

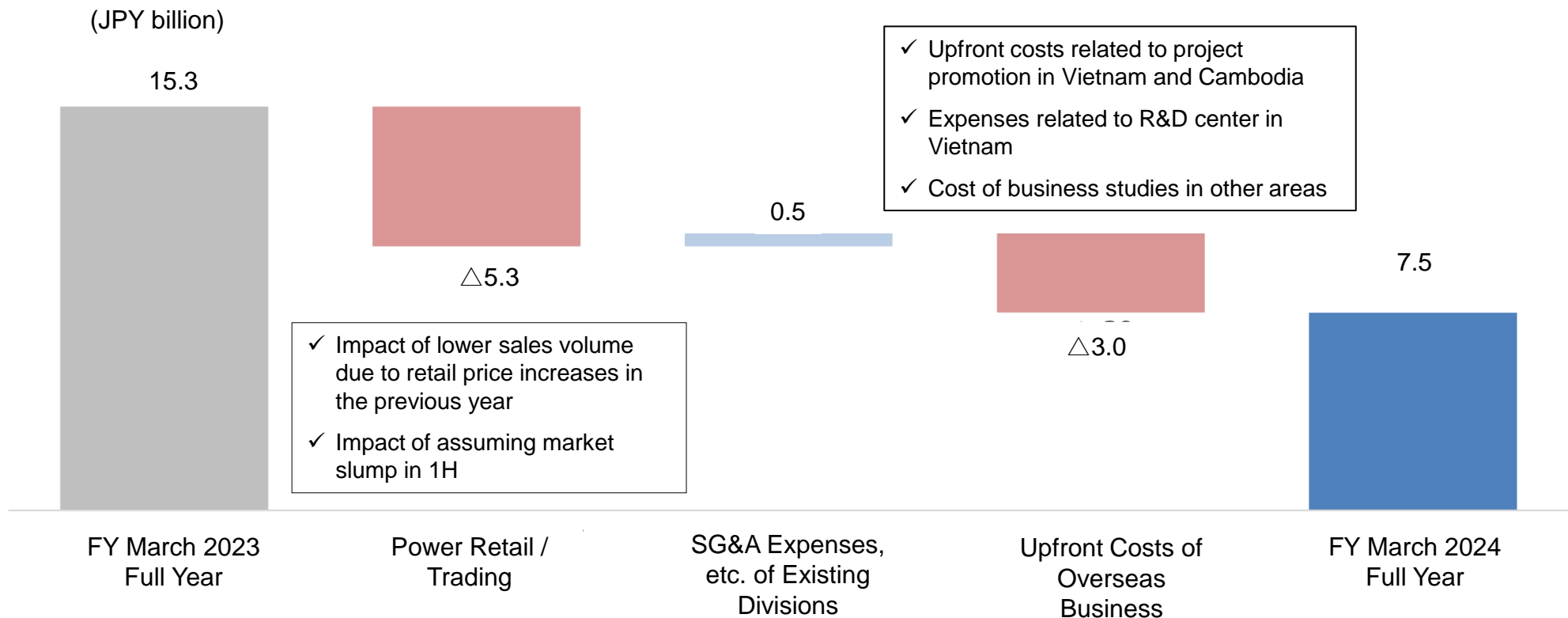


erex Co., Ltd. [9517]

FY March 2023
Financial Results Presentation Material
May 15, 2023

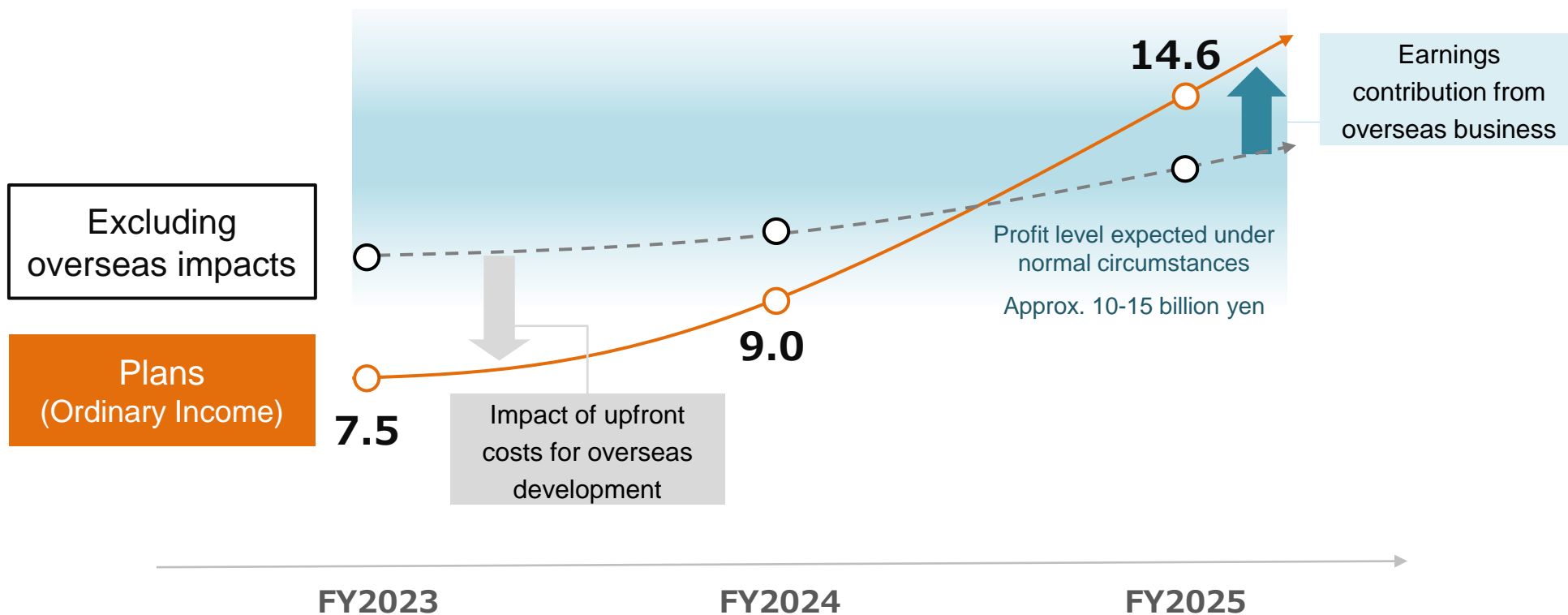
- Decline in power sales volume due to the impact of strategic review of retail pricing, and the assumed market slump in the 1H of FY2023, resulting in lower contribution of Retail + Trading earnings
- In addition to the above, the increase in upfront costs in Vietnam, Cambodia, etc. is assumed to push down ordinary income

Major Reasons for Changes in Ordinary Income

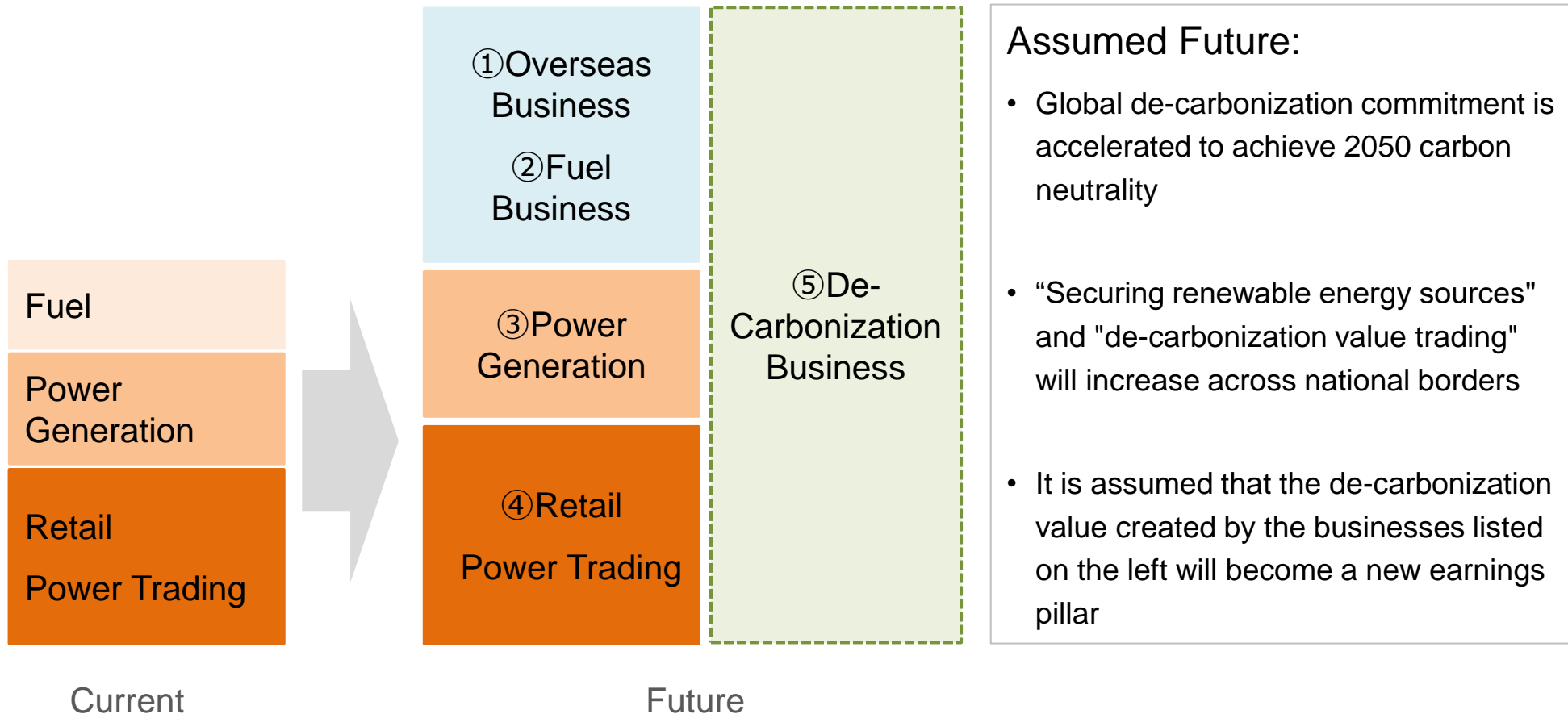


- Although there is a negative impact from the upfront costs of overseas business on the level of profit expected under normal circumstances, this is considered a necessary expense for future growth

Illustrative Image of Relationship between Business Plan and Overseas Upfront Costs (billion yen)

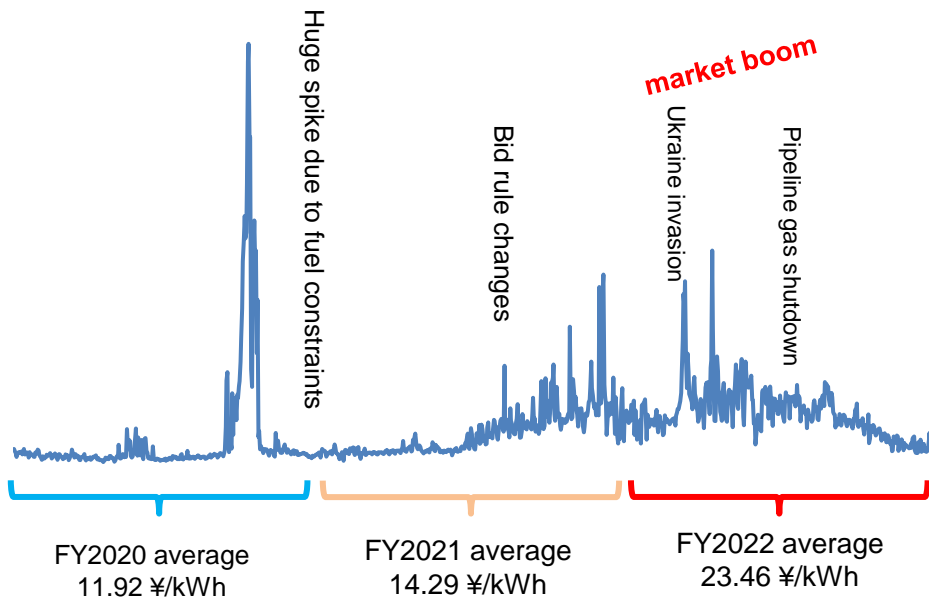


- Regarding the current business model, erex Group aims for steady growth through "strong defense" initiatives
- In addition, overseas business (power generation and fuel) is expected to become a pillar of earnings through development efforts
- Both domestically and internationally, erex Group will work on the theme of de-carbonization, and the de-carbonization value is expected to become a major source of earnings



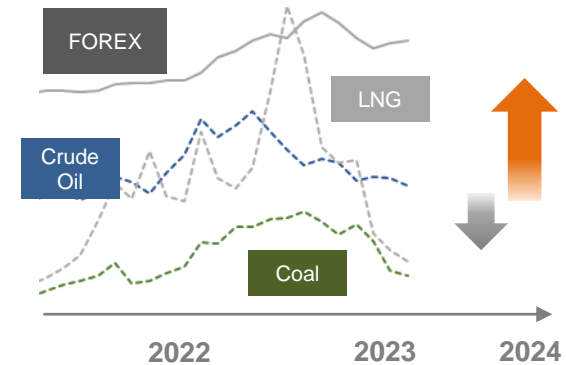
- erex Group restructured its business strategy in light of significant changes in the environment surrounding the energy business

Fluctuations in the Wholesale Electricity Market (Tokyo Price)



Fossil Fuel Price Fluctuations

In FY2022, crude oil was about 2x compared to April 2021, coal: 5 times, LNG: 3 times, and exchange rate: 1.2 times



- Responding to changes with "challenge and speed" as an energy venture company
- Promoting restructuring with the goal of contributing to global de-carbonization

ereX