PRESS RELEASE

14 January 2020 **FOR IMMEDIATE RELEASE**

POWERWELL

POWERWELL HOLDINGS BERHAD

(Registration No. 200101009151 (544907-X))
(Incorporated in Malaysia under the Companies Act, 1965 and deemed registered under the Companies Act, 2016)

INITIAL PUBLIC OFFERING ("IPO") OF 145,455,200 ORDINARY SHARES IN POWERWELL HOLDINGS BERHAD ("POWERWELL") ("SHARES") IN CONJUNCTION WITH THE LISTING OF POWERWELL ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD COMPRISING PUBLIC ISSUE OF 87,400,000 NEW SHARES IN POWERWELL ("ISSUE SHARES") AND OFFER FOR SALE OF 58,055,200 EXISTING SHARES ("OFFER SHARES") AT AN IPO PRICE OF RM0.25 PER SHARE PAYABLE IN FULL ON APPLICATION

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Tricor Investor & Issuing House Services Sdn Bhd ("**TIIH**") wishes to announce that the IPO of Powerwell available for application by the Malaysian public has been oversubscribed.

The IPO exercise comprises:-

(A) Public issue of 87,400,000 Issues Shares comprising:-
   (I) 23,800,000 Issue Shares to the Malaysian public;
   (II) 60,700,000 Issue Shares by way of private placement to Bumiputera Investors approved by the Ministry of International Trade and Industry of Malaysia ("**MITI**"); and
   (III) 2,900,000 Issue Shares by way of private placement to institutional and selected investors,

(B) Offer for sale of 58,055,200 Offer Shares by the offerors comprising:-
   (I) 8,350,000 Offer Shares to eligible directors, eligible employees and persons who have contributed to the success of Powerwell ("**Eligible Persons**"); and
   (II) 49,705,200 Offer Shares by way of private placement to institutional and selected investors.

A total of 7,219 applications for 601,376,700 Issue Shares with a value of RM150,344,175.00 were received from the Malaysian public for 23,800,000 Issue Shares made available for application by the Malaysian public, which represents an oversubscription rate of 24.27 times. 11,900,000 Issue Shares have been set aside for allotment under the Bumiputera category which represents 50.00% of the Issue Shares made available for application by the Malaysian Public. The remaining 11,900,000 Issue Shares were allotted under the Public category.

Under the Bumiputera category, a total of 3,658 applications for 228,249,900 Issue Shares were received, which represents an oversubscription rate of 18.18 times. Under the Public category, a total of 3,561 applications for 373,126,800 Issue Shares were received, which represents an oversubscription rate of 30.36 times.

The 8,350,000 Offer Shares made available for application by the Eligible Persons have been fully subscribed.

The Sole Placement Agent has also confirmed that the 63,600,000 Issue Shares and 49,705,200 Offer Shares offered to institutional and selected investors as well as Bumiputera investors approved by the MITI have been fully placed out.

The notices of allotment for the IPO Shares will be posted to all successful applicants on or before 20 January 2020.

Powerwell's managing director Jason Tham says, "We are elated by the oversubscription for our IPO Shares of over 24 times, a testimony of the trust and confidence the investors have in our business model. The great start to the year is further accentuated with good news as we managed to secure orders of over RM15 million which are expected to be delivered this year."

Mercury Securities Sdn Bhd is the Principal Adviser, Sponsor, Sole Underwriter and Sole Placement Agent for this IPO exercise.