1st Half of FY March 2026

Supplementary Materials for Financial Results

November 11, 2025

Development

Promoting de-carbonization in Southeast Asia, where power demand is growing, with expertise in biomass power generation and co-firing

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Strong Defense

Building solid business foundation in Japan, such as retail/trading, aggregation (BESS, etc.) and power generation/fuel

erex Co., Ltd. [9517]

erex

To Become a Pioneer in the New Era of Electric Power with Renewable Energy at Its Core

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The retail and fuel businesses performed well, exceeding plans and generating profits

	Net Sales	Operating Income	Income before Income Taxes	Net Income Attributable to the the owners of the parent company
	86.5 billion yen	3.6 billion yen	3.2 billion yen	1.5 billion yen
Full Year Plans	176.1 billion yen	8.6 billion yen	7.5 billion yen	3.4 billion yen
Progress Rate	49.1%	42.1%	42.8%	46.5%

- Sales progressed well, driven by increased sales volume in the retail business and increased sales to other companies in the fuel business
- Although SG&A expenses increased due to increase in customer acquisitions in the retail business, and losses were recorded due to the commencement of civil rehabilitation proceedings by ENETRADE Inc., operating income exceeded the plan due to increased sales volume

1. Summary of Financial Results for the 1H of FY March 2026

2. Overall Business Policy

3. Status of Initiatives – Japan

4. Status of Initiatives – Overseas

Results for the 1H of FY March 2026 (Apr – Sep 2025): IFRS

Year-on-Year

- Net sales increased YoY due to increased power sales volume in the high-voltage sector, increased trading amount, and increased sales of fuel to other companies
- Operating income decreased YoY due to the impact of the transfer of T'dash (*1), increased promotional expenses for acquiring customers in the low-voltage sector, recording of losses associated with the commencement of civil rehabilitation proceedings of ENETRADE Inc., and the suspension of operations at the Itoigawa Power Plant

vs Plans

- Net sales progressed generally in line with the plans due to an increase in retail power sales volume, despite a decline in operating rates in the early stages of overseas power plant and factory
- Operating income exceeded the plans due to an increase in retail power sales volume and stable operation of domestic power plants

(billion yen)	FY March 2025 1H Total (Results)	FY March 2026 1H Total (Results)	FY March 2026 Full Year (Plans)	Year-on-Year (Amount)	vs Full Year Plans
Net Sales	83.2	86.5	176.1	3.3	49.1%
SG&A Expenses	4.8	6.4	12.1	1.6	53.2%
Operating Income	5.1	3.6	8.6	▲1.5	42.1%
Income before Income Taxes	4.3	3.2	7.5	▲1.1	42.8%
Net Income (*2)	1.6	1.5	3.4	▲0.1	46.5%

*1 Transfer of T′dash: T′dash, which had been erex Group's sales subsidiary, was transferred at the end of December 2024
*2 Net Income: 1st half net income attributable to the owners of the parent company

Results for the 1H of FY March 2026 (Breakdown of Sales & Operating Income by Business)

(billion yen)		FY March 2025 1H Total (Results)	FY March 2026 1H Total (Results)	FY March 2026 Full Year (Plans)	Special Notes
Net Sales		83.2	86.5	176.1	
	Retail & Trading	99.7	98.4	194.8	Power sales volume exceeded plans, but decreased YoY due to market price remaining lower YoY and impact of T'dash transfer (*1)
	Power Generation & Fuel	25.6	26.7	58.7	Sales Increased YoY due to increased sales of fuel to other companies
	Overseas	0.0	0.3	3.8	Operating rates of Hau Giang Biomass and Tuyen Quang Pellet Factory declined due to repeated typhoons, etc.
	Other Consolidation Adjustments	▲42.2	▲38.9	▲81.2	
Operating Income		5.1	3.6	8.6	
	Retail & Trading	6.3	4.3	8.6	SG&A expenses increased due to promotion expenses of low voltage customer acquisition and impact of loss valuation allowance, in addition to impact of T'dash transfer
	Power Generation & Fuel	▲0.2	▲0.3	▲0.6	Variable costs decreased despite a decrease in capacity revenue due to suspension of the Itoigawa Power Plant. Stable operations of domestic power plants led to results better than plans
	Overseas	▲0.5	▲0.8	▲1.2	
	Other Consolidation Adjustments	▲0.9	▲0.7	▲1.6	
	IFRS Adjustments	0.5	1.1	3.6	Although there was a derecognition of derivative assets/liabilities and an increase in low-voltage sales promotion expenses, operating income increased YoY due to change in estimate for asset retirement obligations at Tosa Power Plant

*1 Transfer of T'dash: T'dash, which had been erex Group's sales subsidiary, was transferred at the end of December 2024
*2 Numbers by business above are before IFRS adjustments. As erex Group has only one segment, internal calculations are used

Results for the 2Q of FY March 2026 (Jul – Sep 2025): IFRS

Year-on-Year

- Net sales were broadly at the same level year-on-year due to an increase in fuel sales to other companies, despite the impact of T'dash transfer (*1) and a decrease in unit sales prices due to the impact of low market prices
- Operating income decreased year-on-year due to the impact of the transfer of T'dash (*1), sales promotion expenses for promoting customer acquisition of low-voltage power, recording of losses following the commencement of civil rehabilitation proceedings of ENETRADE, and the suspension of the Itoigawa Power Plant

vs Plans

- Net sales were better than the plans due to an increase in retail power sales volume, despite a decline in the operating rates of overseas power plant and factory in the early stages
- Operating income was broadly in line with the plans due to an increase in retail power sales volume and stable operations of domestic power plants

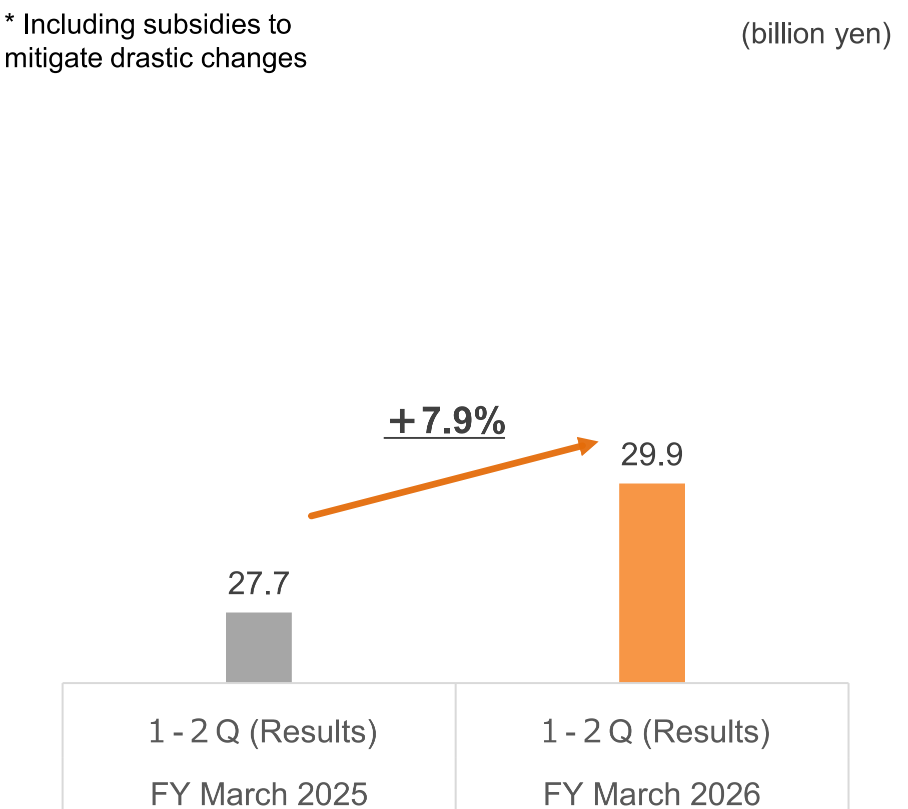
(billion yen)	FY March 2025 2Q (Results)	FY March 2026 2Q (Results)	FY March 2026 Full Year (Plans)	Year-on-Year (Amount)
Net Sales	49.7	49.4	176.1	▲0.2
SG&A Expenses	2.6	3.6	12.1	1.0
Operating Income	3.2	2.1	8.6	▲1.0
Income before Income Taxes	1.2	2.6	7.5	1.4
Net Income (*2)	0.0	1.7	3.4	1.7

*1 Transfer of T′dash: T′dash, which had been erex Group's sales subsidiary, was transferred at the end of December 2024
*2 Net Income: Quarterly net income attributable to the owners of the parent company

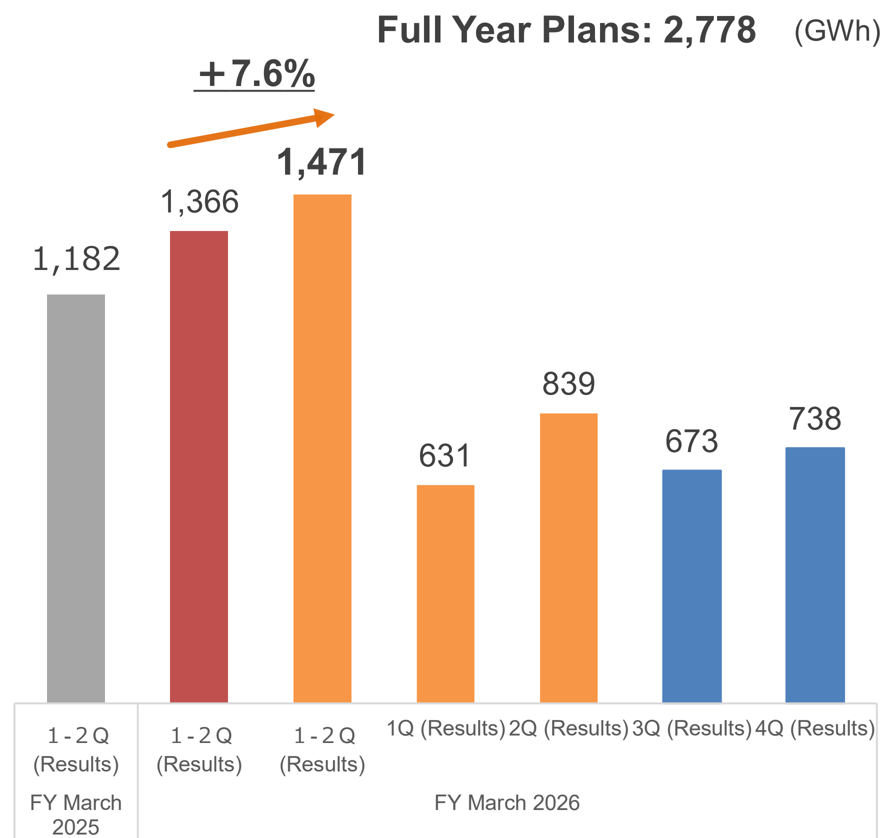
Results for the 1H of FY March 2026: High Voltage Retail

- **In light of the low market prices, erex Group focused on selling market-linked plans, and the power sales volume was 7.6% better than the plans at 1,471GWh. Net sales were 29.9 billion yen, a 7.9% YoY increase**
- **As of June 2025, erex Group ranked No.8 in the high-voltage power sales volume among new power companies (No.11 as of June 2024)**

Net Sales

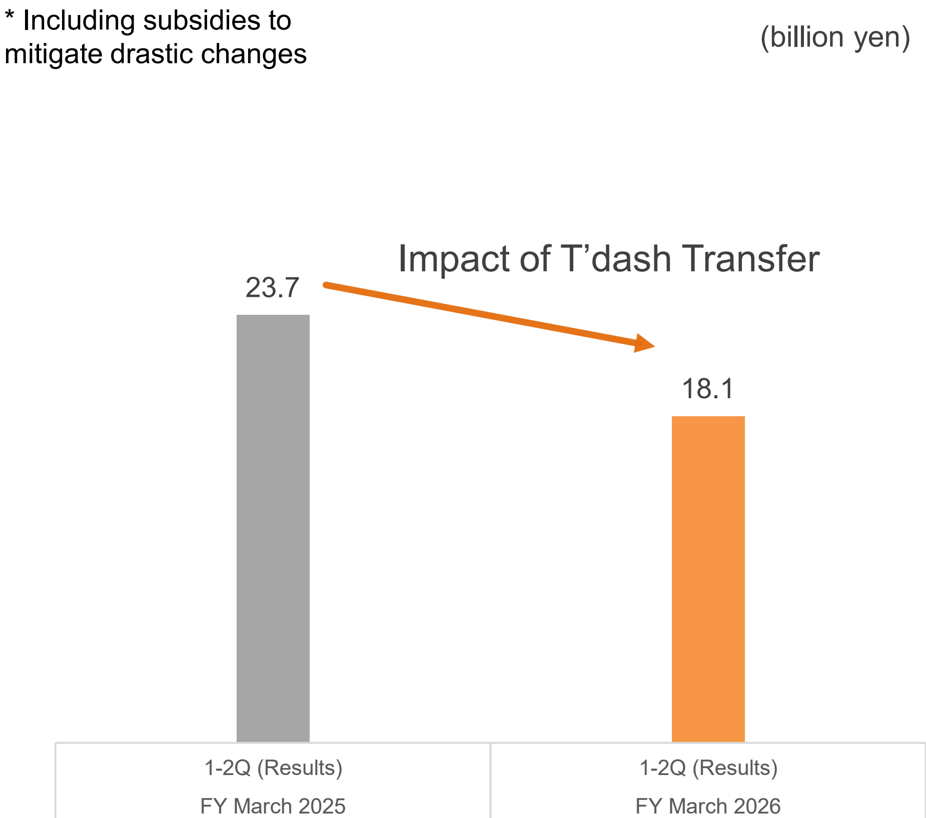


Power Sales Volume

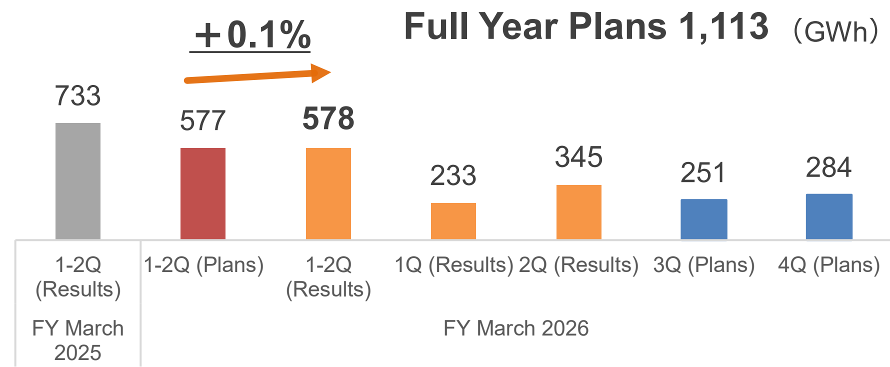


- Customer acquisitions through new channels (real estate, etc.) were strong, resulting in 257,000 power supply contracts (6.0% better than the plans). Although power sales volume per contract decreased, the accumulation in the number of power supply contracts resulted in 578 GWh (0.1% better than the plans)
- Net sales decreased 23.7% year-on-year due to the impact of the transfer of T'dash (*)

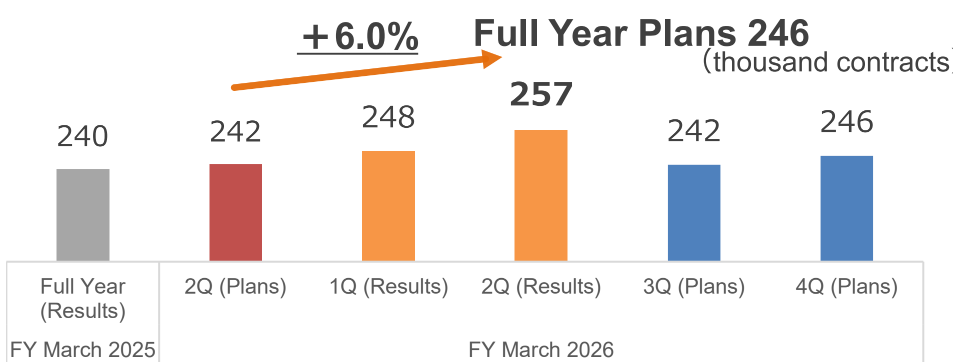
Net Sales



Power Sales Volume



Number of Contracts



* Transfer of T'dash: T'dash, which had been erex Group's sales subsidiary, was transferred at the end of December 2024

1H of FY March 2026: Summary of the Consolidated Balance Sheet

erex

(billion yen)	FY March 2025 (End of the Period)	1H of FY March 2026		
		Results	Increase/ Decrease	Main Reasons for Increase/Decrease
Current Assets	65.5	64.2	▲1.2	• Decrease in cash and deposits • Increase in trade receivables due to retail sales increase
Noncurrent Assets	87.8	91.4	3.5	• Increase in loans to Cambodian business • Increase due to additional investment in the Sakaide Biomass Power Plant • Decrease in derivative receivables due to fair value measurement of foreign exchange contracts
Total Assets	**153.3**	**155.6**	**2.2**	
Current Liabilities	37.5	38.9	1.3	• Increase in short-term borrowings due to new borrowings • Increase in trade and other payables due to increased retail sales
Noncurrent Liabilities	43.3	43.9	0.6	• Increase in long-term borrowings due to new borrowings
Total Liabilities	**80.9**	**82.8**	**1.9**	
Interest of the Owners of the Parent Company	64.1	64.9	0.7	• Increase in retained earnings due to net income
Non-Controlling Interest	8.3	7.8	▲0.4	
Total Equity	**72.4**	**72.7**	**0.3**	
Cash and Deposits	33.6	22.2	▲11.3	• Decrease due to increase in working capital • Decrease due to Increase in loans to Cambodian business
Interest-Bearing Debt	45.2	46.7	1.4	• Increase in borrowings due to new borrowings
Equity (Attributable to the Owners of the Parent Company) Ratio	41.8%	41.7%	▲0.1%	

1H of FY March 2026: Summary of the Consolidated Statement of Cash Flow

- Cash flow from operating activities (▲) due to an increase in working capital, etc.
- Cash flow from investing activities (▲) due to loans to Cambodian business
- Cash flow from financing activities (▲) due to repayment of long-term borrowings and payment of dividends

(billion yen)	FY March 2025 1H	FY March 2026 1H	
		Results	Factors Causing Changes from the Beginning Balance
Cash and cash equivalents at the beginning of the period	**19.6**	**33.6**	
Cash flow from operating activities	**9.7**	**▲5.9**	
Income (loss) before income taxes	4.3	3.2	
Depreciation and amortization	1.8	1.9	
Impairment loss	–	–	
Increase/decrease in working capital*	▲5.0	▲9.2	Increase in trade receivables and inventories
Corporate income taxes refunded or paid	0.5	▲1.5	
Others	8.0	▲0.3	Decrease in consumption taxes payable, Interest payments, Increase in deposits payable
Cash flow from investing activities	**▲2.7**	**▲4.6**	Increase in loans to Cambodian business
Cash flow from financing activities	**1.6**	**▲0.1**	Decrease in long-term borrowings, dividend payments, Increase in short-term borrowings
Effect of exchange rate changes on cash and cash equivalents	**▲0.4**	**▲0.4**	
Cash and cash equivalents at end of the period	**27.8**	**22.2**	
Free cash flow	**6.9**	**▲10.5**	Increase in working capital Increase in loans to Cambodian business

*Trade receivables + inventories + other receivables - trade payables - other payables

- The power generation volume of the Saiki, Buzen, Ofunato, and Nakagusuku Power Plants was better than the plans due to stable operations
- The Itoigawa Power Plant has been suspending its operations during FY March 2026
- The Tosa Power Plant has been suspending its operations since the 2H of FY March 2025

Power Plant Name	Power Generation Volume (GWh)		
	Plans	Results	vs Plans
Saiki	178	187	105.1%
Buzen	241	246	102.1%
Ofunato	233	237	101.5%
Nakagusuku	152	168	110.5%
Itoigawa (*1)	0	0	-
Tosa (*2)	0	0	-

*1 The Itoigawa Power Plant has been suspending its operations since April 1, 2025
*2 The Tosa Power Plant has been suspending its operations since September 1, 2024

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Steadily Solidifying Domestic (Japan) Business

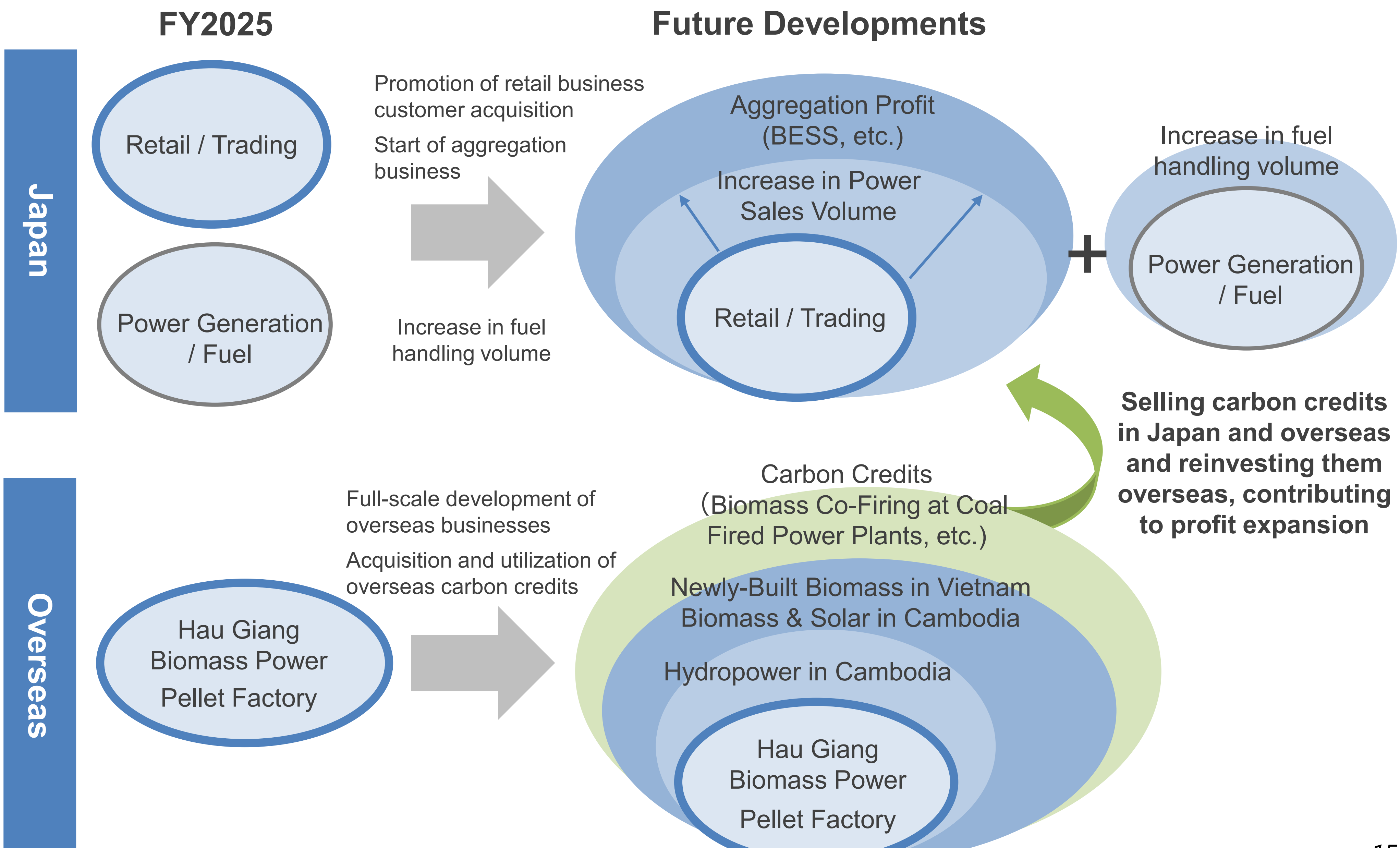
- Promotion of customer acquisition in the retail business + offering of a variety of plans utilizing trading functions
- Further expansion of power sales volume and profits through aggregation business utilizing BESS (battery energy storage system), etc.
- Expansion of the volume of fuel sales, primarily to other companies

+

First Year of Overseas Business + Reinvestment through Carbon Credit Acquisition

- The Hau Giang Biomass Power Plant and the Tuyen Quang Pellet Factory have already started operations (accumulation of know-how overseas)
- Developments of newly-built biomass power plants and hydroelectric power plants, and implementation of biomass co-firing at coal-fired power plants
- Aiming to create carbon credits, sell them domestically and internationally, and reinvest

erex Group's Business Policy and Image of Profit Expansion



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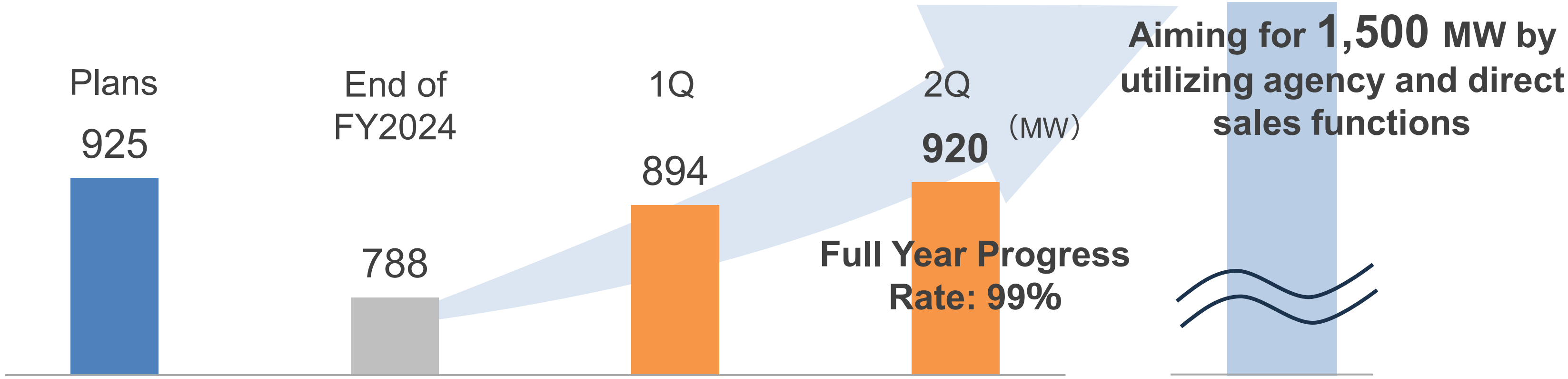
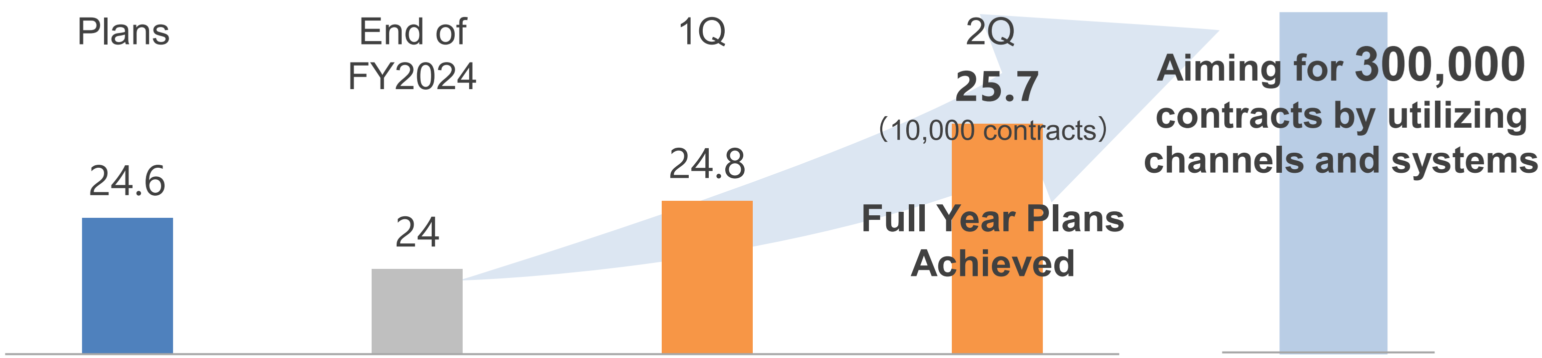
Status of customer acquisition in the high-voltage sector (EGM)

- Sales subsidiary EGM (*1) is developing new sales agents and strengthening close communication with them
- New customer acquisitions for market-linked plans are strong, with progress significantly exceeding the plans
- Due to strengthened direct sales, approx. 40% of net increase in demand in the past year was acquired through direct sales



Status of customer acquisition in the low-voltage sector

- At sales subsidiary EGR (*2), new customer acquisitions through real estate companies, vacant room power concierges, etc. are strong
- The number of supply contracts is significantly exceeding the plans
- The market-linked plan ensures certain gross profit margin. These funds are used appropriately to invest in sales promotion expenses



*1 EGM: High-voltage sales subsidiary, Evergreen Marketing Co., Ltd. *2 EGR: Low-voltage sales subsidiary, Evergreen Retailing Co., Ltd

Retail Business: KPI Approach

- KPI is power sales volume
- For high-voltage, as the load factor varies greatly from customer to customer, the power sales volume is to be increased by accumulating contract capacity (kW). Customer acquisition rate is to be improved by offering a variety of plans that meet customer needs
- For low-voltage, KPI is the gross profit unit price, which differs for each channel. The average usage for each channel is taken into consideration, and the power sales volume is to be increased by accumulating the number of contracts. Furthermore, EGR (*) is considering launching additional services, aiming for upselling

Net Sales = Power Unit Price x Power Sales Volume (kWh)

Approach for high-voltage

Accumulation of kW

+

Offering a variety of plans

Plans offered

- Fully-fixed plan
- Hybrid plan
- Market-linked plan
- Market-linked shift plan, etc.

Approach for low-voltage

Accumulation of the number of contracts

+

Additional services x number of contracts

Examples of services under consideration

- Warranty service
- Emergency service
- Communications
- Water servers, etc.

*EGR: Low-voltage sales subsidiary, Evergreen Retailing Co., Ltd

- EGM (*1), high-voltage sales subsidiary, pursues a strategy to leverage its strengths in offering a variety of plans tailored to customer needs and market environments, to increase kW to boost power sales volume
- EGR (*2), low-voltage sales subsidiary, ensures certain gross profit margin due to the market-linked plan. These funds are used to appropriately invest in sales promotion expenses. Promotion costs are effectively utilized by utilizing a variety of channels, sales methods and systems

EGM's various plan offerings

Plans that meet consumer needs

Fully-Fixed Plan
Fixed unit price for each season

Hybrid Plan
Combining fully fixed & market-linked to reduce prices

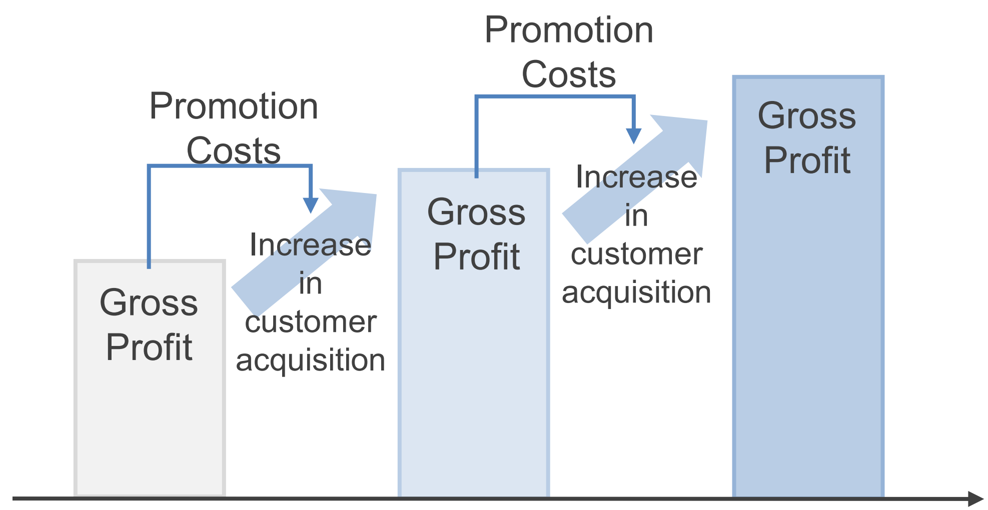
Market-Linked Plan
Unit price fluctuates based on market price fluctuations

Market-Linked Shift Plan
Shift from market-linked to standard menu during times of soaring prices

Simple Plan
Standard Menu

EGR's approach to sales promotion expenses

Channel / System × **Promotion Costs**



*1 EGM: High-voltage sales subsidiary, Evergreen Marketing Co., Ltd.

*2 EGR: Low-voltage sales subsidiary, Evergreen Retailing Co., Ltd

erex Group's Aggregation Business

- erex Group's strength lies in providing all the functions necessary for aggregation on an integrated manner. Its existing capabilities, including years of supply/demand management expertise and sales network in the retail business are to be fully utilized
- Renewable energy resources on the supplier (power generator) side and distributed power resources and demand resources on the customer (user) side are to be mutually utilized
- As an aggregator, erex Group consolidates resources and provides added value by avoiding output curtailment, effectively utilizing surplus power, providing supply capacity, and effectively utilizing renewable energy

erex Group's Strength	Power Generation Business	Trading Business	Retail Business
	Ability to develop power generation resources and efficiently manage and operate them	Knowledge of the power market and years of supply/demand management know-how	Offering of a variety of plans to meet customer needs

erex Group's Initiatives

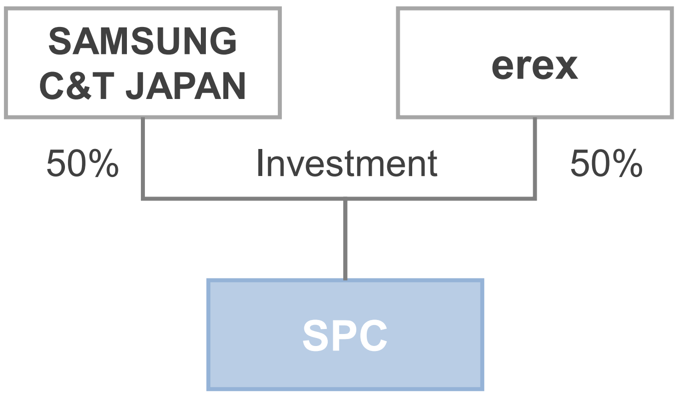
- Grid-Scale BESS
- BESS with Solar
- Corporate PPA
- Demand Response

Collaboration with a variety of domestic and international partners

Agreement reached with SAMSUNG C&T JAPAN on joint development of grid-scale BESS business

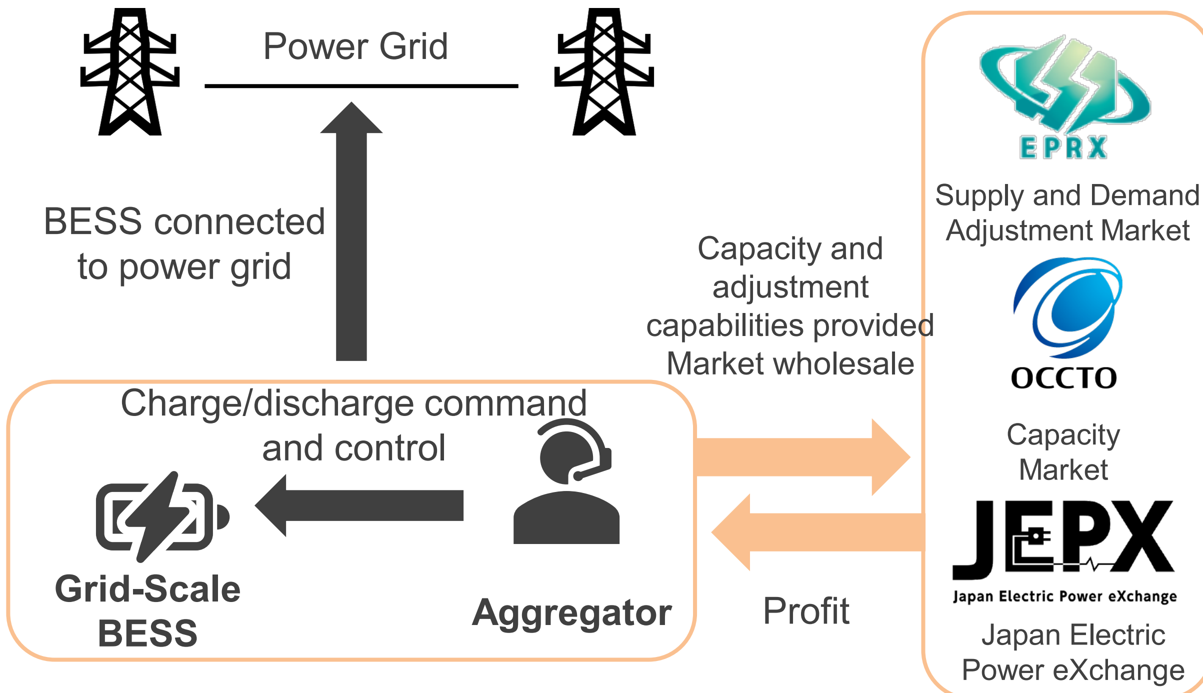
- On October 31, 2025, erex Group signed an MOU with SAMSUNG C&T JAPAN CORPORATION (SCTJ) regarding joint development and implementation of grid-scale battery energy storage system (BESS) business in Japan. This joint development will be carried out through a joint venture, with both companies contributing equally, with the aim of developing grid-scale BESS projects on a nationwide scale
- The two companies are also preparing to jointly invest in a 2MW/8MWh energy storage station in Kushima City, Miyazaki Prefecture, which erex Group announced on September 4, 2025

Scheme with SCTJ



- The trading division of Samsung C&T Corporation, the parent company of SCTJ, operates BESS businesses in North America, Australia, etc. SCTJ possesses strengths in procurement capabilities and financial scheme developments

Project scheme for Kushima City, Miyazaki Prefecture



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Overseas Business / Vietnam: Initial Projects

- The following two projects have started operations in Vietnam, marking erex Group's first overseas business. The Hau Giang Biomass Power Plant has started operations steadily in collaboration with PECC2. The Tuyen Quang Pellet Factory has started manufacturing wood pellets. However, the operating rates of each declined due to rising rice husk prices caused by reduced rice production and increased raw material and procurement costs caused by repeated typhoons, etc. Based on this experience and challenges, erex Group will promote the diversification of fuel suppliers and the development of fuel storage facilities, and will continue to collaborate with appropriate local companies for future projects

Hau Giang Biomass Power Plant

Commercial operation started in April 2025
Selected as JCM (*1) subsidized project (*2)

Tuyen Quang Pellet Factory

Manufacturing of certified wood pellets started in March 2025

Achievements from the 2 projects

Collaboration in construction and operation with PECC2 (*3) (Hau Giang Biomass Power Plant)

Acquisition of know-how in the fuel business

↓

Good samples for future business developments

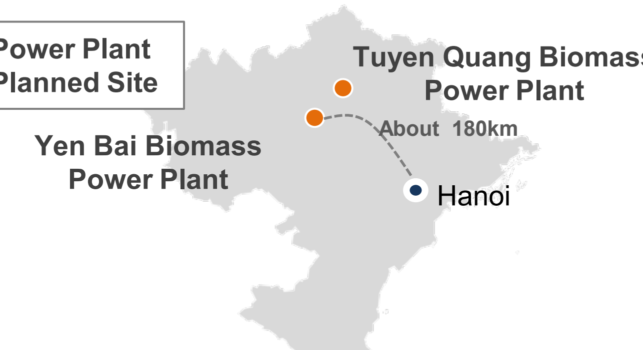
*1 Ministry of the Environment, Japan has been implementing the "JCM Model Projects," which provides financial supports covering up to half of the initial investment costs. The purpose of this model projects is to financially support the implementation of projects which reduce GHG emissions by utilizing leading decarbonizing technologies in developing countries, and in return, to acquire JCM credits for achievement of Japan's GHG emission reduction and the partner countries' emission reduction target. This project is being implemented with the cooperation of the Vietnamese and Japanese governments
*2 The announcement was made on July 1, 2022
*3 PECC2: Power Engineering Consulting Joint Stock Company 2. Vietnam Electricity's subsidiary

Overseas Business / Vietnam: Newly-Built Biomass Power Generation

- On April 1, 2024, the Implementation Plan for Vietnam's 8th National Power Development Plan (PDP8) was approved (erex Group's projects: 18). For the priority project, the Yen Bai Biomass Power Plant (50MW), the plant EPC (engineering, procurement, and construction) order was placed and a signing ceremony was held in November 2025. The Tuyen Quang Biomass Power Plant (50MW) EPC order will follow. Both units are scheduled to start operations at the end of fiscal year 2027
- These projects were selected for Financing Programme for Joint Crediting Mechanism (JCM *1) Model Projects in FY2023 (*2)

Overview	☐ Output: 50MW/unit ☐ Fuel: Woody residue ☐ Equity ownership: erex 100% (Domestic and international companies are considering investments)
Economy	Per unit ☐ Investment amount: US$120M ☐ Pre-tax income: US$10M/year (20-year average)
Future Outlook	☐ erex Group plans to conclude a power purchase agreement (PPA) under the new rule with Vietnam Electricity, in which fluctuations in fuel costs and O&M fees will be reflected in the power sales price

Power Plant Planned Site



Scenes from the contract signing ceremony with PECC2

*1: Ministry of the Environment, Japan has been implementing the "JCM Model Projects," which provides financial supports covering up to half of the initial investment costs. The purpose of this model projects is to financially support the implementation of projects which reduce GHG emissions by utilizing leading decarbonizing technologies in developing countries, and in return, to acquire JCM credits for achievement of Japan's GHG emission reduction and the partner countries' emission reduction target. This project is being implemented with the cooperation of the Vietnamese and Japanese governments
*2 The announcement was made on March 22, 2024

Overseas Business / Vietnam: Biomass Co-Firing with Coal-Fired Power

- **The Vietnamese government plans to start biomass co-firing at coal-fired power plants that have been in operation for 20 years or more. The Japanese government plans to support the energy transition as the Asia Zero Emission Community (AZEC) framework was launched in 2023**
- **Biomass co-firing tests have been conducted at the Na Duong Power Plant, owned by Vinacomin Power (*), since September 2025, with a co-firing ratio of 5-20%. Co-firing business is scheduled to start in FY2026.**
- **The Ministry of Economy, Trade and Industry's FY2025 "Resource-rich Countries De-carbonization and Energy Conversion Technology Support Project Subsidy" will be used for the co-firing tests**
- **Due to the delay in the start of testing at the Na Duong Power Plant, the co-firing tests at the Cao Ngan Power Plant are expected to start in/after December**

Discussions with Vinacomin Power

- Discussions with Vinacomin Power's President Thịnh were held in October 2025
- Vinacomin Power is currently increasing its coal imports, and the need for fuel conversion is becoming even more urgent
- To focus on clean energy going forward, the two companies will consider further collaboration, such as investing in new biomass power plants and Vinacomin Power taking on O&M
- Discussions are underway regarding the acquisition of carbon credits for CO2 reductions through co-firing

Na Duong Power Plant

Overview of the Co-Firing Test

Power Plant	Na Duong Power Plant 1 unit of the 55MW × 2 units
Period	2025/09/15-2025/11/07
Fuel Used	Wood Chip
Co-Firing Ratio	Gradually implemented from 5% to 20%

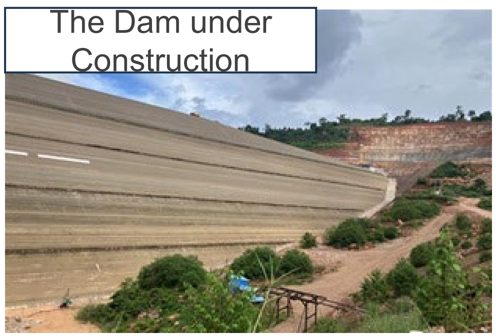
*Vinacomin Power: Subsidiary of the state-owned Vietnam Coal Mining Group (Vinacomin). It operates a total of seven plants, including six coal-fired power plants and one hydroelectric power plant

Overseas Business / Hydroelectric Power Generation in Cambodia

- An 80MW hydroelectric power plant is currently under development in Pursat Province. Construction is scheduled for completion in June 2026, with trial operation to start after impoundment. Construction work for building the dam main body has been completed
- Under the BOT (*) model, a 35-year power purchase agreement (take or pay) has been concluded with Electricité de Cambodge
- Due to the significant increase in rainfall in recent years, improved operation rates and increased power generation are expected. In response, partial expansion work is currently underway. Installation of power generation equipment and excavation of a headrace tunnel are also underway

Significance of Hydroelectric Power Generation in Cambodia

Stable Power Supply to the Region	Improvement of Energy Self-Sufficiency	35 Years of Stable Revenues


The Dam under Construction


Headrace Tunnel Entrance

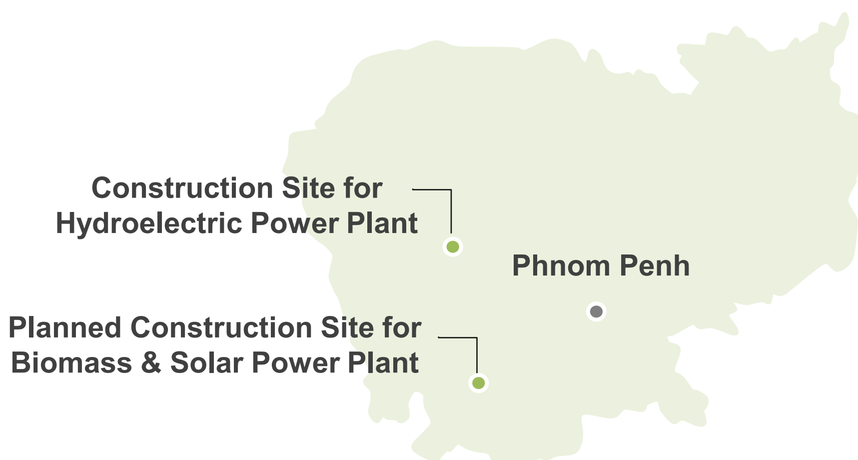

Generator Installation Location

* Abbreviation for Build, Operate and Transfer. A method in which a business company builds a facility, manages and operates it for a certain period of time, recovers the investment, and then transfers the facility to the public sector

- In September 2024, erex Group's biomass power (50MW) and solar power (40MW) projects were approved by the Cambodian Cabinet. In October 2025, erex Group established a business company in Cambodia
- erex Group is currently in the final stages of negotiations with Power China to conclude the EPC contract by the end of the year. Operation is scheduled to start in FY2027. As with hydroelectric power generation, EPC payments will be “deferred payments after start of operations”
- Afforestation operations will start this fiscal year. The plan is to cover biomass fuel and operate the power generation business over a 25-year period

Significance of Newly-Built Biomass and Solar Power Generation in Cambodia

Back Out of Expensive Imported Power	CO2 Free Power Sources	Securing Fuel through Afforestation



Overseas Business / Carbon Credits

- erex Group aims to utilize carbon credits acquired overseas to de-carbonize Japan and further circulate the generated funds as investments in overseas businesses, thereby creating a major source of revenue for erex Group
- The Vietnamese government has confirmed its intention to hold a joint meeting between the Japanese and Vietnamese governments as soon as possible to create JCM credits
- The Vietnamese government and erex Group plan to form a task force to establish a Vietnam carbon credit ETS market
- In Japan, the Green Transformation Emissions Trading Scheme (GX-ETS) will be fully launched in FY2026

List of Target Projects Currently in Operation or Under Development

	List of Projects	Category	Output (MW)	erex Group's Estimated Acquisition Volume (year)
PDP7	Hau Giang Biomass Power	Biomass Power Plant	20MW	23,000t/CO2
PDP8	Yen Bai Biomass Power	Biomass Power Plant	50MW	71,000t/CO2
	Tuyen Quang Biomass Power	Biomass Power Plant	50MW	71,000t/CO2
	Na Duong Power Plant	Biomass Co-Firing with Coal Fired (20%)	55MW×2 units	45,000t/CO2
	Cao Ngan Power Plant	Biomass Co-Firing with Coal Fired (20%)	57.5MW×2 units	47,000t/CO2
	Biomass Power Plants in Cambodia	Biomass Power Plants	50MW	Use of JCM under consideration Effective utilization of precedents in Vietnam

erex Group will continue to develop new projects and aims to acquire credits at each power plant

(Reference) Target Locations for Newly-Built Biomass Power Plants and Biomass Co-Firing with Coal-Fired Power in Vietnam

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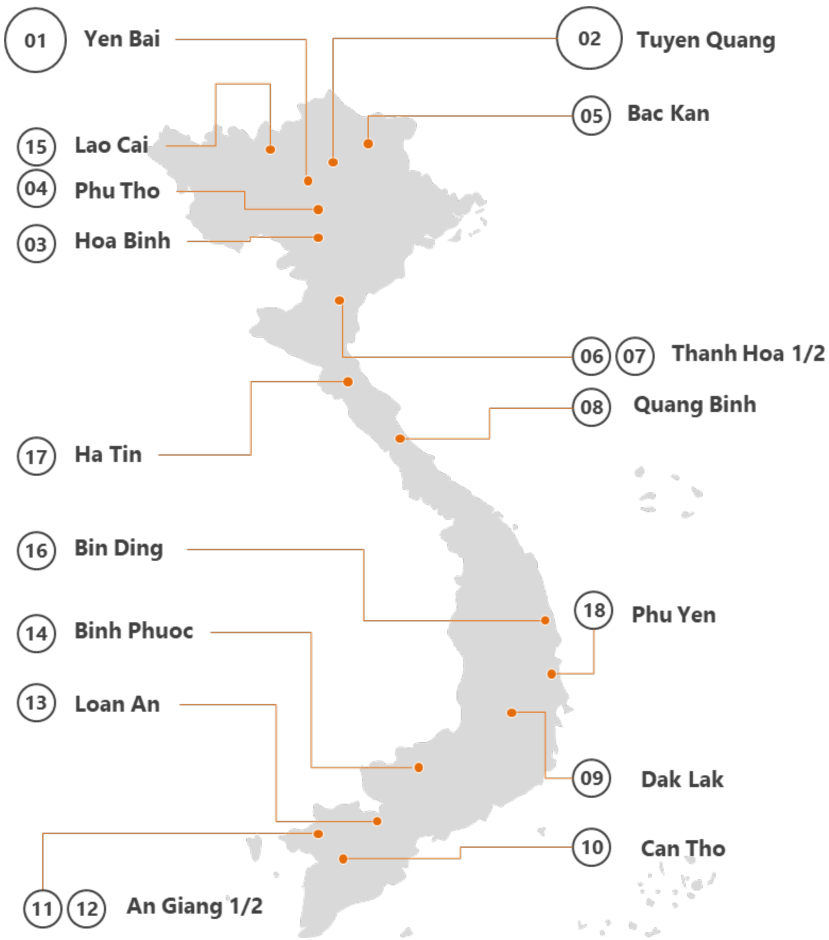
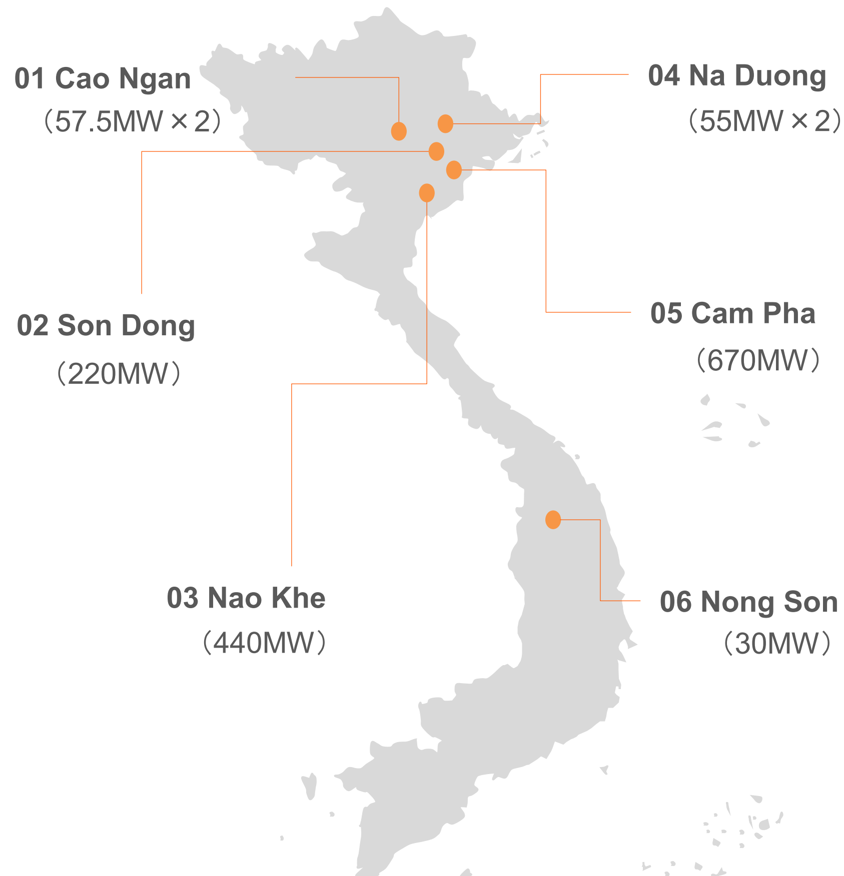
PDP8 Newly-Built Biomass Candidate Sites



18 sites, total 1,100MW

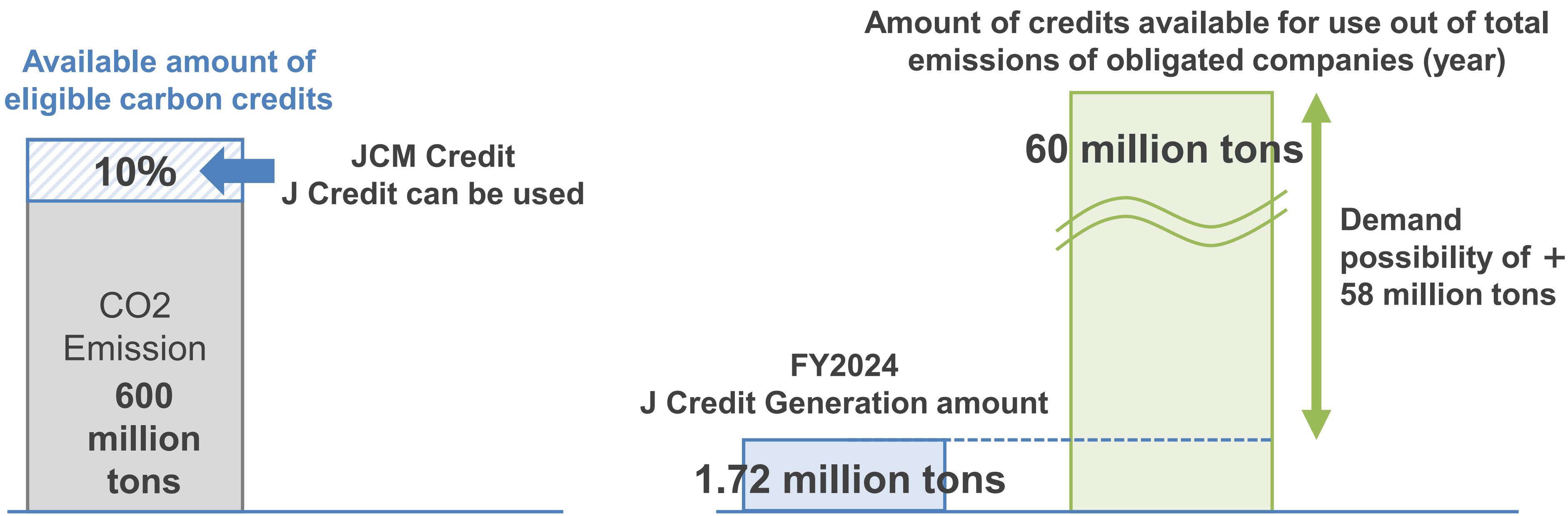
Coal-Fired Power Plants Owned by Vinacomin Power



6 sites, total 1,585MW

(Reference) GX-ETS

- **GX-ETS will transition to its second phase in April 2026, with the full-scale operation of the emissions trading system**
  - **Participation will be mandatory for companies with direct emissions of 100,000 tons or more. 300-400 companies will be subject to the obligation**
  - **These companies' emissions are approximately 600 million t-CO2 per year, accounting for approximately 60% of total domestic emissions (*)**
- **Only J Credits and JCM Credits will be eligible for use as eligible carbon credits**
  - **The amount of J Credits generated in FY2024 was 1.72 million t-CO2**
  - **Eligible carbon credits can be used for up to 10% of emissions**



* Source: Cabinet Secretariat GX Implementation Promotion Office, November 22, 2024, "Directions for Considering an Emissions Trading Scheme that Contributes to the Realization of GX"

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Profit Image (per 1 unit)	Output	Income before Income Taxes
Grid-Scale BESS	2MW/8MWh	100 million yen/year
Newly-Built Biomass Power Generation in Vietnam	50MW	US$10M/year (20-year average)
Biomass Co-Firing with Coal-Fired Power	55MW×2 units (20% co-firing)	US$3M/year
Hydropower in Cambodia	80MW	US$11M/year
Biomass & Solar in Cambodia	50MW (Biomass) + 40MW (Solar)	US$8M/year

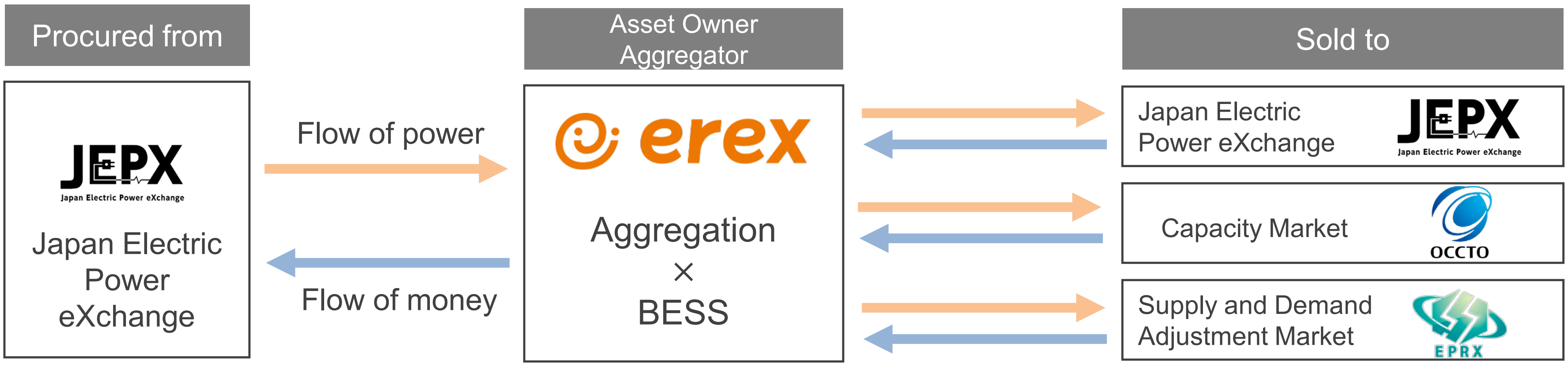
■ Schedule Image for Start of Operations

Japan	FY2026	2027	2028	2029	2030
Grid-Scale BESS No.1 (2MW/8MWh)					
Overseas					
Yen Bai Biomass Power Generation		Start of operations	Start of credit issuance		
Tuyen Quang Biomass Power Generation					
Biomass Co-Firing with Coal-Fired Power (Na Duong)					
Biomass Co-Firing with Coal-Fired Power (Cao Ngan)					
Hydropower in Cambodia					
Biomass and Solar Power in Cambodia			JCM utilization under consideration		

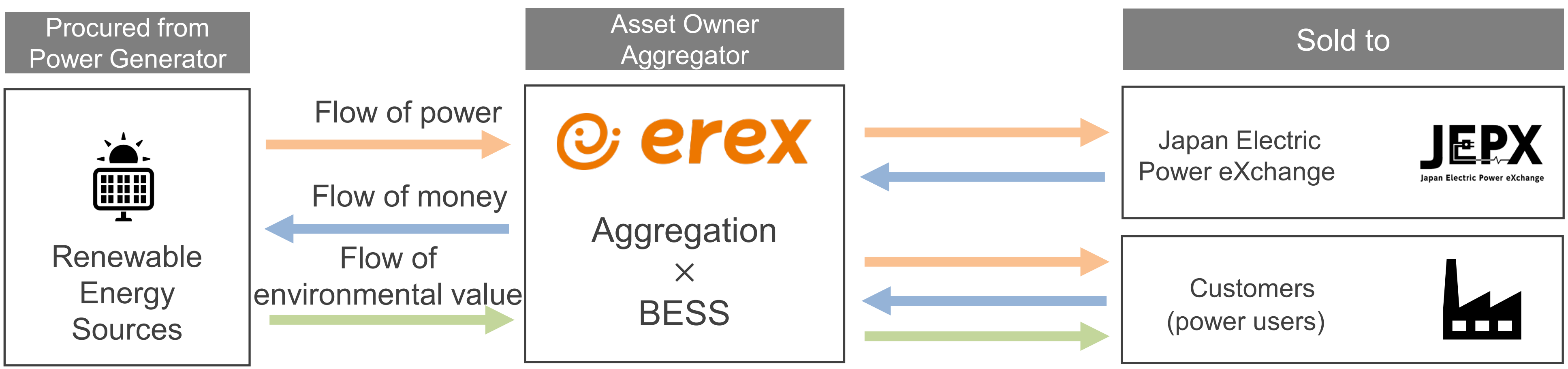
* erex Group's calculation is based on a credit price of $60/t-CO2. JCM credits are scheduled to be issued one year after start of operations

appendix

【Scheme for Grid-Scale BESS】



【Scheme for BESS with Renewable Energy】

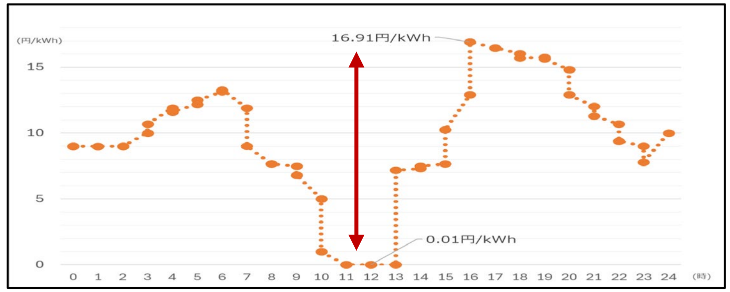


(Reference) Trading Value of BESS in the Power Market

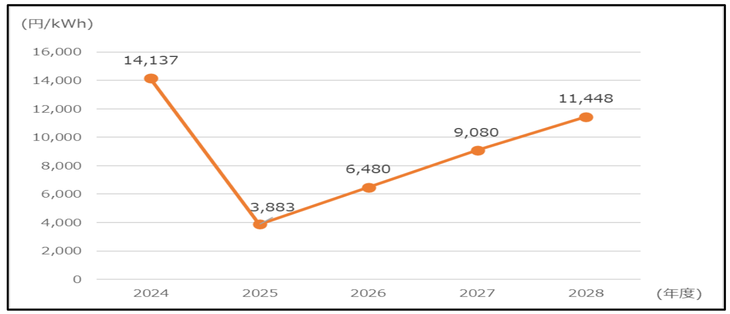
Trading Market	Trading Value	Features & Monetization Methods
Japan Electric Power eXchange (JEPX)	Power volume that can be charged/ discharged (kWh)	☐ Actual power volume generated/discharged (kWh) is traded ☐ Price differential profits (arbitrage) are earned by purchasing and charging power during times when the kWh price is low, and discharging and selling power during times when the kWh price is high
Capacity Market	Capacity that can be charged/ discharged (kW)	☐ As the supply/demand balance becomes more unstable due to the increase in renewable energy sources, this market seeks power sources that can supplement the power shortage ☐ Power generation and storage capacity (kW) 4 years from now is traded ☐ In preparation for peak demand, annual compensation is earned by providing power generation and storage capacity
Supply and Demand Adjustment Market (EPRX)	Ability to adjust for short-term charging/ discharging (ΔkW)	☐ This market solicits adjustable power sources to prevent frequency disruptions caused by supply/demand shortages and surpluses ☐ Compensation is earned by providing value that adjusts the supply/demand balance (ΔkW) ☐ Classified by demand fluctuation components: from primary adjustment power to tertiary adjustment power

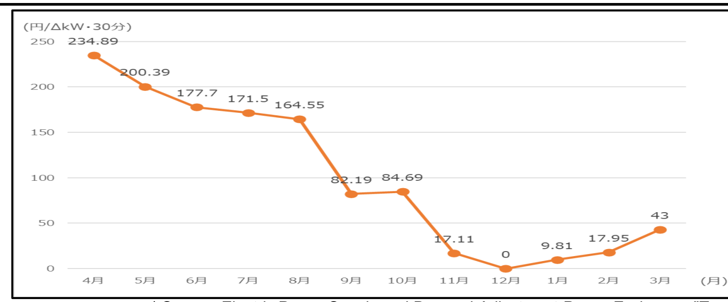
(Reference) Image of Power Market Monetization Model

Trading Market	Image of Monetization Model and Market Trends	
Japan Electric Power eXchange (JEPX)	Procurement costs	Charging cost and charge/discharge loss: Approximately 17 million yen/year
	Image of monetization model	Market sales profit: Approximately 37 million yen/year (*1)
Capacity Market	Procurement costs	Charging cost and charge/discharge loss: Approximately 17 million yen/year
	Image of monetization model	Market sales profit: Approximately 25 million yen/year
Supply and Demand Adjustment Market (EPRX)	Procurement costs	Charging cost and charge/discharge loss: Approximately 17 million yen/year
	Image of monetization model	Market sales profit: Approximately 37 million yen/year (*1)



* JEPX Spot Price: Kyushu Area Price as of October 30, 2025





* Source: Electric Power Supply and Demand Adjustment Power Exchange, "Trading Results for FY2024" Tertiary Adjustment Power ② Trends in average bid prices for storage batteries in FY2024

【Assumptions for the Estimated Model】(May vary depending on actual BESS specifications and area)
BESS: Output 2MW/Capacity 8MW, Area: Tokyo
*1: Profit for JEPX and EPRX are averages, as they are sold to markets where profits are expected based on market trends

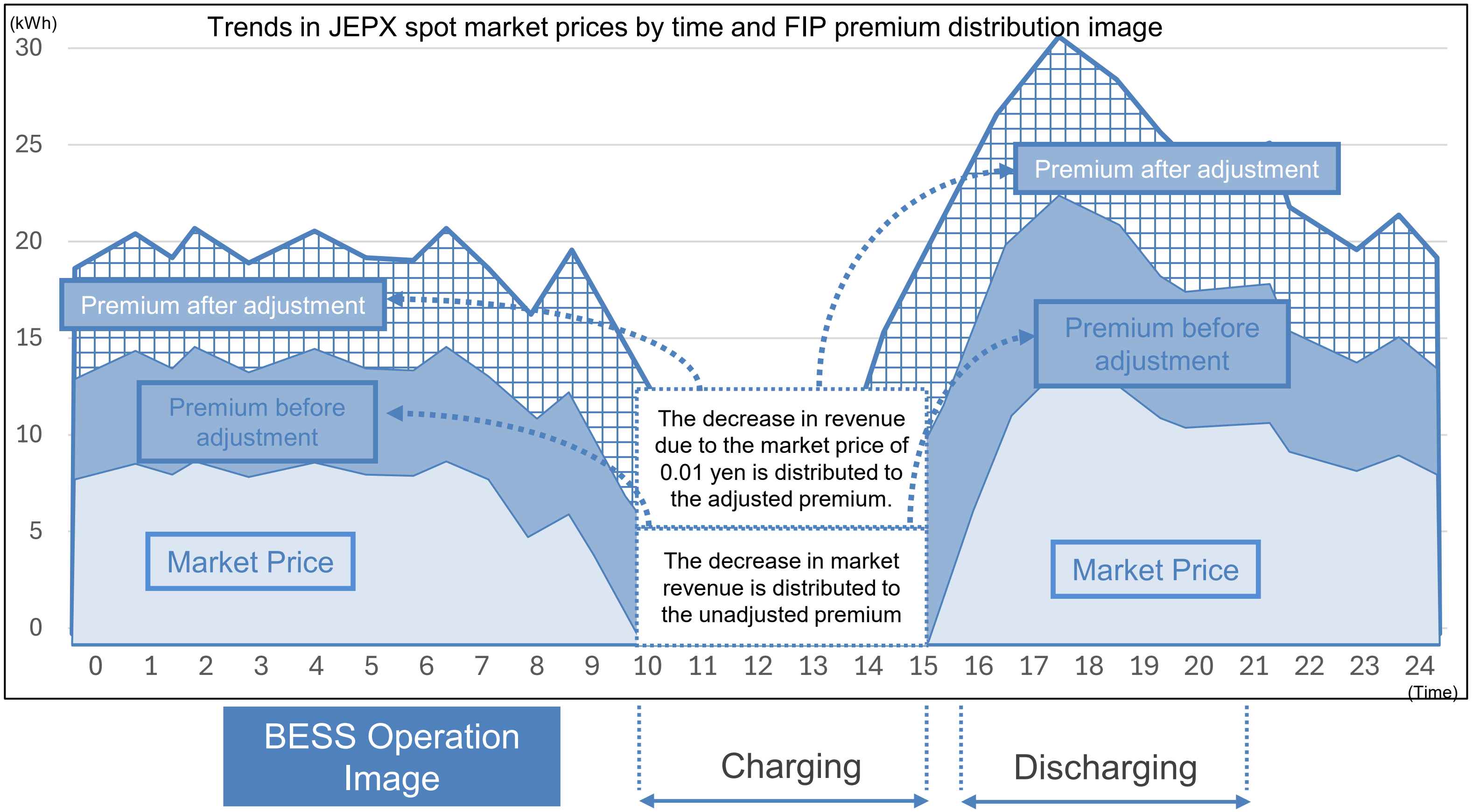
(Reference) Image of Monetization Model Using FIP for BESS with Renewable Energy

■ **Key points for monetization in the scheme for BESS with renewable energy**

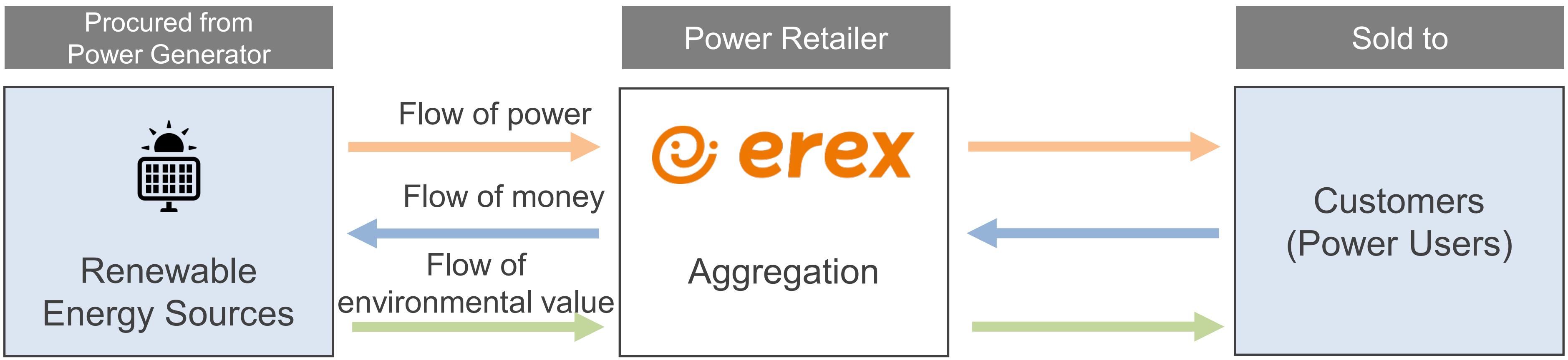
① Being able to earn revenue equivalent to that of the FIT system

② The 0.01 yen/kWh slot does not have a premium, but is redistributed to a different time period and added on

Therefore, if BESS is installed, charging is performed at a rate of 0.01 yen/kWh, and discharging is performed at a different time, it is possible to improve profits



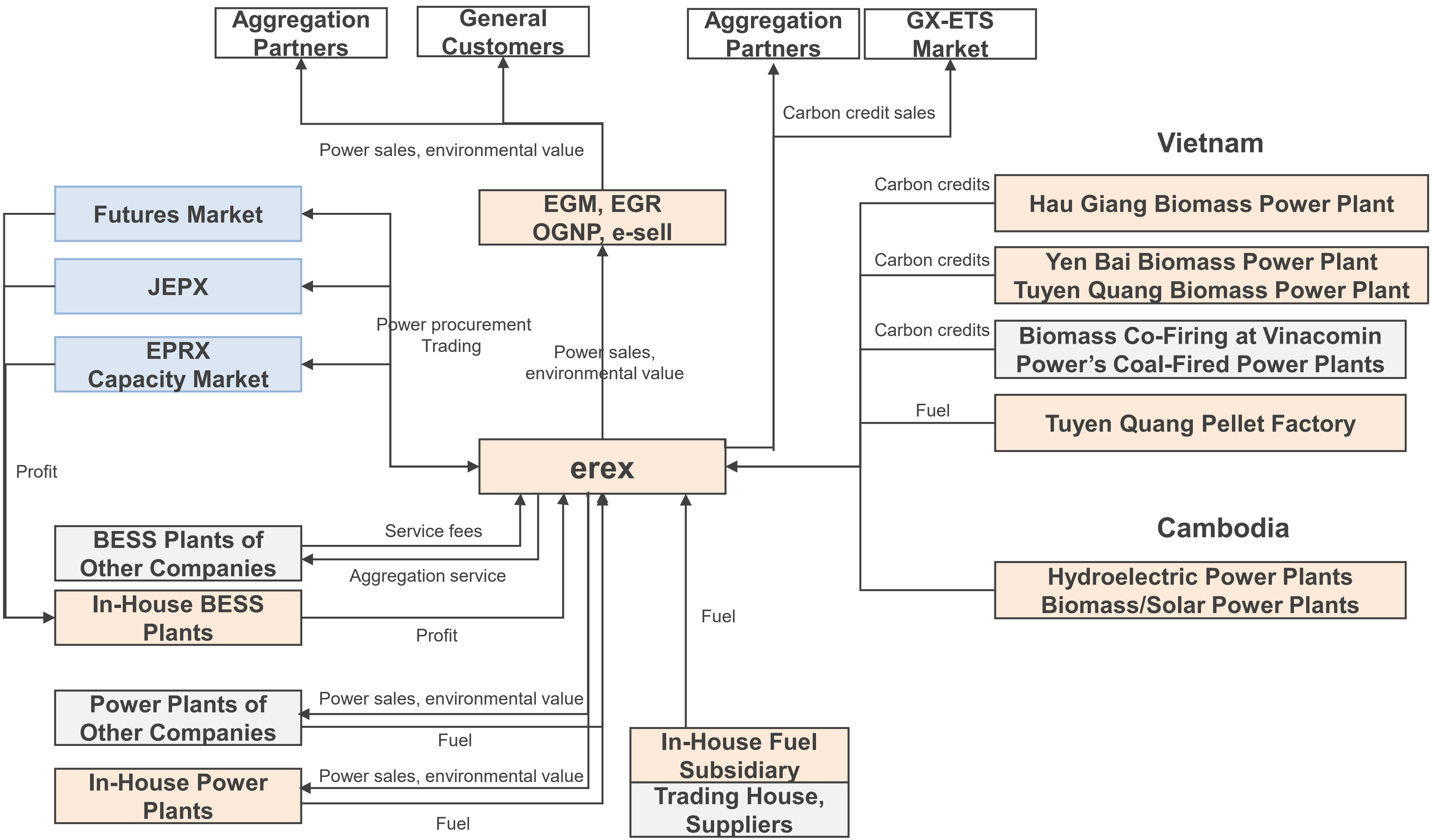
【CPPA Scheme】



Features	☐ As the definition of environmental value requirements becomes stricter in international initiatives such as RE100 (*), there is a growing need for companies to procure high-quality environmental value. Therefore, acquiring environmental value through Corporate PPA (CPPA) is an effective way for companies to address the issue of de-carbonization.
erex Group's Strength	☐ erex Group is able to upsell to a diverse range of customers, leveraging its long history of retail and trading operations ☐ erex Group also has its own aggregation capabilities, which allows for reducing costs and increasing profits through market forecasting knowledge
Image of Monetization Model	☐ For example, by purchasing power from power generator at approximately 15 yen/kWh, with intermediate costs such as transmission fees of approximately 5 yen/kWh, and entering into a PPA contract with a customer at approximately 22 yen/kWh for a period of 20 years, long-term profits can be obtained ☐ Retail contracts to cover the portion that cannot be covered by renewable energy sources only also contribute to improving the main revenue

*RE100: An international initiative established in 2014 by the international environmental NGO The Climate Group (TCG) with the goal of covering all power used in business activities with 100% renewable energy

(Reference) erex Group's Business Model

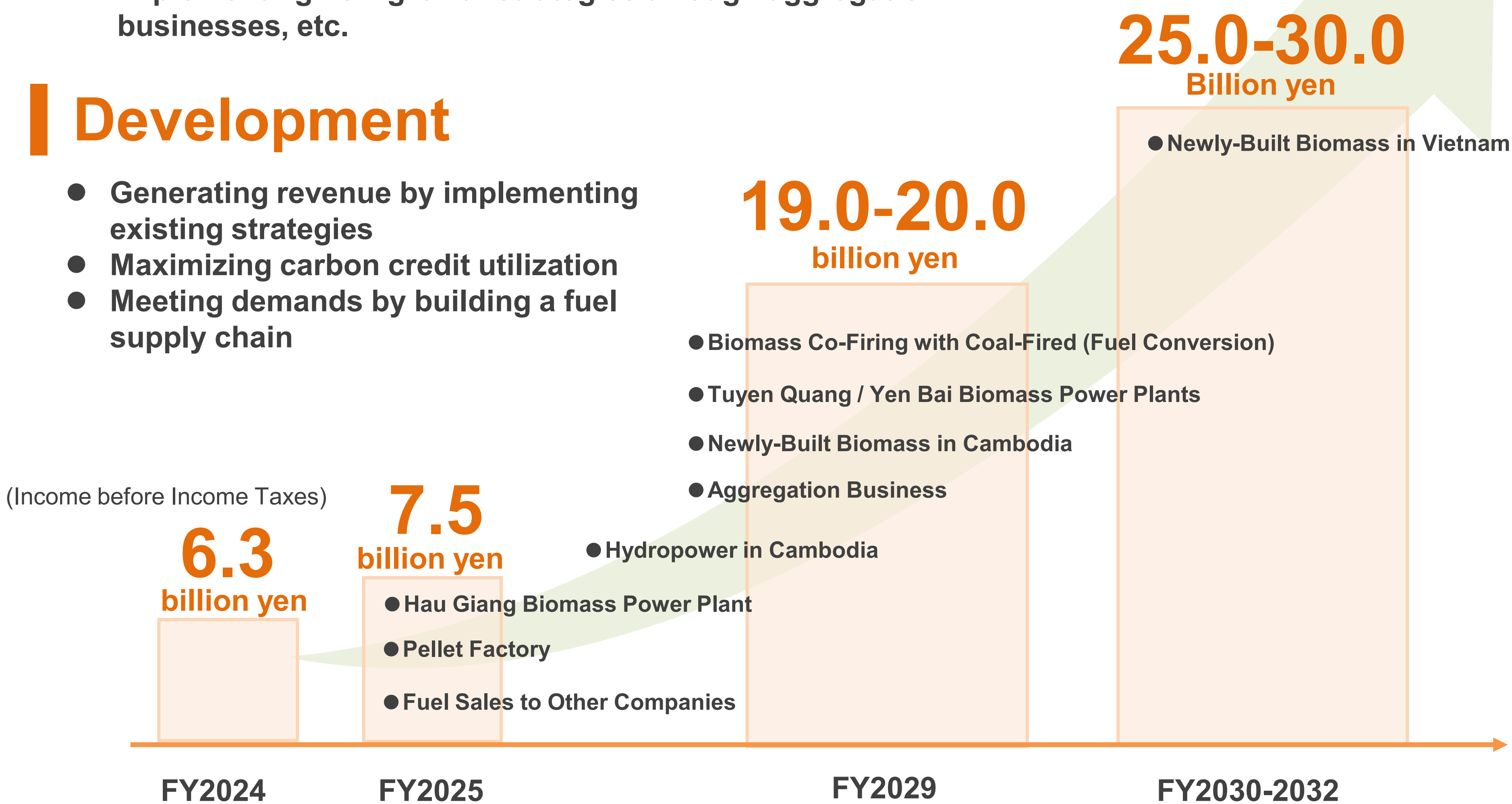


Strong Defense

- Strengthening the foundation through structural reform (business selection and concentration)
- Implementing new growth strategies through aggregation businesses, etc.

Development

- Generating revenue by implementing existing strategies
- Maximizing carbon credit utilization
- Meeting demands by building a fuel supply chain



Financing of Overseas Projects

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- Financing for overseas power plants & pellet factories is to be provided through project finance & corporate finance from public financial institutions such as Japan Bank for International Cooperation and private financial institutions such as Sumitomo Mitsui Banking Corporation, depending on the type of project
- The equity portion is to be majority owned by erex Group. Many leading domestic and foreign business companies, domestic financial institutions, etc. wish to invest in the equity portion
- Profitability is to be maximized through government subsidies and carbon credits for projects

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	Vietnam Biomass Co-Firing with Existing Coal-Fired Power Generation	Vietnam Biomass Power Generation	Vietnam Pellet Factory	Cambodia Hydroelectric Power Generation	Cambodia Biomass Power Generation
Finance	Assuming fuel supply and facility modification	**Project Finance** **-Governmental Financial Institutions** **-Private Financial Institutions**	**Corporate Finance** **-Governmental Financial Institutions** **-Private Financial Institutions**	Deferred payment by EPC contractor	Deferred payment by EPC contractor
Equity	**erex** **Equity Partner** -Vietnamese Business Companies	**erex** **Equity Partner** -Domestic Financial Institutions -Domestic/Foreign Business Companies	**erex** **Equity Partner** -Vietnamese Business Companies	**erex** **Equity Partner** -Cambodian Business Companies	**erex** **Equity Partner** -Domestic/Foreign Business Companies

Carbon Credits/Government Grants

erex Group's Efforts towards "Easy-to-Understand Investor Relations"

- Based on national strategies such as "GX-ETS" and "7th Basic Energy Plan", erex Group is entering a new stage of growth by responding to (1) the expected expansion of aggregation (BESS) business in line with the large-scale introduction of renewable energy and (2) the demand for carbon credits
- erex Group believes that its current stock price does not fully reflect its strategy, which is based on this outlook for the market environment
- Through the following Investor Relations measures, erex Group will clearly communicate changes in the market environment and its strategy to investors, aiming for a more appropriate stock price

<Achievements to date>

August Released explanatory video for "Aggregation Business" （https://www.erex.co.jp/news/information/2977/）

November Released explanatory video for "BESS Business" （https://www.erex.co.jp/news/information/3011/）

"Announcement Regarding an Agreement with SAMSUNG C&T JAPAN on Joint Development of Grid-Scale Storage Battery Business and Others in Japan"

2Q Financial Results Explanatory Meeting

＜Future Plans＞

December Explanatory materials for the BESS (aggregation) business

Materials for investors considering investing in erex for the first time

January Issuance of sponsored research report

Media Roundtable "GX-ETS, Carbon Credits"

February Presentation Materials for Media

3Q Financial Results Explanatory Meeting

Explanatory Meeting for Individual Investors erex

ENERGY　RESOURCE　EXCHANGE