



Development

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

**1Q-3Q of Fiscal Year Ending
March 31, 2026**

**Supplementary Materials for
Financial Results**

February 10, 2026

Strong Defense

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

erex Co., Ltd. [9517]



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

Retail Business and Fuel Business achieved steady growth

Excluding temporary factors, the business performance remained solid

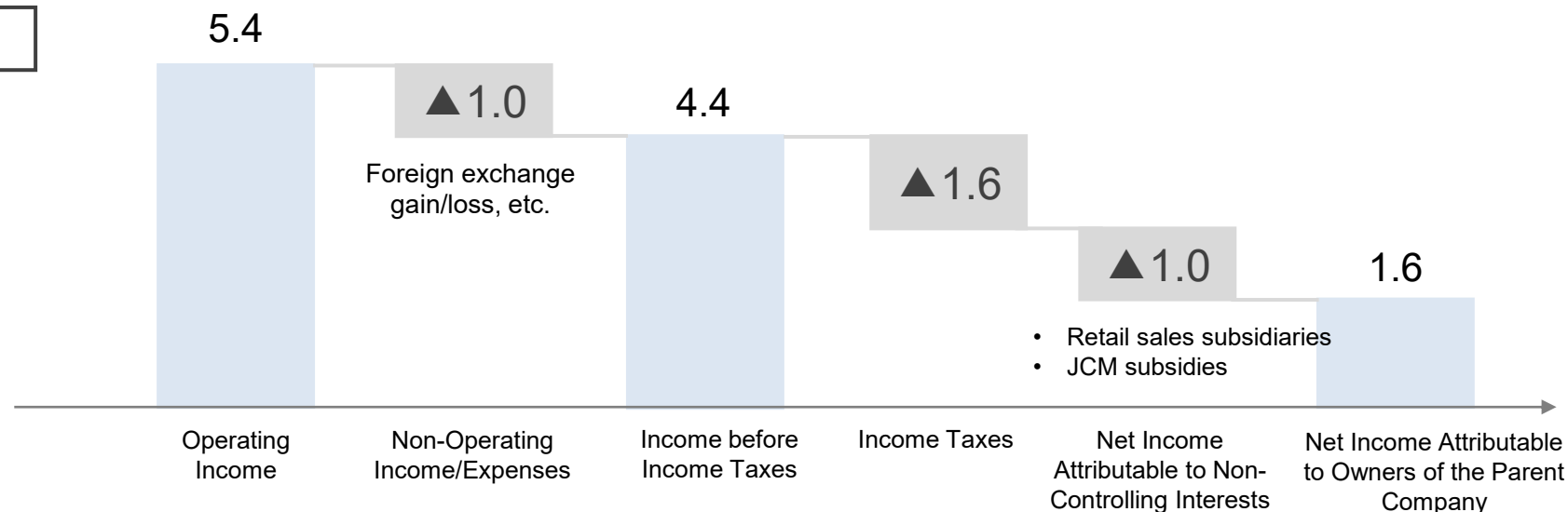
Net Sales	Operating Income	Income before Income Taxes	Net Income <small>Attributable to the the owners of the parent company</small>
127.9 billion yen	4.6 billion yen	5.5 billion yen	3.7 billion yen
<div>Full Year Plans</div> <div>Progress Rate</div>	<div>Full Year Plans</div> <div>Progress Rate</div>	<div>Full Year Plans</div> <div>Progress Rate</div>	<div>Full Year Plans</div> <div>Progress Rate</div>
176.1 billion yen	8.6 billion yen	7.5 billion yen	3.4 billion yen
72.6%	54.1%	74.1%	109.4%

- Retail and fuel businesses achieved steady growth, with sales progressing largely as planned
- Operating income was negatively affected by the impact of ENETRADE's civil rehabilitation proceedings (▲1.2 billion yen) and a temporary impact from the treatment of inventory allowance losses associated with the suspension of the Itoigawa Power Plant (▲0.8 billion yen). Excluding these factors, the operating income progress rate on a normalized basis was 79.0%. The temporary factor related to the Itoigawa Power Plant suspension had no impact on quarterly net income attributable to the owners of the parent company
- Income before income taxes showed steady progress, also benefiting from favorable financial income such as foreign exchange gains

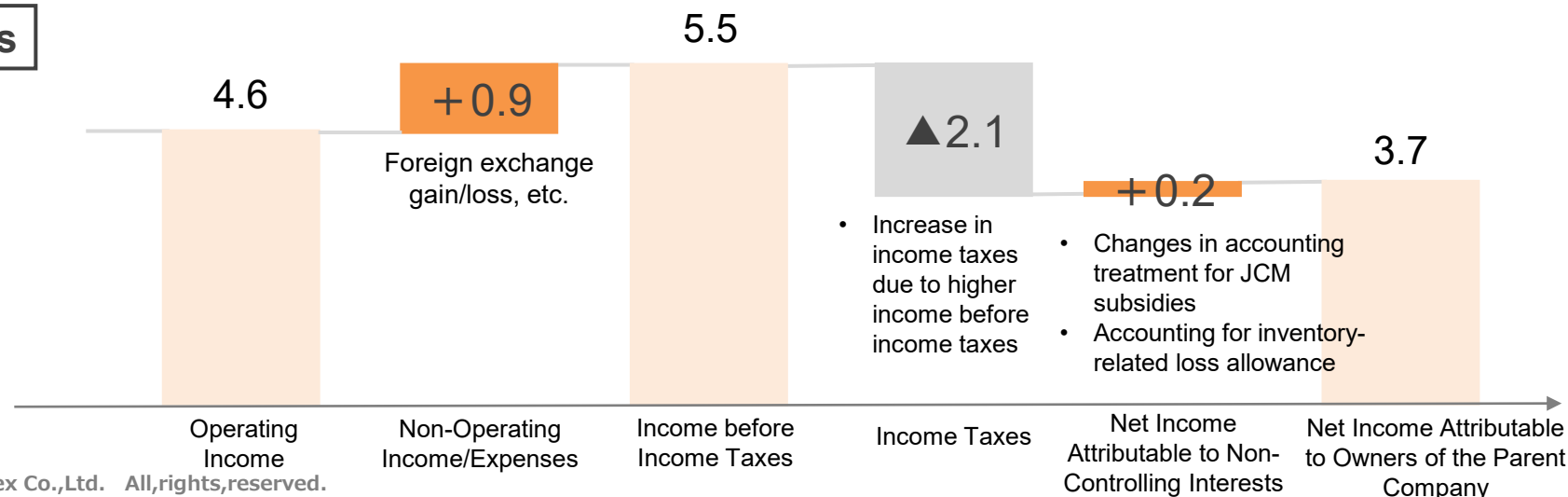
/ Progress Difference by Profit Level (vs Plans)

- Progress in operating income fell below plans due to temporary factors, but income before income taxes progressed better than plans due to improved financial income such as foreign exchange gains. Net income attributable to the owners of the parent company exceeded full-year plans due to a significant year-on-year difference in net income attributable to non-controlling interests

Plans



Results



- 1. Summary of Financial Results for the 1Q-3Q of FY March 2026**
2. Overall Business Policy
3. Status of Initiatives – Japan
4. Status of Initiatives – Overseas
5. Launch of the Shareholder Benefit Program

FY March 2026: 1Q-3Q Results (Apr 2025 – Dec 2025): IFRS

Year-on-Year

- Net Sales increased year-on-year due to increased high-voltage power sales volume, increased trading transaction amounts, and increased fuel sales to 3rd party companies
- Operating income decreased year-on-year due to deterioration in the mix of high-voltage sales plans, the impact of T'dash transfer (*1), increased promotional expenses for low-voltage contract acquisition promotion, recording of losses due to the commencement of civil rehabilitation proceedings for ENETRADE and the suspension of the Itoigawa Power Plant

vs Plans

- Net sales were largely in line with the plans due to increased retail power sales volume, despite lower operation rates at overseas power plant and factory in their initial stages
- Operating income fell below plans due to losses recorded in connection with the commencement of civil rehabilitation proceedings for ENETRADE and temporary impact of IFRS consolidation rules, despite increased retail power sales volume, increased fuel sales to 3rd party companies, and stable operation of domestic power plants

(billion yen)	FY March 2025 1Q-3Q (Results)	FY March 2026 1Q-3Q (Results)	Year-on-Year (Amount)	Year-on-Year (%)	FY March 2026 1Q-3Q (Plans)	vs FY March 2026 1Q-3Q (Plans)	FY March 2026 Full Year (Plans)	vs Full Year Plans
Net Sales	126.5	127.9	1.3	1.1%	131.1	97.6%	176.1	72.6%
Gross Profit	15.4	14.8	▲0.6	▲4.1%	13.7	107.6%	18.3	80.8%
SG&A Expenses	7.9	9.5	1.5	20.0%	9.0	105.5%	12.1	78.5%
Operating Income	8.0	4.6	▲3.3	▲41.9%	5.4	85.4%	8.6	54.1%
Income before Income Taxes	8.3	5.5	▲2.7	▲33.1%	4.4	126.2%	7.5	74.1%
Net Income (*2)	4.4	3.7	▲0.6	▲15.4%	1.6	220.1%	3.4	109.4%

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

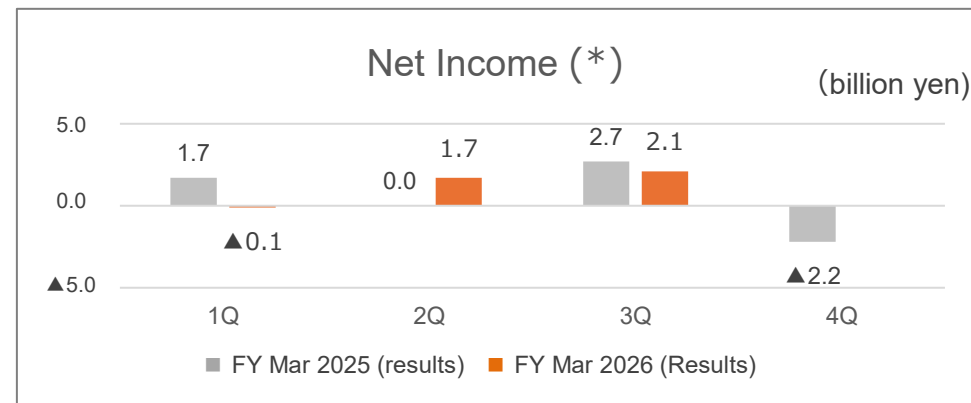
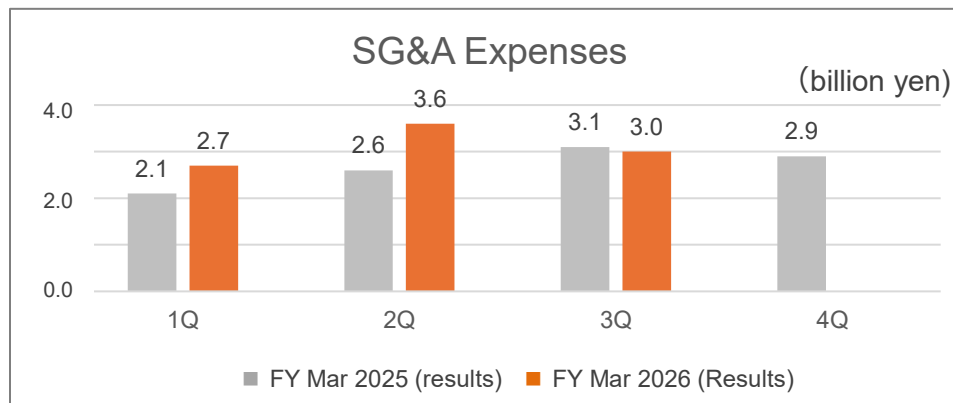
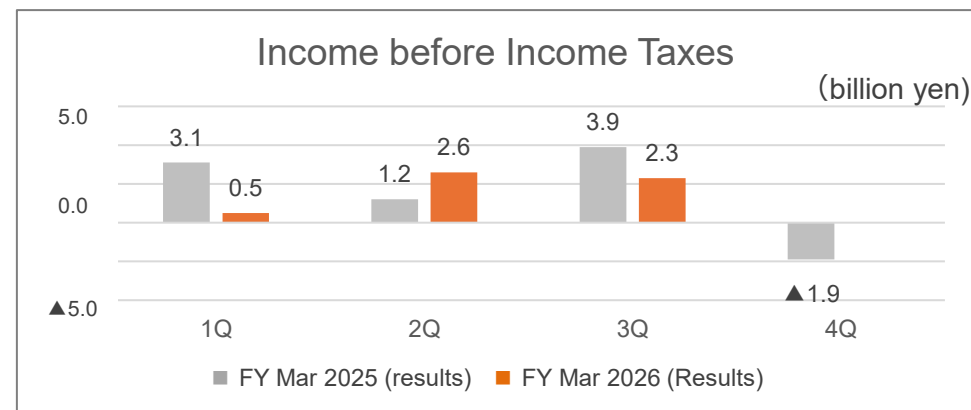
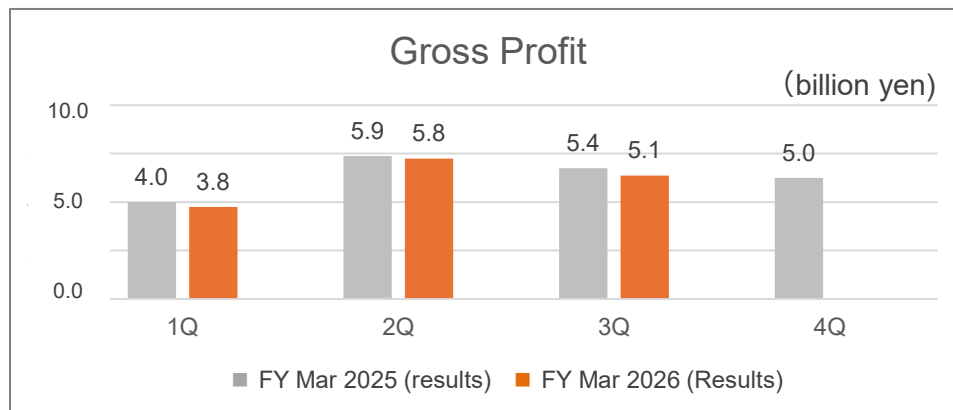
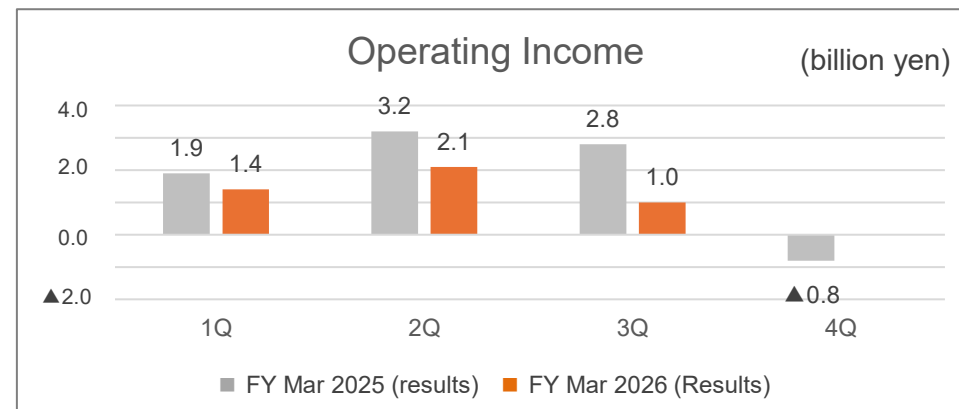
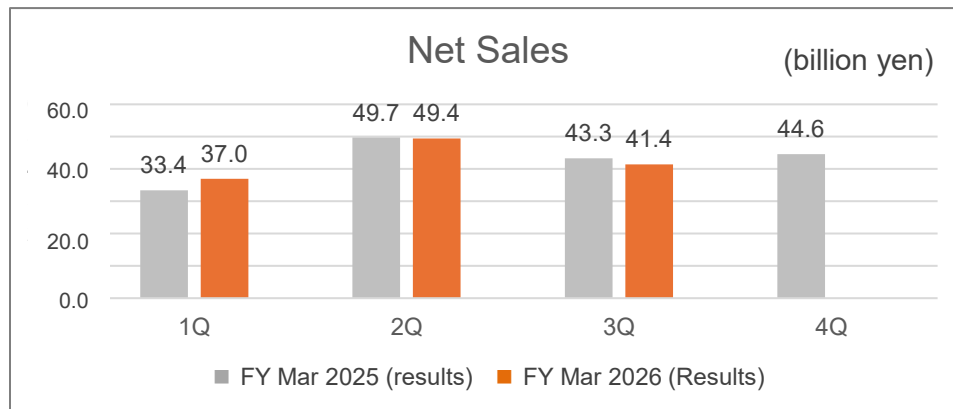
*2 Net Income: Quarterly net income attributable to the owners of the parent company

FY March 2026: 1Q-3Q Results (Apr 2025 – Dec 2025): (Breakdown of Sales & Operating Income by Division *1)

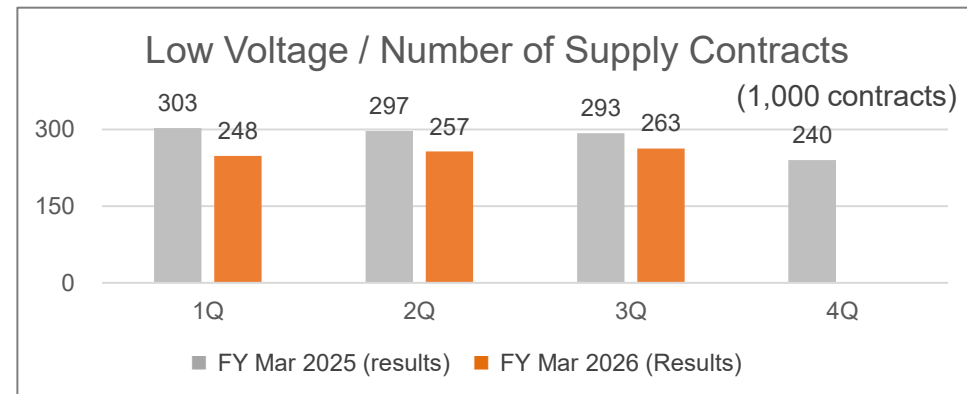
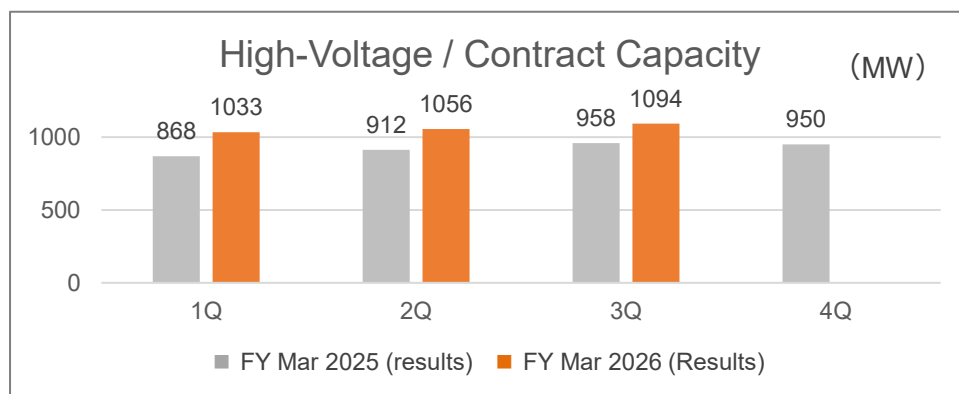
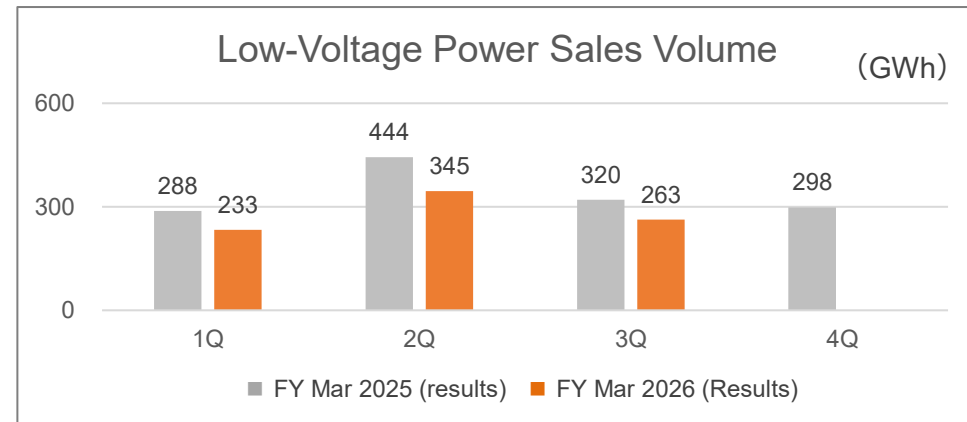
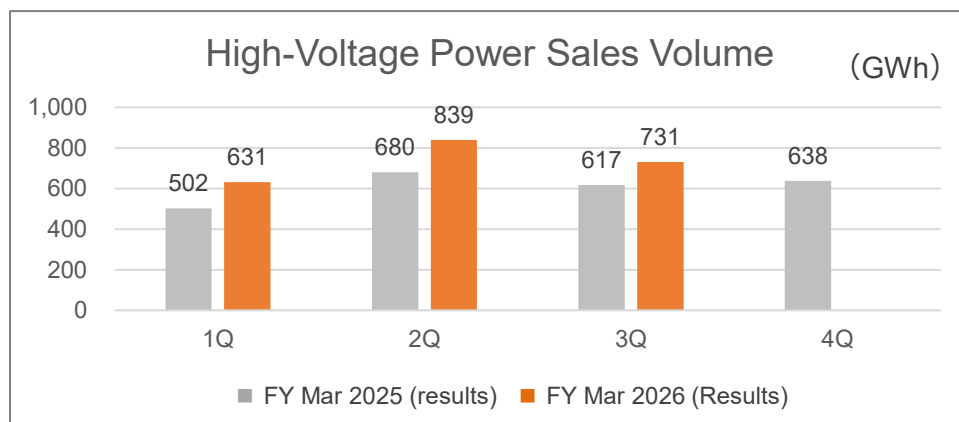
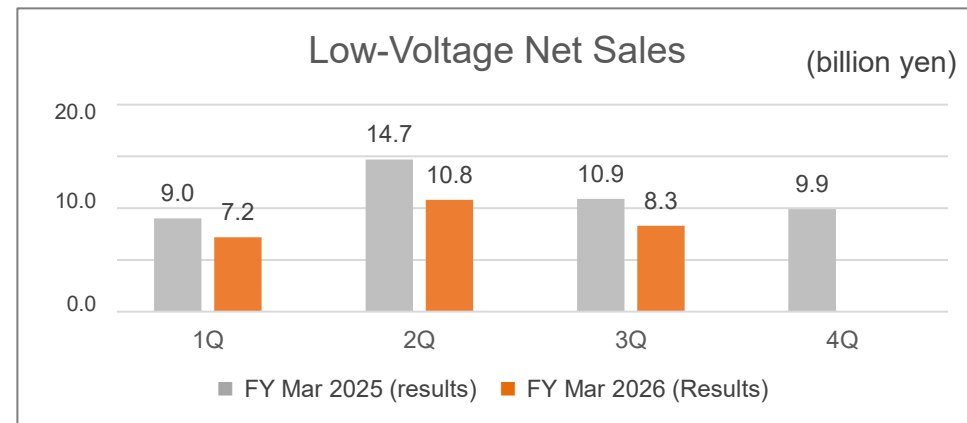
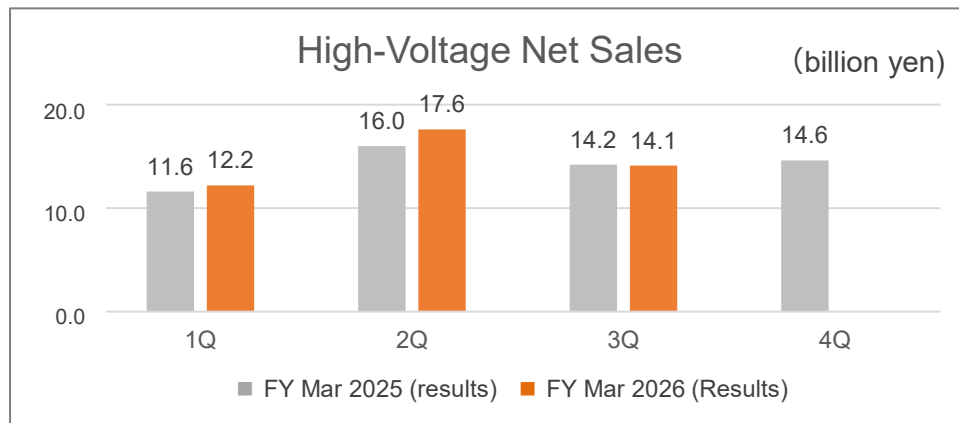


(billion yen)		FY March 2025 1Q-3Q (Results)	FY March 2026 1Q-3Q (Results)	Year-on-Year (Amount)	FY March 2026 Full Year (Plans)	Special Notes
Net Sales		126.5	127.9	1.3	176.1	
	Retail & Trading	150.9	143.2	▲7.7	194.8	Power sales volume increased, but net sales decreased due to decreased low-voltage per-customer usage volume, lower market prices YoY, and the impact of T'dash transfer
	Power Generation & Fuel	36.3	42.2	5.9	58.7	Net sales increased YoY due to increased sales of fuel to 3 rd party companies
	Overseas	0.0	0.4	0.3	3.8	Biomass power plant and pellet factory started operations, but operating rates declined due to repeated typhoons, etc.
	Other Consolidation Adjustments	▲60.8	▲57.9	2.8	▲81.2	
Operating Income		8.0	4.6	▲3.3	8.6	
	Retail & Trading	10.4	6.6	▲3.7	8.6	Power sales volume increased, but operating income decreased due to T'dash transfer, deteriorating mix (high-voltage), increased sales promotion expenses (low-voltage), and losses related to ENETRADE
	Power Generation & Fuel	▲0.6	0.2	0.9	▲0.6	Capacity revenue decreased due to suspension of the Itoigawa Power Plant, but operating income increased due to stable operations of domestic power plants and fuel sales to 3 rd party companies
	Overseas	▲1.5	▲1.4	0.1	▲1.2	Operating rates of biomass power plant and pellet factory fell short of plans
	Other Consolidation Adjustments	▲1.3	▲1.1	0.2	▲1.6	
	IFRS Adjustments	1.2	0.3	▲0.8	3.6	YoY decrease was due to losses related to ENETRADE, inventory allowance treatment, and the absence of the prior year's gain on sale of T'dash, despite gains from the difference in asset retirement obligations at Tosa Power Plant and increased low-voltage sales promotion expenses

Quarterly Trends of Key Figures (Results)



Quarterly Trends for the Retail and Trading Divisions (Results)

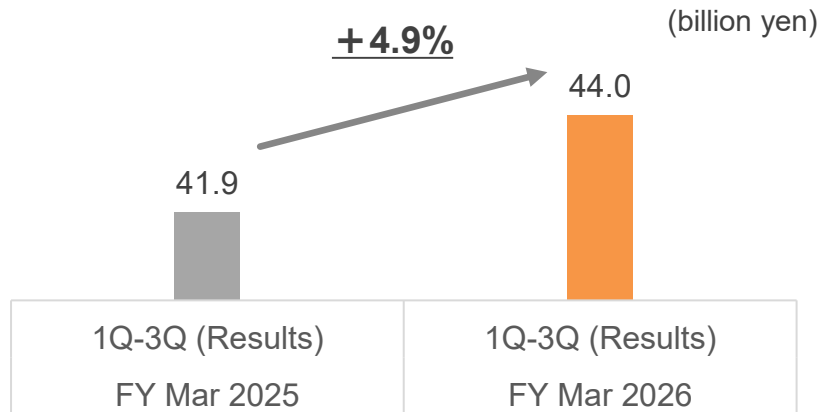


FY March 2026: 1Q-3Q Results (Apr 2025 – Dec 2025) High-Voltage Retail

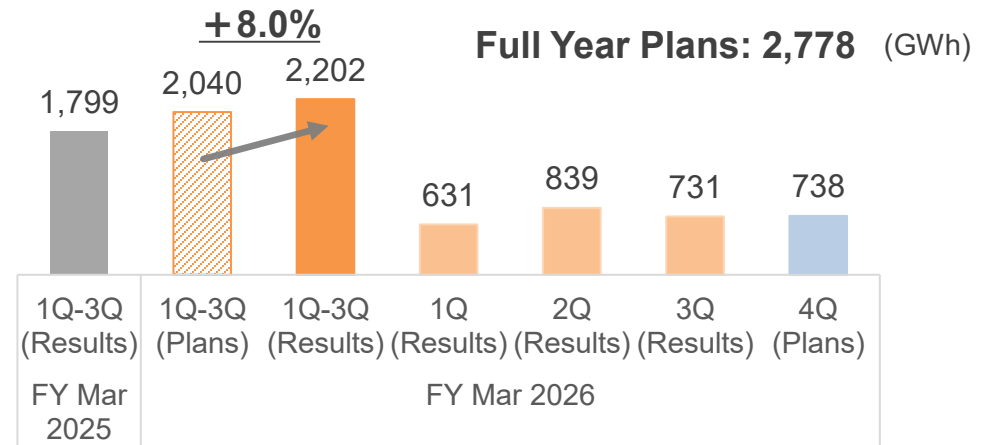
- Given that market prices continued to remain low, erex Group focused on increasing sales of market-linked plans. Going forward, erex Group aims to encourage plan changes from market-linked plans to extend contract periods
- Power sales volume was 2,202 GWh, 8.0% better than plans (+22.4% YoY). Net sales also increased by 4.9% YoY to 44.0 billion yen
- erex Group was ranked 8th in the new power companies' high-voltage power sales volume ranking in September 2025 (ranked 10th in September 2024)

Net Sales

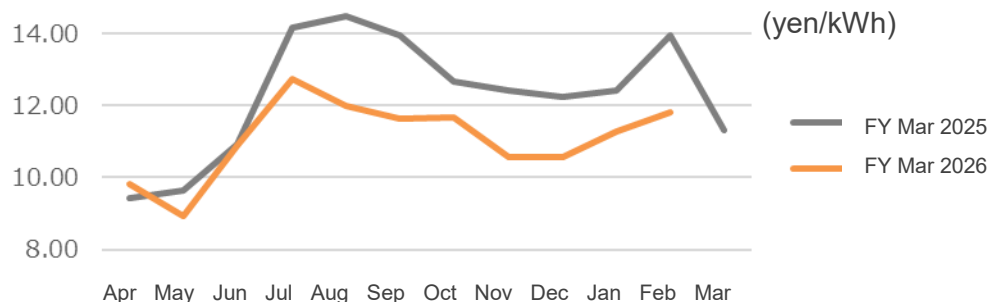
* Including subsidies to mitigate drastic changes



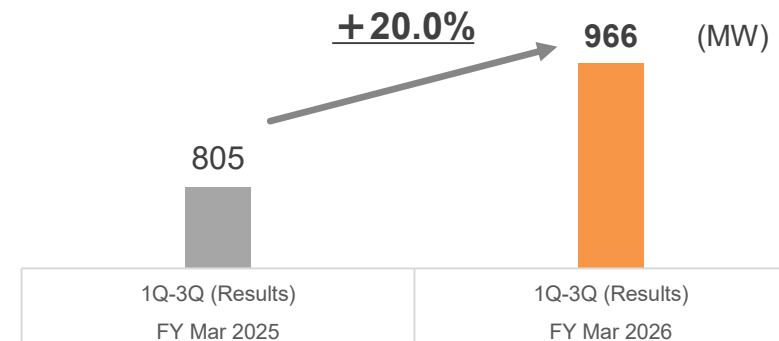
Power Sales Volume



Market Price Trends (JEPX System Price)



Contract Capacity (Sales Subsidiary, EGM)

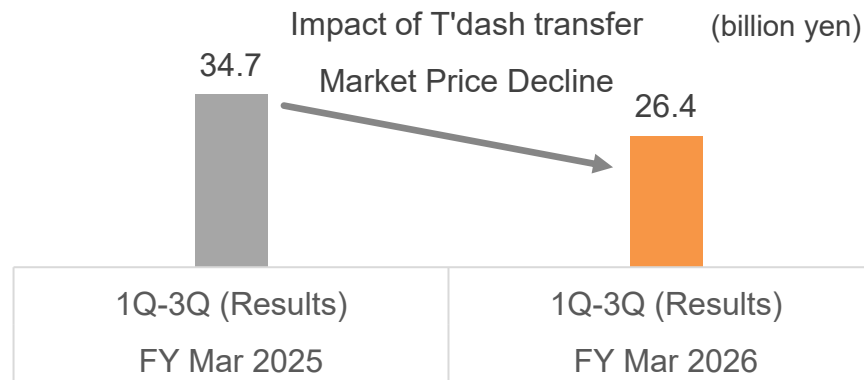


FY March 2026: 1Q-3Q Results (Apr 2025 – Dec 2025) Low-Voltage Retail

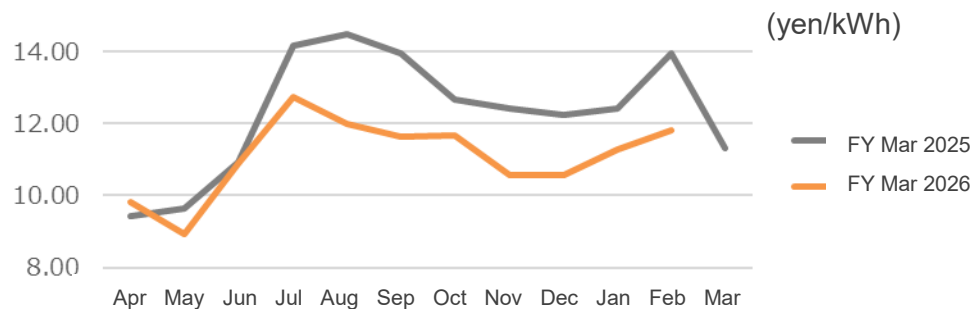
- Contract acquisition through new channels (real estate, etc.) remained strong, with supply contracts reaching 263,000, 8.9% better than plans. Although power sales volume per contract decreased, the accumulation of supply contracts resulted in total sales volume of 842 GWh, 1.5% better than plans
- Net sales decreased by 23.9% year-on-year due to the impact of T'dash transfer (*) and low market prices

Net Sales

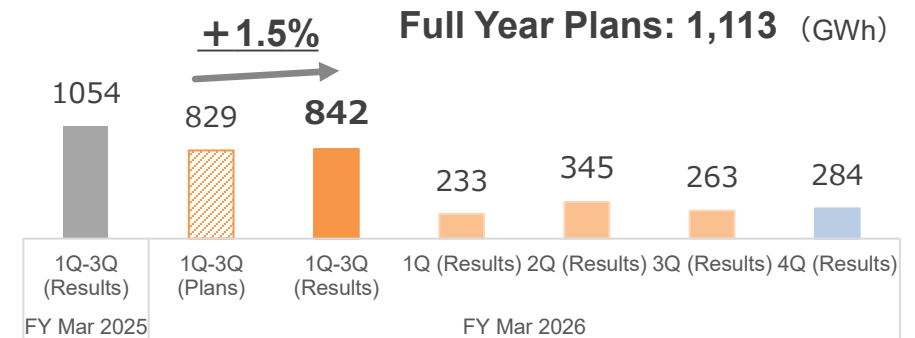
* Including subsidies to mitigate drastic changes



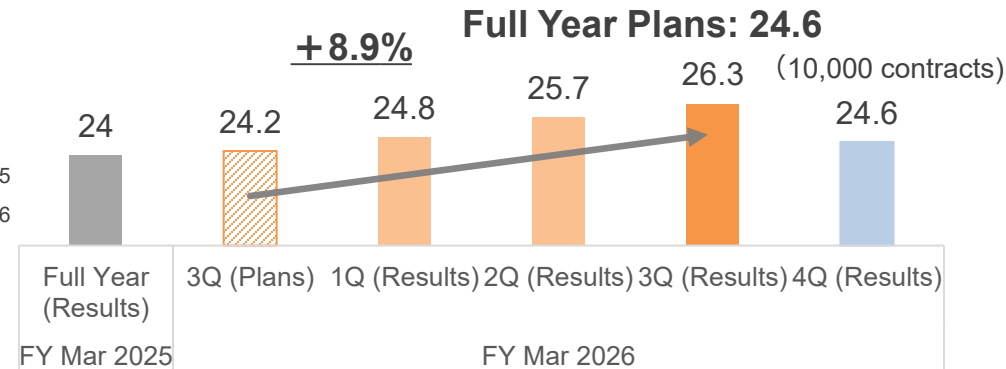
Market Price Trends (JEPX System Price)



Power Sales Volume



Number of Supply Contracts



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

1Q-3Q of FY March 2026: Summary of the Consolidated Balance Sheet

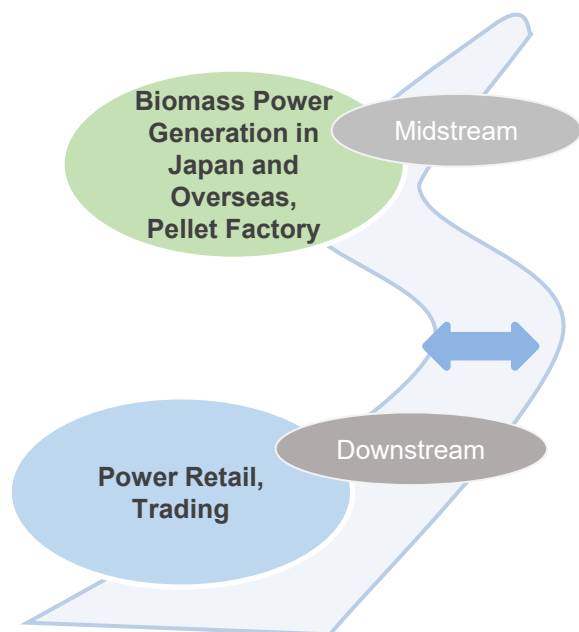


(billion yen)	FY March 2025 (End of the Period)	3Q of FY March 2026		
		Results	Increase/Decrease	Main Reasons for Increase/Decrease
Current Assets	65.5	60.0	▲5.4	<ul style="list-style-type: none"> Decrease in cash and deposits due to increase in working capital and increase in loans to Cambodian business Increase in trading receivables due to growth in retail sales and fuel sales
Noncurrent Assets	87.8	96.3	8.5	<ul style="list-style-type: none"> Increase in loans to Cambodian business Increase due to additional investment in the Sakaide Biomass Power Plant
Total Assets	153.3	156.4	3.0	
Current Liabilities	37.5	34.2	▲3.2	<ul style="list-style-type: none"> Decrease in allowances Decrease in deferred revenue due to realization of JCM subsidies
Noncurrent Liabilities	43.3	47.2	3.8	<ul style="list-style-type: none"> Increase in long-term borrowings due to new borrowings
Total Liabilities	80.9	81.4	0.5	
Interest of the Owners of the Parent Company	64.1	67.8	3.6	<ul style="list-style-type: none"> Increase in retained earnings due to quarterly net income attributable to the owners of the parent company
Non-Controlling Interest	8.3	7.1	▲1.2	<ul style="list-style-type: none"> Decrease in profits of subsidiaries
Total Equity	72.4	74.9	2.4	
Cash and Deposits	33.6	21.6	▲11.9	<ul style="list-style-type: none"> Decrease due to increase in working capital Decrease due to increase in loans to Cambodian business
Interest-Bearing Debt	45.2	47.6	2.4	<ul style="list-style-type: none"> Increase in long-term borrowings due to new borrowings
Equity (Attributable to the Owners of the Parent Company) Ratio	41.8%	43.4%	1.5%	<ul style="list-style-type: none"> Increase due to quarterly net income attributable to the owners of the parent company

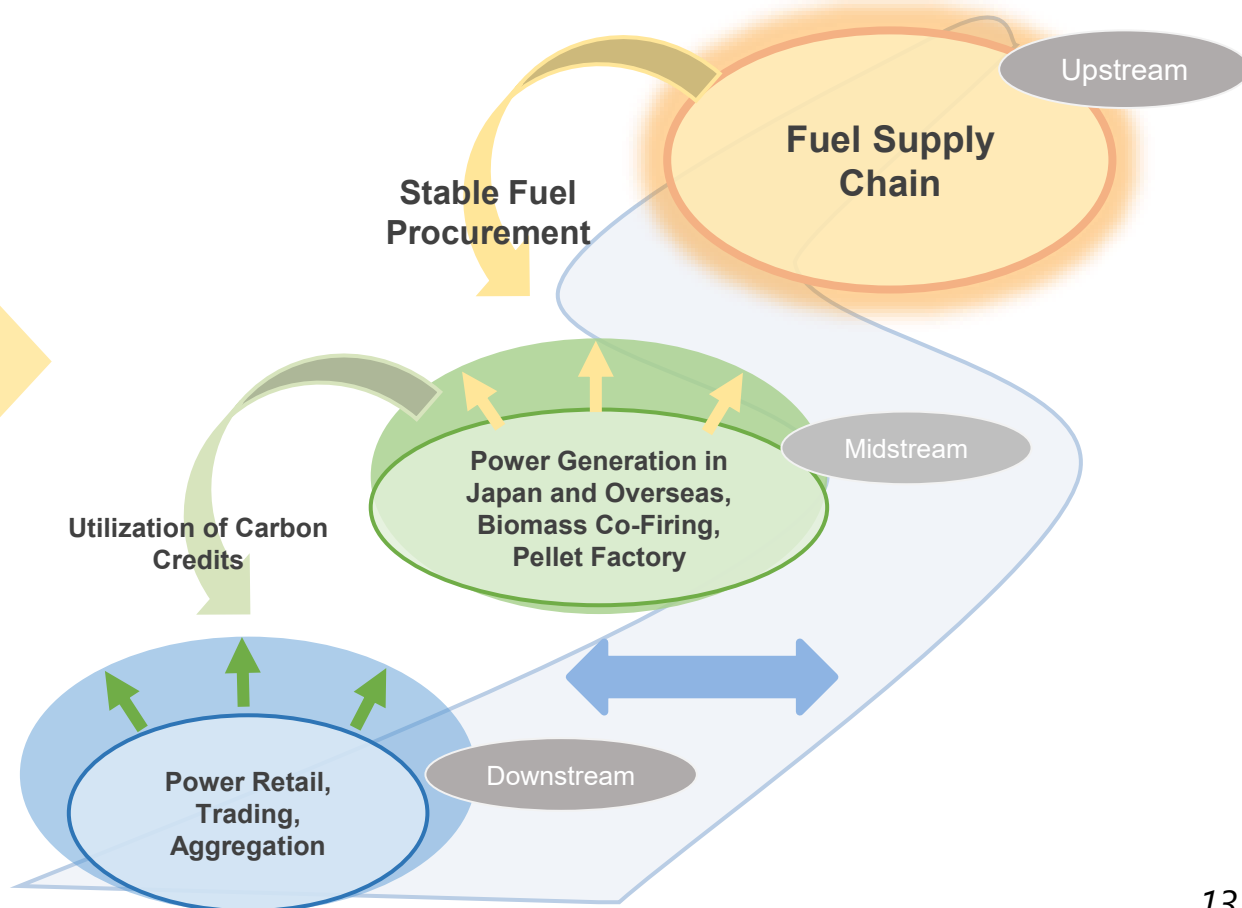
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- Based on domestic and overseas power generation businesses and the associated fuel business, erex Group aims to realize an integrated value chain from upstream to downstream by building an upstream fuel supply chain. Furthermore, erex Group aims to grow the entire business by expanding the power generation business through stable fuel procurement and generating and utilizing carbon credits from overseas power generation businesses

Progress to Date



Road Ahead



Business in Japan (Retail & Trading)

Understanding of Business Environment and Progress Status

In the electric power market where demand is increasing and the share of renewable energy is expanding, the importance of supply/demand adjustment and procurement capabilities is rapidly rising

Intensifying retail competition and diversifying customer needs

Surge in demand for adjustment capabilities (BESS & supply/demand optimization)

Expansion of renewable energy ratio in the 7th Basic Energy Plan

Maximizing Earnings through "Retail × Adjustment Capability × Trading"

Retail

Increasing power sales volume through various plans, channels, and systems

FY2025 Initiatives

- Increasing acquisition of kW (high-voltage) and the number of supply contracts (low-voltage)
- Promoting new channel development & strengthening direct sales

FY2026 Onward

- Promoting transition to high-value-added futures plans
- Continuing to build up the number of supply contracts through new channel developments

Adjustment Capability

Increasing power handling volume and reducing costs through supply/demand adjustment and aggregation

FY2025 Initiatives

- Grid-scale BESS: Investments have been decided for projects 1&2
- Collaboration with Samsung C&T Japan, JR East, and others

FY2026 Onward

- Starting operations for projects for which investments have been decided
- Pursuing large-scale projects through collaboration

Trading

Stable procurement by utilizing know-how
Stable earnings through long-term contracts

Expanding sales through increased power sales volume, improving profit margins through adjustment capabilities, and enhancing stability through trading

Overseas Business

Understanding of Business Environment and Progress Status

Economic growth is driving increased demand for electric power, while energy self-sufficiency is declining.
The need for de-carbonization and stable power sources is progressing simultaneously

Significant economic
growth rate and
expansion of power demand

Declining energy self-sufficiency
rate and increasing demand for
stable power sources

Global de-carbonization policies
and 2050 Carbon Neutrality

Generating Long-Term Stable Earnings through "Power Generation × Fuel × Carbon Credits"

Power Generation × Fuel

Stable power supply through development and
operation of renewable energy sources
Stable earnings through long-term PPAs

Carbon Credits

Monetization of generated credits through domestic sales
Promoting development through re-investment and de-
carbonization

Biomass/hydro/solar power plants

Wood pellet factories

Biomass co-firing at existing coal-
fired power plants

Initial Projects: Vietnam

- Tuyen Quang Pellet Factory started operations (March 2025), Hau Giang Biomass Power Plant started Operations (April 2025)

Vietnam

- 30% co-firing rate with coal-fired has been achieved. Full-scale operation is under discussion
- EPC contracts were signed for units 2&3 of newly built biomass power plants, groundbreaking ceremony in December 2025, operation is expected to start by the end of FY2027

Cambodia

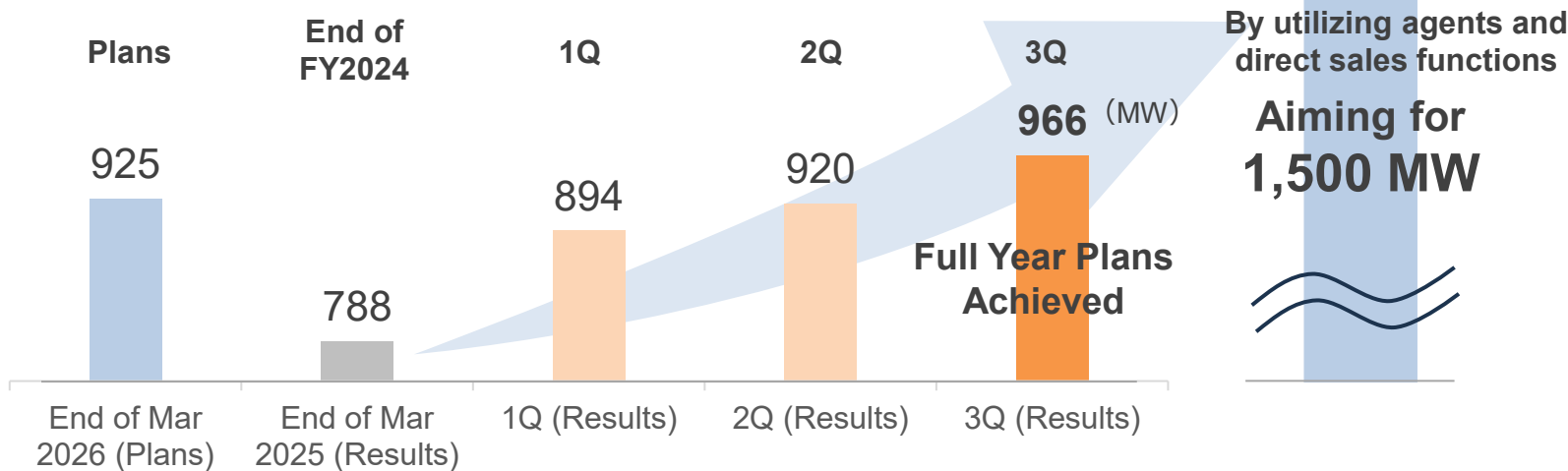
- Hydropower: 35-year PPA contract, completion of construction in June 2026
- Biomass and solar power: 25-year power generation project, operation is expected to start during FY2027

Proceeding with establishing the fuel supply chain by building on these insights

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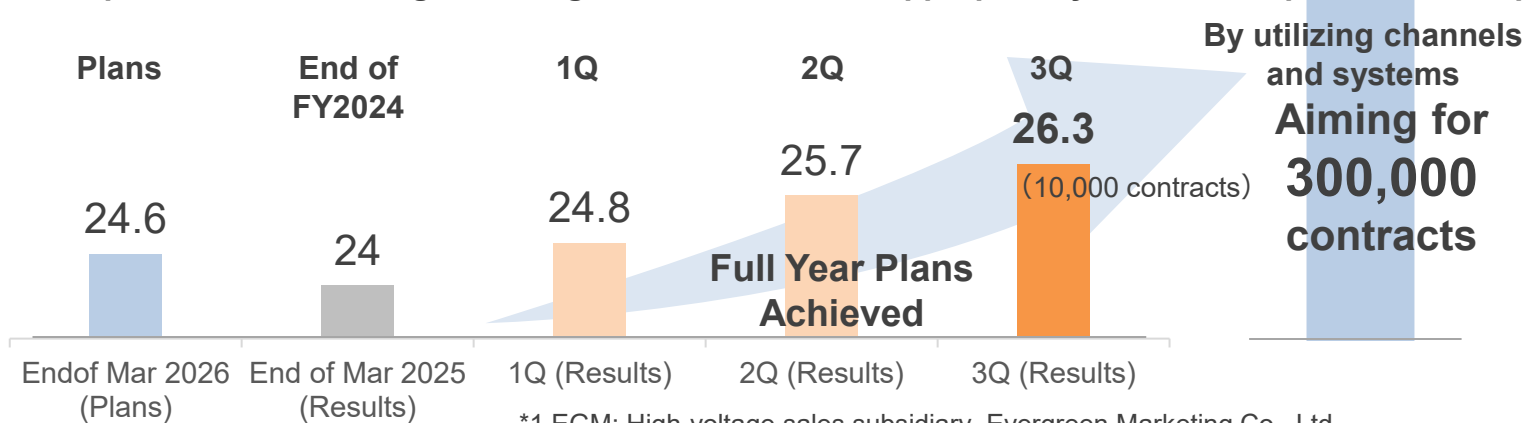
High-Voltage (EGM) Contract Acquisition Status

- EGM (*1, sales subsidiary) is strengthening efforts to develop new sales agents and enhance close communication with agents
- New acquisitions under market-linked plans are performing well, with progress significantly exceeding plans



Low-Voltage Contract Acquisition Status

- At EGR (*2, sales subsidiary), new acquisitions from real estate companies and vacant room power concierge are performing well
- The number of supply contracts significantly exceeded plans
- Market-linked plans ensure stable gross margin. These funds are appropriately allocated to promotional expenses



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

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

- 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). Contract 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

$$\text{Net Sales} = \text{Power Unit Price} \times \text{Power Sales Volume (kWh)}$$

■ 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

+

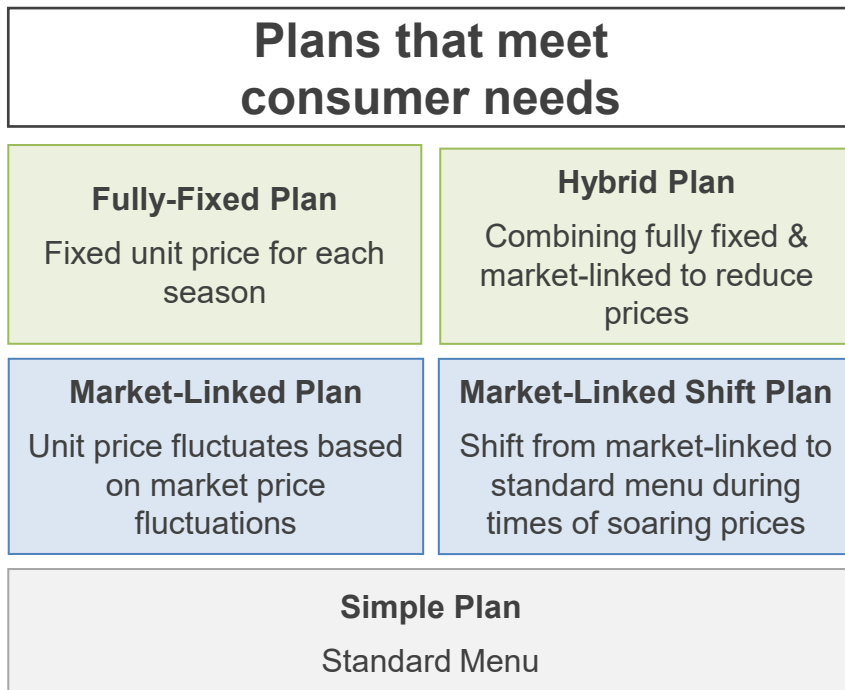
Additional services x
number of contracts

Examples of services
under consideration

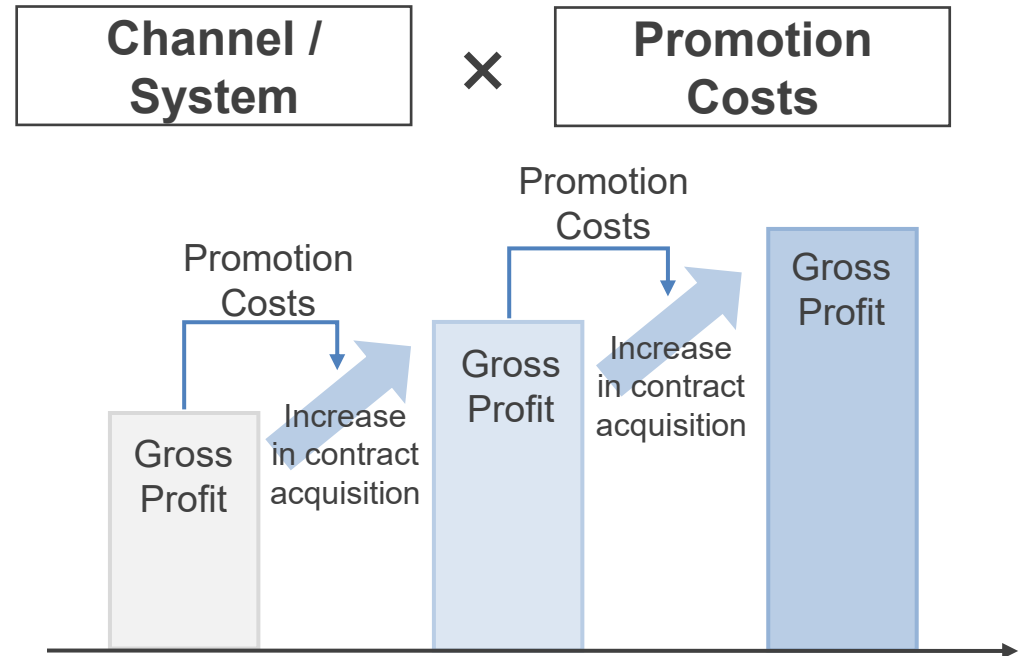
- ☐ Warranty service
- ☐ Emergency service
- ☐ Communications
- ☐ Water servers, etc.

- 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



■ EGR's approach to sales promotion expenses



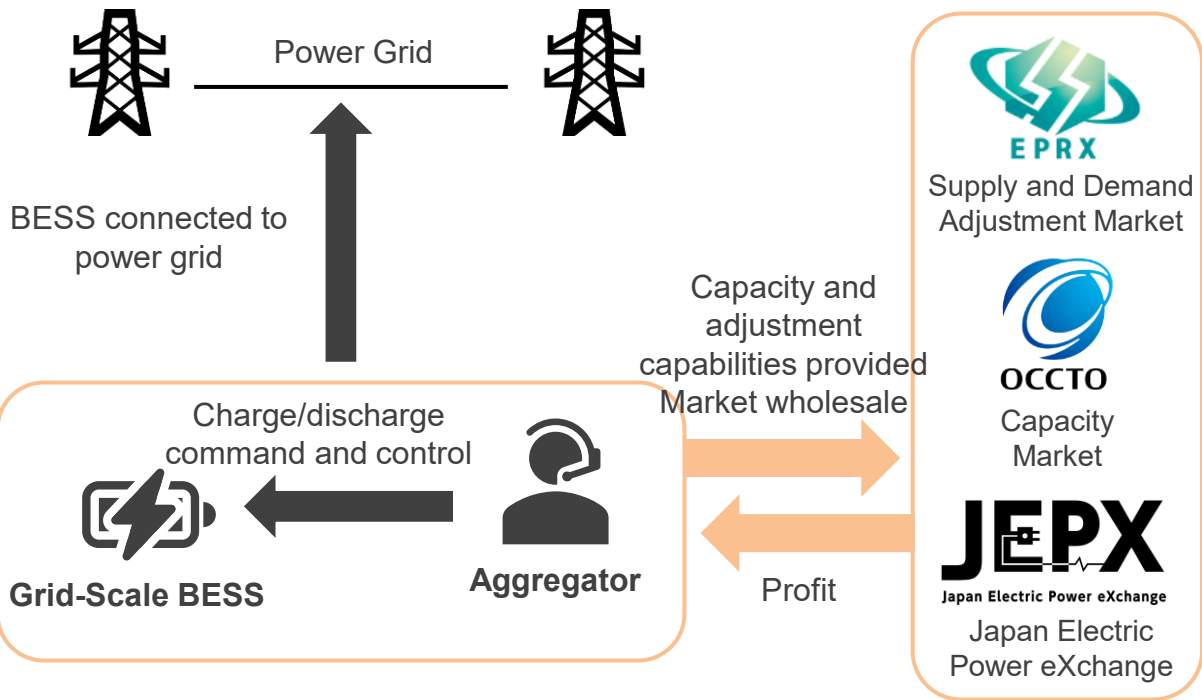
*1 EGM: High-voltage sales subsidiary, Evergreen Marketing Co., Ltd.

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Grid-Scale BESS: Investment Decision Has Been Made for the 2nd Project

- In January 2026, investment decision was made to construct a 2MW/8MWh BESS station in Chiba Prefecture (planned) as the 2nd grid-scale BESS project
- As with the 1st project announced in September 2025, the construction contract for this project was signed with Green Energy Plus Co., Ltd., a wholly owned subsidiary of Green Energy & Company Co., Ltd., on December 26, 2025. Operations are scheduled to start in the 3Q of FY2026

Project Scheme



The 1 st Project	
Area	Kushima City, Miyazaki Prefecture
Capacity	Output: 2 MW Storage Capacity: 8 MWh
Start of Operations	2Q of FY2026 *Joint venture with Samsung C&T Japan currently in preparation
The 2 nd Project	
Area	Chiba Prefecture (planned)
Capacity	Output: 2 MW Storage Capacity: 8 MWh
Start of Operations	3Q of FY2026

- erex Group's strength lies in providing all the functions necessary for aggregation on an integrated manner. Its existing functions, 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

Ability to develop power generation resources and efficiently manage and operate them

Trading Business

Knowledge of the power market and years of supply/demand management know-how

Retail Business

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

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- The following two projects have started operations in Vietnam as erex Group's first overseas business. The Hau Giang Biomass Power Plant started operations in April 2025. The Tuyen Quang Pellet Factory started manufacturing certified wood pellets in March 2025. However, due to rising raw material and procurement costs, the operating rates of each facility are currently low. erex Group will continue to diversify fuel suppliers and promote the development of fuel storage facilities to improve profitability

Hau Giang Biomass Power Plant



Selected for Subsidy Programme for Joint Crediting Mechanism (JCM) Facility Introduction (*1) in FY2022 (*2)

Vietnam's 1st commercial biomass power plant Development & operation in collaboration with local companies

Output	20MW
Fuel	Rice husks (130,000 tons/year)
Investment Ratio	erex 51%
Issues & Countermeasures	<ul style="list-style-type: none"> ❑ Soaring rice husk prices due to production curbs caused by falling rice prices ❑ Direct contracts with rice mills, fuel stockpiling, and applying new power sales contract systems are being considered

Tuyen Quang Pellet Factory



Already started shipments to 3rd party companies' biomass power plants in Japan

erex Group's 1st wood pellet factory Acquisition of know-how in the fuel business

Production Capacity	150,000 tons/year
Material	Wood/Wood Residue
Investment Ratio	erex 97%
Issues & Countermeasures	<ul style="list-style-type: none"> ❑ Soaring raw material costs and procurement costs due to the rainy season and repeated typhoons ❑ Increasing production capacity, diversifying contract terms with suppliers, and strengthening stockpiling are being considered

Operating income is expected to turn positive in the next fiscal year

*1: Ministry of the Environment, Japan has been implementing the Subsidy Programme for the JCM Facility Introduction, which provides financial support of up to a 1/2 of the initial investment cost for projects. Representative participants in the Projects shall conduct measurement, reporting, and verification (MRV) of GHG emission reductions. In addition, this financing support programme is expected to contribute to global decarbonization by disseminating and deploying advanced decarbonizing technologies while ascertaining in detail the needs of partner countries.. This project is being implemented with the cooperation of the Vietnamese and Japanese governments

*2 The announcement was made on July 1, 2022

- On April 1, 2024, the Implementation Plan for Vietnam’s 8th National Power Development Plan (PDP8) was approved (the number of erex Group’s projects: 18). The EPC contract for the Yen Bai Biomass Power Plant was signed with PECC2 (*1) in November 2025, followed by the EPC contract for the Tuyen Quang Biomass Power Plant in December. Groundbreaking ceremonies for both projects were held in Vietnam on December 19. Operations are scheduled to start at the end of FY2027
- These projects were selected for Subsidy Programme for Joint Crediting Mechanism (JCM) Facility Introduction (*2) in FY2023 (*3)

Addressing Power Demand
Amid Significant Economic Growth

Overview	<div><input type="checkbox"/> Output: 50MW/unit</div> <div><input type="checkbox"/> Fuel: Wood residue</div> <div><input type="checkbox"/> Investment ratio: erex 100% (Domestic and international companies are considering investments)</div>
Future Outlook	<div><input type="checkbox"/> 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</div>



Scenes from the groundbreaking ceremony



Yen Bai Biomass Power Plant



Tuyen Quang Biomass Power Plant

*1. PECC2: Power Engineering Consulting Joint Stock Company 2, a subsidiary of Vietnam Electricity

*2. Ministry of the Environment, Japan has been implementing the Subsidy Programme for the JCM Facility Introduction, which provides financial support of up to a 1/2 of the initial investment cost for projects. Representative participants in the Projects shall conduct measurement, reporting, and verification (MRV) of GHG emission reductions. In addition, this financing support programme is expected to contribute to global decarbonization by disseminating and deploying advanced decarbonizing technologies while ascertaining in detail the needs of partner countries.. This project is being implemented with the cooperation of the Vietnamese and Japanese governments

*3. The announcement was made on March 22, 2024

Overseas Business / Vietnam: Biomass Co-Firing with Existing 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 two coal-fired power plants owned by Vinacomin Power (September 2025 to November 2025 at the Na Duong Power Plant and December 2025 to January 2026 at the Cao Ngan Power Plant). 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" is used for the co-firing tests

Accelerating De-Carbonization Efforts through Biomass Co-Firing

Overview of the Co-firing Test

Na Duong Power Plant	Output	52.5MW x 2 units (Test conducted on 1 unit)
	Test Period	2025/09/15~2025/11/07
	Co-Firing Ratio	Gradually implemented from 5% to 20%
	Co-Firing Fuel	Wood Chip
Cao Ngan Power Plant	Output	57.5MW x 2 units (Test conducted on 1 unit)
	Test Period	2025/12/24~2026/01/13
	Co-Firing Ratio	Gradually implemented from 5% to 30%
	Co-Firing Fuel	Wood Pellet

Biomass Fuel Feeding



Coal and Wood Pellet Blended Fuel



Hydroelectric Power Generation

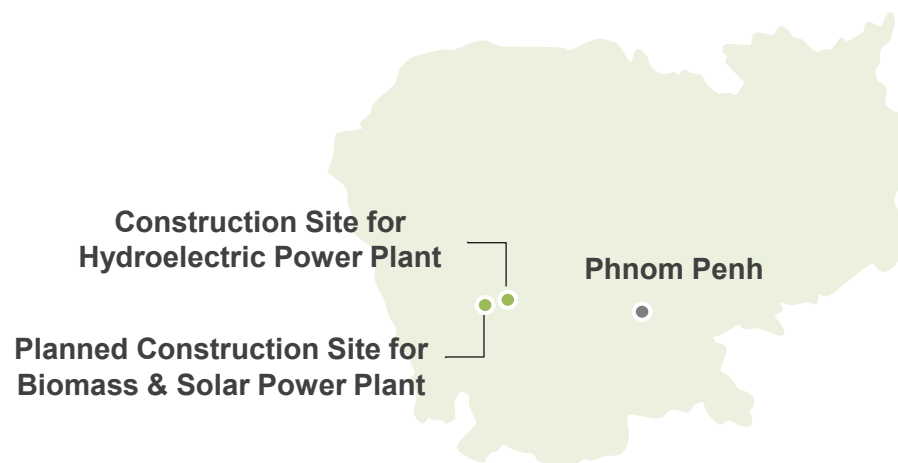
- A hydroelectric power plant (80MW) is under development in Pursat Province. Under the BOT (*) scheme, a 35-year power purchase agreement (take-or-pay) has been concluded with Electricité de Cambodge
- After the construction completion in June 2026, impoundment and trial operations are scheduled. The embankment construction for the dam body has been completed. Installation of the turbine generating equipment and excavation of the headrace tunnel are ongoing
- 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

Dam in the Final Construction Stage



Newly-Built Biomass and Solar Power Generation

- 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. Operations are scheduled to start in FY2027. As with hydroelectric power generation, EPC payments are scheduled to 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



* 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

- 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 earnings 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

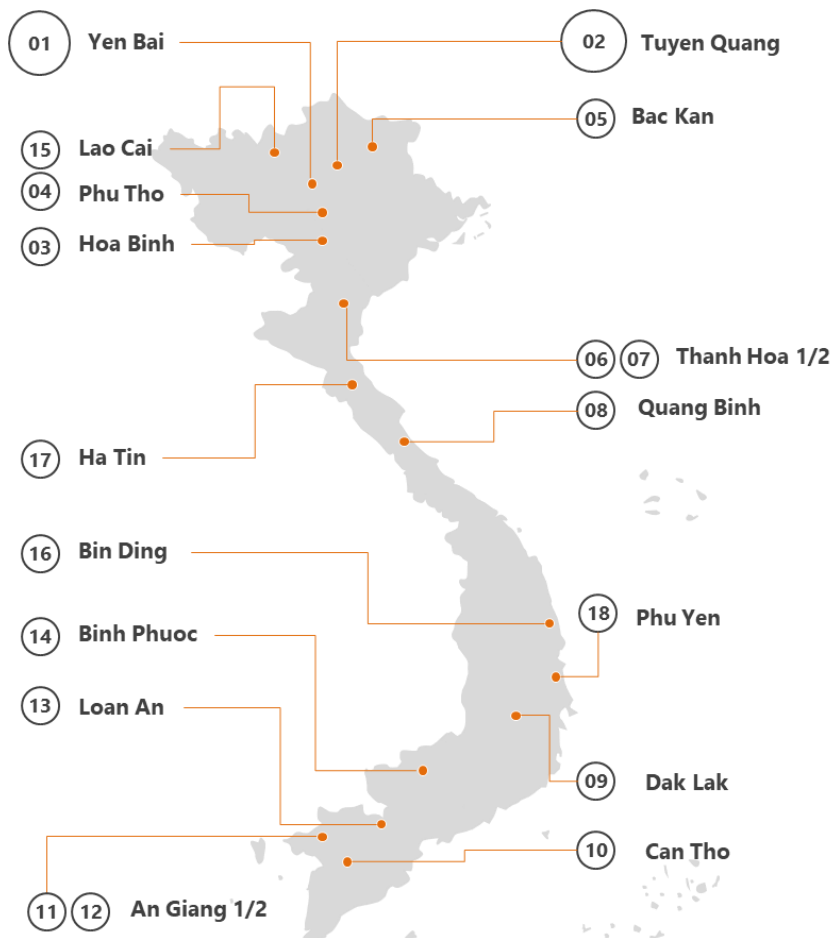
List of Target Projects Currently in Operation or Under Development

	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
PDP8	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

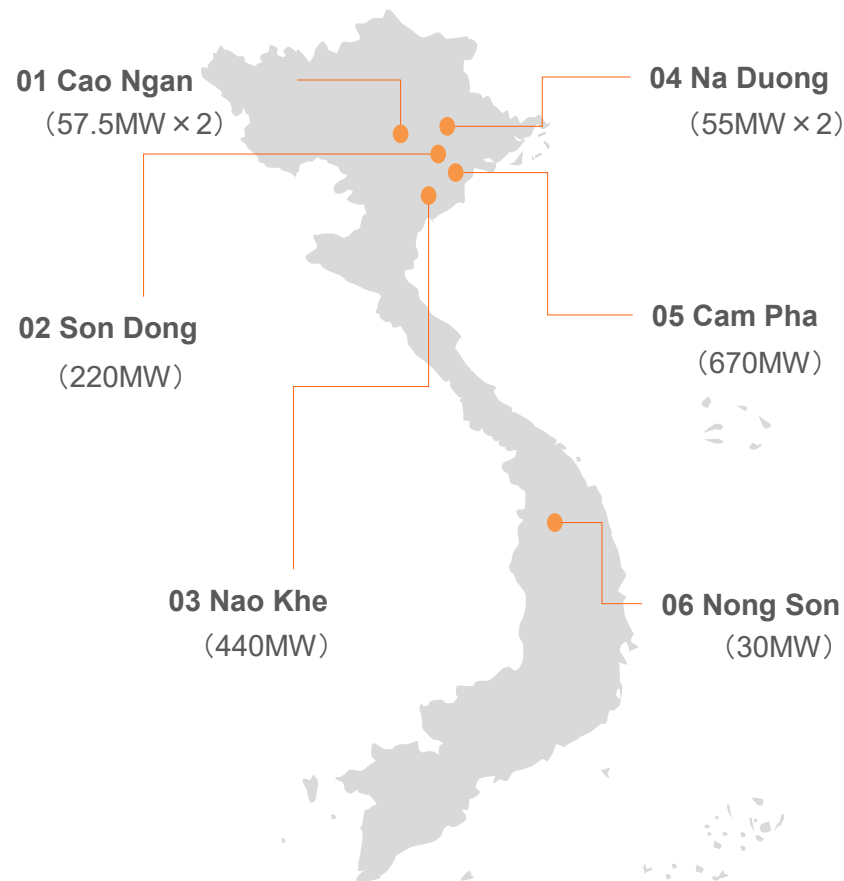
(Reference) Target Locations for Newly-Built Biomass Power Plants and Biomass Co-Firing with Coal-Fired Power in Vietnam

PDP8 Newly-Built Biomass Candidate Sites



18 sites, total 1,100MW

Coal-Fired Power Plants Owned by Vinacomin Power



6 sites, total 1,585MW

Image of Earnings	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 *Earnings from Credit only
Hydropower in Cambodia	80MW	US\$11M/year
Biomass & Solar in Cambodia	50MW (Biomass) + 40MW (Solar)	US\$8M/year *Earnings from power sales only

■ Schedule Image for Start of Operations

	FY2026	2027	2028	2029	2030
Japan					
Grid-Scale BESS No.1 (2MW/8MWh)					
Grid-Scale BESS No.2 (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		Start of trial operations			
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

1. Summary of Financial Results for the 1Q-3Q of FY March 2026
2. Overall Business Policy
3. Status of Initiatives – Japan
4. Status of Initiatives – Overseas
- 5. Launch of the Shareholder Benefit Program**

- To enhance stock liquidity and to broaden investor base, erex Group will newly launch “erex Premium Benefit Club“, an exclusive website for shareholders of erex starting in May 2026
- erex Group will actively utilize database to promote the digital transformation of shareholder management. Furthermore, erex Group will distribute PR information, financial results, timely disclosure information, etc. from time to time to strengthen dialogue with shareholders

Eligible Shareholders	Shareholders recorded or listed in the shareholder registry of erex as of the last day of March and September each year, starting in 2026, who hold 300 shares or more are eligible
Content of Benefits	Eligible shareholders will receive points that can be exchanged for over 5,000 different products, etc., including gourmet food such as rice and brand beef, sweets, drinks, fine sake, electrical appliances, and a selection of experience gifts, etc.

Number of Shares Held	Points Awarded
	End of March /End of September
300 - 399 shares	2,000
400 - 499 shares	3,000
500 - 599 shares	5,000
600 - 999 shares	7,000
1,000 - 1,499 shares	12,000
1,500 - 1,999 shares	20,000
2,000 - 2,999 shares	25,000
3,000 shares	35,000



appendix

- erex Group plans to announce the next mid-term business plan as follows;

Mid-Term Business Plan Coverage Period	FY March 2027 – FY March 2029
Announcement Date	February 26, 2026 (Thu) 13:00 – 14:00 (scheduled) Held by Zoom Webinar
Speakers	Hitoshi Honna, Representative Director & President Toshimichi Tanaka, Managing Director



Key P&L Items: Quarterly Trends (Results)

	FY March 2025 (Results)							FY March 2026 (Results)					
	1Q	2Q	3Q	4Q	1H	1Q-3Q	Full Year	1Q	2Q	3Q	1H	1Q-3Q	Full Year Plans
Net Sales	334	497	433	446	832	1,265	1,712	370	494	414	865	1,279	1,761
YoY								110.8%	99.4%	95.5%	104.0%	101.1%	102.9%
Gross Profit	40	59	54	50	99	154	205	38	58	51	97	148	183
Gross Margin	12.0%	12.0%	12.6%	11.3%	12.0%	12.2%	12.0%	10.5%	11.8%	12.3%	11.2%	11.6%	10.4%
YoY								96.6%	97.7%	93.3%	97.3%	95.9%	89.5%
SG&A Expenses	21	26	31	29	48	79	108	27	36	30	64	95	121
YoY								128.6%	138.7%	98.1%	134.2%	120.0%	111.2%
Operating Income	19	32	28	▲ 8	51	80	71	14	21	10	36	46	86
Operating Margin	5.7%	6.5%	6.6%	▲ 2.0%	6.2%	6.3%	4.2%	3.9%	4.4%	2.5%	4.2%	3.6%	4.9%
YoY								76.0%	67.0%	36.1%	70.4%	58.1%	120.5%
Retail&Trading	28	34	40	31	63	104	135	20	23	22	43	66	86
Power Generation&Fuel	▲ 6	3	▲ 4	▲ 6	▲ 2	▲ 6	▲ 13	▲ 5	2	5	▲ 3	2	▲ 6
Overseas	▲ 1	▲ 4	▲ 9	▲ 4	▲ 5	▲ 15	▲ 20	▲ 3	▲ 5	▲ 6	▲ 8	▲ 14	▲ 12
Other Consolidation Adjustments	▲ 5	▲ 3	▲ 4	▲ 5	▲ 9	▲ 13	▲ 19	▲ 3	▲ 3	▲ 4	▲ 7	▲ 11	▲ 16
IFRS Adjustments	4	1	6	▲ 23	5	12	▲ 11	7	4	▲ 7	11	3	36
Income before Income Taxes	31	12	39	▲ 19	43	83	63	5	26	23	32	55	75
% vs Net Sales	9.4%	2.4%	9.2%	▲ 4.5%	5.2%	6.6%	3.7%	1.4%	5.4%	5.7%	3.7%	4.4%	4.3%
YoY								17.0%	221.6%	59.3%	73.8%	66.9%	118.6%
Net Income (*1)	17	0	27	▲ 22	16	44	21	▲ 1	17	21	15	37	34
% vs Net Sales	5.2%	▲ 0.1%	6.3%	▲ 5.1%	2.0%	3.5%	1.2%	▲ 0.4%	3.5%	5.2%	1.8%	2.9%	1.9%
YoY								-	-	78.8%	94.1%	84.6%	161.3%

*1 Net Income: Quarterly net income attributable to the owners of the parent company

Retail and Trading Division: Calculation Method for Gross Profit and Operating Income

- Increasing power sales volume by using power sales volume as KPI and expanding contract acquisition while maintaining a fixed gross profit unit price

$$\begin{array}{c} \boxed{\text{Gross Profit}} \\ \downarrow \end{array} \quad - \text{SG\&A Expenses} = \text{Operating Income}$$

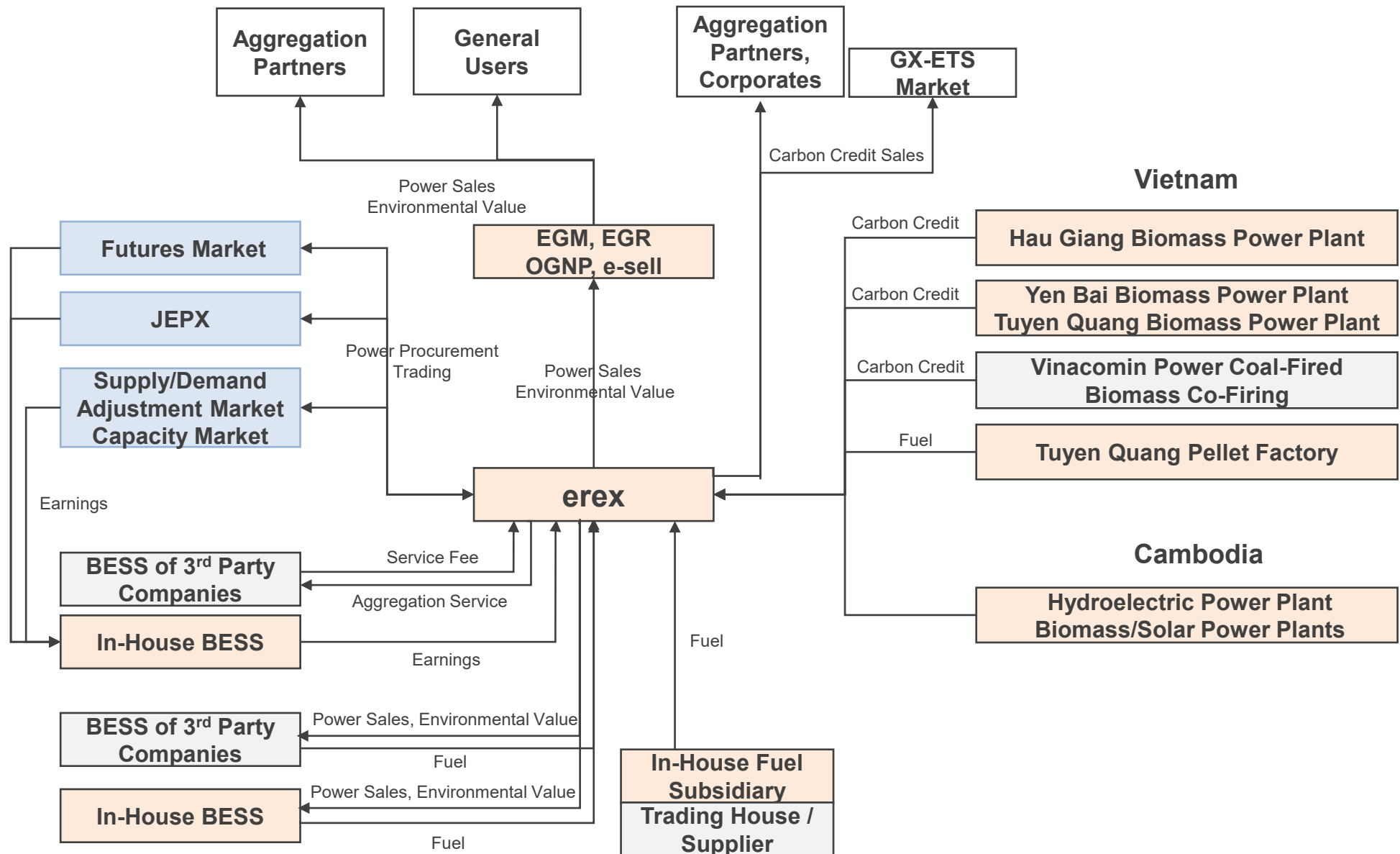
$$\boxed{\begin{array}{cc} \text{Power Sales Volume} & \times & \text{Gross Profit Unit Price} \\ \text{(Retail \& Trading)} & & \text{(yen/kWh)} \end{array}}$$

	Power Sales Volume (Retail & Trading)	Gross Profit Unit Price	Gross Profit	SG&A Expenses	Operating Income
	GWh	(yen/kWh)	billion yen	billion yen	billion yen
FY March 2025 Full Year Results	7,201	2.83	20.4	6.9	13.5
FY March 2026 Full Year Plans	7,274	2.39	17.4	8.8	8.6

Retail and Trading Division: Quarterly Trends (Results)



	FY March 2025 (Results)							FY March 2026 (Results)					
	1Q	2Q	3Q	4Q	1H	1Q-3Q	Full Year	1Q	2Q	3Q	1H	1Q-3Q	Full Year Plans
High Voltage													
Net Sales (billion yen)	11.6	16.0	14.2	14.6	27.7	41.9	56.6	12.2	17.6	14.1	29.9	44.0	56.1
YoY								105.5%	109.7%	99.0%	107.9%	104.9%	99.1%
Power Sales Volume (GWh)	502	680	617	638	1,182	1,799	2,438	631	839	731	1,471	2,202	2,778
YoY								125.8%	123.5%	118.5%	124.4%	122.4%	114.0%
Contract Capacity (MW)	868	912	958	950	912	958	950	1,033	1,056	1,094	1,056	1,094	1,076
YoY								119.0%	115.8%	114.2%	115.8%	114.2%	113.3%
Low Voltage													
Net Sales (billion yen)	9.0	14.7	10.9	9.9	23.7	34.7	44.7	7.2	10.8	8.3	18.1	26.4	36.3
YoY								80.8%	73.5%	75.8%	76.3%	76.1%	81.3%
Power Sales Volume (GWh)	288	444	320	298	733	1,054	1,352	233	345	263	578	842	1,113
YoY								80.6%	77.7%	82.1%	78.9%	79.9%	82.3%
# of Supply Contracts (1,000)	303	297	293	240	297	293	240	248	257	263	257	263	246
YoY								82.0%	86.6%	90.1%	86.6%	90.1%	102.6%



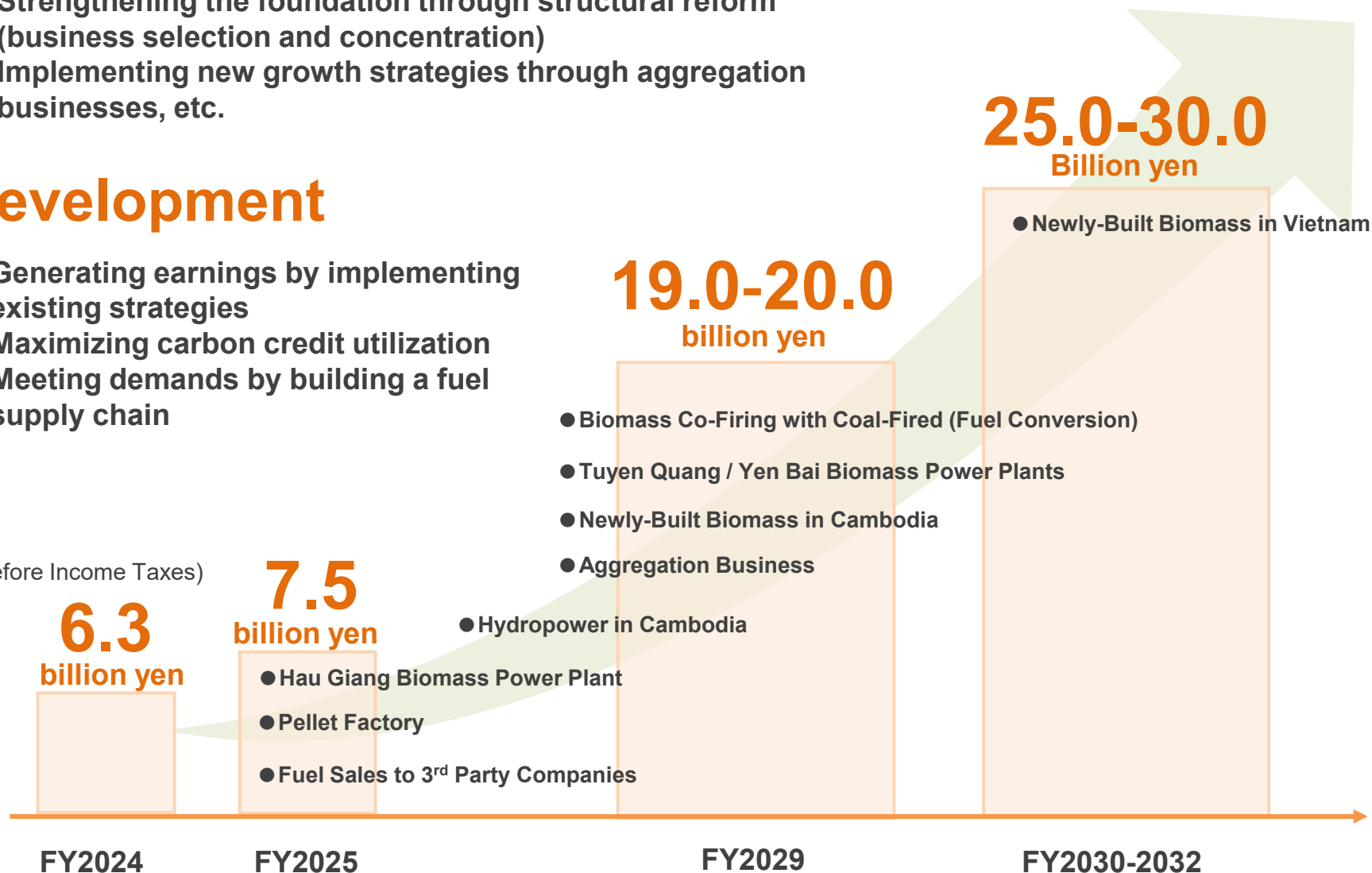
Strong Defense

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

Development

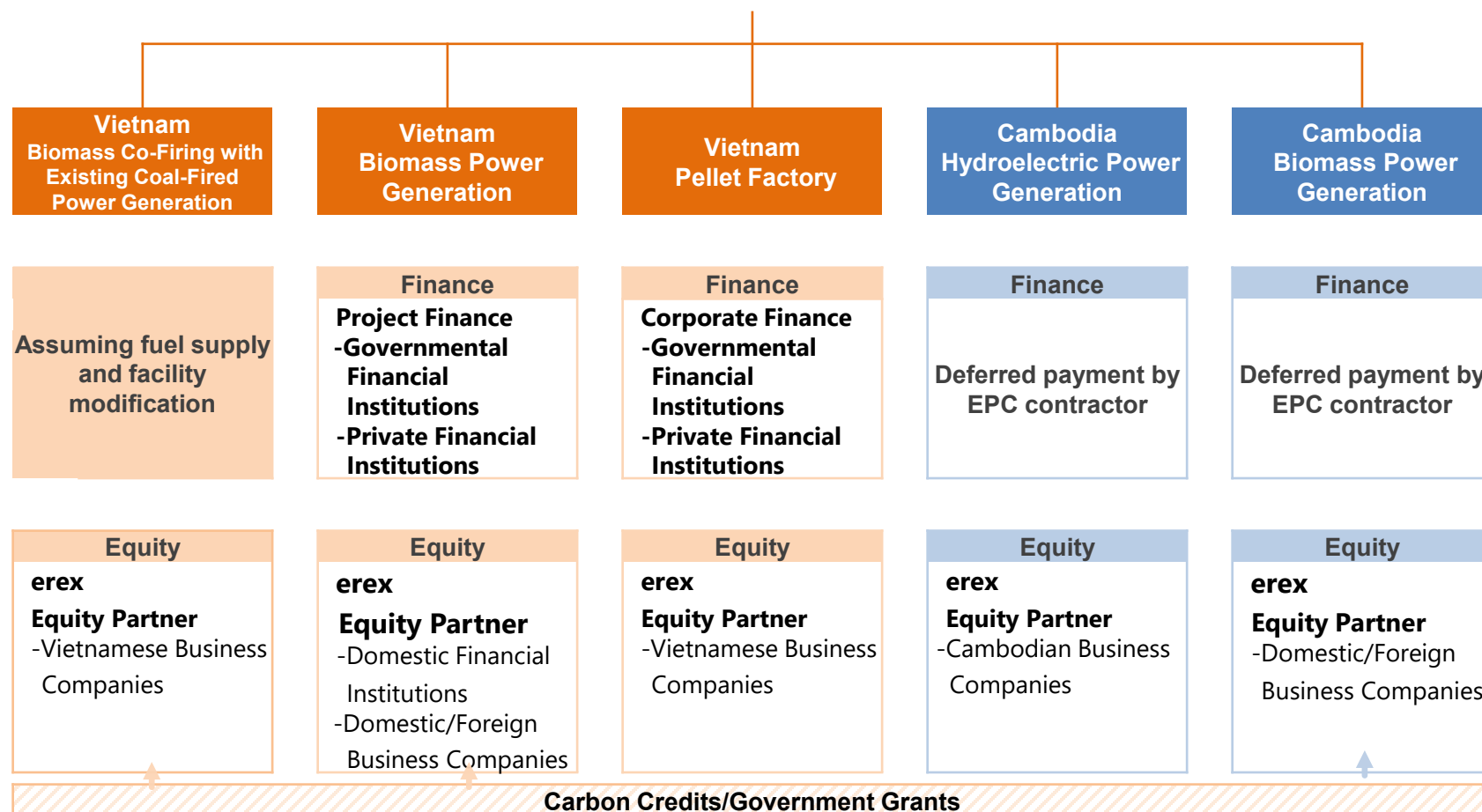
- Generating earnings by implementing existing strategies
- Maximizing carbon credit utilization
- Meeting demands by building a fuel supply chain

(Income before Income Taxes)



- 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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