THIS CIRCULAR TO SHAREHOLDERS OF POWERWELL HOLDINGS BERHAD ("POWERWELL" OR THE "COMPANY") ("CIRCULAR") IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

This Circular has been reviewed by UOB Kay Hian (M) Sdn Bhd as the Principal Adviser to Powerwell for the Proposed Bonus Issue of Warrants.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

POWERWELL®

POWERWELL HOLDINGS BERHAD
(Registration No.: 200101009151 (544907-X))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

PROPOSED BONUS ISSUE OF WARRANTS OF 116,110,400 WARRANTS IN POWERWELL ("WARRANT(S)") ON THE BASIS OF 1 WARRANT FOR EVERY EXISTING 5 ORDINARY SHARES IN POWERWELL HELD BY OUR SHAREHOLDERS WHOSE NAMES APPEAR IN OUR COMPANY'S RECORD OF DEPOSITORS ON THE ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser

UOBKayHian

UOB KAY HIAN (M) SDN BHD
(Registration No.: 199001003423 (194990-K))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting ("**EGM**") of Powerwell 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 11.00 a.m., or immediately after the conclusion or adjournment of the 21st Annual General Meeting ("**AGM**") of our Company which will be held at the same venue and on the same day at 10.00 a.m., whichever is later. The Notice of the EGM and the Form of Proxy are enclosed in this Circular.

Shareholders are advised to refer to the Notice of the EGM and the Form of Proxy set out in this Circular. The Form of Proxy should be completed and lodged at the Poll Administrator's Office at Mega Corporate Services Sdn Bhd, Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250, Kuala Lumpur or electronically lodged by email at mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time for holding the EGM or adjourned EGM. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM, should you subsequently wish to do so.

Last date and time for depositing the Form of Proxy	:	Wednesday, 23 September 2026 at 11.00 a.m.
Date and time of EGM	:	Friday, 25 September 2026 at 11.00 a.m., or immediately after the conclusion or adjournment of the AGM of our Company which will be held at the same venue and on the same day at 10.00 a.m., whichever is later.

This Circular is dated 10 September 2026

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"Act"	:	The Companies Act 2016
"AGM"	:	21st Annual General Meeting of our Company
"AI"	:	Artificial intelligence
"Announcement"	:	The announcement in relation to the Proposed Bonus Issue of Warrants dated 23 July 2026
"Board"	:	Board of Directors of Powerwell
"Bursa Depository"	:	Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
"Circular"	:	This circular to our Shareholders dated 10 September 2026 in relation to the Proposed Bonus Issue of Warrants
"Deed Poll"	:	The deed poll constituting the Warrants and governing the rights of the Warrants Holders to be executed by our Company
"Director(s)"	:	The director(s) of Powerwell and shall have the same meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007
"EGM"	:	Extraordinary general meeting of our Company
"Entitled Shareholders"	:	Shareholders whose names appear in our Company's Record of Depositors on the Entitlement Date
"Entitlement Date"	:	A date to be determined and announced later by our Board, on which the names of the Entitled Shareholders must appear in our Company's Record of Depositors at 5.00 p.m. in order to participate in the Proposed Bonus Issue of Warrants
"EPS"	:	Earnings per Share
"ESOS"	:	Our employees' share option scheme implemented on 30 September 2025
"ESOS Options"	:	The right of an eligible director(s) and employee(s) of our Group to subscribe for new Powerwell Shares in the manner as indicated in the by-laws governing the rules, terms and conditions of the ESOS
"Exercise Period"	:	A period of 5 years commencing from and including the Issue Date to the close of business at 5.00 p.m. (Malaysia time) on the market day immediately preceding the date which is the 5th anniversary of the Issue Date and if such date is not a market day, then it shall be the market day immediately preceding the said non-market day
"Exercise Price"	:	The exercise price of the Warrants to be determined and announced at the Price-Fixing Date
"FPE"	:	Financial period ended/ending 30 June, as the case may be

"FYE"	:	Financial year ended/ending 31 March, as the case may be
"GDP"	:	Gross domestic product
"Indicative Exercise Price"	:	The indicative Exercise Price of RM1.24 per Warrant
"Issue Date"	:	The date of issuance and allotment of the Warrants
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"LPD"	:	7 September 2026, being the latest practicable date prior to the printing and despatch of this Circular
"NA"	:	Net assets
"Official List"	:	A list specifying all securities which are listed on the ACE Market of Bursa Securities
"Powerwell" or our "Company"	:	Powerwell Holdings Berhad (Registration No.: 200101009151 (544907-X))
"Powerwell Group" or our "Group"	:	Collectively, Powerwell and its subsidiaries
"Powerwell Share(s)" or the "Share(s)"	:	Ordinary share(s) in Powerwell
"Price-Fixing Date"	:	The price-fixing date to be determined and announced by our Board at a later date, pursuant to which the Exercise Price will be determined and announced
"Proposed Bonus Issue of Warrants"	:	The proposed bonus issue of 116,110,400 Warrants on the basis of 1 Warrant for every existing 5 Powerwell Shares held by the Entitled Shareholders on the Entitlement Date
"Record of Depositors"	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
"Shareholders"	:	The shareholders of our Company
"UOBKH" or the "Principal Adviser"	:	UOB Kay Hian (M) Sdn Bhd (Registration No.: 199001003423 (194990-K))
"VWAP"	:	Volume-weighted average market price
"Warrant(s)"	:	116,110,400 free warrants in Powerwell to be issued pursuant to the Proposed Bonus Issue of Warrants
"Warrant Holder(s)"	:	The holder(s) of the Warrants

Currency:-

"RM" and "sen"	:	Ringgit Malaysia and sen, respectively

Unit of measurement:-

"sq ft"	:	Square feet

All references to "we", "us", "our" and "ourselves" are to Powerwell or where the context requires, are to Powerwell Group or any of our subsidiaries. All references to "you" or "your" in this Circular are to the Shareholders of Powerwell.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified. Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding adjustments.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our plans and objectives will be achieved.

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EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposed Bonus Issue of Warrants. You are advised to read and carefully consider the contents of this Circular and the appendices contained herein in its entirety for further details and not to rely solely on this Executive Summary in forming a decision on the Proposed Bonus Issue of Warrants before voting at the EGM.

Key information	Description	Reference to the Circular
Summary on the Proposed Bonus Issue of Warrants	The Proposed Bonus Issue of Warrants entails the issuance of 116,110,400 Warrants on the basis of 1 Warrant for every existing 5 Powerwell Shares held by the Entitled Shareholders on the Entitlement Date. The Warrants will be issued at no cost to the Entitled Shareholders and the Exercise Price will be determined and announced at a later date by our Board after the receipt of all requisite approvals but before the announcement of the Entitlement Date.	**Section 2**
Rationale and justification for the Proposed Bonus Issue of Warrants	Our Board intends to undertake the Proposed Bonus Issue of Warrants to:- (i) reward our Shareholders for their continuing support, by enabling them to participate in a derivative of our Company; (ii) provide our Shareholders an alternative mean to participate and trade in the equity of our Company in addition to the mother share. Our Shareholders may also benefit from potential capital gain in the event of Share price appreciation through the exercise of the Warrants; (iii) provide our Shareholders an opportunity to further increase their equity participation in our Company by exercising the Warrants at a pre-determined price during the tenure of the Warrants and to benefit from the future growth and any potential capital appreciation of the Powerwell Shares arising therefrom; (iv) strengthen our capital base with the proceeds from the exercise of Warrants, as and when the Warrants are exercised; and (v) serve as an appropriate avenue to raise funds as opposed to other fundraising exercises in view that it may progressively raise proceeds as and when the Warrants are exercised to fund our Group's working capital requirement as highlighted in **Section 2.5** of this Circular without incurring any interest cost as compared to bank borrowings.	**Section 3**
Approvals required and conditionality of the Proposed Bonus Issue of Warrants	The Proposed Bonus Issue of Warrants is subject to and conditional upon the following approvals being obtained:- (i) Bursa Securities which was obtained on 8 September 2026; (ii) our Shareholders for the Proposed Bonus Issue of Warrants at the forthcoming EGM; and (iii) any other relevant authorities and/or parties, if required. The Proposed Bonus Issue of Warrants is not conditional upon any other corporate exercises undertaken or to be undertaken by our Group.	**Section 8**
Interests of Directors, major shareholders, chief executive and/or persons connected to them	None of our Directors, major shareholders, chief executive and/or persons connected to them has any interest, direct or indirect, in the Proposed Bonus Issue of Warrants, save for their respective entitlements as our Shareholders under the Proposed Bonus Issue of Warrants, which are also available to all other Entitled Shareholders on a pro-rata basis.	**Section 9**
Directors' statement and recommendation	Our Board, having considered all aspects of the Proposed Bonus Issue of Warrants, including but not limited to the rationale and justifications of the Proposed Bonus Issue of Warrants, and the effects of the Proposed Bonus Issue of Warrants, is of the opinion that the Proposed Bonus Issue of Warrants is in the best interest of our Company. Accordingly, our Board recommends that you **vote in favour** for the resolution pertaining to the Proposed Bonus Issue of Warrants at the forthcoming EGM.	**Section 10**

POWERWELL HOLDINGS BERHAD
(Registration No.: 200101009151 (544907-X))
(Incorporated in Malaysia)

Registered office

Unit 30-01, Level 30
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan

10 September 2026

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)*

To: Our Shareholders

Dear Sir/Madam,

PROPOSED BONUS ISSUE OF WARRANTS

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1. INTRODUCTION

On 23 July 2026, UOBKH had, on behalf of our Board, announced that we propose to undertake the Proposed Bonus Issue of Warrants.

Subsequently, on 8 September 2026, UOBKH had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 8 September 2026, resolved to approve the following:-

(i) admission of 116,110,400 Warrants to the Official List of Bursa Securities pursuant to the Proposed Bonus Issue of Warrants;

(ii) listing of and quotation for 116,100,400 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants; and

(iii) listing of and quotation for 116,110,400 new Powerwell Shares to be issued arising from the exercise of Warrants on the ACE Market of Bursa Securities.

The approval of Bursa Securities is subject to the conditions as set out in **Section 8** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED BONUS ISSUE OF WARRANTS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE OF WARRANTS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE FORTHCOMING EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED BONUS ISSUE OF WARRANTS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED BONUS ISSUE OF WARRANTS

2.1 Basis and number of Warrants to be issued

The Proposed Bonus Issue of Warrants entails the issuance of 116,110,400 Warrants, on the basis of 1 Warrant for every existing 5 Powerwell Shares held by the Entitled Shareholders on the Entitlement Date, based on the following:-

(i) our issued share capital of RM36,348,121 comprising 580,552,000 Powerwell Shares as at the LPD;

(ii) our Company does not have any treasury shares as at the LPD; and

(iii) the assumption that prior to the Entitlement Date, no new Powerwell Shares will be issued arising from the exercise of any ESOS Options* granted under our Company's existing ESOS, which took effect on 30 September 2025 and shall be in force for a period of 5 years, with an option to extend or renew for a further period of up to 5 years at the sole and absolute discretion of our Board.

Note:-

* *For information purposes, as at the LPD, there are a total of 42,550,000 outstanding ESOS Options, which are exercisable into 42,550,000 new Powerwell Shares. The ESOS Options are scheduled to vest in 3 tranches, comprising 25% (representing 10,637,500 ESOS Options) on 31 December 2026, a further 35% (representing 14,892,500 ESOS Options) on 31 December 2027, and the remaining 40% (representing 17,020,000 ESOS Options) on 31 December 2028.*

Hence, given that the Proposed Bonus Issue of Warrants is expected to be completed before the first vesting date of the ESOS Options on 31 December 2026, no new Powerwell Shares are expected to be issued pursuant to the exercise of the outstanding ESOS Options prior to the Entitlement Date. For the avoidance of doubt, save for the existing ESOS, our Company does not have any other outstanding convertible securities as at the LPD.

Our Board has also undertaken not to grant any additional ESOS Options until the completion of the Proposed Bonus Issue of Warrants.

The entitlement basis for the Proposed Bonus Issue of Warrants was determined after taking into consideration the following:-

(i) compliance with Rule 6.51 of the Listing Requirements, which states that the number of new Powerwell Shares which will arise from the exercise or conversion of all outstanding convertible securities, shall not exceed 50.00% of the total number of issued shares of the listed corporation (excluding treasury shares and before the exercise of the convertible securities) at all times, as illustrated below:-

	No. of Shares
Issued share capital of Powerwell as at the LPD	580,552,000
New Shares to be issued assuming full exercise of the Warrants	116,110,400
No. of new Shares to be issued assuming full exercise of the Warrants / Issued share capital of Powerwell	**20.00%**
Compliance with Rule 6.51 of the Listing Requirements	Yes

(ii) dilutive effects arising from the full exercise of Warrants on our consolidated earnings and EPS; and

(iii) amount of proceeds our Company could potentially raise as and when the Warrants are exercised during the Exercise Period.

The actual number of Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants will depend on the total number of issued Shares on the Entitlement Date. Fractional entitlements of the Warrants, if any, shall be disregarded and dealt with in such manner as our Board may, in its absolute discretion, deem fit and expedient, and in the best interest of our Company.

The Proposed Bonus Issue of Warrants will be implemented in a single tranche and is not intended to be implemented in stages over a period of time and will be issued in registered form and constituted by a Deed Poll after the receipt of all requisite approvals for the Proposed Bonus Issue of Warrants. The indicative salient terms of the Warrants are set out in **Appendix I** of this Circular.

For the avoidance of doubt, no reserves will be capitalised for the issuance of Warrants under the Proposed Bonus Issue of Warrants.

2.2 Basis and justification of determining the Exercise Price

The Warrants will be issued at no cost to the Entitled Shareholders. The Exercise Price will be determined and announced at a later date by our Board after the receipt of all requisite approvals but before the announcement of the Entitlement Date and will be determined and fixed by our Board after taking into consideration, amongst others, the following:-

(i) the historical price movement of Powerwell Shares;

(ii) the 5-day VWAP of Powerwell Shares up to and including the last trading day immediately preceding the Price-Fixing Date;

(iii) the prevailing market conditions; and

(iv) our future prospects and potential funding requirements as set out in **Sections 5.3** and **2.5** of this Circular, respectively.

Our Board intends to fix the Exercise Price at a premium of up to 20.00% to the 5-day VWAP of Powerwell Shares immediately preceding the Price-Fixing Date. The appropriate premium will be determined by our Board after taking into consideration, amongst others, the following:-

(i) our Group's historical financial performance. Our Group's profit after tax attributable to the owners of our Company increased from RM6.81 million in the FYE 2023 to RM23.62 million in the FYE 2026, representing a compound annual growth rate of 51.35% over the financial years notwithstanding the relatively stable revenue recorded over the same financial years. This reflects the significant improvement in our Group's profitability over the period;

(ii) the anticipated growth outlook of the electrical power distribution equipment industry. The continued expansion of the digital economy, including the increasing adoption of AI, cloud computing, 5G technology and e-commerce, is expected to drive higher requirements for data centres, telecommunications infrastructure and other power-intensive facilities. In parallel, the transition towards a green economy, including increased investments in renewable energy, electric vehicle infrastructure and battery technologies, is expected to require further development and upgrading of power infrastructure and electrical distribution systems. These trends are expected to support demand for power distribution equipment and, consequently, provide opportunities for our Group to participate in the corresponding infrastructure investments. Please refer to **Section 5** of this Circular for the industry overview;

(iii) our Group's business expansion plans. Our Group is expanding our manufacturing capacity in our manufacturing plants in Indonesia and Shah Alam, Malaysia as well as to cater for anticipated demand for our products and services. In addition to data centre related projects, our Group intends to pursue opportunities in infrastructure and renewable energy-related projects where our existing products, services and technical capabilities may be applied. Such opportunities are expected to broaden the end-market applications of our Group's existing offerings and may provide further opportunities to expand our customer and project base. Please refer to **Section 5.3** of this Circular for the prospects of our Group; and

(iv) the 5-year tenure of the Warrants. The Warrants will have a tenure of 5 years from the Issue Date, providing the Warrant Holders the right to exercise their Warrants at any time during the tenure of the Warrants and to participate in the potential future growth of our Group.

For illustrative purposes, the Indicative Exercise Price is assumed at RM1.24 per Warrant, which represents a premium of approximately 19.83% to the 5-day VWAP of Powerwell Shares up to and including the LPD of RM1.0348. It is pertinent to note that the actual Exercise Price will be set at a premium of up to 20.00% to the 5-day VWAP of Powerwell Shares immediately preceding the Price-Fixing Date. Further, our Board also wishes to emphasise that the Indicative Exercise Price should not be taken as an indication or reference to the actual Exercise Price, as it will only be determined and announced by our Board at a later date after taking into consideration the abovementioned factors. An announcement on the Exercise Price, the basis of determining the Exercise Price and the justifications for the Exercise Price will be made by our Board on the Price-Fixing Date.

Our Board is of the view that the Proposed Bonus Issue of Warrants may also provide us with an opportunity to raise additional equity funding in the future upon the exercise of the Warrants. In addition, the Warrants are expected to enhance the trading liquidity of the Powerwell Shares by broadening our capital base as and when the Warrants are exercised.

2.3 Ranking of the Warrants and the new Powerwell Shares to be issued from the exercise of the Warrants

The Warrants shall, as between the Warrant Holders, rank equally and rateably without discrimination or preference. A Warrant Holder is not entitled to any voting right in any general meeting of Powerwell or right to participate in any form of distribution and/or offer of further securities in Powerwell until and unless such Warrant Holder exercises his Warrants into new Powerwell Shares in accordance with the procedure set out in the Deed Poll and such new Powerwell Shares have been allotted and issued to him.

The new Powerwell Shares to be issued pursuant to the exercise of the Warrants will, upon allotment and issuance, rank equally in all respects with the then existing Powerwell Shares, save and except that such new Powerwell Shares will not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to our Shareholders, where the entitlement date precedes the date of allotment and issuance of such new Powerwell Shares.

2.4 Listing of and quotation for the Warrants and the new Powerwell Shares to be issued from the exercise of the Warrants

Bursa Securities had, vide its letter dated 8 September 2026, approved the admission of the Warrants to the Official List of Bursa Securities as well as the listing of and quotation for the Warrants and new Powerwell Shares to be issued arising from the exercise of the Warrants on the ACE Market of Bursa Securities, subject to the conditions as stated under **Section 8** of this Circular.

2.5 Utilisation of proceeds

The Proposed Bonus Issue of Warrants will not raise any immediate funds for our Company as the Warrants will be issued at no cost to the Entitled Shareholders. The amount of proceeds to be raised would depend on the final Exercise Price and the actual number of Warrants exercised during the Exercise Period. As such, the exact quantum and timeframe for utilisation of the proceeds to be raised cannot be determined at this juncture. For illustrative purposes, assuming that all 116,110,400 Warrants are exercised at the Indicative Exercise Price, the Proposed Bonus Issue of Warrants is expected to raise gross proceeds of up to RM143,976,896.

The proceeds to be raised, as and when the Warrants are exercised, are intended to be utilised for our Group's working capital requirements, including, amongst others, utilities, employee wages and benefits, as well as general administrative expenses. As the proceeds will be received progressively over the Exercise Period, the actual amount allocated to each working capital component and the timing of such utilisation will depend on our funding requirements at the relevant time. Hence, the actual timeframe and breakdown cannot be determined at this juncture.

Nevertheless, our Board anticipates that any proceeds to be raised from the exercise of the Warrants will be utilised by our Group within 12 months from the date of receipt of such proceeds.

Pending the utilisation of proceeds raised as and when the Warrants are exercised, such proceeds will be placed in interest-bearing deposits with licensed financial institutions or short-term money market instruments as our Board may deem fit. The interest derived from such deposits or any gain arising from the short-term money market instruments will also be utilised to fund the working capital requirements of our Group, which comprise, amongst others, utilities, employee wages and benefits, as well as general administrative expenses.

3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED BONUS ISSUE OF WARRANTS

Our Board intends to undertake the Proposed Bonus Issue of Warrants to:-

(i) reward our Shareholders for their continuing support, by enabling them to participate in a derivative of our Company;

(ii) provide our Shareholders an alternative mean to participate and trade in the equity of our Company in addition to the mother share. Our Shareholders may also benefit from potential capital gain in the event of Share price appreciation through the exercise of the Warrants;

(iii) provide our Shareholders an opportunity to further increase their equity participation in our Company by exercising the Warrants at a pre-determined price during the tenure of the Warrants and to benefit from the future growth and any potential capital appreciation of the Powerwell Shares arising therefrom;

(iv) strengthen our capital base with the proceeds from the exercise of Warrants, as and when the Warrants are exercised; and

(v) serve as an appropriate avenue to raise funds as opposed to other fundraising exercises in view that it may progressively raise proceeds as and when the Warrants are exercised to fund our Group's working capital requirement as highlighted in **Section 2.5** of this Circular without incurring any interest cost as compared to bank borrowings.

4. DETAILS OF FUND-RAISING EXERCISES UNDERTAKEN BY OUR COMPANY IN THE PAST 12 MONTHS

Our Company has not undertaken any equity fundraising exercises in the past 12 months from the date of the Announcement, save for the ESOS as disclosed below as the exercise of the ESOS Options may, over time, provide our Company with additional funding through the issuance of new Powerwell Shares:-

Our Company had on 6 August 2025 announced the establishment of an ESOS of up to 15% of the total number of issued Shares (excluding treasury shares, if any) at any point in time throughout the duration of the scheme for the eligible directors and employees of our Group. Bursa Securities had, vide its letter dated 27 August 2025, approved the listing of and quotation for such number of new Powerwell Shares, representing up to 15% of the total number of issued Shares (excluding treasury shares, if any), to be issued pursuant to the exercise of the ESOS Options. The ESOS was approved by our Shareholders at an EGM held on 25 September 2025 and became effective on 30 September 2025.

As at the LPD, a total of 42,550,000 ESOS Options have been granted, which remain outstanding and exercisable into 42,550,000 new Powerwell Shares at the exercise price of RM0.50 per ESOS Option, with vesting dates scheduled in 3 tranches, comprising 25% (representing 10,637,500 ESOS Options) on 31 December 2026, a further 35% (representing 14,892,500 ESOS Options) on 31 December 2027, and the remaining 40% (representing 17,020,000 ESOS Options) on 31 December 2028.

As the ESOS is a share-based incentive scheme implemented to reward and retain eligible directors and employees, no proceeds were raised upon its establishment. Proceeds will only be raised as and when the ESOS Options are exercised, which will depend on the number of ESOS Options exercised at the exercise price, and cannot be determined at this juncture. As at the LPD, none of the ESOS Options have been vested and exercised by the eligible directors and employees of our Group under the ESOS, as the first vesting period is on 31 December 2026.

It is also pertinent to note that our Board has also undertaken not to grant any additional ESOS Options until the completion of the Proposed Bonus Issue of Warrants.

5. INDUSTRY OVERVIEW AND PROSPECTS

5.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 5.2% in 2025, anchored by resilient domestic demand. The Malaysian economy grew by 5.2% (2024: 5.1%), supported by resilient domestic demand that helped cushion the effects of a highly challenging global environment. Household spending remained firm, supported by positive labour market conditions and more targeted policy measures. Investment activity increased solidly, driven by continued progress in multi-year projects and strong investment approvals, particularly in high-technology services and advanced manufacturing.

The external sector demonstrated resilience despite shifting global trade dynamics and significant uncertainties. The current account of the balance of payments registered a higher surplus of RM31.8 billion, or 1.6% of GDP (2024: RM27.7 billion, or 1.4% of GDP). This was contributed by a continued surplus in the goods account and a turnaround in the services account into a surplus. The surplus in the goods account was underpinned by sustained electrical and electronics (E&E) exports. Malaysia’s diversified export structure also provided continued resilience. While growth in intermediate imports moderated, capital imports, especially for data centre and information technology equipment, remained robust due to ongoing investment activity.

(Source: Economic and Monetary Review 2025, Bank Negara Malaysia)

In 2026, Malaysia's economy is projected to expand between 4% and 4.5%, supported by resilient domestic demand and a steady external sector. Growth will be anchored by private consumption, boosted by the implementation of the salary adjustment under Phase 2 of the Public Service Remuneration System (SSPA), continuation of targeted assistance programmes and robust tourism activities in conjunction with Visit Malaysia 2026 (VM2026). In addition, strong investment performance will be supported by higher capital expenditures, particularly in high-impact strategic sectors. The services and manufacturing will remain key drivers of growth, complemented by sustained construction and agriculture sectors.

Malaysia's economic growth momentum is anticipated to be sustained, underpinned by resilient domestic demand, continued investment activities and stable external trade. In navigating an increasingly complex global environment, the Government of Malaysia remains steadfast in ensuring sound and balanced economic management. Fiscal policy will continue to be formulated in a responsible and responsive manner, focusing on broadening revenue base, enhancing expenditure efficiency and ensuring fiscal sustainability. These efforts are complemented by ongoing initiatives to accelerate structural reforms, widen economic opportunities as well as safeguard social protection towards achieving economic resilience.

Monetary policy in 2025 remains focused on supporting economic growth amid global uncertainties, while maintaining domestic price stability. In July 2025, the Overnight Policy Rate (OPR) was lowered from 3.00% to 2.75% as a pre-emptive measure to sustain steady growth, given moderate inflation prospects. The ringgit has demonstrated resilience against the US dollar, underpinned by sound macroeconomic fundamentals, ongoing measures to encourage capital flows and improved investor confidence. Building on a mature and robust ecosystem, Islamic finance continues to expand, both domestically and globally, through innovative instruments by providing diversified funding channels for strategic programmes under national plans. Looking ahead, continued strong collaboration between the Government, financial regulators and industry players will be pivotal in advancing digitalisation, financial inclusion and sustainable financing to support long-term development.

Emerging industries are shaping Malaysia's next economic frontier. The digital economy is growing rapidly with AI, cloud computing, 5G technology and e-commerce, while the green economy is advancing through renewable energy, electric vehicles (EVs) ecosystems and battery technology. Business benefit from efficiency gains and market expansion, through policies such as the National Fourth Industrial Revolution (4IR) Policy, National Semiconductor Strategy (NSS) and the forthcoming National AI Action Plan 2030.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

5.2 Overview and outlook of the energy and utility sector

Malaysia's energy sector remains central to national growth, industrial competitiveness, public welfare, and longterm development. In Peninsular Malaysia, the electricity system is supported by a diversified fuel mix and an extensive transmission and distribution network.

In 2025, electricity demand continued to grow, with peak demand in Peninsular Malaysia reaching 21,049 MW, while the reserve margin stood at 25%. This indicates that the system remained adequately supplied, but it also signals rising pressure as demand continues to expand, especially from new large-scale users.

Malaysia's future energy demand will not be shaped only by traditional economic growth. New demand drivers are emerging and are beginning to change how the energy system must be planned and regulated.

One major driver is the rapid expansion of the digital economy, especially hyperscale data centres. These facilities require continuous, high-quality electricity supply and may contribute significantly to future load growth. Their demand profile differs from conventional consumers because they place high value on uninterrupted service, power quality and predictable long-term access to electricity.

The scale of this emerging demand is already evident in the growth trajectory of data centre development in Malaysia, with approximately 5,662 MW of demand from 58 data centre projects that have signed Electricity Supply Agreements (ESA) expected to materialise by 2030. This suggests that data centres are no longer a marginal or future-only load segment but are becoming a major driver of electricity demand in the present decade. Their rapid expansion will place increasing pressure on generation adequacy, transmission and distribution planning, connection readiness, and long-term system reliability. For regulators and system planners, this means that energy planning can no longer rely only on conventional assumptions about industrial and commercial demand growth. It must also account for concentrated, high-load, and high-reliability consumers whose electricity requirements are both large in scale and urgent in timing.

Another driver is the growth of electrification, particularly through electric vehicles (EVs), distributed energy resources, smart technologies, and storage systems. These developments will alter demand patterns, create new load-management possibilities, and increase the importance of flexible tariffs, smart charging, and system visibility.

(Source: Suruhanjaya Tenaga Strategic Plan 2026 – 2030)

The utilities subsector is projected to expand by 1.7%, driven by steady demand from industrial and commercial users for electricity and water services. This is in tandem with the increase in industrial production activities to meet domestic and external demand. In addition, the increasing number of data centres in operation will further support the subsector.

Growth will be further underpinned by key developments in strategic sectors, including utilities, energy and transportation, to support economic resilience and future growth. This includes projects to enhance electricity generation capacity, upgrade railway networks, and public transport systems.

(Source: Economic Outlook 2026, Ministry of Finance Malaysia)

5.3 Prospects of our Group

Our Board remains optimistic of our Group's future prospects. Demand for our Group's electrical power distribution solutions is expected to continue to be supported by ongoing investments in infrastructure, industrial facilities, renewable energy and data centres, as well as increasing foreign direct investments into Malaysia. Our Group believes we are well-positioned to capitalise on these opportunities through our established market presence, broad product offerings and technical capabilities.

In line with our long-term growth strategy, our Group continues to undertake initiatives to expand our manufacturing capacity, broaden our product portfolio, improve operational efficiency, strengthen our market presence and pursue strategic acquisitions. During the FYE 2026, our Group expanded our product portfolio to include fire suppression systems and related products, complementing our existing electrical power distribution solutions and broadening the range of products and solutions offered to customers.

In addition, our Group, had on 29 December 2025, entered into 2 conditional shares sale and purchase agreements with Ling Soon Kiong, Tian Nyan Fatt, Ting Ing Houng and Lee Joon Kion for the acquisition of 49% equity interest in each of Tenaga Kenari Sdn Bhd and Tenaga Kenari Marketing Sdn Bhd (collectively referred to as "**TK Group**"), both of which are electrical switchboard and power distribution solutions providers based in Kuching, Sarawak, for a total cash consideration of RM16.66 million ("**Acquisition of TK Group**"). The Acquisition of TK Group marked a significant milestone for our Group by establishing our initial presence in East Malaysia, and is expected to broaden our Group's geographical presence and customer base, while complementing our existing capabilities and supporting participation in projects within the region. The Acquisition of TK Group was completed on 1 April 2026. Please refer to the announcements made by our Company to Bursa Securities on 29 December 2025, 2 January 2026, 27 March 2026 and 1 April 2026 for further details in respect of the Acquisition of TK Group.

To further support the future growth of our Group and strengthen our ability to undertake a broader scope of power distribution projects, we are expanding our manufacturing capacity in Indonesia and Shah Alam, while progressively broadening our capabilities beyond the manufacture and supply of individual electrical equipment to include modular power distribution solutions. Our planned manufacturing capacity expansion ("**Expansion**") is as follows:-

(a) manufacturing plant located in Serpong, Tangerang, Indonesia ("**Indonesian Plant**"). As at the LPD, our existing Indonesian Plant has a manufacturing space of approximately 6,300 sq ft. We have rented an additional factory located within the vicinity as our existing Indonesian Plant, which will provide approximately 10,000 sq ft of additional manufacturing space. The new factory is currently undergoing renovation and fit-out works and is expected to be completed by the 3rd quarter of 2026. Upon completion, together with our existing Indonesian Plant which will continue to operate, our total manufacturing space in Indonesia will increase to approximately 16,300 sq ft, representing an increase of approximately 158.73%; and

(b) manufacturing plants located in Shah Alam, Malaysia ("**Shah Alam Plants**"). As at the LPD, our existing Shah Alam Plants have a total manufacturing space of approximately 68,824.55 sq ft. We plan to expand our manufacturing space by an additional approximately 100,000 sq ft to 150,000 sq ft by 2027. Upon completion of the planned expansion, together with our existing facilities which will continue to operate, our total manufacturing space in Shah Alam Plants are expected to increase to approximately 168,824.55 sq ft to 218,824.55 sq ft, representing an increase of approximately 145.30% to 217.95%.

In summary, the overall production output of our Group arising from the expanded manufacturing space is set out below:-

Manufacturing facilities	**Products**	**(1)Annual output (cubicles)**	**(2)Expected annual output after Expansion (cubicles)**	**Increase**
Indonesian Plant	Main switchboards	48	168	250.00%
	Sub-switchboard/ distribution board	204	624	205.88%
Shah Alam Plants	Main switchboards	4,232	11,521 to 15,166	172.24% to 258.36%
	Sub-switchboard/ distribution board	4,704	(3)4,704	-

Notes:-

(1) The estimated annual output was calculated based on the available manufacturing floor space allocated to each product type, the corresponding production cycle time, production configuration and other relevant operational parameters and assumptions, including amongst others, the number and capacity of production equipment, manpower requirements, operating hours and production days.

(2) The expected annual output following the Expansion was estimated by management for planning purposes, taking into consideration, amongst others, the expanded manufacturing space, production configuration, production cycle time, operating hours, manpower and equipment requirements, production mix, operating efficiency and other relevant operational assumptions. The estimate assumes full utilisation of the expanded manufacturing space under normal operating conditions. Actual output may vary depending on, amongst others, the actual utilisation of the manufacturing facilities, production requirements, availability of manpower and equipment, operational efficiency, downtime and other prevailing operating conditions.

(3) The additional manufacturing space acquired will be used exclusively for main switchboards manufacturing.

The additional manufacturing space is intended to support higher production requirements as well as the expansion of our capabilities and the scope of solutions that we are able to offer. In particular, we intend to further develop the following capabilities:-

- modular power distribution solutions: undertaking a broader scope of work involving the assembly, configuration, connection and testing of electrical equipment, control systems, monitoring systems and other related components to deliver a fully integrated functional system for our customers; and

- broader project participation: the expansion of these capabilities will enable our Group to participate in a broader portion of our customers' power distribution requirements, beyond the manufacture and supply of individual electrical equipment, and provide customers with a wider range of solutions.

Collectively, these initiatives are intended to strengthen our capabilities and position us to pursue opportunities arising from the continued development of data centres, infrastructure, renewable energy and other power-intensive industries.

As at 30 June 2026, our Group's outstanding order book stood at approximately RM268.90 million. While the timing of project execution remains subject to customers' implementation schedules and other customary business factors, the existing order book provides a degree of earnings visibility for our Group. Barring any material adverse changes in economic conditions or unforeseen circumstances, our Board remains optimistic of our Group's future prospects and believes that our Group is well-positioned to execute our growth strategies.

(Source: Our management)

6. EFFECTS OF THE PROPOSED BONUS ISSUE OF WARRANTS

6.1 Issued share capital

The pro forma effects of the Proposed Bonus Issue of Warrants on the issued share capital of Powerwell are set out below:-

	No. of Shares	RM
Issued share capital as at the LPD	580,552,000	36,348,121
New Shares to be issued assuming full exercise of the Warrants	116,110,400	(1)143,976,896
Enlarged issued share capital	**696,662,400**	**180,325,017**

Note:-

(1) Computed based on the Indicative Exercise Price.

6.2 NA, NA per Share and gearing

Based on our latest audited consolidated statements of financial position as at 31 March 2026, the pro forma effects of the Proposed Bonus Issue of Warrants on our NA, NA per Share and gearing are set out as follows:-

	Audited as at 31 March 2026 (RM'000)	**Proforma I Assuming all Warrants are exercised (RM'000)**
Share capital	36,348	(1)180,325
Retained earnings	75,897	(2)75,697
Foreign exchange translation reserve	267	267
Share based payment reserve(3)	1,044	1,044
Shareholders' equity/NA	**113,556**	**257,333**
No. of Shares in issue (excluding treasury shares, if any) ('000)	**580,552**	**696,662**
NA per Share (RM)(4)	**0.20**	**0.37**
Total borrowings (RM'000)(5)	11,529	11,529
Total cash and bank balances (RM'000)	54,307	(1)(2)198,084
Gearing ratio (times)(6)	**0.10**	**0.04**

Notes:-

(1) Based on the Indicative Exercise Price.

(2) After deducting estimated expenses of RM0.20 million in relation to the Proposed Bonus Issue of Warrants.

(3) It is pertinent to note that no new Powerwell Shares are expected to be issued pursuant to the exercise of the outstanding ESOS Options prior to the Entitlement Date as the Proposed Bonus Issue of Warrants is expected to be completed before the first vesting date of the ESOS Options on 31 December 2026.

(4) Calculated based on the Shareholders' equity/NA divided by the total number of Powerwell Shares in issue (excluding treasury shares, if any).

(5) Includes lease liabilities.

(6) Calculated based on the total borrowings divided by Shareholders' equity/NA.

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6.3 Substantial shareholders' shareholdings

The pro forma effects of the Proposed Bonus Issue of Warrants on the shareholdings of our substantial shareholders are set out below:-

Name	As at the LPD				Proforma I After the completion of the Proposed Bonus Issue of Warrants				Proforma II After Proforma I and assuming all Warrants are exercised into new Powerwell Shares			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[1]%	No. of Shares	[2]%	No. of Shares	[2]%
United Fam Sdn Bhd	140,777,000	24.25	-	-	140,777,000	24.25	-	-	168,932,400	24.25	-	-
Datin Lim Swee Choo	-	-	[3]140,777,000	24.25	-	-	[3]140,777,000	24.25	-	-	[3]168,932,400	24.25
Lao Wai Ieng	-	-	[4]140,777,000	24.25	-	-	[4]140,777,000	24.25	-	-	[4]168,932,400	24.25
TLM Capital Sdn Bhd	-	-	[4]140,777,000	24.25	-	-	[4]140,777,000	24.25	-	-	[4]168,932,400	24.25

Notes:-

(1) Based on our issued share capital comprising 580,552,000 Shares as at the LPD.

(2) Based on our enlarged issued share capital comprising 696,662,400 Shares, assuming all 116,110,400 Warrants are exercised and converted into new Shares.

(3) Deemed interested by virtue of her shareholding in TLM Capital Sdn Bhd pursuant to Section 8(4) of the Act.

(4) Deemed interested by virtue of their shareholdings in United Fam Sdn Bhd pursuant to Section 8(4) of the Act.

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6.4 Earnings and EPS

The Proposed Bonus Issue of Warrants is not expected to have any material effect on our consolidated earnings for the FYE 2027. However, assuming that our consolidated earnings remain unchanged, our EPS will be correspondingly diluted as a result of the increase in the number of Powerwell Shares in issue as and when the Warrants are exercised into new Powerwell Shares.

The potential effects of the exercise of the Warrants on our future earnings and EPS will depend upon, amongst others, the number of Warrants exercised at any point in time and the potential benefits to be derived from the utilisation of proceeds raised from the exercise of the Warrants.

Although our EPS shall be correspondingly diluted as a result of the increase in the number of Shares, the Proposed Bonus Issue of Warrants is expected to contribute positively to our earnings thereafter through the utilisation of proceeds.

6.5 Existing convertible securities

Save for the 42,550,000 outstanding ESOS Options as detailed in **Section 4** of this Circular, we do not have any convertible securities in issue as at the date of this Circular. For the avoidance of doubt, the Proposed Bonus Issue of Warrants will not have any effect on the outstanding ESOS Options.

7. HISTORICAL SHARE PRICES

The monthly highest and lowest transacted market prices of Powerwell Shares as traded on Bursa Securities for the past 12 months preceding the date of this Circular from September 2025 to August 2026 are as follows:-

	High (RM)	**Low (RM)**
<u>2025</u>		
September	0.582	0.514
October	0.573	0.494
November	0.637	0.538
December		
<u>2026</u>		
January	0.721	0.617
February	0.701	0.637
March	0.672	0.573
April	0.711	0.578
May	0.810	0.691
June	0.884	0.746
July	0.870	0.770
August	1.140	0.865
Last transacted market price of Powerwell Shares as at 22 July 2026, being the trading day prior to the announcement of the Proposed Bonus Issue of Warrants (RM)		0.820
Last transacted market price of Powerwell Shares as at the LPD (RM)		1.070

(Source: Bloomberg)

8. APPROVALS REQUIRED AND CONDITIONALITY OF THE PROPOSED BONUS ISSUE OF WARRANTS

The Proposed Bonus Issue of Warrants is subject to and conditional upon the following approvals being obtained:-

(i) Bursa Securities for the following:-

(a) admission of 116,110,400 Warrants to the Official List of Bursa Securities pursuant to the Proposed Bonus Issue of Warrants;

(b) listing and quotation for 116,110,400 Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants; and

(c) the listing of and quotation for 116,110,400 new Powerwell Shares to be issued arising from the exercise of the Warrants on the ACE Market of Bursa Securities,

The approval of Bursa Securities was obtained vide its letter dated 8 September 2026 and subject to the following conditions:-

Condition(s)		Status of compliance
(i)	Powerwell and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Bonus Issue of Warrants;	To be complied.
(ii)	Powerwell and UOBKH to inform Bursa Securities upon the completion of the Proposed Bonus Issue of Warrants;	To be complied.
(iii)	Powerwell to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Bonus Issue of Warrants is completed; and	To be complied.
(iv)	Powerwell to furnish Bursa Securities on a quarterly basis a summary of the total number of Shares listed pursuant to the exercise of Warrants as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied.

(ii) our Shareholders for the Proposed Bonus Issue of Warrants at the forthcoming EGM; and

(iii) any other relevant authorities and/or parties, if required.

The Proposed Bonus Issue of Warrants is not conditional upon any other corporate exercises undertaken or to be undertaken by our Group.

9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM

None of our Directors, major shareholders, chief executive and/or persons connected to them has any interest, direct or indirect, in the Proposed Bonus Issue of Warrants, save for their respective entitlements as our Shareholders under the Proposed Bonus Issue of Warrants, which are also available to all other Entitled Shareholders on a pro-rata basis.

10. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, having considered all aspects of the Proposed Bonus Issue of Warrants, including but not limited to the rationale and justifications for the Proposed Bonus Issue of Warrants and the effects of the Proposed Bonus Issue of Warrants, is of the opinion that the Proposed Bonus Issue of Warrants is in the best interest of our Company.

Accordingly, our Board recommends that you **vote in favour** of the resolution pertaining to the Proposed Bonus Issue of Warrants to be tabled at our forthcoming EGM.

11. ESTIMATED TIMEFRAME FOR COMPLETION AND TENTATIVE TIMELINE FOR IMPLEMENTATION

Barring any unforeseen circumstances and subject to all requisite approvals being obtained, the Proposed Bonus Issue of Warrants is expected to be completed in the second half of 2026.

The tentative timeline in relation to the Proposed Bonus Issue of Warrants is set out below:-

Tentative timeline	Event(s)
25 September 2026	• AGM/EGM
Early October 2026	• Announcement on the Entitlement Date for the Proposed Bonus Issue of Warrants
Mid October 2026	• Entitlement Date
End October 2026	• Listing of and quotation for the Warrants on the ACE Market of Bursa Securities • Completion of the Proposed Bonus Issue of Warrants

12. CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Bonus Issue of Warrants (which is the subject matter of this Circular), there are no other outstanding proposals announced by us but have yet to be completed as at the date of this Circular.

13. EGM

Our Company's forthcoming EGM 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 11.00 a.m., or immediately after the conclusion or adjournment of the AGM which will be held at the same venue and on the same day at 10.00 a.m., whichever is later, for the purpose of considering and, if thought fit, passing, inter alia, the ordinary resolution pertaining to the Proposed Bonus Issue of Warrants, with or without modifications, the resolution to give effect to the Proposed Bonus Issue of Warrants.

If you are unable to participate in the EGM and wish to appoint proxy(ies) instead, the appointment of proxy(ies) must be deposited at the Poll Administrator's Office at Mega Corporate Services Sdn Bhd, Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur or electronically lodged by email at mega-sharereg@megacorp.com.my not less than forty-eight (48) hours before the time for holding the EGM or adjourned meeting, as the case may be. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM, should you subsequently wish to do so.

14. FURTHER INFORMATION

You are advised to refer to the appendices set out in this Circular for further information.

Yours faithfully,
For and on behalf of our Board of
POWERWELL HOLDINGS BERHAD

MADAM WONG YOKE YEN
Managing Director

INDICATIVE SALIENT TERMS OF THE WARRANTS

The indicative salient terms of the free Warrants to be issued pursuant to the Proposed Bonus Issue of Warrants as set out in the Deed Poll, are as follows:-

Issue size	:	116,110,400 free Warrants.
Form	:	The Warrants will be issued in registered form and will be constituted by the Deed Poll.
Tenure of the Warrants	:	5 years commencing from and including the Issue Date.
Exercise rights	:	The Warrants will be issued at no cost to the Entitled Shareholders. Each Warrant entitles the Warrant Holder to subscribe for 1 new Powerwell Shares at the Exercise Price subject to the terms and conditions in the Deed Poll, payable in full in cash, at any time during the Exercise Period.
Exercise Period	:	The Warrants may be exercised at any time within a period of 5 years commencing from and including the Issue Date to the close of business at 5.00 p.m. (Malaysia time) on the market day immediately preceding the date which is the 5th anniversary of the Issue Date and if such date is not a market day, then it shall be the market day immediately preceding the said non-market day.
Mode of exercise	:	The Warrant Holder is required to lodge the duly completed, signed and stamped exercise notice with our Company's registrar, together with payment of the Exercise Price by way of banker's draft, cashier's order drawn on a bank operating in Malaysia, money order or postal order issued by a post office in Malaysia, or internet bank transfer, in accordance with the provisions of the Deed Poll.
Indicative Exercise Price	:	RM1.24 per Warrant, which represents a premium of approximately 19.83% to the 5-day VWAP of Powerwell Shares up to and including the LPD of RM1.0348, subject to the adjustments in accordance with the provisions of the Deed Poll. The Indicative Exercise Price is provided for illustrative purposes only and should not be construed as indicative of, or a reference to, the actual Exercise Price. The actual Exercise Price will be determined and announced by the Board at a later date, and will be fixed at a premium of up to 20.00% to the 5-day VWAP of Powerwell Shares immediately preceding the Price-Fixing Date.
Voting rights or participating rights of the Warrant Holders in any distribution and/or offer of further securities	:	A Warrant Holder is not entitled to any voting right in any general meeting of our Company or right to participate in any form of distribution and/or offer of further securities in our Company until and unless such Warrant Holder exercises his Warrants into the new Shares in accordance with the procedure set out in the Deed Poll and such New Shares have been allotted and issued to him.
Adjustments in the Exercise Price and/or number of Warrants	:	The Exercise Price and/or the number of Warrants shall from time to time be adjusted, calculated or determined by our Board in consultation with an approved adviser appointed by our Company or our auditors in accordance with the provisions of the Deed Poll.

INDICATIVE SALIENT TERMS OF THE WARRANTS (CONT'D)

Rights in the event of winding-up, compromise and/or arrangement	:	Where a resolution has been passed for a members' voluntary winding-up of our Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of our Company or the amalgamation of our Company with one or more companies, then:- (i) for the purpose of such a winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which our Company is the continuing corporation) to which the Warrant Holders, or some persons designated by them for such purposes by a special resolution, shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrant Holders; or (ii) in the event a notice is given by our Company to our Shareholders to convene a general meeting for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind up our Company, and in any other case and subject always to the provisions of the Deed Poll, every Warrant Holder shall be entitled at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of our Company or within 6 weeks after the granting of the court order approving the winding-up, compromise or arrangement, by irrevocable surrender of his Warrants to our Company, elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the exercise rights represented by such Warrants to the extent specified in the exercise notice(s) and be entitled to receive out of the assets of our Company which would be available in liquidation as if he had on such date been the holder of the Shares to which he would have become entitled pursuant to such exercise and the liquidator of our Company shall give effect to such election accordingly. Upon the expiry of the foregoing 6 weeks, all exercise rights of the Warrant shall lapse and cease to be valid for any purpose.
Ranking of the new Powerwell Shares to be issued pursuant to the exercise of the Warrants	:	The new Powerwell Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment, issuance and payment of the Exercise Price, rank equally in all respects with the then existing Powerwell Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to our Shareholders, where the Entitlement Date is prior to the relevant date of allotment and issuance of such new Powerwell Shares.
Board lot	:	The Warrants shall be separately traded on Bursa Securities in board lots of 100 Warrants or such other denominations as determined by Bursa Securities from time to time.
Listing status	:	The Warrants will be listed on the ACE Market of Bursa Securities.

INDICATIVE SALIENT TERMS OF THE WARRANTS (CONT'D)

Modifications	:	Our Company may, from time to time, without the consent or sanction of the Warrant Holders but in accordance with the provisions of the Deed Poll, modify the Deed Poll (including the form and content of the Warrant certificate) if such modification made does not materially prejudice the interests of the Warrant Holders or is made to correct a manifest error or to comply with the prevailing laws of Malaysia. Subject to the above and the approval of any relevant authority, any modification, alteration or abrogation of the covenants or provisions contained in the Deed Poll (including the form and content of the Warrant certificate) proposed or agreed to by our Company must be sanctioned by special resolution of the Warrant Holders and comply with the requirements of the Deed Poll.
Governing law	:	Laws of Malaysia.

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FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board, and they collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement or information in this Circular false or misleading.

2. CONSENT

UOBKH, being the Principal Adviser for the Proposed Bonus Issue of Warrants, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTEREST

UOBKH has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Principal Adviser to our Company for the Proposed Bonus Issue of Warrants.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as a plaintiff or defendant, which has or would have a material effect on the financial position or the business of our Group, and our Board does not have any knowledge of any proceeding pending or threatened against our Group, or of any fact likely to give rise to any proceeding, which may materially or adversely affect the financial position or business of our Group.

5. MATERIAL COMMITMENTS

As at the LPD, there are no material commitments incurred or known to be incurred by our Group, which upon becoming enforceable, may have a material impact on the financial results or position of our Group.

6. CONTINGENT LIABILITIES

As at the LPD, there are no contingent liabilities incurred or known to be incurred, which upon becoming enforceable, may have a material impact on the financial results or position of our Group.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia, during normal business hours between Mondays and Fridays (except public holidays) from the date of this Circular up to and including the date of our forthcoming EGM:-

(i) the constitution of our Company;

(ii) the draft Deed Poll;

(iii) the audited consolidated financial statements of our Group for the past 2 FYEs 2025 and 2026, as well as the unaudited FPE 2026; and

(iv) the letter of consent and declaration of conflict of interest referred to in **Sections 2** and **3** of this **Appendix II** respectively.

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POWERWELL HOLDINGS BERHAD
(Registration No.: 200101009151 (544907-X))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting ("**EGM**") of Powerwell Holdings Berhad ("**Powerwell**" or 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 11.00 a.m., for the purpose of considering and if thought fit, passing with or without modifications, the following resolution:-

ORDINARY RESOLUTION

PROPOSED BONUS ISSUE OF WARRANTS OF 116,110,400 WARRANTS IN POWERWELL ("WARRANT(S)") ON THE BASIS OF 1 WARRANT FOR EVERY EXISTING 5 ORDINARY SHARES IN POWERWELL ("POWERWELL SHARE(S)" OR "SHARE(S)") HELD BY THE SHAREHOLDERS OF POWERWELL WHOSE NAMES APPEAR IN THE COMPANY'S RECORD OF DEPOSITORS ("ENTITLED SHAREHOLDERS") ON THE ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER ("ENTITLEMENT DATE") ("PROPOSED BONUS ISSUE OF WARRANTS")

"**THAT** subject to the approvals of all relevant authorities and/or parties, including the approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for the Warrants as well as the new Powerwell Shares to be allotted and issued arising from the exercise of the Warrants on the ACE Market of Bursa Securities, having been obtained, the board of directors of the Company ("**Board**") be and is hereby authorised to allot and issue 116,110,400 Warrants, on the basis of 1 Warrant for every 5 existing Powerwell Shares held by the Entitled Shareholders on the Entitlement Date;

THAT the Board be and is hereby authorised to fix the exercise price of the Warrants on the basis and in the manner set out in the circular to shareholders of the Company dated 10 September 2026 ("**Circular**");

THAT any one (1) of the Directors of the Company be and is hereby authorised to enter into and execute a deed poll constituting the Warrants ("**Deed Poll**") with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities and to do all acts, deeds and things as such Director may deem fit and/or expedient, in order to implement, finalise and give full effect to the Deed Poll;

THAT the Board be and is hereby authorised to disregard any fractional entitlements of the Warrants which may arise from the Proposed Bonus Issue of Warrants, in such manner as the Board may, in its absolute discretion, deem fit and expedient in the best interests of the Company;

THAT the Board be and is hereby authorised to allot and issue such number of Warrants in accordance with the provisions in the Deed Poll, including any additional Warrants ("**Additional Warrants**") as may be required or permitted to be issued pursuant to any adjustment in accordance with the provisions of the Deed Poll, and to adjust from time to time the exercise price and/or number of Warrants to which the holder(s) of the Warrants are entitled pursuant to such adjustments in accordance with the provisions of the Deed Poll;

THAT approval be and is hereby given to the Board to allot and issue such number of new Powerwell Shares, credited as fully paid-up, to the holders of the Warrants arising from the exercise of the Warrants (including any Additional Warrants), if any, in accordance with the provisions of the Deed Poll;

THAT the new Powerwell Shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issuance, rank equally in all respects with the then existing Powerwell Shares, save and except that such new Powerwell Shares will not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the shareholders of the Company, where the entitlement date precedes the date of allotment and issuance of such new Powerwell Shares;

THAT the proceeds to be raised from the exercise of the Warrants, if any, be utilised for the purposes set out in the Circular, and the Board be authorised to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject, where required, to the approval of the relevant authorities;

AND THAT the Board be and is hereby authorised to sign and execute all documents and to take all necessary steps to give effect to the Proposed Bonus Issue of Warrants with full power to assent to any condition, modification, variation and/or amendment in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Bonus Issue of Warrants."

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)
Company Secretaries

Kuala Lumpur
10 September 2026

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.

FORM OF PROXY

(Before completing this form, please refer to the notes below)

No. of Shares Held	
CDS Account No.	

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 Extraordinary 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 11.00 a.m. or immediately after the conclusion or adjournment of the 21st Annual General Meeting of the Company which will be held at the same venue and on the same day at 10.00 a.m., whichever is later and any adjournment thereof. My/Our proxy/proxies shall vote as indicated below:

ORDINARY RESOLUTION		**FOR**	**AGAINST**
1.	Proposed Bonus Issue of Warrants		

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.

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(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.

Fold this flap for sealing

Then fold here

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.

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