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August 13, 2026

Company Name PowerX, Inc.

Representative Director, President & CEO Masahiro Ito

(Code Number: 485A Tokyo Stock Exchange Growth Market)

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Notice Concerning Change in Use of Proceeds Raised Through Listing

We hereby announce that, at a meeting of its Executive Committee held today, PowerX, Inc. (the "Company") decided to change part of the use of proceeds raised through our new listing on December 19, 2025, which were previously disclosed in the "Securities Registration Statement" dated November 21, 2025, and the "Amendments to Securities Registration Statement" dated December 3, 2025, and December 10, 2025.

1. Reasons for the Change

To address the accumulation of order backlog at the time of listing and the increasing demand for energy storage system products driven by the anticipated expansion of the renewable energy market, as well as to achieve continuous improvements in cost competitiveness, the Company originally planned to construct a second factory on the same site as its head office factory, "Power Base Factory No. 1," aiming to maximize production scale and efficiency. However, deliberations have been prolonged due to factors such as soaring construction material prices and extended construction periods.

Under these circumstances, as disclosed in the announcement titled "Notice Regarding Adding Large-Scale BESS Production Line at Power Base in Okayama" dated March 23, 2026, the Company announced the addition of a manufacturing line for the "Mega Power 2500" large-scale energy storage system at the head office factory, from the perspective of effective utilization of assets.

Furthermore, as disclosed in the announcement titled "Notice Regarding the Opening of a New Factory in Tomakomai, Hokkaido" dated March 23, 2026, the Company announced the establishment of "Power Base Hokkaido" as a new manufacturing base in Hokkaido. This initiative aims to secure sufficient supply capacity for energy storage systems, enhance resilience against natural disasters through the diversification of production bases, and optimize the transportation costs of finished products.

In addition, the Company is experiencing a rapid increase in sales and purchases. At the same time, it is necessary to secure additional working capital to accommodate advance orders for components of legacy products during the transition from legacy products to new models in our core product line, the "Mega Power" series, and to ensure flexibility in the timing of orders for modules subject to price fluctuation risks caused by factors such as lithium prices, foreign exchange rates, and the elimination of China's Value-Added Tax (VAT) export tax rebate.

Taking these circumstances into account, the Company will change the use of proceeds raised through the new listing from the construction of the second factory to the following purposes:

- Capital for adding a manufacturing line at Power Base Factory No. 1
- Capital for opening Power Base Hokkaido
- Additional working capital

2. Details of the Change

The details of the planned change in the allocation of proceeds are as follows. (Underlined parts indicate the changes.)

(Before Change)

Specific Use of Proceeds	Amount	Scheduled Timing of Expenditure
Development funds for PowerX Mega Power 2500	149 million yen	FY12/2026
Relocation funds for Tokyo Office	921 million yen	FY12/2026
Construction funds for Power Base Factory No. 2	5,003 million yen	From FY12/2026 to FY12/2027
Total	6,073 million yen	

(After Change)

Specific Use of Proceeds	Amount	Scheduled Timing of Expenditure
Development funds for PowerX Mega Power 2500	149 million yen	FY12/2026
Relocation funds for Tokyo Office	921 million yen	FY12/2026
Capital for adding a manufacturing line at Power Base Factory No. 1	500 million yen	From FY12/2026 to FY12/2027
Capital for opening Power Base Hokkaido	1,500 million yen	From FY12/2026 to FY12/2028
Additional working capital	3,003 million yen	From FY12/2026 to FY12/2027
Total	6,073 million yen	

3. Future Outlook

The impact of the above changes on the full-year earnings forecast for the fiscal year ending December 31, 2026 is expected to be minor. However, if any matters that require disclosure arise regarding the impact on financial performance, the Company will promptly announce them.