



Consolidated Financial Results for the Three Months Ended June 30, 2025 (1Q of FY March 2026, IFRS)

* Please note this document is a translation of the original Japanese document "Consolidated Financial Results for the Three Months Ended June 30, 2025 (Kessan Tanshin)" and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

August 8, 2025

Company Name	erex Co., Ltd.	Listing Market: Tokyo Stock Exchange
Stock Code	9517 URL: https://www.erex.co.jp/en/ir/	
Representative Director	(Title) Representative Director and President (Name) Hitoshi Honna	
Contact	(Title) Director (Name) Norio Hirai	TEL +81-3-3243-1167
Scheduled Date to Start Dividend Payment	-	
Preparation of Supplementary Material on Financial Results:	Yes	
Holding of Financial Results Meeting:	Yes	

(Rounded down to the nearest million Japanese Yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 – June 30, 2025)

(1) Consolidated Operating Results (Cumulative) (% shows year-over-year changes)

	Net Sales		Operating Income		Income before Income Taxes		Quarterly Net Income	
	JPY million	%	JPY million	%	JPY million	%	JPY million	%
Three Months Ended June 30, 2025	37,047	10.8	1,453	△24.0	535	△83.0	△80	-
June 30, 2024	33,440	△40.2	1,911	-	3,143	-	2,312	-

	Quarterly Net Income Attributable to the Owners of the Parent Company		Quarterly Comprehensive Income		Quarterly Net Income per Share (EPS, Basic)	Quarterly Net Income per Share (EPS, Diluted)
	JPY million	%	JPY million	%	JPY	JPY
Three Months Ended June 30, 2025	△135	-	△888	-	△1.74	-
June 30, 2024	1,747	-	5,544	305.1	25.22	-

(Note) Diluted EPS for the 1Q of FY March 2025 and the 1Q of FY March 2026 is not stated, as there are no dilutive shares having dilutive effects.

(2) Consolidated Financial Position

	Total Assets	Total Equity	Equity Attributable to Owners of the Parent Company	Ratio of Equity Attributable to Owners of the Parent Company to Total Assets
	JPY million	JPY million	JPY million	%
June 30, 2025	149,038	69,160	61,729	41.4
March 31, 2025	153,382	72,480	64,144	41.8

2. Dividend

	Annual Dividend				
	1Q	2Q	3Q	4Q	Total
	JPY	JPY	JPY	JPY	JPY
Fiscal Year Ended March 31, 2025	—	0.00	—	11.00	11.00
Fiscal Year Ending March 31, 2026	—				
Fiscal Year Ending March 31, 2026 (Forecasts)		0.00	—	11.0	11.0

(*Note) Changes from the most recently announced dividend forecasts: No

3. Financial Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(% shows year-over-year changes)

	Net Sales		Operating Income		Income before Income Taxes		Net Income Attributable to the Owners of the Parent Company		Net Income per Share (EPS, Basic)
Full Year	JPY million	%	JPY million	%	JPY million	%	JPY million	%	JPY
	176,181	2.9	8,601	20.5	7,510	18.6	3,415	61.3	43.83

(*Note 1) Changes from the most recently announced financial forecasts: No

(*Note 2) Interim financial forecasts are not provided because financial numbers are internally managed on an annual basis. For details, please see “1. Qualitative Information for the Three Months Ended Jun 30, 2025, (3) Explanations on the Forward-Looking Statements including Financial Forecasts” on page 5 of the appendix.

(*Notes)

(1) Important changes in the scope of consolidation during the three months ended June 30, 2025: No

(2) Changes in accounting policies and changes in accounting estimates

① Changes in accounting policies as required by IFRS: No

② Changes in accounting policies other than ① above: No

③ Changes in accounting estimates: No

(3) The Number of Issued and Outstanding Shares (Common Shares)

① Number of Issued and Outstanding Shares (Including Treasury Stocks) at the End of the Period	As of June 30, 2025	78,066,758 shares	As of March 31, 2025	78,066,758 shares
② Number of Treasury Stocks at the End of the Period	As of June 30, 2025	138,530 shares	As of March 31, 2025	144,714 shares
③ Average Number of Shares during the Period	3 Months ended June 30, 2025	77,924,105 shares	3 Months ended June 30, 2024	69,280,927 shares

(*) Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm: No

(*) Explanations regarding the appropriate use of financial forecasts and other special instructions

(Cautions regarding forward looking statements)

Forward looking statements included in this document, including financial forecasts, are based on information that is currently available to management of erex Co., Ltd. and certain assumptions that are judged to be reasonable, and are not intended to guarantee the achievement of these financial forecasts. Actual results may be significantly different from these financial forecasts due to various factors.

(Supplementary Materials)

Supplementary materials will be posted on the website of erex (<https://www.erex.co.jp/ir/>) on the same day.

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1. Summary of Operating Results, etc.

(1) Summary of Operating Results for the Current Quarter

During the current fiscal year, the Japanese economy was on a gradual recovery trend, thanks in part to the effects of various policies, but uncertainty remains due to geopolitical risks and the actions of the new U.S. administration. In the electric power market in Japan, a temporary price increase was observed due to the rise in temperatures in the latter half of June, but demand remained low due partly to seasonal factors, and market prices remained low. Furthermore, the trend toward de-carbonization, which is important to erex Group's business, continues both in Japan and internationally.

Under these circumstances, consolidated net sales for the 1Q of the current fiscal year were 37,047 million yen (up 10.8% year-on-year), cost of sales was 33,167 million yen (up 12.7% year-on-year), gross profit was 3,880 million yen (down 3.4% year-on-year). Selling, general and administrative expenses were 2,759 million yen (up 28.6% year-on-year), operating income was 1,453 million yen (down 24.0% year-on-year), and quarterly net loss was 80 million yen (as compared to quarterly net income 2,312 million yen in the same period last year).

The electric power retail business performed better than the internal plans (progress plan vs financial forecasts), and procurement prices in the fuel business also declined, resulting in solid operating income exceeding the plans. Income before income taxes was affected by foreign exchange losses. Regarding quarterly net income/loss attributable to owners of the parent company, consolidated income before income taxes decreased due to the impact of subsidiaries posting losses, resulting in net loss due to the corporate tax burden of the parent company and subsidiaries posting profits exceeding consolidated income before income taxes.

These numbers in the income statement exceeded the internal plans.

The following is an explanation of the situation by business.

In the power retail business, erex Group's sales subsidiaries, Evergreen Marketing Co., Ltd. and Evergreen Retailing Co., Ltd. play a central role, while Okinawa Gas New Power Co., Ltd. and e-sell Co., Ltd. are also engaged in sales activities. In the high-voltage sector, erex Group focused on selling highly unique plans, and in addition, expanded sales of market-linked plans, which are in high demand, resulting in power sales volume of 631 million kWh, a 25.8% increase year-on-year. On the other hand, falling market prices led to lower unit sales prices, resulting in a 5.5% increase in net sales. In the low-voltage sector, due to the impact of the transfer of a sales subsidiary at the end of 2024, the number of contracts decreased to 248,000 (down 19.1% year-on-year), power sales volume to 233 million kWh (down 19.4% year-on-year), and net sales decreased 19.2% year-on-year, but these numbers exceeded the plans. Furthermore, as a result of proactive efforts to acquire new contracts through online channels, etc., the number of contracts increased by 3.6% as compared to the end of the last fiscal year, achieving the full-year target. As a result, the power retail business progressed beyond the internal targets.

In the trading business, erex Group continued to pursue a strategy of procuring power based on reasonable volume and price in relation to fixed retail sales volume each time as it did last year. While trading on the Japan Electric Power Exchange (JEPX) decreased during the current quarter, PPA transactions, such as those supporting other companies' procurement and sales, increased significantly, resulting in increased sales and stable profits, generally in line with the business plans. In addition, the trading business also contributed to erex Group's retail sales by utilizing its expertise in the trading business, such as trading on the Japan Electric Power Exchange (JEPX), PPA transactions with other companies and electricity derivatives trading, for erex Group's retail business, and by developing and structuring its proprietary plans and schemes.

In the power generation business, the Saiki, Buzen, Ofunato, and Nakagusuku Biomass Power Plants generally operated as planned. On the other hand, the Itoigawa Power Plant is not in operation in the current fiscal year due to factors such as the current electricity market price.

In the fuel business, while the long-term contracts were fulfilled as planned, results fell slightly short of the plans due to delays in vessel deployment. However, the full-year results are expected to be broadly in line with the plans. Year-on-year, sales and profits increased due to its ability to procure PKS at a lower price than last year and increased sales volume to other companies.

Regarding the overseas business, the Hau Giang Biomass Power Plant (*) in Vietnam started operations, and recorded revenue from the sale of power as sales for the first time. Furthermore, erex Group started producing wood pellets at its pellet plant in Vietnam in March 2025, but has not yet recorded sales from this pellet plant as production volume by the end of June had not yet reached the shipment lot quantity.

(*) This power plant was selected for Financing Programme for Joint Crediting Mechanism (JCM) Model Projects in FY2022. Ministry of the Environment, Japan has been implementing the "JCM Model Projects," which provides financial supports covering up to half of the initial investment costs. The purpose of this model projects is to financially support the implementation of projects which reduce GHG emissions by utilizing leading decarbonizing technologies in developing countries, and in return, to acquire JCM credits for achievement of Japan's GHG emission reduction and the partner countries' emission reduction target. This project is being implemented with the cooperation of the Vietnamese and Japanese governments. The announcement was made on July 1, 2022

(2) Summary of Financial Position for the Current Quarter

(Assets)

Current assets at the end of the 1Q of the current fiscal year were 61,518 million yen, a decrease of 4,003 million yen as compared to the end of the previous fiscal year. This was mainly due to a decrease in cash and cash equivalents, despite an increase in trade and other receivables, inventory, and other current assets. Non-current assets were 87,520 million yen, a decrease of 340 million yen as compared to the end of the previous fiscal year. This was mainly due to a decrease in property, plant and equipment, despite an increase in other financial assets (non-current) and other non-current assets.

As a result, total assets were 149,038 million yen, a decrease of 4,343 million yen as compared to the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the 1Q of the current fiscal year were 35,859 million yen, a decrease of 1,710 million yen as compared to the end of the previous fiscal year. This was mainly due to a decrease in trade and other payables and income taxes payable. Non-current liabilities were 44,018 million yen, an increase of 686 million yen as compared to the end of the previous fiscal year. This was mainly due to an increase in non-current bonds and borrowings.

As a result, total liabilities were 79,877 million yen, a decrease of 1,023 million yen as compared to the end of the previous fiscal year.

(Equity)

Total equity at the end of the 1Q of the current fiscal year was 69,160 million yen, a decrease of 3,319 million yen as compared to the end of the previous fiscal year. This was mainly due to a decrease in retained earnings due to the recording of a quarterly loss and the payment of dividends, as well as a decrease in other components of equity.

As a result, the ratio of equity attributable to the owners of the parent company was 41.4%.

(3) Forward-Looking Statements Including Consolidated Financial Forecasts

There is no change to the financial forecasts that were announced in "Financial Results for FY March 2025 (Kessan Tanshin)" dated May 12, 2025. The financial forecasts that were announced on May 12, 2025 are based on the information available to erex Group at the time of the announcement, and include uncertainties. Actual results may be different from these financial forecasts due to various factors.

2. Condensed Quarterly Consolidated Financial Statements and Important Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

	Previous Consolidated Fiscal Year (March 31, 2025)	1Q of Current Consolidated Fiscal Year (June 30, 2025)
	JPY million	JPY million
Assets		
Current Assets		
Cash and Cash Equivalents	33,613	25,546
Trade and Other Receivables	24,462	26,748
Inventory	1,675	2,410
Other Financial Assets	2,960	2,985
Income Taxes Receivable	40	53
Other Current Assets	2,769	3,775
Total Current Assets	65,521	61,518
Noncurrent Assets		
Property, Plant and Equipment	35,255	33,858
Right-of-Use-Assets	1,501	1,414
Goodwill	708	708
Intangible Assets	1,488	1,466
Investments Accounted for Using the Equity Method	9,409	9,357
Other Financial Assets	37,763	38,187
Deferred Tax Assets	573	863
Other Noncurrent Assets	1,158	1,664
Total Noncurrent Assets	87,860	87,520
Total Assets	153,382	149,038

(Continued on the following page.)

	Previous Consolidated Fiscal Year (March 31, 2025)	1Q of Current Consolidated Fiscal Year (June 30, 2025)
	JPY million	JPY million
Liabilities and Equity		
Liabilities		
Current Liabilities		
Trade and Other Payables	14,795	14,178
Borrowings	12,619	12,942
Lease Liabilities	402	403
Other Financial Liabilities	257	334
Income Taxes Payable	1,878	684
Allowances	1,613	1,613
Other Current Liabilities	6,001	5,702
Total Current Liabilities	37,569	35,859
Noncurrent Liabilities		
Bonds and Borrowings	30,720	31,451
Lease Liabilities	1,475	1,372
Other Financial Liabilities	334	399
Retirement Benefit Liabilities	881	883
Allowances	4,988	5,013
Deferred Tax Liabilities	4,933	4,899
Total Noncurrent Liabilities	43,332	44,018
Total Liabilities	80,901	79,877
Equity		
Common Stock	18,346	18,346
Capital Surplus	18,009	17,997
Retained Earnings	15,381	14,387
Treasury Stock	△124	△118
Other Components of Equity	12,531	11,116
Equity Attributable to the Owners of the Parent Company	64,144	61,729
Non-Controlling Interests	8,335	7,431
Total Equity	72,480	69,160
Total Liabilities and Equity	153,382	149,038

(2) Condensed Quarterly Consolidated Statements of Income and Condensed Quarterly Consolidated Statements of Comprehensive Income

(Condensed Quarterly Consolidated Statements of Income)

	1Q of Previous Consolidated Fiscal Year (April 1, 2024 - June 30, 2024)	1Q of Current Consolidated Fiscal Year (April 1, 2025 - June 30, 2025)
	JPY million	JPY million
Net Sales	33,440	37,047
Cost of Sales	29,424	33,167
Gross Profit/Loss(Δ)	4,015	3,880
Selling, General, and Administrative Expenses	2,146	2,759
Other Revenues	47	400
Other Expenses	4	68
Operating Income/Loss(Δ)	1,911	1,453
Financial Income	1,508	173
Financial Expenses	240	1,014
Share of Profit/Loss(Δ) of Investments Accounted for Using the Equity Method	Δ35	Δ77
Income/Loss(Δ) before Income Taxes	3,143	535
Income Taxes	831	615
Net Income/Loss(Δ)	2,312	Δ80
Net Income/Loss(Δ) Attributable to		
Owners of the Parent Company	1,747	Δ135
Non-Controlling Interests	565	55
Net Income/Loss(Δ)	2,312	Δ80
Net Income/Loss(Δ) Per Share, Basic	25.22	Δ1.74
Net Income/Loss(Δ) Per Share, Diluted	-	-

(Note) Diluted EPS for the 1Q of FY March 2025 and the 1Q of FY March 2026 is not stated, as there are no dilutive shares having dilutive effects.

(Condensed Quarterly Consolidated Statements of Comprehensive Income)

	1Q of Previous Consolidated Fiscal Year (April 1, 2024 - June 30, 2024)	1Q of Current Consolidated Fiscal Year (April 1, 2025 - June 30, 2025)
	JPY million	JPY million
Net Income/Loss(Δ)	2,312	Δ80
Other Comprehensive Income		
Items that will not be Reclassified to Profit or Loss		
Financial Assets at Fair Value through Other Comprehensive Income	337	324
Total of Items that will not be Reclassified to Profit or Loss	337	324
Items that may be Reclassified Subsequently to Profit or Loss		
Cash Flow Hedges	2,640	Δ563
Exchange Differences on Translating Foreign Operations	181	Δ579
Share of Other Comprehensive Income of Investments Accounted for Using the Equity Method	73	10
Total of Items that may be Reclassified Subsequently to Profit or Loss	2,894	Δ1,132
Total Other Comprehensive Income, Net of Tax	3,231	Δ807
Quarterly Comprehensive Income	5,544	Δ888
Comprehensive Income/Loss(Δ) Attributable to		
Owners of the Parent Company	4,952	Δ900
Non-Controlling Interests	592	Δ11
Comprehensive Income/Loss(Δ)	5,544	Δ888

(3) Notes to Condensed Quarterly Consolidated Financial Statements

(Basis of Preparation)

The condensed quarterly consolidated financial statements of erex Group are prepared in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. (however, the omission of a statement as stipulated in Article 5, Paragraph 5 of the Standards for Preparation of Quarterly Financial Statements, etc. is applied).

(Segment Information)

1Q of the previous consolidated fiscal year (April 1, 2024 - June 30, 2024) and 1Q of the current consolidated fiscal year (April 1, 2025 - June 30, 2025)

erex Group's reportable segments are components of erex Group for which separate financial information is available and are subject to periodic review by the board of directors for the purpose of determining the allocation of management resources and evaluating business performance.

Since erex Group consists of a single segment, primarily engaged in the electric power business, the statement by reportable segment has been omitted.

(Notes in Case of Significant Changes in the Amount of Equity Attributable to Owners of the Parent Company)

1Q of the previous consolidated fiscal year (April 1, 2024 - June 30, 2024)

erex Group resolved at the board of directors meeting held on May 10, 2024 to issue new shares by way of third-party allotment to JFE Engineering Corporation, TODA CORPORATION, KYUDENKO CORPORATION and Sumitomo Mitsui Finance and Leasing Company Limited, and all payment procedures were completed as of May 30, 2024.

As a result, common stock and capital surplus increased by 5,928 million yen and 5,898 million yen during the 1Q of the previous consolidated fiscal year, respectively. Direct issuance costs of 29 million yen (after tax effect) related to the issuance of new shares were deducted from capital surplus.

1Q of the current consolidated fiscal year (April 1, 2025 - June 30, 2025)

Not applicable.

(Notes Related to Going Concern Assumptions)

Not applicable.

(Notes to Condensed Quarterly Consolidated Statements of Cash Flows)

No condensed quarterly consolidated statements of cash flows have been prepared for the 1Q of the current fiscal year. Depreciation and amortization expenses for the 1Q are as follows.

	1Q of Previous Consolidated Fiscal Year (April 1, 2024 - June 30, 2024)	1Q of Current Consolidated Fiscal Year (April 1, 2025 - June 30, 2025)
	JPY million	JPY million
Depreciation & Amortization Expenses	908	937