

**erex Started Initial Trading in Supply-Demand Balancing Market
(Adjustment Market) Using Grid-Scale BESS
~Full-Scale Development of BESS Aggregation Business~**

erex Co., Ltd. (Headquarters: Chuo-Ward, Tokyo; Representative Director & President: Hitoshi Honna; hereinafter referred to as "the Company") started its first trading in the "Frequency Containment Reserve (Offline)" category of the supply-demand balancing market on August 4, 2026, utilizing the "Kushima City BESS Station in Miyazaki Prefecture", a grid-scale BESS.

This initiative marks the Company's first entry into the supply-demand balancing market and represents the first step toward the full-scale development of its BESS aggregation business. By leveraging the high-speed responsiveness and flexibility of BESS, the Company aims to contribute to the stable operation of the power grid while driving further expansion of its BESS business.

1. Initiatives Leading Up to Market Entry

Since the start of commercial operations at Kushima City BESS Station in Miyazaki Prefecture in April 2026, the Company has been preparing to enter the supply-demand balancing market, including verifying equipment performance and establishing market operation systems as well as monitoring and operational management frameworks.

The supply-demand balancing market requires high reliability to provide balancing capacity at the precise moment needed to address fluctuations in electric power supply-demand. To meet this requirement, the Company established the necessary systems regarding both equipment and operations, leading to the start of its initial transactions.

Furthermore, the Company possesses expertise in power market analysis, supply-demand management, and risk management, cultivated through its electric power retail, power generation, and power trading businesses. Leveraging this expertise, the Company has established an operational framework that pursues both market revenue generation and maintenance of long-term health and reliability of BESS.

2. Significance of Entering the Supply-Demand Balancing Market

As the adoption of renewable energy expands, there is a growing need to enhance the ability to respond to fluctuations in electric power supply and demand. By leveraging the flexible balancing capabilities of



BESS, the Company will support a stable power supply and contribute to the further proliferation of renewable energy and the increased resilience of power infrastructure.

3. Future Developments

Starting with this project, the Company will proceed to enter the supply-demand balancing market with multiple grid-scale BESS scheduled to start operations in fiscal years 2026 and 2027.

In addition to providing frequency containment reserve (offline), the Company aims to maximize the value of BESS by entering the secondary and tertiary reserve (balancing) capacity markets and implementing optimal operations that integrate multiple markets, such as the wholesale electricity and capacity markets.

Furthermore, by leveraging the operational expertise gained from its own facilities, the Company will launch full-scale aggregation services for grid-scale BESS owned by 3rd party companies, thereby contributing to improved profitability for BESS operators and the stabilization and advancement of the power grid.

<Reference Information>

Overview of the Kushima City BESS Station in Miyazaki Prefecture

BESS Installation Site	Kushima City, Miyazaki Prefecture
Rated Output	1,998kW
Rated Capacity	8,128kWh
Start of Operations	April 7, 2026

<Reference Links>

- [Investment Decision for the 3rd Grid-Scale BESS Project Construction of a “2MW Output / 8MWh Storage Capacity” Scale BESS Station in the Kansai Electric Power Area \(Japanese only\)](#)
- [Start of Commercial Operations for the First Grid-Scale BESS Project](#)
- [Investment Decision for the 2nd Grid-Scale BESS Project Construction of a “2MW Output / 8MWh Storage Capacity” Scale BESS Station in the Tokyo Electric Power Company Area](#)

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