

Disclaimer: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. This document does not contain or constitute any guarantee and the Company will not compensate any losses and/or damage stemming from actions taken based on this document.

## Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]



August 14, 2024

Company name: Remixpoint, inc.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 3825  
 URL: <https://www.remixpoint.co.jp>  
 Representative: Yoshihiko Takahashi, President, CEO and Representative Director  
 Contact: Sayumi Makado, General Manager, Corporate Planning Department  
 Phone: +81-3-6303-0280  
 Scheduled date of commencing dividend payments: —  
 Availability of supplementary briefing material on financial results: Available  
 Schedule of financial results briefing session: Not Scheduled

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2024	4,307	0.1	53	(77.7)	41	(80.7)	19	(92.4)
June 30, 2023	4,303	(35.1)	241	(9.6)	213	(17.1)	250	213.1

(Note) Comprehensive income: Three months ended June 30, 2024: ¥19 million [(92.4)%]  
 Three months ended June 30, 2023: ¥250 million [213.1%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	0.16	0.16
June 30, 2023	2.11	2.11

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2024	20,147	17,991	89.2
As of March 31, 2024	19,714	17,969	91.1

(Reference) Equity: As of June 30, 2024: ¥17,981 million  
 As of March 31, 2024: ¥17,962 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year- end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	0.00	–	0.00	0.00
Fiscal year ending March 31, 2025	–				
Fiscal year ending March 31, 2025 (forecast)		–	–	–	–

(Note) Revision to the dividend forecasts announced most recently: No

\*Amounts of interim and year-end dividend forecasts for the fiscal year ending March 31, 2025 have not been determined as of this moment.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	21,000	2.5	640	(63.3)	640	(63.6)	600	(43.9)	4.99

(Note) Revision to the financial results forecast announced most recently: No

\* Notes:

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (4) Total number of issued shares (common stock)
  - 1) Number of issued shares at the end of the period (including treasury shares):
    - June 30, 2024: 122,727,800 shares
    - March 31, 2024: 122,727,800 shares
  - 2) Number of treasury shares at the end of the period:
    - June 30, 2024: 2,435,000 shares
    - March 31, 2024: 2,435,000 shares
  - 3) Average number of shares during the period:
    - Three months ended June 30, 2024: 120,292,800 shares
    - Three months ended June 30, 2023: 118,657,800 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Explanation of the proper use of financial results forecast and other special notes  
(Caution regarding forward-looking statements)

The forward-looking statements herein are based on information that is currently available and certain assumptions deemed reasonable by the Company. They include potential risks and uncertainties. Furthermore, actual results (including but not limited to actual business performance and dividend forecasts) may differ significantly from forecasts due to various factors. For all matters relating to forecasts, please refer to “1. Qualitative Information on Quarterly Consolidated Financial Results (3) Explanation of Consolidated Financial Forecasts and Other Forward-Looking Statements” on page 4 of the attached materials.

(Obtaining supplementary documentation)

The supplementary documentation will be posted on the Company’s website.

## Table of Contents

1. Qualitative Information on Quarterly Consolidated Financial Results .....	2
(1) Explanation of Operating Results .....	2
(2) Explanation of Financial Position.....	4
(3) Explanation of Consolidated Financial Forecasts and Other Forward-Looking Statements .....	4
2. Quarterly Consolidated Financial Statements and Primary Notes .....	5
(1) Quarterly Consolidated Balance Sheets.....	5
(2) Quarterly Consolidated Statements of Income and Comprehensive Income .....	7
(3) Notes to Quarterly Consolidated Financial Statements .....	9
(Notes on going concern assumption).....	9
(Notes in case of significant changes in shareholders' equity) .....	9
(Changes in accounting policies) .....	9
(Segment information, etc.).....	10
(Notes to statements of cash flows) .....	10

## 1. Qualitative Information on Quarterly Consolidated Financial Results

### (1) Explanation of Operating Results

For the three months ended June 30, 2024 (April 1, 2024 – June 30, 2024), net sales increased by 0.1% year on year to ¥4,307 million. Operating profit decreased by 77.7% year on year to ¥53 million, ordinary profit decreased by 80.7% year on year to ¥41 million, and profit attributable to owners of parent decreased by 92.4% year on year to ¥19 million.

Operating results by business segment for the three months ended June 30, 2024 are as follows.

Net sales amounts given here for each segment do not include inter-segment net sales. The Group's reportable segments have been determined based on sections of high importance in accordance with the evaluation of operating results, the building of business strategies, the allocation of management resources, etc., and, up to the six months ended September 30, 2023, were organized into three sections as the "energy business," "resilience business," and "other businesses." As announced in the press release titled "Notification Concerning Acquisition of ZERO MEDICAL, INC. as a Wholly-owned Subsidiary through Simplified Share Exchange," dated October 26, 2023, the Company concluded a share exchange agreement with ZERO MEDICAL, INC (hereinafter, "ZERO MEDICAL"), in which the Company becomes a wholly-owning parent company resulting from the share exchange and ZERO MEDICAL becomes a wholly-owned subsidiary company resulting from the share exchange. Since the Company made ZERO MEDICAL a wholly-owned subsidiary on December 1, 2023, the effective date of the agreement, the business operated by ZERO MEDICAL has been included in the reportable segment as "medical business."

As a result, beginning from the nine months ended December 31, 2023, the Group's reportable segments comprised the "energy business," "resilience business," "medical business," and "other businesses."

### **Energy business**

In the energy business, the Company is engaged primarily in the electric power retail business. With regard to the business conditions for the energy business during the three months ended June 30, 2024, electricity trading prices on the Japan Electric Power Exchange (hereinafter referred to as "JEPX," and such trading price as the "JEPX Trading Prices") increased by around ¥1 to ¥2/kWh year on year. However, since trading prices of natural gas and coal, which are mainly used as fuel of thermal power generation in Japan, leveled off from the previous year, the business conditions remained relatively calm in terms of procurement of power source.

[JEPX Trading Prices]

April 2024: ¥9.44/kWh, May 2024: ¥9.62/kWh, June 2024: ¥10.92/kWh

April 2023: ¥8.56/kWh, May 2023: ¥8.65/kWh, June 2023: ¥8.48/kWh

As the ratio of market-linked plans is high, in which electricity sales prices are linked to the JEPX Trading Prices for both high-voltage and low-voltage electricity, an increase in JEPX Trading Prices tends to lead to an increase in revenue. During the three months ended June 30, 2024, however, with a smaller increase in the JEPX Trading Prices than one in the previous fiscal year, the JEPX Trading Prices had only a small impact on net sales, and mainly, changes in the number of customers had a significant impact on net sales.

In response to the payment for capacity contributions that started in this fiscal year, the Company had all the high-voltage customers switch to a new rate plan in July 2023, which transiently increased the number of canceled contracts at the same time. While the total contracted capacity (kW) of the high-voltage customers had decreased to 172,000 kW in July 2023 from 215,000 kW, 221,000 kW, and 208,000 kW in April, May and June 2023 respectively, it gradually increased to 194,000 kW, 195,000 kW, and 205,000 kW respectively from April to June 2024, and almost recovered to the same level as in the previous corresponding period as of June 2024 with proactive sales activities for the new plan. However, since the total contracted capacity decreased year on year in April and May, the volume of electricity sold for the high-voltage customers dropped by approx. 12% during the three months ended June 30, 2024.

Accordingly, net sales also declined.

Although the Company restarted accepting new individual low-voltage customers in April 2024, the number of contracts has remained on a downward trend as measures for winning new contracts through WEB marketing were implemented and enhanced later than initially planned. Meanwhile, with regard to corporate low-voltage customers whom the Company is putting emphasis on winning, the number of new orders received grew higher than expected by seeking new agencies and strengthening relations with existing agencies. Accordingly, the Company has been able to steadily accumulate the number of contracts. As a result, total low-voltage electricity sales volume increased by about 7% year on year, and net sales also increased.

By combining three rate plans: the market-linked plan, the fixed-unit-price plan, and a mixture of the market-linked plan and the fixed-unit-price plan from the previous fiscal year, the Company has worked to minimize risks of fluctuation in JEPX Trading Prices on operating revenue and improve a foundation to ensure stable profits, and it has also sought to shift to the new rate system in anticipation of the capacity contributions system which started in April 2024 as said above. The estimated amount of capacity contributions that the Company will pay in the fiscal year ending March 31, 2025 is approx. ¥1,486 million in total. For the three months ended June 30, 2024, approx. ¥369 million for three months was recorded as cost of sales, which became a factor to depress profits. In the fiscal year ending March 31, 2026, since the total amount of capacity contributions to be paid by electricity retailers will decrease, segment profit is expected to recover.

As a result, net sales for the segment decreased by 6.9% year on year to ¥3,798 million and segment profit (operating profit) decreased by 60.1% to ¥181 million.

### **Resilience business**

The resilience business consists of the energy saving consulting business and the storage batteries business. In the energy saving consulting business, income from the adoption of major subsidies decreased year on year. Meanwhile, in the storage batteries business, net sales and profit increased as the number of storage batteries sold significantly grew in the Company's original-brand home-use storage battery systems (remixbattery) as a result of the development of sales agents for storage batteries and active promotion of sales activities. The Company will promote in full swing sales of small industrial hybrid storage batteries for plants, commercial facilities and other corporate customers, which allow them to curb introduction costs and efficiently store surplus electricity.

As a result, net sales for the segment increased by 57.8% year on year to ¥193 million and segment loss (operating loss) was ¥2 million (segment loss [operating loss] was ¥20 million in the previous corresponding period).

### **Medical business**

The medical business is conducted by ZERO MEDICAL, which became a wholly owned subsidiary through a stock exchange on December 1, 2023, and consists of the web creation business that mainly sells web marketing tools specializing in medical institutions, the medical consulting business that provides management support through management improvement consulting specializing in medical institutions, and through marketing and media dissemination related to regenerative medicine, and the welfare-related business that operates after-school services, Type B offices that support continued employment, and home-visit nursing care offices.

As a result, net sales for the segment was ¥315 million and segment profit (operating profit) was ¥49 million.

### **Others**

In other businesses, profit and loss from the used car business and the financial business, for which business discontinuation was completed, were included in the previous fiscal year, but not included in the three months ended June 30, 2024.

As a result, segment loss (operating loss) was ¥0 million (segment profit [operating profit] was ¥4 million in the previous corresponding period).

## (2) Explanation of Financial Position

At the end of the first quarter under review, total assets were ¥20,147 million, an increase of ¥432 million from the end of the previous fiscal year (¥19,714 million). The main factors for this include an increase of ¥1,500 million in deposits paid, along with decreases of ¥626 million in trade receivables and contract asset, ¥302 million in cash and deposits, ¥150 million in leasehold and guarantee deposits, and ¥52 million in merchandise.

Total liabilities were ¥2,156 million, an increase of ¥411 million from the end of the previous fiscal year (¥1,744 million). The main factors for this include increases of ¥439 million in accounts payable - trade, ¥121 million in accounts payable – other, and ¥114 million in deposits received, along with a decrease of ¥100 million in short-term borrowings.

Total net assets were ¥17,991 million, an increase of ¥21 million from the end of the previous fiscal year (¥17,969 million). The main factors for this include an increase of ¥19 million due to profit attributable to owners of parent.

## (3) Explanation of Consolidated Financial Forecasts and Other Forward-Looking Statements

### 1) Performance outlook for the fiscal year under review

There is no change to figures in the Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 announced on May 14, 2024.

When the forecasts need to be revised, the Company intends to announce the revised forecasts as soon as possible.

### 2) Dividend outlook for the fiscal year under review

The Company's core approach to capital policy is to seek an appropriate balance between healthy financial underpinnings, improving capital efficiency and the strengthening of shareholder returns, while also increasing corporate value by growing and expanding businesses and by improving management efficiency and profitability. The Company considers the returning of profits to our shareholders to be a priority management policy.

For the fiscal year ending March 31, 2025, the Company expects to secure stable earnings in its existing businesses by appropriately responding to the risk of energy price fluctuations, etc. However, the Company intends to implement a flexible strategy to further expand the Group's earnings, by investment, including M&A, in business areas that have a high affinity with existing businesses and areas where new business opportunities will be generated, and strengthening of organizational capabilities by securing human resources. Thus, the Company has not yet determined both interim and year-end dividends.

## 2. Quarterly Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	13,573	13,271
Trade receivables and contract asset	3,554	2,928
Finished goods	0	0
Merchandise	251	199
Raw materials and supplies	13	12
Work in process	1	1
Accrued income taxes	11	32
Owned crypto assets	68	43
Deposits paid	-	1,500
Other	302	355
Allowance for doubtful accounts	(62)	(75)
Total current assets	17,714	18,270
Non-current assets		
Property, plant and equipment	208	252
Intangible assets		
Software	68	94
Software in progress	25	5
Total intangible assets	93	100
Investments and other assets		
Investment securities	37	37
Deferred tax assets	19	9
Leasehold and guarantee deposits	1,275	1,125
Fixed loan	94	94
Other	364	353
Allowance for doubtful accounts	(94)	(94)
Total investments and other assets	1,696	1,524
Total non-current assets	1,999	1,877
Total assets	19,714	20,147



(Million yen)

	As of March 31, 2024	As of June 30, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	565	1,005
Short-term borrowings	100	-
Accounts payable - other	142	264
Deposits received	97	211
Current portion of long-term borrowings	93	80
Income taxes payable	14	13
Other	308	177
Total current liabilities	1,322	1,752
Non-current liabilities		
Long-term borrowings	422	403
Total non-current liabilities	422	403
Total liabilities	1,744	2,156
<b>Net assets</b>		
Shareholders' equity		
Share capital	10	10
Capital surplus	10,662	10,662
Retained earnings	8,462	8,481
Treasury shares	(1,173)	(1,173)
Total shareholders' equity	17,962	17,981
Share acquisition rights	7	9
Total net assets	17,969	17,991
Total liabilities and net assets	19,714	20,147

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	4,303	4,307
Cost of sales	3,598	3,592
Gross profit	705	715
Selling, general and administrative expenses	464	661
Operating profit	241	53
Non-operating income		
Interest income	0	0
Subsidy income	8	-
Gain on investments in investment partnerships	18	10
Other	0	4
Total non-operating income	27	15
Non-operating expenses		
Interest expenses	-	1
Share acquisition rights issuance costs	-	1
Share issuance costs	0	0
Loss on valuation of crypto assets	50	25
Other	4	0
Total non-operating expenses	55	28
Ordinary profit	213	41
Extraordinary income		
Gain on reversal of share acquisition rights	1	0
Total extraordinary income	1	0
Profit before income taxes	215	41
Income taxes - current	(34)	12
Income taxes - deferred	(0)	10
Total income taxes	(34)	22
Profit	250	19
Profit attributable to owners of parent	250	19

Quarterly Consolidated Statements of Comprehensive Income  
Three Months Ended June 30

(Million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	250	19
Comprehensive income	250	19
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	250	19
Comprehensive income attributable to non-controlling interests	-	-

### (3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes in case of significant changes in shareholders' equity)

For the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

In accordance with the resolution of the 20th annual general meeting of shareholders, the Company transferred ¥7,867 million from share capital and ¥687 million from legal capital surplus to other capital surplus.

For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

There is no relevant information.

(Changes in accounting policies)

(Application of the Accounting Standard for Current Income Taxes and the other standards)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter "2022 Revised Accounting Standard") and other standards from the beginning of the first quarter of the fiscal year under review.

With regard to the revision related to classification to record income taxes (taxation on other comprehensive income), the Company has conformed to the transitional treatment provided for in the proviso to Paragraph 20-3 of 2022 Revised Accounting Standard, and the transitional treatment provided for in the proviso to Paragraph 65-2 (2) of "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter "2022 Revised Guidance"). The changes in accounting policies have no impact on Quarterly Consolidated Financial Statements.

With regard to the revision associated with the review of treatment in Consolidated Financial Statements of gain or loss on sale of shares in a subsidiary, etc. between consolidated companies when they are deferred for tax purpose, 2022 Revised Guidance has been applied from the beginning of the first quarter of the fiscal year under review. The changes in accounting policies have been retrospectively applied, and Quarterly Consolidated Financial Statements for the previous corresponding period and Consolidated Financial Statements for the previous fiscal year reflect the changes in accounting policies. The changes in accounting policies have no impact on Quarterly Consolidated Financial Statements for the previous corresponding period and Consolidated Financial Statements for the previous fiscal year.

(Segment information, etc.)

For the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

1. Information on net sales, and profit (loss) for each reportable segment

(Million yen)

	Reportable segment				Adjustment (Note 1)	Amount recorded in quarterly consolidated statement of income (Note 2)
	Energy business	Resilience business	Others	Total		
Net sales						
Net sales to outside customers	4,079	122	101	4,303	—	4,303
Inter-segment net sales or transfers	—	—	—	—	—	—
Total	4,079	122	101	4,303	—	4,303
Segment profit (loss)	455	(20)	4	440	(199)	241

(Notes) 1. The adjustment for segment profit (loss) of negative ¥199 million is primarily corporate expenses not allocated to the reportable segments. The corporate expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

2. The segment profit (loss) is adjusted with operating profit in the quarterly consolidated statement of income.

2. Information on impairment loss on non-current assets, goodwill and other items by reportable segment

There is no relevant information.

For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

1. Information on net sales, and profit (loss) for each reportable segment

(Million yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded in quarterly consolidated statement of income (Note 2)
	Energy business	Resilience business	Medical business	Others	Total		
Net sales							
Net sales to outside customers	3,798	193	315	—	4,307	—	4,307
Inter-segment net sales or transfers	—	—	1	—	1	(1)	—
Total	3,798	193	317	—	4,309	(1)	4,307
Segment profit (loss)	181	(2)	49	(0)	228	(174)	53

(Notes) 1. The adjustment for segment profit (loss) of negative ¥174 million is primarily corporate expenses not allocated to the reportable segments. The corporate expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

2. The segment profit (loss) is adjusted with operating profit in the quarterly consolidated statement of income.

2. Information on impairment loss on non-current assets, goodwill and other items by reportable segment

There is no relevant information.

(Notes to statements of cash flows)

Quarterly Consolidated Statements of Cash Flows for the three months ended June 30, 2024 were not prepared. Depreciation (including amortization of intangible assets) for the three months ended June 30 is as follows.

(Million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Depreciation	¥11	¥16