

Consolidated Results of Operations for the Three Months Ended June 30, 2024

August 14, 2024

Remixpoint is a company that **tackles, through business, issues that arise as society transforms**

 · Remixpoint



Energy business



Resilience
business



Medical business



Energy business

Electricity retailing business

- Supply high-voltage and low-voltage customers with electricity throughout Japan, excluding Okinawa area and isolated islands
- We offer multiple plans, including market-linked plans, to meet the diverse needs of consumers, achieving both business risk reduction and stable revenue assurance.



Resilience business

Renewable energy/energy-saving consulting and BCP response-related business

- Sales of the Company's original, hybrid-type home-use power storage system, "remixbattery"
- Sales of industrial-use lithium-ion, three-phase 200V hybrid power storage system



- Consulting on obtaining subsidies and other kinds of financial assistance



Medical business

Web marketing business for medical institution and Welfare business

- Web marketing support designed for sales support of medical institutions
- Management consulting specialized for dental and medical clinics

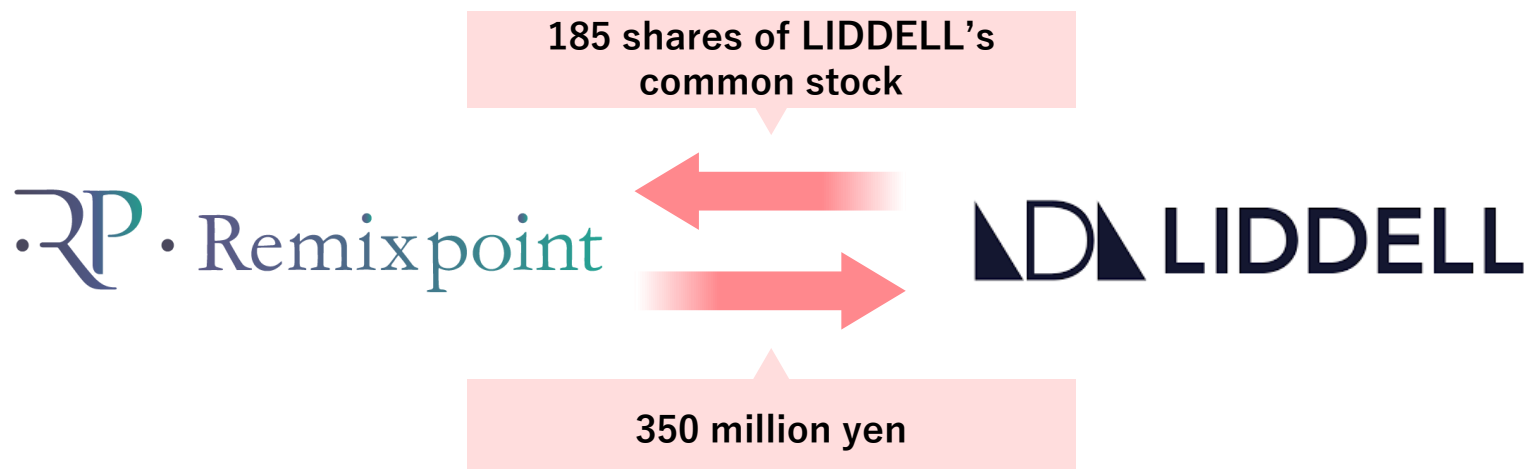


- Operation of after-school and other day care service facilities for children with special developmental needs
- Operation of Support for Continuous Employment (Type B) service facilities



Remixpoint has concluded a Capital and Business Alliance Agreement with LIDDELL Inc. (LIDDELL), a pioneer in Influencer Marketing.

Details of the Capital Alliance



Of the 350 million yen, LIDDELL will allocate **300 million yen for the acquisition of Remixpoint's shares through market purchases** and **50 million yen for business collaboration with the Remixpoint Group.**



Collaboration in the medical healthcare field with LIDDELL

Details of the Business Alliance



ZERO
MEDICAL



LIDDELL

- Marketing support
- Provision of solutions such as business process re-engineering (BPR) *1
- Support for digital transformation (DX) in medical data linkage
- Development of new businesses in the medical healthcare field

Provide optimal and effective marketing strategies tailored to the needs of medical institutions in the healthcare industry, which is expected to grow and reach a market size of 100 trillion yen by 2040 *2

*1 Abbreviation for Business Process Re-engineering. A fundamental review of existing organizations and systems aimed at the original purpose of the business, redesigning jobs, business flows, management mechanisms, and information systems from a process perspective (re-engineering)

*2 Source: Mizuho Bank, Ltd., Industry Research Department (2020) "Healthcare - The Direction of Japan's Healthcare Industry in View of the Paradigm Shift in Medical Care"

Three Months Ended June 30, 2024 Results Summary

Results for the Three Months Ended June 30, 2024

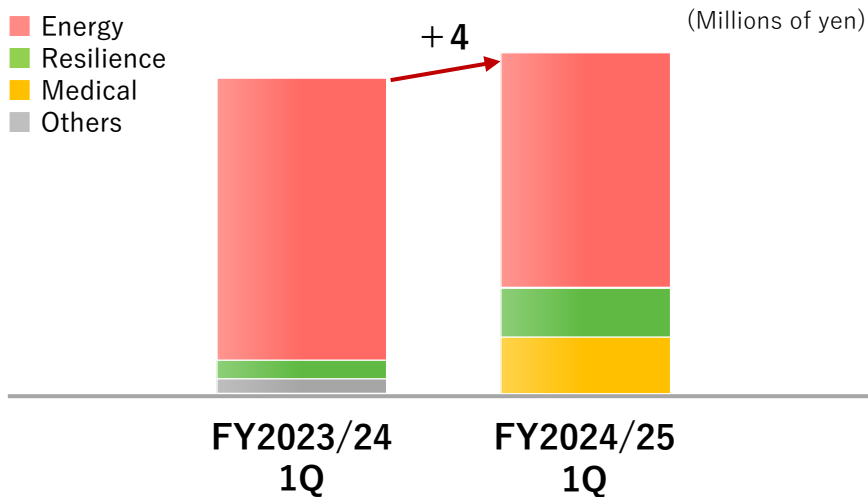
Profits decreased year-on-year due to the impact of a burden of capacity contributions that started in the first quarter under review.

(Millions of yen)

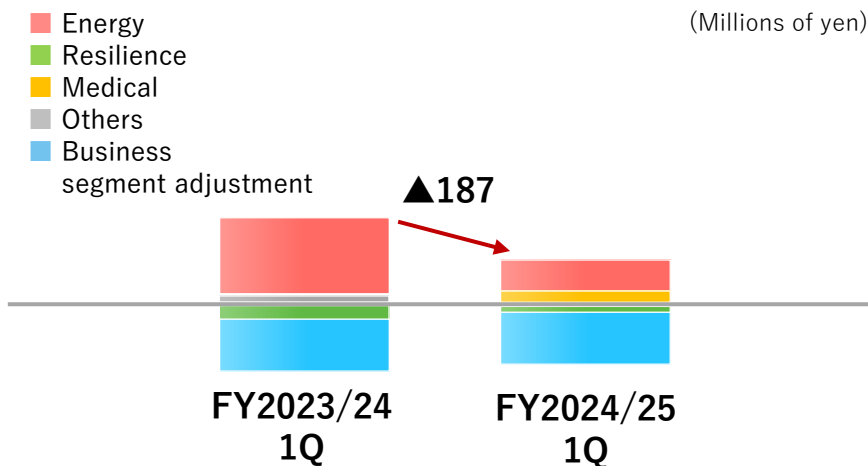
		FY2023/24 1Q	FY2024/25 1Q
Net sales	Energy business	4,079	3,798
	Resilience business	122	193
	Medical business	—	315
	Others	101	—
	Total	4,303	4,307
Operating profit	Energy business	455	181
	Resilience business	▲20	▲2
	Medical business	—	49
	Others	4	▲0
	Business segment adjustment	▲199	▲174
	Total	241	53
Ordinary profit		213	41
Profit attributable to owners of parent		250	19

Results for the Three Months Ended June 30, 2024

Net sales



Operating profit



Topics

Energy business

- Net sales decreased due to the impact of a reduction in the total contracted capacity of high-voltage customers in April and May compared to the previous year. However, the total contracted capacity of high-voltage customers recovered in June to the same level as the same period of the previous year. Furthermore, in the low-voltage segment, sales increased due to an increase in the number of corporate customers.
- In the first quarter under review, the amount of capacity contributions of approximately 369 million yen was recorded as a cost of sales, resulting in a year-on-year decrease in operating profit. For the fiscal year ending March 2026, segment profit is expected to recover since the total amount of capacity contributions is expected to decrease.

Resilience business

- The development of sales agents for storage batteries and active promotion of sales activities led to a significant increase in the number of units sold of "remixbattery," resulting in increased net sales.

Results for the Three Months Ended June 30, 2024

Results for the three Months ended June 30, 2024 are as follows. Although the profit margin is kept low, there is a tendency for the profit margin to increase in the summer and winter, and progress is as expected.

(Millions of yen)

		Forecast for FY2024/25	FY2024/25 1Q	Progress rate
Net sales	Energy business	18,300	3,798	20.7%
	Resilience business	1,500	193	12.8%
	Medical business	1,200	315	26.2%
	Total	21,000	4,307	20.5%
Operating profit	Energy business	1,120	181	16.1%
	Resilience business	200	▲2	—
	Medical business	140	49	35.0%
	Business segment adjustment	▲820	▲174	—
	Total	640	53	8.2%
Profit attributable to owners of parent		600	19	3.1%

Quarterly statements of income

(Millions of yen)

		FY2023/24				FY2024/25
		Apr-Jun (1Q)	Jul-Sep (2Q)	Oct-Dec (3Q)	Jan-Mar (4Q)	Apr-Jun (1Q)
Net sales	Energy business	4,079	5,624	4,501	4,681	3,798
	Resilience business	122	226	278	591	193
	Medical business	—	—	—	278	315
	Others	101	1	—	—	—
	Total	4,303	5,852	4,780	5,550	4,307
Operating profit	Energy business	455	766	486	587	181
	Resilience business	▲20	35	34	82	▲2
	Medical business	—	—	—	▲7	49
	Others	4	1	20	▲1	▲0
	Business segment adjustment	▲199	▲175	▲139	▲187	▲174
	Total	241	627	401	473	53
Ordinary profit		213	615	465	463	41
Profit attributable to owners of parent		250	650	439	▲269	19

Consolidated balance sheets

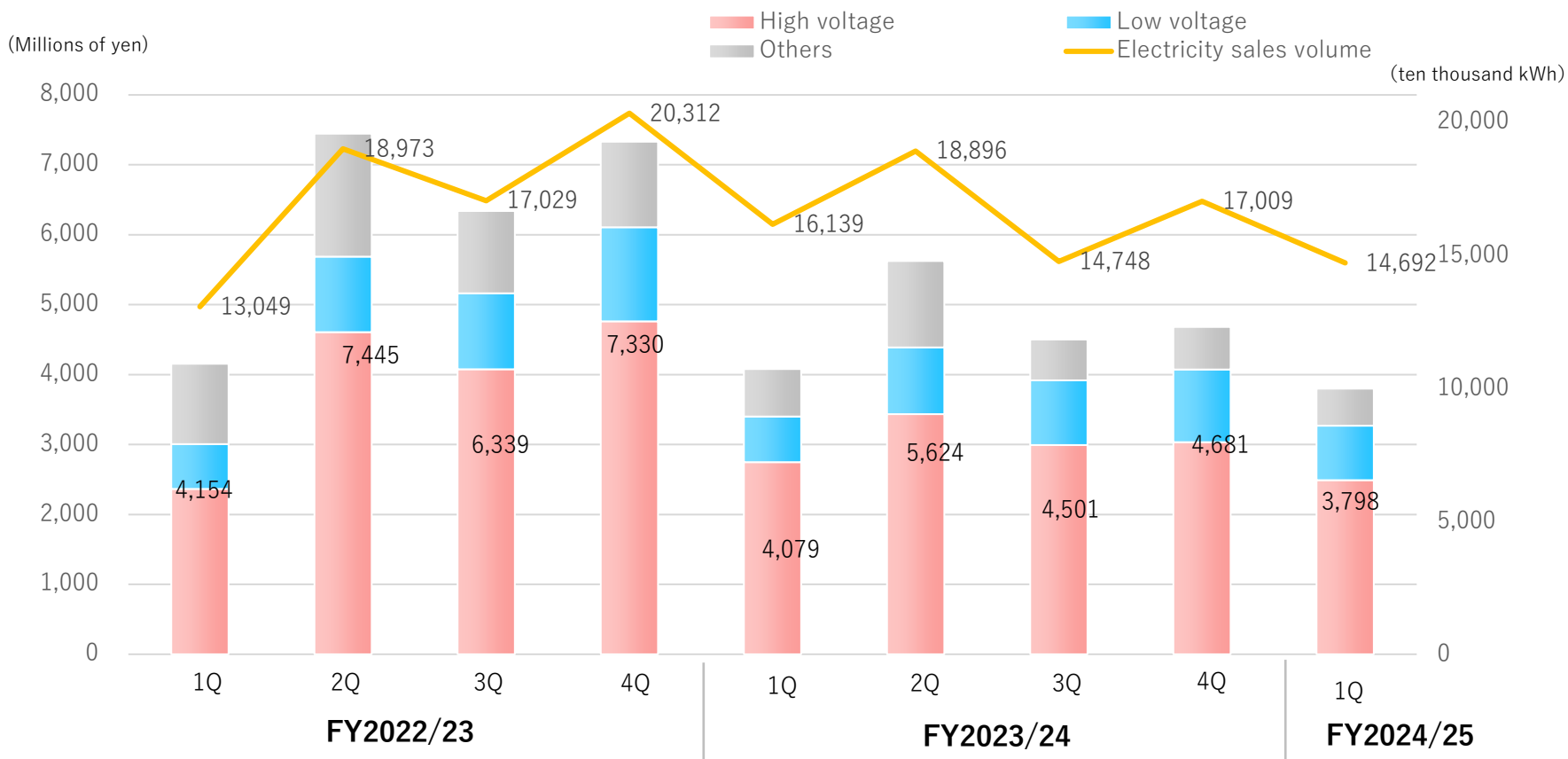
(Millions of yen)

		As of March 31, 2024	As of June 30, 2024
Assets	Cash and deposits	13,573	13,271
	Trade receivables and contract assets	3,554	2,928
	Finished goods	0	0
	Merchandise	251	199
	Raw materials and supplies	13	12
	Owned cryptoassets	68	43
	Other	251	1,814
	Total current assets	17,714	18,270
	Total non-current assets	1,999	1,877
	Total assets	19,714	20,147
Liabilities	Accounts payable - trade	565	1,005
	Deposits received	97	211
	Income taxes payable	14	13
	Other	644	521
	Total current liabilities	1,322	1,752
	Total non-current liabilities	422	403
	Total liabilities	1,744	2,156
Net assets	17,969	17,991	
Total liabilities and net assets	19,714	20,147	

Key Topics for Each Business for the Three Months Ended June 30, 2024



Quarterly Sales and Electricity sales volume



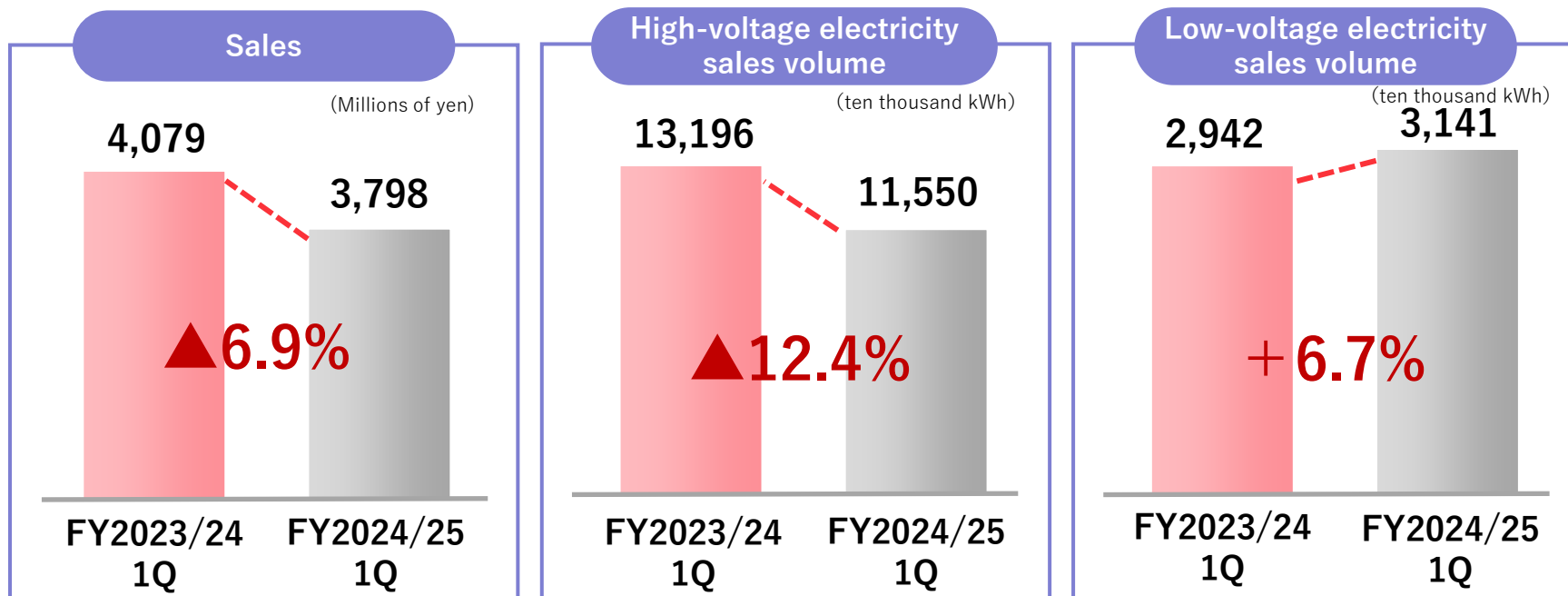
Average of JEPX spot rates (Yen/kWh)

18.64	24.78	23.24	14.80	8.56	11.71	12.59	10.06	9.98
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* "Others" include sales of surplus electricity sold in the electricity market and subsidy sales under the government's "Projects for Electricity and Gas Price Drastic Change Mitigation Measures."



Sales decreased by 6.9% year-on-year. This was mainly due to a decrease in the volume of high-voltage electricity sold.



1. High voltage

The number of canceled contracts temporarily increased due to the full transition to a new plan in July 2023 in response to the capacity market. This caused the number of high-voltage customers (the total in April, May, and June) for the first quarter under review decreased year-on-year, resulting in the decreased electricity sales volume. The number of high-voltage customers is on a recovery trend at the present and was higher than that in the previous year as of the end of June 2024.

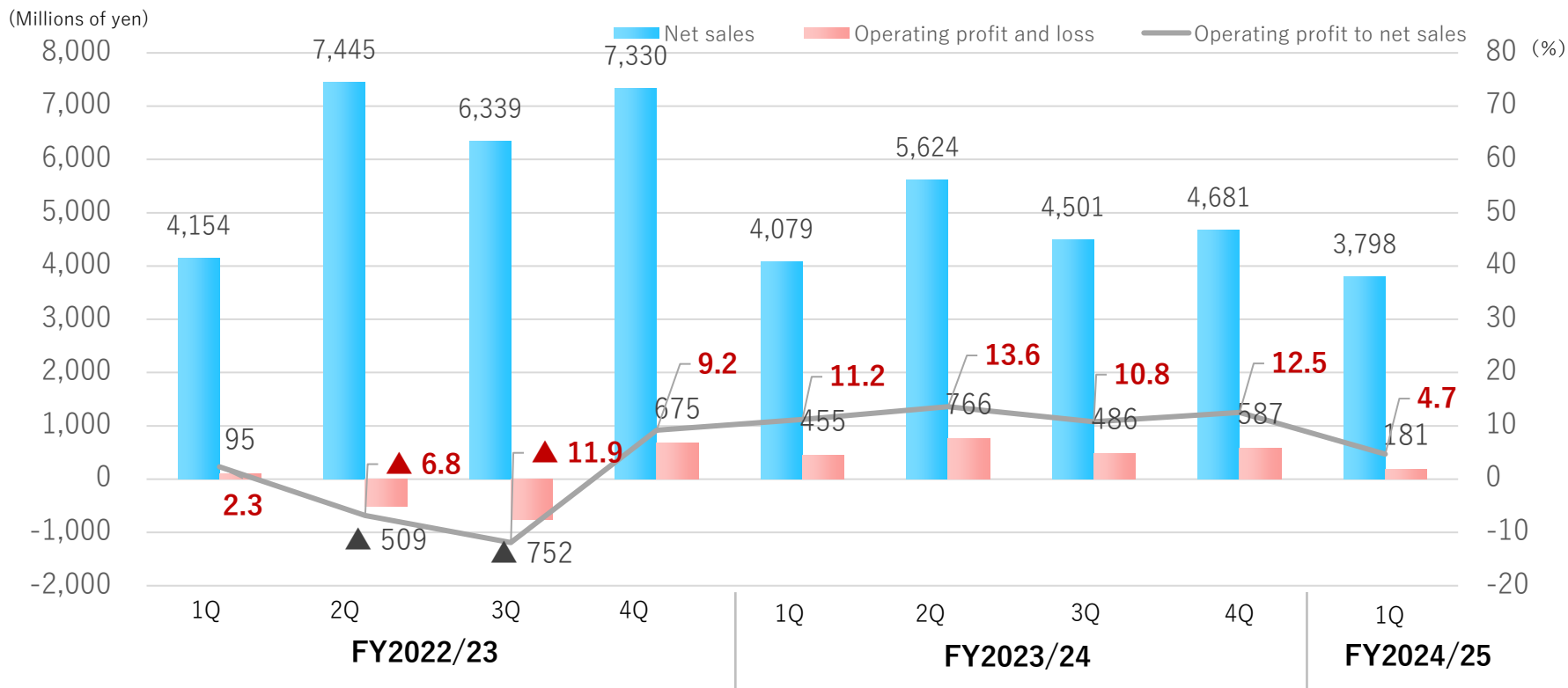
2. Low voltage

While the number of individual low-voltage customers remained on a downward trend, the number of corporate low-voltage customers, who consume much electricity, steadily increased. As a result, the total low-voltage electricity sales volume and sales increased year-on-year.



The Company bore a burden of capacity contributions starting in the first quarter under review and recorded 369 million yen as a cost of sales. Consequently, the operating profit to net sales decreased by 6.5% year-on-year to 4.7%.

Quarterly sales and operating profit



The financial results forecast for the fiscal year ending March 2025 factored in the burden of capacity contributions, and **the operating profit and the operating profit to net sales for the first quarter under review were almost as planned.**



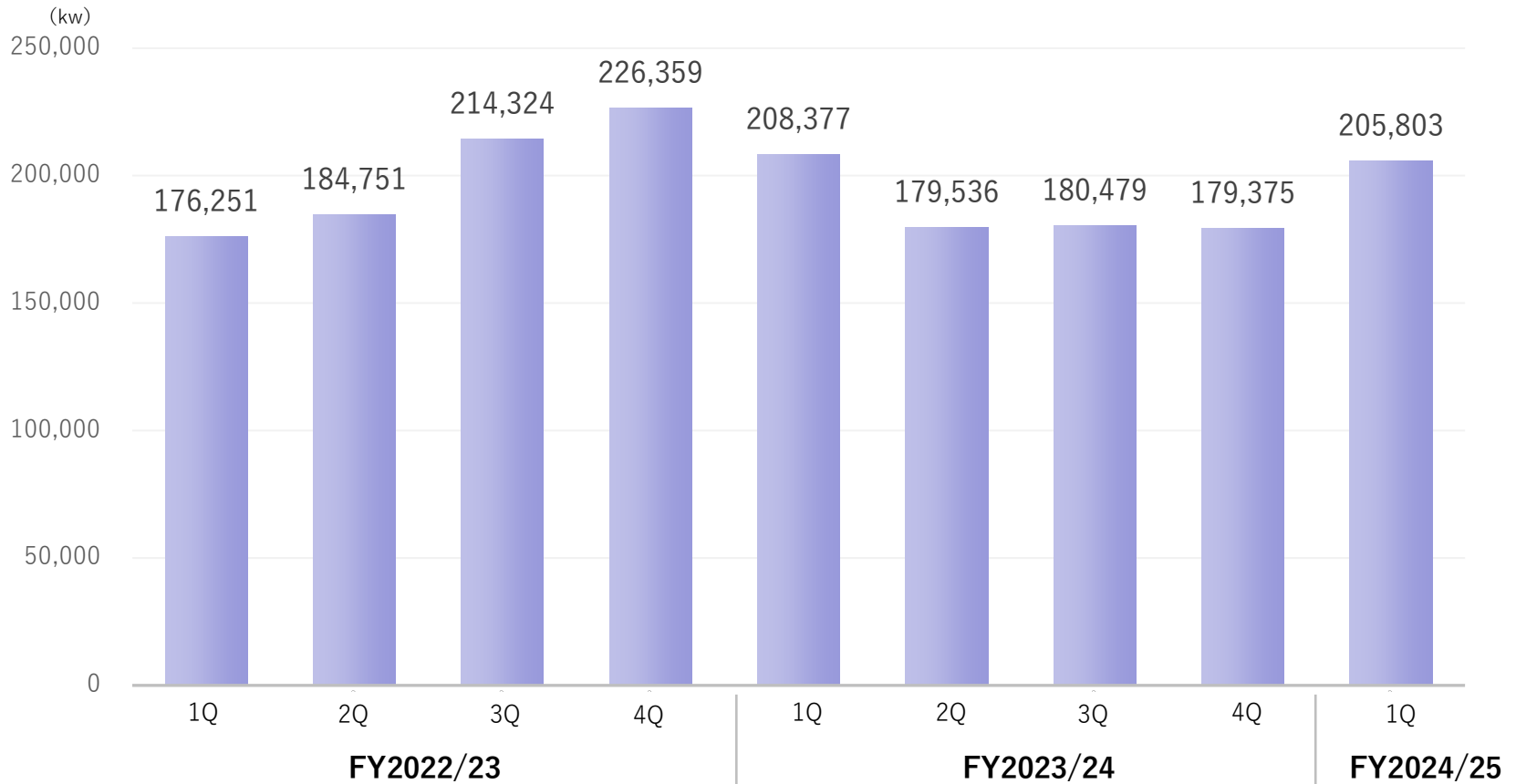
- Contracted power: over 50kW
High voltage: 50kW to 2,000kW
Extra-high voltage: over 2,000kW
- Contract groups: Mainly large facilities such as factories, hospitals, commercial facilities, and buildings
- Electricity consumption fluctuates greatly depending on the time of day (high consumption during the day and low consumption at night)

The Company's response status

- Number of contracts: about 1,732 (about 205,000kW)
- Release of the new “high-voltage hybrid plan” to switch between the two existing fixed unit price plan and market linked plan depending on the season, either the high electricity demand period (mainly the summer and winter) or the off-season period (the spring and autumn). The new plan together with the three conventional plans will make it possible to meet a wide range of customer needs.

The total contracted capacity, which temporarily decreased in the second quarter of the fiscal year ended March 31, 2024 because we encouraged our customers to transition to a new plan in anticipation of the capacity contribution system, **recovered smoothly in the first quarter under review.**

Contracted power for high-voltage customers





Offering of three plans with different features makes it possible to meet diversified needs of high-voltage customers. Different power source mixes for each plan increases flexibility in power source procurement and help reduce risks in the electric power retail business

	JEPX Standard Plan (Market linked plan)	High-voltage standard plan (Own fuel cost adjustment plan)	High-voltage flat-rate plan (Fixed unit price plan)
Features of the Plan	A plan in which the electricity rates are linked to costs for procuring electricity from JEPX (wholesale electric power exchange)	A plan in which the electricity rates are linked to costs for electricity procurement from all sources including JEPX and over-the-counter trading	A plan in which the electricity unit price is fixed and unaffected by power source procurement costs
Customers Benefits	Electricity rates can be kept lower when JEPX prices are lower	Risks can be controlled at a certain level when market prices are rising, while some benefit is available when market prices are lower	Less fluctuation in electricity rates and easier financial planning
The Company's Benefits	The Company can secure a constant amount of profit unaffected by electricity procurement costs of JEPX	Reflects power supply procurement costs in its own fuel cost adjustment expenses, achieving both profitability and risk hedging	The Company can revise its sales strategy on a flexible basis in accordance with the areas and amount of secured power sources
High-Voltage Sales Composition Rate	57.6%	18.1%	24.3%



In addition to the three conventional plans with different features, a new plan has been released to switch between the market linked plan and fixed unit price plan depending on the season.

High-voltage hybrid plan (market linked plan + fixed unit price plan)	
Features of the Plan	The fixed unit price plan is applied during the period of high electricity demand (from July to September and from December to February), and the market linked plan is applied during the period of low electricity demand (from March to June and from October to November)
Customers Benefits	Through the proper use of the plans, the risk of accepting rising electricity rates can be avoided, and monthly electricity rates can be stabilized and optimized
The Company's Benefits	Short-term contract power sources for the summer, winter, etc. as well as annual contract power sources increase. This allows the Company to improve flexibility in power source procurement.



- Contracted power: less than 50kW
- Contract groups: Shops, restaurants, offices, households, etc.
- Electricity consumption is relatively flat with small consumption fluctuations over the 24-hour period

The Company's response status

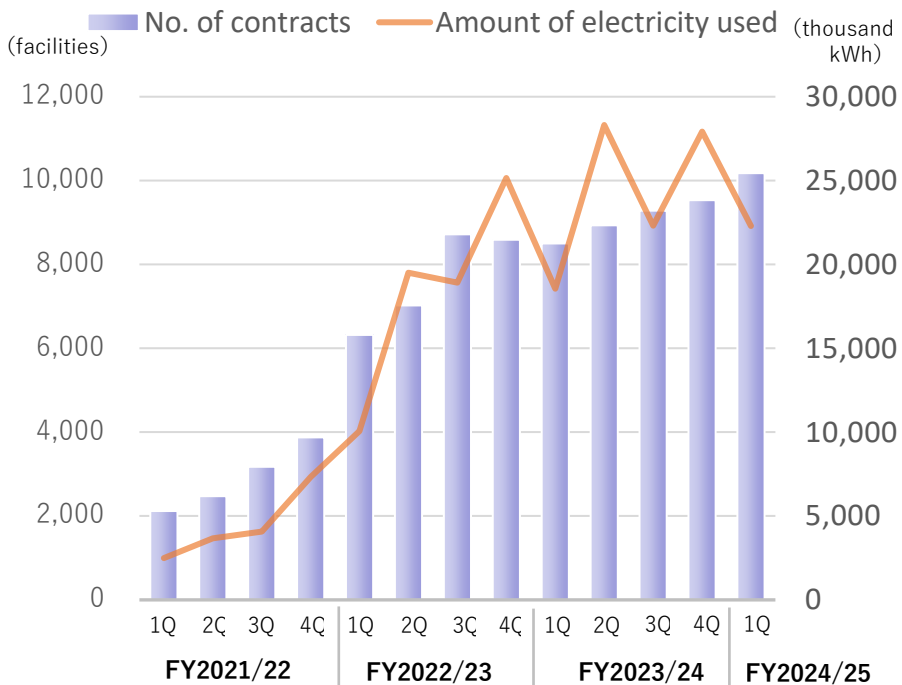
- Number of contracts
 - Individual: approx. 14,600
 - Corporate: approx. 10,100
- Increase in number of contracts through promotion of acquisition in corporate low-voltage area
- Also promote stronger acquisition of individual customers



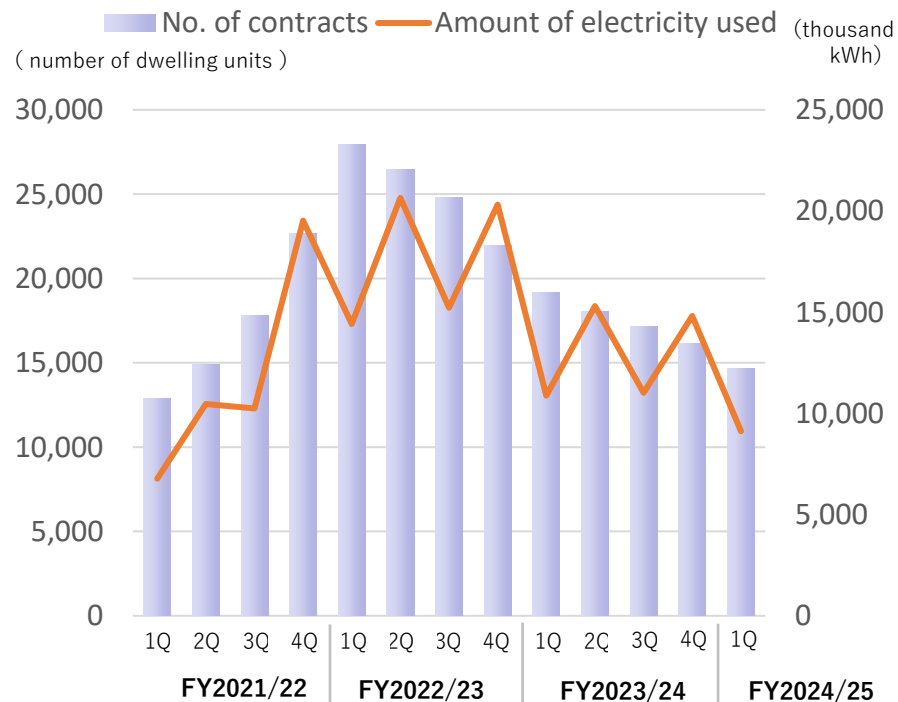
While the number of contracts for plans for general households decreased, contracts for plans for corporations that use a large amount of electricity were steadily acquired.
The total amount of low-voltage electricity used increased year-on-year.

Acquisition of corporate and individual low-voltage customers

Corporate customers



Individual customer





Release of the new “StylePlus B-FLAT” plan for corporate low-voltage customers, in which basic and pay-for-use charges are fixed and refunds or additional charges are made only when market prices exceed upper or lower reference price

StylePlus B-FLAT	
Features of the Plan	The unit prices of basic and pay-for-use charges are fixed, and refunds or additional charges are made to customers when market prices exceed upper or lower reference range defined by the Company.
Customers Benefits	With the fixed unit prices, customers can readily make forecasts for electricity rates compared with plans that are fully market linked, and get refunds if market prices fall.
The Company's Benefits	By setting fixed unit prices and power source procurement adjustment expenses, through linkage of power source procurement costs to market prices, both hedging risk and securing profitability can be achieved.



We have launched the development of Non-FIT low-voltage solar power plants.



- In the first quarter under review, the Company commenced the development of Non-FIT low-voltage solar power plants at eight locations in Tokyo Electric Power Company and Tohoku Electric Power Company areas.
- The Company plans to utilize generated electricity as its renewable power source with a view to concluding power purchase agreements (PPA) or other contracts with customers in the future.

Expanding potentialities of renewable energy in society, Remixpoint will be a company engaged in electric power and energy business, “**creating power invention, power generation, and power storage**”



Launch of one-stop solutions related to resilience

- Promote SDGs and BCP aimed at low carbon and self-production and self-consumption in times of disaster
- **Provide one-stop support for BCP formulation and implementation** to reduce soaring electricity rates and respond to large and prolonged
- Provide support for sales and installation of energy-saving and renewable energy devices linked with subsidy support consulting

■ Examples of measures implemented to promote renewable energy, reduce electricity rates and respond to BCP

Home-use hybrid power storage system & solar modules

[Resilience response]

Install home-use power storage system and solar generation to provide energy



Industrial-use hybrid power storage system & solar modules

[Resilience response]

Install industrial-use power storage system and solar generation to provide energy



Emergency generators

[Disaster response]

Install emergency generators to provide energy in times of disaster





Seal Engineering Inc., a subsidiary of Remixpoint, has begun operations with the aim of further expanding the Remixpoint Group's storage batteries business.



Provide customers of Remixpoint and Remixpoint's partner companies with the following services related to storage batteries

- Design
- Construction
- Operation, maintenance

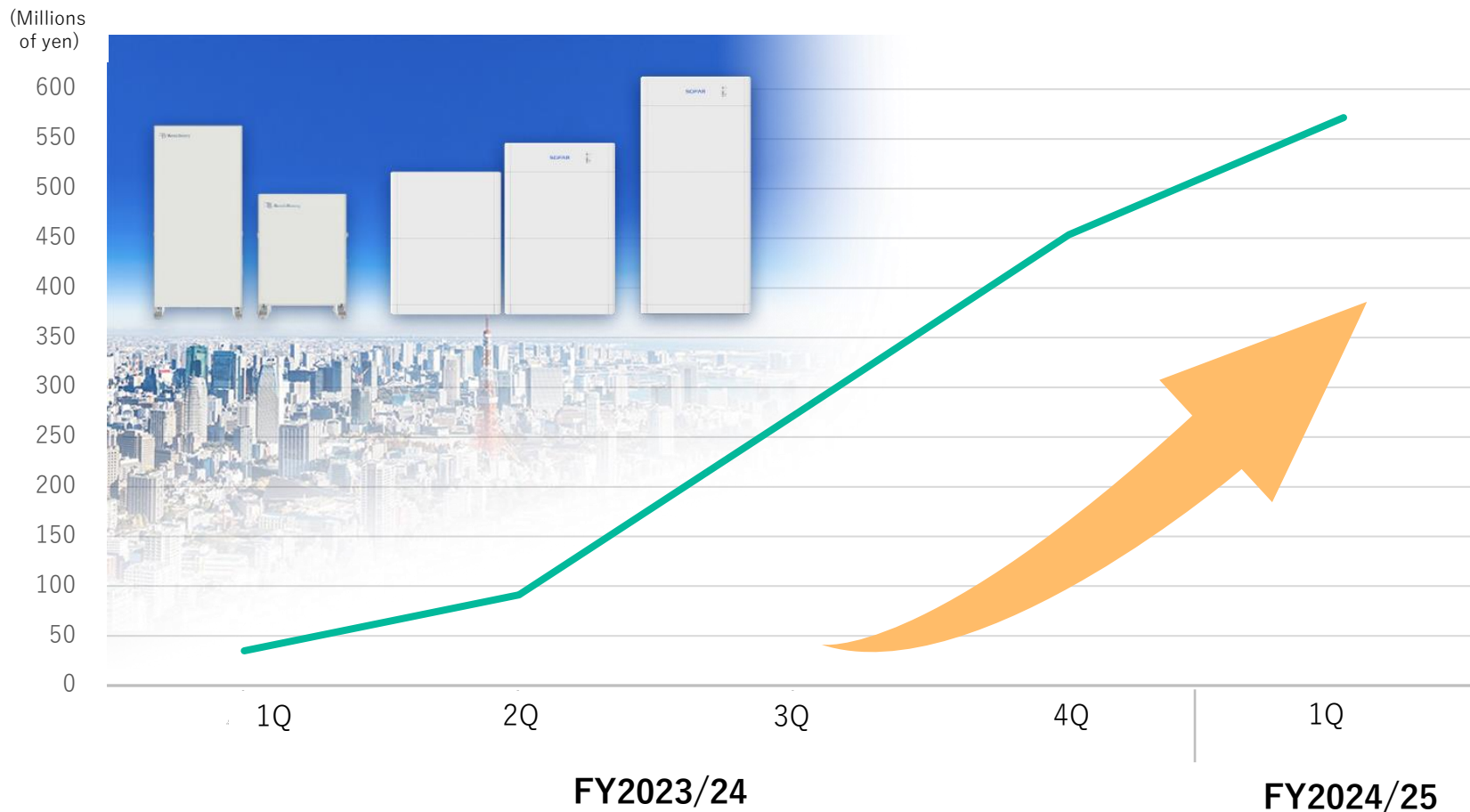
Build an integrated system to boost sales of storage batteries and handle processes from design and construction to O&M

Further accelerate and stabilize storage batteries business with renewable energy aggregation business in view



Sales of industrial-use storage batteries have also started and sales of the batteries are steadily increasing.

Storage battery sales (cumulative)





In addition to conventional sales activities through sales agents,
we will expand sales channels to further increase sales volume.



- The start of tests to verify a way of implementing an AI control function in conventional “remixbattery” to enable advanced analysis and optimum charging/discharging control
- “Remixbattery” is expected to come with the new function as an option. By leveraging acquired data and experience, the Company plans to pursue products and services that enable even greater energy-saving effects.



Remixpoint has concluded an agreement with Growatt, a global power conditioner manufacturer, on primary sales agent and begun sales of high-quality, high-performance power storage systems for industrial use in July 2024.



Strengthen a lineup of compact and medium-sized industrial-use storage batteries to **further expand the revenue scale**



Supporting renewable energy and energy saving for companies through subsidy application support by capitalizing on our accumulated knowledge and know-how

■ Projects receiving subsidies

No. of awarded subsidies: **726** projects (from FY2013 supplementary budget to present)

Note: Projects receiving subsidies in FY2024 No. of awarded subsidies: 21 projects
(Results as of June 30, 2024)

■ Main subsidies awarded

- METI: Projects for Promoting and Supporting Energy-Saving Investment
- METI: Subsidy for Project Costs to Introduce Emergency Bulk Oil and Gas
- Min. of the Environment: Projects for Supporting CO2-Reduction Refurbishment of Private Buildings, etc.
- Min. of the Environment: Projects for Promoting Progressive Decarbonization Efforts at Factories and Workplaces
- Min. of the Environment: Resilience-Enhancing ZEB Demonstration Project
- Min. of the Environment: Projects for Promoting Price Reductions of Solar Power Generation Equipment, etc., to Achieve Storage Parity
- Min. of the Environment: Projects for Utilizing New Installation Locations for Solar Power Generation in the Regions (Farmland Operations)
- Min. of the Environment: Projects for Promoting Fluorocarbon-Free and Decarbonization of Freezers and Refrigerators Supporting the Cold Chain
- MIC : Distributed Energy Infrastructure Projects and the like

■ Registrations etc.

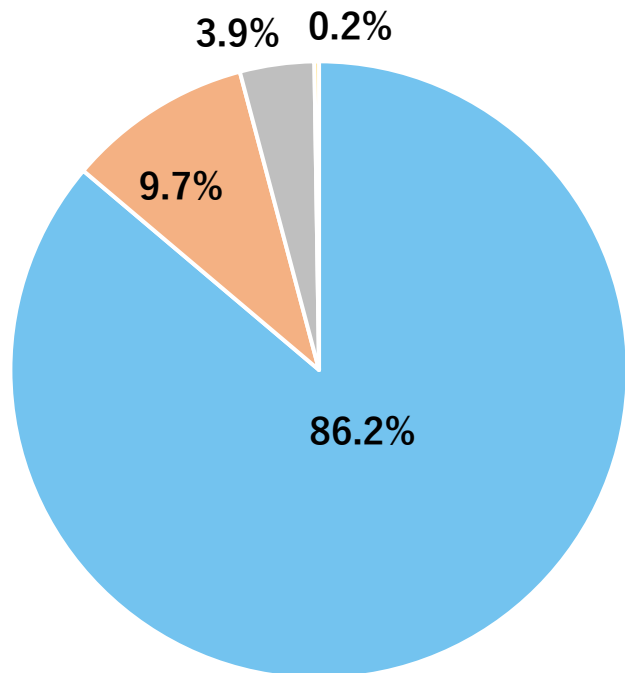
- Energy management business operator (Registered under the supplemental budget in FY2023)
- ZEB Planner (ZEB30P-00019-C)
- Support organization for SHIFT business





We support management in the fields of medical care and welfare in various ways such as web production and facility management.

Composition of sales



- Web marketing business for medical institutions
- Welfare-related business
- Medical consulting business
- Others

Web marketing business for medical institutions

- Web marketing support designed for sales support of medical institutions

Medical consulting business

- Management consulting specialized for dental and medical clinics
- Management support mainly for marketing and media dissemination related to regenerative medicine

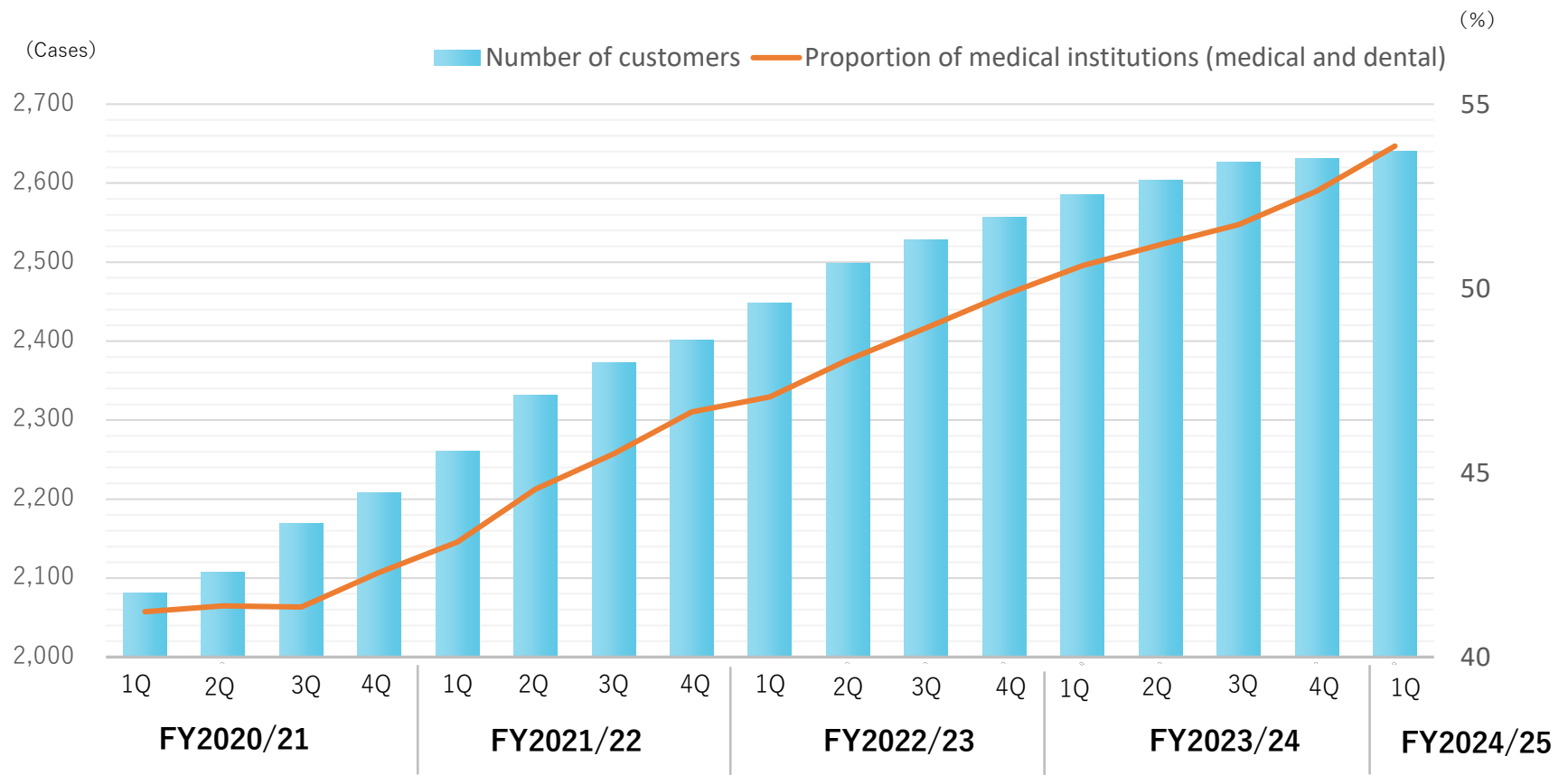
Welfare-related business

- Operate three after-school and other day care service facilities in the Kyushu area.
- Operate Support for Continuous Employment (Type B) service facility “panafu” and the agriculture/welfare café “mugikurabe” attached to the facility
- Operate the home-visit nursing care facility “Care Plan Setagaya”
- Operate two chiropractic clinics “Dr. Kairo Nagasawa”



Through web production, advertising operations, and the introduction of marketing software, we support sales activities in the dental and medical clinics. The number of customers has increased steadily, mainly in the dental clinics.

Customer numbers





Company overview

Trade name	Remixpoint, inc.
Head office	Sumitomo Shin Toranomom Building, 4-3-9 Toranomom, Minato-ku, Tokyo, Japan
Established	March 2004
Equity capital	20 million yen (as of June 30, 2024, including legal capital surplus)
Subsidiary	Epsilon Holdings, Co., LTD. · Seal Engineering, Inc · ZERO MEDICAL、INC
Fiscal year end	March
Special Advisor	Masaharu Hino (former Commissioner of the Financial Services Agency)
Board Members	Yoshihiko Takahashi, President, CEO and Representative Director Masato Akita, Director and General Manager, Resilience Division Fumimoto Takizawa, Director who is an Audit and Supervisory Committee Member Yoichi Yamada, Director who is an Audit and Supervisory Committee Member (Outside) Kenji Eda, Director who is an Audit and Supervisory Committee Member (Outside) Koji Takagi, Director who is an Audit and Supervisory Committee Member (Outside)

Businesses

- Energy business
- Resilience business
- Medical business
- Other businesses

Member organization, licenses and permits, etc

- Member organization
 - Japan Electric Power Exchange (JEPX) Trading Member
- Licenses and permits, etc.
 - Electricity retailer: Registration No. A0090
 - Specified-Scale Electricity Utility (Power producer and supplier (PPS)): Registration No. 128
 - Energy management business Registered under the supplemental budget in FY2023
 - ZEB Planner: Registration No. ZEB30P-00019-C
 - Support organization for SHIFT business

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