

June 20, 2025

erex Co., Ltd.

Memorandum of Understanding with Vinacomin Power Holdings Regarding Coal Co-Firing

erex Co., Ltd. (Headquarters: Chuo-Ward, Tokyo; President and CEO: Hitoshi Honna; hereinafter referred to as “the Company”) hereby announces that the Company has entered into an addendum to the memorandum of understanding with Vinacomin Power Holdings (Headquarters: Hanoi, Vietnam; General Director & CEO: NGO TRI THINH; hereinafter referred to as “Vinacomin-Power”) on June 17, 2025, to update the memorandum of understanding.

The Company and Vinacomin-Power entered into a memorandum of understanding regarding joint feasibility studies on the co-firing of biomass fuel technology at Vinacomin-Power's existing coal-fired power plants, initially effective until July 2025. However, under the latest addendum, it has been agreed that the validity period of the aforementioned memorandum of understanding has been extended by an additional two years, and that co-firing tests will be conducted at the Na Duong (55MW x 2) and Cao Ngan (57MW x 2) coal-fired power plants in August and September 2025.

In Vietnam, electric power demand is increasing at an annual rate of approximately 10%, but the country relies on coal-fired power generation for about half of its electricity supply, facing the challenge of declining energy self-sufficiency due to increased coal imports. In this context, co-firing of biomass fuel sourced domestically at coal-fired power plants is an important measure that can reduce CO₂ emissions while also improving energy self-sufficiency. Through the success of this demonstration test and the subsequent commercialization of co-firing operation, the Company aims to contribute to Vietnam's goal of achieving carbon neutrality by 2050 and enhancing the country's energy self-sufficiency rate, while also aiming to acquire carbon credits created through co-firing.

Please also refer to pages 35 and 36 of the Supplementary Materials for Financial Results for the Fiscal Year Ended March 31, 2025 disclosed on May 12, 2025 (<https://ssl4.eir-parts.net/doc/9517/tdnet/2620248/00.pdf>) .

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