PowerX Business Model and Growth Strategy

December 2025

This document is an English translation of the original Japanese document titled “Jigyo Keikaku Oyobi Seichou Kanousei Shiryou” and is provided solely for reference purposes.
In the event of any discrepancy between this translation and the original Japanese document, the original Japanese version shall prevail.

Contents

Company Overview

Company	PowerX, Inc.
Founded	March 22, 2021
Representative	Masahiro Ito, Director, President & CEO
Locations	Headquarter & Factory: Tai 6-9-1, Tamano, Okayama, Japan Tokyo Office: Midtown Tower, 43F, 9-7-1 Akasaka, Minato-ku, Tokyo Annex / Show room: AXALL ROPPONGI 2F, 8-6 Roppongi, Minato-ku, Tokyo
Business	Manufacturing & Sales of Large-Scale Battery Energy Storage Systems EV Charging Station Operations and Services Power Business
Employees (Consolidated)	180 (including temporary employees)*

* As of September 30, 2025

Who We Are: Board & Executive Officers

Director, President & CEO

Masahiro Ito

Founded Yappa Inc. in 2000. Joined the ZOZO Group through M&A and served as CEO of ZOZO Technologies, followed by Director and COO of ZOZO, Inc. from 2019. Established PowerX, Inc. in March 2021.

Chairman of the Board

Tadahisa Kagimoto

Former physician at Kyushu University Hospital. Founded Helios Inc. in 2011, a biotechnology venture originating from academia, and has served as the company's representative since 2012.

External Director

Paolo Cerruti

Co-founder of Northvolt and former Tesla executive. Served as Northvolt's CEO from 2015 until January 2025, subsequently transitioning to Chairman of the Board of Northvolt Canada.

External Director

Caesar Sengupta

Former Vice President and General Manager at Google. Led Chrome OS, Google Pay, and the Next Billion Users initiative. Founded fintech company Arta Finance in 2021.

External Director

Mark Tercek

Former Managing Director and Partner at Goldman Sachs with 24 years of tenure. Served as CEO of The Nature Conservancy from 2008 and joined Centerview Partners as Senior Advisor in 2022.

External Director

Mitsugu Serizawa

Held senior roles at Sumitomo Mitsui Banking Corporation (SMBC), including COO of SMBC Europe Ltd. and President of SMBC International Business. Served as Deputy President of SMBC Operation Service from 2018 to 2020.

External Director

Tatsuya Sakuma

Former Public Prosecutor for the Tokyo, Naha, and Niigata District Public Prosecutors Offices. Held various positions within the Ministry of Justice and Tokyo District Public Prosecutors Office. Currently serves as attorney and Outside Director for multiple companies, including AEON Financial Service.

Corporate Executive Officer

Toshiyuki Fujita

Previously with Deloitte Tohmatsu and KPMG, led two companies to listings on the former Mothers market of the Tokyo Stock Exchange. Certified Public Accountant.

Sales Executive Officer

Hidemi Nakaya

Over 25 years of business-development and sales experience at KEYENCE. Served as CBDO of the company's German subsidiary and Director of its Singapore subsidiary, overseeing regional operations.

Production and Procurement Executive Officer

Michinori Ikezoe

Directed cell and module design at Sanyo and later led HEV battery-pack development at Nissan Motor. Oversaw battery, charger, and converter development and managed overall battery strategy.

EV Charging Business Executive Officer

Kohei Morii

Over 25 years of business-development and sales experience at KEYENCE. Served as CBDO of the company's German subsidiary and Director of its Singapore subsidiary, overseeing regional operations.

Power Business Executive Officer

Yusuke Kojima

Held leadership roles at a major electrical-equipment manufacturer and a foreign consulting firm. Joined a power-sector company in 2014 as Head of Retail Electricity and established an independent management-consulting firm for the energy sector in 2023.

CTO, Executive Officer of Engineering and Research

Deepak Raut

Systems-design engineer specializing in model-based development of alternative-powertrain systems, transmission controllers, and high-voltage battery and charging systems for EVs. Professional background includes Daimler Truck, Tata Motors, and Mercedes-Benz.

CSO, Technology Strategy Executive Officer

Hironobu Igarashi

PhD in Engineering (Tokyo University of Agriculture and Technology). Former senior roles at the Electrical Safety & Environment Technology Laboratories and a global certification body; previously Global Marketing CTO at a foreign manufacturer. Currently Visiting Professor at the University of Miyazaki's GX Research Center and a member of JIS and IEC committees.

Vision and Mission

PowerX

Battery Power Plant [*1]

designed, engineered and maintained to achieve Japan's energy independence

Japan’s energy self-sufficiency is only 15.3%[*2], among the lowest in the OECD, reflecting reliance on imported oil, gas, and coal. The government’s latest energy plan calls for a shift to sustainable power not only to protect the environment, but also to strengthen energy independence. PowerX will lead this transition with reliable battery power plants essential to achieving this goal.

Vision

For a Sustainably Prosperous Future

Mission

Achieving Japan’s Energy Independence

*1 Since May 2022, when the Electricity Business Act was amended, energy storage systems with an output of 10 MW or more and directly connected to the power grid have been treated as “power plants.” PowerX defines these grid-scale storage systems as “battery power plants.”
*2 Source: Comprehensive Energy Statistics (FY1990–FY2023 Time-Series Tables), Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry (METI).

PowerX at a Glance

Established in

2021

(4 years of operation)

Addressing a TAM of

Up to 10.1 tn JPY

by 2040 in Japan *1

No. 1

Adoption rate of FY2024 government subsidized projects (50%) *2 in Japan

Signed Orders

62.4bn JPY

Cumulative Value of Signed Orders*3

JPY 0.3bn → JPY 6.16bn

FY23 Revenue → FY24 Revenue

30% +

GP margin (FY25 Q3 cumulative)

*1 Estimated market size assuming that the cumulative balancing capacity required to accommodate the increase in renewable energy supply from now through 2040 is fully covered by battery storage systems. This estimate is based on projected energy mix and total power generation for 2040 under Japan's 7th Strategic Energy Plan and reflects our independent estimate of the battery storage market size (on a charging capacity basis), multiplied by an assumed system unit price of ¥30,000 per kWh (see p.19).
*2 The government subsidy adoption rate is estimated based on our analysis of the selection results of four subsidy programs implemented in FY2024 by the Ministry of Economy, Trade and Industry and the Tokyo Metropolitan Government for business operators introducing BESS (see p.22).
*3 Cumulative value of "formally signed orders" for products received from FY2023 through Dec 8, 2025, including amounts already recognized as revenue. "Formally signed orders" refer to binding orders placed by customers for which sales contracts have been executed.

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Business Overview

BESS Business (Battery Energy Storage System) Share of revenue: 83.8% *1

Scope:	Development, manufacturing, sales, and maintenance of stationary battery energy storage systems, including “PowerX Mega Power” and “PowerX Cube” (commercial applications)
Capabilities:	End-to-end in-house design, manufacturing, software, and maintenance in Japan, with remote monitoring and asset management via proprietary EMS “Power OS”

EVCS Business (Electric Vehicle Charge Station) Share of revenue: 8.5% *1

Scope:	Sales and maintenance of ultra-fast EV charging systems “PowerX Hypercharger,” and operation of EV charging services “PowerX Charge Station”
Capabilities:	Ultra-fast charging without high-voltage receiving facilities, renewable-energy recharging, and an intuitive UI/UX app

Power Business Share of revenue: 7.7% *1

Scope:	Provision of power supply services, including on-site battery-based PPAs such as “X-PPA,” and development and operation of energy storage facilities
Capabilities:	X-PPA: New power supply contract for corporate customers, under which electricity generated by solar power during the daytime is stored in batteries and supplied to office buildings and commercial facilities during evening peak demand (“nighttime solar”) Energy storage facilities: Planning & development of new facilities, sale of our battery systems, and operating services across power markets (retail, wholesale, capacity, balancing)

*1 On a cumulative FY2025 Q3 basis

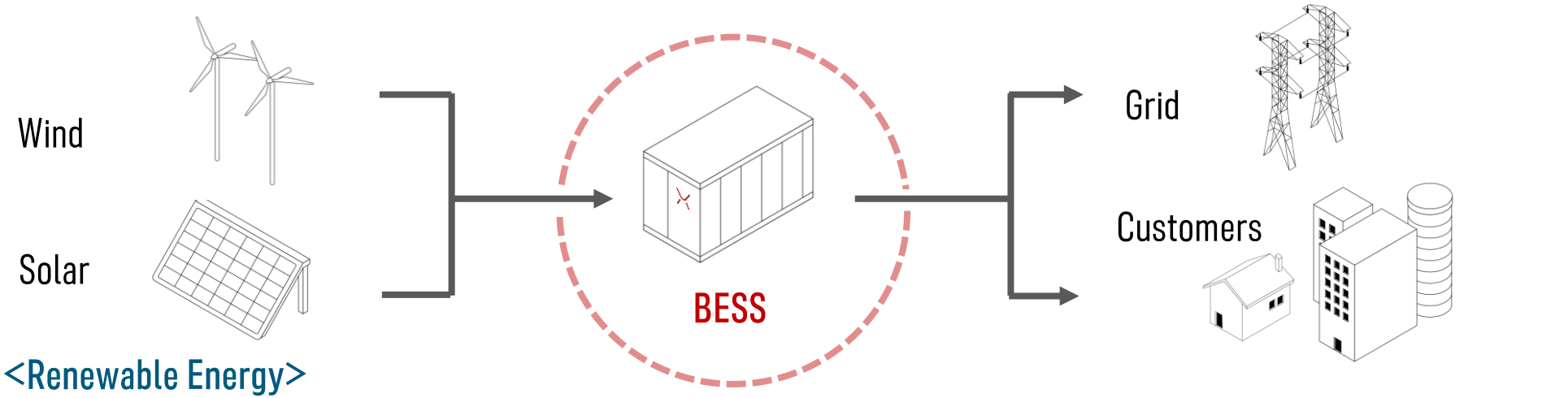
PowerX Products

Manufacturing and selling a broad lineup of stationary battery energy storage systems, centered on large-scale systems (Mega Power), across a range of sizes and applications.

	PowerX Mega Power 2700A	PowerX Mega Power 2500	PowerX Cube (+PX PCS 100)	PowerX Hypercharger
	2.7MWh 20ft container type BESS	2.5MWh 10ft container type BESS	358kWh mid-size storage battery	Battery-integrated ultrafast EV charger
		 (Coming soon)		
Installation Sites	Solar-adjacent sites / grid connection points / large factories & warehouses		Commercial / retail stores / small–mid facilities	Auto dealers / roadside stations / vehicle depots (bus, taxi)
Users	Utilities / grid storage operators / factory & warehouse operators		Commercial facility owners / energy managers	EV users / business operators
Applications	Grid balancing / power trading / renewable smoothing / peak shaving / BCP		Renewable integration / electricity cost reduction / emergency power	Commercial EV charging / public charging infrastructure

How Stationary Battery Energy Storage Systems Work

- Stationary battery energy storage systems (BESS) play an increasingly important role in maximizing renewable energy utilization in Japan, as renewables are expected to become the country's primary power source going forward.*1
- Composed of large-scale batteries and charge/discharge control systems, BESS stores electricity generated from variable renewable energy and supplies it to the grid or end users when electricity is insufficient, enabling supply–demand balancing.



Generate

Renewable energy from solar and wind power fluctuates with weather conditions, resulting in periods of surplus or shortage.

Store

Installing BESS enables surplus electricity to be stored and used when needed, allowing renewable energy to be utilized efficiently without waste.

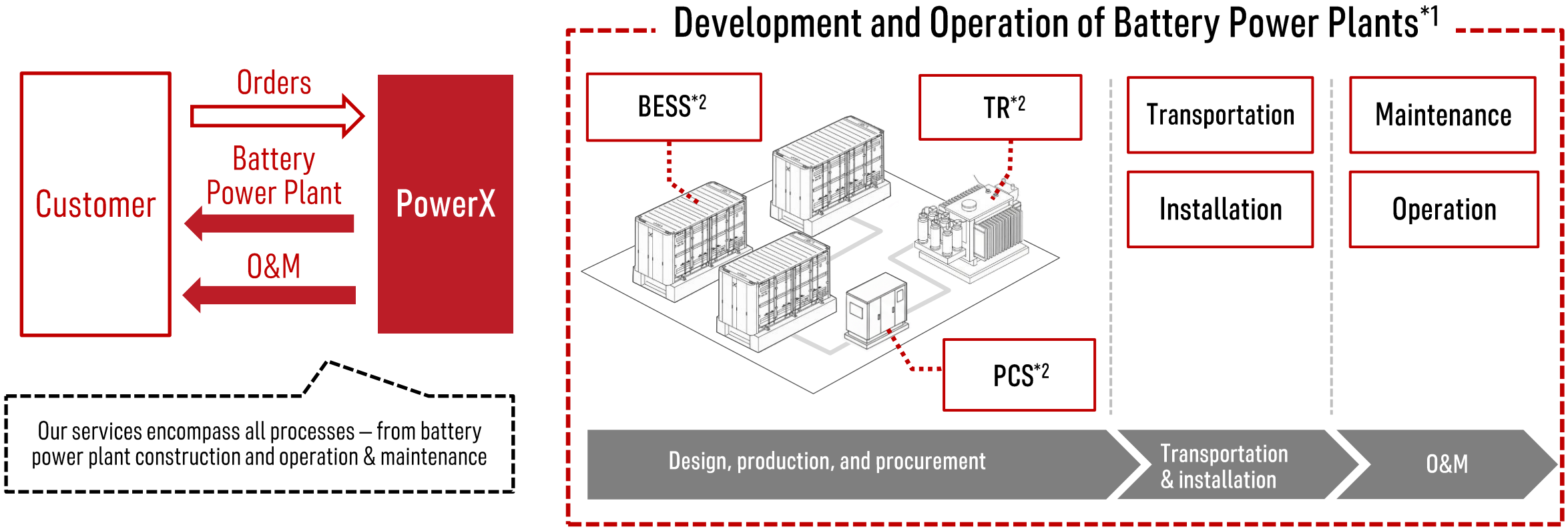
Deliver & Use

BESS supports a range of applications, including grid connection and installation at customer facilities with solar generation, for renewable energy utilization.

*1 Under Japan's 7th Strategic Energy Plan approved by the Cabinet on February 18, 2025, the government set a guideline targeting renewable energy to account for approximately 40–50% of total power generation by FY2040, positioning it as the largest power source.

Vertically Integrated Business Model

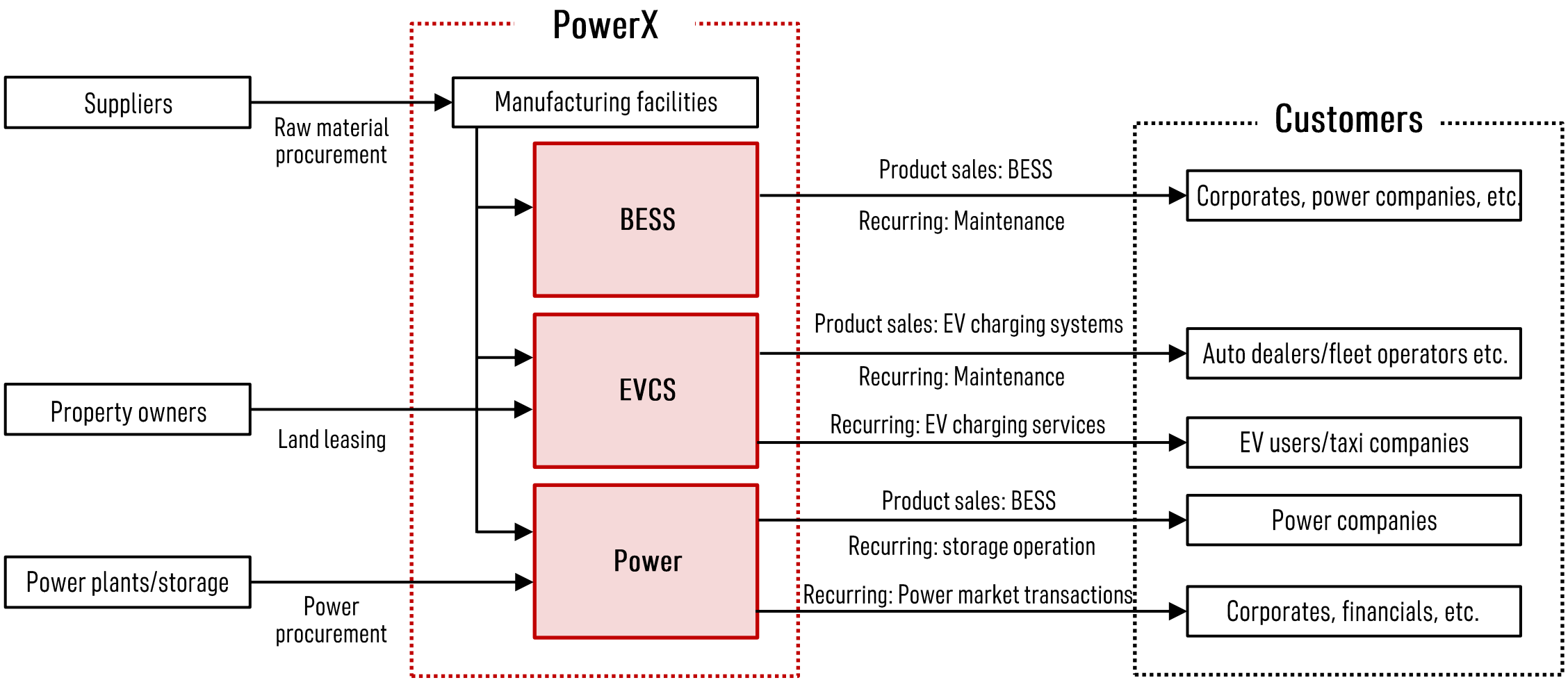
PowerX provides vertically integrated, end-to-end solutions for the construction and operation of battery power plants, delivering all necessary systems and operational support required for deployment and maintenance.



*1 Since May 2022, when the Electricity Business Act was amended, energy storage systems with an output of 10 MW or more and directly connected to the power grid have been treated as "power plants." PowerX defines these grid-scale storage systems as "battery power plants."
*2 BESS (Battery Energy Storage System): Stores electricity and supplies it when needed. • PCS (Power Converter System): Converts electricity between DC and AC to interface between batteries and the grid. • TR (Transformer): Adjusts voltage levels to enable proper grid connection.

Business Model

Core BESS product sales with expanding recurring revenue streams



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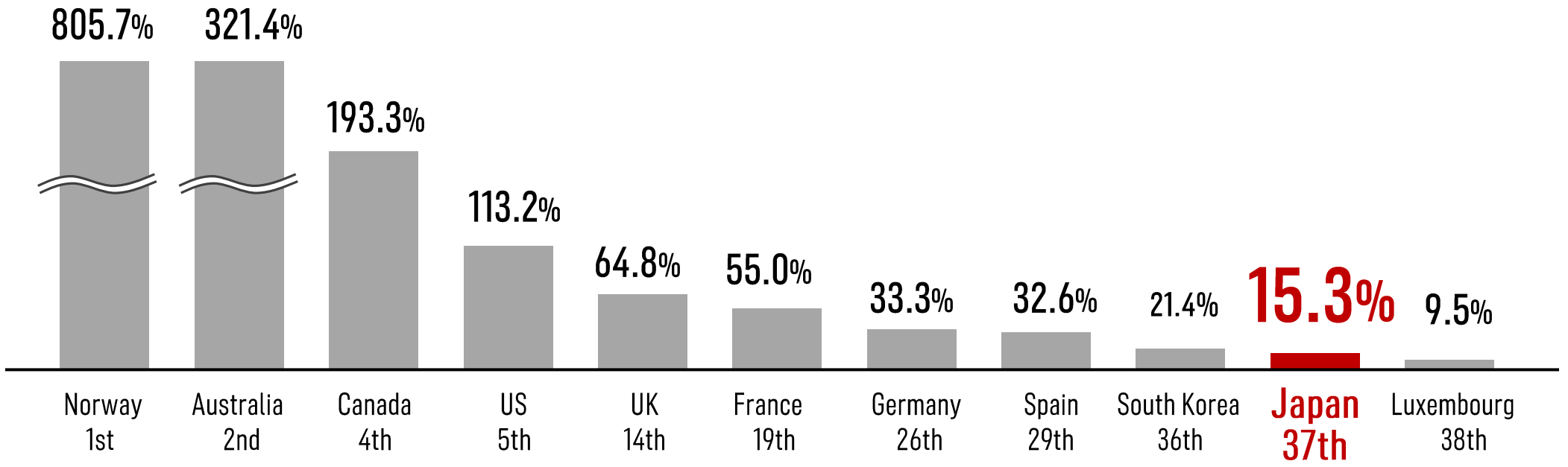
Japan is Among the Least Energy Self-Sufficient Countries in the OECD

Japan's energy self-sufficiency ratio was **15.3% (37th)** as of 2023, which is extremely low among developed countries, and Japan relies heavily on energy imports.

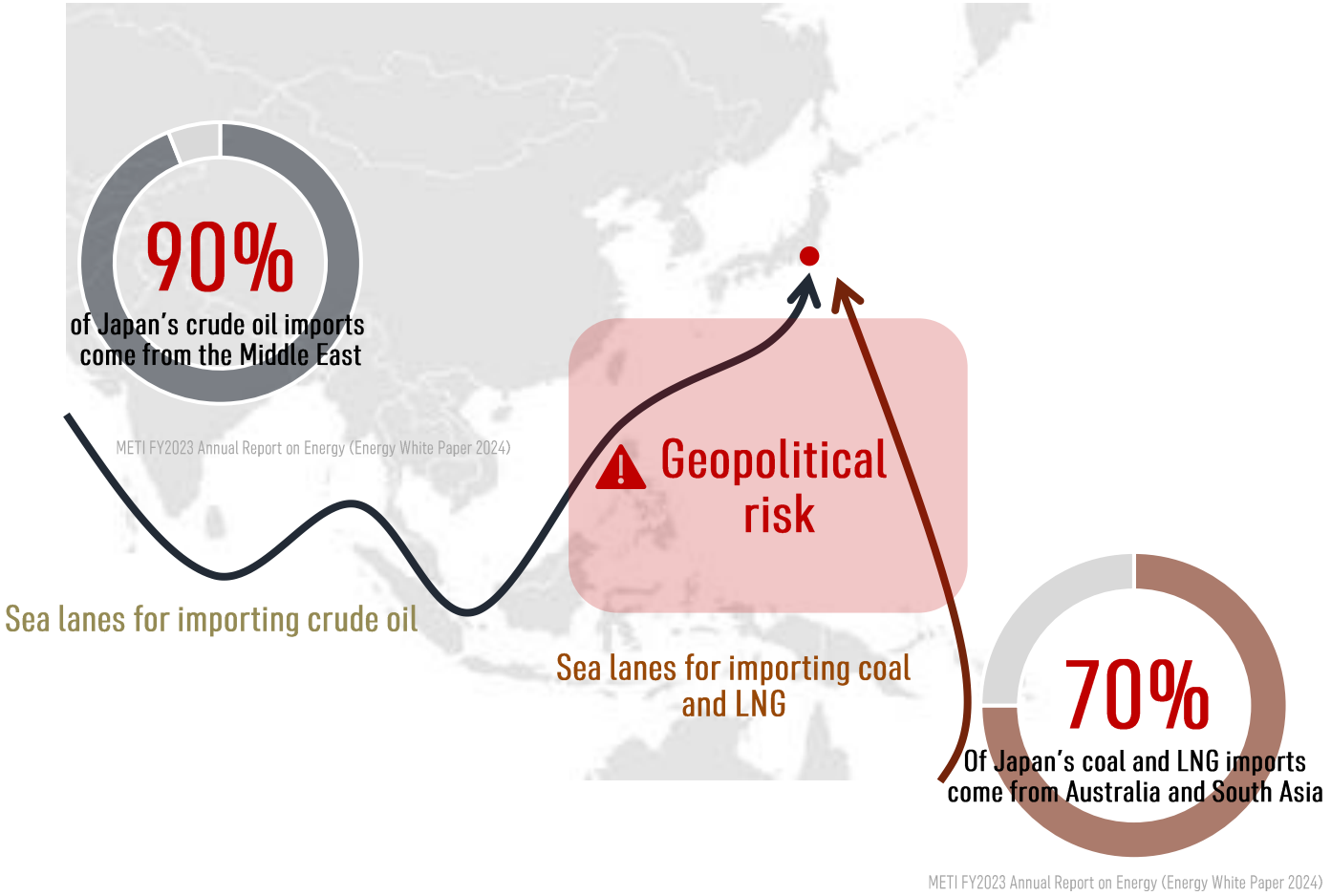
Energy Self-Sufficiency Ratios of Select OECD Countries (2023)



Source: Prepared based on World Energy Balances Highlights (International Energy Agency, October 2025).Energy self-sufficiency is calculated as domestic energy production (PJ) divided by total domestic energy supply (PJ).Japan's energy self-sufficiency ratio is sourced from the Comprehensive Energy Statistics (Final Time-Series Data for FY1990–FY2023) published by the Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry (METI).Note that there are minor differences between the energy self-sufficiency calculation methodologies used by the International Energy Agency and METI.

* Domestic energy refers to energy resources that can be secured domestically over the long term and the electricity generated using such resources. Japan relies heavily on imports for most of its energy resources. In particular, fossil fuels for thermal power generation (oil, natural gas, and coal) and uranium for nuclear power generation are almost entirely imported, which entails risks to the stability of energy supply. Accordingly, in Japan, "domestic energy" refers to renewable energy (solar, wind, hydro, geothermal, and biomass using sustainable feedstocks).

An Imported Energy Supply Chain Exposed to Energy Security Risks



- Japan depends on the Middle East for 90% of its crude oil supply, which is transported via maritime routes through the Indian Ocean.
- 70% of Japan's coal and LNG imports come from Australia and Southeast Asia, relying on maritime transport routes that run north-south through the region.
- Therefore, any rise in tensions around the South China Sea or waters near Taiwan poses a significant risk to the stable supply of energy to Japan.

Boosting energy self-sufficiency with domestic sources is an urgent priority for Japan's energy security

Mandated by the Japanese Government's Strategic Energy Plan

In the 7th Strategic Energy Plan approved by Japan's cabinet on Feb. 18th, 2025, the government projected that **renewable energy will supply approximately 40% to 50% of total power by FY2040**, becoming the largest source. The plan highlights expected growth in battery storage demand and measures to enhance cybersecurity across all power sources, including batteries.

Key Points on Battery Storage in the Strategic Energy Plan *1

1) Necessity of Batteries as a Core Power Source

The Plan identifies batteries as a central tool for managing renewable variability, while also supporting their use in disaster resilience, emergency power supply, and as resources under Japan's Feed-in Premium (FIP) renewable scheme.

② Ongoing Support for Battery Storage Deployment

Government support will not rely on price competition alone, but will prioritize projects that guarantee safety, sustainability, and reliable long-term operations.

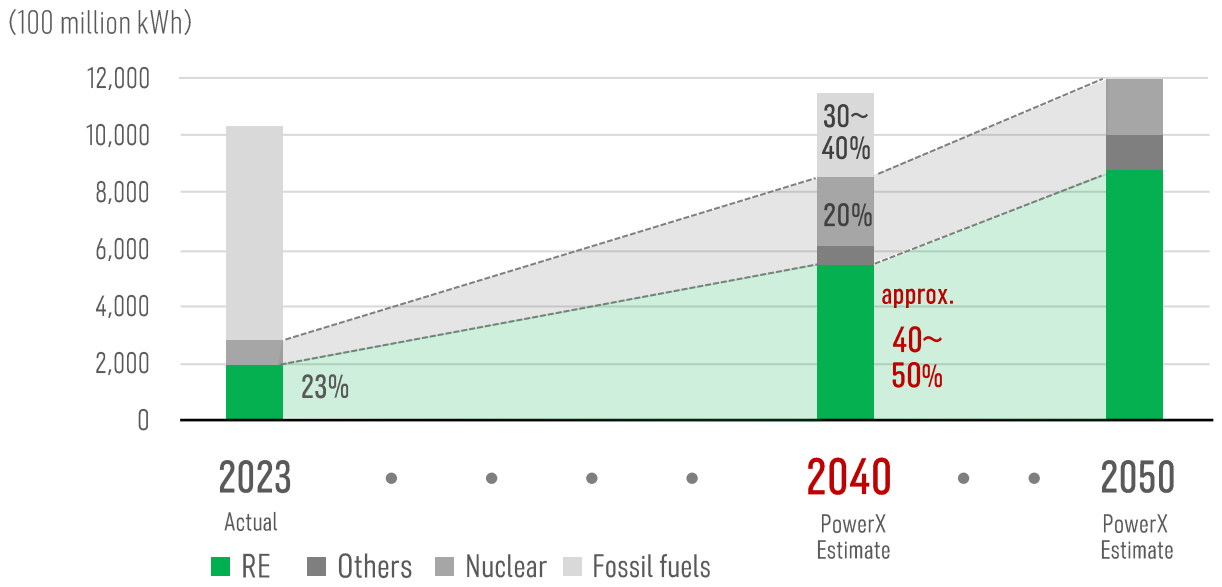
③ Strengthening Cybersecurity Across All Power Sources (Including Batteries)

The Plan highlights the need to strengthen cybersecurity measures across the entire power system, including battery assets.

④ Building International Competitiveness with a Global Supply Chain

The Plan promotes the development of both global and domestic supply chains for batteries, aiming to enhance international competitiveness while improving business stability and profitability.

Estimated Balancing Capacity Required (Batteries) *4

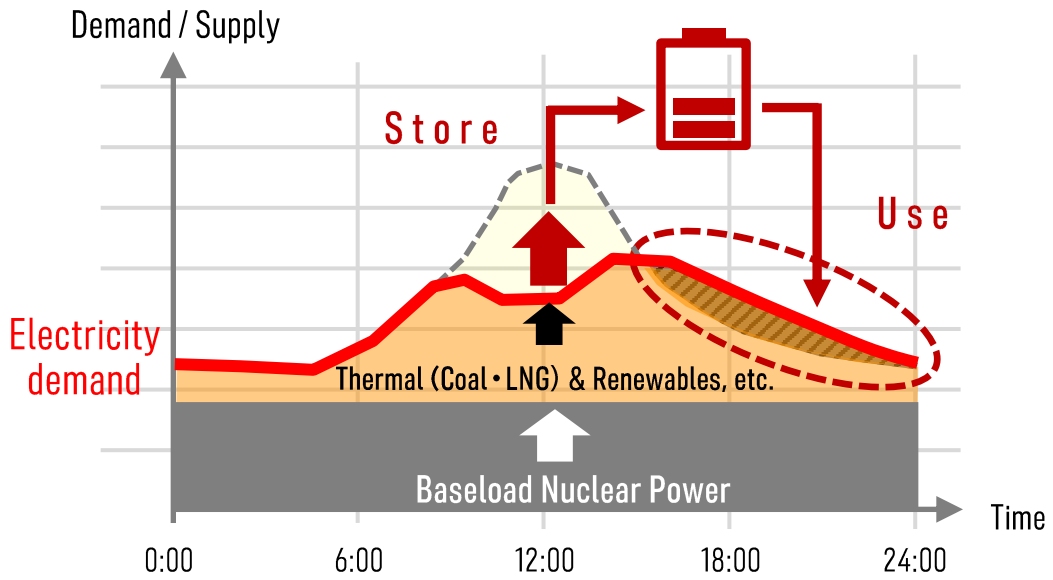


*1 Source: Strategic Energy Plan (Agency for Natural Resources and Energy, February 2025).
*2 Power sources under the Feed-in Premium (FIP) scheme, in which renewable energy generators receive a premium subsidy in addition to market electricity prices.
*3 When supporting battery storage, requirements are defined for business schemes, technical specifications, safety standards, and long-term sustainability, with support prioritized based on economic viability.
*4 Except as noted, data are sourced from Japanese government publications, including METI and the Agency for Natural Resources and Energy. Figures for 2040 reflect government estimates in the 7th Strategic Energy Plan. Renewable energy for 2040 is estimated by applying these proportions to projected total generation. Renewable energy for 2050 is estimated based on government projections, adjusted under the assumption that a portion of CCS-based thermal generation is replaced by renewables, resulting in a 10–20% increase versus government estimates. Growth from 2040 to 2050 (excluding offshore wind) is estimated using historical growth rates, and absolute values are derived from projected total generation for 2050. See Appendix (p.51).

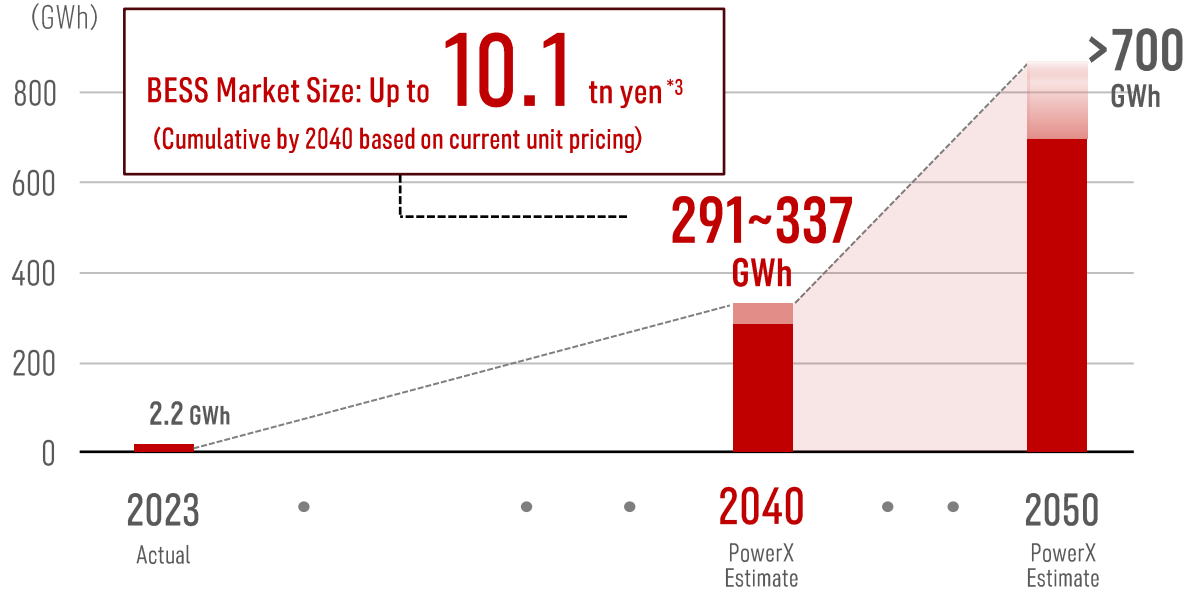
Japan's BESS Market Expected to Reach 300 GWh within 15 Years

- As renewable energy continues to expand, demand for grid-balancing capacity will grow.
- Even with increased nuclear or gas generation, flexibility to store ("charge") and release ("discharge") electricity remainsessential.
- **Based on PowerX estimates, up to 337 GWh of battery storage will be required by 2040.*2**

Need for Storage to Balance Power Supply and Demand*1



Estimated BESS Capacity Required for Balancing in Response to Renewable-Energy Growth*2:



*1 Conceptual illustration created by PowerX.

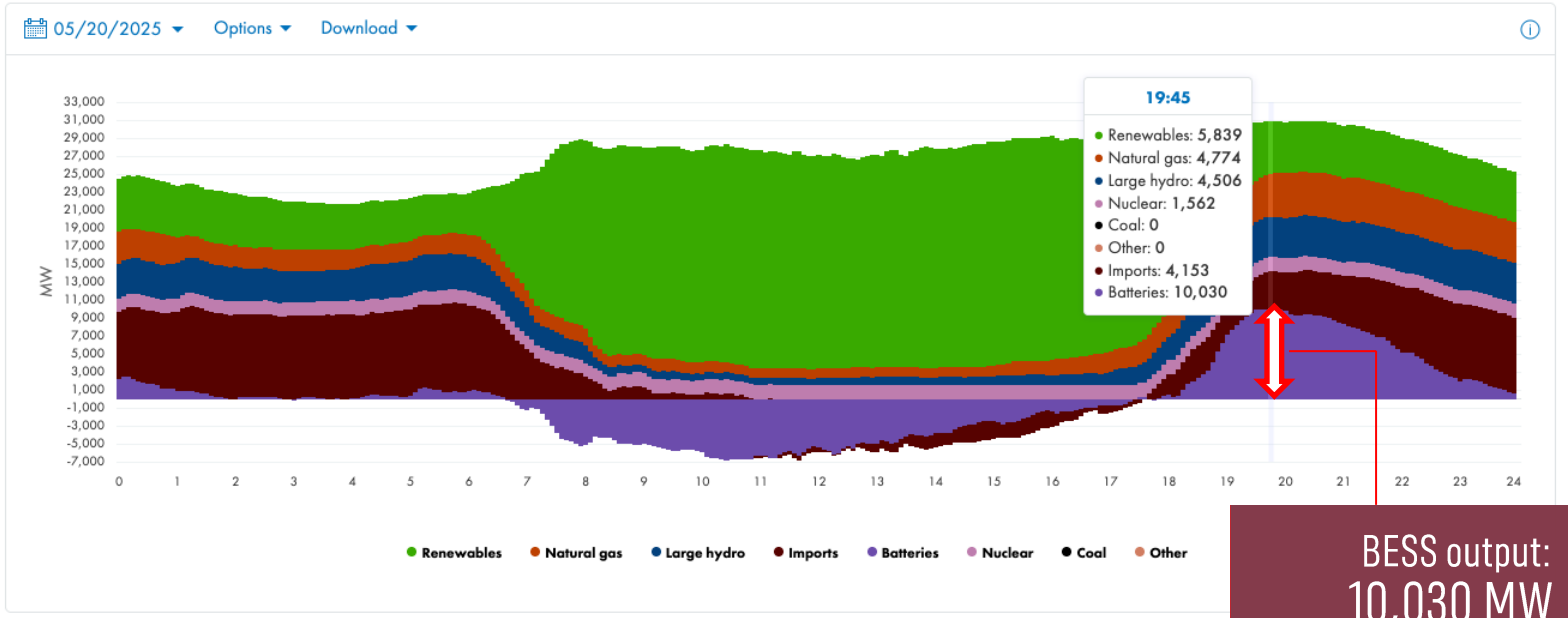
*2 All figures in this document are PowerX estimates based on publicly available data, including materials published by the Ministry of Economy, Trade and Industry (METI) and the Agency for Natural Resources and Energy. The 2040 figures are estimated using Japan's official energy-mix forecast and total power-generation projections under the 7th Strategic Energy Plan. The 2050 figures are estimated based on the government's total power-generation forecast and the offshore-wind targets outlined in the draft Long-Term Policy for Wide-Area Grids (Master Plan for Inter-Regional Interconnection Systems) by OCCTO, with additional independent assumptions for other renewable-energy sources. Specifically, the 2050 renewable-energy values apply growth rates derived from comparing actual 2021 renewable output with Japan's 2040 government target. For non-renewable sources in 2050, no additional nuclear capacity is assumed beyond plants currently operating or under construction, and the share of hydrogen and ammonia generation is assumed to be 10% as projected by the government. The shaded area in the bar chart represents the storage capacity required if all aging pumped-storage hydropower facilities are replaced with BESS at end of life, though actual replacement may vary due to multiple factors.

*3 Calculated by assuming no change in unit prices through 2040, with battery-storage system costs set at 30,000 yen per kWh.

BESS Market Closely Linked to Japan's Security Challenges

In some regions outside Japan, BESS already function as primary power sources during certain hours.
Their output capacity is equivalent to several nuclear power plants, making the enhancement of BESS security a matter of urgent importance from a security standpoint.

In California, for example, around 7 p.m.—when renewable energy generation declines—battery storage systems supply roughly 30% of the state's electricity demand.*1



BESS output:
10,030 MW
Equivalent to 10 nuclear power plants*2

Domestic control of BESS is essential for Japanese national security.

*1 May20, 2025 California power mix (CAISO)
*2 Calculated based on the average output of all nuclear power reactors that are currently based in Japan, i.e., 1003 MW in 2025. (Source: Japan Nuclear Safety Institute)

Potential for Introducing Grid-Scale Energy Storage Systems at Thermal and Nuclear Power Plants

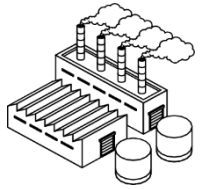
Example: Moss Landing Energy Storage Facility, California, USA

As of 2023, a **750 MW / 3,000 MWh** energy storage plant has been installed at a decommissioned gas-fired power station, utilizing existing grid interconnection infrastructure.*1

Source: ENRWEST (https://www.enr.com/articles/59401-best-project-energy-industrial-moss-landing-phase-iii)

*1 Energy Storage News. “Moss Landing: World’s biggest battery storage project is now 3GWh capacity” (https://www.energy-storage.news/moss-landing-worlds-biggest-battery-storage-project-is-now-3gwh-capacity/)
*2 Japan Electric Power Exchange (https://hjks.jepx.or.jp/hjks/top) 286 includes the units that stopped operating.
*3 Japan Nuclear Safety Institute (https://www.genanshin.jp/db/fm/plantstatusN.php?x=d) 33 includes the plants that are not operating now.

Number of gas-fired power generation units in Japan*2



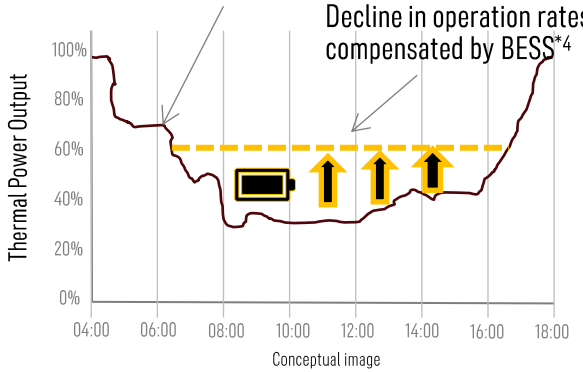
286 In operation (230)

Number of nuclear power plants in Japan*3

33 In operation (11)

Use Cases

Output control: Responding to curtailment or shutdown of thermal power plants



Idle site utilization: Installing large battery power plants at former and inactive plant sites*5

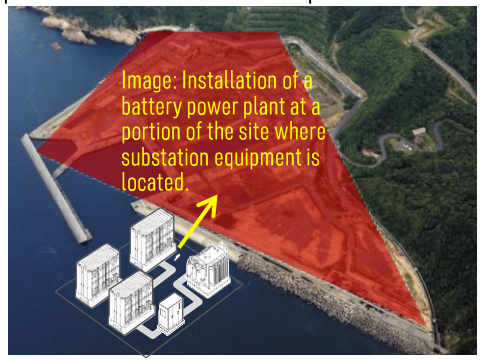
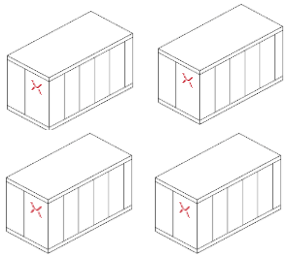


Image : Tokyo Shimbun (https://www.tokyo-np.co.jp/article_photo/list?article_id=344827&pid=1547046)

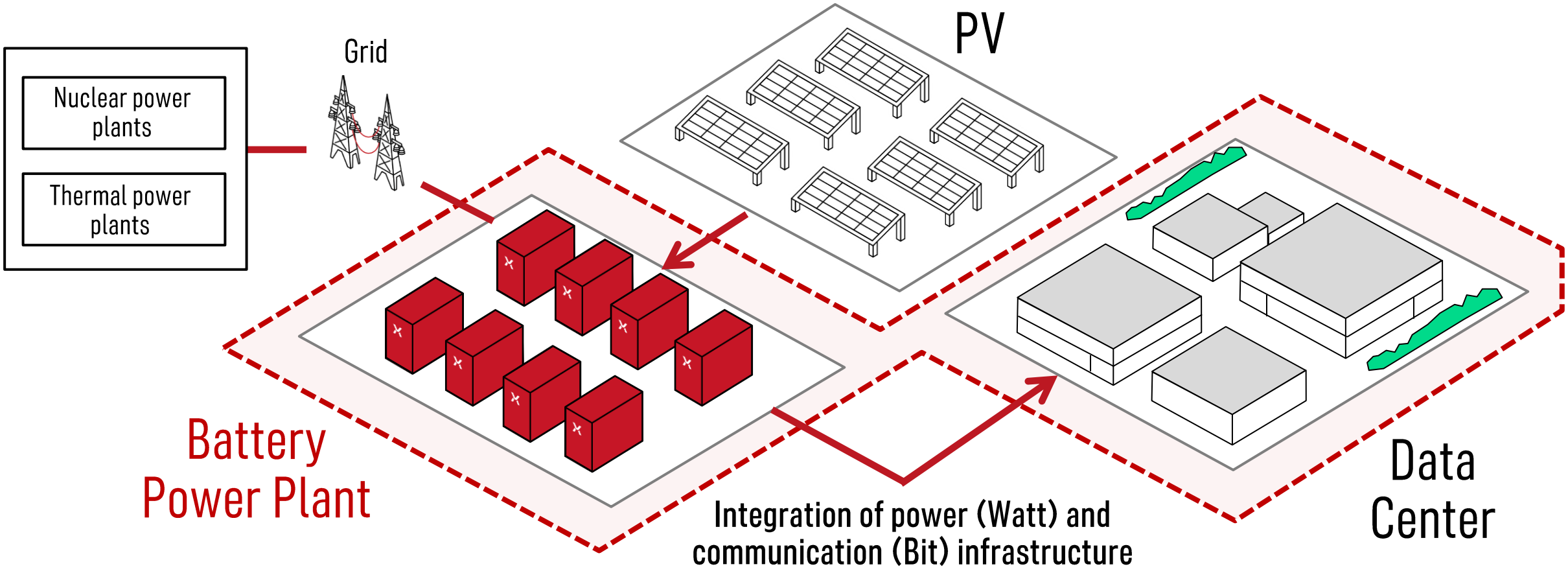


BESS Market Size

*4 By allowing thermal power generation to handle output control and frequency regulation while the battery absorbs short-term output fluctuations, the battery contributes to stabilizing and leveling thermal power output. As a result, the battery complements part of the decrease in capacity utilization of thermal power plants caused by such output fluctuations.
*5 This image is for illustrative purposes only. The battery power plant shown is a conceptual illustration and not planned for installation.

Realization of “Watt-to-Bit” Integration through BESS

- By co-locating battery power plants with data centers, PowerX enables the integration of power infrastructure (Watt) and communication infrastructure (Bit).
- As AI and machine learning applications accelerate, driving rapid growth in data-center electricity demand, this integration supports more flexible and stable power supply and balancing.



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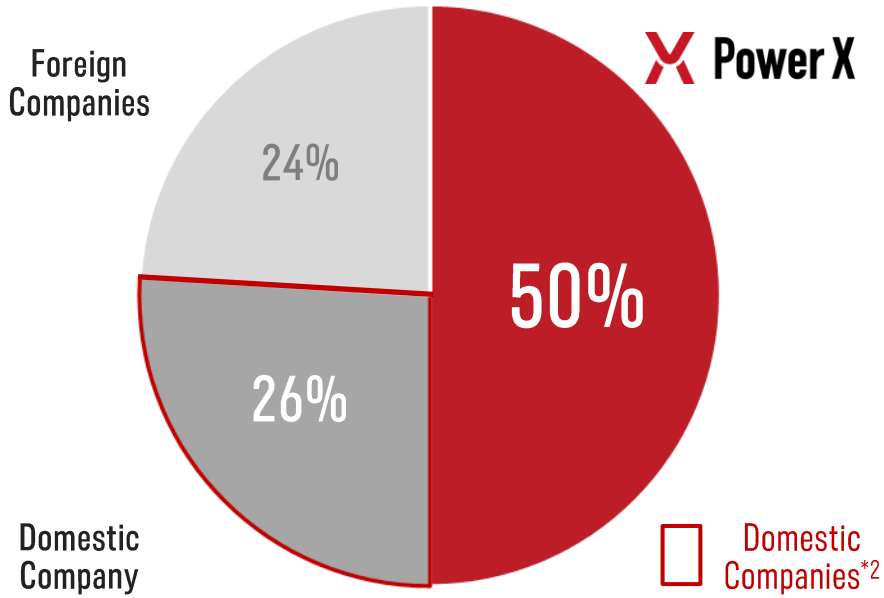
BESS Subsidy Adoption Rates

- While major cell manufacturers and integrators offer BESS solutions, only two domestic companies, including PowerX, are active in Japan.
- PowerX achieved the highest adoption rate (50%) among BESS subsidy applications in FY2024,

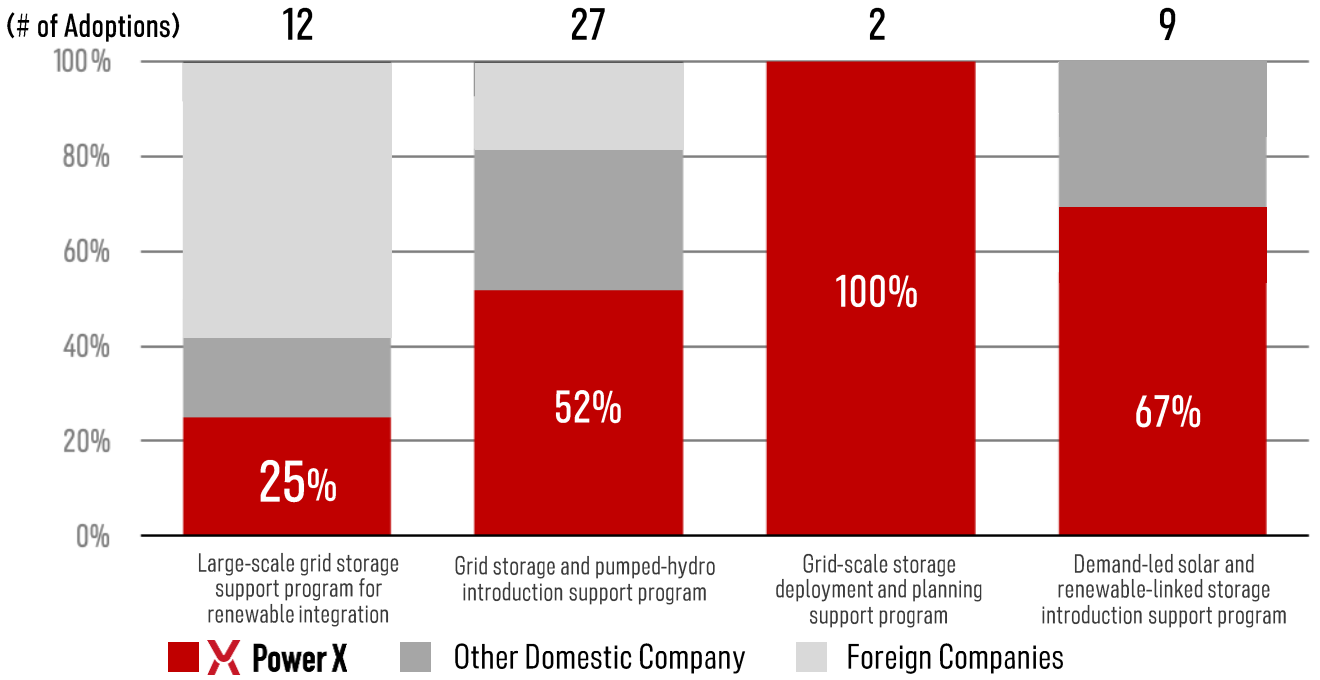
Top Subsidy Selection Rate in FY2024*1

As of Dec 9, 2025



Dominant Subsidy Adoption Rate*1

As of Dec 9, 2025



*1 Based on PowerX's analysis of FY2024 battery storage subsidy adoption results announced by Japan's Ministry of Economy, Trade and Industry and the Tokyo Metropolitan Government, including interviews with awarded operators and related parties. The limited number of domestic companies reflects the small pool of Japan-based firms capable of supplying large-scale grid storage systems. PowerX's high adoption rate is attributed to its integrated hardware–software offering, domestic design and assembly, proprietary control software, strong security, and 24/7/365 remote monitoring and support.
*2 In the 2024 national and Tokyo metropolitan grid-storage subsidy programs, domestic companies with a 4% adoption rate were excluded from the chart, as they supplied lithium iron phosphate battery cells that differ from PowerX's products.

Historical Overview of Relevant Subsidy Budgets

Subsidy	Governing Authority	Subsidy Amount（Budgeted）				
		FY2021	FY2022	FY2023	FY2024	FY2025*5
Large-scale grid storage support program for renewable integration*1	経済産業省 Ministry of Economy, Trade and Industry	JPY 13 bn	JPY 17 bn	JPY 3 bn	JPY 40 bn	JPY 40 bn
Grid storage and pumped-hydro introduction support program*2	経済産業省 Ministry of Economy, Trade and Industry	FY2022 to FY2025 JPY 25.5 bn (for FY2025*5 JPY 10bn)				
Grid-scale storage deployment and planning support program*3	経済産業省 Ministry of Economy, Trade and Industry			FY2023 JPY 0.4 bn	FY2024 JPY 1.2 bn	FY2025*5 JPY 1.1 bn
Demand-led solar and renewable-linked storage introduction support program*4	東京都 TOKYO METROPOLITAN GOVERNMENT			FY2023 JPY 4.8 bn	FY2024 JPY 13 bn	FY2025*5 JPY 13 bn

*1 FY2021 : https://www.meti.go.jp/main/yosan/yosan_fy2021/hosei/pdf/hosei_yosan_gaiyo.pdf ; FY2022 : https://sii.or.jp/chikudenchi04r/uploads/R4r_k_ess_kouboyouryou.pdf; FY2023:https://sii.or.jp/chikudenchi05/uploads/R5kess_d_kouboyouryou_0809.pdf; FY2024 (This includes the GX Transition Bonds) : https://www.meti.go.jp/main/yosan/yosan_fy2024/pr/pdf/pr_gx.pdf; 2025 (This includes the GX Transition Bonds): https://www.meti.go.jp/main/yosan/yosan_fy2025/pr/pdf/pr_gx.pdf

*2 FY2022 Supplementary Budget: https://www.meti.go.jp/main/yosan/yosan_fy2022/hosei/pdf/pr_hosei_221202.pdf; FY2025 Budget: https://www.meti.go.jp/main/yosan/yosan_fy2025/pr/pdf/pr_energy.pdf

*3 FY2023: https://sii.or.jp/chiikidokuritsukeito05/uploads/R5haiden_d_kouboyouryou_0802.pdf; FY2024: https://sii.or.jp/chiikidokuritsukeito06/uploads/R6haiden_d_kouboyouryou.pdf; FY2025: https://www.meti.go.jp/main/yosan/yosan_fy2025/pr/pdf/pr_energy.pdf

*4 FY2023: https://www.zaimu.metro.tokyo.lg.jp/documents/d/zaimu/5shuyouzigyou; FY2024: https://www.zaimu.metro.tokyo.lg.jp/documents/d/zaimu/6shuyouzigyou; FY2025: https://www.zaimu1.metro.tokyo.lg.jp/zaisei/20250131_reiwa7nendo_tokyotoyosanangaiyou/7shuyouzigyou.pdf

*5 Includes budgets approved as of March 31, 2025 for FY2025 amounts

Competitors

PowerX is Japan's only BESS supplier capable of providing everything needed for battery-based power plants, including JC-Star certification, a key security requirement

Product lineup of competing BESS suppliers in Japan[*1*2] (As of Oct 22, 2025)

NEW

Company	ESS (Energy Storage System)	PCS (Power Conditioner)	TR (Transformer)	PMS (Power Management System)	EMS (Energy Management System)	AC/RA (Aggregator/Coordinator)	JC-Star (Japan Security Certificate)
Power X	✓	✓	✓	✓	✓	✓	✓
Domestic Company A	✓	✓	✓	✓	✓	X	✓
Foreign Company B	✓	✓	X	✓	X	X	✓
Foreign Company C	✓	X	X	X	X	X	✓
Foreign Company D	✓	X	X	✓	X	X	X
Foreign Company E	✓	X	X	✓	X	X	X
Foreign Company F	✓	✓	✓	✓	X	X	X
Foreign Company G	✓	X	X	X	X	X	X

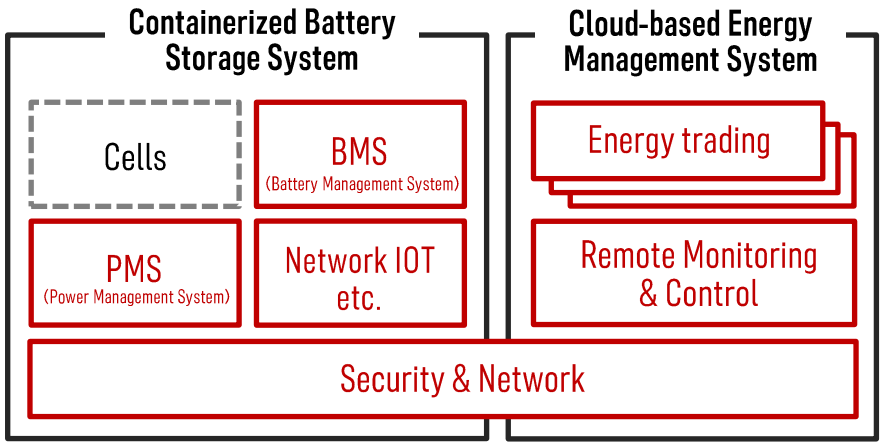
[*1] Based on PowerX research, including publicly available information and interviews related to BESS introductions and subsidy applications.

[*2] In the table, the symbol "✓" is used where a company is able to provide the relevant component as part of its own product offering, while "X" indicates that the component is not directly provided by that company. For EMS and AC/RA, a "✓" is assigned only where the company offers solutions that support functions specific to the Japanese electricity market, such as power trading and demand response. ESS (Energy Storage System) refers to systems that store electricity and supply it as needed. PCS (Power Conditioning System) converts direct current (DC) and alternating current (AC) and functions as the interface between the battery and the power grid. TR (Transformer) adjusts voltage levels to enable appropriate grid connection. PMS (Power Management System) monitors and controls electricity usage to enable optimal power operation. EMS (Energy Management System) optimizes supply and demand balance and manages electricity trading and operations. AC/RA (Aggregation Coordinator / Resource Aggregator) aggregates multiple systems, connects to and trades in electricity markets, and manages and controls on-site power resources to optimize operations. JC-Star is a Japan-origin security labeling scheme for IoT products, operated by the Information-technology Promotion Agency (IPA) based on the policy of the Ministry of Economy, Trade and Industry; the scheme began operation on March 25, 2025, and applications for the ★1 level are currently being accepted.

Made in Japan Promise

Strengths: Asset-light cell sourcing and vertically integrated proprietary software

Battery Energy Storage System (BESS) Configuration



Battery cells are commoditized components procured in compliance with common standards and certified by third-party organizations. Cells alone do not function as storage systems and operate as part of BESS only after integration into modules and system racks.

All product components, control systems, networks, applications, and operational support—excluding cells and certain modules—are designed, developed, assembled, and supported domestically through an integrated in-house framework.

Power X

Made in Japan Promise*

*The slogan "Made in Japan Promise" reflects the belief that secure electricity infrastructure is achieved through the three elements below.

All Products Designed & Assembled in Japan

Product design and assembly are conducted entirely in Japan. High-quality BESS are assembled at in-house and partner factories in Tamano City, Okayama Prefecture.

Ensuring Security with In-house Software

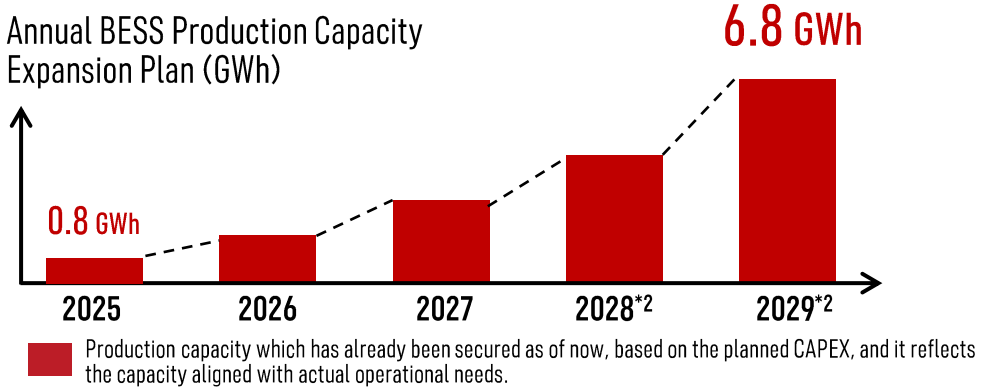
Vertically integrated, in-house software protects domestic electricity infrastructure by minimizing cybersecurity risks to critical power transmission and distribution systems, supporting a stable electricity supply.

Reliable On-site Field Maintenance and Support 24/7

Dedicated teams provide comprehensive on-site technical support nationwide, including post-installation operations and troubleshooting, on a 24/7 basis.

Locations

All products are manufactured at one of Japan's largest grid-scale BESS production facilities in Okayama, and the Company plans to expand annual production capacity for container-type storage batteries to a level of up to approximately 6.8 GWh*1 by 2029.



Power Base (Headquarter / Factory)

Tai 6-9-1, Tamano, Okayama, Japan 706-0001

Okayama 2nd Factory

Within the Mitsui E&S Tamano Works site (Tamano City, Okayama Prefecture)

Tokyo Office

Midtown Tower 43F, 9-7-1 Akasaka, Minato-ku, Tokyo, Japan 107-6243

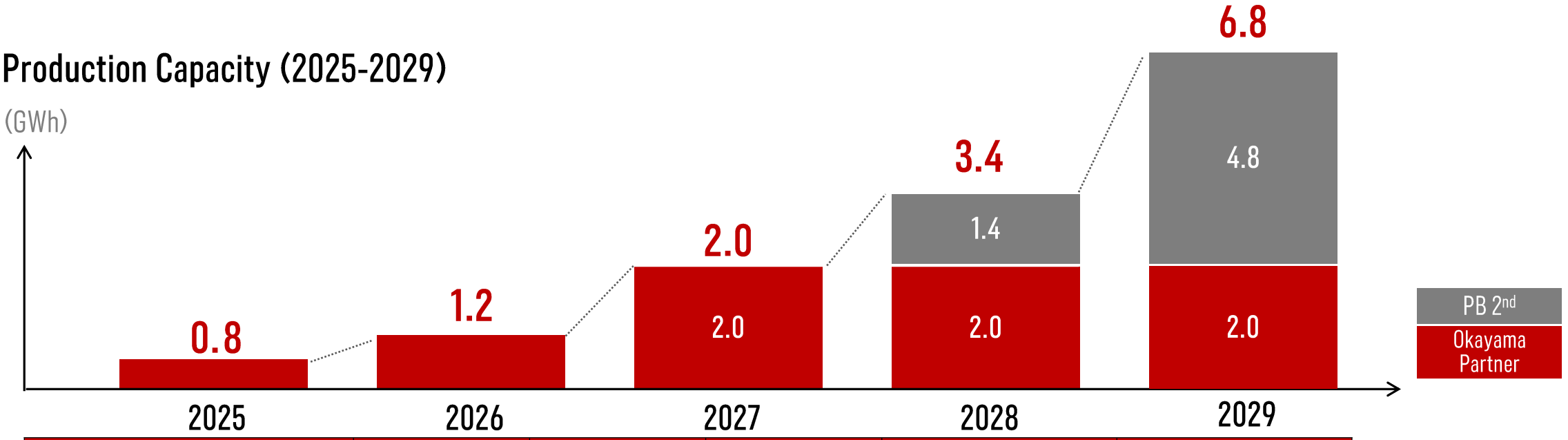
POWERD LAB (R&D)

6-1-1 Heiwajima, Ota-ku, Tokyo, Japan 143-0006

*1 The forward-looking figures presented herein are our target values as of the current date and are subject to various risks and uncertainties. Actual results may differ significantly. The figures are based on our ongoing plan to expand both Okayama Partner Factory in 2026 and Power Base in 2027. The design for the expansion has already begun, and the land for the expansion has already been secured. The GWh values for FY2025 and FY2026 are calculated by the number of Mega Power 2700A possible to be produced multiplied by a Mega Power 2700A's storage capacity and from FY2027 onwards are calculated by the number of Mega Power 2500 possible to be produced multiplied by a Mega Power 2500's storage capacity.
*2 For FY2028 & FY2029, the production volume is calculated based on the planned operation of two shifts at the expanded Okayama Partner Factory and two shifts at the expanded Power Base (second plant).

Production Capacity[*1] and Associated CAPEX

Production Capacity (2025-2029)



MP/MPJP	FY2025	FY2026	FY2027	FY2028	FY2029[*4]
Production Capacity (GWh)	0.8[*2]	1.2[*2]	2.0[*3]	3.4[*3]	6.8[*3]
Okayama Partner Factory	0.8[*2]	1.2[*2]	2.0[*3]	2.0[*3]	2.0[*3]
Okayama Partner Factory Expanded					
Power Base (PB) 2nd Factory	-	-	-	Start operation in 2028 1.4[*3]	4.8[*3]
CAPEX Plan[*5] (bn JPY)	0.6	3.6	4.1	0.9	-

*1 The production capacity referred to herein represents capacity based on actual operational needs at sites that have already been secured. These figures are based on the respective expansion plans for the Okayama 2nd Factory (scheduled for expansion in 2026) and Power Base (scheduled for expansion in 2027). If expansions are implemented during the operating period, production capacity will be increased in accordance with such expansion plans. Accordingly, the stated production capacity does not represent maximum production capacity. Forward-looking figures are subject to various risks and uncertainties, and actual results may differ materially.
*2 The GWh figures for FY2025 and FY2026 are calculated by multiplying the number of Mega Power 2700A units that can be manufactured by the storage capacity of each such product.
*3 The GWh figures for FY2027 onward are calculated by multiplying the number of Mega Power 2500 units that can be manufactured by the storage capacity of each such product.
*4 The production volumes for FY2028 and FY2029 are calculated based on planned operations under a two-shift structure at the expanded Okayama 2nd Factory and a two-shift structure at the expanded Power Base (second production building).
*5 These figures represent current plan estimates and may differ materially from actual results due to factors such as factory operating conditions, order intake, production outlook, equipment expansions or new installations, and the price levels of materials and outsourcing costs at the time of operation.

BESS Project Footprint

(As of Dec 5, 2025)

Selected for

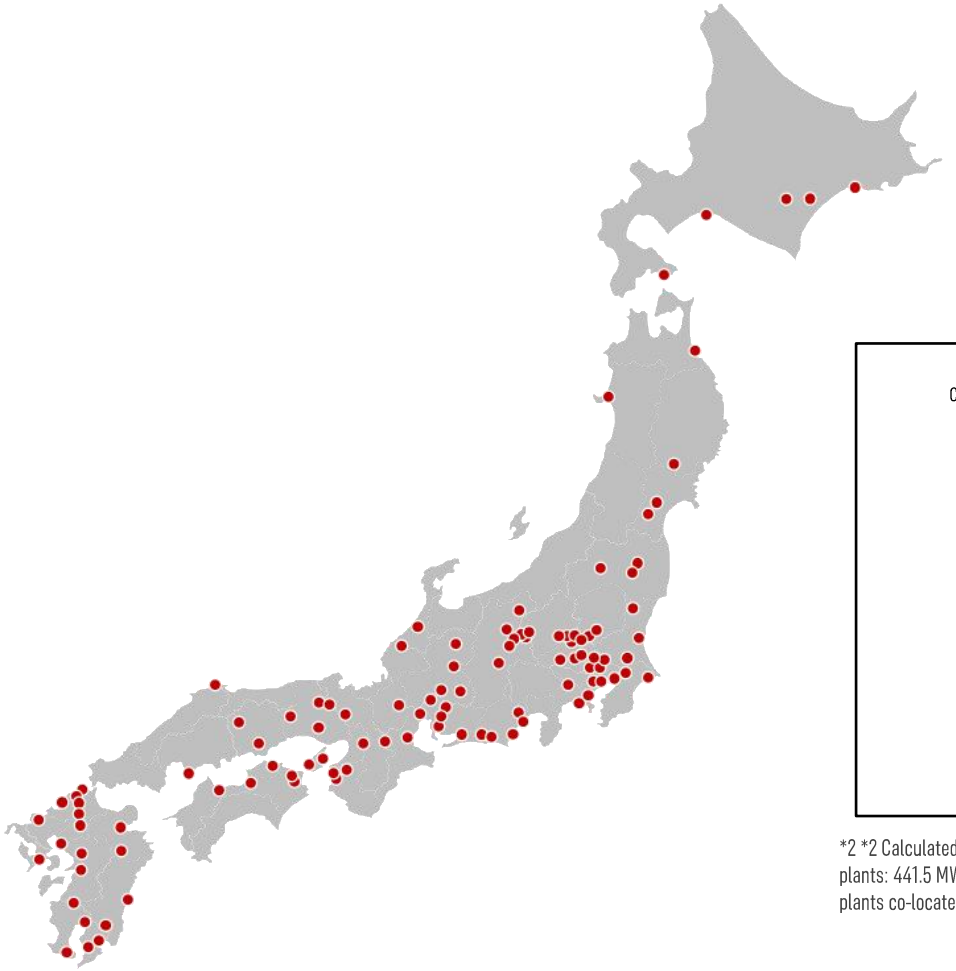
117 projects

(excluding EV charging stations)

Total storage capacity

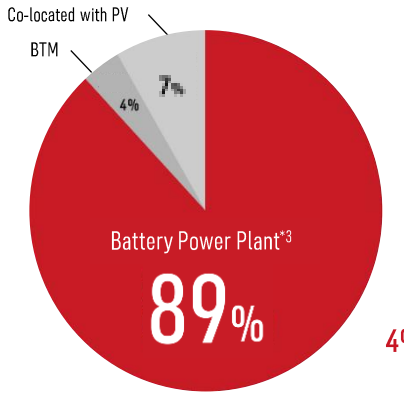
1.54 GWh

(equivalent to the daily electricity consumption of approximately 140,000 average households*1)



● — Installation sites
(including projects currently under installation)

Application Breakdown*2



89%

Battery Power Plants*3

7% co-located with PV
4% commercial & industrial (BTM)

(As of Dec 5, 2025)

*2 *2 Calculated on a capacity basis. Extra-high voltage battery power plants: 931.6 MWh; high-voltage battery power plants: 441.5 MWh; extra-high voltage battery power plants co-located with solar: 49.4 MWh; high-voltage battery power plants co-located with solar: 66.2 MWh; industrial applications: 54.5 MWh.

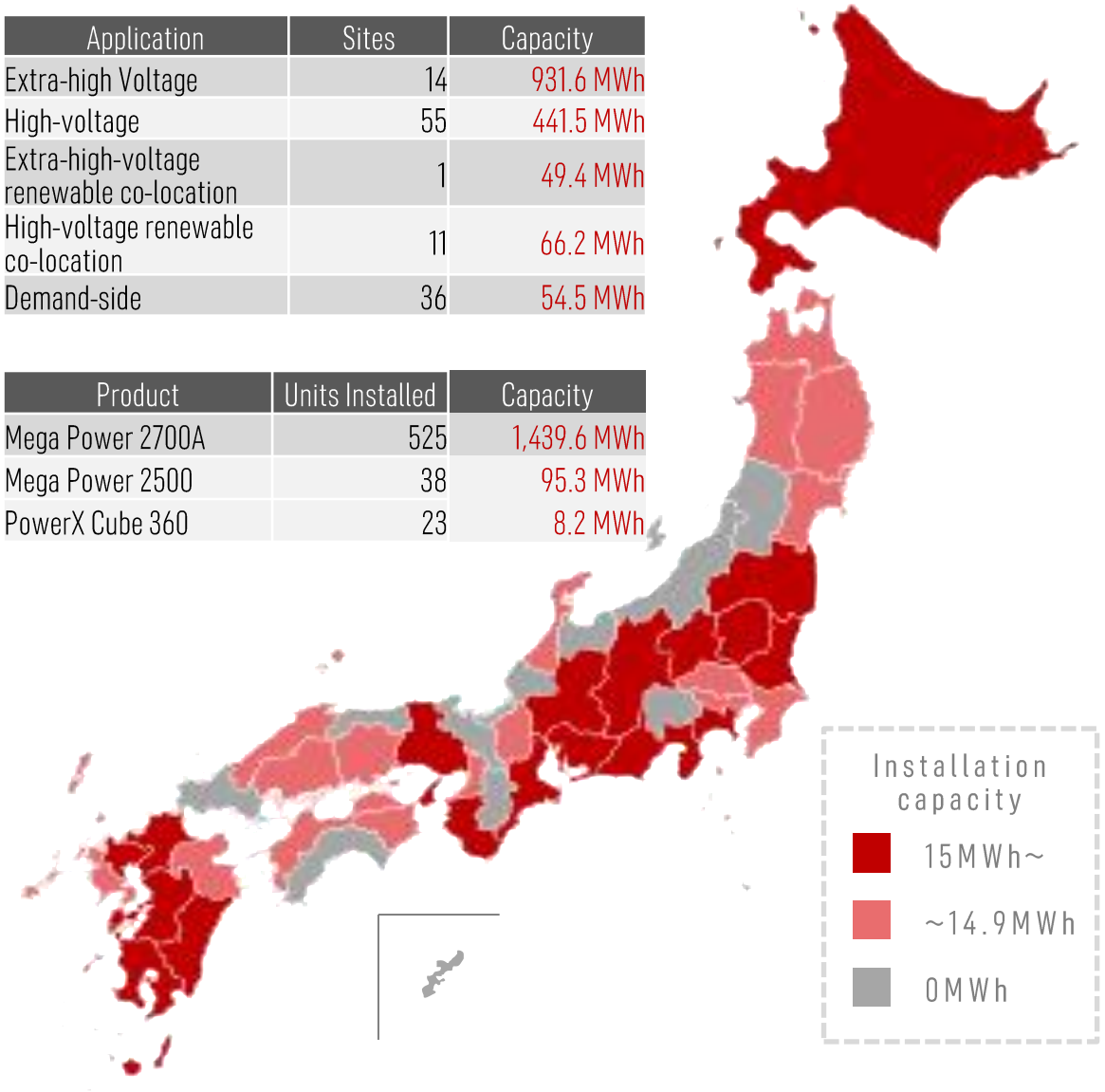
ended Electricity Business Act (May 2022), battery energy storage systems of 10 MW or more directly grid are classified as "power plants." The Company refers to these systems as "Battery Power ompany's installed battery power plants, 88% include systems with an output of 10 MW or less.

*1 Calculated as 1.54 million kWh ÷ approximately 11 kWh. The 11 kWh figure represents average daily household electricity consumption, derived from average annual consumption of 3,950 kWh ÷ 365 days, based on the Ministry of the Environment's "Survey on CO_2 Emissions from the Household Sector."

BESS Installations by Prefecture

Application	Sites	Capacity
Extra-high Voltage	14	931.6 MWh
High-voltage	55	441.5 MWh
Extra-high-voltage renewable co-location	1	49.4 MWh
High-voltage renewable co-location	11	66.2 MWh
Demand-side	36	54.5 MWh

Product	Units Installed	Capacity
Mega Power 2700A	525	1,439.6 MWh
Mega Power 2500	38	95.3 MWh
PowerX Cube 360	23	8.2 MWh



Prefecture	Sites	Capacity	Application	Status
Hokkaido	6	307.5 MWh	Extra-high V	Planned: 4
			High V	Installed: 1
			Demand-side	Installed: 1
Aomori	1	8.2 MWh	High V	Installed: 1
Iwate	1	2.7 MWh	Demand-side	Installed: 1
Miyagi	2	8.2 MWh	High V	Planned: 1
			Demand-side	Installed: 1
Akita	1	8.2 MWh	High V	Installed: 1
Yamagata	-	-	-	-
Fukushima	3	123.4 MWh	Extra-high V	Planned: 1
			High V	Installed: 1
				Planned: 1
Ibaraki	3	52.5 MWh	Extra-high V	Planned: 1
			High V	Installed: 1
			Demand-side	Installed: 1
Tochigi	3	21.9 MWh	High V	Installed: 2
				Planned: 1
Gunma	5	33.3 MWh	High V	Installed: 3
				Planned: 1
			Demand-side	Planned: 1
Saitama	7	22.7 MWh	High V	Installed: 1
				Planned: 1
			Demand-side	Installed: 3
				Planned: 2
Chiba	5	12.4 MWh	High V	Planned: 1
			High V Renewable	Planned: 1
			Demand-side	Installed: 2
				Planned: 1
Tokyo	1	8.2 MWh	High V	Planned: 1
Kanagawa	4	82.6 MWh	Extra-high V	Planned: 1
			High V	Installed: 2
			Demand-side	Planned: 1
Yamanashi	-	-	-	-
Nagano	7	60.3 MWh	High V	Installed: 2
				Planned: 5
Niigata	-	-	-	-
Toyama	-	-	-	-
Ishikawa	1	8.2 MWh	High V	Installed: 1
Fukui	1	8.2 MWh	High V	Planned: 1
Gifu	4	19.6 MWh	High V	Planned: 2
			Demand-side	Installed: 1
				Planned: 1
Shizuoka	6	72.0 MWh	Extra-high V	Planned: 1
			High V	Installed: 2
			Demand-side	Installed: 3

Prefecture	Sites	Capacity	Application	Status
Aichi	6	20.3 MWh	Extra-high V	Planned: 2
			Demand-side	Installed: 3
				Planned: 1
Mie	2	16.5 MWh	High V	Installed: 1
				Planned: 1
Shiga	2	13.7 MWh	High V	Installed: 1
				Planned: 1
Kyoto	-	-	-	-
Osaka	1	2.7 MWh	Demand-side	Installed: 1
Hyogo	6	104.2 MWh	Extra-high V	Planned: 2
			High V	Installed: 3
				Planned: 1
Nara	-	-	-	-
Wakayama	3	16.8 MWh	High V	Installed: 1
				Planned: 1
			Demand-side	Installed: 1
Tottori	-	-	-	-
Shimane	1	8.2 MWh	High V	Planned: 1
Okayama	3	3.5 MWh	Demand-side	Installed: 3
Hiroshima	1	5.5 MWh	Demand-side	Installed: 1
Yamaguchi	-	-	-	-
Tokushima	2	11.0 MWh	High V	Planned: 1
			Demand-side	Installed: 1
Kagawa	2	8.6 MWh	High V	Installed: 1
			Demand-side	Installed: 1
Ehime	1	5.5 MWh	Demand-side	Installed: 1
Kochi	-	-	-	-
Fukuoka	9	127.2 MWh	Extra-high V	Planned: 1
			High V	Installed: 3
				Planned: 1
			High V Renewable	Installed: 1
			Demand-side	Planned: 3
Saga	2	52.1 MWh	Extra-high Renewable	Planned: 1
			High V Renewable	Planned: 1
Nagasaki	1	8.2 MWh	High V Renewable	Installed: 1
Kumamoto	3	24.7 MWh	High V	Installed: 1
				Planned: 1
			High V Renewable	Planned: 1
Oita	2	13.7 MWh	High V Renewable	Installed: 1
				Planned: 2
Miyazaki	2	112.4 MWh	Extra-high V	Planned: 1
			Demand-side	Installed: 1
Kagoshima	5	32.9 MWh	High V	Planned: 1
			High V Renewable	Installed: 3
				Planned: 1
Okinawa	2	93.3 MWh	Extra-high V	Planned: 2

*As of Dec 5, 2025

Mega Power: Deployment Examples

NTT Anode Energy | Fukuoka Wakamatsu Storage Facility

Kitakyushu City , Fukuoka Prefecture

Installed Product(s)	Total Storage Capacity
Mega Power x3	8,226 kWh (nominal)

(Equivalent to the daily electricity consumption of approx. 720 households*1)

*1 : Calculated by dividing 8,226 kWh by approx. 11 kWh. The value of 11 kWh is derived by dividing the average annual power consumption of a typical household (3,950 kWh) by 365 days. The average annual power consumption of a typical household is based on the Ministry of the Environment's "Statistical Survey on CO2 Emissions from the Household Sector."

MIRARTH Asset Management
MSB Kanagawa Aikawa Energy Storage Facility

Aikawa, Aiko District, Kanagawa Prefecture

Installed Product(s)	Total Storage Capacity
Mega Power x3	7,404 kWh (rated)

Marubeni
Mitsumine-Ina Energy Storage Facility

Nagano Prefecture

Installed Product(s)	Total Storage Capacity
Mega Power x3	8,100 kWh

Japan Post | Okayama Post Office

Soja City, Okayama Prefecture

Installed Product(s)	Total Storage Capacity
Mega Power x1	2,132 kWh

ProLogis | ProLogis Park Soka

Soka City, Saitama Prefecture

Installed Product(s)	Total Storage Capacity
Mega Power x1	2,742 kWh

Mega Power: Deployment Examples

Toyota Motor East Japan – Iwate Plant

Toyota Motor East Japan Selects PowerX's Battery Energy Storage Systems to Enhance Resilience in Kanegasaki Microgrid Project

2025.02.14

Senko Group Holdings Logistics Center

First deployment of stationary battery storage system for Senko Group Holdings

2024.01.10

Imabari Shipbuilding – "Saijo Plant"

Press release

【Joint Release】Implementation of the “On-Site Battery Storage Project” in Saijo City, Ehime Prefecture

四国電力株式会社・今治造船株式会社・株式会社パワーエックス

2025.09.01

四国電力株式会社（以下、四国電力）および今治造船株式会社（以下、今治造船）は、両社共通の出資先である株式会社パワーエックス（以下、パワーエックス）が製造する定置用蓄電システムを今治造船西条工場東ひうち事業部の敷地内に設置し、「オンサイト蓄電池事業」を実施することといたしました。

国内では、２０５０年カーボンニュートラル実現に向け、再生可能エネルギー（以下、再エネ）の最大限の導入・活用が進められておりますが、再エネの発電量は、天候に大きく左右されることから、出力変動に対応するための調整力の確保が課題となっております。

本事業では、蓄電池の利活用により充放電を最適制御する蓄電システムを運用し、電力需給の安定化と再エネの最大限の活用に取り組んでまいります。また、蓄電した電気を有効活用し、工場の最大需要電力を抑制（ピークカット）することで、電気料金の削減にも繋げてまいります。

３社は、引き続き緊密に連携しながら、「オンサイト蓄電池事業」に関するノウハウの確立を目指すとともに、電力需給の安定化と脱炭素社会の実現に貢献してまいります。

Ultra-Fast EV Charger Deployment Track Record

Nationwide contribution to EV charging

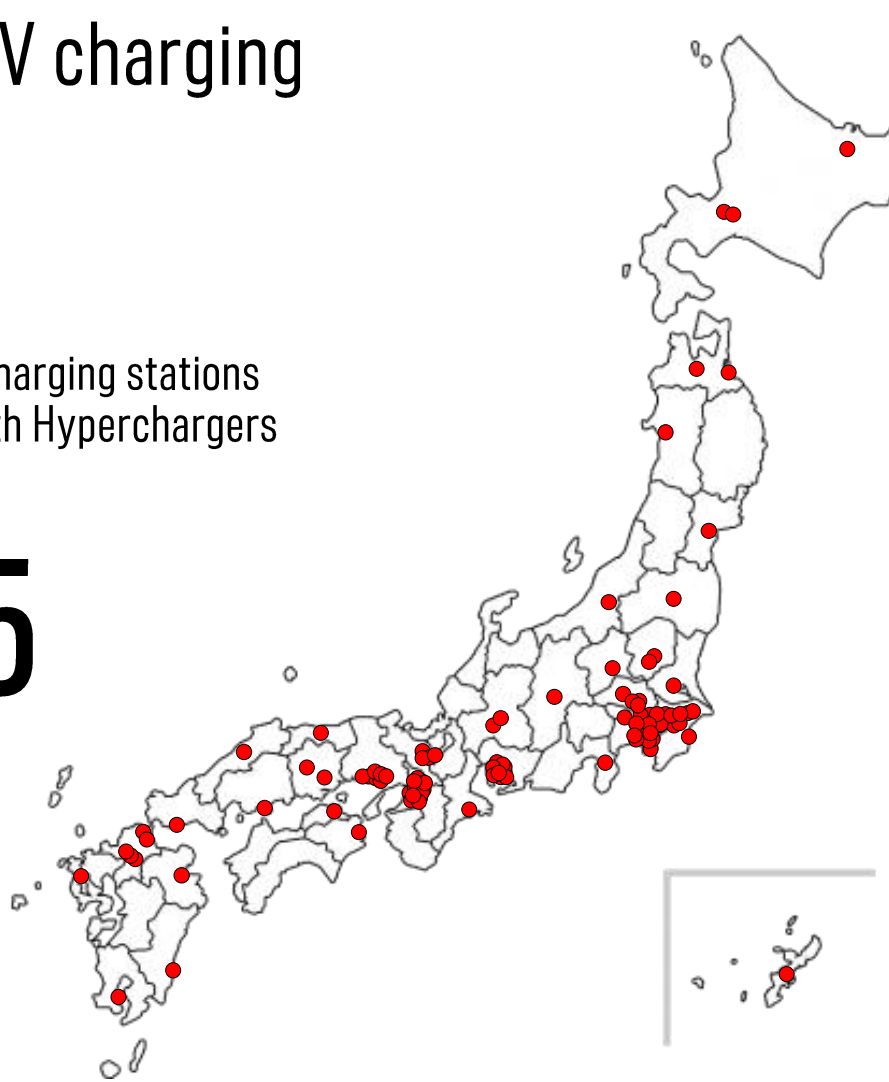
Hypercharger

Ultra-fast EV chargers utilizing batteries developed by PowerX

Number of charging stations equipped with Hyperchargers

(as of Dec 8, 2025)

125



● Installed

Prefectures with Hypercharger installations

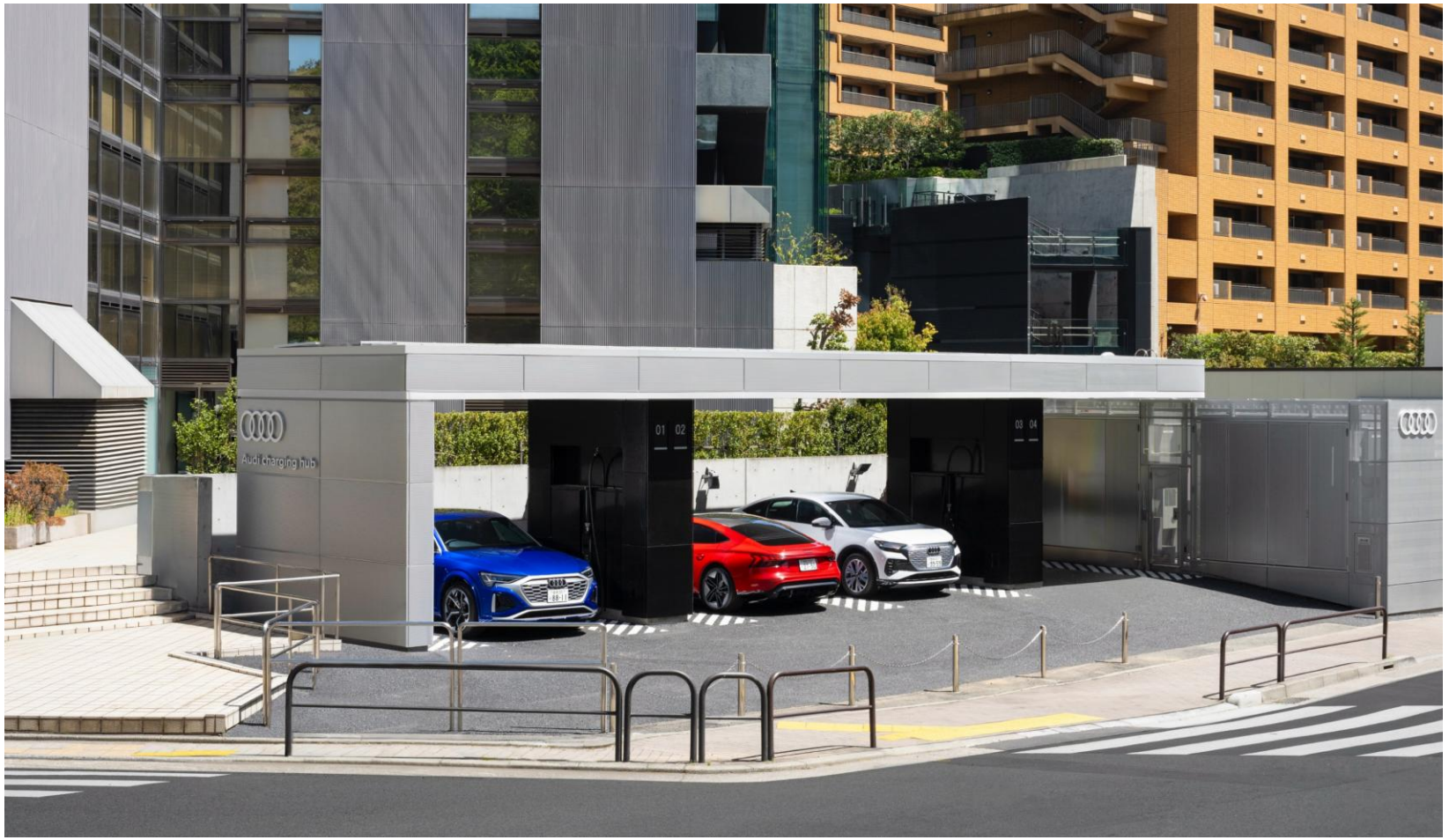
Hokkaido	Aomori	Akita
Fukushima	Miyagi	Niigata
Tochigi	Gunma	Ibaraki
Chiba	Saitama	Tokyo
Kanagawa	Shizuoka	Nagano
Gifu	Aichi	Shiga
Kyoto	Mie	Hyogo
Okayama	Osaka	Tottori
Shimane	Hiroshima	Kagawa
Tokushima	Yamaguchi	Oita
Kagoshima	Fukuoka	Nagasaki
Okinawa	Miyazaki	

Hypercharger Deployment Examples

In partnership with Mercedes-Benz, PowerX supported the launch of the first Mercedes-Benz Charging Hub in Japan, “Mercedes-Benz Charging Hub Chiba Park.”

Additional sites have since opened in Kashiwa-no-ha and Komazawa.

Hypercharger Deployment Examples



Audi Charging Hub Kioicho: Audi dealerships across Japan

Hypercharger Deployment Examples

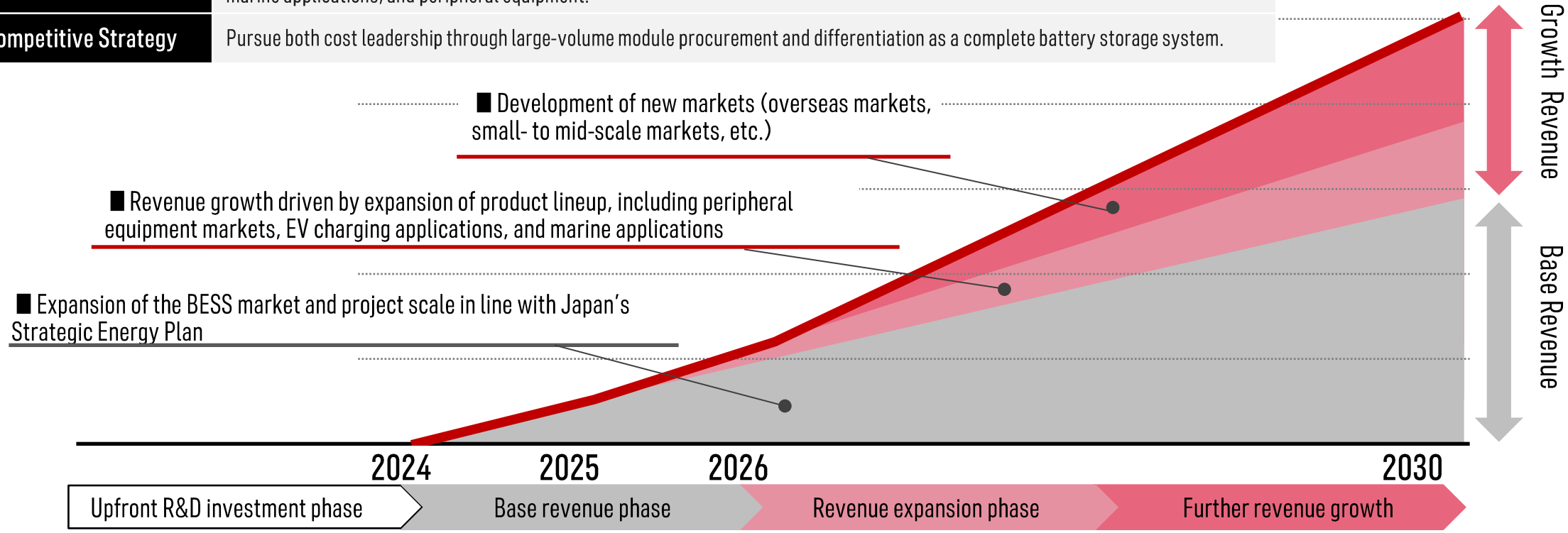
Azabudai Hills: BMW Destination Charging

Contents

Growth Strategy

After establishing a base revenue foundation, PowerX enters a revenue expansion phase, with IPO proceeds supporting production capacity expansion and market growth in Japan and overseas.

Market Expansion Strategy	Expansion into markets including ultra-large-scale battery power plants, lower-price segments, EV-related applications, marine applications, and overseas markets.
Product Strategy	Leverage core technologies to grow in Japan and expand the product lineup to include liquid-cooled systems, small-size products, marine applications, and peripheral equipment.
Competitive Strategy	Pursue both cost leadership through large-volume module procurement and differentiation as a complete battery storage system.



PowerX's revenue base becomes more stable as recurring revenue introduced in FY2023 grows as a share of total revenue.

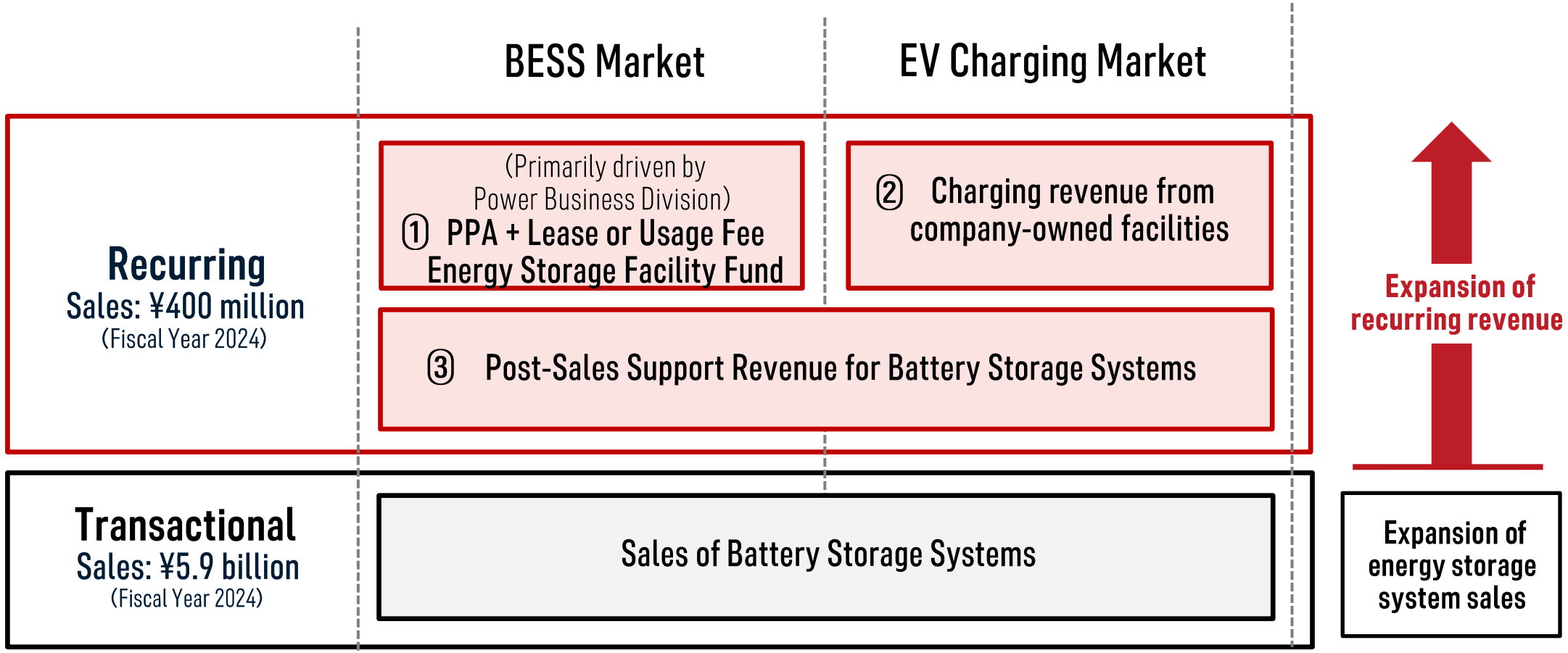
Growth Strategy

As market demand and project sizes increase, the sales organization will scale accordingly, while recurring revenue expands through services. In parallel, the Company will evaluate in-house development of adjacent BESS components and new product opportunities.

	Strategy	Key Initiatives
Growth Revenue	Expansion into overseas markets and small- to mid-scale markets	• Marketing activities in overseas markets (including Europe) • Market research for the domestic small- to mid-scale battery energy storage system market
	Revenue growth driven by product lineup expansion	• Assessment of in-house development for peripheral equipment and EPC-related functions • New product development for EV charging and marine applications
Base Revenue	Expansion of the domestic BESS market and scaling of project size, supported by Japan's Strategic Energy Plan	• Build a sales organization structured by application and customer segment
		• Expand recurring revenue through maintenance and related services tied to battery energy storage system sales (details on the next page)

Growth Strategy

As revenue scales, the business model shifts from primarily transactional sales toward a higher share of recurring revenue, supporting both growth and earnings stability.

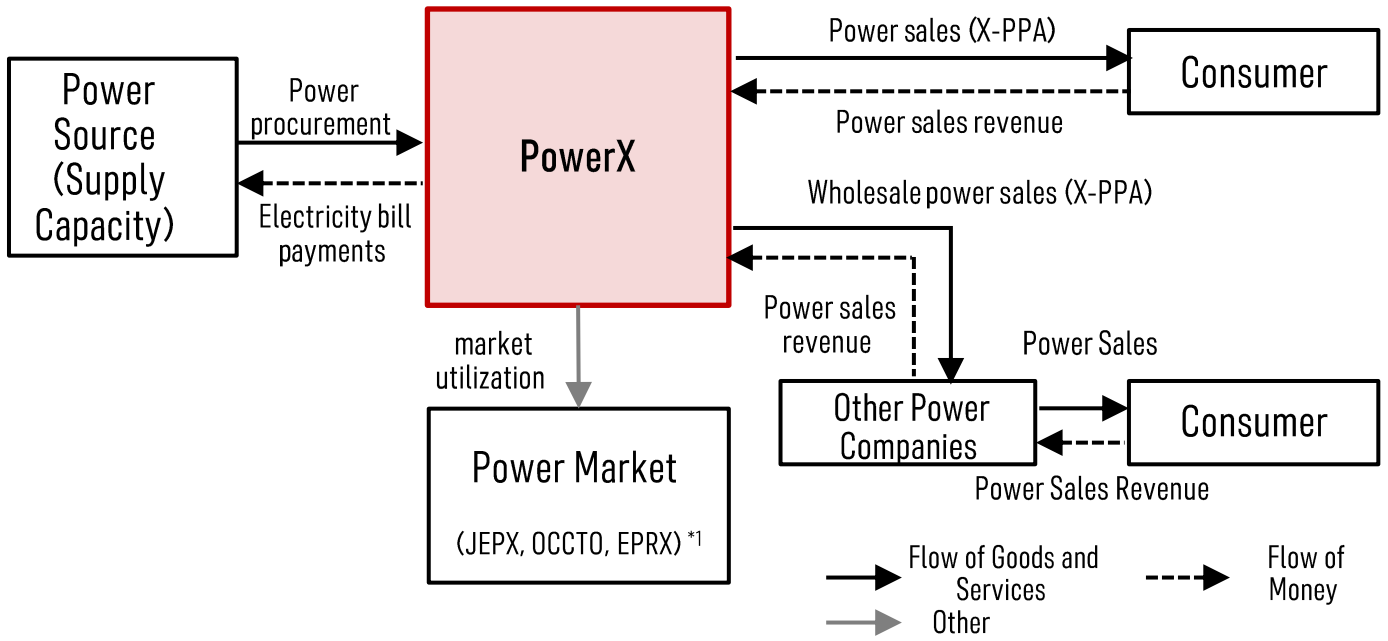


Growth Strategy

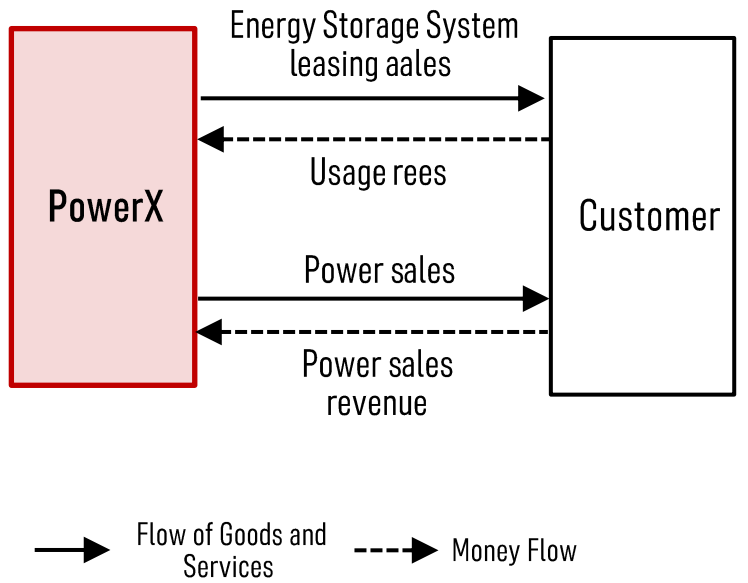
1. PPA + Lease or Usage Fee

Beyond battery energy storage system sales, long-term revenue is generated through electricity sales under X-PPA arrangements and leasing.

Power Retail (X-PPA)



Energy Storage System Leasing

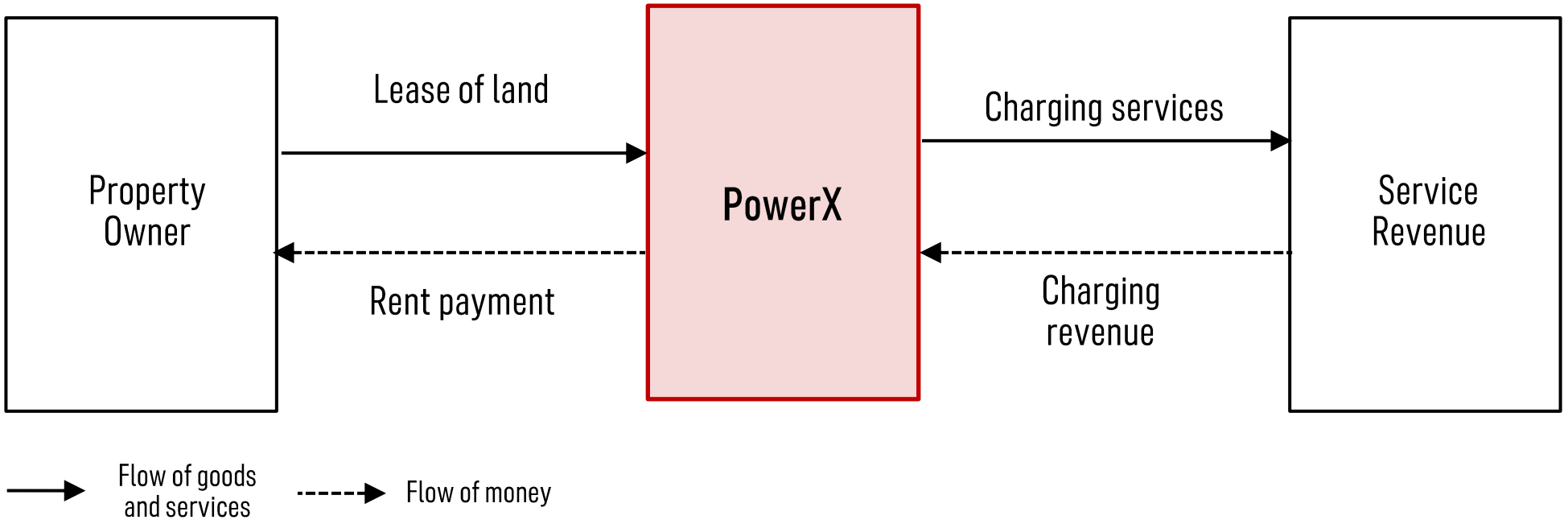


*1 JEPX (Japan Electric Power Exchange): Japan Wholesale Electricity Exchange, OCCTO (Organization for Cross-regional Coordination of Transmission Operators): Organization for Cross-regional Coordination of Transmission Operators, EPRX (Electric Power Reserve eXchange): Electricity Reserve eXchange

Growth Strategy

2. Charging Revenue from Company-Owned Sites

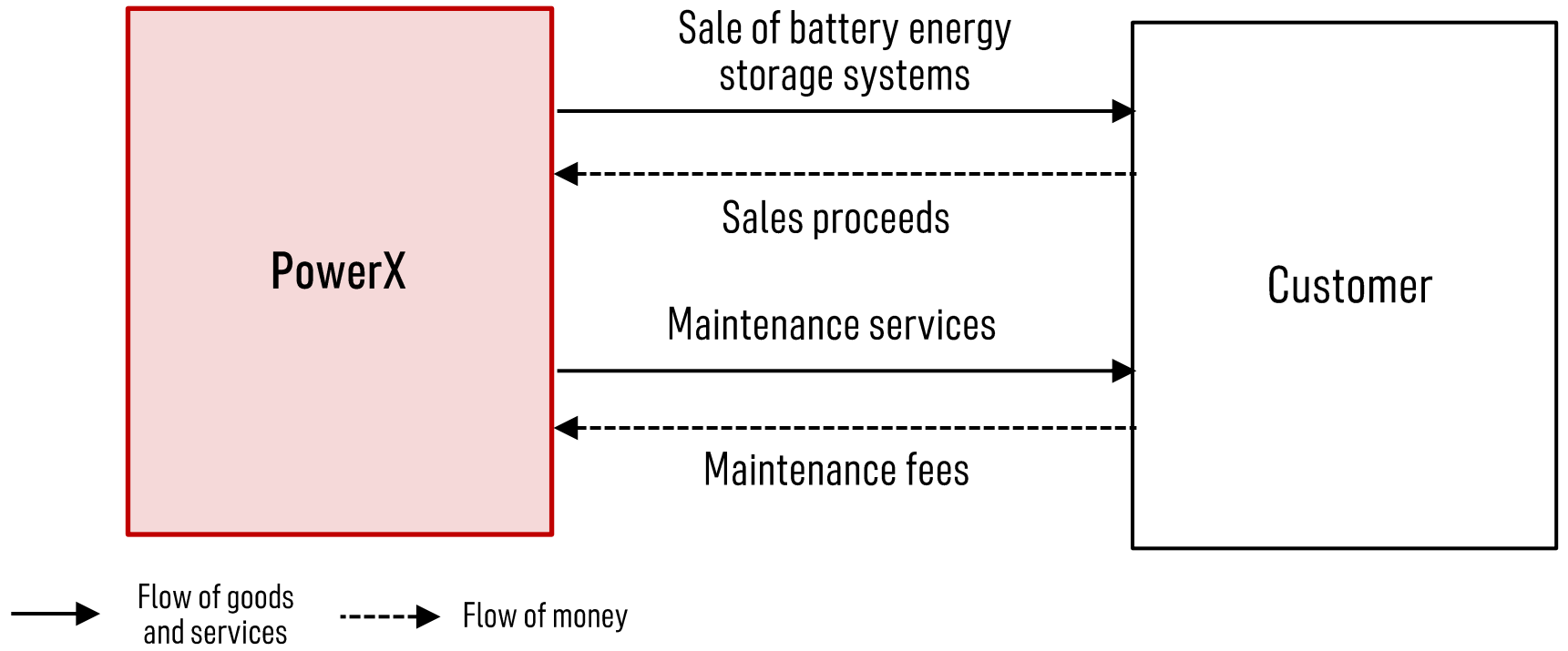
Revenue is generated based on user utilization by expanding EV charging services at company-owned locations under the “PowerX Charge Station” brand.



Growth Strategy

3. Post-Sale Support Revenue from Battery Energy Storage Systems

Ongoing service revenue is generated through post-sale maintenance services (inspection and servicing) for battery energy storage systems.



Growth Strategy

Recurring Revenue Expansion

Recurring revenue is expected to expand through the operation of battery power plant funds,

EV charging services, and post-sale maintenance services for battery energy storage systems.

	Key Initiatives to Expand Recurring Revenue
1. PPA / Leasing / Usage Fees (Battery Power Plant Funds)	• Launch and expansion of new retail services (Released in mid-September; outreach to customers at ~150 sites initiated within one month) • Expansion of aggregation services for grid-scale battery power plants (Discussions underway for ~9 projects within one month)
2. EV Charging Revenue from Company-Owned Sites	• Improved network value and service quality as user numbers grow, driving higher repeat usage • Growth in PowerX First memberships • Expansion of corporate plan memberships through sales activities
3. Post-Sale Support Revenue for Battery Energy Storage Systems	• Maintenance services are generally recommended to customers purchasing battery energy storage systems, enabling long-term operation through ongoing maintenance

Contents

Core KPIs

Key performance indicators that drive business performance and capital efficiency include revenue, EBITDA, ROA, and ROE.

(Unit: JPY millions)

KPI	Definition	FY2024 Actual	FY2025 Outlook	Why This KPI Matters
Revenue	Consolidated revenue	6,161	18,915	Indicates business scale and growth trajectory, and supports monitoring changes in market share
EBITDA	Operating profit plus depreciation and amortization	(4,617)	(412)	Appropriate for evaluating underlying profitability without distortion from depreciation associated with capital-intensive investment
ROA	Return on assets[*1]	–	–	Useful for assessing asset efficiency and investment effectiveness while utilizing external capital
ROE	Return on equity[*1]	–	–	Useful for evaluating capital efficiency and returns to shareholders

[*1] ROA and ROE are not presented for FY2024 and FY2025 as net income is expected to be negative in both periods.

FY24 Actuals vs FY25 Outlook (Consolidated)

(Unit: JPY millions)

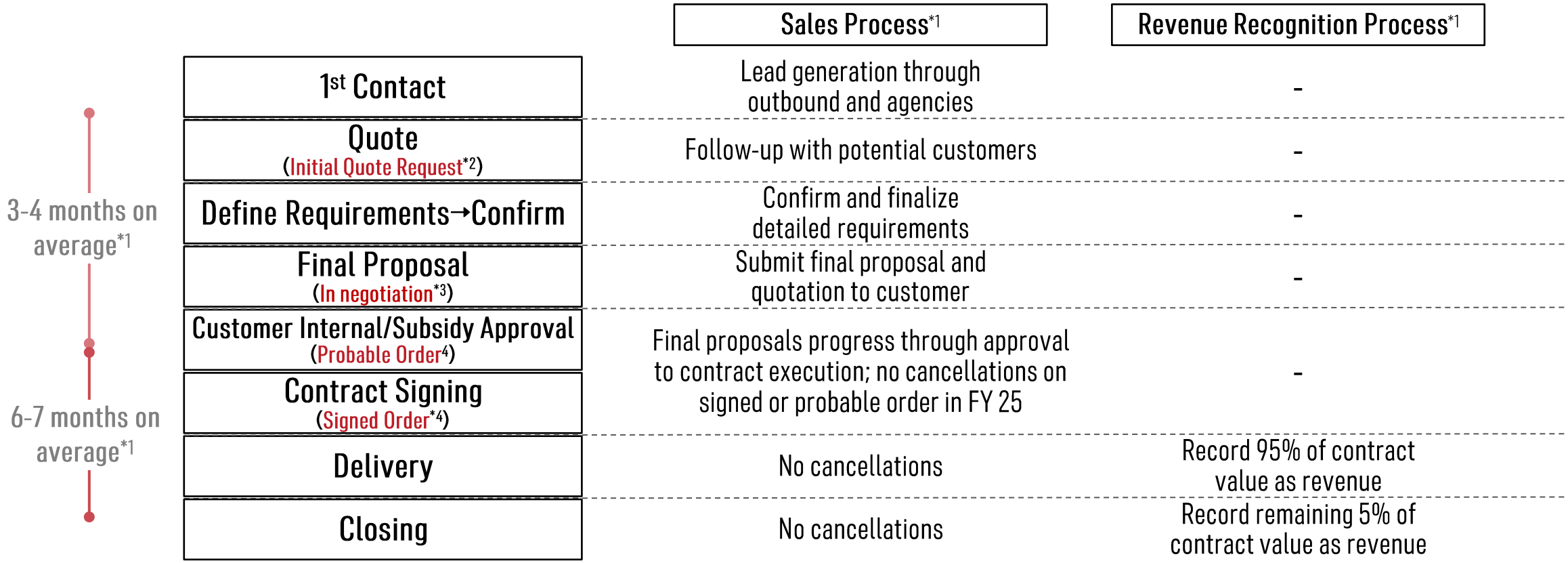
	FY2024 Actual	FY2025 Outlook	Change (%)	Key Assumptions
Revenue	6,161	18,915	207.0%	Growth driven primarily by increased sales of stationary battery systems within the BESS business. The BESS business has an accumulated project pipeline totaling JPY 53.3 billion, of which JPY 16.8 billion is assumed to be recognized as revenue within the fiscal year.
Operating Income	(4,942)	(835)	–	Losses are expected to narrow as revenue increases.
Ordinary Profit	(5,702)	(1,730)	–	–
Net Profit (Loss) Attributable to Owners of the Parent	(8,013)	(1,790)	–	–

FY24 Actuals vs FY25 Outlook by Segment

(Unit: JPY millions)

Segment		FY2024 Actual	FY2025 Outlook	Change (%)
BESS Business	Revenue	4,143	16,132	389.4%
	Operating Income	855	4,085	477.8%
EVCS Business	Revenue	1,628	1,460	89.7%
	Operating Income	(498)	(269)	-
Power Business	Revenue	389	1,323	340.2%
	Operating Income	(55)	106	-
Company-wide	Adjustments	(5,244)	(4,757)	90.7%
Consolidated Total	Revenue	6,161	18,915	307.0%
	Operating Income	(4,942)	(835)	-

Sales & Revenue Recognition Process



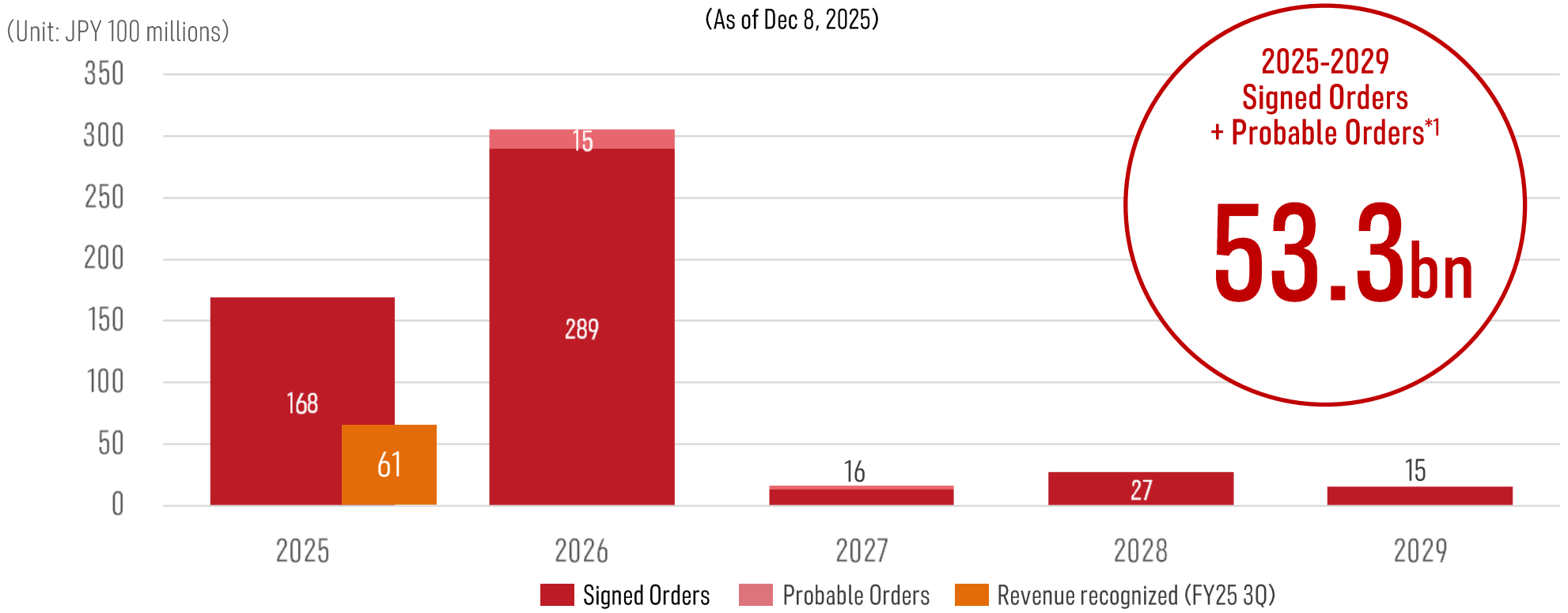
*1 The diagram above illustrates PowerX's standard sales and revenue recognition process based on current contract terms with customers. Please note that this process does not necessarily apply to all transactions, including historical contracts.
*2 "Initial quote request" refers to preliminary inquiries received from prospective customers. Projects that have already been lost or cancelled are excluded, while ongoing (pending but not lost or cancelled) cases are included.
*3 Projects that have advanced from initial engagement with a prospective customer to the stage where detailed requirements have been finalized and a final proposal and quotation have been presented. Projects that have already been lost or canceled are excluded, while ongoing (pending but not lost or canceled) projects are included.
*4 "Signed orders" refer to binding purchase agreements formally executed with customers. "Probable orders" refer to cases where either (i) government subsidies (e.g., from METI or the Tokyo Metropolitan Government) have been approved, or (ii) the customer's internal approval and decision-making procedures have reached the final stage prior to contract execution, and the order is therefore considered highly likely to be placed in the near term. However, please note that there remains a risk of cancellation or modification in price or quantity prior to contract execution, or of partial or non-recognition of the expected revenue under the contract.

Annual BESS Order Backlog by Fiscal Year

From FY2025 to FY2029, confirmed and expected orders total ¥53.3 billion, providing strong visibility beyond the next fiscal year.

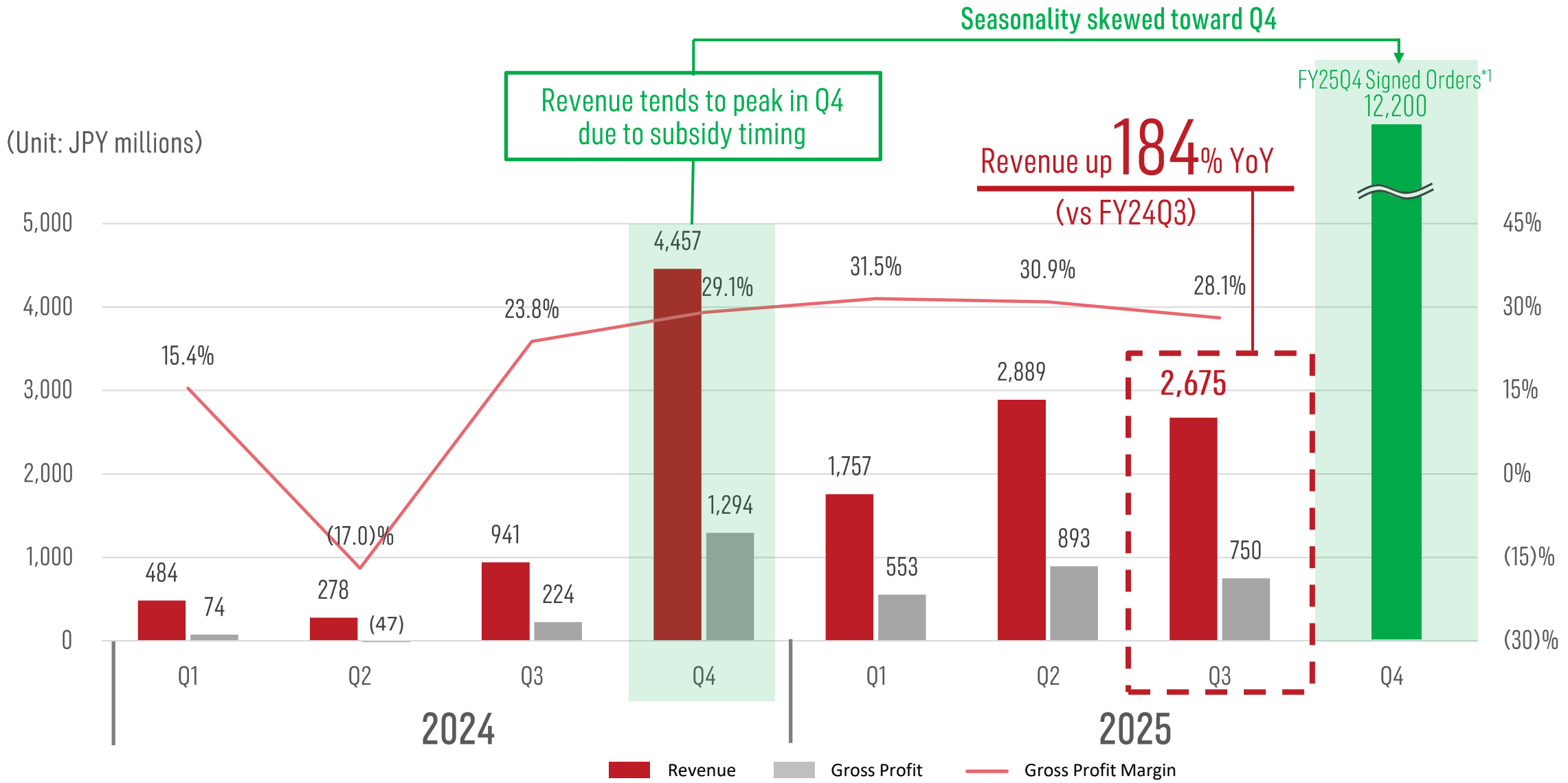
2025-2029 Signed Orders & Probable Orders*1 (BESS business)

(As of Dec 8, 2025)



*1 Includes the aggregate value of confirmed and expected orders for FY2025–FY2029 as of Dec 8, 2025, representing amounts expected to be recognized as revenue. “Signed orders” are binding customer orders under executed sales contracts. “Probable orders” are projects approved for government subsidies or those in the final stage prior to contract execution with a high likelihood of conversion. Actual results may differ due to contract cancellations, changes in customer conditions, or revenue recognition risks.

Strong Revenue Growth Driven by Seasonal Q4 Deliveries



*1 "Signed Order" refers to a binding order officially placed by the customer with a signed sales contract. However, please note that even for a Signed Order, some or all expected revenue may not be recognized.

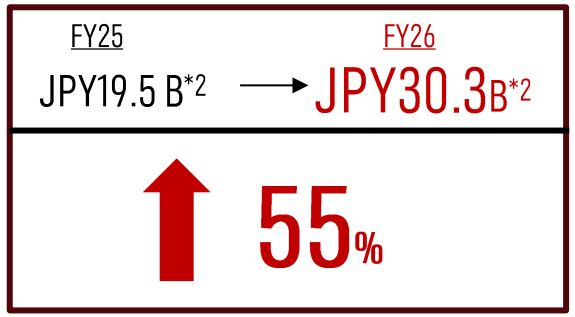
Future Growth Outlook Based on Order Backlog

Between FY25 and FY26, revenue growth of 55% is expected based on Signed Orders, and 66% when including Signed Orders + Probable Orders.
From Nov 2024 to Oct 2025, Signed + Probable Orders in the BESS business increased by approximately JPY 13.0 billion; assuming a similar performance this year, further revenue growth is anticipated.

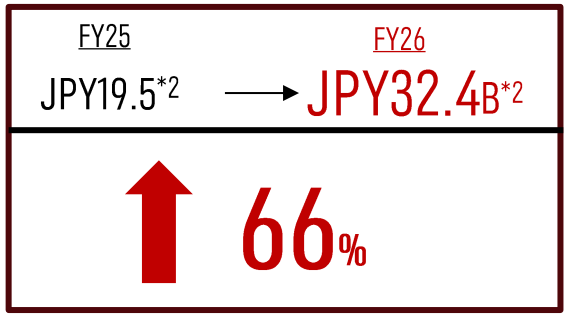
BESS + EVCS + Power Business

(As of Dec 8, 2025)

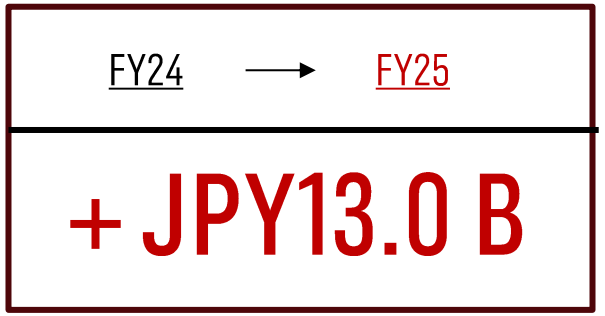
1) Signed Orders*1 Only



2) Signed*1 + Probable Orders*1



Ref: Increase in Signed Orders and Probable Orders in the BESS business from November 2024 to October 2025*3

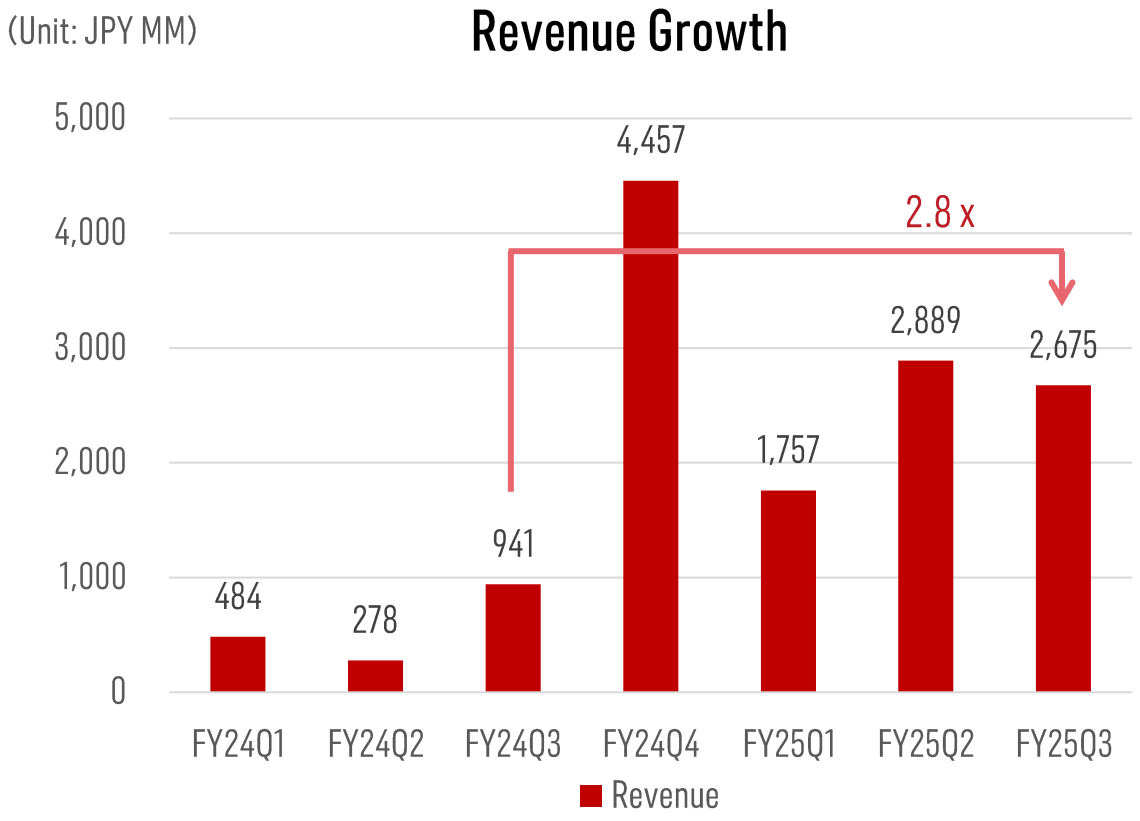


*1 Figures as of November 4, 2025, including amounts already recognized as revenue. "Signed orders" refer to binding purchase orders that have been formally placed by customers and are supported by executed sales contracts. "Probable orders" refer to orders meeting one or more of the following conditions:(i) projects approved for subsidies by the Japanese Government or the Tokyo Metropolitan Government, or(ii) projects that have obtained customers' internal approvals and are in the final stages of contract execution, and therefore are estimated to have a high probability of being formally ordered in the near future. Please note that there remain risks of order cancellation or modification in terms of price or quantity before contract execution, or of being unable to recognize all or part of the expected revenue after execution.
*2 Figures are as of November 4, 2025, and are subject to change.
*3 The total amount of signed + probable orders increased from approximately JPY3.99 billion as of November 12, 2024, to JPY17.08 billion as of October 27, 2025. Accordingly, the amount of newly secured projects is calculated as JPY13 billion.

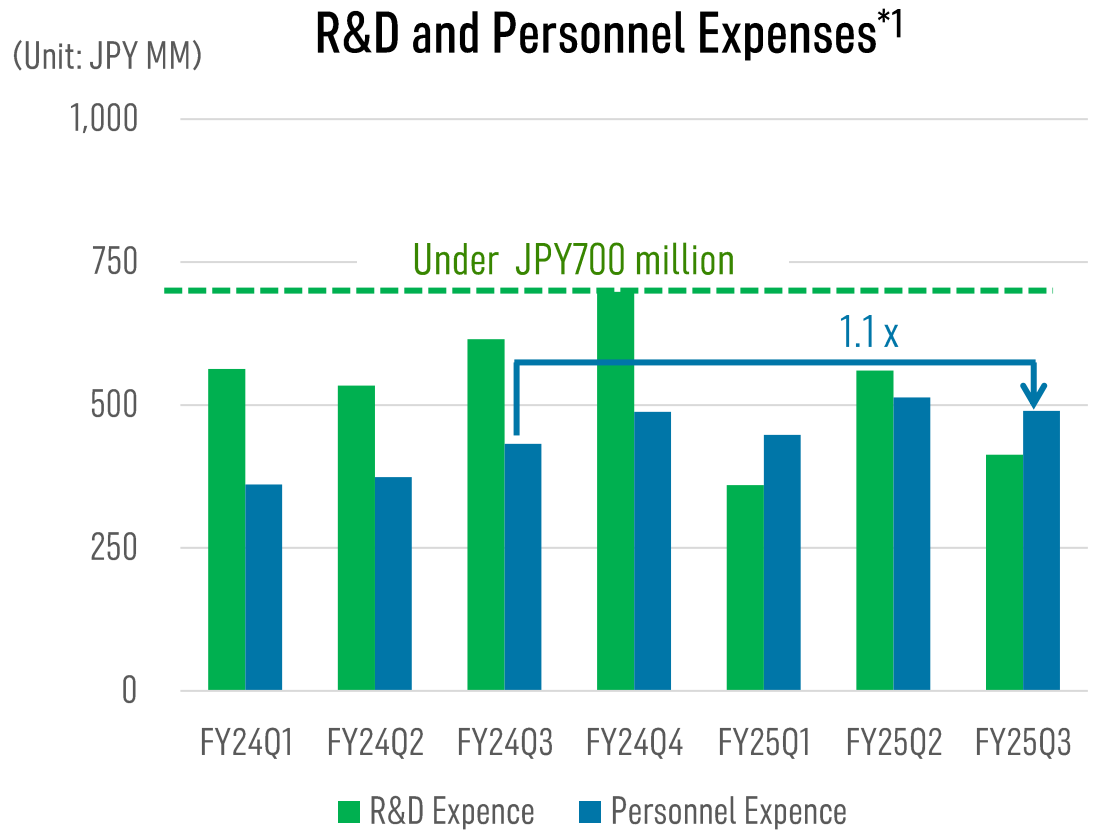
High Operating Leverage Driven by an Asset-Light Business Model

R&D expenses remain limited relative to revenue, enabling strong topline growth while keeping personnel costs under control.

Revenue Growth



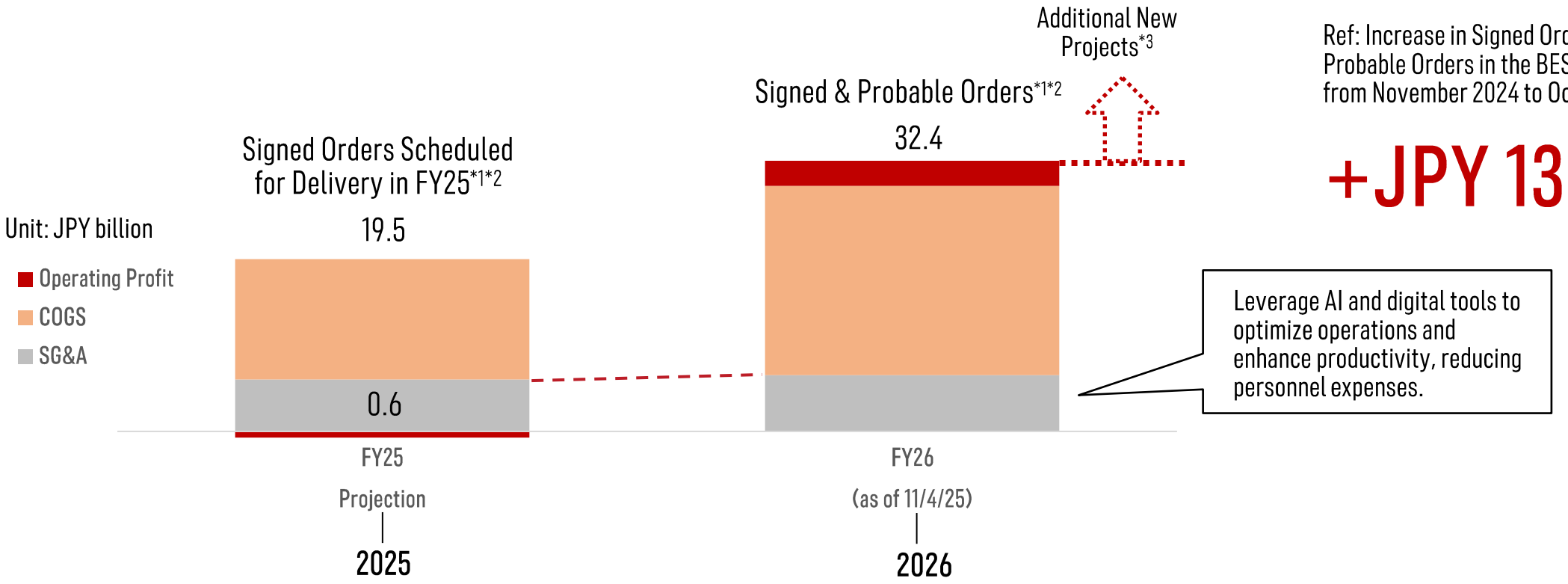
R&D and Personnel Expenses*1



*1 Includes executive compensation, salaries, bonuses, welfare expenses, retirement benefits, legal welfare costs, outsourced labor costs and share-based compensation expenses, etc., but excludes expenses related to R&D activities.

Next FY Outlook Based on Order Backlog

The total value of signed and probable orders for FY26 amounts to JPY32.4 billion, with further growth expected from new projects.
As most SG&A expenses are fixed, they are not expected to increase in tandem with revenue.



Ref: Increase in Signed Orders and Probable Orders in the BESS business from November 2024 to October 2025*4

+JPY 13.0 B

*1 Figures as of Dec 8, 2025, including amounts already recognized as revenue. "Signed Orders" refer to binding purchase orders that have been formally placed by customers and supported by executed sales agreements." Probable orders" refer to orders meeting one or more of the following conditions:(i) projects approved for subsidies by the Japanese Government or the Tokyo Metropolitan Government, or(ii) projects that have received internal approval from customers and are in the final stages of contract execution, and are therefore considered highly likely to be formally ordered in the near future. Please note there remain risks of cancellation or modification in price or quantity before contract execution, or of being unable to recognize all or part of the expected revenue after execution.
*2 Figures as of December 8, 2025, and subject to change.
*3 Please note that some projects may ultimately not result in contract execution or revenue recognition.
*4 The total amount of signed + probable orders increased from approximately JPY3.99 billion as of November 12, 2024, to JPY17.08 billion as of October 27, 2025. Accordingly, the amount of newly secured projects is calculated as JPY13 billion.

Contents

Key Risks and Mitigation

Business Risks	Likelihood/Timing	Description of Risk	Mitigation Measures
Risks Related to Government Subsidies	Likelihood: Medium Impact: High	Battery energy storage products of the company are eligible for government subsidies under Japan's Basic Energy Plan, and the level of subsidies received by customers may influence their purchasing decisions. However, government policies may be revised, suspended, or discontinued, and subsidy levels are not guaranteed to remain consistent. If subsidies received by customers are lower than expected, demand for battery products may be affected, which could have an impact on the company's business performance and financial condition.	✓ The company maintains relationships with relevant government authorities, closely monitors regulatory and policy developments, and takes prompt action as necessary.
Competitive Risks	Likelihood: High Impact: Medium	Price competition with domestic and overseas competitors may intensify. If the company is unable to secure its expected market share or profit levels, this could have an impact on the company's business performance and financial condition.	✓ From an economic security perspective, the company believes it has a competitive advantage over overseas manufacturers in the Japanese battery market. In addition, by conducting all processes domestically–including design, manufacturing, software development, and maintenance–the company aims to achieve sustainable business growth and expand market share.
Risks Related to Contract Execution and Fulfillment	Likelihood: Medium Impact: Medium	Sales of the company's battery products require a certain period of time from commercial negotiations to delivery and project closing. Contract negotiations, specification adjustments, customer approvals, and subsidy-related applications may take longer than expected. If delivery timing deviates from plan or cash collection is delayed, this could have an impact on the company's business performance and financial condition.	✓ To minimize schedule delays, the company sets delivery schedules with appropriate buffers, manages contract execution carefully, monitors customer progress on a regular basis, and formulates plans that assume a certain level of schedule risk in order to limit potential impacts.

Key Risks and Mitigation

Business Risks	Likelihood/Timing	Description of Risk	Mitigation Measures
Risks Related to Raw Material Procurement	Likelihood: Medium Impact: High	Certain raw materials used in the company's principal products, including lithium-ion battery cells and modules, are procured from specific suppliers in China. If supply capacity at such suppliers becomes insufficient, relationships with such suppliers deteriorate, geopolitical risks intensify, political conditions in China change, or quality issues arise, procurement from such suppliers may become difficult. In such cases, this may have an impact on the company's business performance and financial condition.	✓ The company adopts product designs that enable assembly using general-purpose components that can be sourced from multiple suppliers. ✓ The research and development and procurement functions work closely together to evaluate battery modules manufactured by other suppliers from both quality and cost perspectives. ✓ The company is also advancing efforts to procure key components from countries outside China.
Risks Related to Raw Material Price Fluctuations	Likelihood: High Impact: Medium	Procurement prices for certain raw materials used in the company's principal products, including lithium-ion battery cells and modules, fluctuate due to changes in supply-demand conditions and trade policies. In addition, certain raw materials are procured through foreign-currency-denominated transactions, and procurement prices may fluctuate due to exchange rate movements. If raw material prices increase due to tightening supply-demand conditions for lithium, this may have an impact on the company's business performance and financial condition.	✓ Based on future production plans, the company negotiates procurement prices through advance agreements on purchase volumes. ✓ For foreign-currency-denominated transactions, the company implements measures such as foreign exchange hedging in order to mitigate exchange rate risks.
Risks Related to Product Liability and Warranty	Likelihood: Low Impact: High	The company designs and manufactures products in accordance with its internal standards; however, defects may arise due to issues with procured components or during the assembly process, and such defects may occur over time. While warranty provisions are established for a certain period after delivery, defects exceeding the anticipated scope may occur. Product defects may result in large-scale product recalls, product liability claims, and costs associated with free replacement or repair, which could have a significant impact on the company's reputation as well as its business performance and financial condition.	✓ The company is promoting the adoption of long-life battery cells and extending battery life through systems such as battery management systems (BMS). ✓ In connection with the sale of battery systems, the company provides customers with paid maintenance services and conducts periodic inspections to identify potential product issues at an early stage.

Contents

Purpose of the IPO

Strengthening credibility with customers & diversifying funding sources

- **Objectives**
  1. Enhancing Public Recognition and Credibility
     ✓enable customers purchasing PowerX's battery energy storage systems, which are used as part of energy infrastructure, to engage with the Company with greater confidence and trust
     ✓strengthen recognition and credibility, particularly among regional small and medium-sized enterprises, which represent a key customer segment for future growth
     ✓broaden sales and financing options, including battery sales utilizing leasing structures, as credibility improves
     ✓attract and retain highly skilled talent to further support growth
  2. Diversification of Funding Sources
     ✓support continued growth through increased investment in manufacturing capacity, research and development, and expansion of the sales organization, diversifying funding sources through the IPO is important to meet rising capital requirements

- **Why IPO now?**
  1. Enhancing Credibility to Provide Critical Infrastructure Domestically
     ✓As battery energy storage systems are increasingly deployed in applications critical to energy infrastructure, enhancing credibility through the IPO is essential to continue winning orders and to support sustainable growth as a domestic provider
  2. Need for Capital to Rapidly Expand Supply Capacity
     ✓meet pipeline demand accumulated through 2029 and to contribute to securing renewable energy balancing capacity targeted by government policy, the Company aims to raise capital at an early stage through the IPO and to rapidly expand production capacity

Use of IPO Proceeds

IPO proceeds are expected to be used primarily for capital expenditures and R&D.

(Unit: JPY millions)

Use	FY25/12	FY26/12	FY27/12	Total
Capital Expenditures	–	4,428	1,446	5,874
R&D	–	149	–	149
Total	–	4,577	1,446	6,023

1. Capital Expenditures

✓ To secure manufacturing capacity for Mega Power 2500, the successor model to the Company's flagship product Mega Power 2700A, the Company plans to construct a second manufacturing building at PowerBase. In addition, investments are planned in connection with relocation to a new Tokyo office to accommodate an increase in headcount.

2. R&D

✓ Research and development related to Mega Power 2500.

Appendix

Reference Materials

Page	Reference Material/Information	Source	URL
10, 11, 12, 13	The 7th Strategic Energy Plan	Ministry of Economy, Trade and Industry (METI)	https://www.enecho.meti.go.jp/category/others/basic_plan/pdf/2025_strategic_energy_plan.pdf
10, 12, 13	Policy for Expansion of Wide-Area Power Systems (Draft Master Plan for Interconnected Power Systems)	Organization for Cross-regional Coordination of Transmission Operators (OCCTO)	https://www.meti.go.jp/shingikai/enecho/denryoku_gas/saisei_kano/pdf/049_s03_00.pdf
10, 12, 13	Study Toward Achieving Carbon Neutrality by 2050	Agency for Natural Resources and Energy	https://www.enecho.meti.go.jp/committee/council/basic_policy_subcommittee/2021/043/043_004.pdf
10, 12, 13	Energy White Paper 2023 (International Energy Trends, Vol. 2)	Agency for Natural Resources and Energy	https://www.enecho.meti.go.jp/about/whitepaper/2023/pdf/2_2.pdf
10, 12, 13	Long-Term Outlook for Renewable Energy Curtailment	Agency for Natural Resources and Energy	https://www.meti.go.jp/shingikai/enecho/shoene_shinene/shin_energy/keito_wg/pdf/045_01_00.pdf
13	Battery Storage as a Driver of Renewable Energy	Renewable Energy Institute	https://www.renewable-ei.org/pdfdownload/activities/REI_BatteryStorage_JP.pdf
13	Average Output of Nuclear Power Plants and Total Approved Nuclear Generation Capacity in Japan	Nuclear Regulation Authority of Japan	https://www.jaea.go.jp/04/anzen/

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PowerX Business Model and Growth Strategy

December 2025