2 April 2025, upon which FTSB and BFSSB became 51%-owned subsidiaries of the Company.

The acquisitions broaden the Group's product portfolio into firefighting and fire prevention equipment, which complement the Group's electrical distribution products and provide cross-selling opportunities to the Group's existing customer base. The goodwill arising is attributable to the expected synergies from the integration of the acquired businesses and their assembled workforce, which are not separately recognisable.

10. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(f) Acquisition of subsidiaries (Cont'd)

The fair value of the identifiable assets and liabilities acquired and the effects on cash flows arising from the acquisitions were as follow:

	RM
Property, plant and equipment	201,776
Right-of-use assets	406,274
Inventories	1,604,063
Trade and other receivables	2,834,702
Cash and cash equivalents	893,724
Current tax assets	273,178
Trade and other payables	(3,310,743)
Contract liabilities	(60,682)
Lease liabilities	(452,946)
Total identifiable net assets at fair value	2,389,346
Less: Non-controlling interests	(1,170,779)
Add: Goodwill on consolidation (Note 9)	3,014,433
Purchase consideration settled in cash and cash equivalents	4,233,000
Cash and cash equivalents of the subsidiaries acquired	(893,724)
Net cash outflow to the Group on acquisitions	3,339,276

For the financial year ended 31 March 2026, FTSB and BFSSB contributed revenue of RM12,432,895 and profit after tax of RM1,481,235 to the Group.

As the acquisitions were completed on 2 April 2025, the consolidated revenue and consolidated profit of the Group for the financial year ended 31 March 2026 would not have been materially different had the acquisitions occurred on 1 April 2025.

(g) Additional shares in a subsidiary acquired during the financial year.

On 31 March 2026, FTSB allotted 40,000 new ordinary shares, of which 21,200 ordinary shares were issued for cash and 18,800 ordinary shares were issued otherwise than cash by way of capitalisation of an amount owing to a shareholder of FTSB. The Company subscribed for 20,400 of the new ordinary shares for a cash consideration of RM20,400 in proportion to its equity interest, and accordingly the Company's equity interest in FTSB remained at 51%.

Notes to the Financial Statements (Cont'd)

11. INVENTORIES

	Group	
	2026 RM	2025 RM
At cost		
Raw materials	23,283,755	11,165,793
Work-in-progress	20,309,462	14,570,833
Finished goods	1,983,089	1,142,680
	45,576,306	26,879,306

(a) Inventories are stated at the lower of cost and net realisable value.

(b) Cost is determined on first in, first out basis. Cost of consumables and raw materials comprises all costs of purchase plus the cost of bringing the inventories to their existing location and condition. The cost of work-in-progress and manufactured inventories includes the cost of raw materials, direct labour, other direct costs and a proportion of production overheads based on normal operating capacity of the production facilities.

(c) During the financial year, the inventories of the Group recognised as cost of sales amounted to RM73,358,323 (2025: RM58,341,104).

(d) In the previous financial year, the Group recorded a charge to profit or loss pertaining to inventories written off of RM940,751.

12. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Trade receivables					
Third parties	(b)	57,335,903	58,385,063	–	–
Less: Accumulated impairment losses	(d)	(5,919,489)	(8,101,798)	–	–
		51,416,414	50,283,265	–	–
Other receivables					
Other receivables		2,239,014	197,240	4,779	–
Refundable deposits		1,945,747	78,316	1,667,000	423,300
Amounts owing by subsidiaries	(c)	–	–	275,914	16,331,310
		4,184,761	275,556	1,947,693	16,754,610
Less: Accumulated impairment losses					
- other receivables	(e)	(24,318)	(24,318)	–	–
		4,160,443	251,238	1,947,693	16,754,610
		55,576,857	50,534,503	1,947,693	16,754,610
Prepayments	(f)	1,578,679	2,692,484	–	–
Total trade and other receivables		57,155,536	53,226,987	1,947,693	16,754,610

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Total trade and other receivables, excluding prepayments are classified as financial assets measured at amortised cost.

(b) Trade receivables are non-interest bearing and the normal credit terms granted by the Group range from zero (0) to one hundred twenty (120) days (2025: from zero (0) to one hundred twenty (120) days) from the date of invoice. They are recognised at their original invoices amounts, which represent their fair values on initial recognition.

(c) Amounts owing by subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and repayable within the next twelve (12) months in cash and cash equivalents.

(d) The reconciliation of movements in the impairment losses on trade receivables is as follows:

Group	Lifetime ECL Not credit impaired RM	 Credit impaired RM	 Total allowance RM
At 1 April 2025	842,976	7,258,822	8,101,798
Acquisition of subsidiaries	–	19,391	19,391
Charge for the financial year	–	2,108,261	2,108,261
Reversal of impairment losses	(588,752)	(3,479,751)	(4,068,503)
Written off	–	(241,458)	(241,458)
At 31 March 2026	254,224	5,665,265	5,919,489
At 1 April 2024	60,241	7,044,806	7,105,047
Charge for the financial year	841,049	5,583,163	6,424,212
Reversal of impairment losses	(54,452)	(4,392,839)	(4,447,291)
Written off	–	(976,308)	(976,308)
Net exchange differences	(3,862)	–	(3,862)
At 31 March 2025	842,976	7,258,822	8,101,798

Impairment for trade receivables are recognised based on the simplified approach using the lifetime expected credit losses.

The Group considers credit loss experience and observable data such as current changes and future forecasts in economic conditions of the Group to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

Notes to the Financial Statements (Cont'd)

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(d) (Cont'd)

In measuring the expected credit losses on trade receivables, the probability of non-payment by the trade receivables is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statement of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

The Group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancement held by the Group.

Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the financial period end.

(e) The reconciliation of movements in the impairment losses on other receivables is as follows:

Group	12-months ECL RM
At 1 April 2024	686,866
Reversal of impairment losses	(5,679)
Written off	(612,992)
Net exchange differences	(43,877)
At 31 March 2025/31 March 2026	24,318

Impairment for other receivables, amounts owing by subsidiaries and deposits are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group and the Company defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment trends and past due information.

The probability of non-payment by other receivables, amounts owing by subsidiaries and deposits are adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss for the other receivables, amounts owing by subsidiaries and deposits.

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(e) (Cont'd)

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of the impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

(f) Included in prepayments of the Group are amounts paid in advance to suppliers amounted to RM632,392 (2025: RM1,311,651).

(g) The following tables provide information about expected credit losses for trade receivables as at the end of the reporting period:

Group	Gross carrying amount RM	Total allowance RM	Balance RM
2026			
Current	14,024,427	(128,642)	13,895,785
Past due:			
1 to 30 days	23,816,255	(23,594)	23,792,661
31 to 60 days	6,489,262	(50,608)	6,438,654
61 to 90 days	4,979,861	(32,527)	4,947,334
91 to 180 days	2,254,737	(17,799)	2,236,938
More than 180 days	106,096	(1,054)	105,042
	37,646,211	(125,582)	37,520,629
Credit impaired - individually impaired	5,665,265	(5,665,265)	–
	57,335,903	(5,919,489)	51,416,414
2025			
Current	24,868,045	(218,611)	24,649,434
Past due:			
1 to 30 days	14,718,375	(346,534)	14,371,841
31 to 60 days	5,753,250	(139,792)	5,613,458
61 to 90 days	751,824	(18,181)	733,643
91 to 180 days	4,603,082	(109,673)	4,493,409
More than 180 days	431,665	(10,185)	421,480
	26,258,196	(624,365)	25,633,831
Credit impaired - individually impaired	7,258,822	(7,258,822)	–
	58,385,063	(8,101,798)	50,283,265

Notes to the Financial Statements (Cont'd)

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(h) The currency exposure profiles of trade and other receivables (excluding prepayments) are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Ringgit Malaysia	53,860,083	50,095,088	1,947,693	16,754,610
United States Dollar	391,114	115,297	–	–
Indonesian Rupiah	1,291,894	290,648	–	–
Vietnamese Dong	19,203	18,907	–	–
Euro	7,733	7,733	–	–
Singapore Dollar	6,830	6,830	–	–
	55,576,857	50,534,503	1,947,693	16,754,610

(i) No expected credit loss is recognised arising from amounts owing by subsidiaries as the amount was negligible.

(j) Information on financial risks of trade and other receivables is disclosed in Note 31(b) to the financial statements.

13. SHORT-TERM FUNDS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
At fair value through profit or loss				
Investments in trust funds in Malaysia	4,061,170	1,618,977	–	811,282

(a) Investments in trust funds in Malaysia represent investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Short-term funds are classified as fair value through profit or loss, and subsequently remeasured to fair value with changes in fair value being recognised in profit or loss. The fair value is categorised as Level 1 in fair value hierarchy. The short-term funds of the Group and of the Company are denominated in Ringgit Malaysia ("RM").

(b) The management assessed that the fair value of the short-term funds approximate their carrying amount largely due to the short term maturities of these instruments.

(c) Information on the financial risks of short-term funds and fair value hierarchy are disclosed in Note 31(b) and 31(d) to the financial statements respectively.

Notes to the Financial Statements (Cont'd)

14. CASH AND BANK BALANCES

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Fixed deposits with licensed banks	19,686,432	36,681,555	–	–
Cash and bank balances	34,620,733	29,311,231	15,228,842	110,970
As reported in the statements of financial position	54,307,165	65,992,786	15,228,842	110,970

(a) Cash and bank balances are classified as financial assets measured at amortised cost.

(b) Fixed deposits with licensed banks of the Group have a maturity period ranging from 30 days to 364 days (2025: 30 day to 364 days).

(c) Fixed deposits with a licensed bank of the Group amounting to RM19,686,432 (2025: RM17,460,222) have been pledged to a licensed bank for trade financings and bank overdraft granted to the Group as disclosed in Note 20 to the financial statements.

(d) The interest rates of the placement in fixed deposits with licensed banks as at the end of reporting period per annum are as follows:

	Group	
	2026 %	2025 %
Fixed deposits with licensed banks	2.00 - 3.90	2.00 - 3.70

(e) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Ringgit Malaysia	43,193,293	57,686,982	15,228,842	110,970
United States Dollar	6,978,786	7,567,439	–	–
Philippine Peso	492	571	–	–
Indonesian Rupiah	4,117,655	443,691	–	–
Singapore Dollar	380	331	–	–
Vietnamese Dong	5,639	273,830	–	–
Euro	–	14,613	–	–
Others	10,920	5,329	–	–
	54,307,165	65,992,786	15,228,842	110,970

Notes to the Financial Statements (Cont'd)

14. CASH AND BANK BALANCES (CONT'D)

(f) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of each reporting period:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Short-term funds (Note 13)	4,061,170	1,618,977	–	811,282
Fixed deposits with licensed banks	19,686,432	36,681,555	–	–
Cash and bank balances	34,620,733	29,311,231	15,228,842	110,970
Less:				
Deposits pledged with licensed banks with original maturity of more than three (3) months	(19,686,432)	(17,460,222)	–	–
	38,681,903	50,151,541	15,228,842	922,252

(g) No expected credit loss is recognised arising from the cash and bank balances and fixed deposits with licensed banks because the probability of default by these financial institutions is negligible.

(h) Information on financial risks of cash and bank balances are disclosed in Note 31(b) to the financial statements.

15. SHARE CAPITAL

	Group and Company			
	2026		2025	
	Number of shares	RM	Number of shares	RM
Ordinary shares Issued and fully paid with no par value				
At 1 April/31 March	580,552,000	36,348,121	580,552,000	36,348,121

Owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

Notes to the Financial Statements (Cont'd)

16. RESERVES

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Non-distributable:					
Exchange translation reserve	(a)	266,516	164,777	–	–
Share options reserve	(b)	1,043,612	–	1,043,612	–

(a) Exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operation whose functional currency is different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment in foreign operation of the Group, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(b) On 30 September 2025, the Company established an ESOS for the granting of ESOS to eligible Directors and employees of the Group. The ESOS was implemented on 30 September 2025.

The ESOS is administered by the Nomination and Remuneration Committee and governed by the By-Laws of the ESOS.

The salient features of the ESOS are as follows:

(i) The total number of new ordinary shares in the Company, which may be made available under the ESOS shall not exceed in aggregate 15% of the total number of issued ordinary shares of the Company (excluding treasury shares, if any) at any one time during the duration of the ESOS;

(ii) The ESOS shall be in force for a period of five (5) years from the effective date and may be extended for a period of up to another five (5) years, provided that the duration of the ESOS shall not in aggregate exceed ten (10) years from the effective date or such other period as may be determined by the relevant authorities;

(iii) Subject to the discretion of the Nomination and Remuneration Committee, an employee or a Director of the Group who fulfils the relevant conditions of the By-Laws of the ESOS shall be eligible to participate in the ESOS ("Eligible Person");

(iv) The number of the options to be offered to an Eligible Person in accordance with the ESOS shall be determined at the discretion of the ESOS Committee after taking into consideration, inter alia, the Eligible Person's position, ranking, performance, contribution, seniority, length of service, fulfilment of the relevant eligibility criteria, and/or such other matters as the ESOS Committee deems fit, subject to the following:

(a) not more than 80% of the total number of new ordinary shares available to be issued under the ESOS shall be allocated, in aggregate, to the Directors and Senior Management of the Group; and

(b) not more than 10% of the new ordinary shares available under the ESOS shall be allocated to any Eligible Person who, either singly or collectively through persons connected with him/her, holds 20% or more of the total number of issued shares of the Company (excluding treasury shares, if any);

Notes to the Financial Statements (Cont'd)

16. RESERVES (CONT'D)

(b) The salient features of the ESOS are as follows: (Cont'd)

(v) Subject to any adjustments made under the By-Laws of the ESOS and pursuant to the listing requirements of Bursa Malaysia Securities Berhad, the exercise price shall be determined by the ESOS Committee based on the five (5)-day volume weighted average market price of the ordinary shares of the Company immediately preceding the date of the offer, with a discount, if any, provided always that such discount is not more than ten percent (10%), if deemed appropriate, or such other percentage of discount as may be permitted by any prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authorities as amended from time to time during the option period; and

(vi) The new ordinary shares to be issued and allotted upon the exercise of the ESOS options will, upon issuance and allotment, rank equally in all respects with the existing ordinary shares of the Company, save and except that such new ordinary shares will not be entitled to any dividends, rights, allotments and/or any other forms of distributions that may be declared, made or paid to shareholders where the entitlement date of which precedes the relevant date of issuance and allotment of such new ordinary shares.

Details of the ESOS options granted are as follows:

			[--- Number of options over ordinary shares ---]			
			[----- Movements during the financial year -----]			
	Exercise price RM	**Date of offer**	**Balance as at 1.4.2025**	**Granted**	**Outstanding as at 31.3.2026**	**Exercisable as at 31.3.2026**
First Grant	0.5	31.10.2025	–	42,550,000	42,550,000	–

The ESOS options granted on 31 October 2025 will vest in three (3) tranches on 31 December 2026, 31 December 2027 and 31 December 2028 respectively. No ESOS options were exercisable as at 31 March 2026.

17. DEFERRED TAX LIABILITIES

	Group	
	2026 RM	**2025 RM**
At 1 April	944,113	(202,682)
Recognised in profit or loss (Note 25)	230,065	1,146,795
Foreign exchange differences	(77)	–
At 31 March	1,174,101	944,113
Presented after appropriate offsetting:		
Deferred tax assets, net	–	–
Deferred tax liabilities, net	1,174,101	944,113
	1,174,101	944,113

17. DEFERRED TAX LIABILITIES (CONT'D)

(a) The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Group	Balance as at 1.4.2025 RM	Recognised in profit or loss RM	Foreign exchange differences RM	Balance as at 31.03.2026 RM
Deferred tax liabilities				
Excess of capital allowances over depreciation	944,113	230,065	(77)	1,174,101
Offsetting	–	–	–	–
Deferred tax liabilities (after offsetting)	944,113	230,065	(77)	1,174,101

Group	Balance as at 1.4.2024 RM	Recognised in profit or loss RM	Balance as at 31.03.2025 RM
Deferred tax assets			
Other deductible temporary differences	(738,487)	738,487	–
Offsetting	–	–	–
Deferred tax assets (after offsetting)	(738,487)	738,487	–
Deferred tax liabilities			
Excess of capital allowances over depreciation	535,805	408,308	944,113
Offsetting	–	–	–
Deferred tax liabilities (after offsetting)	535,805	408,308	944,113

Notes to the Financial Statements (Cont'd)

17. DEFERRED TAX LIABILITIES (CONT'D)

(b) The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group	
	2026 **RM**	**2025** **RM**
Unabsorbed capital allowances	(94,667)	(95,823)
Unutilised tax losses		
- Expires by 31 March 2030	36,324	36,324
- Expires by 31 March 2031	31,785	31,785
- Expires by 31 March 2032	34,486	34,486
- Expires by 31 March 2033	18,754	18,754
- Expires by 31 March 2034	92,072	92,072
- Expires by 31 March 2036	223,429	–
Other temporary differences	1,556,543	3,972,962
	1,898,726	4,090,560

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the statements of financial position and its tax base.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profits would be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset would be reduced accordingly. When it becomes probable that sufficient taxable profits would be available, such reductions would be reversed to the extent of the taxable profits.

The Group has assessed the likelihood of sufficient future profits available to utilise the amounts of deductible temporary differences. Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the subsidiaries would be available against which the deductible temporary differences could be utilised.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the local tax authority.

Notes to the Financial Statements (Cont'd)

18. TRADE AND OTHER PAYABLES

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Trade payables					
Third parties	(b)	45,789,272	41,774,811	–	–
Other payables					
Other payables		4,244,726	2,346,020	80,302	78,097
Deposits from customers	(c)	10,990,036	7,726,617	–	–
Accruals	(d)	4,357,851	14,730,389	89,652	293,960
Amounts owing to Directors	(e)	221,244	2,350	–	–
Others		542,562	–	–	–
		20,356,419	24,805,376	169,954	372,057
Total trade and other payables		66,145,691	66,580,187	169,954	372,057

(a) Trade and other payables are classified as financial liabilities measured at amortised cost.

(b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group are from zero (0) to one hundred twenty (120) days (2025: from zero (0) to one hundred twenty (120) days) from the date of invoice.

(c) Deposits from customers represent deposits made by customers for the purchases of electricity distribution product, which have yet to be delivered by the Group at the reporting date. The Group applies the practical expedient in MFRS 15 Revenue from Contracts with Customers on not disclosing the aggregate amount of the revenue expected to be recognised in the future as the performance obligation is part of a contract that has an original expected duration of less than one (1) year.

(d) In the previous year, included in accruals was approximately RM5,618,000 in relation to site management fee accrued for a major local project.

(e) Amounts owing to Directors represent advances and payments made on behalf, which are unsecured, interest-free and payable within next twelve (12) months in cash and cash equivalent.

(f) Financial guarantee contracts issued by the Company are those contracts that require payments to be made to reimburse the holders for losses they incur because the specified debtors fail to make payments when due in accordance with the terms of the debt instruments.

Financial guarantee contracts are recognised as financial liabilities at the time the guarantees are issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected loss model under MFRS 9 and the amount initially recognised less amortisation.

Notes to the Financial Statements (Cont'd)

18. TRADE AND OTHER PAYABLES (CONT'D)

(f) (Cont'd)

The fair value of financial guarantees is classified as Level 3 in the fair value hierarchy and is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. During the financial year, no financial guarantee contract is recognised at the end of the reporting period as the effects are immaterial to the Company.

The nominal amounts of financial guarantees provided by the Company are as follows:

	Company	
	2026 RM	**2025 RM**
Unsecured corporate guarantees given to financial institutions and third parties for facilities granted to certain subsidiaries:		
- Limit of guarantee	89,200,000	86,100,000
Bank facilities granted to subsidiaries	12,199,236	15,648,886

Maturity profile of financial guarantee contracts of the Company at the end of each reporting period based on contractual undiscounted repayment obligations is repayable upon any default by the subsidiaries in respect of the guaranteed bank facilities.

(g) The currency exposure profile of trade and other payables are as follows:

	Group		**Company**	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Ringgit Malaysia	48,150,176	51,983,573	169,954	372,057
United States Dollar	8,232,444	11,797,854	–	–
Indonesian Rupiah	9,347,075	2,344,720	–	–
Vietnamese Dong	87,150	195,642	–	–
Others	328,846	258,398	–	–
	66,145,691	66,580,187	169,954	372,057

(h) Information on financial risks of trade and other payables are disclosed in Note 31(b) to the financial statements.

19. CONTRACT LIABILITIES

	Group 2026 RM	2025 RM
Current	947,820	–
Non-current	265,954	–
	1,213,774	–

(a) Contract liabilities are recognised as revenue when performance obligations are satisfied.

(b) Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	Group 2026 RM	2025 RM
Within one year	947,820	–
Between 2 to 5 years	265,954	–
	1,213,774	–

20. BANK BORROWINGS

	Group 2026 RM	2025 RM
Non-current liabilities		
Secured		
Term loan	6,405,595	6,960,056
Current liabilities		
Secured		
Bank overdraft	–	760,265
Term loan	549,614	519,444
Trade financings	2,614,653	7,633,293
	3,164,267	8,913,002
Total borrowings		
Bank overdraft	–	760,265
Term loan	6,955,209	7,479,500
Trade financings	2,614,653	7,633,293
	9,569,862	15,873,058

Notes to the Financial Statements (Cont'd)

20. BANK BORROWINGS (CONT'D)

(a) Borrowings are classified as financial liabilities measured at amortised cost.

(b) The term loan is secured as follows:

(i) First legal charge over a 3-storey office building and freehold land of a subsidiary; and

(ii) Corporate guarantee by the Company.

(c) The trade financings are secured as follows:

(i) First legal charge over a 3-storey office building with warehouse and freehold land of subsidiaries;

(ii) Lien over certain fixed deposit with a licensed bank of a subsidiary as disclosed in Note 14 to the financial statements;

(iii) Corporate guarantee by the Company and certain subsidiaries; and

(iv) Jointly and severally guaranteed by certain Directors of the Group.

(d) The currency exposure profile of cash and bank balances are as follows:

	Group	
	2026 RM	**2025 RM**
Ringgit Malaysia	9,569,862	11,753,220
Euro	–	4,119,838
	9,569,862	15,873,058

(e) Information on financial risks of borrowings is disclosed in Note 31(b) to the financial statements.

21. REVENUE

		Group		**Company**	
	Note	**2026 RM**	**2025 RM**	**2026 RM**	**2025 RM**
Revenue from contracts with customers					
Sales of electricity distribution products		144,447,734	136,028,460	–	–
Installation services		2,212,640	1,485,383	–	–
Sales of firefighting and fire prevention equipment		12,432,895	–	–	–
Other revenue					
Dividend income		–	–	13,581,200	10,251,800
		159,093,269	137,513,843	13,581,200	10,251,800

21. REVENUE (CONT'D)

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Timing of revenue recognition					
Transferred at a point in time		159,093,269	137,513,843	–	–

(a) Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises revenue from a contract with customers when it satisfies a performance obligation by transferring control of a promised good and service to the customer. Revenue is measured at the fair value of consideration received or receivable. The following describes the performance obligations in contracts with customers:

(i) Sales of electricity distribution products

Revenue from sales of electricity distribution products is recognised at the point in time when the goods have been transferred to the customer and coincide with the delivery of goods and acceptance by customers of the individual contracts.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties). In determining the transaction price for the sale of electricity distribution products, the Group considers the effects of variable consideration the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

(ii) Installation services

The Group provides installation services that are either sold separately or bundled together with the sale of equipment to a customer. The installation services can be obtained from other providers and do not significantly customise or modify the electricity distribution products.

Contracts for bundled sales of equipment and installation services comprised two performance obligations because the promises to transfer equipment and provide installation services are capable of being distinct and separately identifiable.

Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the equipment and installation services.

The Group recognises revenue from installation services at a point in time when the services have been rendered to the customers and coincide with the delivery of services and acceptance by customers.

Notes to the Financial Statements (Cont'd)

21. REVENUE (CONT'D)

(a) (Cont'd)

(iii) Sales of firefighting and fire prevention equipment

Revenue from sales of firefighting and fire prevention equipment is recognised at the point in time when the goods have been transferred to the customer and coincide with the delivery of goods and acceptance by customers of the individual contracts.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties). In determining the transaction price for the sale of firefighting and fire prevention equipment, the Group considers the effects of variable consideration the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

(b) Revenue recognition not in relation to performance obligations is described as follows:

(i) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

(c) There is no significant financing component in the revenue arising from sales of electricity distribution products and sales of firefighting and fire prevention equipment rendered as the products and services are made on the normal credit terms not exceeding twelve (12) months.

(d) Disaggregation of revenue from contracts with customers has been presented in the operating segments as disclosed in Note 30 to the financial statements, which has been presented based on geographical location from which sale transactions originated.

22. OTHER INCOME

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM	**RM**	**RM**	**RM**
Gain on remeasurement of right-of-use assets	505	122	–	–
Gain on disposal of property, plant and equipment	87,204	264,500	–	–
Gain on disposal of right-of-use assets	29,700	887,842	–	–
Investment income	84,868	59,493	6,851	31,739
Interest income	1,293,904	1,595,503	5,478	19,536
Late payment interest income	–	288,145	–	–
Waiver of debt	–	–	101,000	–
Realised gain on foreign exchange	736,311	504,356	–	–
Unrealised gain on foreign exchange	–	330	–	–
Others	1,002,455	175,812	–	–
	3,234,947	3,776,103	113,329	51,275

(a) Interest income

Interest income is recognised as it accrues, using the effective interest method.

Notes to the Financial Statements (Cont'd)

23. FINANCE COSTS

	Group 2026 RM	Group 2025 RM
Interest expense on:		
- lease liabilities	94,019	49,938
- trade financings	349,325	364,827
- term loan interest	309,775	344,155
	753,119	758,920

24. PROFIT BEFORE TAX

(a) Other than those disclosed elsewhere in the financial statements, profit before tax is arrived at:

	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
After charging:				
Auditors' remuneration:				
Statutory audit				
- BDO PLT				
- current year	180,500	150,000	30,300	29,000
- Member firms of BDO PLT				
- current year	4,419	22,016	–	–
- under provision in prior years	–	1,556	–	–
Non-statutory audit				
- current	7,500	7,000	7,500	7,000
Statutory audit				
- other auditors				
- current year	15,070	–	–	–
Rental of premises	30,452	12,841	–	–
Unrealised loss on foreign exchange	1,333,120	854,019	–	–
Write off of:				
- deposits	10,000	–	–	–
- inventories	–	940,751	–	–
- property, plant and equipment	9,121	8,954	–	–

Notes to the Financial Statements (Cont'd)

24. PROFIT BEFORE TAX (CONT'D)

(b) Net (reversal of impairment losses)/impairment losses of financial assets recognised in profit or loss were as follows:

	Group 2026 RM	Group 2025 RM
Impairment losses on:		
- trade receivables	2,108,261	6,424,212
	2,108,261	6,424,212
Reversal of impairment losses on:		
- trade receivables	(4,068,503)	(4,447,291)
- other receivables	–	(5,679)
	(4,068,503)	(4,452,970)
Net (reversal of impairment losses)/impairment losses of financial assets	(1,960,242)	1,971,242

25. TAXATION

	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Current income tax expense based on profit for the financial year:				
- current year	9,031,834	7,035,764	7,464	–
- under/(over) provision in prior years	1,566,543	(112,748)	4,075	(13,547)
	10,598,377	6,923,016	11,539	(13,547)
Deferred tax (Note 17):				
- relating to origination and reversal of temporary differences	(131,296)	1,022,613	–	–
- under provision in prior years	361,361	124,182	–	–
	230,065	1,146,795	–	–
	10,828,442	8,069,811	11,539	(13,547)

(a) Malaysian income tax is calculated at the statutory tax rate 24% (2025: 24%) of the estimated taxable profit for the fiscal year.

(b) Tax expense for other taxation authorities is calculated at the rates prevailing in those respective jurisdictions.

25. TAXATION (CONT'D)

(c) Numerical reconciliation between the income tax expense and the product of accounting profit multiplied by the applicable statutory income tax rate to profit before tax of the Group and of the Company is as follows:

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Profit before tax	35,172,337	26,843,385	11,504,684	9,548,400
Tax at Malaysian statutory tax rate of 24% (2025: 24%)	8,441,361	6,442,412	2,761,124	2,291,616
Tax effects in respect of:				
Expenses not deductible for tax purposes	1,012,202	642,644	505,828	168,816
Income not subject to tax	(31,034)	(35,147)	(3,259,488)	(2,460,432)
Deferred tax assets not recognised	–	968,897	–	–
Utilisation of deferred tax assets previously not recognised	(526,040)	–	–	–
Effects of different tax rate in foreign jurisdiction	4,049	39,571	–	–
Under/(Over) provision in prior years:				
- income tax expense	1,566,543	(112,748)	4,075	(13,547)
- deferred tax	361,361	124,182	–	–
	10,828,442	8,069,811	11,539	(13,547)

(d) Tax on each component of other comprehensive income is as follows:

	Group		
	Before tax RM	**Tax effect RM**	**After tax RM**
2026			
Foreign currency translations	101,739	–	101,739
2025			
Foreign currency translations	17,678	–	17,678

Notes to the Financial Statements (Cont'd)

26. EARNINGS PER SHARE

(a) Basic earnings per ordinary share

Basic earnings per ordinary share for the financial year ended are calculated by dividing the profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2026	2025
Profit for the financial year attributable to owners of the parent (RM)	23,618,090	18,773,574
Weighted average number of ordinary shares in issue	580,552,000	580,552,000
Basic earnings per ordinary share (sen)	4.07	3.23

(b) Diluted earnings per ordinary share

The ESOS options were excluded from the computation of diluted earnings per share as they were not exercisable as at 31 March 2026, given that the specified vesting conditions disclosed in Note 16(b) had not been satisfied as at the end of the financial year.

Accordingly, diluted earnings per ordinary share equal basic earnings per ordinary share because there were no potential dilutive ordinary shares at the end of the reporting period.

27. DIVIDENDS

	Group and Company			
	2026		2025	
	Dividend per share Sen	Amount of dividend RM	Dividend per share Sen	Amount of dividend RM
In respect of the financial year ended 31 March 2024:				
Single tier interim dividend, paid on 30 July 2024	–	–	1.00	5,805,520
In respect of the financial year ended 31 March 2025:				
Single tier interim dividend, paid on 29 July 2025	1.00	5,805,520	–	–
In respect of the financial year ended 31 March 2026:				
Single tier interim dividend, paid on 7 January 2026	0.50	2,902,748	–	–
	1.50	8,708,268	1.00	5,805,520

27. DIVIDENDS (CONT'D)

On 26 May 2026, the Board of Directors declared a second interim single tier dividend of 1.0 sen per ordinary share of RM5,805,520 for the financial year ended 31 March 2026, which is to be paid on 20 August 2026 to shareholders of the Company whose names appeared in the Record of Depositors on 21 July 2026. The dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 March 2027.

The Directors do not recommend the payment of any final dividend in respect of the current financial year.

28. STAFF COSTS

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Salaries, wages, bonus and allowances	21,318,343	21,146,301	278,600	218,350
Defined contribution plans	2,209,196	1,881,867	–	–
Other employees' benefits	1,565,805	2,042,808	–	–
	25,093,344	25,070,976	278,600	218,350

Staff costs are charged under:

	Group		Company	
Cost of sales	13,180,514	13,316,638	–	–
Administrative and distribution expenses	11,912,830	11,754,338	278,600	218,350
	25,093,344	25,070,976	278,600	218,350

Included in staff costs of the Group and of the Company are Directors' remuneration as follows:

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Directors of the Company				
Fees	271,600	201,350	253,600	201,350
Salaries and allowances	1,715,879	1,829,290	25,000	17,000
Defined contribution plan	279,376	309,424	–	–
Other employees' benefits	4,035	5,912	–	–
	2,270,890	2,345,976	278,600	218,350
Benefits-in-kind	61,000	76,296	–	–
	2,331,890	2,422,272	278,600	218,350

Notes to the Financial Statements (Cont'd)

28. STAFF COSTS (CONT'D)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Directors of subsidiaries:				
Fees	18,000	–	–	–
Salaries and allowances	1,689,595	681,174	–	–
Defined contribution plans	232,008	110,640	–	–
Other employees' benefits	6,464	1,759	–	–
	1,946,067	793,573	–	–
Benefits-in-kind	–	–	–	–
	1,946,067	793,573	–	–
	4,277,957	3,215,845	278,600	218,350

29. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other entities.

The Group has controlling related party relationship with its holding company and direct and indirect subsidiaries.

Related parties of the Group include:

(i) direct and indirect subsidiaries as disclosed in Note 10 to the financial statements; and

(ii) key management personnel are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include the Executive Directors of the Group.

29. RELATED PARTY DISCLOSURES (CONT'D)

(b) In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transaction with subsidiaries during the financial year:

	Company	
	2026	**2025**
	RM	**RM**
Dividend income from subsidiaries:		
- Kejuruteraan Powerwell Sdn. Bhd.	9,680,000	4,400,000
- Powerhouse Field Sdn. Bhd.	821,200	1,231,800
- Powerwell International Sdn. Bhd.	3,080,000	4,620,000
	13,581,200	10,251,800

Information regarding outstanding balances arising from related party transactions as at 31 March 2026 are disclosed in Note 12 to the financial statements.

(c) Compensation of key management personnel

The remuneration of Directors and other key management personnel during the financial year were as follows:

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM	**RM**	**RM**	**RM**
Fees	289,600	201,350	253,600	201,350
Salaries, wages, bonus and allowances	4,522,948	4,505,064	25,000	17,000
Defined contribution plans	679,191	625,084	–	–
Other employees' benefits	21,534	24,379	–	–
	5,513,273	5,355,877	278,600	218,350
Benefits-in-kind	61,000	100,246	–	–
	5,574,273	5,456,123	278,600	218,350

30. SEGMENTAL INFORMATION

(a) Operating 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 design, manufacturing and trading of electrical distribution products, and trading of firefighting and fire prevention equipment, as well as design, supply, install and maintenance of fire protection and detection system. The performance of segment is measured based on the internal management reports that present the Group's operations as a single operating segment and are reviewed by chief operating decision maker.

Notes to the Financial Statements (Cont'd)

30. SEGMENTAL INFORMATION (CONT'D)

(b) Geographical segments

In determining geographical segments of the Group, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets. The amount of non-current assets does not include goodwill on consolidation.

	Group	
	2026 **RM**	**2025** **RM**
Revenue from customers:		
Malaysia	136,418,821	135,725,830
Bangladesh	3,349,066	–
Indonesia	19,325,382	1,788,013
Total revenue	159,093,269	137,513,843
Non-current assets located:		
Inside Malaysia	31,682,619	31,479,618
Outside Malaysia	647,298	355,337
	32,329,917	31,834,955

The following are major customers with revenue equal or more than ten percent (10%) of Group revenue:

	Group	
	2026 **RM**	**2025** **RM**
Customer A	6,496,654	43,318,413
Customer B	26,055,875	37,317,399

31. CAPITAL AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The primary objective of the capital management of the Group and of the Company is to ensure that entities of the Group would be able to continue as going concerns whilst maximising return to shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2026 and 31 March 2025.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group regularly reviews the gearing ratio to ensure they are at acceptable levels and within industry norms. Net debts are calculated as total borrowings and lease liabilities owing to financial institutions less short-term funds and cash and bank balances.

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Capital management (Cont'd)

Capital represents equity attributable to the owners of the parent. A detailed calculation of the net debt is shown below:

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Bank borrowings	20	9,569,862	15,873,058	–	–
Lease liabilities owing to financial institutions	7	1,133,206	1,084,552	–	–
Less:					
- Short-term funds	13	4,061,170	1,618,977	–	811,282
- Cash and bank balances	14	54,307,165	65,992,786	15,228,842	110,970
Net cash		(47,665,267)	(50,654,153)	(15,228,842)	(922,252)
Total capital		115,471,891	97,500,534	46,798,054	42,969,565
Gearing ratio		–*	–*	–#	–#

* The gearing ratio for the Group is not presented as the Group is net cash position.

\# The gearing ratio for the Company is not presented as the Company does not have borrowings as at the end of each reporting period.

Pursuant to the requirements of Guidance Note No.3 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the share capital of the Company. The Group has complied with this requirement for the financial year ended 31 March 2026.

The Group is not subject to any externally imposed capital requirements.

(b) Financial risk management

The Group's financial risk management objective is to optimise value creation for the shareholders whilst minimising the potential adverse impact arising from fluctuations in interest rates and the unpredictability of the financial markets.

The Group and the Company are exposed mainly to credit risk, liquidity and cash flow risk, foreign currency risk, interest rate risk and market risk. It is, and has been throughout for the current and previous financial years, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient.

Information on the management of the related exposures is detailed below.

(i) Credit risk

Credit risk is the risk of financial loss that may arise on outstanding financial instruments should a counter party default on its obligations. The exposure of the Group to credit risk arises principally from cash deposits and trade receivables. In order to manage this risk, it is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

Notes to the Financial Statements (Cont'd)

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management (Cont'd)

(i) Credit risk (continued)

The primary exposure of the Group to credit risk arises through its trade receivables. While the primary exposure of the Company is through the amounts owing by subsidiaries. The trading terms of the Group with its customers are mainly on credit. Each customer has a maximum credit limit and the Group seeks to minimise and monitor the credit risk via strictly limiting the associations to business customers with high creditworthiness. Trade receivables are monitored on an ongoing basis through the management reporting procedures of the Group.

Exposure to credit risk

At the end of the reporting period, the maximum exposures to credit risk of the Group and of the Company are represented by the carrying amounts of each class of financial assets recognised in the statements of financial position.

Credit risk concentration profile

As at the end of the reporting period, the Group has significant concentration of credit risk arising from exposure to the amounts due by 12 (2025: 7) major customers representing approximately 79.5% (2025: 85.2%) of the total trade and other receivables. The amounts due and repayment from these customers are closely monitored by the management to ensure that the credit limits and terms agreed with the customers are complied with. The Company has no significant concentration of credit risk except for the amounts owing by subsidiaries.

(ii) Liquidity and cash flow risk

Liquidity and cash flow risk is the risk of inability to meet commitments associated with financial instruments while cash flow risk is the risk of uncertainty of future cash flow amount associated with a monetary financial instrument.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

Prudent liquidity risk management is applied by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining the flexibility in funding by keeping committed credit lines available.

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity and cash flow risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the end of the reporting date based on contractual undiscounted repayments obligation:

Group	**Less than 1 year**	**More than 1 year but less than 5 years**	**More than 5 years**	**Total**
2026	**RM**	**RM**	**RM**	**RM**
Lease liabilities	970,817	1,111,418	33,957	2,116,192
Trade and other payables	66,145,691	–	–	66,145,691
Bank borrowings	3,455,709	3,364,224	4,485,934	11,305,867
2025				
Lease liabilities	532,109	914,296	–	1,446,405
Trade and other payables	66,580,187	–	–	66,580,187
Bank borrowings	9,234,614	3,364,224	5,326,990	17,925,828

Company	**Less than 1 year**	**More than 1 year but less than 5 years**	**More than 5 years**	**Total**
2026	**RM**	**RM**	**RM**	**RM**
Other payables	169,954	–	–	169,954
Financial guarantees*	12,199,236	–	–	12,199,236
2025				
Other payables	372,057	–	–	372,057
Financial guarantees*	15,648,886	–	–	15,648,886

* This disclosure represents the maximum liquidity risk exposure.

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's exposure to currency risk arises mainly from transactions entered into by individual entities with the Group in currencies other that their functional currencies.

The major foreign currency giving rise to this risk is primarily the United States Dollar ("USD") and Euro ("EUR") for purchase of raw materials.

Notes to the Financial Statements (Cont'd)

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Foreign currency risk (Cont'd)

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. Such exposure is also partly mitigated by maintaining part of its cash and cash equivalents in foreign currency account to meet future obligations in foreign currency.

During the financial year, the Group did not enter into any forward currency contract to manage exposures to currency risk for payables, which are denominated in currencies other than the functional currency of the Group.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of the Group's profit for the financial year to a reasonably possible change in the USD and EUR exchange rate against the Ringgit Malaysia ("RM"), with all other variables held constant. 10% is the sensitivity rate used when reporting foreign currency risk exposures internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates.

The sensitivity analysis includes outstanding balances denominated in foreign currencies.

	Profit for the financial year and equity (Decrease)/Increase	
	2026	**2025**
Group	**RM**	**RM**
USD/RM:		
- strengthened by 10% (2025:10%)	(65,553)	(312,749)
- weakened by 10% (2025:10%)	65,553	312,749
EUR/RM:		
- strengthened by 10% (2025:10%)	588	(331,048)
- weakened by 10% (2025:10%)	(588)	331,048

The exposures to the other currencies are not significant, hence the effects of the changes in the exchange rates are not explained above.

(iv) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The Group's fixed deposits with licensed banks, bank borrowings and lease liabilities are exposed to a risk of changes in their fair values due to changes in market interest rates. Short-term receivables and payables are not exposed to interest rate risk. The Group does not use derivative financial instruments to hedge its risk.

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Interest risk (Cont'd)

Exposure to interest rate risk

The following tables set out the carrying amounts, the average effective interest rates as at the end of the reporting period and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk:

Group 2026	Note	Effective interest rate per annum %	Less than 1 year RM	More than 1 year but less than 5 years RM	More than 5 years RM	Total RM
Fixed rates						
Fixed deposits with licensed banks	14	2.00 - 3.90	19,686,432	–	–	19,686,432
Floating rates						
Term loan	20	3.19 - 4.44	549,614	2,417,866	3,987,729	6,955,209
Trade financings	20	4.42 - 4.55	2,614,653	–	–	2,614,653

Group 2025	Note	Effective interest rate per annum %	Less than 1 year RM	More than 1 year but less than 5 years RM	More than 5 years RM	Total RM
Fixed rates						
Fixed deposits with licensed banks	14	2.00 - 3.70	36,681,555	–	–	36,681,555
Floating rates						
Bank overdraft	20	4.51 - 4.55	760,265	–	–	760,265
Term loan	20	3.44 - 4.44	519,444	2,324,041	4,636,015	7,479,500
Trade financings	20	4.51 - 4.55	7,633,293	–	–	7,633,293

Notes to the Financial Statements (Cont'd)

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Interest risk (Cont'd)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group if interest rates at the end of reporting period changed by fifty (50) basis points with all other variables held constant:

	Group (Decrease)/Increase 2026 RM	Group (Decrease)/Increase 2025 RM
Profit for the financial year		
Floating rates		
Increased by 0.5% (2025: 0.5%)	(36,365)	(57,429)
Decreased by 0.5% (2025: 0.5%)	36,365	57,429

(v) Market risk

Market risk is the risk that the fair value of future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group and the Company are exposed to equity price risks arising from short-term funds quoted in Malaysia. These instruments are classified as financial assets designated at fair value through profit or loss.

At the end of each reporting period, the maximum exposure of the Group and of the Company to market risk is represented by the total carrying amount of this financial asset recognised in the statements of financial position, which amounted to RM4,061,170 (2025: RM1,618,977) and Nil (2025: RM811,282) respectively. There has been no change to the exposure of the Group and of the Company to market risk or the manner in which the risk is managed and measured.

Sensitivity analysis for market risk

The following table demonstrates the sensitivity of the Group and of the Company to the changes in market quoted prices for short-term funds at the end of the reporting period, with all other variables held constant:

	Group Increase/(Decrease) 2026 RM	Group Increase/(Decrease) 2025 RM
Profit for the financial year		
Short-term funds		
- increased by 100 basis points (2025: 100 basis points)	30,865	12,304
- decreased by 100 basis points (2025: 100 basis points)	(30,865)	(12,304)

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Financial risk management (Cont'd)

(v) Market risk (Cont'd)

	Company Increase/(Decrease) 2026 RM	Company Increase/(Decrease) 2025 RM
Profit for the financial year		
Short-term funds		
- increased by 100 basis points (2025: 100 basis points)	–	6,166
- decreased by 100 basis points (2025: 100 basis points)	–	(6,166)

(c) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

(i) Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value.

The carrying amounts of financial assets and liabilities, such as trade and other receivables, amounts owing by subsidiaries, trade and other payables, bank borrowings and lease liabilities are reasonable approximation of fair value either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amounts of bank borrowings are reasonable approximations of fair values as the current rates offered to the Group approximate to the market rates for similar borrowing of the same remaining maturities.

The carrying amounts of the current portion of lease liabilities are reasonable approximations of fair values due to the insignificant impact of discounting.

(ii) Lease liabilities that are accounted for as long term financial liabilities

The fair values of these financial instruments are estimated based on future contractual cash flows discounted at incremental borrowing rate for similar type of borrowing or leasing arrangements at the end of the reporting period.

(iii) Financial guarantees

The Company provides corporate guarantees to financial institutions for banking facilities granted to subsidiaries. The fair value of such financial corporate guarantees is negligible as the probability of the subsidiaries defaulting on the banking facilities is remote.

(iv) Short-term funds

The fair value of short-term funds is determined by reference to the exchange quoted market bid price at the close of the business at the end of each reporting period.

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Fair value hierarchy

The following table sets out the financial instruments carried at fair values and those not carried at fair values for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value					
Group	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total RM**	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total RM**	**Total fair value RM**	**Carrying amount RM**
2026										
Financial assets										
Fair value through profit or loss										
- Short-term funds	4,061,170	–	–	4,061,170	–	–	–	–	4,061,170	4,061,170
Financial liabilities										
Amortised cost										
- Term loan *	–	–	–	–	–	–	6,955,209	6,955,209	6,955,209	6,955,209
- Trade financings*	–	–	–	–	–	–	2,614,653	2,614,653	2,614,653	2,614,653
	–	–	–	–	–	–	9,569,862	9,569,862	9,569,862	9,569,862

* The fair value approximates the carrying amount as the difference is negligible.

31. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Fair value hierarchy (Cont'd)

The following table sets out the financial instruments carried at fair values and those not carried at fair values for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position. (Cont'd)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value					
Group	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total RM**	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total RM**	**Total fair value RM**	**Carrying amount RM**
2025										
Financial assets										
Fair value through profit or loss										
- Short-term funds	1,618,977	–	–	1,618,977	–	–	–	–	1,618,977	1,618,977
Financial liabilities										
Amortised cost										
- Term loan *	–	–	–	–	–	–	7,479,500	7,479,500	7,479,500	7,479,500
- Trade financings*	–	–	–	–	–	–	7,633,293	7,633,293	7,633,293	7,633,293
- Bank overdrafts*	–	–	–	–	–	–	760,265	760,265	760,265	760,265
	–	–	–	–	–	–	15,873,058	15,873,058	15,873,058	15,873,058
Company										
2025										
Financial assets										
Fair value through profit or loss										
- Short-term funds	811,282	–	–	811,282	–	–	–	–	811,282	811,282

* The fair value approximates the carrying amount as the difference is negligible.

Notes to the Financial Statements (Cont'd)

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

1. During the financial year, Powerwell Vietnam Company Limited (PVCL), a wholly-owned subsidiary of the Group held through Powerwell Sdn Bhd, engaged Tricor Services Vietnam Company Limited as its corporate service provider to facilitate the deregistration of the company. As at the date of this report, the deregistration process is still in progress.

2. On 29 December 2025, the Company entered into Shares Sale Agreements to acquire a 49% equity interest each in Tenaga Kenari Sdn. Bhd. ("TKSB") and Tenaga Kenari Marketing Sdn. Bhd. ("TKMSB") for a total cash consideration of RM16,660,000. Pursuant to the Shareholders' Agreements entered with the shareholders of TKSB and TKMSB, the Company will have majority control over the boards of directors of TKSB and TKMSB and accordingly, TKSB and TKMSB will become subsidiaries of the Company.

   Subsequent to the end of the reporting period, the balance of the purchase consideration was fully paid in accordance with the provisions of the Shares Sale Agreements and the acquisitions were completed on 1 April 2026.

LIST OF PROPERTIES

Property	Location of Properties	Description	Existing Use	Approximate Age of Building	Approximate Built-up area (sq. ft)	Tenure (Year)	NBV as at 31 Mar 2026 RM	Date of Acquisition
Geran 173922, Lot 121038, Mukim and District of Klang, State of Selangor Darul Ehsan	No. 1B, Jalan Anggerik Mokara 31/48, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan	A 3-storey office block together with a 3-storey manufacturing facility, 1 guard house and 1 refuse chamber	Office and Factory	20	60,814.05	Freehold	6,916,618	25 Jan 2007
Geran 138571/M1/5/50, No. Petak 50, Tingkat 5, No. Bangunan M1, Lot No. 125157, Petak Aksesori : Nil in Mukim and District of Klang, State of Selangor Darul Ehsan	13-05-04, Block 13, Pangsapuri Sri Nervillia, No. 4, Jalan Anggerik Nervillia 31/166, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan	Apartment	Staff hostel	23	650.00	Freehold	63,775	12 Nov 2017
Geran 138577/M1/4/43, No. Petak 43, Tingkat 4, No. Bangunan M1, Lot No. 125163, Petak Aksesori : Nil in Mukim and District of Klang, State of Selangor Darul Ehsan	22-04-02, Block 22, Pangsapuri Sri Nervillia, No. 4, Jalan Anggerik Nervillia 31/166, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan	Apartment	Staff hostel	23	650.00	Freehold	68,112	12 Nov 2017
Geran 138571/M1/4/47, No. Petak 47, Tingkat 4, No. Bangunan M1, Lot No. 125157, Petak Aksesori : Nil in Mukim and District of Klang, State of Selangor Darul Ehsan	13-4-03, Block 13, Pangsapuri Sri Nervillia, No. 4, Jalan Anggerik Nervillia 31/166, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan	Apartment	Staff hostel	23	650.00	Freehold	63,775	12 Nov 2017
Geran 138573/M1/4/55, No. Petak 55, Tingkat 4, No. Bangunan M1, Lot No. 125159, Petak Aksesori : Nil in Mukim and District of Klang, State of Selangor Darul Ehsan	15-4-11, Block 15, Pangsapuri Sri Nervillia, No. 4, Jalan Anggerik Nervillia 31/166, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan	Apartment	Staff hostel	23	650.00	Freehold	63,775	12 Nov 2017
Geran 99147, Lot 69245, Mukim Klang, Daerah Klang, Negeri Selangor	No. 4, Jalan Anggerik Mokara 31/44, Seksyen 31, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan	A 3-storey office block cum single storey factory building and a guard house	Office and Factory	22	26,999	Freehold	11,589,893	20 May 2021
Geran 584450, Lot 173426, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor	No. 12, Jalan Ekoperniagaan 1/14, Taman Ekoperniagaan, 81100 Johor Bahru, Johor	Semi-detached factory	Office and Factory	5	14,399.96	Freehold	3,023,033	9 Mar 2023

ANALYSIS OF SHAREHOLDING

AS AT 30 JUNE 2026

Number of Issues Shares	:	580,552,000
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS AS AT 30 JUNE 2026 (AS PER RECORD OF DEPOSITORS)

Size of Shareholdings	No. of Shareholders	(%)	No. of Shares Held	%
Less than 100	11	0.320%	266	0.000
100 – 1,000	637	18.534%	330,000	0.057
1,001 – 10,000	1,410	41.024%	8,214,800	1.415
10,001 – 100,000	1,082	31.481%	38,236,900	6.586
100,001 – below 5% of issued shares	295	8.583%	352,831,034	60.775
5% and above of issued shares	2	0.058%	180,939,000	31.167
Total:	**3,437**	**100.000**	**580,552,000**	**100.000**

SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2026 (AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS)

No.	Name of Substantial Shareholder	No. of Shares Held (Direct Interest)	%	No. of Shares Held (Indirect Interest)	%
1	United Fam Sdn Bhd	140,777,000	24.249	–	–
2	TLM Capital Sdn Bhd	–	–	140,777,000*	24.249
3	Lao Wai Ieng**	–	–	140,777,000*	24.249
4	Datin Lim Swee Choo	–	–	140,777,000*	24.249

Note:

* Deemed interest by virtue of their interest in United Fam Sdn Bhd pursuant to Section 8 of Companies Act 2016.

** The English name of the substantial shareholder was changed from "Liu WeiYing to "Lao Wai Ieng" following the renewal of his passport in Year 2025. For clarity, there is no change of indentity and the shareholder remains the same individual.

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2026 (AS PER REGISTER OF DIRECTORS' SHAREHOLDINGS)

No.	Name of Directors	No. of Shares Held (Direct Interest)	%	No. of Shares Held (Indirect Interest)	%
1	Wong Yoke Yen	27,914,197	4.808	–	–
2	Soh Wei Wei	14,404,585	2.481	–	–
3	Chong Guang Wei*	–	–	29,000,000*	4.995
4	Tee Joe Ee	–	–	–	–
5	Tang Yuen Kin	100,000	0.017	–	–
6	Tou Teck Yong	100,000	0.017	–	–
7	Selma Enolil Binti Mustapha Khalil	50,000	0.009	–	–

Note:

* Deemed interest by virtue of his interest in Taurus Brown Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016

Analysis of Shareholding (Cont'd)

LIST OF THIRTY LARGEST SHAREHOLDERS AS AT 30 JUNE 2026 (AS PER RECORD OF DEPOSITORS)

No.	Name of Shareholders	No. of Shares Held	%
1	United Fam Sdn Bhd	140,777,000	24.249
2	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An For UOB Kay Hian (Hong Kong) Limited (A/C Clients)	40,162,000	6.918
3	Wong Yoke Yen	27,914,197	4.808
4	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account For Taurus Brown Holdings Sdn Bhd (MY4730)	20,000,000	3.445
5	HSBC Nominees (Asing) Sdn Bhd J. P. Morgan Securities PLC	18,888,300	3.254
6	Tham Kien Wai	17,309,072	2.982
7	Citigroup Nominees (Asing) Sdn Bhd Exempt An For Citibank New York (Norges Bank 22)	16,215,000	2.793
8	Soh Wei Wei	14,404,585	2.481
9	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Principal Islamic Small Cap Opportunities Fund	11,595,300	1.997
10	Hoh Moon Heng	9,603,094	1.654
11	Taurus Brown Holdings Sdn Bhd	9,000,000	1.550
12	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Arim)	8,471,500	1.459
13	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ngo Hea Bing (7006847)	8,400,000	1.447
14	Citigroup Nominees (Tempatan) Sdn Bhd Lembaga Tabung Haji (Eastspring)	7,003,900	1.206
15	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn. Bhd. (2)	6,889,100	1.187
16	Leong Yek Loong	6,402,038	1.103
17	RHB Nominees (Tempatan) Sdn Bhd Pleadged Securities Account For Ang Aun Leong	6,200,000	1.068
18	Amanahraya Trustees Berhad PMB Shariah Growth Fund	6,000,000	1.033
19	Delloyd Ventures Sdn Bhd	6,000,000	1.033
20	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Principal Lifetime Balanced Income Fund	5,973,000	1.029
21	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad For Eastspring Investmentssmall-Cap Fund	5,066,600	0.873
22	Foo Lee Ling	4,900,000	0.844
23	Citigroup Nominees (Asing) Sdn Bhd UBS AG	4,373,300	0.753

Analysis of Shareholding (Cont'd)

LIST OF THIRTY LARGEST SHAREHOLDERS AS AT 30 JUNE 2026 (AS PER RECORD OF DEPOSITORS) (CONT'D)

No.	Name of Shareholders	No. of Shares Held	%
24	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)	3,272,000	0.564
25	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund AEUP For Ark Global Emerging Companies, LP	3,148,600	0.542
26	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account For Ting Ding Chen (MF00458)	2,822,500	0.486
27	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad For Eastspring Investm Ents Islamic Small-Cap Fund	2,527,400	0.435
28	Citigroup Nominees (Tempatan) Sdn Bhd Lembaga Tabung Haji (Principal)	2,477,000	0.427
29	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Yat Teng (E-SJA)	2,200,000	0.379
30	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Principal Lifetime Balanced Fund	2,132,500	0.367
	Total	**420,127,986**	**72.366**

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-First Annual General Meeting of Powerwell Holdings Berhad ("the Company") will be held at Danau 1-2, Kota Permai Golf & Country Club, No.1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor on Friday, 25 September 2026 at 10.00 a.m. or at any adjournment thereof for the following purposes:-

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2026 and the Reports of Directors and Auditors thereon.

2. To approve the payment of Directors' fees of up to RM437,000 and benefits of up to RM46,000 to the Non-Executive Directors from 26 September 2026 until the next Annual General Meeting of the Company. ***Ordinary Resolution 1***

3. To re-elect the following Directors who are retiring by rotation pursuant to Rule 131 of the Constitution of the Company:-

   3.1 Mr Tang Yuen Kin ***Ordinary Resolution 2***

   3.2 Madam Wong Yoke Yen ***Ordinary Resolution 3***

4. To re-elect Ms Tee Joe Ee who is retiring by casual vacancy pursuant to Rule 116 of the Constitution of the Company. ***Ordinary Resolution 4***

5. To re-appoint BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. ***Ordinary Resolution 5***

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions, with or without modifications:-

6. **AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE SHARES** ***Ordinary Resolution 6***

   "THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act"), and subject to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental and/or regulatory authorities (if any), the Directors be and are hereby empowered to allot and issue new shares in the Company at any time, 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 issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of issue.

   THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company."

Notice of Twenty-First Annual General Meeting (Cont'd)

7. **PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RRPT MANDATE")** ***Ordinary Resolution 7***

"THAT pursuant to Rule 10.09 of the ACE Market Listing Requirements of Bursa Securities, the Company and its subsidiaries ("the Group") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular to Shareholders dated 31 July 2026 provided that such transactions and/or arrangements are:

a) necessary for the day-to-day operations for the Company and/or its subsidiaries;
b) undertaken in the ordinary course of business at arm's length basis and on normal commercial terms and transaction price which are not more favorable to the related parties than those generally available to the public; and
c) not detrimental to the minority shareholders of the Company.

(collectively known as "Shareholders' Mandate");

THAT the authority conferred by this Shareholders' Mandate shall commence upon passing of this resolution and continue to be in force until:

a) the conclusion of the next AGM of the Company, at which this Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at such AGM, the authority is renewed; or
b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate."

Notice of Twenty-First Annual General Meeting (Cont'd)

8. **PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED SHARE BUY-BACK")** ***Ordinary Resolution 8***

"THAT subject to the provisions of the Act, the Constitution of the Company, the ACE Market Listing Requirements of Bursa Securities and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of issued ordinary shares in the share capital of the Company as may be determined by the Directors of the Company from time to time through Bursa Securities, upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:-

(a) the aggregate number of shares purchased does not exceed 10% of the total number of issued shares of the Company ("Purchased Shares") at any point in time;

(b) the maximum amount of funds to be allocated by the Company for the purposes of purchasing the Purchased Shares shall not exceed the aggregate amount of the retained earnings of the Company at the time of purchase;

(c) the authority conferred by this resolution will commence immediately upon passing of this resolution and will continue to be in force until:-

(i) the conclusion of the next AGM of the Company at which time the authority shall lapse unless it is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or

(iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first,

(d) upon completion of the purchase by the Company of the Purchased Shares, the Directors of the Company be and are hereby empowered to deal with Purchased Shares in the following manner:-

(i) cancel the Purchased Shares;

(ii) retain the Purchased Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act);

(iii) retain part of the Purchased Shares as treasury shares and cancel the remainder;

(iv) in any other manner as may be prescribed by the Act, the ACE Market Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force.; or

any combination of the above (i), (ii), (iii) and (iv).

Notice of Twenty-First Annual General Meeting (Cont'd)

AND THAT the Directors of the Company be and are hereby authorised to take all such steps and to do all acts and things as may be required (including executing all documents) to give full effect to the purchase of the Company's own shares, with full power to assent to any conditions, variations, modifications, and/or amendments in any manner as may be required or permitted by any relevant authorities or as may be deemed necessary by the Board of Directors and in the best interests of the Company."

9. **PROPOSED AMENDMENT TO THE COMPANY'S CONSTITUTION ("PROPOSED AMENDMENT")** ***Special Resolution 1***

"THAT the Proposed Amendment to Rule 5.1 of the Constitution of the Company as set out below be approved and adopted:

Rule No.	Existing Clause	Amended Clause
5.1	<u>Definition and Interpretation</u> "Listing Requirements" means the ACE Market Listing Requirements of the Stock Exchange including any amendment or modification to the same that may be made from time to time;	<u>Definition and Interpretation</u> "Listing Requirements" means the ~~ACE Market~~ listing requirements of the Stock Exchange including any amendment or modification to the same that may be made from time to time;

AND THAT the Directors of the Company be authorised to assent to any modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to do all acts and things and to take all such steps as they may be deem necessary to give full effect to the Proposed Amendment."

10. To transact any other business which may properly be transacted at an Annual General Meeting for which due notice shall have been given.

By Order of the Board
POWERWELL HOLDINGS BERHAD

TAN FONG SHIAN (SSM PC NO. 201908004045) (MAICSA 7023187)
TAN KOK SIONG (SSM PC No. 202008001592) (LS0009932)
Secretaries

Kuala Lumpur
31 July 2026

Notice of Twenty-First Annual General Meeting (Cont'd)

NOTES:

(1) A member of the Company entitled to attend, speak and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. Where a member appoints more than one proxy to attend, speak and vote at the Meeting, such appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.

(2) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one 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.

(3) Only a depositor whose name appears in the Company's Record of Depositors as at 18 September 2026 shall be regarded as a member and entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.

(4) 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 the corporation's seal or under the hand of an officer or attorney duly authorised.

(5) The original instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Poll Administrator's at Mega Corporate Services Sdn Bhd, Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250, Kuala Lumpur or electronically lodged by email to mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting.

(6) The Personal Data Protection Act 2010, which regulates the processing of personal data in commercial transactions, applies to the Company. By providing to us or our agents your personal data which may include your name, contact details and mailing address, you hereby consent, agree and authorise the processing and/or disclosure of any personal data of or relating to you for the purposes of issuing the notice of this meeting and convening the meeting, including but not limited to preparation and compilation of documents and other matters, whether or not supplied by you. You further confirm to have obtained the consent, agreement and/or authorisation of all persons whose personal data you have disclosed and/or processed, in connection with the foregoing.

EXPLANATORY NOTES

1. Ordinary Resolution 1 – Payment of Directors' fees and benefits

The proposed Ordinary Resolution 1 is to seek the approval for payment of Directors' fees of up to RM437,000 and benefits of up to RM46,000 to be paid to the Non-Executive Directors of the Company from 26 September 2026 until the conclusion of the next Annual General Meeting ("AGM") of the Company, based on the following structure:

Type of Fees	Amount per annum
Independent Non-Executive Chairman	RM63,600
Non-Executive Directors	RM57,000

Type of Benefits	Amount
Meeting attendance allowance	RM1,000 per meeting day

At the Twentieth AGM of the Company held on 25 September 2025, the shareholders had approved the payment of Directors' fees of up to RM200,000 and benefits of up to RM20,000 commencing from 26 September 2025 until the conclusion of the Twenty-First AGM scheduled on 25 September 2026.

Notice of Twenty-First Annual General Meeting (Cont'd)

EXPLANATORY NOTES (CONT'D)

1. Ordinary Resolution 1 – Payment of Directors' fees and benefits (Cont'd)

The increase in the amount of Directors' fees and benefits sought in the Twenty-First AGM is to accommodate the additional Directors' fees and benefits payable to the two (2) newly appointed Non-Independent Non-Executive Directors and any new appointment of Directors.

In the event the Directors' fees and benefits proposed are insufficient, approval will be sought at the next AGM for additional fees to cover the shortfall.

2. Ordinary Resolutions 2 to 4 – Re-election of Directors

The profiles of Mr Tang Yuen Kin, Madam Wong Yoke Yen and Ms Tee Joe Ee who are standing for re-election are set out under the profile of directors in the 2026 Annual Report (collectively the "Retiring Directors").

For the purpose of determining the eligibility of the Directors to stand for re-election at this Twenty-First AGM and in line with Practice 5.1 of the Malaysian Code on Corporate Governance, the Nomination Committee ("NC") has reviewed and assessed the Retiring Directors through the annual assessment and evaluation of the Board.

The NC had recommended the re-election of Retiring Directors based on the following consideration and the Board of Directors endorsed the recommendation of the NC:-

(i) satisfactory performance and have met Board's expectation in discharging their duties and responsibilities;
(ii) met the fit and proper criteria under the Company's Fit & Proper Policy in discharging their roles as directors of the Company;
(iii) their ability to act in the best interest of the Company in decision-making; and
(iv) level of independence demonstrated by the independent directors.

3. Ordinary Resolution 6 – Authority for Directors to Allot and Issue Shares

The proposed Ordinary Resolution 6, if passed, will renew the authority given to the Directors of the Company to allot and issue new shares in the Company pursuant to Sections 75 and 76 of the Act ("General Mandate"), without first offer to holders of existing issued shares of the Company, provided that the number of shares issued pursuant to this General Mandate, when aggregated with the number of shares issued during the preceding twelve (12) months, does not exceed 10% of the total number of issued shares of the Company at the time of issue. The renewed General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

With the renewed General Mandate, the Company will be able to raise funds expeditiously for the purpose of funding future investment project(s), working capital, repayment of borrowings and/or acquisition(s) without having to convene a general meeting to seek shareholders' approval when such opportunities or needs arise.

As at the date of this Notice, the Company did not issue any new shares pursuant to the mandate obtained at the Twentieth AGM of the Company held on 25 September 2025.

4. Ordinary Resolution 7 – Proposed RRPT Mandate

The proposed Ordinary Resolution 7, if passed will enable the Company and/or its subsidiaries to enter into recurrent transactions involving the interest of related parties, which are necessary for the Group's day-to-day operations and undertaken at arm's length, subject to the transactions being carried out in the ordinary course of business and on terms not to the detriment of minority shareholders of the Company.

Please refer to the Circular to Shareholders dated 31 July 2026 for further details.

Notice of Twenty-First Annual General Meeting (Cont'd)

EXPLANATORY NOTES (CONT'D)

5. Ordinary Resolution 8 – Proposed Share Buy-Back

The proposed Ordinary Resolution 8, if passed, will empower the Directors to purchase issued ordinary shares in the Company of not exceeding 10% of the total number of issued shares of the Company through Bursa Securities in accordance with the Act, the provisions of the Constitution of the Company and the requirements of Bursa Securities. This authority unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

Details on the proposal contained under Ordinary Resolution 8 above are set out in the Statement to Shareholders in relation to the Proposed Share Buy-Back dated 31 July 2026.

6. Special Resolution 1 – Proposed Amendment

The proposed Special Resolution 1 is intended to future-proof the Company's Constitution and ensure its continued alignment with the applicable listing requirements of Bursa Securities.

This Special Resolution 1 shall be passed by a majority of not less than 75% of such members who are entitled to vote either in person or by proxy.

STATEMENT ACCOMPANYING NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING (“21st AGM”)

(PURSUANT TO RULE 8.29(2) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES)

No notice of nomination has been received to date from any member nominating any individual for election as a Director at the 21st AGM of the Company.

Therefore, no individual is standing for election as Director, save for the Directors who are standing for re-election at the forthcoming 21st AGM of the Company.

FORM OF PROXY
(Before completing this form, please refer to the notes below)

No. of Shares Held	
CDS Account No.	

POWERWELL

POWERWELL HOLDINGS BERHAD
Registration No. 200101009151 (544907-X)
(Incorporated in Malaysia)

I/We ______________________________ ______________________________
(Full Name in Block Letters) NRIC/Passport /Registration No.

of ____
(Full Address)

with email address ______________________________ Mobile No. ______________________
being a member(s) of **POWERWELL HOLDINGS BERHAD**, hereby appoint:

Name of Proxy *(Full name)*	NRIC/Passport No.	Proportion of shareholdings	
		No. of Shares	%
Email address	Mobile No.		

* and/or failing him/her

Name of Proxy *(Full name)*	NRIC/Passport No.	Proportion of shareholdings	
		No. of Shares	%
Email address	Mobile No.		

or failing him/her, the CHAIRMAN OF THE MEETING* as my/our proxy to vote for me/us and on my/our behalf at the Twenty-First Annual General Meeting of the Company to be held at Danau 1-2, Kota Permai Golf & Country Club, No.1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor on Friday, 25 September 2026 at 10.00 a.m. and any adjournment thereof. My/Our proxy/proxies shall vote as indicated below:

ORDINARY RESOLUTIONS		FOR	AGAINST
1.	Approval of the payment of Directors' fees and benefits		
2.	Re-election of Mr Tang Yuen Kin as Director		
3.	Re-election of Madam Wong Yoke Yen as Director		
4.	Re-election of Ms Tee Joe Ee as Director		
5.	Re-appointment of BDO PLT as Auditors		
6.	Authority for Directors to allot and issue shares		
7.	Proposed RRPT Mandate		
8.	Proposed Share Buy-Back		
SPECIAL RESOLUTION			
1.	Proposed Amendment		

Please indicate with a "✓ " or "X" in the appropriate space how you wish your votes to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy will vote as he or she thinks fit, or, at his or her discretion, abstain from voting.

Dated this .... day of .... 2026 ....
Signature/Common Seal of Member

* *Delete the words "the CHAIRMAN OF THE MEETING" if you wish to appoint some other person(s) only to be your proxy/proxies.*

Notes:-

(1) A member of the Company entitled to attend, speak and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. Where a member appoints more than one proxy to attend, speak and vote at the Meeting, such appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.

(2) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one 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.

(3) Only a depositor whose name appears in the Company's Record of Depositors as at 18 September 2026 shall be regarded as a member and entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.

(4) 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 the corporation's seal or under the hand of an officer or attorney duly authorised.

(5) The original instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Poll Administrator's at Mega Corporate Services Sdn Bhd, Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250, Kuala Lumpur or electronically lodged by email to mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting.

(6) The Personal Data Protection Act 2010, which regulates the processing of personal data in commercial transactions, applies to the Company. By providing to us or our agents your personal data which may include your name, contact details and mailing address, you hereby consent, agree and authorise the processing and/or disclosure of any personal data of or relating to you for the purposes of issuing the notice of this meeting and convening the meeting, including but not limited to preparation and compilation of documents and other matters, whether or not supplied by you. You further confirm to have obtained the consent, agreement and/or authorisation of all persons whose personal data you have disclosed and/or processed, in connection with the foregoing.

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AFFIX
STAMP

POWERWELL HOLDINGS BERHAD
Registration No. 200101009151 (544907-X)
c/o Mega Corporate Services Sdn Bhd,
Level 15-2, Bangunan Faber Imperial Court,
Jalan Sultan Ismail, 50250, Kuala Lumpur.

2nd Fold Here

Fold This Flap For Sealing

POWERWELL

Powerwell Holdings Berhad
200101009151 (544907-X)

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40460 Shah Alam
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Malaysia

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